

An Analysis of Entrepreneurial Empowerment of SHG Women

D. Amutha

ABSTRACT

Self Help Groups are a potential source to empower and institutionalize participatory leadership among the marginalized and to identify, plan and initiate development activities. This study aims at evaluating the entrepreneurial empowerment of rural women through SHGs in four blocks from Tuticorin District viz, Oottapidaram, Pudur, Vilathikulam and Kayathar. This study is compiled with the help of the primary data covered only three month period (2011). Totally 185 respondents were selected from 54 SHGs (923 total members) of four blocks by using simple random sampling method. The sample size was 20% of the total members in the SHGs. Entrepreneurial activity is the enterprising human action in pursuit of the generation of value, through the creation or expansion of economic activity, by identifying and exploiting new products, process or markets. Entrepreneurial activity includes the entry of new products, the creation of new products or services, and the innovation associated with different business activated. Entrepreneurial activity can therefore be associated with organic as well as acquisitive decision. From the study, 60% respondents were of the view that SHG intensifies the desire to earn more and make a better living. 34 percent of women expressed that SHG increases the desire to learn more professional skills and only 13 percent of women expressed that SHG compete with professional players and the difference was statistically significant The Self Help Group really helps the women folk to participate in organized activities apart from helping members to mobilize funds. The present study concludes that the respondents are economically and social empowered by becoming members of SHGs in Tuticorin District. To conclude, the economic activities of SHGs are quite successful. In this way, SHGs in four blocks from Tuticorin District were very successful to develop entrepreneurial women empowerment and rural areas.

Keywords: Microfinance, Self Help Group, entrepreneurial empowerment of rural women, Percentage, average, chi square tests and probability analysis.

INTRODUCTION

Empowerment can serve as a powerful instrument for women to achieve upward social and economic mobility and achieve power and status in society. Women's empowerment would be able to develop self-esteem, confidence, realize their potential and enhance their collective bargaining power. Self Help Groups are a potential source to empower and institutionalize

participatory leadership among the marginalized and to identify, plan and initiate development activities.

One of the most powerful approaches to women empowerment and rural entrepreneurship is the formation of Self Help Groups (SHGs) especially among women. This strategy had fetched noticeable results not only in India and Bangladesh but the world over. Women being central to the entire development process and at the precursor of social transformation can be demonstrated with many examples that could include Grameen Bank's success, SHGs of ICICI Bank, Shakthi Ammas at HLL, Cemex, Amul,

Author's Affiliation: Asst. Professor of Economics, St. Mary's College (Autonomous) Tuticorin.

Reprint's request: D. Amutha, M.A., M.Phil, Asst. Professor of Economics St. Mary's College (Autonomous) Tuticorin. E-mail: amuthajoe@gmail.com.

(Received on 29.09.2011, accepted on 20.10.2011)

the success of Avon, Mary Kay, and Tupperware in US and other parts of the world.

Micro Finance as a tool of poverty alleviation women empowerment has gained acceptance in the development dialogue the world over. There is an acute need among the poor for credit, both for consumption and production, which often forms the declining line between survival and succumbing to poverty. It has been found that besides food, credit is also needed for health, housing education. These needs are also critical for survival. The success of SHGs as a development tool depends on the availability of

Micro Finance. This study aims at evaluating the entrepreneurial empowerment of rural women through SHGs in four blocks from Tuticorin District viz, Oottapidaram, Pudur, Vilathikulam and Kayathar.

SHGs in Tamil Nadu

The SHG movement has emerged as a powerful and vibrant movement spread over the length and breadth of the State. As on 30.6.2006 there were 3,19,713 SHGs under Mahalir Thittam with a total savings of Rs.1,127.89 crores in Tamil Nadu. The position of this vibrant movement is depicted below.

