

A Study on Potential of Manipuri Women Self Help Groups as an Entrepreneur

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Abstract

Self Help Groups (SHGs) are becoming one of the important means for women's empowerment in almost all developing countries, including India. This study was carried out to examine members' functioning and entrepreneurial activities in different SHGs. 15 (fifteen) SHGs and a sample of 120 (one hundred twenty) women members were selected for the study. The present study is carried out with the specific objective to identify the socio- personal background of the members of SHG to identify the knowledge, attitude and skill acquisition after getting training and financial support from different agencies. Most SHGs had started their work from group savings, whereas few had taken subsidized loans from a bank. Profit earned is equally shared by the members of SHG. All the respondents had a very low level of skills before different pieces of training, especially in case of training change in knowledge, skill, and attitude was worked out based on average scores obtained from pre and post exposures. The maximum percentage of respondents had a medium change in knowledge, skill and attitude.

Key words: Entrepreneurship, Micro enterprise, Self Help Groups and Women Entrepreneur

1.1 INTRODUCTION

Women entrepreneurship development in India increases with time, but it is still very low in rural areas because of the lack of awareness. Self Help Groups (SHGs) are becoming one of the important means for women's empowerment in almost all developing countries, including India. Entrepreneurship is a multidimensional phenomenon that cuts across disciplines. There is no universal theory of the phenomenon. Many entrepreneurship ideas come from different schools of thought, with many authors emphasizing various factors to explain them. However, **Carter and Shaw (2006)** noted research on entrepreneurship is moving from looking at whether gender makes a difference to how it makes a difference. It has been recognized that small and medium enterprises have been the major force in job creation, innovation and economic development. Further, it may be good to emphasize that out of many SMEs, a good proportion of them are women-owned or operated. Women do not only form the majority of the workforce in specific sectors of the economy. But their businesses have also influenced the structure of all our economies in one way or another. Self-employment and women in entrepreneurship have also been growing in less developed economies as a means for women to survive themselves and often to help support their families (**Gordon, 2000**). Entrepreneurship amongst women is a recent phenomenon. When an

enterprise is established and controlled by a woman, it boosts economic growth and has many desirable outcomes. The first prime minister of India Jawahar Lal Nehru has remarked, "when a woman moves forward, the family moves, the village moves and the nation move." It is estimated that presently women entrepreneurs comprise about 10 percent of the total entrepreneurs in India and this percentage is growing every year. If prevailing trends continue, it is not unlikely that women will comprise about 20 percent of the entrepreneurial force in India in another five years. **Pooja (2007)** women entrepreneurship is a recent phenomenon in India and in this process, there are various problems. There are multiple hindrances in the success of women entrepreneurs like finance, marketing workplace facilities, social constraints etc.

Since Independence rural employment has been the prime agenda of debate in the country as 74 percent of the unemployed population hails from rural India. During the Fifth Five Year Plan, the removal of unemployment and poverty alleviation was recognized as one of the country's principal objectives of economic planning. India has been a rural country. Women constitute about 66 percent of the agricultural workforce (**Planning Commission, 2008**). But, agriculture provides only seasonal employment in the rural economy. So, poverty and unemployment continuously hunt the rural poor. In this connection, poverty eradication becomes an important aim of developing countries, especially India. Other poverty eradication and programmes have been initiated time and again in different five-year plans. SHG model is developed and promoted by NABARD. Thus SHG is one of the most important women employment in the development process. In the impediments to social and economic development, the pivot of the planning process had been pivoted on the strategic goal of 'economic development with social justice'. In the 11th Five-Year Plan (2007-2012) aims to address these challenges by focusing on measures of 'inclusive growth' through a three-pronged strategy: economic growth, income poverty reduction through targeted programmes and human capital formation. SHGs are seen to have an important role in meeting this objective by transforming rural livelihoods and agricultural productivity in India (**GoI, 2005**).

