

Women Entrepreneurship Development Through Self Help Groups In India: A Review Of Studies

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Abstract: *Entrepreneurship is a process where one person getting himself self-employed and can provide job to others also. Women Entrepreneurship can be engaged in both unorganized and organized sectors. In India only 8% of the small scale manufacturing units are running exclusively by women entrepreneurs which are proportionally very small as compare other developed countries. The development of a society requires economic participation of women; involvement of women in economic activities would ensure effective utilization of labour generation income and improve quality of life. Women entrepreneurship can be well developed through SHGs and SHGs can take a lead of the income generating activities by which group members can get employment and enhance their family and socio-economic status. The group provides a platform to women for income generation with co-operative and mutual helping attitude.*

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I. Introduction

Entrepreneurship is a very crucial factor for the acceleration of economic growth of any country and women entrepreneurship development is an essential part of human resource development. Women entrepreneurs have started show 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.

To fill these gaps the Government of 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 look up 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 being 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 sustain 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.

II. Statement Of The Problem

Women have been oppressed culturally, socially, economically and politically. They are exploited at home, in the families, in the society and in the country. In the Multi ethnic and multi cultural 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. But how many of the members of SHGs become entrepreneurs?

III. Review Of Literature

A good number of studies regarding the entrepreneurial initiatives of women have been reported worldwide (Key *et al.*, 2003; Jahanshashi *et al.* 2010). However, the situation prevailing in developing and underdeveloped nations is not as conducive to female entrepreneurship. Amha and Ademassie (2004) believe that more than half of all women entrepreneurs in Ethiopia face gender-related challenges to establishing, operating and expanding their entrepreneurial activities. In Turkey, female entrepreneurship has been limited by factors including patriarchal beliefs, traditional gender roles, lack of education and lack of experience in the labour force (OECD, 2004). Even in the case of South Africa, the opportunity for entrepreneurial activity is reportedly higher for men than for women (Hendricks, 2005). Meanwhile, in Bangladesh, even though women entrepreneurs constitute less than 10% of the total, a new female entrepreneurial class has arisen, taking on the challenge to work in a male-dominated, competitive and complex economic and business environment (Hossain, 2007).

Among the few empirical studies in India, an important one is that of Rani (1996), which examined the socio-economic background of women entrepreneurs, analyzing their motivational factors, major strengths and weaknesses against their environmental threats and opportunities. It also investigated the degree of work-home conflict and its effects on enterprise performance. Irrespective of the fact that they had supportive families/husbands which made home management easy, the women seemed to give priority to their families rather than to their enterprises. They tended to prefer micro-enterprises as they could be managed together with discharge of their domestic responsibilities. Such factors force women to make compromises even when the environment offered opportunities for growth and diversification. Irrespective of family structure, number of children, and economic status of the family, the work-home conflict was found to be present.

Studies on the specific role of family, social and psychological factors have been carried out in India by Vyas and Singh (1993). It is found that through the motivational route personality influences entrepreneurial behaviour (Singh, 1997). Factors such as need for achievement, economic independence and autonomy are essential elements for the success of an entrepreneur (Pujar, 1989). On the psychological side, willingness to take risks, ambition, a strong desire for individual achievement, and persistence are considered some of the main traits (Kaza, 1996). Especially with those who are unaccustomed to taking risks, the fear of failure (psychological) and of peer opinion (social) are predominant at the entry level. The key barrier that a woman entrepreneur has to overcome is the fear of risk (Histrich *et al.*, 1986). In short, an entrepreneur is very different from a non-entrepreneur in social and psychological disposition (Rani, 1996). Regional differences in the matter cannot be overlooked. In developed countries motivation of women entrepreneurs often has roots in job frustration and interest in the area of business (Histrich, 1986). In developing countries entrepreneurship has to be socially desired behavior rather than individual activity (Vinze, 1987). Further, in developing countries women entrepreneurs face considerable repercussions within their families and social relationships because of the role transformation from that of the traditional homemaker to a business person. To cope with these psychological stresses women require great confidence and mental resolve. Researchers do believe that these psychological traits like need for achievement, power, and affiliation are those that can be developed (Uddin, 1989).

