

**WOMEN'S EMPOWERMENT THROUGH ENTREPRENEURSHIP  
DEVELOPMENT WITH SPECIAL REFERENCE TO SELF HELP  
GROUPS IN KARNATAKA**

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**Abstract:**

The purpose of this paper is to show empowerment of women through SHGs. India has great entrepreneurial potential. Entrepreneurships enhances financial independence and self esteem of women. Among the states Gujarat, Maharashtra and Karnataka have more women entrepreneurs. Malhotra (2004) in her book has examined how women entrepreneurs affect the global economy, why women start business, how women's business associations promote entrepreneurs, and to what extent women contribute to international trade. It explores potential of micro-finance programmes for empowering and employing women and also discusses the opportunities and challenges of using micro-finance to tackle the feminization of poverty. According to her, the micro-finance programmes are aimed to increase women's income levels and control over income leading to greater levels of economics independence. They enable women's access to networks and markets. access to information and possibilities for development of other social and political role. They also enhance perceptions of women's contribution to household income and family welfare, increasing women's participation in household decisions about expenditure and other issues leading to greater expenditure on women's welfare. The objective of the study to emerging need to promote women empowerment among the rural women for eradication of rural poverty. Rural women with low income and take of knowledge of available banking facilities can do little for growth of banking habits on their own. Studies have shown that the delivery of micro finance to the poor is productive, effective and less costly. If they are organized into SHGs.

**Key Words :** Women Empowerment, Entrepreneurship, Self Help Groups, Micro Finance. Women entrepreneurs, National Bank for Agriculture and Rural Development (NABARD).

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**Introduction:**

“ You can tell the condition of a nation by looking at the status of its women”

- **Jawaharlal Nehru.**

Development alone cannot bring peace and prosperity unless social justice and gender equality are ensured. It has been well accepted that various development programmes have bypassed women who constitute about half of the population of the country. International conventions and conferences, legal enactments, constitutional provisions etc. highlighted the imperative need for gender equality and women empowerment. The rural poor, with the intermediation of voluntary organizations join together for self help to secure better economic growth. This has resulted in the formation of a large number of self help groups in the country, which mobilize savings and recycle the resources generated among the members. SHG's are necessary to overcome exploitation, create confidence for the economic self-reliance of the rural poor, particularly among women who are mostly invisible in the social structure. These groups enable them to come together for a common objective and gain strength from each other to deal with exploitation, which they are facing, in several forms. A group becomes the basis for action and change. Significantly, credit is a major factor in boosting economic development if it is effectively utilized. The government's recent initiatives to streamline credit operations and delivery system through micro-finance movement and strengthening and expansion of credit institutions (SHGs) can definitely help in the revival of rural economy and empowerment of the rural poor. Micro Finance as a tool of poverty alleviation and women empowerment has gained acceptance in development dialogue the world over. There is an acute need among the poor for credit, both for consumption and production, which often forms the declining line between survival and succumbing to poverty. It has been found that besides food, credit is also needed for health, housing education. These needs are also critical for survival (Zeller, 2000). The success of SHGs as a development tool depends on the availability of Micro Finance.

**Concept of Self-Help Group:**

The International Network for Mutual Help Centres has developed this working Definition : Self help of mutual support is a process wherein people who share common

experience, situations of problems can offer each other a unique perspective that is not available from those who have not shared these experience. Self-help groups are run by and for groups members. A group of people, who meet regularly for discuss common issues and to look at solution for the same. But, as on date the members of the SHGs understood the importance of the savings though participation. In general, self-help groups are based on principles of empowerment, inclusion, nonhierarchical decision making, shared responsibility, and a holistic approach to people's cultural, economics, and social needs. Their values include cooperative self-organization, non bureaucratic mutual helping methods, social support, and free services.

### **Concept of Micro Finance:**

During the last two decades micro-finance programs have proliferated around the world. The Nobel Peace Prize 2006 awarded to the Grameen Bank and its founder signifies the global recognition of micro-finance programmes as an effective strategy to generate income and employment and poverty alleviation in developing countries. They are considered for and important approach to poverty alleviation and enhancement of living standards, particularly of women. Moreover, microfinance has come to be regarded as a supplementary development paradigm, which widens the financial service delivery system by linking the large rural population with formal institutions through SHGs. The term microfinance refers to providing very poor families with very small loans (micro credit) to help them engage in productive activities and grow their tiny business. Overtime microfinance has come to include a broader range of services like credit, savings and insurance ect. In India Microfinance programmes are becoming increasingly popular. It is believed that in principle and practice microfinance programmes are very easy for achieving financial access and alleviating poverty. Micro finance through Self-Help Groups (SGHs) has proved to be a strategic measure for organizing women in groups and promoting saving and thrift habits to gain access to institutional credit for their socio-economic development and empowerment. (DWCD,2005).

