

## Impact Of Micro And Small Entrepreneurs On Employment Generation In Kanyakumari District

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### ABSTRACT

Micro and small enterprises play a crucial role in generating employment opportunities and promoting economic development at the regional level. In developing economies like India, these enterprises contribute significantly to job creation, income generation, and poverty reduction. The presence of micro and small entrepreneurs encourages self-employment and provides livelihood opportunities to local communities. They also help in reducing unemployment by creating direct and indirect employment in various sectors such as manufacturing, services, and trade.

In districts like Kanyakumari, the growth of micro and small enterprises has supported economic diversification and improved the standard of living of people. Entrepreneurs not only generate employment for themselves but also create job opportunities for others by expanding their business activities. Their contribution is particularly important in rural and semi-urban areas where large industries are limited. The main objective of the study is to examine the impact of micro and small entrepreneurs on employment generation in Kanyakumari district. The study is based on both primary and secondary data. Primary data were collected from 75 entrepreneurs using a structured questionnaire through convenient sampling method. The collected data were analyzed using statistical tools such as Percentage analysis and Chi-square test.

**KEYWORDS:** Micro Enterprises, Small Entrepreneurs, Employment Generation and Economic Development

### 1. INTRODUCTION

Entrepreneurship plays a vital role in the economic development of a country by generating employment opportunities and improving income levels. Micro and small enterprises are considered the backbone of the Indian economy as they contribute significantly to industrial production, exports, and employment generation. These enterprises promote innovation, encourage self-employment, and support balanced regional development.

In India, micro and small entrepreneurs are increasingly recognized as key drivers of employment generation, particularly in rural and semi-urban areas. They create job opportunities for skilled and unskilled workers and help in reducing migration to urban centers. By utilizing local resources and skills, entrepreneurs contribute to the growth of the local economy and enhance the living standards of people.

Kanyakumari district has witnessed considerable growth in micro and small enterprises in recent years. Entrepreneurs in sectors such as manufacturing, trade, and services have been instrumental in creating employment opportunities. These enterprises not only provide direct employment but also support indirect employment through supply chains and service activities. Therefore, studying the impact of micro and small entrepreneurs on employment generation is important to understand their contribution to the local economy.

### OBJECTIVE

The important objective of the study is to analyze the impact of micro and small entrepreneurs on employment generation in Kanyakumari district.

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## METHODOLOGY

### Sources of data

The study is based on both primary and secondary data. The primary data is collected through a well-structured interview schedule and the secondary data have been mainly collected from the books, journals, magazines, and also from the internet

## SAMPLING DESIGN

To analyze the impact of micro and small entrepreneurs on employment generation in Kanyakumari district, 75 entrepreneurs were selected as samples using convenient sampling method.

## STATISTICAL TOOLS USED

The collected data were analyzed with the help of various statistical measures such as *Percentage, Garrett ranking and Chi-square test.*

## ANALYSIS OF DATA

The data collected are analyzed using suitable statistical tools and presented in the below tables:

### Age of the Entrepreneurs

The researcher made an attempt to know the age distribution of the sample entrepreneurs in order to understand the demographic profile of the respondents and the details are given in the following table.

Table: 1

SI. No.	Age	No. of respondents	Percentage
1	Up to 30	15	20
2	31 – 40	32	42.7
3	41 – 50	18	24
4	Above 50	10	13.3
	Total	75	100

Source: Primary data

It is inferred from the above table that out of 75 sample Entrepreneurs 15(20 percent) of them belongs to the age group of up to 30 years, 32(42.7 percent) of the Entrepreneurs belongs to the age group of 31 – 40 years, 18(24 percent) of them belongs to the age group of 41–50 years and the remaining 10(13.3 percent) of them belongs to the age group of above 50 years.

### Gender of the Entrepreneurs

Gender is an important demographic factor that may influence entrepreneurial activities. Hence, the gender classification of the sample entrepreneurs is analyzed and presented in the following table.

Table: 2

Sl. No.	Gender	No. of Respondents	Percentage
1.	Male	48	64
2.	Female	27	36
	Total	75	100

Source: Primary data

From the above table it is revealed that 48(64 percent) of the respondents are male and the remaining 27(36

percent) of them are female.

