

OPEN ACCESS

Volume: 7

Issue: 4

Month: October

Year: 2019

P-ISSN: 2320-4168

E-ISSN: 2582-0729

Received: 01.06.2019

Accepted: 16.08.2019

Published: 01.10.2019

Citation:

Abhilashnath, V., and Abdul Shareef. "Role of Kudumbashree in Ensuring the Financial Empowerment of Women through Entrepreneurship in Malappuram District." *Shanlax International Journal of Commerce*, vol. 7, no. 4, 2019, pp. 48–54.

DOI:

<https://doi.org/10.34293/commerce.v7i4.538>



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# Role of Kudumbashree in Ensuring the Financial Empowerment of Women through Entrepreneurship in Malappuram District

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## Abstract

*This study dedicated to understanding the role of Kudumbashree in ensuring the financial empowerment of women through entrepreneurship by discussing the socio-economic conditions of the women. Economic status, their involvement in entrepreneurship activity. In addition, this study tries to figure out the Challenges faced by women to achieve their financial goals. This study follows Descriptive Research Design to explain Present Scenario. Observed from primary data collected from 71 samples through Google form with the help of Social Media. Collected samples analyzed using Statistical Package for Social Science (SPSS) to examine the various statistical application to describe the situation. The study will wet the policy makers, Government, various Institution to frame a holistic entrepreneurship development policy for Kudumbashree Women in Kerala. It raises awareness about opportunities for financial growth which encouraging the women to overcome the poverty trap and unemployment challenges.*

**Keywords: Kudumbashree, Financial Empowerment, Women, Entrepreneurship**

## Introduction

To eradicate poverty form the world, Prof. Muhammad Yunus proposed Microfinance credit system and started giving loans to the women's through the Grameen Bank in Bangladesh and it became successful. In this credit system money were credited to the organized women group and it brought to light in their life. This successful model adopted by many developing countries to empower women. In India Ministry of Rural Development took the initiative to promote this credit system among the women.

According to Harbison, "an entrepreneur is not an 'Innovator' but an 'Organization Developer' or one who has the skill to make an organization and who can be able to strap up the new thoughts of different innovators to the best of the organization. Entrepreneurship encouragement and development have been recognized as one of the key mechanism of the Nation's economic development strategy." (Harbison, 2013) The entrepreneurial foundation has been considered as an important input in the process of this economic development.

## Kudumbasree

Kudumbasree is operating under the leadership of Local Self Government in Kerala. It is the State Poverty Eradication Mission of the Government of Kerala established for the eradication of absolute poverty with the help of NABARD.

In 2012 Kudumbashree was recognized as National Resource Organization (NRO) by the Ministry of Rural Development, Government of India, under NRLM. The literal meaning of the word Kudumbasree is “prosperity of the family” in Malayalam. Kudumbasree follows a three-tier system and engaged in Strengthening Panchayth Raj Institution. according to 2017 data Kudumbasree has 277175 affiliated neighborhood groups (NHG) working at the grass root level and 19854 Area Development Societies (ADS) at Middles and 1073 Community Development Societies (CDS) at the local government level. In all these organized unit 43,10,265 women are actively participating (“www.kudumbashree.org,” 2019) To establish the micro enterprises the Kudumbasree gives Hand Holding, Marketing, Training, and Partial Financial Support. The organization primarily focuses on local market demanded economic development.

### **Definition of Entrepreneur**

“Entrepreneur’ is a French word derived from the word ‘Entreprendre’ means to do or undertake, or ‘Go-Between’ if the word entrepreneur split into ‘entre’ & ‘Prenuer’ and first this word appeared in literature in 1253. Tylor defined entrepreneur “as An entrepreneur is an actor who innovates by recognizing opportunities; he or she makes moderately risky decisions that lead into actions requiring the efficient use of resources and contributing an added value” (Elagar, 2011).

### **Empowerment**

Enabling an environment where an individual can use their capabilities for the betterment of life. Empowerment gives an individual to overcome the difficulties and providing opportunities to own ideas. Women empowerment refers to leveraging the opportunities of women to accomplish their capabilities to can be and do. It gives women to challenge their problems and help them to develop a greater positive self-image, accessibility to the resource and Knowledge. The women empowerment assures a better standard of living.

