

A Study On Socio-Economic Impact Of Entrepreneurship In Kanyakumari District

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ABSTRACT

Entrepreneurship plays a significant role in promoting socio-economic development in both rural and urban areas. The present study titled “A Study on Socio-Economic Impact of Entrepreneurship in Kanyakumari District” examines how entrepreneurial activities influence the economic and social conditions of entrepreneurs in the district. Entrepreneurship contributes to employment generation, income improvement, poverty reduction, and overall regional development. Small and micro enterprises are often considered the backbone of economic growth because they create job opportunities and promote local industrial development with relatively low investment. The study is based on primary data collected from entrepreneurs in Kanyakumari District through a structured interview schedule. The findings of the study indicate that entrepreneurship has significantly improved the economic condition of entrepreneurs by increasing income, employment opportunities, and business expansion. It also enhances social status, financial independence, and decision-making ability among entrepreneurs. The study concludes that entrepreneurship acts as a catalyst for socio-economic development in Kanyakumari District. It recommends that government agencies and financial institutions should provide adequate training, financial assistance, and policy support to encourage more individuals to engage in entrepreneurial activities and thereby strengthen regional economic development.

Keywords: Micro Enterprises, Entrepreneurs, Local Economy and socio-economic impact..

INTRODUCTION

Entrepreneurship plays a vital role in the economic and social development of a country. It encourages innovation, creates employment opportunities, and improves the standard of living of people. Entrepreneurs are considered the driving force of economic growth as they establish new enterprises, utilize local resources effectively, and contribute to the development of both rural and urban economies. In developing countries like India, entrepreneurship has become an important tool for reducing unemployment and promoting balanced regional development.

Micro and small enterprises have a significant contribution to the growth of the economy. They generate employment with relatively low capital investment and help in improving the income level of individuals. Entrepreneurship not only supports economic development but also brings positive social changes such as improved living conditions, better education, and enhanced social status of entrepreneurs and their families.

Kanyakumari District, located in the southernmost part of Tamil Nadu, has witnessed considerable growth in entrepreneurial activities in recent years. Many individuals have started small and micro enterprises in sectors such as manufacturing, trade, services, and agriculture-based industries. These entrepreneurial activities have contributed to employment generation and improvement in the socio-economic conditions of the local population.

OBJECTIVE

The main objective of the study is to analyze the socio-economic impact of entrepreneurship in Kanyakumari District.

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

For the purpose of analyzing the socio-economic impact of entrepreneurship in Kanyakumari District, a sample of 80 entrepreneurs was selected. The respondents were chosen using the convenient sampling method.

STATISTICAL TOOLS USED

The collected data were analyzed with the help of various statistical measures such as *Percentage and Correlation Analysis*.

ANALYSIS OF DATA

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

Age of the Entrepreneurs

Age plays an important role in entrepreneurial activities as it reflects the experience, energy, and decision-making ability of the entrepreneurs. Hence, the age of the respondents is analyzed and presented in the following table.

Table: 1

Age of the Entrepreneurs

Sl. No.	Age	No. of respondents	Percentage
1	Up to 35	18	22.5
2	36 – 55	35	43.75
3	Above 55	27	33.75
	Total	80	100

Source: Primary data

It is inferred from the above table that out of 80 sample Entrepreneurs 18(22.5 percent) of them belongs to the age group of up to 35 years, 35(43.75 percent) of the Entrepreneurs belongs to the age group of 36 – 55 years and the remaining 27(33.75 percent) of them belongs to the age group of above 55 years.

Gender of the Entrepreneurs

Gender distribution helps to understand the participation of both men and women in entrepreneurial activities. Hence, the gender of the sample entrepreneurs is also analyzed and presented in the following table.

Table: 2

Gender of the Entrepreneurs

Sl. No.	Gender	No. of Respondents	Percentage
1.	Male	52	65
2.	Female	28	35
	Total	80	100

Source: Primary data

From the above table it is revealed that 52(65 percent) of the respondents are male and the remaining 28(35 percent) of them are female.