Table 1. Status of SHGs in Tamil Nadu

Particulars	Status
Total number of SHGs	3,19,713
Total number of Group Members (lakhs)	51.68
Number of Rural Groups	42,68,195
Number of Urban Group	57,443
Number of Urban Group Members	9,00,067
Total Savings (Rs. In crores)	1127.89
Credit Linked Groups	2,29,562
Amount of Loan disbursed (Rs. In crores)	1837.61

Source: Policy Note, Rural Development Department, 2006-07.

Mahalir Thittam

Tamil Nadu Women Development Project under the name of "Mahalir Thittam", with state funding covers all rural and urban areas of the entire state, except the six city corporation areas since 1.4.2000. The original announcement made in 1996 can also be seen as a path-breaker, involving a massive replication of TNWDP to cover about 10 lakhs poor women of the State. This scheme is intended to promote economic development and social empowerment of the poorest women through a network of Self Help Groups formed with active support of NGOs.

The Tamil Nadu Corporation for Development of Women Ltd. was incorporated on December 9, 1983 under Companies Act 1956. Its registered office is located in Chennai while its area of operation extends to the entire state of Tamil Nadu. The immediate goal of TNCDW is to ensure that all poor women particularly widows, destitute and marginalized are included in SHGs in the next three years. TNCDW's vision is to build strong and self reliant SHG federations at the Village Panchayat, Block and district levels throughout the state.

Table 2. Mahalir Thittam - current status

Blocks	No. Of SHGs
Total SHGs	3,58,251
Membership	57,56,026 women
Total savings	Rs. 161569.03 Lakhs
NGO partners	628

Source: www.vazhndhukaatuvom.org

SHGs in Tuticorin District

Centre for Social Reconstruction (CSR) has been one of the implementation agencies for

women development programmes of Tamilnadu Mahalir Thittam, Government of Tamilnadu in Tuticorin District. The project aimed to bring the social and economic development among women by bringing them into self help groups.

Table 3. SHGs in Tuticorin

Details	Total
SHGs	362
Members	6512
Savings	5,32,59,575
Bank Loans	518
Loan amount	6,34,86,850
Turn Over	19,86,72,623
Revolving Fund	225
Revolving Fund	81,20,000
Subsidy Loan	26

Objectives of the present study

1. To analyze the socio economic conditions of SHG members.
2. To know the reasons for joining SHGs.
3. To know the role of SHGs in providing rural credit.
4. To evaluate the economic, political, social and entrepreneurial empowerment of SHG members.
5. To examine the repayment of loan by SHG members

6. To offer suggestions by respondents.

METHODOLOGY

The present study has covered four blocks from Tuticorin District viz, Oottapidaram, Pudur, Vilathikulam and Kayathar were selected for the study. These four blocks were selected for this study, because of the SHGs in these villages are functioning in a very successful manner. This study is compiled with the help of the primary data covered only three month period (2011). The primary data collected with the help of specially prepared interview schedule. The

schedule included the questions related to the general information about the SHGs members, age, and level of education, family size, savings and loan schemes available to SHGs' members. Totally 185 respondents were selected from 54 SHGs (923 total members) of four blocks by using simple random sampling method. The sample size was 20% of the total members in the SHGs. This is purely a descriptive study. Percentage, average, chi square tests, Cramer's V, standard deviation, variance and probability analysis were used.

Analysis and interpretation

The present study is related to the economic and entrepreneurial empowerment of women in the four blocks from Tuticorin District viz, Oottapidaram, Pudur, Vilathikulam and Kayathar. This section deals the economic and entrepreneurial improvement of women through SHGs.

Table 4. Memberships in SHGs

Blocks	No. Of SHGs	Total Members
Oottapidaram	20	331
Pudur	12	202
Vilathikulam	16	288
Kayathar	6	102
Total	54	923

Source: Primary data (Mean: 230.75; Standard deviation: 101.21059; Variance: 10243.58)

In the study area, a total of 54 SHGs are functioning with 923 members. From the 923 members, 185 respondents in four blocks from Tuticorin District viz, Oottapidaram, Pudur, Vilathikulam and Kayathar were selected for the

study and average number of the respondents in Tuticorin District study areas was about 231 members and standard deviation was about 101.

