



International Research Journal of Interdisciplinary & Multidisciplinary Studies (IRJIMS)

A Peer-Reviewed Monthly Research Journal

ISSN: 2394-7969 (Online), ISSN: 2394-7950 (Print)

Volume-I, Issue-I, February 2015, Page No. 165-172

Published by: Scholar Publications, Karimganj, Assam, India, 788711

Website: <http://www.irjims.com>

Empowerment of Rural Woman Through entrepreneurship- An Overview

Mrs. Manashi Mazumdar

Asst. Professor, Dept. of Accountancy, Chhaygaon College, Chhaygaon, Kamrup, Assam

&

Mrs. Marjina Ahmed

Asst. professor, Dept. of Management, Chhaygaon College, Chhaygaon, Kamrup, Assam

Abstract

Women's entrepreneurship contributes to the economic well-being of the family and communities and also reduces poverty. It ensures country's economic growth and development. The empowerment of women to a large extent depends on taking part in some development activities. Therefore the promotion of micro and small scale enterprises has been recognized as an important strategy for advancing the economic empowerment of women. At the household level, women's microenterprises and small scale businesses play an important role in ensuring the survival of poor household and in building up women's confidence, skills and socio economic status. However it is seen that women are the most deprived category in the society specifically in developing countries. In India also the economic status of women is very low especially in rural areas and opportunities of earning are very less. In this scenario the Self Help Groups (SHGs) are considered as institutional innovation that fosters empowerment of rural women. Therefore the need for designing exclusive self-employed and other development programmers for promotion of women empowerment is essential. Keeping in view this importance of the research work on women empowerment, the present study aims at discussing some important aspects of women empowerment through micro entrepreneurship development and SHGs. These aspects include status of women SHGs, advantages of micro enterprise in building women empowerment, scope of micro enterprise development etc.

Key Words: Empowerment, Entrepreneurship, Micro enterprise, SHGs.

Introduction: Entrepreneurship plays an eminent role in creating an employment opportunity for rural communities, providing self-employment for those who have started-up a business of their own and enhancing the economic status of the rural sector as well. Now women are also interested to establish their own business as professionally both in the urban and rural areas due to overcome poverty, generate family income and increasing Standard of living. In this regard Faley (1999) argued that women's development is not nearly about reducing poverty by increasing productivity, but also about women's liberation and empowerment. So it is necessary to empower women socially, economically and technologically to enable them to stand in society on their own with confidence. It includes both controls over resources and ideology, greater self-confidence and an inner transformation of one's consciousness that enables one to overcome external affairs (Sharma & Varma, 2008). In today's competitive world, there are various ways by which women get themselves empowered. Entrepreneurship development and income generating activities are a feasible solution for empowering women who leads to economic independence, the opportunity to have control over their lives, self-reliance, self-determination, and a way to achieve for themselves. Bisht & Sharma (1991) argued that the entrepreneurship of women is considered to be an effective instrument to the economic development and empowerment of women. Considering this need the government of India has begun the process of empowering women through various national policies and developmental programmers and organizing women in Self Help Groups. The Self Help Groups (SHGs) is an

organization of rural poor; particularly of women for the empowering women by providing micro credit to undertake the entrepreneurial activity.

Concept of Women Empowerment and Women Entrepreneurship: According to United Nations Development program (1994) empowerment is a process which enables individuals or groups to change balances of power in social, economic and political relations in society. Therefore, women empowerment means giving the capacity and means to direct women's life towards desired goals. It is a process by which women gain greater control over resources (income, knowledge, information, technology, skill and training), decision making process, enhance the self-image of women, to become active participants in the process of change and to develop the skills to assert themselves.

"Women Entrepreneur" is a person who accepts challenging role to meet her personal needs and become economically independent. The Government of India has defined women entrepreneurs as an enterprise owned and controlled by women having a minimum financial interest of 51 per cent of the capital and giving at least 51 per cent of the employment generated in the enterprise to women. In the simplest sense, women entrepreneurs are those women who take the lead and organize the business or industry and provide employment to others. Entrepreneurship development among rural women helps to enhance their personal capabilities and increase decision making status in the family and society as a whole.