### **Major Initiatives under Kudumbasree Micro Enterprises Development Mission**

#### **Swanthwavanam**

Swanthwavanam is collaborative imitative of Kudumbasree with State Bank and Health action People (HAP) of India this program implemented to help the people having Lifestyle diseases. The periodic checkups and basic health services are difficult for poor people and lifestyle diseases to become common. To address this issues Kudumbasree gave training to the selected women who have the higher secondary qualification and provided with materials to execute the basic medical checkups like Blood Sugar, cholesterol, Body Mass Index, Cancer Detection, Blood Pressure. (Kudumbasree, 2019)

#### **Amrutham Food Supplement**

This project implemented to give nutritious food to the Child Development Centers (Agandwadis) across Kerala.

#### **Cafe Kudumbasree**

Café Kudumbasree is the restaurant network run by women entrepreneurs which offer multi-cuisine food across the state majorly available near to the Hospitals and Government Institution.

#### **Kudumbasree Travels**

Kudumbasree travels is a call taxi network established in Trivandrum to ensure the safe commutation of women even in odd timing.

#### **SVEP (The start-up Village Entrepreneurship Programme)**

It is a sub-component of National Rural Livelihood Mission. Micro Enterprise Consultant (MEC) has been helping to design projects and Kudumbashree NGOs have a crucial role in this project. It helps the rural people to come out with their business skills, exposure, loans for starting and business supports are given for the first critical six months.

#### **Kudumbashree Accounts & Audit Service Society (KAASS)**

It Provides Technical support to the mother organization in Accounting and Auditing.

## Methodology

The study based on primary and secondary data. Primary data collected by using Google form through various social media. The primary data collected from the district Malappuram District. The theoretical framework for the study is collected through secondary data which is based on Entrepreneurship, women empowerment and Self Help Group collected through various journals, Publication. To understand the relationship of variable which helps the financial empowerment of women various analysis like percentage analysis, Regression, Correlation, Chi-square test executed to justify the objectives.

## Objectives

- To understand the Socio-economic conditions of the Kudumbashree women entrepreneurs
- To map the contribution of Age, Social and Financial institutional support in favour of entrepreneurship development
- To identify the changes in the economic status of the Kudumbashree women entrepreneurs

## Statement of the Problem

A nation's development can be identified by the development of women. Women are facing serious challenges regarding the whole aspects of human development. The core problem of women is the high number of responsibilities and less opportunity in decision making in every situation. This problem can be overwhelmed by engaging them in income generation activity.

## Need for the Study

The women face many challenges to operating Enterprises. Hence grass root level planning needs to resolve the challenges of the women entrepreneurs. There is a need to change the socio-economic and psychological aspects of micro-entrepreneurs. This study will illustrate the present condition of entrepreneurs and the role of financial empowerment of women through the organized activity of Kudumbashree.

## Limitation of the Study

The study had conducted through social media platforms like Google form, Facebook and Whatsapp, within a short span of time and sample

size expected was 100 and were able to collect 71 due to the constrain of the time limit. The lack of awareness among the respondent to use Google form was the other major challenge.

## Review of Literature

A study on the micro enterprises promoted by Kudumbasree and their Marketing strategies In Malappuram District illustrated the situation of microenterprises and their marketing strategies. Kudumbasree lacks the proper guidance Hygienic disposal of waste. Proper training is one of the key aspects of the success of enterprises by women. Women entrepreneurs should get the benefit of ICT to develop enterprises and technological marketing (Irshad & Juman, 2015).

Influence of Kudumbasree on women empowerment - a study role of Kudumbasree in women empowerment by using the components Personal skills, Decision Making Power, Self Confidence, Knowledge and Awareness. Identified that there is an urgent need to provide training support to the entrepreneurs to enhance their skills. Knowledge, Skills, acquisition of self-confidence, Awareness about the entrepreneurship can be a contributing factor for the women empowerment (Venugopalan, 2014).

Socio-economic changes and women empowerment through Kudumbashree mission Study of Makkam Municipality. Discussed that Kudumbasree can bring changes in the life of women through women empowerment. Participation in the Kudumbasree can bring economic development and better living standards. Majority of the participants in the study was in the age group of 45 to 64.74 percent of the women joining before Kudumbashree was unemployed. Kudumbashree provides an opportunity for Decision making and political participation (John, 2017).

## Data Analysis and Interpretation

The basic profile of the Kudumbashree women from the district Malappuram has been enumerated in this section. It ascertained the distribution of Age, Marital status, Family type and Religion of the Kudumbashree women.