Table 5. Age wise classification of the respondents

Age	Kayathar	Pudur	Vilathikulam	Oottapidaram	Total
20-40 years	9 (64.3)	14 (43.7)	33 (73.3)	68 (72.3)	124 (67.1)
40-60 years	5(35.7)	18(56.3)	12(26.7)	26(27.7)	61(32.9)
Total	14(100)	32(100)	45(100)	94(100)	185(100)

Source: Primary data

($\chi^2=9.9$, $P=0.0194$, $df=3$, Cramer's $V=0.2313$), Significant at 1% probability level

From the table, it is revealed that the percentage of 20-40 years respondents is more i.e., 67%. As per the survey young and middle age group's

involvements is higher than that of old aged groups in SHGs in the study area. The result of chi-square analysis ($\chi^2=9.9$, $P=0.0194$, $df=3$,

Cramer's $V=0.2313$), revealed that there is no wise classification of the SHGs in the study significant relationship between age and block area.

Table 6. Educational Qualification of the respondents

Qualification	Kayathar	Pudur	Vilathikulam	Oottapidaram	Total
Illiterate	5(35.7)	23(71.9)	18(40.0)	13(13.9)	59(31.9)
Primary	8(57.1)	6 (18.7)	23(51.1)	78(82.9)	115(62.2)
Secondary	1(7.1)	3(9.4)	4(8.9)	3(3.2)	11(5.9)
Total	14(100)	32(100)	45(100)	94(100)	185(100)

Source: Primary data ($\chi^2=46.36$, $P=<.0001$, $df=6$, Cramer's $V=0.354$), Significant at 1% probability level

From the above table it is clear that the majority of the respondents i.e., 62 percentage completed the primary education. The illiterates were 32%. Through NGOs even the illiterate persons are enrolled. The NGOs create awareness among the illiterates. The chi-square analysis result ($\chi^2=46.36$, $P=<.0001$, Cramer's $V=0.354$) shows significant relationship of education and SHG respondents in Tuticorin District of Tamilnadu at 5% level.

Table 7. Reasons for joining SHGS

Reasons	Kayathar	Pudur	Vilathikulam	Oottapidaram	Total
To supplement family income	5(35.7)	13(40.6)	4(8.9)	22(23.4)	44(23.8)
For social status	2(14.3)	5(15.6)	14(31.1)	32(34.0)	53(2.9)
For promoting savings	3(21.4)	6(18.7)	8(17.8)	14(14.9)	31(16.8)
For getting loan	4(28.6)	8(25.0)	19(42.2)	26(27.7)	57(30.8)
Total	14(100)	32(100)	45(100)	94(100)	185(100)

Source: Primary data ($\chi^2=15.87$, $P=0.0696$, $df=9$, Cramer's $V=0.1691$), Significant at 1% probability level

In the study area, many people (31%) join the SHGs for getting financial assistance; only 3% of the respondents join the SHGs for the social status, because SHGs give the identity to the members. 17% of the respondents join for improving their savings and 24 per cent of them stated that they started business to supplement family income respectively showed no significant difference ($\chi^2=15.87$, $P=0.0696$, $df=9$, Cramer's $V=0.1691$).

Table 8. Number of respondents and their family size

Size	Kayathar	Pudur	Vilathikulam	Oottapidaram	Total
Below 4	11(78.6)	27(84.4)	43(95.6)	90(95.7)	171(92.4)
Above 4	3(21.4)	5(15.6)	2(4.4)	4(4.3)	14(7.6)
Total	14(100)	32(100)	45(100)	94(100)	185(100)

Source: Primary data ($\chi^2=8.92$, $P=0.0304$, $df=3$, Cramer's $V=0.2196$), Significant at 1% probability level

The majority of the respondents i.e. 92 percentage of families are having medium size ranging from 3-4 members. The chi-square test value ($\chi^2=8.92$, $P=0.0304$, $df=3$, Cramer's $V=0.2196$) assured that

there are no marked significant differences in size of the family and SHG women in Tuticorin District of Tamilnadu.

