

## Empowering Women Entrepreneurship in India: Through Self Help Group



### Social Science

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### ABSTRACT

*The Women entrepreneurship is the process where women organize a business or industry and provide employment opportunities to others. Women entrepreneurs can engage in both unorganized and organized sectors. In India the SHGs are a viable alternative to achieve the objectives of rural development and to get community participation in all rural development programs. The possible outcomes of women's entrepreneur through SHGs at household level are self-employment, sustainable livelihoods, enhanced social dignity and better status of women. SHG would lead to benefits not only to the individual women and women's groups but also for the family and community as a whole through collective action for development. Empowerment is not just for meeting their economic needs but also for more holistic social development.*

### INTRODUCTION

Entrepreneurship is a process where one person getting himself self-employed and provides job to others also. The person is called 'entrepreneur'. Entrepreneurship is bred by self-employment and enhances economic growth of the country. Small-scale entrepreneurship reduces the concentration of wealth in few hands and helps for achieving balanced economic growth of the nation. The main benefits of micro-credit appear to be reduced vulnerability of the poor to adverse circumstances, increased consumption in the same group and empowerment of women. Fortunately, micro-finance practice in India like some other countries has much to offer to the rural population. These include poverty alleviation, livelihood promotion, developing the local economy, gender empowerment, building organizations and changing wider systems and institutions within society. SHG banking linkage model is an important model of micro-finance which helps their members to start their own business. Also SHGs in rural area have empowered illiterate and poor women by linking them to the mainstream banking system and involving members in Micro-Entrepreneurship activities. Development of Micro-Entrepreneurship can help reduce the problem of unemployment and several social problems in the society that go with it. It ultimately helps in sustaining the process of development of the nation.

### WOMEN ENTREPRENEURSHIP IN INDIA

Women are generally perceived as home makers with little to do with economy or commerce. But this picture is changing. In Modern India, more and more women are taking up entrepreneurial activity especially in medium and small scale enterprises. Even as women are receiving education; they face the prospect of unemployment. In this background, self-employment is regarded as a cure to generate income. The Planning commission as well as the Indian government recognizes the need for women to be part of the mainstream of economic development. Women entrepreneurship is seen as an effective strategy to solve the problems of rural and urban poverty. Traditionally, women in India have been generally found in low productive sectors such as agriculture and household activities. Human Development Report 2004 ranks India 103 in Gender related Development Index (GDI). As per 2001 census; women constitute nearly half of India's population. Out of this total, 72% were engaged in agriculture, 21.7% in other nonagricultural pursuits with only 6.3% in household industries. Women entrepreneurs in India are handicapped in the matter of organizing and running businesses on account of their generally low levels of skills and for want of support system. The transition from homemaker to sophisticated business woman is not that easy but the trend is changing. Women across India are showing an interest to be economically independent. Women are coming forth to the business arena with ideas to start small and medium enterprises. They are willing to be inspired by role models- the experience of other women in the business arena.

### ENTREPRENEURSHIP DEVELOPMENT OF WOMEN THROUGH SHG

Strength and weakness, both are the different sides of the same coin. Hence, all involved group members of SHG must realize that they all work with their own individual strengths and weaknesses. No one should be blamed for one's weakness i.e. all SHG members are equally responsible for success and failure of their entrepreneur. Self-help group can take a lead in any of the income generating activities by which group members can get employment and enhance their family socio-economic status. The group provides a platform to women for income generation with co-operative and mutual helping attitude.

### CHARACTERISTICS OF AN IDEAL SHG

**According to MARADA [2000] well-functioning SHG should have following structural features:**

- An ideal SHG comprises 15-20 members.
- All the members should belong to the same socio-economic strata of society.
- Rotational leadership should be encouraged for the distribution of power and to provide leadership opportunities to all the members.
- Member should regularly attend meetings, save money and participate in all activities voluntarily.
- The procedure of decision-making in SHG should democratic in nature.
- The group frames rules and regulations, which are required in its effective functioning.
- Transparency in account keeping and accounts should be maintained and updated regularly.
- An SHG should be socially viable institution.

### ROLE OF SELF HELP GROUPS IN EMPOWERING WOMEN

The self-help groups empower women and train them to take active part in the socio-economic progress of the nation and make them sensitized, self-made and self-disciplined. The SHGs have inculcated great confidence in the minds of rural women to succeed in their day-to-day life. SHGs enhance the quality of status of women as participants, decision makers and beneficiaries in the democratic, economic, social and cultural spheres of life. The SHGs bring out the capacity of women in molding the community in right perspective and explore the initiative of women in taking the entrepreneurial ventures. SHGs also organize women to cope with immediate purposes depending on the situation and need.

Participation of women in SHGs makes a significant impact on the empowerment in social aspect also. Participation helps women come out in open and discuss their problems. It also helps to bring about awareness among rural women about savings, education, health, environment, cleanliness, family welfare, social forestry, etc. Researches also reveal that increased participation of women in decision making at all level will help to ad-

just the goals pursued through development.

