Proposal of MSMEs to alleviate poverty in the community of Tres Palos, municipality of Acapulco, Guerrero

Propuesta de MIPYMES para mitigar la pobreza en la comunidad de Tres Palos municipio de Acapulco, Gro

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Abstract

Research that shows the need to seek measures to reduce poverty in the community of Tres Palos in the municipality of Acapulco de Juarez, aims to implement a business model of Micro, Small and Medium-sized Enterprises (MIPYMES) Agro. In the methodology applied, concrete answers were obtained in the phases: inquiring, demonstrative and exhibition, this thanks to the scientific method. Using mixed methodology, using questionnaires and interviews, as well as documentary research and field research. The surveys were applied to ejidatarios, specifically those engaged in agro-industrial activities within the region. The results reflected that 100% of the ejidatarios are willing to improve their quality of life and have higher incomes, 52.2% would achieve the increase by selling their products to industrial companies through a contract, and 47.8% have decided industrialize your products on your own and so you get better income and benefits for your families.

Poverty, Human Development, MiPymes

Resumen

Investigación que manifiesta la necesidad de buscar medidas con la finalidad de reducir la pobreza en la comunidad de Tres Palos del municipio de Acapulco de Juarez, se pretende la implementación de un modelo de negocio de Micro, Pequeñas y Medianas Empresas (MIPYMES) agroindustriales. En la metodología aplicada se obtuvieron respuestas concretas en las fases: indagadora, demostrativa y expositiva, esto gracias al método científico. Empleando metodología mixta, utilizando cuestionarios y entrevistas, así como la investigación documental y la investigación de campo. Las encuestas fueron aplicadas a ejidatarios, específicamente a los que se dedican a las actividades agroindustriales dentro de la región. Los resultados reflejaron que el 100% de los ejidatarios esta dispuesto a mejorar su calidad de vida y tener mayores ingresos, un 52.2% lograría el incremento vendiendo sus productos a empresas industriales por medio de un contrato, y el 47.8% tienen decidido industrializar sus productos por su cuenta y asi obtener mejores ingresos y beneficios para sus familias.

Pobreza, Desarrollo Humano, MiPymes

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Introduction

It is important to note that the world is evolving day by day, there is an extraordinary advance in science and technology, however it is a substantial fact that there are more and more people in extreme poverty, this due to inequality between nations, since This is one of the main characteristics that distinguish the contemporary world. This inequality has a greater impact on the rural towns of each nation.

Poverty is defined as that situation in which the basic needs for living are not met due to lack of economic resources. In the world there are different types of poverty: that which affects only one individual or that which affects a group of people, we can also find permanent or temporary poverty. On the other hand, there are types of poverty that only affect education, health, food or services, or that, on the contrary, affect all four simultaneously.

Based on article 36 of the General Law of Social Development, the National Council for the Evaluation of Social Development Policy (CONEVAL) must establish the guidelines and criteria to define, identify and measure poverty in Mexico, considering at least the following indicators : Current income per capita; Average educational backwardness at home; Access to health services; Access to social security; Housing quality and spaces; Access to basic services in housing; Access to food; Degree of social cohesion; Degree of accessibility to paved road. This topic covers many factors that man at a certain moment considers his existence to be something natural. (Mexican Congress, 2004)

The issue of poverty alleviation in a rural community is interesting but also complicated, since the attitudes of the people who live in these communities prevent the plans or strategies to be carried out properly from being carried out, by the different levels of government. In order to establish alternative solutions, the causes must be known, why there is so much poverty and above all in rural communities where there is a clear predominance of primary activities, that is, production of raw materials to supply different industries, fundamentally the food and construction which can help people to have more income, without having to resort to other work activities.

Poverty is identified with the lack of education, health, housing, nutrition, employment, income, technology, infant mortality, and an important characteristic is the lack of stable agriculture; It has been noted that tertiary activities predominate in the Port of Acapulco, the main source of income being the provision of goods and services formed by the different branches of commerce.

For this reason, the aim is to raise awareness among the ejidatarios about the creation of a model for agroindustrial MSMEs that allows improving the quality of life of rural producers, identifying the viability of the registration processes for said model and, thereby, improving the current socioeconomic and demographic conditions, allowing an increase in the Gross Domestic Product (GDP).