1.2 ENTREPRENEURSHIP DEVELOPMENT OF RURAL WOMEN THROUGH SELF HELP GROUPS

The SHG is an association of people with similar socio-economic characteristics residing in the same locality. The SHGs are voluntary associations of people formed to attain some common goals. A typical rural women's SHG is an excellent example of capacity building for prospective entrepreneurs. Its aims include enabling members with no educational, industrial, or entrepreneurial background to become self-dependent and self-reliant. An SHG is a small economically homogenous, and significant group of rural-urban poor voluntarily formed to save and mutually agreed to contribute to a common fund to be lent to its members as per group decisions. These groups have a similar social identity, heritage, caste, or traditional occupations and come together for a common cause and manage resources for the benefit of the group members. **Pattanaik (2003)** reveals that SHGs continuously strive for a better future for rural women as participants, decision-makers and beneficiaries in the domestic, economic, social, and cultural spheres of life. But due to certain constraints like gender inequality, exploitation, and women torture, various SHGs are not organized properly and effectively. SHG agrees to save

regularly, convert their savings into a common fund, and use it for management and business activities. SHGs are presently promoted by governments, development banks and voluntary agencies, focusing on social and economic issues, mainly thrift and credit programmes. They are also taking up issues relating to rural industries and the modernization of agriculture. According to **Sukhjeet (2006)** SHG provides an opportunity to improve their financial, social and political status by their involvement as a team. It promotes the quality of life by motivating female human potential. Undoubtedly, SHGs will replace commercial or cooperative lending institutions and villages or at least supplement rural financing. The concept of Self Help Groups (SHGs) is proving to be a helpful instrument for women empowerment. Participation in income-generating activities helps in the overall empowerment of women. The SHGs had a major impact on rural women's social and economic life. It allows women increase in social recognition of self, the status of the family in the society, improvement of the standard of living. Raised literacy level could be helpful for the SHG members to overcome cognitive constraints and to understand government policies, technical understanding and gain required skills. Rural women could be motivated to avail finances for starting entrepreneurial activities. Awareness was created about various credit facilities, financial incentives and subsidies through Self Help Groups.

1.3 STATEMENT OF PROBLEM

Women in India have been oppressed culturally, socially, economically, and politically for centuries. They are exploited at home, in society, and in the country. In India's Multiethnic and multi-cultural society, such exploitation takes various Forms. The core of the problem is that they shoulder many 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 and cultural and social status improve. 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.

1.4 REVIEW OF LITERATURE

According to **Gitile (2008)**, for many of the younger women (under 20), the "search for independence" was associated with freedom from the misery of unemployment and recognition that self-employment offered the only way out. Self-employment was, therefore, seen as a long-term career option. These entrepreneurs believed they could create their career path and liberate themselves from the indignity of poverty and unemployment. **Carland (2005)** found that enterprise training courses must also consider that women differ significantly from men in risk-taking propensity. **Brindley (2005)** cites many research studies that support the argument that men and women view risk differently and that as women become more self-confident, they become less risk-averse. Most women starting a venture obtain the money from personal savings, family loans, or friends, whereas men tend to get external sources. This tendency of women not to incur large debts, combined with their concentration in less capital-intensive service industries, may partly account for women starting their business with low capital. **Carter (2004)** indicates that perhaps the most popular reason for creating a new business, financial success involves reasons that

describe an individual's intention to earn more money and achieve financial security. In a study by **Karim (2001)** on women entrepreneurs in Bangladesh, financial problems were the most common problems faced by their women entrepreneurs. Inadequate financing was ranked first in rural areas and among small economic units (fewer than five workers), all the more so with those located in the household and unregistered sectors. Competition, obtaining quality raw materials, and balancing time between the enterprise and the family were major start-up problems. **Shaver (2001)** found that entrepreneurs who believed in their skills and ability were motivated to exert the necessary effort. **Kamal (2000)**, in his research study entitled "Factors that affect women entrepreneurs: evidence from an emerging economy," had found that Financial support from the government, especially in the start-up capital is an important factor that motivates women to establish their own businesses. Self-fulfillment, knowledge, skills and experience, including relationship to spouse or father business, are all important factors in the development of women entrepreneurs. Unlike previous research, such as social norms, market networks and competition do not seem to be barriers for women to become entrepreneurs. **Das (2000)** modeled the choice to pursue entrepreneurship as a utility function, which reflects anticipated income, the amount of work effort anticipated to achieve this income, the risk involved, plus other factors such as the person's attitudes for independence and perceptions of the anticipated work environment, for example, the presence of funding or opportunities.

1.5 OBJECTIVES OF THE STUDY

1. To identify the socio-demographical level of Women Self Help Groups in Manipur.
2. To examine the entrepreneurial activities undertaken by Entrepreneur.
3. To find out the Entrepreneur's qualities as assessed by the Women Self Help Groups.