Empowerment should be extremely induced so that women can exercise a level of autonomy. There should also be 'self-empowerment' so that women can look at their own lives. The process of 'learning by doing and earning' would certainly empower rural women. More and more rural women need to be involved in self-employment. Self-employment in agriculture, village and small industries and retail trade and services should be expanded. Self-employment is also conducive to the development of individual initiative and entrepreneurial talent and offers greater personal freedom. The added advantage is that the institution of family remains undisturbed. The emergence of self-help groups in this context is a welcome development. The groups would provide a permanent forum for articulating their needs and contributing their perspectives to development.

The number of SHGs existing at present in the country is estimated to be about 2, 60,000. Out of these; about 90 percent are women group. The cumulative number of SHGs linked to the bank till March 2002 is 4, 61,478 and to the tune of 10,263 million rupees has been advanced to the SHG for income generating activities [NABARD, 2002]. As per the report of NABARD, SHG bank linkage programme has benefited 4 million families, covering an estimated 20 million very poor people during 2001-2002.

## PROBLEMS AND CONSTRAINTS

### a) Social barriers

In our man dominating society women entrepreneurs are always seen with suspicious eyes, situation in rural areas is too worse.

### b) Caste and Religions

Though India is a secular country, so many castes and religions dominate with one another and it restricts women entrepreneurship.

### c) Lack of self-confidence and risk bearing capacity

Women have lack of self-confidence and always feel that they may not be successful and hence hesitate to take risk. Their risk bearing capacity is always less than man.

### d) Psychological factors

Mostly women feel that she is 'women' and less effective than man. Secondly, Family and home maintenance is her moral duty if she is engaged in work than how can she manage both or play dual role? She has to strive hard to balance her family life with care and hence feels better to be housewife.

### e) Lack of family support

Due to some taboos and restriction, which are still prevalent in our society woman is not getting enough support by her husband and family members to undertake any entrepreneurship.

### f) Marketing problem

Market for a small enterprise in a developing country can be quite a problem considered that the small entrepreneur will be in competition not only with locally mass-produced goods but even imports. Small enterprises must therefore prove that in quality and price of their product they are comparable. Small enterprises can brand together and sell their products as one body through closely-knit associations or organizations. The Government too can take an active part in marketing specific products or assisting small groups of entrepreneurs in selling their products.

### g) Lack of information

Women entrepreneurs have lack of information regarding advance and innovative technology. Even they lack of knowledge regarding govt. policies and subsidy to permute women entre-

preneur. Hence, they can't widen their market.

## SUGGESTIONS

To solve the problems facing by women entrepreneurs, some remedial measures undertaken and suggestions are given below:

### a. Governmental efforts

Government agencies, associations of women entrepreneurs and NGO's have carried on so many programs for development of women entrepreneurship. India has been the pioneer in initiating Entrepreneurship Development Programs, to identify, select, motivate, train and guide first generation entrepreneurs from all spheres of life. Now a day, Programs for entrepreneurship development are being introduced in school and colleges to provide the impetus for youth seeking self-employment opportunities.

### b. Stress on women education

Government has increased number of opportunities for women education and special programs have been introduced. Yet it is necessary to increase the number of professional school for women.

### c. Financial assistance

Banks, financial institutions are lending more freely to women entrepreneurs today. Yet, Government has to lend more subsidies to women entrepreneurs.

### d. Enhance practical and technical knowledge:

As it is necessary to provide practical and technical knowledge of the business, during their study levels, some schools and colleges are providing such knowledge during the education period. It should be increased and informal education on small-scale entrepreneurship development should also be given.

### e. Market facilities

As women entrepreneurs have to face severe marketing problems, they should be taken into consideration by the Govt. and steps should be taken to solve them. Markets should be developed in rural and semi urban areas so that women entrepreneur can sell them easily in the nearest markets more and more fairs and exhibitions should be arranged for women products.

### f. Infrastructural development

The development of transport and communication throughout the country will help for women entrepreneurs to market their products easily.

### g. Self-employment training programs

As self-employment breeds entrepreneurship, more and more self-employment programs should be undertaken and proper training should be given to rural and urban youths including women.

### h. Transfer of technology and information:

As women entrepreneurs have lack of information as regards to their enterprise, it is necessary to start information bureaus, to help them in getting the required information.

### i. Research and survey programs:

Emphasis should be given to conduct research and survey, to identify the problems and needs of women entrepreneurs. Then steps should be taken to solve the problems of women entrepreneurs.

## CONCLUSION

Government at center and states has organized specific programs for promoting women entrepreneurship and getting their talent useful to the society. But still, rural women are not getting benefits, due to ignorance and marketing problems. Hence there

is an urgent need to popularize these programs and proper marketing strategy should be planned and implemented, which will provide scope for women entrepreneurs. The women only 8 percent of the small scale-manufacturing units are run exclusively by women entrepreneurs which are proportionately very small as compared to others developed and developing countries. In USA about 50 percent of the business is owned by women.

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