Impact of Women Self-help Groups (SHGs) on Rural Entrepreneurship Development-A Case Study in Mysore and Chamarajanagara Districts.

Dr NARAYANA N
Sri D Devaraj Urs Government First Grade College, Hunsur.
VIJAYALAKSHMI G
Department of Economics and Co-operation Manasagangothri, University of Mysore, Karnataka, India.

ABSTRACT

In India, Self Help Groups or SHGs represent a unique approach to financial intermediation. The approach combines access to low-cost financial services with a process of self-management and development for the women who are SHG members. SHGs are formed and supported usually by NGOs or (increasingly) by Government agencies. Linked 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. SHGs can also be community platforms from which women become active in village affairs, stand for local election or take action to address social or community issues. During the last three decades rural development practitioners have been focusing on SHGs as an instrument for rural entrepreneurship development in rural sector.

Keywords: Rural poverty, possibilities, constraints, self-help groups, women. Woman empowerment, SHG Movement, Socio-economic development.

INTRODUCTION

women entrepreneurship development is an essential part of human resource development. Women entrepreneurs have started showing more interest because it provides them an opportunity to be one‟s own boss, the challenges they want to face and the chances of making more money, which outweigh their family duties. Moreover, technological development empowers women to acquire more relevant qualifications and values to meet the demands of entrepreneurship. To fill the gap in the implementation of this erstwhile self-employment must be designed to development of entrepreneurship among women, through which possible to develop the women empowerment. India has made tremendous spheres of life during the last five and half decades. Its economy has expanded and diversified. Society has become cohesive and polity democratized. It has also been facing many problems, some of which have successfully been solved, but many others still remain unsolved. Poverty is one such challenge India has been facing today. India announced a holistic programme called Swarnjayanti Gram Swarozgar Yojana (SGSY), which is based on group approach to rural poor organized into self-help groups (SHGs) provided micro-credit and lookup viable economic activities on their own. While most of the programmes address to alleviate the condition of poor who live below subsistence levels, women, who from the single largest disadvantaged section of gender oppression to the already existing caste and class oppression are seldom given priority in such programmes. Majority of these women belongs to the lowest strata of the cast/class hierarchy. Their caste affiliation restricts their mobility; their class membership limits their access to productive resource, while their gender role minimizes their economic participation, it is limited only extensions of domestic order. As such, they are marginalized as workers, are found in situations of immense exploitation and victimization and are therefore forced to a status of invisibility and powerlessness. Despite their invisibility in the labour force and their powerlessness in the family, it is their meagre but substantial income that sustains and meets the needs of the family. This is particularly, the case, when unemployment among men is high and where the major item of when unemployment among men is high and where the major item of expenditure is alcohol and gambling.

STATEMENT OF THE PROBLEM

Women have been oppressed culturally, socially, economically and politically. They are exploited at home, in the families, in society and in the country. In the Multiethnic and multicultural society that exist in India, such exploitation takes in various forms. The core of the problem is that they shoulder a number of responsibilities, but they are not given adequate participatory or decision making power in the family or elsewhere. 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. Involvement in Self Help Groups has enabled women to gain greater control over resources like material possession, intellectual resources like knowledge, information, ideas and decision making in-home, community, society and nation. There is a record of ever-increasing numbers of SHGs all over the country.

REVIEW OF LITERATURE

Kaur and Prashar (2015)*3 in their work on 'Entrepreneurship Amongst Rural Women' dwell upon the problems being faced by rural women entrepreneurs as conservative attitude of society, religious and social taboos, lack of confidence, male dominance, health problems, lack of proper infrastructural facilities, marketing problems, lack of adequate finance and lack of awareness about government schemes / incentives. The bad experience of certain rural women entrepreneurs also had a discouraging effect on budding rural women entrepreneurs...

Singla and Syal (2013)*6 have classified the 'Problems Being Faced by Women Entrepreneurs' at different stages of their entrepreneurial career into three major categories, i.e. problems related to project formulation, project implementation and project operation. In light of problems and issues related to women in business, the authors strongly advocate Group Women Entrepreneurship (GWE) as one of the viable alternatives in the Indian context. GWE approach can strengthen the women entrepreneurs by reinvigorating activities/skills or traditional crafts, >vith which they are acquainted but are in danger of being exploited by vested interests. The supporting agency should also undertake group orientation training modules for the members of GWE in their respective skill development and management of the enterprise. The authors opine that GWE approach should be made on integral part of the National Women's Welfare Programmes.