1.6 HYPOTHESES OF THE STUDY

The main hypotheses of the present study are;

H₀; there has no association between a demographic factor and entrepreneurial activities.

H₁; there has an association between a demographic factor and entrepreneurial activities.

1.7 SCOPE OF THE STUDY

The paper highlights the critical study of self-help groups concerning Imphal East and Thoubal District. This study would greatly help the implementing agencies to bring necessary improvements in the self-help groups for attaining the overall improvement of women. The knowledge on these aspects could be used to develop strategies to motivate self-help group members for their enhanced participation in the group.

1.8 DATA & METHODOLOGY

This study is being descriptive. The study was carried out through a field survey and interview of women in the district. The data used for the study is secondary data comprising of official websites, journals, magazines and articles. The study has made an intensive reference to the primary data in trying to analyze the analysis of the above objectives. The data have been collected from the selected areas of Manipur through a questionnaire. The random sampling of self-help groups has been identified in the set 2 (two) districts, namely Thoubal and Imphal East. The study was focused on women's self-help groups; the simple statistical methods like mean, percentage, graphical and

tabulation as a tool of analysis to find out the potential of women's self-help groups in socio-economic status, performance and entrepreneurs qualities in the selected areas. The present study covers only women entrepreneurs who are members of SHGs.

1.9 SAMPLE SIZE / RESEARCH DESIGN

Based on random sampling, 15 (fifteen) women self-help groups and 120 (one hundred twenty) member beneficiaries into selected villages of two districts have been considered. While selecting beneficiaries, simple random sampling at the rate of 8 members from each group has been established. So, 120 (one hundred twenty) women self-help group members are selected for the present study.

2.0 ANALYSIS AND INTERPRETATION

The socio-personal characteristics were analyzed using mean, percentage, and chi-square. Acceptability of various training programmes was measured considering the various parameters viz. knowledge, attitude, and skill. Pre and post-exposure levels were assessed and overall score was grouped into low medium and high categories. The essential entrepreneurial qualities were listed, and each quality was evaluated based on the opinion held by each member about the other member of their SHG. These weight ages were added to give the actual number of women having a special entrepreneurship quality and expressed in percentages.

Table No. 1
Socio-Personal Characteristics of the Members of SHGs

Sl. No	Socio-personal characteristics	Number	Percentage
1	Age:		
	21 – 30	39	32.5
	31 – 40	49	40.8
	Above 40	32	26.7
2	Educational Level:		
	Illiterate	42	35.0
	8 th Pass	37	30.8
	10 th Pass	30	25.0
	12 th Pass and above	11	09.2
3	Family Size:		
	Small (upto 5)	27	22.5
	Medium (6 – 8)	63	52.5
	Large (above 9)	30	25.0
4	Individual Income		
	Low (Rs. upto 6000)	30	25.0
	Medium (Rs. 6001- 10000)	52	43.3
	High (above Rs. 10001)	38	31.7
5	Annual Income:		
	Low (Rs.20000)	4	3.3
	Medium (Rs. 20001- 40000)	51	42.5
	High (above Rs. 40001)	65	54.2
6	Occupation:		
	Agriculture	28	23.3
	Agri Labour	43	38.8
	Cottage Industry	28	23.3

	None	21	17.5
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Sources: Computed from primary data

Table No. 1 depicts the socio-personal characteristics of the members of the SHG under study. Most of the respondents fell in the middle age group (31-40 years) and were illiterate 35 percent of the total respondents. 9.2 percent of the respondents were above the 12th passes categories. The husband was the head of the family of the majority (66 percent) of the respondents. Agri labour was the main occupation of the maximum percentage of women (38.8 percent), followed by agriculture cottage industry and non, that is, 23.3, 23.3 and 17.5 percent, respectively almost equal percentage of the respondents had having marginal and small landholdings. The annual income of the maximum percentage (54.2 percent) of the members of the SHGs ranged above Rs. 40001, and only 43.3 percent of members have individual income between Rs. 6001 to 10000 per month. The maximum percentage of families size (52.8 percent) belonged to middle size (6 to 8) followed by 25 percent families size to large size and 22.5 percent who belonged to small size family. The majority of SHGs had started their work from group savings, whereas few had taken subsidized loans from the bank, and only two SHGs had got money from their relatives. Profit earned is equally shared by the members of SHG. Women entrepreneurship is the right form of women empowerment. It is their entrepreneurial nature that brings socio-economic change, however small is their entrepreneurial activities.

