



Role of women entrepreneurship for escalation of rural economy through self- help groups (SHGs)-An empirical study 'Chakapad block' in Kandhamal district of Odisha

Brajabandhu Mallick¹, Gundhar Majhi¹, Laxmipriya Singh¹, Dr. Ajaya Kumar Nanda²

¹ Research Scholar, Department of Commerce, STRM, KISS Deemed to be University, Bhubaneswar, Odisha, India

² Assistant Professor, Department of Commerce, STRM, KISS Deemed to be university, Bhubaneswar, Odisha, India

Abstract

The role of women entrepreneurship in the escalation of rural economies through Self-Help Groups (SHGs) has gained significant attention in recent years. Empowering women through entrepreneurship has emerged as a key strategy for promoting economic growth and sustainability in rural communities. This paper aims to explore the multifaceted impact of women-led businesses facilitated by SHGs on the overall development of rural economies. The Entrepreneurship Program focuses on empowering women, especially in rural areas, not only to make their businesses competitive, but also to promote their well-being and that of their families. Across the globe, significant entry of women into the workforce over the past three decades has led to profound changes in the organization of families, society, economy, and urban life. Women's performance and skills, influence decision-making and self-confidence in the work environment and contribute to raising the standard of living in their household. So, entrepreneurship provides a better platform for poor women to explore their skills and knowledge and also enhance their individual proficiency level in the society. The present study highlights the contribution of women entrepreneurs of Chakapada block to the development of rural economy through various income generating activities made by them. In this context the 70-sample size has been collected from the Self-Help groups (SHGs) of Chakapada block of Kandhamala District in Odisha. The core objective of this is to promote women entrepreneurs through Self-Helps Groups (SHGs) and help them in becoming financially sustainable.

Keywords: Self help groups, rural economy, livelihood, women entrepreneurs

Introduction

In recent economic trends the women labours force in the rural area have engaged effectively in different activities and strengthened them to self-reliance from the various sources of income generating activities for sustainable livelihood. The self-help groups (SHGs), is the suitable platform where the group of women can utilize her labour force and convert it to numbers of economic activities. The primary purpose of Self-Help Groups (SHGs) is to create a supportive environment where members can share their experience, coping strategies, and personal stories. Through this interaction, individuals can feel less isolated and gain a sense of empowerment, knowing that others understand their challenges and can offer guidance and empathy. These groups often foster a sense of community and mutual support, allowing members to both give and receive help for each other. In this context, the role of self-help groups (SHGs) can directly impact the growth of the rural economy as well as improve the standard of living of an individual. In other words, the self-help group approach is the key element of social mobilization. The financial support can't be avoided at the time of commencement of business, the microfinance institutions operated in the rural area are ideal sources for providing small financial support to self-help groups (SHGs) for start-up the project activities and encourage them to achieve their goal. The central government and the state governments have initiated a number of projects/schemes for the development of socio-economic scenarios of rural women. Ultimately empowerment of women is not just a goal in itself, but also development goals of the whole nation. Hence the self-help groups (SHGs) approach is the effective intervention strategy for poverty alleviation.

Empowerment is an active multi-dimensional process that enables women to realize their identity and empower them in all aspects. This paper examines the role of women entrepreneurship for the escalation of the rural economy through self-help groups. The importance of women in India's economic development was first recognized during the country's struggle for independence. In other words, Empowerment is a social action process that promotes the participation of people, organizations, and communities to gain control over their lives in their community. Especially in rural areas, there is an urgent need to empower the women entrepreneurs and groom them for various income generating activities. The formation of Self-Help Groups (SHGs) and entrepreneurship will improve their socio-economic status in society. Women entrepreneurs play an important role to strengthen the recent economic as well as micro enterprise undertaken by women. Generally rural women have engaged in different agricultural activities as well as for maintaining the domestic responsibilities and managing their household finance. Apart from that the economic status of rural women is extremely pathetic and they have less opportunity to develop their earning capacity. Addressing the above issues, the Self-Help Groups can create so many opportunities for economic independence among the rural women.

Define-self help groups (SHGs)

A Self-Help Groups (SHGs) is a gathering of individuals who share a common concern, situation, or problem and come together to provide each other with emotional support, practical advice and information. Self Help Groups (SHGs) can take many forms and can be led by professionals, volunteers or individuals within the group. They offer space

where members can feel understood, accepted, and encouraged to work towards their personal goals and well-being. Rural women SHGs are made up of members who are poor, have low savings capacity, and depend on moneylenders to meet their consumption needs and social obligations. The association of women in self-help groups paved the way for the development of their economic standards, thus boosting their self-confidence. Women in SHGs were encouraged by the government and NGOs to become self-reliant with locally available resources. The availability of micro-credit has greatly helped SHG women, and many women have come forward and started micro-enterprises. The success of microcredit initiatives is often attributed to their particular focus on empowering women and promoting self-reliance through the development of their own income-generating opportunities. Currently, a number of NGOs and financial institutions provide microfinance especially to micro-entrepreneurs in rural areas. They also motivate training programmes to develop their entrepreneurial skills and abilities. Special training in the production or service sectors is offered to aspiring rural women micro entrepreneurs. These institutions encourage women to start microenterprises. As a result, micro-entrepreneurship is gradually gaining prominence among rural women.