Misra S.B. (2014)* 13 in his study Empowering Women for Entrepreneurship: The role of Microfinance, he observed that Women in developing society are faced with challenges of neglect, inequality, operation, violence and economic social and political torture. Developmental initiatives — both financial and nonfinancial, seldom bear effective results. This demands women be empowered. Microfinance with the components of 'Savings' attached to it provides an inbuilt strength to the women for productive occupation and enterprise. There is a great need for diffusing microfinance through some structural and regulatory changes in the development finance system. This has become an international issue involving the beneficiaries from poor countries of Asia and Africa and donors from advanced countries of America and Europe. As the World Development Report (2002) puts it, "Information problems and the relatively high fixed costs of small scale lending may limit access to financial services by the poor, and by small or micro-enterprises. Improving the collateral laws and establishing collateral registries are effective ways of expanding access. Credit registries that collect information on payment histories can improve information flows on finance."

Dr J. Sunder & R. Asokan(2012)*24 in his study 'Regional Variation in Performance of Self Help Groups' focused on the regional variations in implementation of women development programs under self-help group approach. The regional variation may exist in consequence of improper implementation of development programme. Hence, the removal of regional variation in the performance of development programme depends on effective implementation of women development programmes, which can be made to realize the desired objectives only when the constituent regions are identified according to their levels of development

RESEARCH GAP

The review of the literature reveals that there are sizeable numbers of studies on the characteristics of women entrepreneurs who are full of motivation and stress-related issues. There are many studies on the SHGs and the role in women empowerment and poverty alleviation, financial inclusion etc. However, the studies related to women entrepreneurship development to SHG are not found in the existing literature.

METHODOLOGY

The present paper is primarily based on secondary sources of data. The present study focus on **Mysore and ChamarajanagaraDistricts.**self-help group's impact and movement. Secondary data were collected. Annual reports, the statistical supplements, and operational statistics Karnataka Government Website Published sources include Government publications and other publications like research articles published in journal available.

OBJECTIVES OF SHGS

1) To examine the role of SHG in developing the socio-economic status of rural women To alleviate rural poverty and increase employment opportunity

2) To promote income-generating activities in rural household women

3) To ascertain how far Self Help Groups (SHGs) motivated rural women to undertake rural-based entrepreneurship in selected sample areas.

4) To study the impact of women-lead SHGs in terms of income generation, savings and promoting entrepreneurship

HYPOTHESIS: Rural credit helps members of women SHGs to start a new business.

STATISTICAL TOOLS AND TESTS USED:

K-Means Cluster Analysis- K-means cluster analysis is a tool designed to assign cases to a fixed number of groups (clusters) whose characteristics are not yet known but are based on a set of specified variables.

c ci J(V) = $\sum\sum$ (||XI –VJ||) 2 i=1 j=1

Where ||XI-VJ|| is the Euclidean distance between xi and VJ 'ci' is the number of data points in ith cluster 'c' is the number of cluster centres

1)Algorithmic steps for k-means clustering Let X = {x1,x2,x3……xn} be the set of data points and V = {v1,v2…vc} be the set of centres. 1) Randomly select 'c' cluster centres.

 2) Calculate the distance between each data point and cluster centres.

3) Assign the data point to the cluster centre whose distance from the cluster centre is minimum of all the cluster centres.

4) Recalculate the new cluster centre using.

Vi = (1/ci) $\sum$ Xi where, 'c' represents the number of data points j = 1 in ith cluster

5) Recalculate the distance between each data point and new obtained cluster centres. 6) If no data point was reassigned then stop, otherwise repeat from step 3.

DISCRIMINANT ANALYSIS LINEAR EQUATION-

Discriminant Analysis involves the determination of linear equations like regression that will predict which group the case belongs to. The form of the equation or function is- D = V1 X1 + V2 X2 + V3 X3 +………………Vi Xi + a. Vi = the discriminant coefficient or weight for ith variable Xi = respondent's score for the variable a = a constant

This function is similar to a regression equation or function. The v's are unstandardized discriminant coefficients analogous to the b's in the regression equation. These v's maximize the distance between the means of the criterion (dependent) variable. Standardized discriminant coefficients can also be used as a beta weight in regression. Good predictors tend to have large weights. What we want this function to do is maximize the distance between the categories, i.e. come up with an equation that has strong discriminatory power between groups. After using an existing set of data to calculate the discriminant function and classify cases, any new cases can then be classified. The number of discriminant functions is one less the number of groups. There is only one function for the basic two-group discriminant analysis.

RESULTS AND DISCUSSION

In calculating the overall impact assessment of SHGs irrespective of space, we have created a virtual cluster comprising all the members. We want to see whether the impact of SHGs has been translated in terms of income & savings equally across all the members or not. Table1 shows classification of all the members in reference to SHG's contribution to income & savings. The following table shows the distribution of members in four distinct classes

Table 1: Final Cluster Centers: 100ample members

Components	1(Worst group)	2(High group)	3(Medium group)	4(Poor group)
Family income(Rs)	4262	30000	20300	12892
Additional income(Rs)	454	15000	9067	3447
Additional savings(Rs)	70	4000	1483	641

A dismal picture of SHGs has been surfaced. Out of ninety members, 83 have shown additional average income as meagre as below 3447 after joining SHGs. On the contrary, only seven have shown average income more than Rs.10000.00 per month.