Table 9. Types of Business and SHG women entrepreneurs

Occupation	Kayathar	Pudur	Vilathikulam	Oottapidaram	Total
Dry Fish	1(7.1)	3(9.4)	7(15.5)	17(18.1)	28(15.1)
Pulses cultivation	1(7.1)	8(25.0)	3(6.7)	14(14.9)	26(14.1)
Masala power preparation	12(85.7)	21(65.6)	35(77.8)	63(67.0)	131(70.8)
Total	14(100)	32(100)	45(100)	94(100)	185(100)

Source: Primary data ($\chi^2=7.9$, $P=0.2455$, $df=6$, Cramer's $V=0.1461$), Significant at 1% probability level

It is clear from the above table that the majority of the respondents 71% are masala power preparatory. From the above data one infer that the production sector which involves businesses like manufacturing of products like food products/ processing, women are very much interested in joining SHGs. This may be mainly due to increase in their thrift habit, the facility of

getting loan for small business investment. From the data it can be concluded that women tend to involve themselves more in enterprises which require less risk taking and low investment. The result of chi-square- test ($\chi^2=7.9$, $P=0.2455$, $df=6$, Cramer's $V=0.1461$) revealed that there is no significant difference between types of business and SHG women entrepreneurs in Tuticorin

Masala Powder Preparation SHG Women Entrepreneurs



Fish Business SHG Women Entrepreneurs



Table 10. Economic Empowerment

Particulars	Kayathar	Pudur	Vilathikulam	Ottapidaram	Total
Reduced Vulnerability of the women crisis	10(71.4)	24(75.0)	32(71.1)	82(87.2)	148(80.0)
Increase access& control resources at household	2(14.3)	5(15.6)	4(8.9)	3(3.2)	14(7.6)
Greater access to financial resource outside household	1(7.1)	2(6.3)	6(13.3)	5(5.3)	14(7.6)
Financial Self reliance of Women	1(7.1)	1(3.1)	3(6.7)	4(4.3)	9(4.8)
Total	14(100)	32(100)	45(100)	94(100)	185(100)

Source: Primary data ($\chi^2=10.75$, $P=0.2932$, $df=9$, Cramer's $V=0.1392$), Significant at 1% probability level

Economic empowerment is the initial aspect of women development. 8% respondents were of the view that the economic empowerment has resulted in greater access to financial resources outside the household and increased access and control over resources at the household level. Further 80 per cent of them stated that economic empowerment has resulted in reduced vulnerability of the women crisis and 5% respondents were of the view that increased financial self reliance of women. The chi-square analysis ($\chi^2=10.75$, $P=0.2932$, $df=9$,

Cramer's $V=0.1392$) result shows no significant relationship of economic empowerment and various blocks of the SHG women in Tuticorin District of Tamilnadu.

Table 11. Social Empowerment

Particulars	Kayathar	Pudur	Vilathikulam	Oottapidaram	Total
Women in community & Village	10(71.4)	18(56.2)	4(8.9)	3(3.2)	35(18.9)
Equal Status participation and power of decision making of Women in house hold	2(14.3)	7(21.9)	12(26.7)	14(14.9)	35(18.9)
Increased Status Participation & decision making of women in democratic institution	1(7.1)	4(12.5)	16(35.5)	19(20.2)	40(21.6)
Breaking social cultural, religions barrier to equal development of women	1(7.1)	3(9.4)	13(28.9)	58(61.7)	75(40.5)
Total	14(100)	32(100)	45(100)	94(100)	185(100)

Source: Primary data ($\chi^2=91.32$, $P<.0001$, $df=9$, Cramer's $V=0.4056$), Significant at 1% probability level

Social empowerment means equal status, participation and powers of decision making of women in household level. This table shows that the majority of the respondents (41%) are of the view that the social empowerment has resulted in breaking social, cultural and religious barriers to equal development of women and 22% respondents were expressed that increased the status of participation in the decision making of women in democratic institution. More over 19% of the respondents are of the view that social empowerment has led to equal status and participation and powers of decision making of women in household community and village.