The research carried out is of social interest and of utmost importance to the region. It aims to detect the factors that are impeding the economic and personal progress of the ejidatarios of the community of Tres Palos, evaluate them and thus propose a viable business model for that the activity to which they are engaged can subsist in better conditions, which would generate a higher economic income for the residents of the community, improve the quality of life and reduce poverty. The study area has enough flora and fauna for the creation of MSMEs, requiring awareness and training to clear the uncertainty that arises with the implementation of various processes.

The hypothesis that arises is: by proposing the agribusiness MSMEs business model in the community of Tres Palos, municipality of Acapulco, Gro., To contribute to the reduction of poverty in said community. It is intended to convince people who are engaged in the field to decide to create and register a business; in this way, create jobs and contribute to the country's economy. Quantitative and qualitative methodology was used with documentary and field research aimed at solving practical problems and collecting information in a physical way; Information was obtained in the community of Tres Palos, both in the municipal and ejido police stations and in the population as a whole, to determine an agro-industrial cluster according to the production of farmers capable of industrialization in order to obtain added value that allows checking the feasibility of implementing and implementing the proposal to create agro-industrial MSMEs.

The research proposed was carried out considering one of the main problems in the country, but which affects rural communities in each region, this being poverty, where the importance of mitigating this factor in the Tres Palos area is pointed out.

Finally, conclusions are presented, including the contribution of research to the regional development of the area. Adding the references, which make possible a better understanding and analysis of the information included in the research.

Objectives

General objective

Create an agro-industrial MSMEs scheme, to increase economic income, improving the level and quality of life of producers in the countryside of the community of Tres Palos. Specific objectives

Carry out a diagnosis in the study area to detect the existing problems.

Consult the information regarding similar cases in the official agencies or instances to incorporate it into the proposal.

Prepare the scheme for agro-industrial MSMEs complying with the corresponding regulations.

Methodology to develop

To carry out the effectiveness of the study, mixed research was considered. This type of research was chosen due to the need to fully cover each variable and aspects of poverty, which is why documentary research was used on the one hand, since events, newspapers, books or magazines can be known important about poverty, as its causes, characteristics and effects; and the field research that is extremely important to collect necessary information, determine failures, provide solutions and thus suggest a strategic proposal through which the stated objective is met.

The documentary research served as support, since it gave the necessary introduction for the development of the project, thus being the use of information given by various authors, providing the certainty that the project will have good results.

In order to perform data processing efficiently, the Statistical Package for the Social Sciences (SPSS) was used, a statistical software program widely used in the applied and social sciences, as well as by companies engaged in market research; taking into account the ability it has to work with large amounts of information and databases, in addition to a simple interface that allows better analysis, and as a plus allows you to see quantitative and qualitative results.

Field research or also called direct research leads to the application of questionnaires in the community of Tres Palos, in the municipality of Acapulco, Gro, which were applied directly to the ejidatarios in the area, in figure 1 you can see the research area.

Figure 1 Project research area
Source: Google Maps, 2019

There is a universe population of 349 ejidatarios, questionnaires were applied to a representative sample of 126 ejidatarios to obtain relevant information for the study, the determination of the sample was calculated as follows:

$$\overline{\qquad\qquad} \tag{1}$$

N = 349 number of community ejidatarios.
Z = 1.96 confidence level
P = 50% desired acceptance of the project
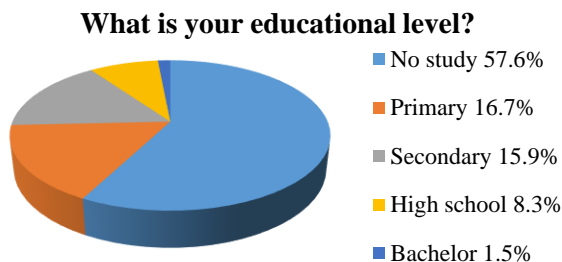q = 50% rejection for the project
e = 7% desired error

To complement the information obtained in the questionnaires, interviews were conducted with ejidatarios in the area, taking into account that the interview aims to obtain information directly and ensure that it responds as accurately as possible, to what is being investigated. (Sanchez, 2006)

Having all the necessary information, the collected data was processed, where the database was made, obtaining the graphs and tables that allow a more complete view of the results, facilitating their interpretation and analysis.
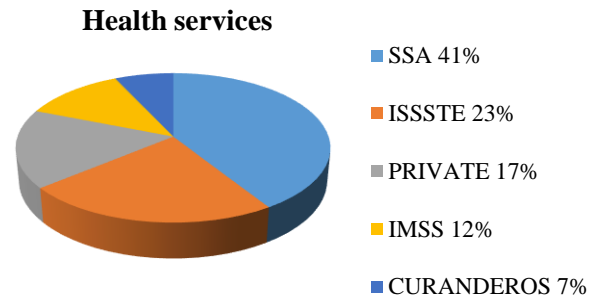
Results

Through the application of the questionnaire and the interview, information was obtained regarding schooling, economic activity, income derived from the production and sale of agricultural products of the ejidatarios, income derived from other activities as well as information related to wanting to improve their economic situation.

