

# Problems and opportunities of women SHGs in entrepreneurship development

■ BINAPANI DEKA AND RUPAM BORGOHAIN

Received: 14.05.2016; Revised: 30.09.2016; Accepted: 14.10.2016

■ **ABSTRACT :** Empowerment of rural women has emerged as an important issue in today. The economic empowerment of rural women is being regarded as independence for rural women. Rural women are becoming economically independent and providing employment opportunities to others through involving in micro entrepreneurship. Women's entrepreneurship contributes to the economic well-being of the family and communities and also reduces poverty. Self-help groups (SHGs) have smoothened the way for economic empowerment. Economic empowerment of rural women led to development of family, community, society, state and nation therefore it is very necessary to give keen of our attention over empowerment of women in the rural area for the real development of our country in all spheres. An SHG entrepreneur is someone that organizes, manages, and assumes the risk of a business enterprise. Today, more women are breaking free from the traditional, gender-specific roles and venturing into the business world. This study deals with empowerment of rural women through micro entrepreneurship development among rural women. This study was carried out to know the socio- economic background of the women SHG's, their knowledge, skills and earning capacity. The study also looked at the money management practices of women SHG members and their problems. On the basis of the findings that revealed limited knowledge of the women regarding value for savings, account keeping and financial liabilities. Only a few SHGs were found economically proficient.

See end of the paper for authors' affiliations

**BINAPANI DEKA**

Krishi Vigyan Kendra (Assam Agricultural University), JORHAT (ASSAM) INDIA  
Email : dbinapani@ymail.com

■ **KEY WORDS:** Problems, Opportunities, SHGs, Entrepreneurship development.

■ **HOW TO CITE THIS PAPER :** Deka, Binapani and Borgohain, Rupam (2016). Problems and opportunities of women SHGs in entrepreneurship development. *Asian J. Home Sci.*, 11 (2) : 331-334, DOI: 10.15740/HAS/AJHS/11.2/331-334.

**Y**ou can tell the condition of a nation by looking at the status of its women.” -By Jawaharlal Nehru. The empowerment of rural women generally refers to the process of improving the quality of life and the economic wellbeing of women living in relatively isolated and sparsely populated areas. According to the census of India, 2011, the population of India is more than 1.21 billion and out of it 72.20 per

cent population belongs to the rural area. Women constitute nearly 50 per cent of population, perform two-thirds of the work and produce 50 per cent of food commodities consumed by the country. They earn one third of remuneration and own 10 per cent of the property or wealth of the country. Women are regarded as the “better half” of the society and at par with the men. But unreality, our society is still male dominated and women

are not treated as equal partners both inside and outside the four walls of the house. In fact they are treated as weak and dependent on men. As such Indian women enjoy an unfavourable status in society. Especially rural women in India constitute 77 per cent of the female population. They share abundant responsibility and perform a wide spectrum of duties in running the family, maintaining the house hold activities like rearing, feeding, attending to farm labour, tending domestic animals etc., but they suffer from being both economically and socially invisible.

Entrepreneurship plays a vital role in creating an avenue for employability for rural communities, providing self-employment for those who have started-up a business of their own and enhancing the economic status of the rural sector. Entrepreneurship has transformed many entrepreneurs into successful business persons and generated income for rural communities. Women Entrepreneurs may be defined as the women or a group of women who initiate, organize and operate a business enterprise. Self-help group is a small voluntary association of poor people preferably from the same socio-economic back ground. Involvement in self-help groups has enabled women to gain greater control over resources like material tenure, intellectual resources like knowledge, information, ideas and decision making in home, community, society and nation. Women can gain such power, if their economic status, cultural and social status improves. Such type of overall improvement can be taken care by SHGs. Once the groups show their mature financial behaviour, banks are encouraged to make loans to the SHG to start their own business. The Micro Finance helped women by providing independent sources of income outside the home which reduces the dependency on other's income, by increasing the assertiveness of women and providing independent source of income with exposure to new sets of ideas, values and social support. The emergence of rural women entrepreneurship and their contribution to the national economy is quit noticeable in India. The numbers of women entrepreneurs have grown over a period of time, especially in late 20<sup>th</sup> century. Women entrepreneurs need to be lauded for their increased utilization of modern technology, increased investment, finding a place in the global market, creating an extensive employment for others and setting the trend for other women entrepreneurs in the organized sector. While women entrepreneurs have demonstrated their potential,

the fact remains that they are capable of contributing much more than what they already are. Entrepreneurship development among rural women helps to enhance their personal capabilities and increase decision making status in the family and society as a whole. Now-a-days economic development is such a strong factor that has changed the entire scenario of social and cultural environment within the country especially for the women. Therefore, the present study was conducted during 2013-14 to know the existing situation of SHGs, their difficulties, their proficiencies and their economic improvement with different objectives.

