



## A STUDY ON BUSINESS PERFORMANCE AND WOMEN EMPOWERMENT WITH SPECIAL REFERENCE TO SELF HELP GROUPS IN TAMILNADU

R.Suguna\* Dr.V.Suresh Kumar\*\*

\*Research Scholar, Research Department of Business Administration, Rajah Serfoji Govt. College (Autonomous), Thanjavur.

\*\*Assistant Professor, Research Department of Business Administration, Rajah Serfoji Govt. College (Autonomous), Thanjavur.

### Abstract

The growth story of SHGs offers more insight in the social engineering of economic development. In this context this study offers some important elements for policy makers. The findings would assist in motivating SHGs towards increased performance; identifying the impediments and deviations; and other government women welfare departments and NGOs to chalk out strategies to effective women empowerment. The present study has been undertaken to study the business performance of SHGs in empowering women in Thanjavur and Tiruchirappalli district, which so far, has not been attempted. Data collected and the conclusions arrived at in the present study may help to make the programs for the development of rural Indian women more relevant and meaningful and to improve future strategies for development.

**Keywords:** Performance, empowerment, women, SHGs.

### 1.1 Introduction

Women are an integral part of every economy. All round development and harmonious growth of a nation would be possible only when women are considered as equal partners in progress with men. However, in most developing countries, women have a low socio and economic status. In such countries effective empowerment of women is essential to harness the women labour in the main stream of economic development. Women are now entering the labour force in large number in many areas to ensure rural transformation. The image of women in the society is fast changing but it is difficult to define clearly the changing shape of the image. Women constitute nearly half of the rural population in India and play a vital role in its rural economy. It is heartening for them to be treated equal partners along with men in the development process. Recent experiences have shown a strong link between education and development of rural women as education is vital to human resource development. Education and training will go a long way in achieving a fair treatment to rural women and help in raising their status. Training of rural women is especially important to increase their involvement in the development process, enhance their skills and make them equal partners in the national development. In the past, the programs for development of women, especially rural women were generally welfare and relief oriented. Women were primarily beneficiaries and not participants in programs intended for their development. But the recent trend is a shift in viewing women as participants in the process of development rather than as beneficiaries. This means that properly motivated women can choose to be involved in decision-making in their own development and that of the community to which they belong.

### 1.2 Concept of Women Empowerment

In recent years, empowerment of women has become a subject of great concern for the nations all over the world especially in poor and developing countries. Empowerment means emancipation of women in harmonious co-existence with men in the society. Power provides social recognition, dignity, prosperity, property, value and security. Hence empowerment has acquired considerable importance. Empowerment is a way of acquiring the ability and opportunity to participate in decision making and implementation of decisions with proper knowledge of self-dignity and self-confidence. The concept 'empowerment' was introduced at the International Women's Conference at Nairobi in 1985, where it was defined as "a redistribution of social power and control of resources in favor of women. Empowerment is not only essential in political field; but also in personal, economic, social, and political dimensions with personal empowerment". Empowerment is the process of enabling or authorizing an individual to think, behave, and take action in an autonomous way. It is the process by which one can gain control over one's destiny and the circumstances of their lives. Empowerment can be viewed as means of creating a social environment in which one can make decisions and make choices either individually or collectively for social transformation.

### 1.3 role of SHGs in women empowerment

Self Help Group (SHG) is a process by which a group of 10-20 women with common objectives are facilitated to come together voluntarily to participate in the development activities like savings, credit and income generation and thereby ensure economic independence. The basic principle which underlies the SHGs is to finance the poor to achieve holistic empowerment. SHG phenomenon brings the following qualities: group consciousness among women, sense of belongingness, self-confidence and self-reliance. The progress of any nation is inevitably linked with the social and economic plight of women in a particular country. Participation in SHGs can bring enviable changes and enhancement in the standard



of living of women which could be their empowerment in poor and developing nations. When a woman becomes a member of SHG, her sense of public participation, enlarged horizon of social activities, high self-esteem, self-respect and fulfillment in life become expanding and enhance the status of women. Thus, the SHGs can be an effective instrument to empower women socially and economically.

#### **1.4 Importance of the study**

Generally, women are as efficient as men and contribute much to the economic development. In particular, Self Help Groups contribute to social and economic development. SHGs are facilitated to achieve independence in the lives of its members. Further, SHGs are formed to improve their mental caliber through proper awareness. Thus, SHGs play a major role in women empowerment to channelise micro-finance through bank linkages in collaboration with NGOs and contribute for the upliftment of the rural economy.