Table No. 2
Types of Enterprises Taken up by SHGs

Villages of the Respondents	Activities of work				
	Knited Shoe making	Soap making	Pickle activities	Fruits making	Agarbati making
Kongba	20 (66.7)	0 (0)	0 (0)	10 (33.3)	0 (0)
Wangkhei	0 (0)	0 (0)	20 (66.7)	10 (33.3)	0 (0)
Thoubal	0 (0)	15 (50.0)	0 (0)	5 (16.7)	10 (33.3)
Kakching	7 (23.3)	9 (30.0)	4 (13.3)	5 (16.7)	5 (16.7)
Total	27 (22.5)	24 (20.0)	24 (20.0)	30 (25.0)	15 (12.5)

Sources: Computed from primary data

Figures in parentheses below to the figures indicate the percentage to the totals of the respective rows.

From the above Table No. 2 reveals that the type of enterprises taken up by the SHGs and the participation of its respondents suggests maximum numbers of SHGs were involved in fruits making and knitted shoe making. 2 (Two) SHGs each were engaged in soap making and pickle making and least numbers of Agarbati making SHGs engaged in the selected area.

As seen from Table No. 3 reveal the calculated value of chi-square is 20.235 and the table value of chi-square at 5 per cent level of significance for 8 degrees of freedom is 15.507. Therefore, it is concluded that there is an association between women entrepreneurs' age and the type of enterprises. Further, out of the total women entrepreneurs selected as samples for study, the highest number are in age between 31-40 years, and the lowest number is above 40 years. This signifies that more numbers of women entrepreneurs are in young groups. Based on the average mean percentage obtained from pre and post exposures, gain in knowledge, attitudinal change, and change in skill was worked knowledge regarding different institutional trainings done under various programs.

Table No. 3
Result of the Chi-Square Analysis

Age of the Respondents	Activities of work					Total
	Knited Shoe making	Soap making	Pickle activities	Fruits making	Agarbati making	
21-30	9 (23.1)	0 (0)	10 (25.6)	13 (33.3)	7 (17.9)	39 (100.0)
31-40	7 (14.3)	16 (32.7)	9 (18.4)	11 (22.4)	6 (12.2)	49 (100.0)
Above 40	11 (34.4)	8 (25.0)	5 (15.6)	6 (18.8)	2 (6.2)	32 (100.0)
Total	27 (22.5)	24 (20.0)	24 (20.0)	30 (25.0)	15 (12.5)	120 (100.0)

Sources: Computed from primary data

Figures in parentheses below indicate the percentage to the respective column totals.

It is evident from Table No. 4 that about 17 percent respondents had organizing people, followed by 15 percent independent, 14 percent purchasing ability, 13 percent cooperativeness, 13 percent taking more decision, 11 percent self-confidence, 11 percent motivation, 11 percent representing the SHGs, 8 percent innovative ideas and only 7 percent respondents had decision on domestic matters of the respondents qualities as assed by the members of SHGs. Thus, there is a need to improve all these entrepreneurial qualities in the members of the SHGs.

Table No. 4
Entrepreneurship Qualities as Assessed by the Members of SHGs

Qualities of Entrepreneur	Village of the Respondents				Total
	Kakching	Thoubal	Kongba	Wangkhei	
Self confidence	6 (54.5)	1 (9.1)	1 (9.1)	3 (27.3)	11 (100)
Organizing People	11 (64.7)	1 (5.9)	3 (17.6)	2 (11.8)	17 (100)
Purchasing ability	2 (14.3)	1 (7.1)	5 (35.7)	6 (42.9)	14 (100)

Motivation	2 (18.2)	2 (18.2)	3 (27.3)	4 (36.4)	11 (100)
Cooperativeness	3 (23.1)	3 (23.1)	3 (23.1)	4 (30.8)	13 (100)
Taking major decision	4 (30.8)	4 (30.8)	2 (15.4)	3 (23.1)	13 (100)
Representing the SHG	0 (0)	4 (36.4)	4 (36.4)	3 (27.3)	11 (100)
Innovative Idea	0 (0)	3 (37.5)	4 (50.0)	1 (12.5)	8 (100)
Independent	0 (0)	10 (66.7)	1 (6.7)	4 (26.7)	15 (100)
Decision on domestic matter	2 (28.6)	1 (14.3)	4 (57.1)	0 (0)	7 (100)
Total	30 (25)	30 (25)	30 (25)	30 (25)	120 (100)

Sources: Computed from primary data

Figures in parentheses below indicate the percentage to the respective column totals.