#### **Objectives of the study:**

- To know the socio-economic status of women self-help groups in Jorhat district.
- To evaluate the performance of women self-help groups in entrepreneurship.
- To identify the complications related to the women self-help groups.
- To measure the impact of the SHGs on the economic development of the members.

#### **RESEARCH METHODS**

The study was conducted under the aegis of Home Science component of Krishi Vigyan Kendra, Jorhat, Assam Agricultural University in 2013-14. The study was based on both primary and secondary data. The primary data were collected through questionnaire. The secondary data were collected from books, journals, websites and records. The data were collected from 30 self-help groups and 450 members by using specific questionnaire and subsequently data were analyzed.

#### **RESEARCH FINDINGS AND DISCUSSION**

Perusal of data presented in Table 1 reflects that all the SHGs had completed their registration. Eighteen per cent respondents arranged meetings frequently at regular intervals. In case of regular deposit of fund only 12 per cent SHGs deposit their savings monthly. Similarly only 10 per cent SHGs performing their group activities satisfactorily. But 70 per cent of SHGs were not executed any group activities. However, KVK has organized various training programmes on various income generating activities for entrepreneurship development. It has been understood from the results that the problem solving capacities were not found

adequate among the SHGs. Out of all, only three per cent of respondents, exhibited good market linkages in connection with their production but, 83 per cent SHGs did not have any market linkages. In case of revenue generation only four per cent of the SHGs disclosed about their rising income.

Velmurugan *et al.* (2013) analysed the economic impact of the SHGs on the members in terms of their level of savings, amount of borrowings, creation of assets, employment generation, income generation, poverty level and expenditure pattern. It is found that after joining SHGs, the awareness level of savings increased. There is a paradigm shift from loans borrowed for consumption purposes to productive purposes after association with SHGs. It is found that the SHG programmes have positive effect on alleviation of poverty. The consumption expenditure of the members has increased after becoming members of SHGs. The composite index of standard of living shows that the impact of micro credit encompassing economic as well as social aspects was relatively more pronounced on the social aspects than on the economic aspects.

In study conducted on youth entrepreneurs in Orissa more than 50 per cent of the respondents felt that entrepreneurship was perceived by the society as a risky career (Manjusmita and Kulveen, 2012). Similarly social risks and stigma associated with failure worked as demotivating factors for these youngsters. In another similar study conducted on youth across India, 50 per cent entrepreneurs stated that they would not search for an entrepreneur as life partner. Only 43 per cent of respondents felt that entrepreneurs have a good family life. Majority youth rank MNC jobs, government jobs higher than entrepreneurship ventures (Goel *et al.*, 2007).

Another factor that has restricted the growth of entrepreneurship to certain communities is caste system. Though the rigidity of the caste system has been fast reducing, its impact on work culture has been very

strong. It was once believed that business was the job of only the vaishyas (Elliot, 1998).

Prabhavathe (2012) noted that SHGs started functioning all over Tamil Nadu, in some areas they are functioning effectively whereas in some areas they face problems. Since SHGs help women to achieve economic empowerment, this policy measures can contribute a lot to the nation. Now-a-days, the women in the SHGs are also respected by the others, because they are independent in earning the income and they are contributing to household income, expenditure and savings.

Joseph (2005) stated that women are generally weak at marketing their products and findings customers products produced by women are dependent on middleman for marketing their produce outside their local areas. This reduce the community's earnings even though their products are of very good quality.

**Conclusion :**

No economy can sustain itself without participation of all its eligible working members. Government has devised many programmes to empower rural women in various avenues. Empowering women to participate in economic development is not only a daunting and challenging task but also paving path for future sustainable development. Women's entrepreneurship is both about women's position in society and about the role of entrepreneurship in the same society. Because women entrepreneurs have to face many obstacles specifically in market their product that have to be overcome in order to give them access to the same opportunities as men. While in other developed countries, women may experience obstacles with respect to holding property and entering contracts. Increased participation of women in micro enterprises and labour force is a prerequisite for improving the position of women in society self-employed women. The entry of rural women particularly in micro enterprises will be