Self Help Groups should function as non-political and non-controversial groups. Political and religious neutrality pave the way for its healthy growth. The Self Help Group helps the people to improve their economic conditions. There is a sign of relief and cheer in the faces of the members of the Self Help Group which would spread all the people in all the villages. Self Help Group concept gains momentum now-a-days because of its many folded effects on the economic empowerment of women.

Though there are several exhaustive studies have been done on micro finance, women empowerment and economic status of Self Help Group members at the state and district levels, no attempts have been made on the problems and prospects of Self Help Group members. This is a pioneering attempt to know the problems and prospects of Self Help Groups in district level. The scheme encourages the women to get involved in productive activities and enable them to take over the given up traditional business.

The women who are trained by SHGs market their products such as candles, soaps, washing powder, cleaning powder, snacks, pickles, embroidered saris and other cottage products. Furthermore, they themselves lend money at a low rate of interest which ultimately liberates them from the crushing hands of moneylenders. The SHG benefits the women both directly and indirectly. On one hand, it benefits the members of the group individually and on the other, their families and the community as a whole. The formation of the scheme also serves as a platform to exchange the ideas and suggestions among themselves such as AIDS awareness, legal marital laws, and sanitations; banking activities, Entrepreneur Development Programme, Vocational Training and Skill Training. Hence, it is apparent that by providing credit and savings facilities to women, they can be economically independent and shall gain worldly experience, particularly, in the field of marketing. This enhances them to show an extraordinary dynamism in organizing their group for better income generation which improves the quality of their life.

#### **1.5 Statement of the Problem**

Women in India are being totally neglected in all sorts of life. They are not even allowed to involve in the mainstream of development even though they are large in number. They are practically considered inferior to men in all aspects. Thus, the main issue which is still being debated is the kind of strategy to be evolved for raising their status and participation in the process of development. The predicaments of women are dowry harassment, social humiliation (poverty), illiteracy and male-chauvinism. Mostly, they are also deprived of finance, food, education and solely depend upon their male counterparts from their childhood – as a child to her father, as a wife to her husband, as a mother to her son. Even though they possess wealth, they are chiefly controlled by their men. In many villages women are not encouraged to get educated and do not have the knowledge in day-to-day affairs. On the whole, they are enslaved and engaged by male-chauvinistic society.

These types of problem shall be resolved by providing adequate finance by government, financial institutions and voluntary agencies. Today, the formation of self-help group has empowered the women through the excellent activities with the help of government and nongovernment organizations. The policy makers should pay an exclusive care in promoting these Women's Self-Help Groups by introducing various innovative policies and schemes.

In this study, the researcher has identified the various problems regarding the availability of group loans and other loans as well as problems regarding bank procedure. The researcher also identifies the prospects, savings, group activities and problems faced.

The researcher observes that there are many studies undertaken about micro finance, women empowerment and women SHG members of the state and district. This study enjoys theoretical validity, analytical feasibility and practical utility also.



## 1.6 Review of Literature

According to Veluraj (2001), the Nobel Scholar and Indian Economist Amartya Sen expressed in his words, “Unless women are empowerment, issues like literacy, health and population explosion will remain unresolved problems of the developing countries.” In India, the majority of the women still continue to perform their traditional roles in the household and in agriculture. The women are the wives of men - the present scenario forces them to depend on men. Representation of women has never gone beyond eight per cent in parliament, 10 per cent in the State Assemblies, 13 per cent in senior management and administrative posts of government and hence there is no equal opportunity.

Suguna (2001) in her study on women’s empowerment stated that there is a continued inequality and vulnerability of women in all sectors including economic, social, political education, health care, nutrition and legal. Active participation in social, economic and political spheres would help in enhancing process of decision-making empowerment. And it will also give women the desired self respect and social dignity and these are the pre-requisites of empowerment.

Punithavathy Pandian and Eswaran (2002) in their paper empowerment of women through micro credit found that, majority of the women is doing petty business and few in service units. They also found that micro credit which has provided the rural poor access to finance without the burden of collaterals has empowered the women folk economically and socially.

Kala (2004) has studied on economic empowerment of women through Self Help Groups in the current social climate. She concluded that the significance of family is vital for women, particularly for poor women in the rural areas. Women’s survival is not socially conceivable without the family. Amongst the poorer sections, women are frequently expected to shoulder the burden of the survival of their families.

Sunder Raj (2004) in his study on SHGs and women empowerment pointed out that empowerment can serve as a powerful instrument for women to achieve power and status in the society. SHGs are the potential source to empower and institutionalize participatory leadership among the marginalized and to identify the plan and initiate development activities. Moreover, this study envisages the participation of SHGs in bringing about savings, education, health, environment cleanliness, family welfare, social forestry etc., and makes them self-reliant.