### **Women Empowerment and SHGs:**

The word empowerment means giving power. According to the International Encyclopedia (1999), power means having the capacity and the means to direct one's life towards desired social, political and economic goals or status. Empowerment does not mean setting women against men. Indeed it means making both men and women realize their changing roles and women realize their changing roles and status and develop a consensus for harmonious living in the context of an egalitarian Society. It means redistribution of work, roles, redistributing their values to the changing world and attitudes and evolving new kinds of adjustment, understanding and trust with each other. Empowerment of women also means equal status to women.

SHG occupies the major part of the rural development of the nation. Which constituted all the part of the nation. This concept was successfully implemented and achieved in Bangladesh ; hence it has been introduced in India. The southern state, Tamilnadu became a large size SHG constituted state in the country and mobilized crores of money. SHG mainly concerned with the enlistment of the women in the society through, social, economical aspects. It leads to provide and bring the empowerment to the women. SHG not only mobilize micro finance and provide credit to the needed members but also it provides self employment training, awareness programme, promote the leadership qualities and confidential life to its members.

### **Women Entrepreneurs:**

SHG has really helped to increase the skills and awareness of women. The objectives of Entrepreneurship Development programme (EDP) is to promote economic activities among the members of Self-help Group through skill training, Entrepreneurship Development, credit linkage and market support. The year 2001 was announced as the year of women Empowerment. The Indian women are under the control of the male in family womb to tomb. When she is a child, she is under the control of her father. At her later age after her marriage she is controlled by her husband and at the old age controlled by her son. This reduced her self-confidence and will to make independent initiative. They were not even made aware of the utility of education.

**Review of literature:**

**Puhazhendhi (1999)** analyzed the functioning of SHG's, in performance, sustainability, empowerment of women, economic impact on the members, future, potentials etc. He observed that SHG's in Tamil Nadu are performing well towards social change and transformation. The emerging trends are leading to positive direction of empowerment of members and promotion of micro finance.

**Osman (2000)** in his article remarked that micro-finance schemes alone can not alleviate poverty. The battle for total eradication of poverty combining micro-finance schemes with parallel, complementary programmes addressing the social and cultural dimensions of want, privation, impoverishment and dispossession.

**Kapur (2001)** in her study tried to discuss, analyze and answer the challenging questions as to why despite all the efforts and progress made, still there continues to be so much of gender discrimination and what strategies, actions and measures to the undertaken to achieve the expected goal of empowerment. She opined that women's empowerment is much more likely to be achieved if women have total control over their own organizations, which they can sustain both financially and managerially without direct dependence on other.

Similarly, **K.C.Sharma (2001)** maintained that through SHG's women empowerment is taking place. Their participation in the economic activities and decision – making at the household and society level is increasing and making the process of rural development participatory, democratic, sustainable and independent of subsidy, thus, macro-financing through SHG's contributing to the development of rural people in a meaningful manner.

Interestingly, **D.K.Singh (2001)** in his study in Uttar Pradesh highlighted that the SHG's is now functioning in the place of moneylenders because loan could be taken at any time as and when needed for any purpose. There are no formalities involved and the transaction cost is low.

Mishra and others have attempted to study the size, composition, characteristics of rural self help groups, to examine their functions and the impact of generation of income and employment, to identify the major constraints and problems of the group and suggest measures for overcoming these problems. The suggested that the banks and other financial institutions and

state government should come forward to help rural poor through the SHG's and provide liberalized credit facilities at cheaper rates of interest.

**Kuratka and Richard (2001)** in their book on entrepreneurship started that entrepreneurship is the dynamic process of creating incremental wealth. This wealth is created by individuals who take the major risks in terms of equality, time and career commitment of providing value to some products or services the product or service itself may or may not be new or unique but value must somehow be infused by the entrepreneur by securing and allocating the necessary skill and resources. The delivery of micro finance to the poor is smooth; effective and less costly if they are organized into SHGs. SHG is promoting micro enterprise through micro-credit intervention. Micro enterprise is an effective instrument of social and economic development.