Statement of the problem

After 75th of independence, the education status of rural women of Chakapada block of Kandhamal district of Odisha have not improved. As a result, they are far away from the developmental strategies and also ignore the various schemes of the central government and state government. The major obstacles faced by the majority of the members are male dominance, lack of economic freedom, and fear of social security, while other problems are dual roles and lack of family support. Rural women are not proactive and they never freely express their own problems. The language problem is another barrier for the conversation of one's own problem to another. As a result, they have not any adequate financial support for addressing the crucial problems. The rural poor are unable to obtain credit for various reasons, i.e., the problem of "orthodox thinking", credit appraisal system, co-lateral security, short-term repayment method, lack of working capital, and lack of economic motivation.

Review of literature

Chavan, V. M., & Murkute, P. A. (2016) ^[1] this paper unfolds the significance of women entrepreneurship and also focuses on the role of women entrepreneurs in the rural economy and also their contributions to economic development. The objectives like growth with equity can be achieved by enabling the development of women entrepreneurship. There is a necessity of molding and shaping women entrepreneurship with the entrepreneurial qualities and skills. This will enable the women to adapt with the changing trends in both the domestic and global markets and built-up competencies enough to sustain and attempt for excellence.

Fazalbhoy, S. (2014) ^[2] this article analyses the role of women entrepreneurs, the first part deals with growth of women entrepreneurs in India, the second part studies tapping this growth in financing women entrepreneurs which is a major problem of failure in their businesses, third

deals with the role of self-help groups (SHGs) in promoting finances and empowering them through capacity building programs, and the fourth part deals with future policies of the government providing conducive environment for their business and for their livelihood.

Ambepitiya, K. R. (2016) ^[3] objectives of this study cover an extensive range from the study of the development of women entrepreneurs to a rural economy, social system, and ecology. A descriptive research methodology has been used for this study and administered to a selected sample from a specific population that include women in businesses and executives who represent both private and public sectors of selected developing countries. The Study has been carried out over a period of six months and has used a questionnaire as the survey instrument. The survey has indicated how women entrepreneurs can be positioned to play an important role in promoting sustainable practices in the economy, the social system and the ecology. The researcher concludes the study by observing that given the positive effect made by women on the economy and development, women entrepreneurship is key to the developing world in promoting sustainable practices in business socially, economically and ecologically.

Ryser, L., & Halseth, G. (2010) ^[4] in response, there has been an increasing volume of rural economic development research and policy interest in that research. The purpose of this review article is not to provide a 'state of the literature' summary, but rather to highlight thematic directions, opportunities, and trends in the rural economic development literature over the past decade in industrialized economies. We review many of the old research themes in rural economic development research like social and economic restructuring, barriers and challenges to economic development, community economic development, community capacity, governance, and policies and programs. We also explore a range of research issues that have developed over the past decade focusing on new approaches to understanding rural change and the arrangement of development strategies in the context of the new rural economy.

Karim, A., Musa, C. I., Sahabuddin, R., & Azis, M. (2021) ^[5] the research aimed to examine the allocation of Village funds the research applied was qualitative method with a descriptive analysis approach. It was carried out by collecting data and information from the population taken from 12 villages in the Baraka Sub-district. The results show that (Village-owned Enterprises) fosters rural economic development for all village communities in Baraka Sub-district and supports national economic growth. It is expected that various rural economic recovery programs will continue, whether they become central, regional, or local village-scale programs, especially in 12 villages in Baraka Subdistrict.

Sundaram, A. (2012) ^[6] the main aim of this paper is to examine the impact of self-help groups (SHGs) in rural economic development of India. Self-help groups (SHGs) have been playing considerable role in training of Swarozgaris, infrastructure development, marketing and technology support, communication level of members, self confidence among members, change in family violence, frequency of interaction with outsiders, change in the saving pattern of self-help groups (SHGs) members, change in the cumulative saving pattern of self-help groups (SHGs) members per month, involvement in politics, achieving

social harmony, achieving social justice, involvement in community action, sustainable quality and accountability, equity within self-help groups (SHGs), defaults and recoveries, and sustainability - financial value. The present status of Self-Help Group in India, impact of Self-Help Group in India, Shortcomings of Self-Help Group in India, Suggestions to improve Self-Help Group in India, conclusion.

