

PERCEPTION OF SHG MEMBERS TOWARDS MICRO FINANCING FOR ENTREPRENEURSHIP: A CASE STUDY WITH REFERENCE TO BELTHANGADY THALUK IN KARNATAKA

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ABSTRACT:

In India, Microfinance has continued growing rapidly towards the main objective of financial inclusion, extending outreach to a growing share of poor households and to the approximately 80 Percent of the population, which are yet to be reached directly by the banks. (Ghate Prabhu,2009). Out of the two major models of Microfinance in India.i.e. Self – Help Groups(SHG)- Banks Linkage Programme(SBLP) and the Microfinance institution (MFI) model, Microfinance scene in India is dominated by Self-Help Groups (SHGs)- Bank Linkage Programme, aimed at providing a cost effective mechanism for providing financial services to the unreached poor. Linkage not only to banks but also to wider development programmes, SHGs are seen to confer many benefits, both economic and social SHGs enable women to grow their savings and to access the credit which banks are increasingly willing to lend. The present study has been an attempt to analyses perception of SHG member towards micro financing for entrepreneurship through make in India scheme a case study with reference to Belthangady taluk in Karnataka. An extensive literature review is done on micro finance. Analysis of variance (ANOVA) shows that there is a significant difference ($P < 0.001$, Hs) in perception among the various components of micro financing

INTRODUCTION:

Development of entrepreneurship and entrepreneurship talent and skill are crucial for the developing economies like India especially when half of its population consists of women who have been restricted to the four walls of houses since centuries the major constraint for this backwardness is not economic in nature because the Indian government has taken a number of initiatives for encouraging women to play an active role in the economic development of the nation .It is the social perception of mal dominated society which has resulted in backwardness of women as they have always been given secondary role direct impact of this is that women India .being deprived of a positive role in social and economic development of society, have accepted the secondary role to such a extent that given an opportunity, many of them are not ready to break traditional bondage . In many cases it is the self –imposed stupor of women which restricts them from engaging in economic activities. The social, education and economic environment in India have undergone a sea change during the last two decades. With changing social structure and rising cost of living , the perception of society to words working women has changed, not only in urban but al so in rural areas. There is a growing realization that both quality and quantity of women entrepreneurs is of utmost significance for achieving the goal of economic development.

OBJECTIVES:

- a). To understand members ' awareness about the constitution of the self –half group
- b). To evaluate the level of awareness about micro finance
- c). To assess members awareness level on the banking procedures and concepts

REVIEW OF LITERATURE:Female Entrepreneurship is considered as an important tool in enabling female empowerment and emancipation. The increasing presence of women in the business field as entrepreneurs or business owners in the last decade as changed the demographic characteristics of entrepreneurs in India. Women-owned businesses are playing more active role in society and the economy inspiring academics to focus on this interesting phenomenon. "Women entrepreneurs are defined as those who use their knowledge and resources to develop or create new business opportunities –whether this be informally in a home environment without formally registering their or formally via business registration, hiring office premises etc.

A study was conducted by planning Commission (2002) titled "Micro Finance and Empowerment of scheduled caste women. An Impact study of SHGs in Uttar Pradesh and Uttaranchal. The study was carried out in Uttar Pradesh and Uttaranchal, covering, a sample of 1120 beneficiaries and 173 officials and non-officials, 224 SHGs, 143 villages, 28 blocks and 7 districts. The study recommends that there is need to accept that women's needs are not only for self-employment. The programmes should be designed on the basis of the needs of women at the micro level. Planning for self-employment for women needs a multipronged strategy. The various categories for financial institutions in rural market have exhibited different potentials in serving rural women. There is need to synchronize their efforts so that their work becomes supplementary and complementary in serving women. There is also a need to sensitize bank staff towards the needs, constraints and inhibitions of women.

RESEARCH METHODOLOGY:

This study was descriptive and analytical in nature. The study mainly depends upon the primary data to develop this article. However, some secondary source of data were consulted for the purpose of gathering background information supporting the study. Relevant primary data were collected using the combination quantitative (sample survey) and qualitative (interview) methods. Primary data were collected through questionnaire method. A questionnaire was administered to 50 members of the SHG in the study area. Appropriate and relevant statistical tools and techniques will be used such as Descriptive Statistics (Mean and S.D) and Analysis of Variance (ANOVA). Tools used for the study is shown in the Table.

