



# CONTRIBUTION OF SOCIAL ENTREPRENEURSHIP IN POVERTY ALLEVIATION THROUGH INCOME GENERATING ACTIVITIES: A STUDY WITH REFERENCE TO DAKSHINA KANNADA DISTRICT

**Dr. Parameshwara<sup>1</sup>, Ms. Shakunthala<sup>2</sup>**

<sup>1</sup>Professor, Dept of Commerce, Mangalore University, Konaje

<sup>2</sup>Associate Professor, Dept of Business Administration, SDM College (Autonomous), Ujire

Article DOI: <https://doi.org/10.36713/epra20173>

DOI No: 10.36713/epra20173

## ABSTRACT

India is a country of villages. Development of nation depends on development of rural India. After 77 years of Independence, India is facing various issues like unemployment, illiteracy, health issues and other social issues. Especially in rural India majority percentage of population are below poverty line. Here comes the need of Social entrepreneur. A social entrepreneur is someone who recognizes a social problem and uses entrepreneurial principles to organize, create, and manage a venture to make social change. Social entrepreneurs along with Governments, local authorities and other associations addressing the social issues in general poverty in particular in many ways. People need not only frees but also avenues for income generation. Income Generation Activities focused on creating opportunities for communities to productively use locally-available resources in order to develop less state dependent and more self-reliant households and communities that are able to take care of themselves. This research paper attempts to assess social entrepreneurs' efforts in poverty alleviation through training, awareness and encouraging the people to involve in the various IGA which in turn results in upliftment of people from poverty.

**KEYWORDS:** Social Entrepreneurship, Income Generating Activities and Poverty alleviation-----

## INTRODUCTION

Development of a nation is holistic approach. It is a process of reconstruction and development in various dimensions of nation and development of individuals. It includes full-growth and expansion of our industries, agriculture, and education, social, religious and cultural institutions. It can be defined as the all-round and balanced development of different aspects and facets of the nation viz political, economic, social, cultural, scientific and material. United Nations Decade Report has defined it as "National development is growth plus change. Change in turn is social and cultural as well as economic and quantitative as well as qualitative".

Development of nation encapsulates such parameters as Development through a planned national economy Increase in agricultural production through application of modern technical know-how, harnessing industrial production, Development of human resource, Application of science and technology in production sector, provision of mass education and provision of various facilities to meet the needs and aspirations of disadvantaged, deprived and poorest of the poor segments of population.

No doubt India has shown tremendous development in these areas over a period of time. Even after 77 years of Independence, Governments are struggling very hardly to address the social issues like underemployment and unemployment, illiteracy, rapid growth of population, incidence of poverty and poor standard of living, slow level of modernisation, Provision of various facilities to meet the needs and aspirations of disadvantaged, deprived and poorest of the poor segments of population etc. One of the main issues which hinder the development of nation especially the rural India is Poverty. The Governments have been introducing several schemes to mitigate the poverty from the root level. The various schemes like National Food for Work Programme, Swarnajayanti Gram Swarozgar Yojana (SGSY), Sampoorna Grameen Rozgar Yojana (SGRY), Rural Housing – Indira Awaas Yojana (IAY), Pradhan Mantri Gramodaya Yojana (PMGY), Rural Employment Generation Programme (REGP), Prime Minister's Rozgar Yojana (PMRY), Pradhan Mantri Gram Sadak Yojana (PMGSY). Governments' efforts alone is not sufficient to eradicate the poverty. In spite of these schemes, we have not gained the expected changes in the life of beneficiaries. There is a need of some systems or organisations that can join hands with the Government in addressing the social issues. Here comes the role of the Social Entrepreneurship.



## **SOCIAL ENTREPRENEURSHIP**

Social entrepreneurship generally defined as Entrepreneurship activity with an embedded social purpose. There have been numerous attempts at defining Social Entrepreneurship. Social entrepreneurship is the work of a social entrepreneur. A social entrepreneur is someone who recognizes a social problem and uses entrepreneurial principles to organize, create, and manage a venture to make social change. A social entrepreneur assesses success in terms of the impact he has on society.

There are three key components of social entrepreneurship namely the problem, A sustainable solution and social Change. Social Entrepreneur is one who addresses the social issues and problems by an entrepreneurial approach. These organisations focus more on social change and creating social value by offering innovative products or services along with profit. Social entrepreneurship contains a specific capacity with the money system. According to Mead and Lieholm (1998). Social enterprises create sustainable and social effect by presenting the poor with the products and services, even alongside creating progression in livelihood possibilities.