**Socio economic Condition of the Respondent**

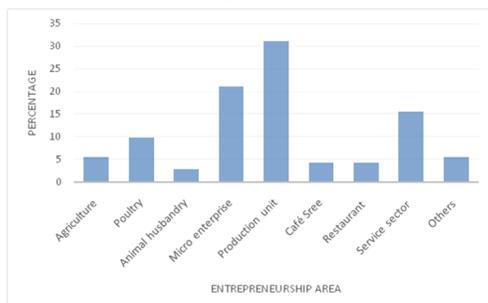
**Table 1 Basic Profile of the Respondent**

Particular	Category	Frequency	%
Age	Less than 30	16	22.5
	30 to 40 years	27	38
	More than 40	28	39.4
Marital Status	Married	62	87.3
	Unmarried	4	5.6
	Widowed	3	4.2
	Separated	2	2.8
Family Type	Joint family	28	39.4
	Nuclear family	43	60.6
Religion	Hindu	29	40.8
	Muslim	38	53.5
	Christian	4	5.6

Source: Primary Data

The above table 1 depicted that, majority of the women belonged to the age group 40 and above years comprising of 39.4 percentage. About 87.3 percent of women were found to be married. The nuclear type of family comprised of 60.6 percentage and 39.4 percentage accounted as a joint family. Majority of the women composed of 53.5 percentage Muslim community, 40.8 percent of women were from the Hindu community and 5.6 percentage belonged to the Christian community.

**Fig 1 Entrepreneurship Activity of the Respondent**



Source: Primary Data

Figure Number 1 comprised 31 percentage of women have production unit they are the majority among the entrepreneurs. 21.1 percent of women

depicted they engaged in Microenterprises and service sector comprised 15.5 percent of women in Kudumbashree. About 9.9 percent of women have found in Poultry. Animal husbandry found less percentage among them, it's comprised 2.8 percentage among the enterprises.

**Table 2 Income Source before Joining the Kudumbashree**

Particular	Frequency	%
No Income	8	11.3
MGNREG	3	4.2
Kitchen Gardening	3	4.2
Asset got during the Marriage	2	2.8
Husband Income	35	49.3
Coolie	2	2.8
Others	18	25.4

Table 2 comprised that sources of income of women before joining the Kudumbashree, 49.3 percent of the women are opinioned there source was husband income. 11.3 percent of the respondent were no income group. 4.2 percent of the respondent depended on the MGNREGS schemes. The respondents those who are depended on kitchen gardening were 4.2 percent. 2.8 percent of the respondent comprised they have depended the assets got during the marriage for their income. 2.8 respondent is opinioned that they have depended on coolie job for their income and 25.4 percent of the respondent is opinioned they have depended on other sources for their income.

**Table 3 Monthly Income after Starting Entrepreneurial Activity**

Income Level	Frequency	%
Below 5000	40	56.3
5000-10000	23	32.4
Above 15000	8	11.3
<b>Total</b>	<b>71</b>	<b>100.0</b>

The table 3 encompassed the majority, 54.9 percentage have a monthly income below 5000 after starting entrepreneurship activities. Only 11.3 percentage have monthly income more than 15000 percentage after stating entrepreneurship activities.

**Table 4 Distribution of Age Category According to the Financial Support from the Bank**

		Financial support from Bank					Total
		Very Good Support	Partial Support	Neutral	No Support	Extreme Disagree	
Less than 30	Count	4	2	5	4	1	16
	% within	25.0%	12.5%	31.3%	25.0%	6.3%	100.0%
30 to 40	Count	6	3	10	7	1	27
	% within	22.2%	11.1%	37.0%	25.9%	3.7%	100.0%
More than 40	Count	20	2	2	3	1	28
	% within	71.4%	7.1%	7.1%	10.7%	3.6%	100.0%

Table 4 showed in the age group 30 year and less than 31.3 percentage of women have neutral stand with financial support from the bank. In the category of the age group 30 to 40 years 37.0 percentage of women have opinioned neutral with compared to financial support from the bank and 71.4 percentage of the women have to get very good financial support

from the bank for their entrepreneurial activities the women are included in the age group of 40 years and more.