Status of Women Entrepreneurship in India: The concept of "Women entrepreneurship" is becoming a global phenomenon and in India it became prominent in the latter half of the eighties. Now women's entrepreneurship has been recognized as an important untapped source of economic growth. In India it is estimated that women entrepreneurs presently comprise about 10% of the total number of entrepreneurs with the percentage growing every year. If the prevailing trends continue, it is likely that in another five years women will comprise 20 % of the entrepreneurial force. Even though women own around 10% of the total enterprises in the small sector, the gross output of these units is just 3.5% of the total output of the SSI sector. In contrast, in developed countries such as United States, women own nearly 91 lakh small businesses and the number of women-owned start-ups is going at nearly twice the rate of their male counterparts. India has 397 million workers, 123.9 million are women, 106 million are in rural areas, 18 million are in urban areas, only 7% of India's labour force is in the organized sector; 93% is in unorganized sector.

Review of Literature: Several studies have been made on women entrepreneurs with reference to various countries and in India. Some studies dealt on methodological issues and some on empirical analysis. The researcher has tried to review the following:

Nachimuthu & Gunatharan (2012) conducted study on 350 women entrepreneurship in Tamilnadu to measure the strength of SHGs and other form of enterprises in empowering women. Results indicated that women entrepreneurs in SHGs are more empowered than other (Non SHG) entrepreneurs. Margaret and Kala (2013) studied on the significant impact of NGOs on the empowerment and development of the women beneficiaries. They argued that the demographic variables age, education, monthly income and years of affiliation influence the level of empowerment of the women. Kirankere & Subrahmanya (2013) argued that Self Help Groups (SHGs) are successful in the empowerment of women through entrepreneurial finance to rural women entrepreneurs. According to him the SHGs had major impact on social and economic life of rural women. Handy, Kassam, and Ranade (2003) examined women entrepreneurs in the non-profit sector and various social and cultural factors that influence women entrepreneurs in a particular segment of the non-profit sector in India to determine such self-selection. Singh, Thakur & Gupta (2013) studied on roll of micro entrepreneurship among the rural women. They argued that Micro enterprise is an effective instrument of social and economic development of rural youth. It also helps to generate employment for a number of people and is best tool for rural women as it enables them to add to the family income. Sharma, Dua & Hatwal (2012) examined the impact on women empowerment through micro entrepreneurship development and SHGs. They argued that micro finance play a vital role in the success of SHGs.

Thus, from the above review of literature it is evident that quite a number of studies have already been undertaken on women empowerment and related issues. The present study in this respect is an attempt to highlight the role of SHGs and micro enterprises in empowering women.

Objectives of the Study:

- To know the role of Self Help Groups (SHG) in empowering women.
- To know about the micro enterprises for rural women and its areas of development.
- To know the advantages of micro enterprise in building women empowerment.
- To know the impact of entrepreneurship development in women empowerment.

Scope of the Study: This study would be of great help to 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. Further the study would highlight the role and importance of micro enterprises in women empowerment.

Methodology of the Study:

Research design: The nature of the study is both exploratory and descriptive. It is exploratory as the study aims at identifying the significance of women empowerment through entrepreneurship.

Sources of data: The study is based on secondary data. The data is collected from books and literature review is done by online available studies and journals.

Self Help Group: The definition of SHG as approved by National Bank For Agriculture and Rural Development [NABARD] the apex banking body in India, is “An SHG is a small, economically homogeneous and affinity group of rural poor voluntarily formed to save and mutually agree to contribute common fund to be lent to its members as per group decision for their socio-economic development”.

As the name indicates, self-help group is an informal group of about 15-20 people from a homogeneous class, who come together for addressing their common problems. The main aim of SHG is to make group members self-sufficient and self-reliant [independent] by self-employment and empowerment through group dynamics.