**Marital Status of the Entrepreneurs**

Marital status is an important demographic factor that may influence the responsibilities and decision-making ability of entrepreneurs. Hence, the researcher analyzed the marital status of the sample entrepreneurs and the details are depicted in the following table.

Table:3

**Marital status of the Entrepreneurs**

Sl. No.	Marital Status	No. of Respondents	Percentage
1.	Married	64	85.3
2.	Unmarried	11	14.7
	Total	75	100

Source: Primary data

The above table infers that 64(85.3 percent) of the sample Entrepreneurs are married and the remaining 11(14.7 percent) of them are unmarried.

**Educational qualification of the Entrepreneurs**

Educational qualification plays a significant role in shaping entrepreneurial skills and decision-making ability. Therefore, the educational qualification of the entrepreneurs is analyzed and illustrated in the following table.

Table: 4

**Educational qualification of the Entrepreneurs**

Sl. No.	Educational qualification	No. of respondents	Percentage
1	School Level	18	24
2	Undergraduate	37	49.3
3	Postgraduate	14	18.7
4	Others	06	08
	Total	75	100

Source: Primary data

The above table shows that 18(24 percent) of the sample Entrepreneurs are educated up to school level, 37(49.3 percent) of them are under graduates, 14(18.7 percent) of them are post graduates and the remaining 06(08 percent) of them are having other qualifications such as diploma, professional degrees etc.

**Type of Enterprise**

Employment generation is a key contribution of micro and small enterprises. Hence, the number of employees working in the enterprises of the respondents is analyzed and presented in the following table.

Table: 5

**Type of Enterprise**

Sl. No.	Enterprise type	No. of respondents	Percentage
1	Manufacturing	21	28
2	Service	34	45.3
3	Trade	20	26.7
	Total	75	100

Source: Primary data

The above table shows that 21 (28 percent) of the sample entrepreneurs are engaged in manufacturing

activities, 34 (45.3 percent) of them are involved in service-related enterprises and the remaining 20 (26.7 percent) of them are engaged in trading related enterprises.

**Number of Employees in the Enterprise**

Employment generation is a key contribution of micro and small enterprises. Hence, the number of employees working in the enterprises of the respondents is analyzed and given in the following table.

Table: 6

**Number of Employees in the Enterprise**

Sl. No.	Number of Employees	No. of respondents	Percentage
1	1 – 5	38	50.7
2	6 – 10	22	29.3
3	11 – 20	10	13.3
4	Above 20	5	6.7
	Total	75	100

Source: Primary data

It is revealed from the above table that 38(50.7 percent) of the entrepreneurs said that 1-5 employees are working in their enterprise, 22(29.3 percent) of them said that 6 – 10 workers, 10(13.3 percent) of the entrepreneurs said that 11 – 20 workers and the remaining 5(6.7 percent) of them said that above 20 employees are working in their enterprise.

**Level of Employment Generation**

To understand the contribution of entrepreneurs towards employment creation, the level of employment generation by the enterprises is analyzed and the details are depicted in the following table.

Table: 7

**Level of Employment Generation**

Sl. No.	Opinion	No. of respondents	Percentage
1	High	26	34.7
2	Medium	39	52
3	Low	10	13.3
	Total	75	100

Source: Primary data

The above table infers that out of the total 75 26 (34.7 percent) of the respondents have expressed a high level of employment generation, 39 (52 percent) of them have expressed a medium level of employment generation, and the remaining 10 (13.3 percent) of the entrepreneurs have expressed a low level of employment generation through their enterprises in the study area.

**Factors help to generate employment**

The researcher also attempted to identify the important factors influencing employment generation among micro and small entrepreneurs using the Garrett Ranking technique and the results are presented in the following table.

Table: 8

**Factors help to generate employment**

Sl. No.	Factors	Mean Score	Rank
1	Access to Finance	51.95	III
2	Government Support	44.28	V
3	Market Demand	57.67	I

4	Availability of Skilled Labour	47.52	IV
5	Technology and Infrastructure	54.69	II

Source: Computed data

The above table reveals that among the factors helping to generate employment, Market Demand has secured the first rank with the highest mean score of 57.67, indicating that demand for products and services plays the most significant role in employment generation among micro and small entrepreneurs. Technology and Infrastructure obtained the second rank with a mean score of 54.69 and Access to Finance holds the third rank with a mean score of 51.95 in factors that enable entrepreneurs to expand their businesses and generate employment in the study area.

