ROLE OF SELF HELP GROUP IN PROMOTING ENTREPRENEURSHIP AMONG WOMEN AT SALEM DISTRICT IN TAMILNADU

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ABSTRACT

Women entrepreneur is regard as a person who accepts a challenging role to quench their behavior needs and to become economically independent by making appropriate adjustments in both family and social life. They are constantly on the look-out for new and innovative conduct which leads to strong economic participation. Their ability, skill and knowledge, their insight in business and a pushing desire to do something positive are the reasons for women to ascertain and manage organized industries and take up challenging ventures.

The common factors related to the family and the community has behavior on entrepreneurship. The economic factor act as a base for financial support to develop the entrepreneurship. The psychological factors include the aspect of personality of an individual to develop the entrepreneurship. In the present study, the socio-economic profile of the select women entrepreneurs such as age, education, caste, type of family, size of family, marital status, number of earning members, occupational background, personal income, family income and material status have been discussed. Further, the personality nature, and entrepreneurship of women and the like have also been examined. In order to study the objectives, this part has been divided into three heads as under,

- Socio-economic profile of the selected women entrepreneurs
- Personality character among the women entrepreneurs
- Organization profile among the respondents.

Key words: Micro Enterprises, Small Scale Industries, Women Entrepreneur.


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1. INTRODUCTION

1.1. Defining Entrepreneur

According to Harbison, an entrepreneur is not an 'innovator' but an 'organization developer' or one who have the skill to make an organization and who can be able to strap up the new thoughts of different innovators to the best of the organization. Entrepreneurship encouragement and development have been recognized as one of the key mechanism of the Nation's economic development strategy. Entrepreneurial foundation has been considered as an important input in the process of this economic development.

Entrepreneurial ventures are consider the most important factor that would lay the organization in an economically struggling third world developing country. These entrepreneurial ventures help both urban and rural population through creation of employment opportunity, a rescue from unemployment and poverty and thereby make an impact upon developing skills, self-esteem and self-sufficiency.

Women as Entrepreneurs

Freedom depends on economic situation more than political. If a woman is not economically independent and self-earning, she will have to depend her husband 'or someone else, and dependents are never free. These were the ideas of Pandit Jawaharlal Nehru.

Women owned businesses are appropriately increasing in the economies of almost all countries. To the US economy, they contribute more than $ 250 billion annually and create new businesses at two to three times the rate of their male counterparts".

Entrepreneurship in Tamil Nadu

The small scale and tiny sector play a very important role in the economy of our country. There are 34 lakhs SSI units provide employment to more than 192 lakhs people in the country. The SSI sector contributes 40% of industrial production and 35 per cent of National Exports. The fixed investment in this sector has been reckoning at Rs.84, 329 crores. In Tamilnadu, there are 4.41 lakh SSI units having an investment of Rs.13,000 crores providing employment to nearly 32.15 lakhs people.

An Overview of Self-Help Groups

SHG is a small voluntary association of rural people, preferably women folk from the same socio-economic conditions. They come together for the purpose of solving their common problems throughout self-help and mutual help in the SHGs. Usually the maximum number of members in one SHG is 20. They carry out economic activities such as economy and credit and use of common asset on a basis of equality nurturing trust.

The Self-Help Groups (SHGs) are voluntary associations of people shaped to attain a collective goal. People who are homogenous with respect to social background, legacy, caste or traditional occupation come together for a common cause to raise and manage resources for the benefit of the group members.

1.2. Need for the Study

The micro enterprise group has includes lack of awareness, exposure and opportunities generate so many challenges to the entrepreneurs. Hence, micro level planning is very important to improve the performance of micro-enterprises and the standard of living of the micro entrepreneurs. The challenges and scenario of micro enterprises should be equally examine to identify its future scope. Therefore, there is a need for change in the socio-economic, physical and psychological aspects of micro entrepreneurs.
1.3. Statement of the Problem
Since majority of micro enterprises are managed by women entrepreneurs, they are affected by the social, general and cultural problems. Even though, the central and state governments have introduced many of programmes and schemes, the poor involvement of the population in India is livelihood in rural areas. There is a better prospect of micro enterprises even after globalization and urbanization. If the problems of micro enterprise and entrepreneurs are properly assessed, their problems may be solved through various programmes. Since the government is initiate highly interested to generate the self employment among the people, they are ready to provide for the rural poor. Hence, the present study has made an effort to identify the problems and also prospects of micro enterprises.