Role of Self Help Groups in Empowering Women: Participation in income generating activities helps in the overall empowerment of women. The SHGs had major impact on social and economic life of rural women. It empowers women and trains them to take active part in the socio-economic progress of the nation and make them sensitized, self-made and self-disciplined. In this regard Pattanaik (2003) has stated that SHGs are continuously striving 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, women torture, various SHGs is not organized properly and effectively. The SHGs have inculcated great confidence in the minds of rural women to succeed in their day-to-day life. The SHGs bring out the capacity of women in molding the community in right perspective and explore the initiative of women in taking the entrepreneurial ventures.

Makandar & Mulla (2013) argued that women’s participation in SHGs enabled them to discover inner strength, gain self-confidence, social, economic, political and psychological empowerment and capacity building. Participation of women in SHGs makes a significant impact on the empowerment in social aspect also. SHGs helps women come out in open and discuss their problems. SHGs also helps to bring about awareness among rural women about savings, education, health, environment, cleanliness, family welfare, social forestry, etc. again SHGs could be linked to literacy programmes run by government and it could be made an integral part of SHG activities. Raised literacy level could be helpful for the SHG members to overcome cognitive constraints and to understand government policies, technical understanding and gaining required skills.

Empowerment should be extremely induced so that women can exercise a level of autonomy. There should also be ‘self-empowerment’ so that women can look at their own lives. The process of ‘learning by doing and earning’ would certainly empower rural women. More and more rural women need to be involved in self-employment. Self-employment in agriculture, village and small industries and retail trade and services should be expanded. Self-employment is also conducive to the development of individual initiative and entrepreneurial talent and offers greater personal freedom. The added advantage is that the institution of family remains undisturbed. The emergence of self-help

groups in this context is a welcome development. The groups would provide a permanent forum for articulating their needs and contributing their perspectives to development.

Self-help group should be developed as an institution for financial intermediation as well as people's network rather than a vehicle for credit disbursal only.

Self Help Group is able to overcome most of the practical problems encountered in the implementation of the various income generating programmes for the economic empowerment of women.

The SHGs are a viable alternative to achieve the objectives of rural development and to get community participation in all rural development programs. The possible outcomes of women's entrepreneur through SHGs at household level are self-employment, sustainable livelihoods, enhanced social dignity and better status of women. SHG would lead to benefits not only to the individual women and women's groups but also for the family and community as a whole through collective action for development. Empowerment is not just for meeting their economic needs but also for more holistic social development.

Micro Enterprises for Rural Women and Its Areas of Development:

Micro enterprises: The concept of micro enterprise and microfinance was pioneered in 1976 by Nobel Prize recipient Muhammad Yunus, founder of the Grameen Bank (Bank of the Poor), in Bangladesh. The enterprises from small scale to medium scale grouped together are called "Micro, Small and Medium Enterprises" (MSME). Microenterprises mainly focus on developing and utilizing the entrepreneurial skills and potential of rural women below poverty line to meet local needs (Kaushik & Rengarajan, 2010). 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 entrepreneurs are strengthening the women empowerment and remove the gender inequalities.

Areas of 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:

- i. 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.
- ii. 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 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.
- iii. Micro-enterprise development related to household based operations, It is generally handicraft related enterprises where women perform activities like knitting, stitching, weaving, embroidery etc.

Now Indian women entrepreneurs are showing their presence in different areas like herbal marketing, food processing, farming, readymade garments, dairying, preparation of handicrafts and handcrafted gift items, such as bangles, glass, utensils, by using wood, stone, and metals like bronze, iron & steel, making furniture with the help of cane and bamboo, statues of Indian deities, pots, vessels, other decorative pieces, making baskets from straw, tailoring & embroidery, carpet making and retailing, agarbatti / Chalk / Candle / Phenyl preparation, preparation of yarn, door mats, rope, toys, preparation of jute Bags/ Baskets/ Hats, Retailing and Salesman etc. Therefore it can be said that entrepreneurship is an active, multidimensional process, which helps women to realize their full identity and power in all spheres of life.