## **CONCEPT OF POVERTY**

Poverty is a state or condition in which a person or community lacks the financial resources and essentials for a minimum standard of living. Poverty means that the income level from employment is so low that basic human needs can't be met. Poverty-stricken people and families might go without proper housing, clean water, healthy food, and medical attention.

Especially during Covid -19, people migrated from urban to rural. Even it has added many more problems in the rural economy. As poverty is a root cause for other problems especially in rural region, along with Government, the social entrepreneur joining hands in this regard.

## **INCOME-GENERATING ACTIVITIES**

It refers to activities focused on creating opportunities for communities to productively use locally-available resources in order to develop less state dependent and more self-reliant households and communities that are able to take care of themselves. Thus, income-generating activities focus on productively using locally-available resources as a means of benefiting the entire community (Richard, 2012:14).

## **REVIEW OF LITERATURE**

- Shruti Mohapatra and et.al (2018) had analysed the role of social entrepreneurship for the development of agriculture in India. They have used secondary data for their study. It was revealed from the study that social entrepreneurship is very essential for the economic development of a country particularly in agriculture sector. They also observed in the study that the contribution of social entrepreneurship in the field of micro finance is tremendous.
- R. Balambika et.al (2013) had conducted a study on social entrepreneurship and given live examples of successful social entrepreneurs and the financial models adopted by them. The study also comes out with the recommendation that social entrepreneurship is the need of the hour. Through proper planning and adoption of effective financial model, it is possible to get success in the field.
- Shilpashri A and Dr. T.N Shreedhara (2015) had made an attempt to analyze the cooperatives as a social enterprise model and their contribution in the development of Coastal Region. This study also given examples of Cooperative Societies and explained about their performance and effectiveness in alleviation of poverty and women empowerment.
- Nirdosh Kumar Srivastava (2019): focused his study on examining critically the selected social entrepreneurship in Assam and Meghalaya State. The objective of the study is to know the social needs and how these needs were met by the social enterprises. The study emphasis on three areas like social desire, market desire and business process. The case study shows that the social enterprises filled the gap in the market through providing new products in new location. It helped them in employment generation, leads to earning of income for their livelihood and sustainability in the life of the target segment.

## **OBJECTIVES OF THE STUDY**

1. To assess the effectiveness of Income Generating Activities on beneficiaries
2. To determine the services provided by the social enterprises for improving welfare of the beneficiaries
3. To evaluate the role played by the Social Entrepreneurship in Poverty Alleviation

## **NEED FOR THE STUDY**

Development of economy depends on the empowerment of the rural people. Through employment generation, alleviation of poverty can be achieved. It is essential to design such schemes which result in income generation



by utilising the available and scarce resources of the region. Its effectiveness can be expected only when the beneficiaries are using the funds for the right purpose and at the right time.

In Dakshina Kannada district, majority of rural poor and marginalised people especially women are depending upon Beedi rolling, agriculture and family-oriented business for their livelihood earlier and even now. But in long run it had an adverse effect on the health from beedi rolling. There are very less opportunities for income generation and no confidence among the people because of several problems. Even conventional banks usually not ready to provide financial assistance to these people. By analysing the issues, along with the government, The Social entrepreneurship units have been addressing pressing issues from many years. These schemes created an avenue for income generation and aiming at alleviation of poverty thereby trying to improve the wellbeing of the society, It is essential to know the contribution of SE and effectiveness of various schemes in alleviation of poverty. The researcher found this topic is more relevant and burning topic as it has long-lasting impact on the society.

### SCOPE OF THE STUDY

Topic selected for the study is “Contribution of Social entrepreneurship in poverty alleviation through Income Generating Activities-A study with reference to Dakshina Kannada District. The study restricted to social enterprises involved in socio- economic development of people of the society. Here I have not included the other types of Social enterprises’ beneficiaries as sample because their objectives and outcomes differ from that of social enterprises which address the socio- economic issues. The study is restricted only to Dakshina Kannada District

### RESEARCH METHODOLOGY

The nature of the study is partly exploratory and partly descriptive. The study is based on the primary data and secondary data. The primary data collected from beneficiaries through structured questionnaires and for secondary data, reports of Government, Social Enterprises, Agencies and Journals were referred. The structured questionnaire was distributed to the respondents personally by the researcher and collected data. Clarifications were offered whenever required. Even formal and informal discussions were held with the respondents

### SAMPLING DESIGN

The respondents chosen for the study are from Social enterprises which are engaged in social and economic development of the beneficiaries. A random selection of the sample is made. 100 respondents were chosen randomly from different Social enterprises of Dakshina Kannada for the study namely Shri Kshethra Dharmasthala Rural Development Project, Dharmasthala ( 55 ) , Seva Bharathi, Kanyady (10) and RUDSETI, Ujire (35).