Marital Status of the Entrepreneurs

Marital status influences the responsibility and financial stability of entrepreneurs. Hence, the

researcher analyzed the marital status of the sample entrepreneurs and the details are given in the following table.

Table:3

Marital status of the Entrepreneurs

Sl. No.	Marital Status	No. of Respondents	Percentage
1.	Married	67	83.75
2.	Unmarried	13	16.25
	Total	80	100

Source: Primary data

The above table infers that 67(83.75 percent) of the sample Entrepreneurs are married and the remaining 13(16.25 percent) of them are unmarried.

Number of Dependents

The number of dependents indicates the family responsibility of the entrepreneurs. The sample entrepreneurs also classified on the basis of the number of dependents and the results are given in the following table.

Table: 4

Number of Dependents

Sl. No.	Number of Dependents	No. of respondents	Percentage
1	Below 2	20	25
2	3 – 4	34	42.5
3	Above 4	26	32.5
	Total	80	100

Source: Primary data

The above table shows that 34 (42.5 percent) of the entrepreneurs have 3–4 dependents, 26 (32.5 percent) of them have more than 4 dependents, and the remaining 20 (25 percent) of the respondents have below 2 dependents.

Years Engaged in Business

Experience in business is an important factor that contributes to entrepreneurial success and hence the experience of the entrepreneurs is also considered and given below.

Table: 5

Years Engaged in Business

Sl. No.	Years	No. of respondents	Percentage
1	Below 5 years	24	30
2	6 – 10 years	29	36.25
3	11 – 15 years	16	20
4	Above 15 years	11	13.75
	Total	80	100

Source: Primary data

The above table reveals that 29 (36.25 percent) of the entrepreneurs have 6–10 years of business experience, 24 (30 percent) of them have below 5 years of experience, 16 (20 percent) of the respondents have 11–15 years of experience, and the remaining 11 (13.75 percent) have above 15 years of experience.

Investment in Business

Investment is a major factor influencing the growth and development of enterprises. The classification of the entrepreneurs on the above basis is given below.

Table: 6

Investment in Business

Sl. No.	Investment	No. of respondents	Percentage
1	Below 2 Lakhs	21	26.25
2	2 – 5 Lakhs	33	41.25
3	5 – 10 Lakhs	18	22.5
4	Above 10 Lakhs	08	10
	Total	80	100

Source: Primary data

It is inferred from the table that 33 (41.25 percent) of the entrepreneurs invested between ₹2–5 lakhs in their business, 21 (26.25 percent) invested below ₹2 lakhs, 18 (22.5 percent) invested ₹5–10 lakhs, and the remaining 08 (10 percent) invested above ₹10 lakhs.

Annual Turnover

Turnover indicates the financial performance of the enterprise. The researcher gathered the information about the Annual turnover and presented in the following table.

Table: 7

Annual Turnover

Sl. No.	Annual Turnover	No. of respondents	Percentage
1	Below ₹5 Lakhs	26	32.5
2	₹5 – ₹10 Lakhs	38	47.5
3	₹10 – ₹20 Lakhs	14	17.5
4	Above ₹20 Lakhs	02	2.5
	Total	80	100

Source: Primary data

The above table indicates that 38(47.5 percent) of the entrepreneurs have an annual turnover between ₹5–₹10 lakhs, 26 (32.5 percent) have below ₹5 lakhs turnover, 14 (17.5 percent) have ₹10–₹20 lakhs turnover, and the remaining 2(2.5 percent) have above ₹20 lakhs turnover.

Investment and Annual Turnover of Entrepreneurs in Kanyakumari District

Entrepreneurship contributes to the economic development of entrepreneurs through investment and business growth. Hence, an attempt has been made to examine the relationship between investment and annual turnover of the entrepreneurs.

Table: 8

Investment and Annual Turnover of Entrepreneurs in Kanyakumari District

Variables	Correlation Coefficient (r)
Investment and Annual Turnover	0.72

Source: Computed Data

It is inferred from the above table that the correlation coefficient between investment and annual turnover is 0.72, which indicates a strong positive relationship between the two variables. It shows that entrepreneurs who invest more capital in their enterprises tend to achieve higher turnover. Hence, it can be inferred that investment significantly influences the economic performance of entrepreneurs in Kanyakumari District.