A self help group (SHG) is a voluntarily association of people with common goal. The concept of ‘Self Help Groups’ appears to be a good substitute strategy to involve people in the improvement process. Hence, the present study is an attempt to analyze the role and contribution of self help groups in promoting of entrepreneurship among women in Salem district.

1.4. Objectives of the Study
- To discuss the structure and formation of self help group and the role of women entrepreneur in Salem district.
- To identify the factors influencing the administration of enterprise.
- To analyze the enterprise involvement among women entrepreneurs
- To analyze the perception towards problems in enterprising among the women entrepreneurs.

2. REVIEW OF LITERATURE
As preliminary part of study work, the researcher undertakes a review of literature on microfinance and micro enterprises among women entrepreneurs.

Chandra D. (1993) analyzed the rural lend systems in India and tested the findings in 3 districts of Punjab through field survey. Her findings brought out obviously the huge gap between credit requirement and credit supply in rural areas. She also found that supply surface from formal sector can never reach wherever near the credit demand of the rural people.

Manimekalai N. and Rajeswari G. (2000) investigated the Challenges of women entrepreneurs of SHGs in rural Tiruchirapally district of Tamil Nadu and found that majority (33 percent) of women entrepreneurs are face the challenges of shortage of capital. This is due to the fact that the members get the loan only from their SHGs and their own microfinance institution - "Vizuthugal".

Venkateswaran S. (2004) studied the impact of SHGs on their members in Madurai district and found that the respondent below Rs. 15000 income level were 69.3 percent of the total respondents in pre-SHG period, which has come down to 34.7 percent of the total respondents in post-SHG period.

3. RESEARCH METHODOLOGY
3.1. Collection of Data
Primary and secondary data have been used for the study. On the basis of information gather, a well planned pre tested interview schedule has drafted and pilot study was conducted. For the purpose of primary data collection, block wise list of SHG members are obtain from the Development Officer, District Rural Development Agency, Programme Officer, Tamilnadu
Role of Self Help Group in Promting Entrepreneurship among Women at Salem District in Tamilnadu

Corporation for Development of Women Ltd.,(TNCDW) and Non Governmental Organizations (NGOs) operating in district. The women engaging in enterprise through SHGs are to be recognized and to select randomly 1200 women entrepreneurs for primary data collection.

3.2. Sample Design
'Stratified Random Sampling' is used for this study. Salem District consists of 12 taluks. Total sample used for this study is 1200. A sample of 300 women entrepreneurs have been selected from each taluk on simple random basis.

3.3. Tools of Analysis
The statistical tools have been administered to analyze the data. It depends on the objectives focused and the nature of data to be processed. SPSS used for statistical analysis and statistical tools are:

1. T-test
The ’t’ test has been used to find out the significant difference among the two means.

2. Multiple Regression Analysis
The multiple regression analysis has been administered to find out the impact of independent variables on the dependent variable when two variables are in interval scale. The Ordinary Least Square (OLS) has been followed to fit the regression model.

3. Discriminate Analysis
The objective of discriminate analysis is to divide a population into two distinct groups. If it is applied to identify the importance of discriminate variables among the two groups, it is called as 'two group discriminate analysis.

3.4. Limitations of the Study
- The present study is restricted to the women entrepreneurs identified by the Salem district.
- The entrepreneurs are identified only with the help of reviews and the expert in the related field.
- The respondents do not have any record information. Hence the response of the respondents might be subjected with personal bias.

4. DATA ANALYSIS AND INTERPRETATION

Table 4.1 Age-wise Distribution of the respondents

<table>
<thead>
<tr>
<th>Age</th>
<th>No. of Respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>less than 25</td>
<td>126</td>
<td>10.50</td>
</tr>
<tr>
<td>25 to 35</td>
<td>288</td>
<td>24</td>
</tr>
<tr>
<td>36 to 45</td>
<td>514</td>
<td>42.83</td>
</tr>
<tr>
<td>46 to 55</td>
<td>178</td>
<td>14.83</td>
</tr>
<tr>
<td>Above 55</td>
<td>944</td>
<td>7.84</td>
</tr>
<tr>
<td>Total</td>
<td>120</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Primary Data

The most significant social profile among the respondents is age, since it determines the exposure, eagerness to learn, readiness to take risk and adjustability among the respondents. The age of the respondents in the study is categorize as less than 25 years, 25 to 35 years, 36 to 45 years, 46 to 55 years and above 55 years. It is inferred that 42.83 per cent of the
respondents are in the age group of 36 to 45 years followed by 24.00 per cent in the age group of 25 to 35 years. The least number of respondents belonging to the age group of above 55 years constitutes 7.84 per cent of the total respondents.