MAJOR FINDINGS

1. The majority of the women respondents are aged between 21 and 40 years, having two children. On average, they possess secondary education, have an income of more than Rs.40,001 and are below the poverty level. 75 percent of the respondents belong to the Hindu religion and 25 percent belong to the Schedule caste category.
2. Advances are taken for various purposes like day-to-day expenditure, children's education, health care, marriage or any other family occasion, repayment of the old loan, festival celebrations, purchase of household items for income-generating activities. The field survey reveals that out of 120 respondents, 102 women have taken loan for income-generating activities.
3. More than 90 percent of the savings in thrift societies are given away as loans. The selection of beneficiaries, the rate of interest and the period of repayment, etc. are all decided and implemented by the women themselves.
4. 93 percent of women used modern methods of production.
5. 40.3 percent of women are found to be the beneficiaries of revolving funds.
6. 43.3 percent of women earn a monthly income of Rs.6001 to Rs. 10000 per month from the income-generating activities.
7. 61 percent of women who have taken advances for income-generating activities could repay their advance on time.
8. Innovative practices like a running canteen or catering services by women, mushroom plantation, jute bags making, home shop, Knitted Shoemaking, Soap making, Pickle activities, Fruits making Agarbati making are seen in these sample villages.

9. 87 percent of women have received job-oriented training from the government through Panchayaths.
10. The mode of marketing found in the sample villages is the door to door, local markets, and nearby towns. Marketing strategies adopted by the women respondents are classified as marketing by using signboards and distributing pamphlets.
11. All the 120 respondents were found to have a bank account after joining SHGs.
12. Women found considerable improvement in the satisfaction of basic needs, cognitive change in the level of knowledge, improved skills and awareness, increased income, increased level of mobility, increased status and decision-making within the household, and courage to visit a bank or other offices.
13. The calculated value of chi-square is 20.235, and the table value of chi-square at 5 percent level of significance for 8 degrees of freedom is 15.507. Therefore, there has an association between age of women entrepreneurs and the type of enterprises.
14. The average mean percentage obtained from pre and post exposures, gain in knowledge, attitudinal change and change in skill was worked knowledge regarding different institutional trainings done under different programmes.
15. About 17 percent respondents had organizing people, followed by 15 percent independent, 14 percent purchasing ability, 13 percent cooperativeness, 13 percent taking more decision, 11 percent self-confidence, 11 percent motivation, 11 percent representing the SHGs, 8 percent innovative ideas and only 7 percent respondents had decision on domestic matters of the respondents qualities as assessed by the members of SHGs. Thus, there is a need to improve all these entrepreneurial qualities in the members of the SHGs.

CONCLUSION AND SUGGESTION

The Self Help Group (SHG) strategy is one of the instruments for women's empowerment through economic intervention. SHGs had taken the responsibility to decide on the domestic matters of their families. After SHGs had formed, women organized activities, participated in group discussions, and arranged SHG activities. There is a need to focus on other diversified activities beyond farming. Focus should also be given to identifying local resource-based and need-based activities, both production and services, to support the type of activities. The fact remains that most of the work done by the women at farm and home is disguised as daily chores. The present study is mainly based on entrepreneurial activities other than routine activities.

SHGs are primarily concerned with the enlistment of women in society through social and economic aspects. They lead to provide and bring empowerment to the women. SHGs are emerging as a powerful instrument for poverty alleviation in the new economy. There should be continuous attempts to inspire, encourage, motivate and co-operate women entrepreneurs. The government should introduce an entrepreneurial development program for women. Finance should be made available to women entrepreneurs at a reduced interest rate. Hence, providing adequate financial support, guidance to start small businesses, technical support can uplift their standard of living. If they utilized this efficiently, they wouldn't face poverty, in addition to this, the nation's productivity will increase, resulting in the growth of GDP and per capita income. It is clear from

the study that women entrepreneurs of SHGs have a good workforce. Under the dynamic setting of business, if women entrepreneurs are given proper guidance and training to enhance the profitability of the enterprises, the future will be bright and prosperous.

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