In order to test the association chi-square was calculated in this and the obtained Chi-Square Value -17.394 with degrees of freedom 8 at a significant level of 0.026

**Table 5 Marital Status and Social Support**

Marital Status		Social Support				
		Very Good Support	Partial Support	Neutral	No Support	Extreme Disagree
Married	Count	37	7	5	8	5
	% within Marital status	59.7%	11.3%	8.1%	12.9%	8.1%
Unmarried	Count	1	1	0	1	1
	% within Marital status	25.0%	25.0%	0.0%	25.0%	25.0%
Widowed	Count	1	2	0	0	0
	% within Marital status	33.3%	66.7%	0.0%	0.0%	0.0%
Separated	Count	0	0	0	2	0
	% within Marital status	0.0%	0.0%	0.0%	100.0%	0.0%

Source: Primary Data

Table 5 comprised that 59.7 percentage of married women has opinioned they are getting very good social support. In the category of the Unmarried women has opinioned that 25.0 percentage is getting very good, partial, no and extreme social support from society. In the category of the windows 66.7 percentage has partial support with social support. In the case of the separated women has opinioned 100 percentage no support with compared to social support.

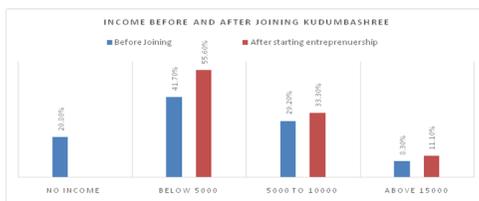
In order to test the association chi-square was calculated in this and the obtained **Chi-Square Value 21.754 in degrees of freedom 12 with the significance Level 0.040**

**Table 6 Financial support from Kudumbashree**

Type of Loan		Yes	No
Agriculture Activity	Count	55	16
	%	77.46%	22.54%
Education	Count	61	10
	%	85.91%	14.09%
Debt Clearance	Count	71	0
	%	100%	0%
Entrepreneurship	Count	35	36
	%	49.29%	51.71%
Asset Creation	Count	57	14
	%	80.28%	19.72%

Table 6 contained financial support from Kudumbashree, the table comprised 77.46 percent of women have been getting financial support for the agricultural activities. 85.91 percentage has opinioned they are getting support for education. 100 percentage opinioned debt clearance with the financial support of Kudumbashree. Majority, 51.71 percentage of women has opinioned there is no financial support for entrepreneurship whereas 49.29 percentage said getting support. For asset creation 80.28 percent are getting financial support.

**Figure Income before and after Joining Kudumbashree**



The figure comprised the Comparison of income before and after joining Kudumbashree, in this study 20.80 percentage of the respondent opinioned that they haven't any income before joining Kudumbashree. 41.70 percentage of the respondent and 55.60 percentage of respondent have income below 5000, before and after joined entrepreneurship respectively. In the case 5000 to 10000 income group 29.20 percentage and 33.30 percentage despondence are opinioned they have income in this category before and after joined entrepreneurship respectively. In the case of income category 15000 and above they are opinioned 8.30 percent had before joining and 11.10 percent has after joined in the entrepreneur activities.

### Findings

- The majority of the respondents are in the age group 40 and above, it constitutes 39.4% of the total respondents. 87.3 percent of the women are married.
- Among the respondents 60.6% belongs in the nuclear family.
- 53.5% of the respondents belongs to the Muslim community.
- 31% of respondents are engaged in the production sector with their entrepreneurship activities and 21.1% are doing micro enterprises activities.

Animal husbandry is the least percentage of activity which the respondents doing, which is 2.8%.

- Banks are more likely to show interest to give financial support to the women in the category of 40 and above. The relation between these variable are significant,  $X^2(2, N=71) = 17.394$   $p < 0.026$ .
- Married women are getting more social supports it is 59.7% of the respondents. Social supports are more likely showed on married women than others, the relation between this variable is significant,  $X^2(2, N=71) = 21.754$   $p < 0.040$ .
- Financial support of the Kudumbashree majority using for debt clearance, education, asset creation of the respondents.
- After starting entrepreneurial activity 54.9% of the respondent having a monthly income below 5000. Only 11.3% of the respondents having 15000 and above income.
- Most of the respondents depend on their husband for income before joining Kudumbashree. Only 2.8% of the respondents had to find out their own expenses by themselves through coolie work.

### Suggestions

- Government Agencies has to focus on creating awareness about entrepreneurship development
- Need a special package for micro enterprises development and proper training and Monitoring support for better prospects.
- Policy level decision is necessary for easy access to financial institutions for obtaining a Loan facility.
- Need a common platform for marketing the produced goods by the Members.
- Well supported branding can bring changes in Production and Marketing Strategies.

### Conclusion

Kudumbashree is a classic example for rural women uplifts through financial empowerment. Kudumbashree Mission Kerala creating a viable environment for women to become entrepreneurs. Still there are many women who are not aware of the entrepreneurship and financial literacy. Young women are deprived of the social support mechanism to engage with any of the income generation activity.

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