Regarding the level of schooling of the total of ejidatarios surveyed, 57.6% answered that they do not have studies, 16.7% have studies at the elementary level, 15.9% study up to the secondary level, 8.3% have a preparatory level and 1.5 % have a Bachelor's level. Results that are represented in graph 1.
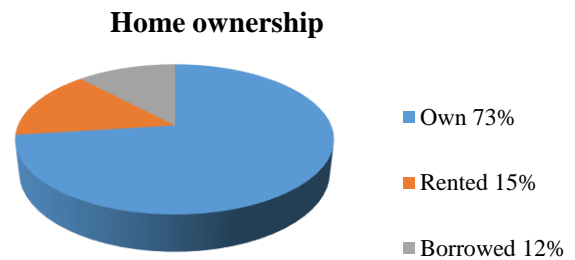
What is your educational level?

- No study 57.6%
- Primary 16.7%
- Secondary 15.9%
- High school 8.3%
- Bachelor 1.5%

Graph 1 Level of studies
Source: Own Elaboration, 2019

Health is another necessary indicator to determine the standard of living; Ejido families make use of health services according to the following distribution: 41% go to the Health Center of the Ministry of Health and Assistance (SSA), 23% are attended at the Institute of Security and Social Services for Workers of the State (ISSSTE), 17% make use of the private medical service, 12% go to the Mexican Institute of Social Security (IMSS) and 7% attend to traditional healers in the region, results that are reflected in the graph 2.
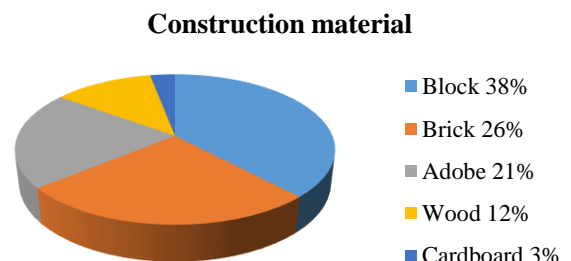
Health services

- SSA 41%
- ISSSTE 23%
- PRIVATE 17%
- IMSS 12%
- CURANDEROS 7%

Graph 2 Health services
Source: Own Elaboration, 2019

With respect to home ownership, the following results were obtained: 73% of the homes are owned by its inhabitants, 15% of inhabitants rent their homes and the remaining 12% live in a house loaned either by family or friends ; situation that we can see in graph 3. The percentage of ejidatarios who have their own house is acceptable, however to complement the information the material with which the houses are built was also analyzed.

Home ownership

- Own 73%
- Rented 15%
- Borrowed 12%

Graph 3 Home ownership
Source: Own Elaboration, 2019

In relation to the material from which the house is built, the following results were obtained: 38% of the houses are built of block, 26% are brick, 21% of the houses are adobe, 12% are built of wood and 3% cardboard, according to graph 4.

Construction material

- Block 38%
- Brick 26%
- Adobe 21%
- Wood 12%
- Cardboard 3%

Graph 4 Construction material
Source: Own Elaboration, 2019

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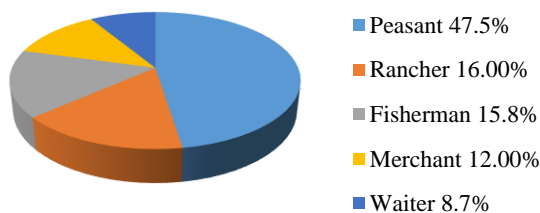
Another very important element is the consumption of food, obtaining the following results: 56% consume milk daily, 11% two or three times a week, 8% once a week and 25% do not consume milk; in relation to meat, 70% consume it two or three times a week and 30% once a week; vegetables are consumed daily by 16%, 83% consume them two or three times a week, 1% do not consume vegetables; 40% consume the fish daily, another 40% consume it two or three times a week and 20% once a week; In relation to fruits, 71% consume them daily, 21% two or three times a week and 8% once a week. These results indicate that most of the ejidatarios and their families do not have a diet. balanced (Table 1).