Table-1 Criteria used for the Research Study

<i>Class</i>	<i>0-25</i>	<i>25-50</i>	<i>50-75</i>	<i>75-100</i>
<i>Perception of member of SHG</i>	<i>Strongly disagree</i>	<i>Disagree</i>	<i>Agree</i>	<i>Strongly agree</i>

ANALYSIS AND FINDINGS:

Table Exhibits Perception Of SHG Members Towards Micro Financing For Entrepreneurship Under 10 Points

<i>Component</i>	<i>Strongly agree</i>	<i>Agree</i>	<i>Disagree</i>	<i>Strongly disagree</i>	<i>Mean & SD</i>	<i>Percentage mean</i>
Respondents opines that self help group helps you	1(20)	35(70)	1(2)	0(0)	3.26±.48697	81.50
Respondents opines that micro financing helps in entrepreneurship	7(14)	40(80)	3(6)	0(0)	3.08±.44447	77.00
Respondents opines that every member of SHG aware about constitution SHG	0(0)	24(48)	25(50)	1(20)	2.46±.54248	61.50
Respondents opines that every member of SHG about objectives of SHG	2(4)	25(50)	22(44)	1(2)	2.56±.61146	64.00
Respondents opines that every member of SHG about micro financing	0(0)	28(56)	22(44)	0(0)	2.56±.50143	64.00

Respondents opines that every member of SHG aware about bank loans	1(2)	33(66)	16(32)	0(0)	2.70±.50508	67.50
Respondents opines that every member of SHG seeks the benefit of bank loans	3(6)	32(64)	15(30)	0(0)	2.76±.55549	69.00
Respondents opines that every member of SHG knows the purpose of bank loan	4(8)	26(52)	19(38)	1(2)	2.66±.65807	66.50
Respondents opines that every member of SHG become economically strong after they become member	4(8)	33(66)	13(26)	0(0)	2.82±.56025	72.00
Respondents opines that every member of SHG likes to become entrepreneur through micro finance	5(10)	19(58)	16(32)	0(0)	2.78±.61578	69.50

1. Respondents opines that self help group helps members

28% respondents strongly agree, 70% of respondents agree, 2% respondents disagree and 0% of them strongly disagree that respondent opines that self-help group is good. The percentage of Mean is 81.5%. (Mean & SD is 3.26 & .48697). Members feel self help group is good as it falls in the category of 75% to 100%.

2. Respondants opines that micro financing helps in entrepreneurship

14% respondents strongly agree, 80% of respondents agree, 6.0% of respondents disagree and 0% of them strongly disagree that micro financing helps in entrepreneurship. The percentage of Mean is 77%. (Mean & SD is .44447) as it falls in the category of 75% to 100%.

3. Respondents opines that every member of SHG aware about constitution SHG

0% respondents strongly agree, 48% of respondents agree, 50% of respondents disagree and 2% of them strongly disagree that every member of SHG aware about constitution self help group. The percentage of Mean is 61.50%. (Mean & SD is 2.46 & .54248) as it falls in the category of 50% to 75%.

4. Respondents opines that every member of SHG knows about objectives of SHG

4% respondents strongly agree, 50% of respondents agree, 44% of respondents disagree and 4% of them strongly disagree that every member of SHG knows about the objectives of SHG. The percentage of Mean is 64.00%. (Mean & SD is 2.56 & .61146) as it falls in the category of 75% to 100%.

5. Respondants opines that every member of SHG aware about micro financing

0% respondents strongly agree, 56% of respondents agree, 44% of respondents disagree and 0% of them strongly disagree that every member of SHG aware about micro financing. The percentage of Mean is 64.00%. (Mean & SD 2.56 & 0.50143) as it falls in the category of 50% to 75%.

6. Respondants opines that every member of SHG aware about bank loans

2% respondents strongly agree, 66% of respondents agree, 32% of respondents disagree and 0% of them strongly disagree that every member of SHG aware about bank loans. The percentage of Mean is 67.50%. (Mean & SD 2.70 .50508). every member of SHG aware about bank loans as it falls in the category of 50% to 75%.