Advantage of Micro Enterprise in Building Women Empowerment: Micro enterprises in rural area can help to empower women in rural areas. 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:

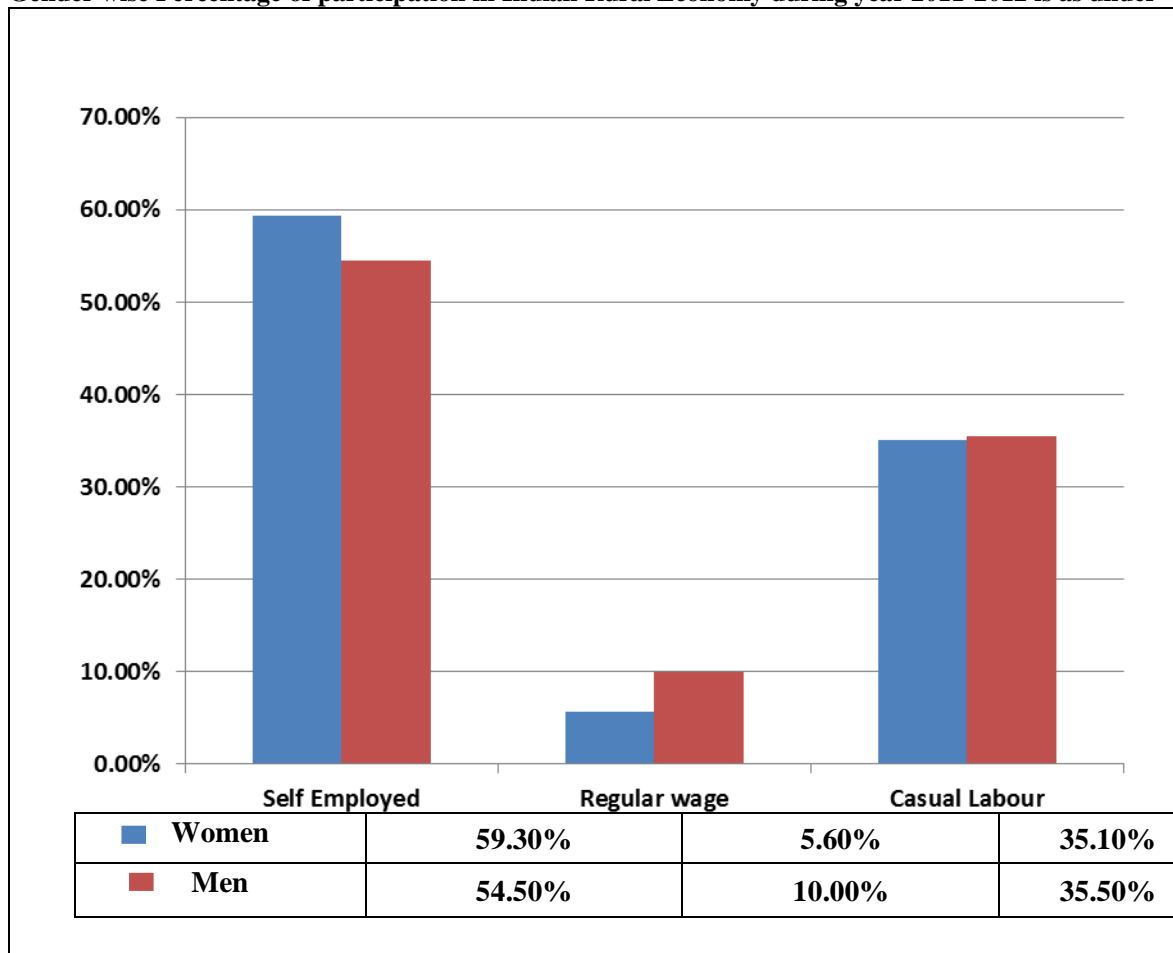
- Economic freedom
- Improved standard of living
- Self confidence
- Enhance awareness
- Sense of achievement
- Increased social interaction
- Engaged in political activities
- Increased participation in social meetings
- Development in leadership qualities
- Involvement in solving problems related to women and community
- Decision making capacity in family and community