**Pattanaik (2003)** in her study reveals that SHGs are continuously striving for a better future for tribal 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, women torture for which various self Help Groups are not organized properly and effectively.

**Malhotra (2004)** in her book has examined how women entrepreneurs affect the global economy, why women start business, how women's business associations promote entrepreneurs, and to what extent women contribute to international trade. It explores potential of micro-finance programmes for empowering and employing women and also discusses the opportunities and challenges of using micro-finance to take the feminization of poverty. According to her, the micro – finance programmes are aimed to increase women's levels and control over income leading to greater levels of economic independence. They enable women's access to networks and markets, access to information and possibilities for development of other social and political role. They also enhance perceptions of women's contribution to household income and family welfare. Increasing women's participation in household decisions about expenditure and other issues leading to greater expenditure on women's welfare.

**Narasaiah (2004)** in her study mentioned that the change in women's contribution to society is one of the striking phenomena of the late twentieth century. According to him micro – credit

plays an important role in empowering women. Giving women the opportunity to realize their potential in all spheres of society is increasingly important.

**Cheston & Kuhn (2004)** in their study concluded that micro – finance programmes have been very successful in reaching women. This gives micro – finance institutions an extraordinary opportunity to act internationally to empower poor women and to minimize the potentially negative impacts some women experience.

**Manimekalai (2004)** in his article commented that to run the income generating activities successfully the SHGs must get the help of NGOs. The bank officials should counsel and guide the women in selecting and implementing profitable income generating activities. He remarked that the formation of SHGs have boosted the self – image and confidence of rural women.

**Sahu and Tripathy (2005)** in their edited book views that 70 percent of world's poor are women. Access to poor to banking services is important not only for poverty alleviation but also for optimizing their contribution to the growth of regional as well as the national economy. Self Help Groups (SHGs) have emerged as the most vital instrument in the process of participatory development and women empowerment. The rural women are the marginalized groups in the society because of socio – economic constrains. They remain backward and lower position of the social hierarchical ladder. They can lift themselves from the morass of poverty and stagnation through micro finance and formation of Self – Help Groups.

**Das Gupta (2005)** in his article commented that a paradigm shift is required from “financial sector reform” to “micro – finance reform”. While the priority sector needs to be made lean, mandatory micro credit must be monitored rigorously. Simultaneously space and scope have to be property designed for providing competitive environment to micro – finance services. Extensive database needs to be created by the RBI for understanding micro – finance.

**Sinha (2005)** in his study has observed that micro – finance is making a significant contribution to both the savings and borrowing of the poor in the country. According to him the main use of micro – credit is for direct investment. There is of course some fungibility, depending on household credit requirements at the time of loan disbursement. Some studies reveal that micro – finance programmes have had positive as well as negative impacts on women. Some researchers have questioned how far micro – finance benefits women (Goetz and Sen Gupta, 1996). Some argue that micro – finance programmes divert the attention of women from other more effective strategies for empowerment (Eddon, 1995) and the attention and the resources of donors from alternative, and possibly more effective means of alleviating poverty (Rogaly, 1996). In some cases women’s increased autonomy has been temporary/ It only benefits women who are already better off. But in most cases the poorest women are least able to benefit because of their low initial resources base, lack of skill and market contact.

### **Entrepreneurship Development of Rural Women Through Self Help Groups:**

Women comprise half of human resources they have been identified as key agents of sustainable development and women’s equality is as central to a more holistic approach towards stabilizing new patterns and process of development that are sustainable. [Birendra Kumar Jha, 2009]. The contribution of women and their role in the family as well as in the economic development and social transformation are pivotal. Women constitute 90 percent of total marginal workers of the country. Rural women who are engaged in agriculture form 78 percent of all women in regular work [Harendar Kumar, 2009]. Experience of NIRD action research project reveal that, the operational aspects, such as the extent of enabling that goes into the community self help processes and sharpening the mind set of women.

Men and the project administrators are low of critical components that determine their extent to which empowerment may or may not take place. The role of micro – credit is to, improve the socio and economic development of women and improve the status of women in households and communities. The micro entrepreneurs are strengthening the women empowerment and remove the gender inequalities. Self Help Group’s micro credit mechanism makes the members to involve in other community development activities. Micro credit is promoting the small scale business enterprises and its major aim is to alleviate poverty by



income generating activities among women and poor. Therefore, they could achieve self-sufficiency.