Table No: 12 Political Empowerment

Particulars	Kayathar	Pudur	Vilathikulam	Oottapidaram	Total
Participation in Panchayatraj Institution	6(42.8)	28(87.5)	28(62.2)	81(86.2)	143(77.3)
Understand the Political Environment	8(57.2)	4(12.5)	17(37.8)	13(13.8)	42(22.7)
Total	14(100)	32(100)	45(100)	94(100)	185(100)

Source: Primary data ($\chi^2=21.41$, $P<.0001$, $df=3$, Cramer's $V=0.3402$), Significant at 1% probability level

Participation in Panchayatraj institution and understanding the political environment provide empowerment. So the opinion of the respondents were collected and shown in the following table. 77% respondent were expressed that participation in Panchayatraj institution and 23% respondents were of the view that understanding the political environment showed significant difference ($P < 0.001$).

Table 13. Entrepreneurial Empowerment

Particulars	Kayathar	Pudur	Vilathikulam	Oottapidaram	Total
Compete with professional players	1(7.1)	12(37.5)	7(15.6)	4(4.3)	24(12.9)
Increase desire to learn more professional skills	1(7.1)	3(9.4)	16(35.5)	31(32.9)	51(27.6)
Intensifies desire to earn and better living	12(85.7)	17(53.1)	22(48.9)	59(62.8)	110(59.5)
Total	14(100)	32(100)	45(100)	94(100)	185(100)

Source: Primary data ($\chi^2=31.8$, $P<.0001$, $df=6$, Cramer's $V=0.2932$), Significant at 1% probability level

Entrepreneurs are those persons who seek to generate value, through the creation or expansion of economic activity by identifying and exploiting new products, process or markets. Entrepreneurial activity is the enterprising human action in pursuit of the generation of value, through the creation or expansion of economic activity, by identifying and exploiting new products, process or markets. Entrepreneurial activity includes the entry of new products, the creation of new products or service, and the innovation associated with different business

activated. Entrepreneurial activity can therefore be associated with organic as well as acquisitive decision.

From the table, 60% respondents were of the view that SHG intensifies desire to earn more and make better living. 34 percent of women expressed that SHG increases desire to learn more professional skills and only 13 percent of women expressed that SHG compete with professional players and the difference was statistically significant ($\chi^2=31.8$, $P<.0001$, $df=6$, Cramer's $V=0.2932$).

Table 14. Repayment of Loan by SHGs' Members

Particulars	Kayathar	Pudur	Vilathikulam	Oottapidaram	Total
Repayment in time	11(78.6)	24(75.0)	19(42.2)	78(82.9)	132(71.3)
Repayment not in time	3(21.4)	8(25.0)	26(57.8)	16(17.1)	53(28.6)
Total	14(100)	32(100)	45(100)	94(100)	185(100)

Source: Primary data ($\chi^2=25.46$, $P<.0001$, $df=3$, Cramer's $V=0.371$), Significant at 1% probability level

All the members are responsible to repay the loan to the banks. Therefore members repaid the loan in time. Moreover banks instruct the members to save a minimum of Rs.200 per month. So re-payment is very easy to SHGs. Nearly 71% of the debtor paid their monthly dues within time. A few members (29%) do not pay in time but this is not affecting the further credit of SHGs and the difference was statistically significant ($\chi^2=25.46$,

$P<.0001$, $df=3$, Cramer's $V=0.371$).

Findings

1. Regarding the educational level, majority of the respondents were below S.S.L.C.
2. Majority of the respondents were of the view that the empowerment has resulted in increased access and control over resources at the household level, reduced vulnerability

of the women crisis greater access to financial resources outside the household and self reliance of women were their economic empowerment.