Borkman, T. (1997) [7] this paper presents a selective overview of the development and current situation of self-help groups (SHGs) and resource centers based on a literature review, recent interviews and the author's observations the Self-help groups (SHGs) are often criticized for focusing on emotional support. The social demographic composition of self-help groups (SHGs) members has been estimated to be disproportionately white middle-class females. An active interdisciplinary network of over 200 researchers, most from academia, studies self-help in study areas. The future of resource centers is less certain than for groups since centers have little lawfulness while requiring substantial resources. The impact of current changes in health care on self-help mutual aid is unknown.

Research gaps on the basis of topic

Based on the review of the literature presented above the researcher has identified the following research gap.

The researcher identified that there are sufficiently of research studies have been conducted on women's entrepreneurship, their attitude or entrepreneurial intention towards entrepreneurship, creativity and innovation done by entrepreneurs, opportunities, problems, prospects, success and promotions of entrepreneurship, entrepreneurial self-efficacy, trends in entrepreneurship, skills needed for entrepreneurs, social and economic empowerment of women, such research was carried out all over the world but there were very few researches focused the study about role of women entrepreneurship for escalation of rural economy through Self- Help Groups (SHGs) designed for the enhancement of entrepreneurial skill of entrepreneurs of selected Self- Help Groups (SHGs). There is no prior research model which integrates the entrepreneurship for escalation of rural economy strategies designed for the enhancement of entrepreneurial skills on the economic and social empowerment of the members of selected Self- Help Groups (SHGs). So, the researcher attempted to explore the entrepreneurship for escalation of rural economy and social empowerment of members through Self- Help Groups (SHGs) which provide gender equality in their home and society in terms of self-respect, economic freedom, decision-making power, participation in family decision-making, and freedom in the communication of views, etc. Very few studies have been done on the problem of SHGs related entrepreneurship. Less study conducted suggested plan women empowerment level through SHGs programme.

Objective of the study

- To analyse the growth of the rural economy through Self Help Groups (SHGs) in the study area.
- To explore the role of Self-Help Groups (SHGs) for women empowerment.
- To examine the various problems and challenges of SHGs related to entrepreneurship.
- To suggest plans for further improvement of women empowerment through Self Help Groups (SHGs).

Research design

In the research design the researcher most use of exploratory and descriptive in nature.

Sample Size: Total 70 sample size respondents were collected from the Self-Help Groups (SHGs) in Chakapad block of Kandhamal district.

Research methodology

Primary data

Primary data are those data researchers collected primarily through interviews, meeting and different categories of members of SHGs, and use of purposive sampling method. The data and information are collected by respondents with a structured interview schedule. In the schedule must be relevant questions related to the general information and economic, psychological and social empowerment of the respondents.

Secondary data

Secondary data has been collected from published literature and company records and internal documentation. The same data is also collected from other sources like annual reports through magazines, journals, research papers, articles and websites etc.

Imitations of the study

- This study is limited to Chakapad block only.
- This study focuses only on the performance and future of Self-Help Groups (SHGs) programmes for women empowerment.
- These studies of the Self-Help Groups (SHGs) have not detailed records of clients which limiting factor.

Data nalysis and interpreation

1. According to respondents of distribution to their literacy

Table 1

Literacy level	No. of respondents	Percentage (%)
Illiterate	24	10%
Primary	16	40%
Secondary	12	30%
Degree and above	18	20%
Total respondents	70	100%

Interpretation

The above table shows that 10% respondents are illiterate and 40% respondents are under primary and 30% respondents are secondary and remaining 20% respondents are degree and above.

2. According to respondents of distribution to reason for joining SHGs

Table 2

Reasons for joining SHGs	No. of respondents	Percentage (%)
Improve financial condition of individual	20	40%
Improve the capacity building of individual	15	30%
Provide the financial support to their children	20	16.66%
Improve the standard of living of the own family	15	13.33%
Total respondents	70	100%

Interpretation

The above table shows that 40% respondents joining SHGs on basis of improve their financial condition and 30% respondents are improving the capacity building of individual and 16.66% respondents are joined on basis of provide the financial support to their children and remaining 13.33% respondents are joined on basis to improve of living of standard of living of the own family.

3. According to respondents of distribution to inspired by to joining SHGs

Table 3

To inspired by SHGs	No. of respondents	Percentage (%)
Own Decision	25	25%
Through Friends and family	45	75%
Total respondents	70	100%

Interpretation

The above table the data highlights that 25% respondents are taken own decision to join SHGs Groups and 75% of respondents inspired by family or friends to joining SHGs for intending their financial improvement.

