

Influence of Environmental Climate in Empowerment of Women Self-Help Group through Different Entrepreneurial Activities

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ABSTRACT

The study examined the entrepreneurial activities which influence the environmental climate in empowerment of WSHGs. The particular research study was done in three districts of Odisha namely Cuttack, Puri and Khurda. About 240 women were selected randomly as respondents having experience as SHG member. Data was collected through survey method by using a pre-tested questionnaire and attempt was made to know the influence of environmental climate for empowerment of WSHGs through different entrepreneurial activities.

Key words: Environment, Empowerment, SHG, Entrepreneurship, Women

Environment analysis is very important to find out the strength, weakness, opportunities and threats of an organization or enterprise. The detailed information of environment is needed to provide first hand information about feasibility of the enterprise. Environment provides basic direction for entrepreneurship for benefit of the practitioner. Many researchers have found that Environmental climate parameters have a great influence on SHG members for their entrepreneurial activities for empowerment of Women. Rajeswari and Sumangala, (1999) explored the problems and prospects in women entrepreneurship and stated that women entrepreneurship enables to pool the small capital resources and skills available with women. It paves the way for full utilization of capital and also mobilizes the female human potential. As per Swedish Ministry for Foreign Affairs, (2010) Women's economic participation and empowerment are fundamental to strengthening women's rights and enabling women to have control over their lives and exert influence in society. In this present study, an attempt has been made to determine various variables and their effect on progressiveness of SHG .

METHODOLOGY

The study was undertaken in three districts (Cuttack, Puri and Khurda) of Odisha covering six blocks two in each. About 240 SHG members were randomly selected as sample respondents @ one from each SHG, Criteria was fixed for the respondents having experience as group member and three years experience as a housewife with children in family. The interview schedule was developed, pre-tested and modified to be used for data collection in the field along with PRA and FGD methods. The collected data was processed and analyzed with the help of statistical tools and techniques which are reflected in the findings and discussion.

RESULTS AND DISCUSSION

Socio-economic profile of SHG members: The socio-economic information is very much essential to study the life style of an individual. Many researchers have found that socio-economic parameters have a great influence on SHG members to take up any entrepreneurial activities. This present study has made an attempt to collect information on socio-economic profile of SHG members as reflected in the following table.

Table-1
Socio-economic profile (n=240)

Sr.No	Socio-economic parameters	Majority area	Percentage
1	Age	31-40 years	45.00
2	Education	Literate	42.91
3	Caste	General	54.59
4	Marital status	Married	93.75
5	Family size	Medium (4 to 6 members)	65.83
6	Type of family	Nuclear	66.66
7	Head of family	Husband	70.41

8	Social status	Medium	69.58
9	Income range	Up to Rs. 10,000/-	81.66
10	Primary occupation	Farming	29.17
11	Exposure	Outside district	79.58
12	Experience	5 years	54.58
13	Membership	Office bearers	83.33

As per analysis of socio-economic data, majority of the respondents were within the age group of 31 to 40 years (45.00%) having educational qualification of literate level (42.91%) belonging to general caste (54.59%). With regard to marital status, 93.75 per cent of SHG members were married against 6.25 per cent unmarried. Where most of them had medium sized families within 4 to 6 members (65.83%), nuclear family system (66.66%), husband as head of the family (70.41%), medium social status (69.58%) within the income range upto Rs.10,000/- (81.66%) having farming as primary occupation (29.17%). With context to outside exposure, maximum respondents were exposed outside their districts (79.58%) being experienced for more than 5 years (54.58%) as office bearer in SHG (83.33%), respectively.

Environment of SHG members in entrepreneurial activities: Analysis was made on environment of SHG members in entrepreneurial activities comprising fourteen variables like amount of loan, rate of interest on bank loan, time period for repayment of loan, bank steps against non-repayment, training undergone by SHG members, areas of training, receiving subsidized inputs, exposure visit for SHG members, visits by political leaders, developmental activities by SHGs, finance by other agency than bank, self employment activities, average monthly income and asset formation which are divided into three groups like financial support, training, exposure and entrepreneurial activities.

Getting loan is strength for any enterprise or organization. It is the resource and need of the present. The above table indicates that out of 240 respondents only 171 were getting loan for entrepreneurial activities against 69 who did not get loan. It is found that 89.49 per cent respondents are getting loan upto Rs. 50,000 followed by 5.84 per cent (Rs. 50001 - Rs.1 lakh), 4.67 per cent (above Rs.1 lakh). With regard to rate of interest on bank loan, about 85.39 per cent of SHG members had no idea about interest rate, while 8.77 per cent respondents paid upto 10 per cent and 5.84 per cent paid above 10 per cent interest on bank loan. Every government scheme / program has some norms or guidelines which have to be followed by the beneficiary. Likewise, bank has its own time period