TABLE 2: NUMBER OF MEMBERS IN EACH CLUSTER: 100AMPLE MEMBERS

Cluster	Number of SHG members
1(Worst group)	10
2(High group)	30
3(Medium group	30
4(Poor group)	30
Total	100

In our study, we consider those SHG members whose monthly income increased after joining SHGs to the tune of Rs.9000.00 or above as entrepreneurs. Thus we shortlisted 7 members as entrepreneurs based on above-cited criteria.

TABLE3:DISTANCES BETWEEN FINAL CLUSTER CENTERS: 90 SAMPLE MEMBERS

Cluster	1(worst)	2(high)	3(medium)	4(poor)
1(worst)		29823.674	18258.641	9151.470
2(high)	29823.674		11645.946	20915.159
3(medium)	18258.641	11645.946		9336.536
4(poor)	9151.470	20915.159	9336.536	

TABLE4: DISTRIBUTION OF ENTREPRENEURS ACROSS CLUSTERS: 100SAMPLE MEMBERS

Cluster	Efficient group	Moderate group	Worst group
5	10	10	10
5	10	10	5
5	10	15	5

our study none of the members belonging to Bankura & Nadia clusters are entrepreneurs. All the so-called entrepreneurs are being engaged in other than agricultural activities. All of them are associated with non-farm activities such as clay-pottery enterprise. It may also be mentioned here that all the SHGmembers undertaking pottery are not necessarily entrepreneurs. This has prompted us to discriminate between entrepreneurs and non-entrepreneurs in terms of several indicators.

TABLE 5: GROUP STATISTICS: 100 SAMPLE MEMBERS

	Indicators	Mean	Std. Deviation
0 (Non Entrepreneur	Family income(Rs)	8103.98	4763.774
	Bank loan(Rs)	3807.23	5538.023
	Education level(standard)	5.10	2.761
	Land(cotta)	22.67	28.406
1 (Entrepreneur)	Family income(Rs)	20514.29	6615.998
	Bank loan(Rs)	19571.43	8343.803
	Education level(standard)	10.57	2.699
	Land(cotta)	68.43	51.910
Total	Family income(Rs)	9069.22	5918.697
	Bank loan(Rs)	5033.33	7139.776

Discriminant Analysis of the entrepreneurs: 90 sample members Here through discriminant analysis, we have divided the total of ninety sample members that have been randomly selected from the two districts into two groups, viz; Non-Entrepreneur and Entrepreneur on the basis of certain indicators like family income, bank loan, education level and possession of land area.

SUMMARY AND CONCLUSION

The group-wise difference in terms of income, savings, expenditure and debt reduction has been found. Thus we say that from the point of equity SHGs failed to serve the society in equal proportion. In summary, we can conclude that SHGs have failed to cater entrepreneurship among the women in West Bengal. In summary, we conclude that SHGs have mixed response upon the women members. Despite social and economic barriers there are a number of promising women entrepreneurs groomed by SHGs. However, constant watch, monitoring and dissemination of skills, knowledge among the womenfolk in a systematic way with linkages with different rural institutions will usher in new hope in rural areas.

REFERENCES

Ahmed, M. (1999), Social Economic Baseline Survey: Pat Feeder Command) Area Baluchistan. Government of Baluchistan.
Batool, Q.&Sajid,A.M., (2007). Role of Women in Decision Making. A Case Study of AJ&K. International Review of Business Research Papers vol.3 No.3.2007 Pp.69-82.
Capellas,J.L.,Greene,F.J,&Rabetino,R.,(n.d).Venture Creation Speed and Subsequent Growth:Evidence from South America. http//www.ecsb.org/doc/JSBM
Dangol, R.,(2010).Women Empowerment through Income Generation Programme at village Development Committee in Lalitpur District of Nepal. Published Thesis for Masters of Public Policy and Governance Programme, Department of General and Continuing Education.
DeVellis, R.F. (2003). Scale development: Theory and applications (2nd edn). Thousand Oaks, California: Sage.

Esplen, E &Brody, A.,(2007).Putting Gender Back into Picture: Rethinking Women 's Economic Empowerment.(BRIDGE-Gender) Institute of Development Studies, Bibliography No 19.

Sreemoyee Das, A. Mitra and Md. H. Ali Department of Agricultural Economics, Bidhan Chandra Krishi Viswavidyalaya, Mohanpur, Nadia, West Bengal, INDIA

Esplen, E &Brody, A.,(2007).Putting Gender Back into Picture: Rethinking Women 's Economic Empowerment.(BRIDGE-Gender) Institute of Development Studies, Bibliography No 19.

Gobbi, M.S.D.,Dhakal,N.H,&Hijazi,S.T.,(2005). Nepal and Pakistan, Micro- Finance and Microenterprise Development: Their Contribution to the Economic Empowerment of Women.