## 1.7 Objectives of the Study

- To portray the socio-economic background of women self-help group members in rural areas of Thanjavur and Tiruchirappalli District.
- To examine various business problems and challenges of women SHGs in the selected districts for the study.
- To get an insight into the marketing practices and financial assistance and procedures of SHGs.
- To ascertain the motivating force behind the empowerment of women SHG members.
- To identify the success factors of the women SHG members in their business performance.
- To study the overall performance of women self help groups in Thanjavur and Tiruchirappalli District
- To render suitable suggestion for the effective performance of the women SHG members.

## 1.8 Research Methodology

Methodology of any type of research takes a vital role in bringing a logical and scientific approach. It requires a strong base to the research and it leads to a reliable as well as valid interpretations. Rationale behind the research methodology lies on its meaningful considerations of variables and the approaches to study them. In this sense, research methodology acts as a basement of any type of research. This is a survey, based on the women SHG members in the selected districts of Tamil Nadu namely Thanjavur and Tiruchiappalli.

### 1.8.1 Dimensions of the Study

Apart from the demographic and socio economic aspects of the women SHG members, the present study takes the problems faced, motivation forces on empowerment and success factors in Business performance and the effective performance of the women SHG members as the dimensions of research. These dimensions are split into various sub-dimensions in the analysis section of the research.

### 1.8.2 Sampling Technique

The women SHG members of Thanjavur and Tiruchirappalli are treated as the population of the study. The multi stage sampling technique has been adopted in the study. The list of SHGs were collected from both the districts and the members were selected randomly, who have registered their unit under the NGOs and PLFs affiliated with TNCDW ( Tamil Nadu Corporation for Development of Women).



### 1.8.3 Data and Sources

Both types of data viz., secondary and primary have been used in this study. The secondary data were at first collected from the secondary sources such as from the official records maintained by the non-governmental organizations in the district, information regarding various activities of SHGs were collected from the offices of District Rural Development Agency (DRDA), Chief Planning Office (CPO), Tamil Nadu Corporation for Development of Women Ltd., Mahalir Thittam, Project Implementation Unit, District Collector Office (DCO), Statistical Information Department, State Institute of Rural Development and Rural Banks, Cooperative Department of Women and Child Welfare, Women's Studies Centre, University Libraries etc. The study materials and reports brought out by the Tamil Nadu Corporation for Development of Women Ltd., Mahalir Thittam, Project Implementation Unit, Tiruchirappalli, Statistical handbook of Tamil Nadu and other published reports, books, articles in Journals, Newspaper clippings and district gazetteers were also referred to draw secondary data.

### 1.8.4 Questionnaire

A structured questionnaire is constructed to get the primary data from the sample women SHG members. Formerly, it was pre tested among 60 women SHG members (30 from each district). On the basis of experience gathered at the time of pre testing, the questions of the schedule were modified accordingly.

### 1.8.5 Framework of Analysis

As the present research is a survey in nature the primary data were analyzed carefully. Studying about difficulties of the sample women SHG members in their business has been possible in the beginning section of the analysis. For this, data relating to the socio economic profile were used.

### 1.8.6 Analytical Tools

Apart from the percentage, chi square test, ANOVA test, Friedman rank test, Neural Network Model, Tree Structured analysis, Factor Analysis and other relevant tools were used to make interpretations from the analysis of data. For this, SPSS 20, has been utilized.

### 1.8.7 Measurement and Scaling Technique Used

Measuring scaling towards the problems, motivation and success factors of the women SHG members are measured with the help of seven point scale such as Strongly disagree, Disagree, Slightly disagree, Neither agree nor disagree, Slightly agree, Agree, Strongly agree. The attribute performance of the women SHG members is measured with the seven point scaling such as, Highly dissatisfied, Dissatisfied, Slightly Dissatisfied, Neutral, Slightly satisfied, Satisfied, and Highly satisfied.

### 1.9 Findings of the Study

The researcher was able to study the problems which are existing at present in the society as well as the family. Some of the main problems have been targeted and appropriate suggestions have been offered to the women SHG members. The thesis embodies the results of investigation on the role of Self-Help Groups in the empowerment of woman and their business performance in Tamil Nadu with a special reference to Thanjavur and Tiruchirappalli District. The researcher has identified the women Self-Help Group as a tool of empowerment of rural women and has examined the nature and extent of women empowerment has enhanced their business performance. The socio-economic background of the SHG members, the SHG organizational setup, financial assistance to SHGs and members, various activities performances, skills awareness, self-confidence developed and trainings imparted to the group members have been studied in order to evaluate the degree of socio-economic upliftment and benefits derived by the respondents. In short it is seen that SHGs in the study area have greatly helped for the empowerment of rural women in the selected districts of the study. Due to insufficient education and training majority of the members faced the problem at the time of starting or implementing their business plans. They also faced problem at the time of selecting their machinery, labor union problems, distribution of departmental work and many other problems. Various supporting agencies like NGOs are doing its best to provide services to these women SHG members who have approached them. Low utilization of their services had been attributed to low level of awareness of these agencies among women SHG members. The low level of awareness has been attributed to lack of opportunity to get information. These agencies should lay more emphasis towards the increase in awareness of their activities.