Table 2
Financial support (n=171)

Sr. No.	Variables	F	%
1	Amount of loan		
	Upto Rs. 50000	153	89.49
	Rs. 50001 - Rs.1 lakh	10	05.84
	Above Rs.1 lakh	08	04.67
	Total	171	100.00
2	Rate of interest on bank loan		
	Upto 10%	15	08.77
	Above 10%	10	05.84
	No idea about interest rate	146	85.39
	Total	171	100.00
3	Repayment period of loan		
	Within 1 year	82	47.95
	1 -3 years	80	46.78
	No time limit	07	04.09
	Waiving out loan	02	01.16
	Total	171	100.00
4	Steps against non-repayment		
	Bank notice	05	20.92
	Given specific time for corrective measures	15	08.78
	Regularly paid	151	88.30
	Total	171	100.00
5	Finance by other agency than bank		
	Yes	08	3.33
	No	232	96.67
	Total	240	100.00

F-Frequency % - Percentages

for repayment of loan. Out of the total, 47.95 per cent groups repaid the loan within 1 year followed by 46.78 per cent within 1 to 3 years and 4.09 per cent had no time limit and 1.16 per cent were waiving out loan. In India, microcredit studies done on groups dealing with dairy farming have noted positive profit levels and short payback periods for loans (Lalitha and Nagarajan 2003). With regard to steps against non-repayment, bank sent notice to 20.92 per cent respondents, gave specific time for corrective measures (8.78%) against 88.30 per cent who regularly paid the loan. As far as the source of finance by other agency than bank is concerned, only 3.33 per cent groups get this facility against 96.67 per cent who did not get this facility. Absence of such facility creates dissatisfaction among the SHG members. According to Seibel, H. D.(2005), the financial services and their impact on incomes also raise the capacities of SHG members to increase their household expenditure for basic needs such as better nutrition as well as for education and health. But as per Mahajan, Vijay (2003) it is a well known and

established fact that micro-finance is a necessary but not sufficient condition for the promotion of livelihoods.

Table-3
Training and exposure (n=240)

Sl No.	Variables	F	%
1	Training undergone		
	Yes	76	31.67
	No	164	68.33
	Total	240	100.00
2	Areas of training		
	Tailoring	8	10.52
	Crop production	9	11.85
	Incense making	11	14.48
	Coir work	5	6.58
	Paper bag	6	7.90
	Chalk / phenyle / candle etc.	13	17.10
	Value addition to agricultural produce	15	19.73
	Vermin compost	3	3.94
	Embroidery	6	7.90
	Total	76	100.00
3	Subsidized inputs		
	Yes	17	7.08
	No	223	92.92
	Total	240	100.00
4	Exposure		
	Yes	10	4.17
	No	230	95.83
	Total	240	100.00
5	Visits by political leaders		
	Yes	4	1.67
	No	236	98.33
	Total	240	100.00
6	Developmental activities		
	Yes	24	10.00
	No	216	90.00
	Total	240	100.00

F- Frequency, % - Percentage

Capacity building is essential for enhancement of knowledge, skills and attitude of the people. The data in above table depicts that for capacity building, only 31.67 per cent had undergone trainings against 68.33 per cent who had no training experience. With regard to areas of training the SHG members were imparted training on value addition to agriculture produces (19.73%) followed by chalk / phenyl / candle making (17.10%), incense making (14.48%), crop production (11.85%) and tailoring (10.52%). The other areas having least importance were embroidery, paper bag making, coir work and vermin compost production. The above table reveals that only 7.08 per cent of total respondents were provided with subsidized inputs whereas 92.92 per cent did not. To enhance the outlook of a person, outside exposure is a must. It seems from above table that only 4.17 per cent had exposure visits against 95.83per cent who had not. The data infers

that very negligible percentage (1.67%) of SHGs were visited by political leaders.

Now-a-days, government gives much importance to SHGs for women empowerment. In this context the SHGs take up many developmental activities like: village road construction, mid-day meal preparation, selling control items of supply departments, community pond renovation, village cleanliness, imparting health education, etc. It is inferred that out of 240 respondents, only 10.00 per cent had taken up some developmental activities whereas 90.00 per cent did not.