The rural women are having basic indigenous knowledge, skill, potential and resources to establish and manage enterprise. Therefore promoting entrepreneurship through microenterprise approach has been recognized as the solution for incorporating women into the overall economic development process and enables eradicating the rural poverty in developing economies to a larger extent. Finally we can say that economic empowerment of rural women through micro entrepreneurship led to the empowerment of women in so many things such as socio-economics opportunity, political participation and representation, social equality, personal right, family development, market development, community development, societal development, state development and at last development of the nation.

Women Empowerment through Entrepreneurship:

Following are the impact of entrepreneurship development on women empowerment:

1. Through entrepreneurship development self confidence level of women are increased and gave them a prosperous future.
2. Now rural women are engaged in small scale entrepreneurship programs with the help of Self Help Groups by which they were economically empowered and attaining very good status in family and community.
3. Entrepreneurship also helps to bring about awareness among rural women about savings, education, health, environment, cleanliness, family welfare, social forestry etc.
4. Micro enterprise is the best tool for rural women as it enables them to add to the family income and as such it provides family members to a better life style, including education for the children and improvement of family health.
5. Some aspects of household decision making are reported to have changed as a result of women's contribution in family income. Most of the men now consult with their wives in important family matters.
6. Promoting entrepreneurship through microenterprise approach enables eradicating the rural poverty in developing economies to a larger extent.

Gender wise Percentage of participation in Indian Rural Economy during year 2011-2012 is as under-

Source: Central Statistical Office as per National Sample Survey 68th round (2011-2012)

As per above graphical representation 59.30% rural women are self-employed while the ratio of male is only 54.50%, 5.60% rural women are engaged in regular wages while male candidate are 10.00% and casual labour comprise 35.10% of women and 35.50% of men in rural economy of India. As per result it makes us clear that interest of rural women is being increased towards the entrepreneurship in India.

Suggestions: Women entrepreneurs are contributing a lot in rural & economic development in India. However, it is potentially empowering and liberating only if it provides women an opportunity to improve their well-being and enhance their capabilities. Kumari, et. al.(2010) argued that lack of supportive network, financial and marketing problems are the major problem areas for rural women entrepreneurs and major de-motivator for other women to initiate entrepreneurial activity. Therefore the following efforts can be taken into account for effective development of women entrepreneurs:-

- Various schemes and plans of government for the encouragement of women entrepreneurs should be strongly executed at different levels.
- Information should flow in right direction with the help of NGO's and government organizations to about policies, plans and strategies on the development of women in the field of industry, trade and commerce.
- Interest free consumption credit for vulnerable women should be provided by the Government, Banks, financial institutions and wealthy individuals.
- Special training course should be offered for women entrepreneurs to improve skills.
- Interest free consumption credit for vulnerable women should be provided by the Government, Banks, financial institutions and wealthy individuals.

- Provisions should be made for micro credit system and enterprise credit system to the women entrepreneurs.
- Special assistance is to be provided to specially disadvantaged groups like women in extreme poverty, women in conflict situations, women affected by natural calamities, the disabled widows, elderly women, single women in difficult circumstances, women those displaced from employment, migrants, women who are victim of material violence etc.

Conclusions: It can be said that today we are in a better position wherein women participation in the field of entrepreneurship is increasing at a considerable rate, efforts are being taken at the economy as well as global level to enhance woman's involvement in the enterprise sector. At present women have broken the monopoly of men and proved that they are not inferior to men. The SHGs and micro enterprises had major impact on social and economic life of rural women. The study concludes that there was an increase in self-confidence, self-reliance and independence of rural women due to the involvement in the entrepreneurial and other activities of SHGs. Now women entrepreneurs are aware of opportunities available to them, but there is scope for improvement in it. 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. Raised literacy level could be helpful for the SHG members to overcome cognitive constraints and to understand government policies, technical understanding and gaining required skills.