### 1.10 Suggestions

Efforts should be made to inculcate the spirit of Entrepreneurship among women. A professionally trained social worker should be employed at the project officer's level. The literacy levels of rural women are low and hence efforts to enhance literacy levels in the area should be given priority. The government could make SHGs as statutory bodies and allowed to work with the local bodies to channelize women's development programmes. There could be an established media advocacy mechanism for highlighting grass-root issues on Self-Help Groups and micro-credit. NGOs and the governments can take



necessary steps to sign memorandum of understanding with universities to provide proper education and training for SHG members. Women SHG members do not want to shift to other business. They also do not want to diversify the existing business. Suitable policies for the growth of women SHG members can encourage the women to incorporate diversification in their business. Success stories of women SHG members should be published in local and national newspapers and telecasted through television. For marketing of products, women SHG members must establish her credibility first in terms of quality and competitiveness of product or service. She should acquire relevant techniques and skills on winning customer's loyalty. Education and awareness develops human resources and promote entrepreneurship. A number of successful women SHG members might fail because of complacency and sluggishness arising out of regular and assured profits, efforts should be made for encourage and motivate to women entrepreneur.

### 1.11 Conclusion

Mainstreaming an empowerment approach will inevitably involve a significant change in attitude, change in work practices and challenging vested interests. Flexibility to women's needs and deciding the best ways of combining empowerment and sustainability in business performance objectives can only be done by using participatory techniques on the basis of extensive consultation with the women themselves. Research on women's felt needs, strategies and constraints and a process of negotiation between women and development agencies provide an enabling environment for women to be participants in their own development processes. The study looks at the empowerment levels of women at four levels: the individual, the household, the self-help groups/enterprise and at the community level. The study finds that this mechanism of credit coupled with the mobilization and organization of women on the basis of strengthening and collective action empowers women. It is this aspect of the study that brings about welcome changes in the women's lives has to be highlighted.

### References

1. Medha Dubhashi Vinze (2005), *Women Entrepreneurs in India*, Mittal Publications, New Delhi, 1987, p.112.
2. Somasundaram, 'Women Entrepreneurs- Challenges and Prospects in the Globalised Scenario', Current Trends in Entrepreneurs, Edited by Report of World Bank, 2010.
3. Shirley Nuss, Ettore Denti and David Viry, *Women in the World of Work: Statistical Analysis and Projections to the year 2000*, International Labour Office, Geneva, 1989, p.42.
4. *Economic Survey of Europe in 1991-92*, United Nations Economic Commission for Europe, United Nations, New York, 1992.
5. Census of India 2001, Chapter 18, Gender and Development, Economic Review, 2001, p.1.
6. World Bank Report, 1991, Gender and Poverty in India,
7. Brady Anderson J, 'Women: The Emerging Economic Force,' CIPE Conference, U.S. Agency for International Development (USAID), June 15-16, 2005.
8. T.T Gurumoorthy, 'Self-Help Groups Empower Rural Women', *Kurukshetra*, Vol.48 (5), 2000.
9. Census of India 2001
10. World Bank Report, 1991
11. Brady Anderson, 2005, 'Micro Credit and Women Empowerment', *The Journal of Develop Areas*, winter, Vol.32, No.n 2. Pages 221-236.
12. Singh, Surinder Pal, (2008), 'An Insight Into The Emergence of Women-owned Businesses As An Economic Force In India', presented at Special Conference of the Strategic Management Society, December 12-14, 2008, Indian School of Business, Hyderabad.
13. Muhammad Azam Roomi and Guy Parrot (2008) "Barriers to Development and Progression of Women Entrepreneurs in Pakistan" *The Journal of Entrepreneurship*, Vol 17, No 1, pp 59-72
14. Rao, Harinarayana.(1991).Promotion of Women Entrepreneurship. *Sedme* . 18(2) 21-28.
15. Khanka, S.S. *Entrepreneurial Development*, 2010 .Chand &Company Ltd, New Delhi.
16. Sharma, et al., 1988, Knowledge and attitude of trained and untrained farmers towards IRDP in Madhya Pradesh. *Maharashtra J. Extn. Edn.*,7: 249-251.