### HYPOTHESIS

**Null hypothesis (H0):** There is no significant difference in impact on social entrepreneur’s work.

**Alternative hypothesis (H1):** There is significant difference in impact on social entrepreneur’s work.

### RESULTS AND ANALYSIS

**Table No 1. Gender of the respondents**

Age	Male	Female	Total
Number	56	44	100
Percentage	56	44	100

**Source: Primary data**

The above table No. 1 shows that majority of the respondents are male. Even though the social enterprises focus on female beneficiaries, the major percentage of beneficiaries involved in Income generating activities are from male category.

**Table No 2. Age profile of the respondents**

Age	Below 30	30 to 40	41 to 50	51-60	Above 60	Total
Number	12	37	42	8	1	100
Percentage	12	37	42	8	1	100

**Source: Primary data**

Above Table No. 2 reflects the age profile of the respondents. 42% of the respondents are in the age group of 41 to 50 years followed by 37% of in the age group of 30 to 40 years and 12% in the age group of below 30 years. From this it is inferred that a greater number of respondents belongs to the category of 41 to 50 years and 1 percentage of respondents are from senior citizen.



**Table No 3. Educational Qualification of the respondents**

Educational Qualification	No formal education	Primary	High School	Pre-University	Graduate	ITI/Diploma	Total
Number	2	30	39	21	7	1	100
Percentage	2	30	39	21	7	1	100

Source: Primary data

Educational qualifications of the respondents are enumerated in Table No. 3. Of the total number of respondents 2% from no formal education, 30% are having primary education, 39% had completed high school and 21% of them are pre university education followed by 7% done their graduation. Only one 1% of the respondents are from technical background. It is observed that majority of the respondents had high school education followed by Primary education.

**Table No 4. Marital status of the respondents**

Marital Status	Single	Married	Total
Number	15	85	100
Percentage	15	85	100

Source: Primary data

Marital status of respondents is illustrated in the Table No.4. Of the total number of the respondents, 85% are married and 15% of them are single. It can be reflected that married are more than unmarried among the respondent chosen for study.

**Table No 5. Satisfaction level of the beneficiaries**

	Highly unsatisfactory	Unsatisfactory	Average	Satisfactory	Highly satisfactory	Total
Number			-	36	64	100
Percentage			-	36	64	100

Source: Primary data

The above table No. 5 describes the satisfaction level of the beneficiaries about the social enterprise. Of the total number of the beneficiaries' majority i.e. 64 % of them are highly satisfied with the services provided by the social enterprise and 36% of them are satisfied with the social enterprises.

It can be reflected from the above analysis that majority of the beneficiaries are highly satisfied with different types of need based services provided by them from time to time.

➤ **To assess the effectiveness of Income Generating Activities on beneficiaries**

**Correlations**

		Family Income (Before Joining)	Family Income(After Joining)
Family Income(Before Joining)	Pearson Correlation	1	.351**
	Sig. (2-tailed)		.000
	N	100	100
Family Income(After Joining)	Pearson Correlation	.351**	1
	Sig. (2-tailed)	.000	
	N	100	100

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Considering the above table, we can conclude that family income positively related to the attitude toward family income before and after involving in Income generating Activities. The above table depicts that there is correlation between family income before and after involving themselves in IGA. It is clearly described from the above table that their income level has been increased after involving in income generating activities with the help and support of social enterprises.



- To determine the services provided by Social Enterprises for improving the welfare of the beneficiaries

**Descriptive Statistics**

	N	Sum
Providing Job training for beneficiaries	100	99
Creating employment opportunities	100	98
Providing legal support	100	94
Assisting beneficiaries to get access to market(	100	94
Educational services	100	93
Providing health care services/ improving health of the beneficiaries	100	92
Supporting agricultural and allied activities	100	91
Addressing social exclusion	100	90
Protecting the environment	100	90
Addressing financial exclusion	100	89
Creating awareness on social evils	100	88
Rescuing beneficiaries from dangers	100	88
Providing monetary support for self-employment	100	85
Empowering to fight for their rights	100	76
Any other specify	100	0
Valid N (listwise)	100	

Source: Primary data

Upon reviewing the table above, it is evident that the majority of social entrepreneurs are engaged in several impactful activities. These include providing job training for beneficiaries, creating employment opportunities, offering legal support, acting as intermediaries to assist beneficiaries in accessing markets, providing educational services, enhancing the health of beneficiaries through healthcare services, addressing social exclusion, raising awareness about social issues, rescuing beneficiaries from danger, offering financial support for self-employment endeavors, and empowering individuals to advocate for their rights. These are the main social issues faced by the people in the society. Through social entrepreneurs’ efforts beneficiaries are finding the way to come out of these social evils and focus on their welfare.