Table-4
Entrepreneurial activities and income (n=240)

Sr No.	Variables	F	%
1	Self employment activities		
	Have activities	78	32.50
	No activities	162	67.50
	Total	240	100.00
2	Average monthly income		
	Upto Rs. 2000	55	22.91
	Rs. 2001- Rs. 5000	22	9.17
	Above Rs. 5000	1	0.42
	No income	162	67.50
	Total	240	100.00
3	Assets		
	Storage box / almirah	13	5.41
	Own building	3	1.25
	Cooking utensils	10	4.16
	Small equipments	27	11.26
	Chair / table	35	14.58
	No assets	152	63.34
	Total	240	100.00

F-Frequency % - Percentages

Data in the above Table-4 indicate that, 32.50 per cent SHGs were engaged in various activities for self employment against 67.50 per cent who did not involve in any of the activities. Therefore, skill training should be imparted to build up capacity of the SHG members in enterprising form. About 67.50 per cent of sample had no income from self employment activities whereas rest (32.50%) had some activity. Most of them (22.91%) earned upto Rs. 2000 per month followed by Rs. 2001 - Rs. 5000 (9.17%) and above Rs. 5000 (0.42%). Asset formation is one of the indicators of progressiveness of SHG. Asset formation includes material possession, its maintenance and common use by the group. With regard to asset formation, only 14.58 per cent had chairs tables while small equipments were with 11.25 per cent, storage box / almirah with 5.41per cent, cooking utensils with 4.16per cent and own building with only 1.25 per cent persons against 63.34 per cent who did not have any assets. Reviewing existing SHG-bank linkage studies Seibel, H. D. (2005) and Ajay, T. (2002) pointed out

that SHG members realized major increase in assets, income and employment. Self-help groups through microcredit have an important role in lessening the vulnerability of poor by creating assets, income and consumption. Smoothing, providing emergency assistance and empowering and making women confident by giving them control over assets and increased self-esteem and knowledge (Zaman 2001).

Regarding suggestions it was observed from Table 5 that the SHG members suggested for increasing loan facility (2.28), own infrastructure (1.85), group cohesiveness (1.82), group advisor (1.79), self motivation (1.75) and, awareness of government schemes (1.74) as ranked I, II, III, IV, V and VI, respectively. In other way, least importance was given for sustainable income generating programmes (X),

Table 5
Suggestions for better functioning (n=240)

Sr No	Suggestions	Total Score	Average Score	Rank
1	Awareness of farm women regarding govt. schemes	418	1.74	VI
2	Loan facility	549	2.28	I
3	Group leader	416	1.73	VII
4	Group advisor	430	1.79	IV
5	Market facility	402	1.67	VIII
6	Sustainable income generating programmes	389	1.62	X
7	Produce as per demand	400	1.66	IX
8	Group cohesiveness	437	1.82	III
9	Self motivation	422	1.75	V
10	Own Infrastructure	444	1.85	II

It was found that most of the SHGs remain defunct after formation whatever may be the reason. Therefore, the SHG members were asked for some suggestions for better functioning of the groups as described in table below.

produce as per demand (IX), market facility (VIII) and group leader (VII) in order of importance.

CONCLUSION

A model has been developed based on analysis of the study for sustainability of SHG and its empowerment as follows.

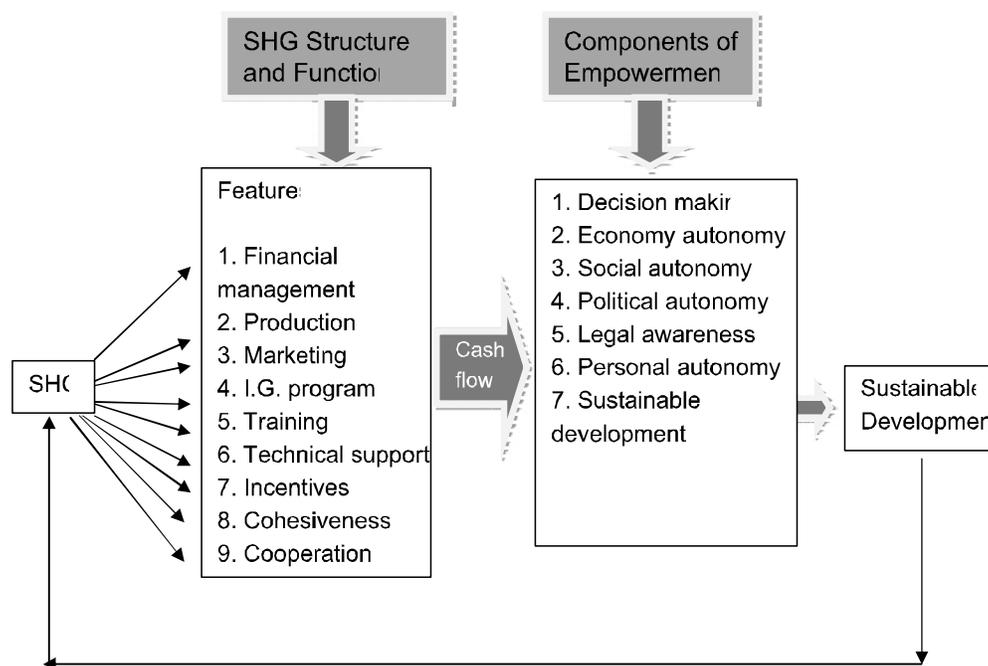


Fig 1 Features of SHG

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