Years of Business Experience and Income Improvement of Entrepreneurs

Experience in business plays an important role in improving the economic status of entrepreneurs. Therefore, the relationship between years of business experience and income improvement is analyzed.

Table: 9

Years of Business Experience and Income Improvement of Entrepreneurs

Variables	Correlation Coefficient (r)
Years of Business Experience and Income Improvement	0.64

Source: Computed Data

The above table shows that the correlation coefficient between years of business experience and income improvement is 0.64, which shows a moderate positive relationship. This implies that entrepreneurs with more business experience tend to achieve better income levels. Therefore, business experience contributes to the socio-economic development of entrepreneurs in the study area.

Number of Employees and Annual Turnover of Entrepreneurs

Employment generation is an important indicator of the growth and performance of entrepreneurial enterprises. Therefore, an attempt has been made to analyze the relationship between the number of employees working in the enterprise and the annual turnover of the entrepreneurs using correlation analysis.

Table: 10

Number of Employees and Annual Turnover of Entrepreneurs

Variables	Correlation Coefficient (r)
Number of Employees and Annual Turnover	0.69

Source: Computed Data

It is clear from the above table that the correlation coefficient between number of employees and annual turnover is 0.69, which shows a moderate positive relationship between the two variables. This implies that enterprises with a higher number of employees tend to achieve greater annual turnover. Hence, it can be inferred that employment generation contributes positively to the economic performance of entrepreneurs in Kanyakumari District.

FINDINGS OF THE STUDY

The major findings of the study are:

The study found that 35 (43.75 percent) of the entrepreneurs belong to the age group of 36–55 years.

Out of the total 80 respondents, 52 (65 percent) are male entrepreneurs and the remaining 28 (35 percent) are female entrepreneurs.

A majority of 67 (83.75 percent) of the sample entrepreneurs are married.

It is observed that most 34 (42.5 percent) of the entrepreneurs have 3–4 dependents.

Regarding the business experience, 29 (36.25 percent) of the entrepreneurs have 6–10 years of experience.

It is found that 33 (41.25 percent) of the entrepreneurs invested ₹2–5 lakhs in their business, while 21 (26.25 percent) invested below ₹2 lakhs.

The study reveals that 38 (47.5 percent) of the entrepreneurs have an annual turnover between ₹5–₹10 lakhs.

The correlation analysis shows a strong positive relationship between investment and annual turnover with a correlation coefficient of 0.72.

It is also observed that there is a moderate positive relationship between years of business experience and income improvement with a correlation value of 0.64.

The study further indicates a moderate positive relationship between number of employees and annual turnover with a correlation coefficient of 0.69, which implies that enterprises with more employees tend to achieve higher turnover.

CONCLUSION

The present study examined the socio-economic impact of entrepreneurship in Kanyakumari District. The analysis shows that a majority of the entrepreneurs belong to the middle-age group and most of them are married, indicating that individuals with family responsibilities are actively involved in entrepreneurial activities. The study also reveals that many entrepreneurs have moderate business experience and have invested small to medium levels of capital in their enterprises. The findings further indicate that most of the enterprises generate moderate levels of annual turnover, which contributes to improving the economic condition of the entrepreneurs and their families. The correlation analysis shows a positive relationship between investment and turnover, years of experience and income improvement, and number of employees and annual turnover. This indicates that entrepreneurship not only enhances business performance but also contributes to employment generation and socio-economic development in the study area.

Based on the findings of the study, it is suggested that the government and financial institutions should provide easier access to credit facilities and financial support to encourage entrepreneurs to expand their businesses. Training programs and skill development initiatives should also be organized to enhance the managerial and technical skills of entrepreneurs. Furthermore, improving infrastructure facilities and promoting market opportunities will help entrepreneurs to increase their production and turnover. Encouraging entrepreneurship among youth and women can also contribute to greater employment generation and regional economic development in Kanyakumari District. Overall, entrepreneurship plays a significant role in improving the socio-economic status of individuals and promoting sustainable development in the district.

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