7. Respondants opines that every member of SHG seeks the benefit of bank loans

6% respondents strongly agree, 64% of respondents agree, 30% of respondents disagree and 0% of them strongly disagree that every member of SHG seeks the benefit of bank loans. The percentage of Mean is 69.00%. (Mean & SD is 2.76 & 0.55549) as it falls in the category of 50% to 75%.

8. Respondants opines that every member of SHG knows the purpose of bank loan

8% respondents strongly agree, 52% of respondents agree, 38% of respondents disagree and 2% of them strongly disagree that every member of SHG knows the purpose of bank loan. The percentage of Mean is 66.50%. (Mean & SD is 2.66 & .65807) as it falls in the category of 50% to 75%.

9. Respondants opines that every member of SHG become economically strong after they become member

8% respondents strongly agree, 66% of respondents agree, 26.0% of respondents disagree and 0% of them strongly disagree that every member of SHG become economically strong after they become member. The percentage of Mean is 72.00%. (Mean & SD is 2.82 & .56025) as it falls in the category of 50% to 75%.

10. Respondants opines that every member of SHG likes to become entrepreneur through micro finance

10% respondents strongly agree, 58% of respondents agree, 32% of respondents disagree and 0% of them strongly disagree that every member of SHG likes to become entrepreneur through micro finance. The percentage of Mean is 69.50%. (Mean & SD is 2.78 & .61578) every member of SHG likes to become entrepreneur through micro finance fall in the category of 50% to 75%.

Table Exhibits ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
Respondents opines that self help group helps you	Between Groups	.216	2	.108	.446	.643
	Within Groups	11.404	47	.243		
	Total	11.620	49			
Respondents opines that every member of SHG aware about constitution SHG	Between Groups	.731	2	.365	1.254	.295
	Within Groups	13.689	47	.291		
	Total	14.420	49			
Respondents opines that every member of SHG about objectives of SHG	Between Groups	.325	2	.162	.424	.657
	Within Groups	17.995	47	.383		
	Total	18.320	49			
Respondents opines that every member of SHG about micro financing	Between Groups	.631	2	.315	1.268	.291
	Within Groups	11.689	47	.249		
	Total	12.320	49			
Respondents opines that every member of SHG about bank loans	Between Groups	.386	2	.193	.748	.479
	Within Groups	12.114	47	.258		
	Total	12.500	49			
Respondents opines that every member of SHG seeks the benefit of bank loans	Between Groups	.050	2	.025	.078	.925
	Within Groups	15.070	47	.321		
	Total	15.120	49			
Respondents opines that every member of SHG knows the purpose of bank loan	Between Groups	4.939	2	2.470	7.129	.002
	Within Groups	16.281	47	.346		
	Total	21.220	49			
Respondents opines that every member of SHG become economically strong after they become member	Between Groups	.881	2	.441	1.428	.250
	Within Groups	14.499	47	.308		
	Total	15.380	49			

Respondents opines that every member of SHG likes to become entrepreneur through micro finance	Between Groups	.656	2	.328	.860	.430
	Within Groups	17.924	47	.381		
	Total	18.580	49			

Analysis of variance (ANOVA) shows that there is a significant different ($p < 0.001$, HS,) in perception among the various components of micro finance with special reference to Belthangady with nine points by taking independent variable as micro finance contribute for entrepreneurship.

CONCLUSION AND SUGGESTIONS:

It can be concluded from the analysis of primary data and responses of the respondents during the survey that there is a strong perceptual changing society towards women and woman entrepreneurs in Indian society. However, this change is not reflected in the practice. The researcher feels that the Indian society is passing through a transition phase, where by the change in peoples "perception towards women will be reflected in their action over a period of time as the present generation way for new generation. Researcher identified following line of suggestion:

1. Women needs to realize their role and significance in families upbringing and keeping family in an organized manner.
2. The mother should pass on this perception to her daughters and draughts to their daughters in a hierarchical manner.

B. suggestions to men: The society need to realize the significance of women and should given them opportunities for growth and development as per their abilities and not as per tradition.

C. suggestions to the government:

The government has introduced a number of schemes for women development and women empowerment but many of these schemes remain on paper only and do not reach the real beneficiaries here the government should ensure their effective implementation.

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