**Table 1 : Distribution of the respondents according to their performance regarding different aspects related to SHGs**

Knowledge on	Good		Average		Poor	
	F	P	F	P	F	P
Registration of SHGs	30	100	-	-	-	-
Regularities of meetings	18	60	7	23.33	5	16.67
Regular deposit of fund	12	40	10	33.33	8	26.67
Activities of SHGs	3	10	6	20	21	70
Problem solving capacities of SHGs	5	16.67	7	23.33	8	26.67
Market linkages of SHGs	3	10	2	6.67	25	83.33
Income of SHGs	4	13.33	4	13.33	22	73.33

encouraged and motivated. Rural women can do wonder by their effectual and competent involvement in entrepreneurial activities. Women entrepreneur networks are major source of knowledge about women's entrepreneurship and are increasingly recognized as a valuable tool for its development and promotion. This network helps to deliver lectures, printed material imparting first hand technical knowledge in production, processing, procurement, management and marketing among the other rural women. Also micro entrepreneurs are motivating other rural women to engage in the same activities with the right assistance and strengthening their capacities besides adding to the family income and national productivity. Micro enterprise is an effective instrument of social and economic development and is only perfect solution to the growing employment among rural youth. It really helps to generate employment for a number of people within their own social system and is best tool for rural women as it enables them to add to the family income while taking care of their own home and domestic animals centered task. Empowerment would not hold any meaning unless they are made strong, alert and aware of their equal status in the society particularly in rural areas. The study also showed that knowledge is limited regarding value for savings, account keeping and financial liabilities as well as entrepreneurship development among SHG members. Only a few SHGs were found economically proficient. Policies should be framed to bring them into the mainstream of society. It is important to educate the women particularly in rural areas. The need of the hour is to improve female literacy as education holds the key to development women in rural India.

Authors' affiliations:

**RUPAM BORGOHAIN**, Krishi Vigyan Kendra (Assam Agricultural University), JORHAT (ASSAM) INDIA

## ■ REFERENCES

- Elliot, J. (1998)**. Held Back by Hindu Gods? *New Statesman*, **127** (414) : 28.
- Goel, A., Vohra, N., Zhang, L. and Arora, B. (2007)**. Attitudes of the youth towards entrepreneurs and entrepreneurship : A cross-cultural comparison of India and China. *J. Asia Entrepreneurship & Sustainability*, **3**(1) : 1-35.
- Gupta, Nidhi and Patel, Komal (2015)**. Women empowerment through Mahatma Gandhi National Rural Employment in Anand district. *Internat. J. Appl. Home Sci.*, **2** (1&2) : 60-64.
- Heena K. Bijli (2012)**. Financial literacy: An essential tool for empowerment of women through micro-finance. *Stud. Home Com. Sci.*, **6**(2): 77-85.
- Joseph, L. (2005)**. Inter-city marketing network for women micro – entrepreneurs using cell phone: Social capital brings economic development”, An initial survey of the foundation of occupation development (FOOD) based in Chennai, Feb-5, 2005.
- Kavithaa, N.V., Jiji, R.S. and Vimal Rajkumar, N. (2014)**. Knowledge and attitude of the members of women self – help groups in goat farming in Thrissur district. *Internat. J. Sci. & Technol.*, **3** (1) : 198 – 202.
- Major, R. Rajasekaran and Sindhu, R. (2013)**. Entrepreneurship and small business- A study with reference to women self-help groups. *Global J. Mgmt. & Business Studies*, **3** (7) : 703-710.
- Manjusmita, D. and Kulveen, K. (2012)**. Youth entrepreneurship as a way of boosting Indian economic competitiveness: A study of Orissa. *Internat. Rev. Mgmt. & Mktg.*, **2** (1) : 10-21.
- Poornima, K. (2013)**. Women entrepreneurship and empowerment through self help group in Tumkur District, *Internat. J. Curr. Engg. & Technol.*, Special Issue, **1** : 79-83.
- Prabhavathe, R. (2012)**. An empirical study of SHG's and rural development in Tuticorin district, Social empowerment of local people self. *J. Soc. Sci.*, Tiruchengody, Tamil Nadu, **2** (7) : 50-53.
- Singh, Nayantara (2015)**. Microcredit in the context of women empowerment : A Brief Review. *Internat. J. Appl. Soc. Sci.*, **2** (9&10) : 308-312.
- Singh, Sahab, Thakur, Gaurav and Gupta, P.C. (2013)**. A case study on empowerment of rural women through micro entrepreneurship development, *IOSR J. Business & Mgmt.*, **9** (6) : 123-126.
- Thileepan, T. and Soundararajan, K. (2013)**. Problems and opportunities of women SHG entrepreneurship in India. *Internat. Res. J. Business & Mgmt.*, **4** : 75-82.
- Velmurugan, J.M., Veerappan, S. and Kalaiselvan, D. (2013)**. A study on women empowerment self help group with reference in Perambalur district. *Internat. J. Mgmt., Financial Services & Mgmt. Res.*, **2** (4) : 118-124.

11<sup>th</sup>  
Year  
★★★★★ of Excellence ★★★★★