Micro Enterprise Development and Rural Women Entrepreneurship: Way for Economic Empowerment through Self Help Groups

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Entrepreneurship is considered as one of the most important factors contributing to the economic development of the society. Entrepreneurs have been considered instrumental in initiating and sustaining socio-economic development. In India, concept of women entrepreneurship is of recent origin. One of the powerful approaches to women empowerment and rural entrepreneurship is the formation of Self Help Groups (SHGs). This strategy has fetched noticeable results not only in India but world over. Women self-help groups are increasingly being used as a tool for various developmental interventions. In developing country like India where economic status of women is very pathetic especially in rural areas and opportunities of earning are very less, in this scenario, the Self Help Groups (SHGs) have paved the way for economic independence of rural women. This paper reviews concisely about the opportunities and challenges faced by women entrepreneurs in rural areas. It examined the impact on women empowerment through micro entrepreneurship development and SHGs.

KEYWORDS: Empowerment, Micro enterprise, micro credit, rural entrepreneurship, self help groups, women entrepreneur

Introduction

Entrepreneurship is an innovative and dynamic process, whereby, a new enterprise is created. Entrepreneur is a catalytic agent of change, which generates employment opportunities for others. The emergence of entrepreneurs in a society depends to a great extent on the economic, social, religious, cultural and psychological factor prevailing in the society. Entrepreneurship amongst women is a recent phenomenon. When an enterprise is established and controlled by a woman, it not only boosts economic growth, but also has many desirable outcomes. First prime minister of India Jawahar Lal Nehru has remarked “when a woman moves forward, the family moves, the village moves and the nation moves.” 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 in another five years, women will comprise about 20 percentage of the entrepreneurial force in India.

Women Entrepreneurs and Empowerment

Women Entrepreneurs may be defined as the women or a group of women who initiate, organize and operate a business enterprise. Government of India has defined women entrepreneurs as an enterprise owned and controlled by a woman having a minimum financial interest of 51% of the capital and giving at least 51% of employment generated in the enterprise to women. Empowerment strategies are varied and refer to those strategies which enable women to realize their full potentials. They consist of greater access to knowledge and resources, greater autonomy in decision making, greater ability to plan their lives, greater control over the circumstances that influence their lives and finally factors which would free them from the shackles of custom beliefs and practices. Unless they themselves become conscious of the oppression meted out to them and show initiative to push forward it would not be possible to change their status much. Some of the empowerment mechanisms identified are as follows:

1. Literacy and higher education;
2. Better health care for herself and her children;
3. Higher age at marriage;
4. Greater work participation in modernized sector;
5. Necessary financial and service support for self employment;
6. Opportunities for higher positions of power including Governance
7. Complete knowledge of her rights;

8. Self reliance, self respect and dignity of being a woman.

Several measures have been introduced to encourage women education. Incentives have been provided for larger enrollment of Girls in schools and reserved seats for higher education. Reduction in fees, provision of bicycles in rural areas, scholarship, exclusive schools & colleges for girls and many more literacy programs like each one teach one, project approach, continuing education approach are other measures. The % of literacy has risen; more girls are enrolled in technical education, like medicine/ engineering, Management etc. They are proving their merit in competitive examinations. Women have become sensitive to better health care for them and their children.

Identification of Inherent Skills of Rural Women in India

Business opportunities for women comprise of using wood, stone, and metals like bronze, iron, steel to create handicrafts and handcrafted gift items, such as bangles, glass, utensils, cane and bamboo for making furniture, clay for making statues of Indian deities, pots, vessels, other decorative pieces, making baskets from straw, embroidery from thread called chikankari, carpet making, and retailing etc. Here is a list of Business opportunities for women in India:

- Floriculture
- Banana cultivation
- Mushroom Cultivation
- Processing of milk / dairy products
- Agro - processing (dal, papad, badi making)
- Pickle, sauce, jam, jelly, squash etc.
- Coir work (preparation of yarn, door mats, rope, toys)
- Tailoring & Embroidery, Handicraft
- Agarbatti / Chalk / Candle / Phenyl preparation
- Jute Bags, Baskets, Hats
- Retailing / Salesman

Problems of Women Entrepreneurs in India

Rural Women in India face many problems to get ahead in their life in business. A few problems that women entrepreneurs face are:

1. India is still a male dominated society and this male dominant social order blocks women entrepreneurs in their way towards business success. Male members think it a big risk financing the ventures run by women.

2. Women's family obligations also bar them from becoming successful entrepreneurs. The financial institutions discourage women entrepreneurs on the belief that they can at any time leave their business and become housewives again. The result is that they are forced to rely on their own savings, and loan from relatives and family friends.

3. The financial institutions are skeptical about the entrepreneurial abilities of women. The bankers put unrealistic and unreasonable securities to give loans to women entrepreneurs. According to a report by the United Nations Industrial Development Organization (UNIDO), "despite evidence that women's loan repayment rates are higher than men's, women still face more difficulties in obtaining credit,". So, The women entrepreneurs suffer from inadequate financial resources and working capital as they lack access to external funds due to their inability to provide tangible security.
4. Women give more emphasis to family ties and relationships. The business success depends on the support the family members extend to women in the business process and management. 5. The literacy rate of women in India is at low level compared to male population. Many women in developing nations lack the education needed to spur successful entrepreneurship. They are ignorant of new technologies or unskilled in their use, and often unable to do research and gain the necessary training. 7. The feeling of achievement motivation and advancement of the women folk is found to be less as compared to that of male members. The low level of education and confidence leads to low level achievement motivation and advancement among women folk to engage in business operations and running a business concern.