Vinze (1987) studied the socio-economic background and the factors that contributed to entry into business of women entrepreneurs in Delhi. Corroborating with above findings, she highlighted the cultural aspects. It is harder for women to take 'calculated risks' that are essential to entrepreneurship, as they are the custodians of society in the maintenance of cherished values, habits, and accepted norms of conduct.

An attempt to study women entrepreneurship in Kerala was done by Pillai and Anna (1990). Their study showed that entrepreneurs depended on financial support from the state and that familial assistance was used only as a secondary source of help. Yet, women had cited family support and encouragement as the highest facilitating factors for them to do business. Another conclusion was that women in Kerala were "not coming forward to take industrial ventures which demand initiative and dynamism". Thus, the Kerala scenario projects an intriguing picture as the study conducted at Thrissur by Jacob (1998). According to her, neither the encouragement from the government policies nor the EDP-training they had received had been the motivation for setting up enterprises.

Kaza (1996) investigated why banks were not able to meet their targets for women enterprises in Baroda. He also found the over-riding importance of family for women and instances such as marriage, childbirth or even a crisis in the family led to closure of enterprises of women. Financial institutions are therefore hesitant to give loans to women entrepreneurs; they might quit even a well-running business for the sake of their families. This factor also leads women to locate their enterprise near their homes even if it means compromising on business interests.

According to Khanka (2000), a women entrepreneur is a confident, innovative and creative woman capable of achieving economic independence individually or in collaboration generates employment opportunities for others through initiating establishing and running an enterprise by keeping pace with her

personal, family and social life. His contribution is to highlight how women successfully become entrepreneurs by managing their personal and professional life and how family support plays role in their empowerment.

Umashankar (2006) explored the impact of participation in SHGs on the empowerment of women through concentrating on group approach programmes for rural women. Various dimensions like material, cognitive, perceptual, relational etc were focused upon. In the study it was found that, access to credit helps in the expansion of material base of women by enabling them to start and expand small businesses that often helps in wider market access. Women also experience a power within through feelings of freedom, strength, self identity and increases in levels of confidence and self-esteem. However, gender discrimination does exist in the family that is evident in the gender based division of work, roles and responsibilities as well as the mind-set towards domestic violence and issues of ownership and inheritance of land. At the social level, involvement in SHGs has enabled women to have a voice in the community affairs and helps them to tackle problems of the society. Though women face difficulties in involvement in politics, their participation in SHGs has altered them enough to become prospective leaders at least in the local political fields. Some of the recommendations for improvement of women's conditions include providing convergence of inputs, ensure a proactive involvement of women in the program, bring changes in the social norms and perceptions and anchoring with wider movements of social change.

Vetrivel (2010) studied that in India, the emergence of liberalization and globalization in early 1990's aggravated the problem of women workers in unorganized sectors from bad to worse as most of the women who were engaged in various self employment activities have lost their livelihood. Microfinance is emerging as a powerful instrument for poverty alleviation in the new economy. In India, microfinance scene is dominated by Self Help Group (SHGs) -Bank Linkage Programme as a cost effective mechanism for providing financial services to the "Unreached Poor" which has been successful not only in meeting financial needs of the rural poor women but also in strengthening collective self help capacities of the poor leading to their empowerment.

Dhanya and Sivakumar (2010) examine whether the economic empowerment has resulted in the generation of a set of self reliant women. A case study was conducted in Thiruvananthapuram district of Kerala and the survey showed a positive impact of the development programme of Kudumbashree in Kerala. The dimension studied include women's motivation, aspiration, overcoming the fear of authority, confidence in one's own abilities, autonomy in the use of resources in households and participation in decision making in the households. It was found that weekly meetings of SHG's is not regular in some cases, so steps should be taken to conduct it regularly. Besides, proper selection of activist for the group is crucial for its survival and expansion, efforts should be made to identify the suitable activities based on resources, skills and markets.