Now-a-days economics development is one of the factors that have changed the entire scenario of social and cultural environment within the country especially for the women. The rural women are engaged in small-scale entrepreneurship programme with the help of Self Help Groups. Through that they were economically empowered and attaining status in family and community.

Rural women play a vital role in farm and home system. She contributes substantially in the physical aspect of farming, livestock management, post harvest and allied activities. Her direct and indirect contribution at the farm and home level along with livestock management operation has not only help to save their assets but also led to increase the family income. She performs various farm, livestock, post harvest and allied activities and possesses skills and indigenous knowledge in these areas. The women were empowering themselves technically to cope with the changing times and productively using their free time and existing skills for setting and sustaining enterprises. They were engaged in starting individual or collective income generation programme with the help of self-help group. This will not only generate income for them but also improve the decision – making capabilities that led to overall empowerment.

### **Advantages of Entrepreneurship among Rural Women:**

Empowering women particularly rural women is a challenge. Micro enterprise in rural area can help to meet these challenges. Micro – enterprises not only enhance national productivity, generate employment but also help to develop economic independence, personal and social capabilities among rural women. Following are some of the personal and social capabilities, which were developed as result of taking up enterprise among rural women.

- Economic empowerment
- Improved standard of living
- Self confidence
- Enhance awareness

- Sense of achievement
- Increased social interaction
- Engaged in political activities
- Increased participation level in gram sabha meeting
- Improvement in leadership qualities
- Involvement in solving problems related to women and community
- Decision making capacity in family and community

Economic empowerment of women by micro entrepreneurship led to the empowerment of women in many things such as socio – economic opportunity, property rights, political representation, social equality, personal right, family development, market development, community development and at last the nation development.

### **Areas of Micro – Enterprise Development:**

Depending on number of factors ranging from landholdings, subsidiary occupations, agro climatic conditions and socio – personal characteristics of the rural women and her family member the areas of micro – enterprises also differ from place to place. The micro enterprises are classified under three major heads :

**1. Micro Enterprise development related to agriculture and allied agricultural activities** like cultivating to organic vegetables, flowers, oil seeds and seed production are some of the areas besides taking up mushroom growing and bee- keeping. Some more areas can be like dehydration of fruits and vegetables, canning or bottling of pickles, chutneys, jams, squashes, dairy and other products that are ready to eat.

**2. Micro – Enterprise development related to livestock management activities** like dairy farming, poultry farm, livestock feed production and production of vermin composting using the animal waste can be an important area in which can utilize both her technical skills and raw material from the farm and livestock to earn substantial income and small scale agro – processing units.

**3. Micro – Enterprises development related to household based operations** like knitting, stitching, weaving, embroidery, bakery and flour milling, petty shops, food preparation and presentation.

**Table : SHG Bank linkage (1992 -93 to 2007-08 )**

Year	No of SHGs credit linked	Bank Loan (Rs Lakhs)	Refinance (Rs lakhs)
1992-1993	114	5.73	5.73
1993-1994	51	5.51	5.51
1994-1995	481	77.71	70.71
1995-1996	1046	145.08	145.08
1996-1997	760	159.25	159.12
1997-1998	1138	232.19	228.18
1998-1999	2002	429.86	422.28
1999-2000	5018	1054.81	649.00
2000-2001	8009	1714.00	1404.00
2001-2002	18413	3475.39	2229.00
2002-2003	25146	7249.50	4073.55
2003-2004	41688	13960.37	6090.22
2004-2005	59332	26653.00	9951.00

2005-2006	61730	44260.02	6695.43
2006-2007	92708	81638.87	15599.24
2007-2008	94280	100446.47	12699.52
<b>Cumulative</b>	<b>411916</b>	<b>281520.18</b>	<b>60427.49</b>

Source : NABARD Report 2007-2008 (SHG- Bank Linkage in Karnataka)

### **Conclusion:**

Empowerment of women has emerged as an important issue in recent times. The economic empowerment of women is of paramount importance to political thinkers, social scientists and reformers. Women entrepreneurs faced many obstacles with respect to holding property and entering contracts, etc. But they having basic indigenous knowledge, skill, potential and resources to establish and manage enterprise. Under this juncture Self Help Groups (SHGs) as a tool for economic independence of rural women. The members of SHGs are involved in Micro – Entrepreneurships. Through that, they are becoming economically independent and providing employment opportunities to others. In total SHG not only mobilize micro finance and provide micro credit to the needed members but also it provides self employment training, awareness programme, promote the leadership qualities and confidential life to its members.

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