Food	Milk	Meat	Vegetable	Fish	fruit
Daily	56%		16%	40%	71%
2 or 3 times	11%	70%	83%	40%	21%
1 time	8%	30%		20%	8%
Does not consume	25%		1%		

Table 1 Food consumption
Source: Own Elaboration, 2019

With regard to employment, graph 5 shows the results obtained, in which 47.5% of the respondents have devoted themselves to the fields, 16% to livestock, 15.8% to fishing, 12% to informal trade and 8.7% have worked as waiters.
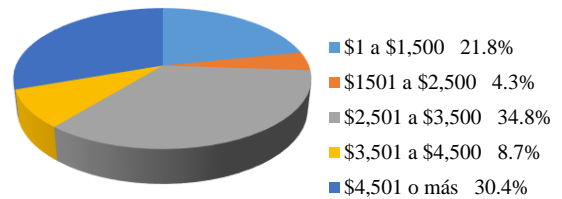
What activities have you worked on?

■ Peasant 47.5%
■ Rancher 16.00%
■ Fisherman 15.8%
■ Merchant 12.00%
■ Waiter 8.7%

Graph 5 Employment
Source: Own Elaboration, 2019

Regarding the variable of how much the total income of the ejidatario's family amounts, it is observed in graph 6, that 30.4% have an income of $ 4,501 or more, 8.7% have a total income of $ 3,501 to $ 4,500, 34.8% have an income of between $ 2,501 to $ 3,500, 4.3% of the people surveyed only have an income of between 1501 and 2,500; while 21.7% their income is around $ 1 to $ 1,500. It follows that the level of income per family is low.
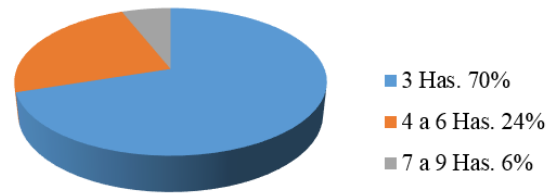
How much does the total income of the family amount to?

■ $1 a $1,500   21.8%
■ $1501 a $2,500   4.3%
■ $2,501 a $3,500   34.8%
■ $3,501 a $4,500   8.7%
■ $4,501 o más   30.4%

Graph 6 Income by family
Source: Own Elaboration, 2019

In relation to the distribution of land tenure, the following results were obtained: 70% have an average of three hectares of land, 24% have between 4 to 6 hectares and the remaining 6% have between 7 and 9 hectares in which grow and / or harvest coconut, mango, lemon, corn mainly, represented in graph 7.
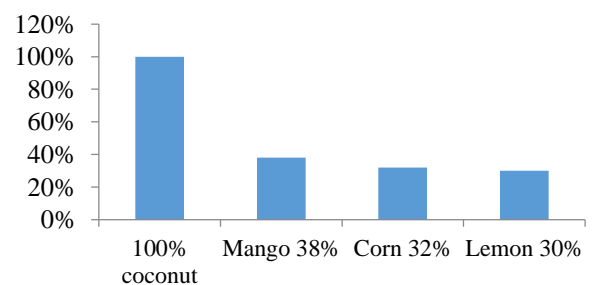
Hectares of land per ejidatario

■ 3 Has. 70%
■ 4 a 6 Has. 24%
■ 7 a 9 Has. 6%

Graph 7 Land Tenure
Source: Own Elaboration, 2019

With respect to what the ejidatarios produce, the following results were obtained: 75% of the ejidatarios work more than five hours throughout the week, 100% of the ejidatarios dedicated to work related to coconut exploitation; 38% of them also exploit mango; 32% exploit corn, 30% lemon and 13% are dedicated to livestock, fishing and floriculture. Graph 8
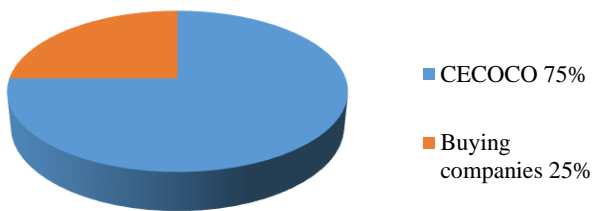
What do they produce?