### Table 4.2 Family Sizes of the Respondents

<table>
<thead>
<tr>
<th>Family Size</th>
<th>No. of Respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 3</td>
<td>240</td>
<td>20</td>
</tr>
<tr>
<td>3 to 4</td>
<td>652</td>
<td>54.33</td>
</tr>
<tr>
<td>5 to 6</td>
<td>197</td>
<td>16.42</td>
</tr>
<tr>
<td>Above 6</td>
<td>111</td>
<td>9.25</td>
</tr>
<tr>
<td>Total</td>
<td>1200</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Primary Data

The size of the family represents the number of family members living along with the respondents. Since the family size is a significant demographic variable, it is included in the present study. The family size may power the personality traits, sources of inspiration to start an enterprise and enterprise participation among the respondents. The family size in the present study is confined to less than 3, 3 to 4, 5 to 6 and above 6 members. It is observed that 54.33 per cent of the total respondents have a family size of 3 to 4 members followed by 20.00 per cent having a family size of less than 3 members. The numbers of respondents have a family size of above 6 members constitute 9.25 per cent.

### Table 4.3 Occupational Background of the Respondents

<table>
<thead>
<tr>
<th>Occupational Background</th>
<th>No. of Respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural labourers</td>
<td>300</td>
<td>25.00</td>
</tr>
<tr>
<td>Agriculturists</td>
<td>244</td>
<td>20.33</td>
</tr>
<tr>
<td>Coolies</td>
<td>160</td>
<td>13.33</td>
</tr>
<tr>
<td>Non-farm labourers</td>
<td>137</td>
<td>11.42</td>
</tr>
<tr>
<td>Salaried persons</td>
<td>173</td>
<td>14.42</td>
</tr>
<tr>
<td>Government employees</td>
<td>54</td>
<td>4.50</td>
</tr>
<tr>
<td>Businessmen</td>
<td>132</td>
<td>11.00</td>
</tr>
<tr>
<td>Total</td>
<td>1200</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Primary Data

The occupational background represents the occupation of the parent/husband/anybody else on which the respondents were dependent. The occupational background is limited to agricultural laborers, agriculturists, coolies, non-farm laborers, salaried persons, government employees and business men. The important category of occupational background of the respondents is agriculturists and agricultural laborers which constitute 25.00 and 20.30 per cent of the total.

### 4.1. Regression Analysis

The regression analysis is carried out for good performer, poor performer and the total entrepreneur. The resultant regression coefficients of profile variables on enterprise Involvement is shown.
Table 4.4 Impact of Profile Variable at Valappadi Taluk

<table>
<thead>
<tr>
<th>S. No</th>
<th>Profile Variable</th>
<th>Regression Co-efficient</th>
<th>Good</th>
<th>Poor</th>
<th>Pooled</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Age</td>
<td></td>
<td>0.2817*</td>
<td>0.0811*</td>
<td>-0.1421</td>
</tr>
<tr>
<td>2.</td>
<td>Education</td>
<td></td>
<td>0.1815</td>
<td>0.1542</td>
<td>-0.0433</td>
</tr>
<tr>
<td>3.</td>
<td>Caste</td>
<td></td>
<td>0.1416</td>
<td>-0.0152</td>
<td>0.1512*</td>
</tr>
<tr>
<td>4.</td>
<td>Nature of family</td>
<td></td>
<td>-0.1421*</td>
<td>0.1123</td>
<td>0.0143</td>
</tr>
<tr>
<td>5.</td>
<td>Marital status</td>
<td></td>
<td>-0.0713</td>
<td>0.1451*</td>
<td>-0.0919</td>
</tr>
<tr>
<td>6.</td>
<td>Family size</td>
<td></td>
<td>-0.1122</td>
<td>-0.1312</td>
<td>0.2811</td>
</tr>
<tr>
<td>7.</td>
<td>Earning members</td>
<td></td>
<td>0.1011</td>
<td>-0.2415</td>
<td>-0.1125</td>
</tr>
<tr>
<td>8.</td>
<td>Occupational Background</td>
<td></td>
<td>0.2415</td>
<td>0.1124</td>
<td>0.1452</td>
</tr>
<tr>
<td>9.</td>
<td>Material possession</td>
<td></td>
<td>0.1415*</td>
<td>0.1314</td>
<td>0.1923</td>
</tr>
<tr>
<td>10.</td>
<td>Monthly income</td>
<td></td>
<td>0.0718</td>
<td>0.1722*</td>
<td>0.2917*</td>
</tr>
<tr>
<td>11.</td>
<td>Family income</td>
<td></td>
<td>0.0619</td>
<td>0.0914</td>
<td>0.0981</td>
</tr>
<tr>
<td>12.</td>
<td>Personality traits</td>
<td></td>
<td>0.2415</td>
<td>0.1311</td>
<td>0.2917*</td>
</tr>
<tr>
<td>13.</td>
<td>Intercept</td>
<td></td>
<td>2.6815</td>
<td>1.8716</td>
<td>2.7517</td>
</tr>
<tr>
<td>14.</td>
<td>R</td>
<td></td>
<td>0.5362</td>
<td>0.5816</td>
<td>0.6261</td>
</tr>
<tr>
<td>F– Statistics</td>
<td></td>
<td></td>
<td>19.2513</td>
<td>16.2514*</td>
<td>15.2431*</td>
</tr>
</tbody>
</table>