Chaudhary *et al.* (2012) in their empirical study done in Pakistan investigated on how the economic as well as the overall empowerment of women can be attained by creating consciousness or sensitising them about their rights and duties. Three major approaches to empowerment of women were looked into i.e., Integrated Development Approach, Conscious Raising Approach and Economic Empowerment Approach, by using three different and independent models. They found that as measured by Gender Empowerment Measure (GEM) index, consciousness of women about their rights, economic empowerment of women and women's overall development have positive and significant effect on women's empowerment. They observed unidirectional causality existence between sensitisation of women and women's empowerment and also between female labour force participation and women's empowerment. They remarked that women empowerment could be attained by making women conscious of their rights through the provision of education & training and make them economically empowered through labour force participation.

Das (2012) has attempted to explore about the role of SHG as a financial intermediary for enhancing women empowerment, as micro finance is emerging as a powerful tool for poverty eradication and gender empowerment in the country. SHG-Bank Linkage Programmes are leading to women empowerment because they have been successful in meeting financial needs of the poor rural women which helps them to strengthen the financial capacities of the persons below poverty line in particular and other poor in general. The empirical findings of the study conducted in Assam suggest that the micro finance programme has a substantial influence on the economic status, decision making power, knowledge & self worthiness of women participants of SHG-Bank Linkage Programmes. Demographic factors like age and education are not having any influence on empowerment as well as on entrepreneurship and managerial skill development among rural women. Further, the researcher observed appreciable changes in the confidence, courage, skill development and self worthiness in rural areas, particularly among women and moderate level effect of SHG on communication, organising, competency, technical, marketing and entrepreneurial skills and observed a significant improvement of managerial skills, psychological well being and social empowerment among rural women as a result of participating in micro finance through SHGs-Bank Linkage Programme.

Minimol and Makesh (2012) critically evaluate the nature and extent of impact of participation in SHGs on rural women. They analyzed the extent of the various levels of empowerment i.e. personal, entrepreneurial, social, economic and financial empowerment achieved by the members through their

participation in SHGs. They found that SHGs act as a resource centre for empowering women members, percolating the benefits to the society in general, it can come to a point where it becomes their choice whether to remain personally, economically and socially impoverished. It helps women to organise themselves into groups and undertake community based programmes to eradicate their deprivations. Women empowerment was not the sole motive rather, the objectives are to bring prosperity to overall family, community and to ensure social as well as entrepreneurial development.

Kant and Ashvine (2012) studied the participation of women in rural employment through MNREGA in various states of India and also in districts of Uttar Pradesh. They analysed that there was commendable improvements in the employment opportunities generated and that most of the states and union territories have employed more than one third of women as work force resulting in generation of women employment. They concluded that MNREGA is a programme that has impacted the lives of rural women in real sense, and has brought specially economic independence among women. Suja (2012) found that association 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.

Bali *et al.*, (2012) evaluated the impact of economic and non-economic factors on women's empowerment of Self-Help Group (SHG) members. They estimated a structural equation model (SEM) and corrected for ordinality in the data to account for the impact of the latent factors on women's empowerment. Their SEM results revealed that for the SHG members, the economic factor was the most effective in empowering women. Greater autonomy and social attitudes also have a significant women empowerment impact. The relationship between women Self-Help Group (SHGs) satisfaction and process dimensions of workgroup characteristics has been examined by various researchers (Govindarajan & Padhmanabhan, 2013). Women members are motivated to engage in any economic activity in groups like producing bakery products, home furnishing decorative items, packaged readymade food mixes, etc.

Geetamma and Bulla (2013) studied that the Micro finance through Self Help Group (SHG) has been recognized internationally as the modern tool to combat poverty and for rural development. Micro finance and SHGs are effective in reducing poverty creating awareness which finally results in sustainable development of the nation.

Research Gap

The review of literature reveals that there are sizeable numbers of studies on the characteristics of women entrepreneurs which 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.

IV. Conclusion

Women entrepreneur are those women who think about business enterprise, initiate it organize and combine the factors of production, operate the enterprise, undertake risk and handle economic uncertainties involved in running a business enterprise. Women entrepreneur may become her own master. At present, women in many parts of the world have broken the monopoly of man and prove that they are not inferior to man over the past few decades women have changed traditional role of a mother or housewife to modern role. It is observed from many studies that SHGs may become good work force and the SHGs are given proper guidance and training to enhance the productivity of the group and such group may be encouraged to bring an entrepreneurial society.

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