References:

- Ahmed, A. (1999), Women Empowerment, Self Help Groups, Kurukshetra.
- Bisht, N.S. and Sharma, P.K (1991), Entrepreneurship Expectation and Experience. *Himalaya Publishing House*, Bombay, 2nd Ed, vol. 2, pp. 23-24
- Faleye, G.O. (1999), Women and Accountability. *A Case Study of the Family Support Programme in Osun-State, MPA project.*
- Gardon.E., Natarasan. (2003), Entrepreneurship Development, *Himalaya Publishing House*, New Delhi.
- Handy, F. Kassam, M. and Ranade, S. (2003), Factors Influencing Women Entrepreneurs of NGOs in India, *Nonprofit Management and Leadership*, 13(2), pp. 139-54.
- Kabagh,Cetana. (1991), Women and Development Policies and Plan Strategies for Women's Development, *Discovery Publishing House*, New Delhi.
- Kumari, S., Kaushik, V. and Lodha, N. (2010), Problems Faced by Rural Women Entrepreneurs of Rajasthan. *Kamla-Raj 2010 Stud Home Comm Sci*, 4(2), pp. 115-119
- Kirankere, P. & Subrahmanya, K.C. (2013), Women Empowerment in Karnataka through Entrepreneurial Finance by SHGs, *GRA - Global Research Analysis*, Vol. 2(12), pp. 150-151
- Margaret, S. And Kala, N. (2013), Study on Impact of Ngo Interventions on the Empowerment Of Women, *Journal of Business Management & Social Sciences Research (JBM&SSR)*, Vol. 2(3), pp. 1-6
- Makandar, N.M. & Mulla, I.K. (2013), Self Help Groups: A Tool for Inclusive Growth. *Excellence International Journal of Education and Research*. Vol. 1(3), pp. 192-204
- Nachimuthu, G.S. and Gunatharan, B(2012), Empowering Women through Entrepreneurship: A study in Tamil Nadu, India. *International Journal of Trade, Economics and Finance*, Vol. 3, No. 2, pp.143-147
- Pattanaik, S. (2003), Empowerment through SHG: A Case Study of Gajapati District. *Smaranika 2003*.

Satya Sundaram, I. (2002), Rural development. *Himalaya Publishing House*, New Delhi.

Sharma, P. and Varma, S.K. (2008), Women Empowerment through Entrepreneurial Activities of Self Help Groups. *Indian Res. J. Ext. Edu.* 8 (1), PP.46-51.

Sharma, A., Dua, S. & Hatwal, V. (2012), Micro Enterprise Development and Rural Women Entrepreneurship: Way for Economic Empowerment. *Arth Prabhand: A Journal of Economics and Management*, Vol 1(6), pp. 114-127

Singh, S., Thakur, G. and Gupta, P.C.(2013), A Case Study on Empowerment of Rural Women through Micro Entrepreneurship Development. *IOSR Journal of Business and Management*, Vol.9 (6). pp. 123-126

Tubey, R.J. (2012), Relationship between Women Entrepreneurs' Perception of Impact of NGO Interventions and Enterprise Performance, *Journal of Emerging Trends in Economics and Management Sciences*, ISSN: 2141-7024, 3(3), pp. 242-246.

Tiwari A. (2007), Women Entrepreneurship and Economic Development. *Sarup & Sons*, New Delhi.

UNDP. (1994). Report on Human Development in Bangladesh: Empowerment of Women, Dhaka, *United Nations Development Programme*.

http://www.ngohandbook.org/index.php?title=History_of_the_NGO_Sector

<http://www.ngo.org/ngoinfo/define.html>

<http://www.britannica.com/EBchecked/topic/759090/nongovernmental-organization-NGO>

<http://www.indiastudychannel.com/experts/21730-NGOS-India-how-join.aspx>