- To evaluate the role played by the Social Entrepreneurship in Poverty Alleviation

**Null hypothesis (H0):** There is no significant difference in impact on social entrepreneur’s work.

**Alternative hypothesis (H1):** There is significant difference in impact on social entrepreneur’s work.

**Pseudo R- Square**

Cox and Snell	.382
Nagelkerke	.383
McFadden	.081

Link Function: Logit

**Test of Parallel Lines<sup>c</sup>**

Model	-2Log Likelihood	Chi-Square	df	Sig.
Null Hypothesis	540.616			
General	243.373 <sup>a</sup>	297.244 <sup>b</sup>	120	.000

The null hypothesis states that the location parameters (slope coefficients) are the same across response categories.

- The log-likelihood value cannot be further increased after maximum number of step-halving.
- The Chi-Square Statistic is Computed based on the log-likelihood value of the iteration of the general model. Validity of the test is uncertain.
- Link Function: Logit

**RESULT**

Significance value is less than 0.05, We Reject the null hypothesis OR We can Accept the Alternative hypothesis.



## SUGGESTIONS

### In tune with the findings following suggestions are proposed:

- Majority of the respondents are happy with the efforts of social enterprise. Still, they expect updated training in relevant field
- Problem of effective marketing is faced by many of the respondents involved in the income generating activities. Hence, they require proper training program in this area to enhance and scale up their business.
- Majority of the respondents' opinion that they need more financial assistance for running their business. If the Social enterprise offers more financial assistance to the beneficiaries, it results in expansion of their income generating activities to the greater extent.
- It is noticed from the study that trained respondents are performing better in their respective field and untrained one. Hence the social enterprise must insist the respondents to be trained before involving themselves in income generating activities.
- Majority of the respondents are involved in income generating activities because of their own interest and to increase their income level. In this context social enterprises can conduct some motivational and brain storming sessions. It gives the insight into the beneficiaries' interest and need. Accordingly training programme can be conducted for income generating activities.

## CONCLUSION

From the study it is clear that social enterprises are addressing the burning issues of the society like unemployment and poverty. The social enterprises encourage the economically weaker section of the society to involve them in income generating activities for their livelihood. For this purpose, the social enterprise provides training programmes on need based and financial assistance will be given to the needy. No doubt the tremendous changes can be noticed in the life of beneficiaries after their involvement in income generating activities. In spite of the prompt effort, there are some problems for beneficiaries like lack of confidence, skill and competency, professionalism, finance, marketing etc. Even the social enterprises face certain problems like finance, lack of recognition, confusion of social enterprise with social work, etc. If the social enterprises focus on working with government and local authorities to address the problems faced by society in general and its beneficiaries in particular, can expect enormous changes in the life of needy people and gradually it is possible to come out of poverty.

## REFERENCES

1. Shrutthi Mohaptra, Girija Shankar Khadanga And Sujit Majhi "Social Entrepreneurship For Agricultural Development In India" *The Pharma Innovation Journal*, 2018, Issue 7, Volume 4, pp 204-205
2. Dr. Hemant kumar P Bulsara, Dr, Shailesh Gandhi and Dr. Jyoti Chandwani "Social Entrepreneurship in India: An Exploratory Study" *International Journal Of Innovation Jan/Jun 2015 Issue 3 Volume 1*
3. Shilpashri A And Dr. T. N. Sreedhara "Social Enterprise Model: A Study On Cooperatives In The Context Of Dakshina Kannada District Of Coastal Karnataka State" *Asian Journal Of A Research In Social Sciences And Humanities*, Jan-15 Issue 1 Volume 5, pp 17-25
4. R. Balambika Venkata Subrahmanyam and Dr. B. Tamilmani, "Social Entrepreneurship and Successful Social Entrepreneurs In The Field Of Rural Development In India", *Iosr Journal For Humanities And Social Science*, Jul-Aug-2013, Issue 3, Volume 4
5. Dr. Nirosh Kumar Srivastava, *Social Entrepreneurship As A Tool To Identify The Social Needs*, *The Research Journal Of Social Sciences*, Jul-2019, Volume 10 No 7, 66-74
6. Richy Daniel Oommen, *Social Entrepreneurship In India- Opportunities And Challenges In The Current Scenario*,
7. Dr. Sridevi Samineni, "Social Entrepreneurship -As A Tool For Sustainable Development Of Women In Rural India Leading To Economic Empowerment" *Iosr Journal Of Business And Management*, Feb-18, , Issue 2, Volume 20, 91-98