4. According to respondents of distribution to awareness about various facilities through banking services after joining SHGs

Table 4

Awareness about various facilities through banking services after joining SHGs	No. of respondents	Percentage (%)
Yes	55	86.66%
No	15	13.33%
Total respondents	70	100%

Interpretation

The above table, data shows that 86.66% respondents are aware about various facilities through banking services after joining SHGs and 13.33% respondents are still not aware about that.

5. According to respondents of distribution for utilized the loan amount in various purposes

Table 5

Purpose	No. of respondents	Percentage (%)
Household purpose	34	53.33%
Activities/Business purpose	36	46.66%
Total respondents	70	100%

Interpretation

The above table data highlights that 53.33% respondents utilized the entire loan amount for her household purpose and remaining 46.66% utilized for Activities/Business purpose to fulfil their objective.

6. According to respondents of distribution to improve their monthly income after joining SHGs

Table 6

Improvement of Monthly income after joining SHGs	No. of respondents	Percentage (%)
No change	40	28.33%
Rapidly Increase over past revenue	30	71.66%
Total respondents	70	100%

Interpretation

The above table highlights the changing income level position after joining SHGs where 71.66% respondent's income increased over past revenue earned by them and 28.33% respondents' income level remained static even after joining SHGs due to unutilised the loan in proper ways.

7. According to respondents of distribution for improve the saving attitude from their monthly income after joining SHGs

Table 7

Improve Saving attitude from their monthly income after joining SHGs	No. of respondents	Percentage (%)
No change	25	33.33%
Improve the behaviour of Saving Attitude	45	66.66%
Total respondents	70	100%

Interpretation

The above table highlights improve the behaviour of Saving Attitude from their monthly income after joining SHGs were 66.66% of respondents and remaining 33.33% of the respondent have no change their saving attitude even after joining SHGs. Therefore, majority of respondent are benefited after joining SHGs.

8. According to respondents of distribution to status of repayment

Table 8

Status of repayments	No. of respondents	Percentage (%)
Fully repaid	47	56.66%
Being repaid	23	43.33%
Total respondents	70	100%

Interpretation

The above table highlights the repayment status loan ware 56.66% respondents are fully repaid their loan on time and 43.33% respondent dues remain or being repaid process. Therefore, they can avail the more financial assistant from the financial institution to promote the future business.

9. According to respondents of distribution to satisfaction level

Table 9

Satisfactions level	No. of respondents	Percentage (%)
Very	30	45%
Good	25	31.66%
Not satisfactory	15	23.33%
Total respondents	70	100%

Interpretation

The satisfactory table highlights that 45% respondents are fully satisfied and happy with working function of groups and 31.66% respondents are good and 23.33% respondents are not satisfied with working functions of SHGs.

Finding

- It was found that especially women from Chakapada block of Kandhamal district can benefit a lot from small business as it gives them an independent way to create wealth and stand on their own feet in a society that does not give them much space for entrepreneurship.
- From the above study, women in the block of Chakapada are now inspired to join a self-help group (SHGs) to improve their economic and financial status and expand their existing small business. With this inspiration, the number of women has joined spontaneously in Self Help Groups (SHGs) to improve their earning capacity. There is need to improve promotional activities among the women in the rural area through awareness campaigns for sustainable livelihood.
- After joining a Self-Help group (SHGs), many women are aware about banking services and have more exposure to financial knowledge.
- This study highlights that there is a good bonding and relationship among the members after joining the Self-Help group (SHGs), which leads them to expand their business network in the society in various aspects.
- After joining a Self-Help group (SHGs), the economic and financial status of women has improved significantly as they can independently make their financial contribution and improve their living standards by significantly changing their saving attitude from their income. Business training can benefit poor women entrepreneurs if it is carefully designed to complement their existing skills and meet their most pressing needs. There is now a need for proper education and training in various aspects such as discussion of women's rights, community problems, politics, and common family problems to foster a sense of solidarity that can empower women both as individuals and as a group to address their problems.
- It was found that the majority of women in rural areas who joined a self-help group were successful in increasing their self-reliance.

Conclusion

From the study, it appears that women are now contributing positively to decision making in the women and in their communities. This could be attributed in part to their participation in entrepreneurship, which has made women financially independent. Now, most women can make their own decisions on issues such as child rearing, property acquisition, contributing to the household, contributing directly and indirectly for growth of rural economy and participating in decisions for the family and the community as a whole. Many self-help groups focus on financial goals, such as savings, credit access, and income-generating activities. Successful groups can significantly improve the financial stability of their members by facilitating access to financial services, promoting savings habits, and providing opportunities for income generation through various collective economic activities. Efforts must be made to ensure that NGOs institutions are efficient, well-resourced

and structured to sustain the institution. Self-Help groups can have a positive impact on the border community by addressing local social issues, promoting social unity, and advocating for the rights and welfare of marginalized groups. Successful groups often contribute to community development, women's empowerment, and poverty alleviation through their collective action and initiatives.

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