Gráfica 8 Community production
Source: Own Elaboration, 2019

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In relation to the sale of their products, the following results are obtained: 75% of the ejidatarios sell their coconut crops to the government through a subsidized program called the Coconut Tree State Council (CECOCO) or to intermediaries and the remaining 25% to purchasing companies. of oilseeds obtaining income that on average ranges between $ 2,500 and $ 3,000 pesos per month. (Graph 9)
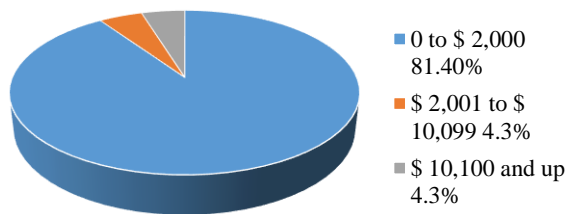
Sale of products

■ CECOCO 75%

■ Buying companies 25%

Graph 9 Sale of products
Source: Own Elaboration, 2019

Regarding the variable of how much is the real average income from the sale of its products, it is observed in graph 10 that 81.4% earn less than $ 2,000 pesos a month for that activity, 4.3% their income is from $ 2,000 to $ 10,099 , and of the remaining 4.3%, their monthly income is $ 10,100 or more, highlighting that they have enough raw material to obtain better income, but they do not obtain it due to the inefficiency of their management systems and business uncertainty.

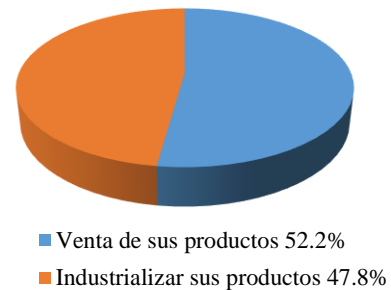**How much is the average income from the sale of your products?**

■ 0 to $ 2,000 81.40%

■ $ 2,001 to $ 10,099 4.3%

■ $ 10,100 and up 4.3%

Graph 10 Income from product sales
Source: Own Elaboration, 2019

In the following variable of how you would increase your income in figure 11, it is observed that 52.2% affirm that they would increase their income by selling their products to agro-industrial companies through the contract, while 47.8% consider that their income would increase if they industrialized their product on their own.

As can be seen, the ejidatarios share the idea of improving their income and quality of life and thus mitigate poverty by delivering their product to other companies, but also to other part of the ejidatarios who would like to industrialize their products, which would bring greater benefits, increasing their income, reducing the deficiencies in each family of the community of Tres Palos, fulfilling the objective of the research.
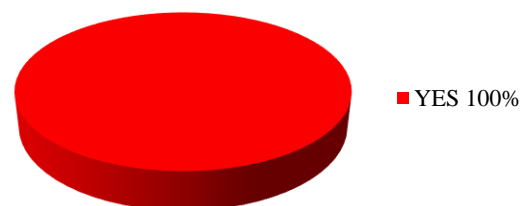
How would you increase your income?

■ Venta de sus productos 52.2%
■ Industrializar sus productos 47.8%

Graph 11 How to increase your income
Source: Own Elaboration, 2019

Graph 12 shows the results obtained from 100% of the surveyed ejidatarios, all of whom believe that the installation of a small processing plant in the region is necessary, this result may arise because most of the farmers lack tools to carry out their field activities, and with the help of a processing plant, their processes would be facilitated and would be more productive. For them it would be a great benefit, improving their income and the quality of life of their family.

Do you consider the installation of a processing company necessary?

■ YES 100%

Graph 12 Need for a processing company
Source: Own Elaboration, 2019

Acknowledgments

Contribution

A proposal is proposed to mitigate poverty in the rural community of Tres Palos located in the municipality of Acapulco, Gro, consisting of the agro-industrial MSMEs model, which will have a favorable impact on the social environment of the region, promoting other communities rural to use a similar model to achieve effective poverty alleviation in the municipality.

A training plan was designed to expose topics of interest for the awareness of the ejidatarios who have knowledge regarding the economic activity they are engaged in, in order to increase their economic income and thus achieve poverty alleviation in their family. and the community; the training program is planned as follows:

Training plan: Improving the quality of life through the mipymes model.

Justification

The poverty figures in the municipality of Acapulco are not favorable, being approximately half of the population in extreme poverty, this is a very strong problem, people who are engaged in field activities are those who have the However, they do not have the tools or economic resources to carry it out. The training course will be implemented due to the results obtained by the applied evaluation instruments, highlighting the ignorance of community members of the Tres Palos community in the situation of registering a business, that through their agro-industrial activities they can improve their income, having a better quality of life and with it the alleviation of poverty in the area.

Scope

This training plan will be applied to all those committed and willing to take the course, in addition to having raw materials and field activities and residing in the community of Tres Palos, municipality of Acapulco, Gro.