8. Finally high production cost of some business operations adversely affects the development of women entrepreneurs. The installation of new machineries during expansion of the productive capacity and like similar factors dissuades the women entrepreneurs from venturing into new areas.

How to Develop Women Entrepreneurs

Right efforts on from all areas are required in the development of women entrepreneurs and their greater participation in the entrepreneurial activities. Following efforts can be taken into account for effective development of women entrepreneurs:

1. Government should extend better educational facilities to women.

2. Adequate training program on management skills should be provided to the women community.

3. Vocational training should to be extended to the women community so that it enables them to understand the production process and production management.

4. Skill development programs should be conducted in women's polytechnics and industrial training institutes. Skills should be put to work in training-cum-production workshops.

5. Training on professional competence and leadership skill should be extended to women entrepreneurs.

6. Training and counseling sessions should be held on a large scale for existing women entrepreneurs so as to remove psychological problems like lack of self-confidence and fear of failure.

7. Counseling through the aid of committed NGOs, psychologists, managerial experts and technical personnel should be provided to existing and emerging women entrepreneurs.

8. Activities in which women are trained should focus on their marketability and profitability.

9. Government should make provisions for providing marketing and sales assistance to the women entrepreneurs.

10. Women’s development corporations should gain to have access to open-ended financing.

11. A Women Entrepreneur's Guidance Cell should be set up in each state to handle the various problems of women entrepreneurs.

12. District Industries Centers and Single Window Agencies should make use of assisting women in their trade and business guidance.

13. Women's participation in decision-making should be encouraged.

14. Training in entrepreneurial attitudes should start at the high school level through well-designed courses, which will help to build up confidence in women.

15. Government should come up with more schemes to motivate women entrepreneurs to engage in small scale and large-scale business ventures.

16. Non Governmental Organizations should be engaged in women entrepreneurial training programs and counseling.
ENTREPRENEURSHIP DEVELOPMENT OF RURAL WOMEN THROUGH SELFHELP GROUPS (SHG)
The SHG is an association of people belonging to similar socio-economic characteristic, residing in same locality. The SHGs are voluntary associations of people formed to attain some common goals. (Poornima et al.) found that a typical rural women’s SHG is a good example of capacity building for prospective entrepreneur. Its aims include enabling members with no educational or industrial or entrepreneurial background to become self dependent and self reliance. A Self help group 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 are groups, which have 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. The concept of Self Help Groups (SHGs) is proving to be a helpful instrument for the women empowerment. SHG is an organization of rural poor, particularly of women that deliver microcredit to undertake the entrepreneurial activity. Entrepreneurship development and income generating activities are a feasible solution for empowering women. It generates income and also provides flexible working hours according to the needs of homemakers.
The specific objective of the scheme is to improve the socio-economic conditions of rural women and creating employment opportunities. The specific objectives are:

- To help and promote self-employment among the rural women, who are below the poverty line, by providing skill training in vocations which are acceptable to the beneficiaries, by encouraging productivity in their existing vocations and by introducing new activities hitherto undertaken;
- To generate income for the rural poor by creating avenues for production of goods and services;
- To organize production enhancing programmes in rural areas; and
- To provide for care of the children of the workingwomen by providing an improved environment, care and food by establishing crèches / balwadis.

MICRO ENTERPRISES FOR RURAL WOMEN
Enterprises from small scale to medium scale grouped together are called “Micro, Small and Medium Enterprises” (MSME). Micro enterprise is an effective instrument of social and economic development. It helps to generate employment for a number of people within their own social system. This is more beneficial for women in rural areas as it enables them to add to the family income while taking care of their own home and livestock task. The micro entrepreneurials 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

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:

- 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. This is common form of microenterprise in rural areas.
- Micro-enterprise development related to livestock management activities like dairy farming, poultry farm, livestock feed production and production of vermi composting using the animal waste can be an important area in which women can utilize both her technical skills and raw materials from the farm and livestock to earn substantial income and small scale agro-processing units.
- Micro-enterprise development related to household based operations, It is generally handicraft related enterprises where women perform activities like knitting, stitching, weaving, embroidery etc

ADVANTAGES OF MICRO ENTERPRISE IN BUILDING WOMENEMPOWERMENT
A micro enterprise is not only enhancing national productivity, generate employment but also helping 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 freedom
- Improved standard of living
- Self confidence
- Enhance awareness
- Sense of achievement
- Increased social interaction
- Engaged in political activities
- Increased participation in social meetings
- Development in leadership qualities
- Involvement in solving problems related to women and community
- Decision making capacity in family and community

**FUTURE PERSPECTIVE OF WOMEN ENTREPRENEURSHIP IN INDIA**

The country needs to mobilize and utilize fully all its resources including human resources. The participation of women in economic activities is necessary not only from a human resource point of view but also is essential even from the objective of raising the status of women in the society. The economic status of the women is now accepted as an indicator of a society’s stage of development and therefore it becomes imperative for the government to frame policies for development of entrepreneurship among women. For this, due recognition has to be accorded to the role and contribution of women in the various social economic and political and cultural activities.

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