3. Most of the respondents were of the view that participation in panchayatraj institutions and understanding the political environment were the reasons for political empowerment.
4. Most of the respondents were of the view that social empowerment has led to equal status participation and powers of decision making of women in household and breaking social, cultural and religious barriers to equal development of women.
5. After the formation they are economically viable and the living status has improved.
6. Presently they are having the habit of going to Bank and understand the Banking operations.
7. Now illiterate women in the group have learnt to write their names.
8. It is observed that owing to increase in the level of income, the children of some of the members could continue their studies by paying school fees regularly.
9. This scheme helps them to get relieved from the clutches of money lenders.
3. Steps to be taken to create awareness of financial assistance available to women and to encourage them through concession and incentives to enter in to the services sectors related to women.
4. Government should encourage research and development in the service sector to find out high income generating activities suitable for women.
5. Bank services should be improved.
6. Regular attendance of members is a must for efficient functioning of SHGs.
7. Active participation of members is vital for efficient functioning of SHGs.
8. Literacy level should be increased.
9. Mobilization of rural savings through encouragement is needed.
10. Economic empowerment of women will be possible if more SHGs are started.
11. Ration Shop, Milk booth may be handed over to SHGs.
12. Loan and subsidy amount should be raised.
13. Periodical meetings should be arranged.

Suggestions

1. Creating social awareness by composing poems, stories on AIDS, Dowry, Nutrition's legal literacy, Sanitation, multiple rules of Women etc.
2. Encouraging women through formal and non formal education to involve themselves in the service sector.
14. Bank interest rate should be revealed to the SHGs as many of them complained that they do not know about bank interest rates.
15. Bank interest may be reduced.
16. SHGs can be used to promote small family norms, mobilization of small savings and other social works.

CONCLUSION

The Self Help Group really helps the women folk to participate in organized activities apart from helping members to mobilize funds. The present study concludes that the respondents are economically and social empowered by becoming members of SHGs in Tuticorin District. To conclude, the economic activities of SHGs are quite successful. In this way, SHGs in four blocks from Tuticorin District were very successful to develop entrepreneurial women empowerment and rural areas.

REFERENCES

1. Anna V. *Socio-economic basis of women entrepreneurship* 1990; 17(1): 17-47.
2. Bharat Dogra. *Women Self-Help Groups kindling spirit of Entrepreneurship* 2002; 50(5): 40, 42.
3. Bhavani. *Women entrepreneurs; Profile*. Paper presented at Seminar on women entrepreneurs in NISIET, Hyderabad 1990.
4. Desai. A study of SHGs and linkage programme. *Indian J Agr Econo* 2000; 55(1): 75-78.
5. Gurumoorthy TR. *Self Help Groups empower rural women*. 2000; 48(5): 37-31.
6. Meenambigai J. Self Help Groups in rural economy. *Kazan World* 2004; 31(4): 17-18.
7. Pareek. *Entrepreneurial Role Stress*. Mimeographed, Ahmadabad: Indian Institute of Management 1992.
8. Sabyasachi Das. Self Help Groups and microcredit Synergic intergration, *Kurukshetra* 2003; 51(10): 25-30.
9. Saraswathi. Self - Help Group - A Case Study. *The Hindu*, 26th January 2008.
10. Sarojani Baby K. *Women Empowerment: Self-Help Group*, the Associated Publishers, Ambala Cantt. 2006.
11. Shetty SL. Working and Impact of Rural Self-Help Groups and Other Forms of Micro Financing. *Indian J Agr Econo* 2002; 57(1): 31-32.
12. Singh BK. *Women Empowerment through Self-Help Group*, Adhyayan publishers and Distributors, Delhi. 2006.
13. Sreeramulu G. *Empowerment of Women through Self-Help Group*, Eastern Book Corporation. 2006.
14. Vandana K Jena. Literacy for Women's Empowerment. *Indian J of Popu Edu*, IAEA 2007; 38.
15. www.expressindia.com
16. www.indianngos.com
17. www.ruralpovertyportal.org
18. www.tn.gov.in