General objective

Reduce poverty in the community of Tres Palos through the agro-industrial MSMEs model, enriching it through adequate teams, creating awareness of the benefits for their families and the community.

Specific objectives

– Provide guidance and information in terms of behavior, attitudes and values in business, highlighting the importance of these factors.
– Contribute to the development of awareness of the ejidatarios in the area.
– Modify those erroneous paradigms of ejidatarios about business, enriching their skills and reflecting on the results.

Strategies

The strategies that will be used in the implementation are:

– Planned exhibitions establishing a reliable and enjoyable dialogue.
– The interaction between the trainer-listener will be active during the development of the topics of interest.
– Presentation of practical cases and other similar investigations where this type of business was implemented and show the assertive results.
– Gain the attention of the participants by applying group dynamics that are motivating for those involved, promoting teamwork.

Actions to develop

The topics that will be developed throughout the training are the following:

– What is a MSME?
– Information related to the registration and creation of a MSME before the corresponding instances.
– Attitude and values in business.
– How do I contribute to poverty reduction in my community?
– Importance and benefits of micro businesses.
– Being the leader in my business.
– Success stories in other businesses.
– Influence of MSMEs in rural communities.
– Dynamics and practical simulations.
– Feedback.

Human Resources

It is made up of all the ejidatarios to whom the training course will be given, including a representative of the community commissioner of the Tres Palos community, as well as the exhibitor and the assistants who accompany him.

Material resources

Infrastructure: The activities and topics to be developed will be held in the community of Tres Palos, near the police station of said community. Equipment and furniture: It consists of tables, chairs, blackboards, down, projector, computer, HDMI cable and adequate ventilation. Necessary documents: Study material, results of the instruments made, historical documentation of Tres Palos, etc.

Financing

The amount of this training plan, a certain part will be financed by the Technological Institute of Acapulco, and another part by the National Technological Institute of Mexico.

Conclusions

Poverty in Mexico is one of the most heard problems in news and other media, however, instead of decreasing the numbers, they are increasing day by day. According to (CONEVAL, 2017), a person is placed in extreme poverty when their income is below the base of physical well-being and they also have three or more social deprivations. Acapulco, according to CONEVAL, is the municipality with the highest number of people in extreme poverty in the entire country.

During the investigation, it was possible to detect some reasons why the ejidatarios of the area are in this situation of poverty:

–   Uncertainty about industrializing their products, the sale of their products to other companies, knowledge of businesses and micro-businesses.
–   Unemployment, this due to the lack of micro-businesses in the region that allow job creation.

–   The educational level of the ejidatarios is a very large barrier that it has, many of them only have a primary level, others secondary and very little preparatory, but nevertheless they have the experience of being in the field and are taught to harvest and sow But this is not enough, this due to the lack of academic preparation that they lack.
–   Technology is a factor that the community lacks, since it only has a cyber café, in addition to the lack of knowledge of useful electronic devices to run a micro business and stay connected for any type of matter.

The results indicate the expectations that the ejidatarios have to improve their standard of living, in order to achieve the desired well-being. 100% of the ejidatarios surveyed consider that the installation of micro-agribusinesses to process their agricultural products would be an alternative to achieve income that helps to redistribute wealth through the jobs they generate, and to the appropriation of the value generated by themselves, avoiding with this the sale to intermediaries.

These expectations confirm that the ejidatarios are aware that the different programs that have been implemented so far by the different governments are palliative that will not solve the crisis they are going through. It is necessary to consider within public policies, the planning of agro-industrial MSMEs that transform the objective and subjective conditions of farm workers.

Therefore, the need to create new systems or programs that are in accordance with the demands of the globalized world is raised, and in this sense, the creation of agro-industrial MSMEs is proposed, either as cooperatives or family businesses of the same inhabitants of the communities, or by foreign investors who are in solidarity with the development of said communities.

Despite the fact that there are multiple factors by which the ejidatarios of the community of Tres Palos live in poverty and are currently so, it was possible to observe the supply of raw material they have, the hectares they own, as well as the desire and passion that they dedicate to the field, are factors that influence the growth of a micro business, for this it is necessary to strengthen the attitudes of the ejidarios, this can be through training courses and frequent talks to the region to raise awareness From the benefits of these new models that are being implemented and have given good results to ejidatarios from other developed countries, in these trainings and talks topics of interest would be implemented to mitigate the current problem and thus meet the objectives set out in the research.

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