**Association between Personal Factors and Employment Generation**

An analysis was made to know the association between the personal factors of the entrepreneurs and employment generation by adapting the following null Hypothesis.

Null Hypothesis

$H_0$  There is no significant association between the personal factors of the entrepreneurs and the level of employment generation in the study area.

**Age and Employment Generation**

The researcher attempted to examine whether there is any association between the age of the entrepreneurs and employment generation by applying the Chi-square test and the results are given in the following table.

Table: 9

Chi-square value	Degrees of freedom	Table value	Inference
10.84	6	12.59	Insignificant

Source: Computed Value

From the above analysis, it is seen that the calculated value (10.84) of Chi-square is less than the table value (12.59) and hence the null hypothesis is accepted. Therefore, it is inferred that there is no significant association between age of the entrepreneurs and the level of employment generation in the study area.

**Gender and Employment Generation**

The association between the gender of the respondents and employment generation is analyzed using chi-square test and presented in the below table.

Table: 10

Chi-square value	Degrees of freedom	Table value	Inference
7.86	2	5.99	Significant

Source: Computed Value

It is clear from the above analysis the calculated value (7.86) of Chi-square is greater than the table value (5.99), and hence the null hypothesis is rejected. Hence it is revealed that there is a significant association between the gender of the entrepreneurs and the level of employment generation in the study area.

**Educational qualification and Employment Generation**

Further, the researcher analyzed the association between the educational qualification of the entrepreneurs and the level of employment generation using the Chi-square test and the results are illustrated in the following table.

Table: 11

**Educational qualification and Employment Generation**

Chi-square value	Degrees of freedom	Table value	Inference
13.02	6	12.59	Significant

Source: Computed Value

From the above analysis, it is seen that the calculated value (13.02) of Chi-square is greater than the table value (12.59) and hence the null hypothesis is rejected. Therefore, it is inferred that there is a significant association between the educational qualification of the entrepreneurs and the level of employment generation in the study area.

**FINDINGS OF THE STUDY**

The major findings of the study are:

The researcher found out that 32 (42.7 percent) of the entrepreneurs belong to the age group of 31–40 years. From the total 75 respondents, 48 (64 percent) of them are male and the remaining 27 (36 percent) are female entrepreneurs.

Majority 64 (85.3 percent) of the sample entrepreneurs are married, while 11 (14.7 percent) are unmarried.

It is found that 37 (49.3 percent) of the sample entrepreneurs are undergraduates, followed by 18 (24 percent) educated up to school level.

Regarding the type of enterprise, 34 (45.3 percent) of the entrepreneurs are engaged in service-related enterprises, 21 (28 percent) in manufacturing, and 20 (26.7 percent) in trading activities.

It is observed that 38 (50.7 percent) of the entrepreneurs employ 1–5 workers in their enterprises.

The study reveals that 39 (52 percent) of the entrepreneurs reported a medium level of employment generation, while 26 (34.7 percent) reported a high level.

Garrett ranking analysis shows that Market Demand secured the first rank with the highest mean score of 57.67, followed by Technology and Infrastructure with a mean score of 54.69 and Access to Finance with a mean score of 51.95.

The Chi-square analysis indicates that there is no significant association between the age of the entrepreneurs and employment generation.

It is also found that there is a significant association between the gender and educational qualification of the entrepreneurs and employment generation among entrepreneurs in the study area.

**CONCLUSION**

In conclusion, micro and small entrepreneurs play a significant role in generating employment opportunities and contributing to the economic development of Kanyakumari district. The study reveals that most of the entrepreneurs belong to the middle-age group and are mainly engaged in service-oriented enterprises, which provide employment opportunities to a considerable number of workers. The findings indicate that market demand, technology and infrastructure, and access to finance are the major factors influencing employment generation among entrepreneurs. The statistical analysis also shows that certain personal factors such as educational qualification and gender have a significant association with employment generation. Based on the findings, it is suggested that government and financial institutions should provide easier access to credit facilities, skill development training, and infrastructure support to entrepreneurs. Furthermore, promoting entrepreneurial education, providing market support, and strengthening government schemes will help micro and small enterprises expand their activities and generate more employment opportunities in the study area.

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