Source: Primary Data
* Significant at 5 per cent level

The above table reveals that the significant influencing profile variables on enterprise involvement among the good performers in Valapadi Taluk are age, nature of family and material control. An additional percentage increase in age and material possession of the good performer could increase the enterprise participation by 0.2817 and 0.1421. At the same time, 1% increase in nature of family of the good performers leads to refuse in enterprise involvement by 0.1421 per cent. Among the poor performers, the significantly influencing variables are education, marital status and monthly income. It indicates that one per cent increase in education, marital status and monthly income could increase the enterprise involvement by 0.1452, 0.1557 and 0.1722 per cent respectively.

5. SUMMARY OF FINDINGS, RECOMMENDATIONS AND CONCLUSION

5.1. Socio - Economic Profile of Women Entrepreneur

The socio-economic characteristics of the sample respondents revealed that 42.83 percent of the respondents are in the age group of 36-45 years followed by 24 percent in the age group of 25-35 years. The least number of respondents belonging to the age group of above 55 years constitutes 7.84 percent of the total respondents.

It is observed that 54.33 per cent of the total respondents have a family size of 3 to 4 members followed by 20.00 per cent having a family size of less than 3 members. The numbers of respondents having a family size of above 6 members constitute 9.25 per cent.

5.2. Personality Traits among Women Entrepreneurs

It has been experiential that in the case of women entrepreneurs, the entrepreneurs are good in decision making ability, information looking for, problem recognition and social participation since the mean values of these personality factor are as high at 4.28, 4.25, 3.94 and 3.94 respectively.
5.3. Personality Traits among Women Entrepreneurs
It has been experimental that in the case of women entrepreneurs, the entrepreneurs are very good in decision making ability, information seeking, problem gratitude and social participation since the mean values of these personality factor are as high at 4.28, 4.25, 3.94 and 3.94 respectively.

5.4. Problems Encounter by Women Entrepreneurs
Among the good performers, the highly supposed entrepreneurial constraints are lack of inner drive and self confidence since the respective mean scores are 3.3115 and 3.2215. Among the poor performers these are lack of direction and sociability since the respective mean scores are 3.8792 and 3.1919. The significant differences in constraint perception among good performer and poor performers are identified especially in lack of risk direction, lack of work responsibility, lack of cordiality and lack of inner drive since the respective ‘T’ statistics are significant at five percent level.

5.5. Recommendations
The researcher recommends the following on the basis of study and experience gained during the survey

The personality traits of the respondents are not up to the mark. The personality oriented programmes could be conduct through voluntary organizations, Government departments and other associations to improve the personality of the respondents.

Self Help Groups once facilitate and started in villages needs training for enhance their skills to earn income. The hardest part of it is the difficulty of sale and marketing of their goods. Therefore different practical strategies need to be worked out for helping and guide them for sale of their items. Sale plan should be very practical with low cost investment and instant earning the cash money, then only the SHGs will be motivated to utilize their local talent for earning income at village level.

5.6. Conclusions
Rural areas across most of the emergent world face a formidable employment challenge. The agricultural sector is incapable to provide employment opportunities to the ever-increasing rural people in India. It was rightly observed by Lal Bahadur Shastri that “agricultural progress, very important as it is, cannot by itself solve the problem.” The development of rural micro and small enterprise on planned basis can play an efficient role in increasing production, productivity and economic prosperity and giving a broader and stronger base to the rural economy in general.

A policy of promoting indigenous entrepreneurship has to be implement through evolution of new organizational forms with simple, low capital using technology to augment such needs. Also, combined efforts of the government, family members, NGOs, academic institutions, development agency and total involvement of the people at the grassroots level will go a long way in bring about planned development of rural micro and small enterprises.

REFERENCES


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