

A EMPIRICAL REVIEW TO OUTLINE WOMEN ENTREPRENEURS BELONGING TO SELF-HELP GROUP(S) IN SALEM DISTRICT, TAMIL NADU(INDIA)

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Abstract

The study is aimed to conceive the mindset of women entrepreneurs towards the investment decision. Women entrepreneurs specifically under the SHG (Self-Help Group) are very active and possess good knowledge regarding the financial decisions taken in business. The study was undertaken with a sample of 300 women entrepreneurs engaged in Self-Help Groups (SHGs) undertaking business in the region of Salem District, Tamilnadu (India). Since the majority of women are uneducated the researcher conducted one-on-one communication with each women entrepreneurs to fill out the questionnaire. The sources for this paper are primary and secondary data. The outcome of the study shows the major problems women face in business their interest in business operations and lack of support for the same. Additionally, the material proves to throw some light on the awareness of women in generating funds from unauthorized institutions.

Keywords: *Women entrepreneurs, fund, borrowings, hurdles, economic growth, business expansion*

1. Introduction

Today women are highly equipped and challenged to sustain in the business world. Women engage in small, medium, and large-scale enterprises. The number of business units run by women entrepreneurs is increasing at a faster pace. This contributes to the economic growth of the economy as well. Women are 48% of the Indian population but their participation is still below par as only 34% of Indian women are engaged in financial and economic activities, many of which are unpaid or underpaid workers. With gender-bias problems in some regions of India, women have also become victims of unemployment. Hence Women wish to surpass this situation and enter into entrepreneurship as a scope of success and independence in their career goals.

Globalisation has paved the way in supporting entrepreneurs to engage in trading activities across the globe. The majority of banks and financial institutions like EXIM, SIDBI, NABARD, IDBI, ICICI, SFC's, etc. started with the goal of providing financial help to business people.

2. Self-Help Group (SHG)

2.a) Meaning

Self Help Group (SHG) is a group of 12 to 20 women of the same socio-economic background who come forward willingly to work together for their own upliftment. The unique feature of the SHG is its capability to teach its members sound habits of thrift, savings and banking.

Regular savings, periodic meetings, compulsory attendance, and organized training are the prominent features of the SHG concept. Each group selects one person as an animator and two representatives amongst themselves. The animator is responsible for providing headship to the group and to uphold the various registers. The representatives help the animator and maintain the bank accounts of the group.

2.b) The salient features of Self-Help Groups are:

- The number of members in the group is 10-20. Small in size.
- Close and intimate understanding of member’s requirements and difficulties.
- Autonomous functioning.
- Simple and easy documentation.
- Decision-making process as a group.
- Consistent meetings and savings.
- Group access to external funds.
- Importance is given to poor people, especially women below the poverty line.

3. Data Analysis

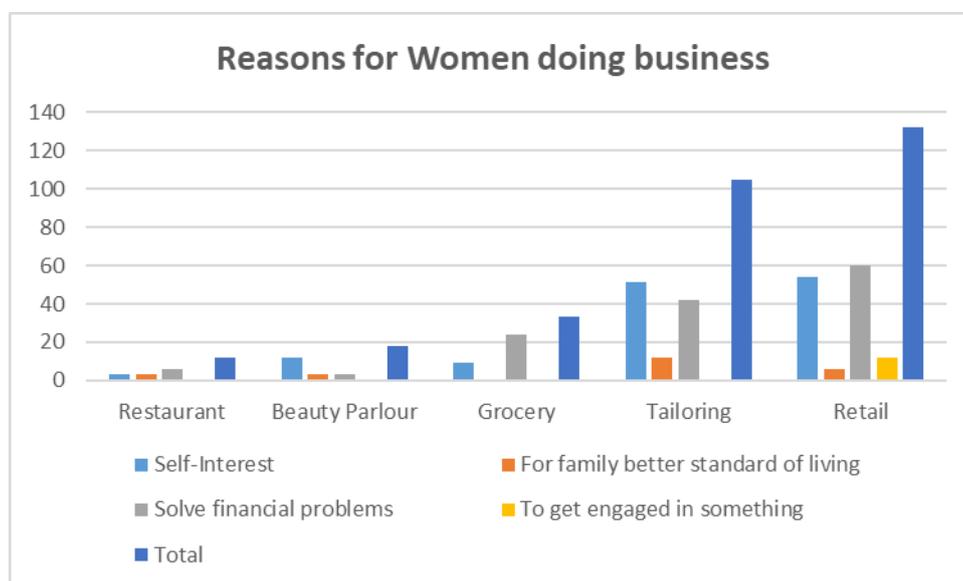
The investigator has included the areas covering their education, sources for them to become an entrepreneur, fundraising methods, investment areas, etc., Samples were collected from women entrepreneurs belonging to SHGs in different business groups such as Restaurants, Beauty Parlours, Grocery, Tailoring and Retail. A total of 300 samples of women entrepreneurs in Salem were collected for the study.

4. Objectives of the Study;

- To understand why women enter into business.
- To examine the hurdles faced by women in business.
- To know women’s aim in business expansion.
- To understand the women engaged in borrowing activities from banks for business purposes.
- To know women borrowing from private parties other than banks.

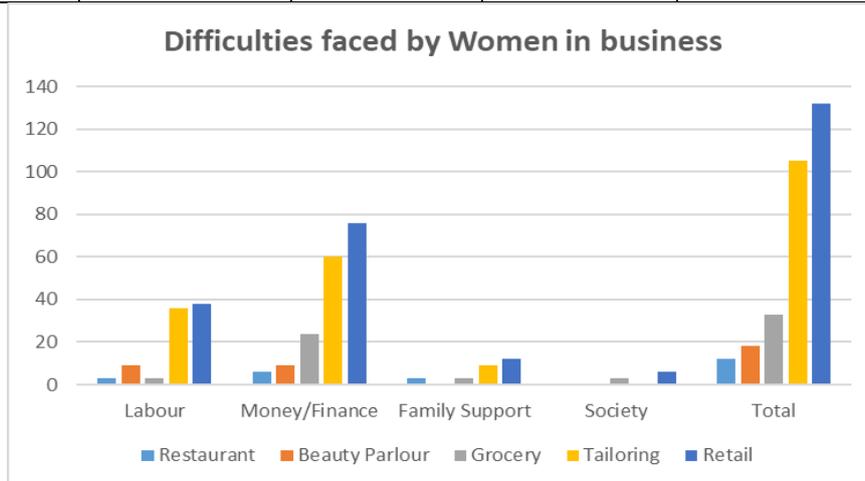
3.1 Reason to become a Women Entrepreneur

Options	Restaurant	Beauty Parlour	Grocery	Tailoring	Retail
Self-Interest	3	12	9	51	54
For family better standard of living	3	3	-	12	6
Solve financial problems	6	3	24	42	60
To get engaged in something	-	-	-	-	12
Total	12	18	33	105	132



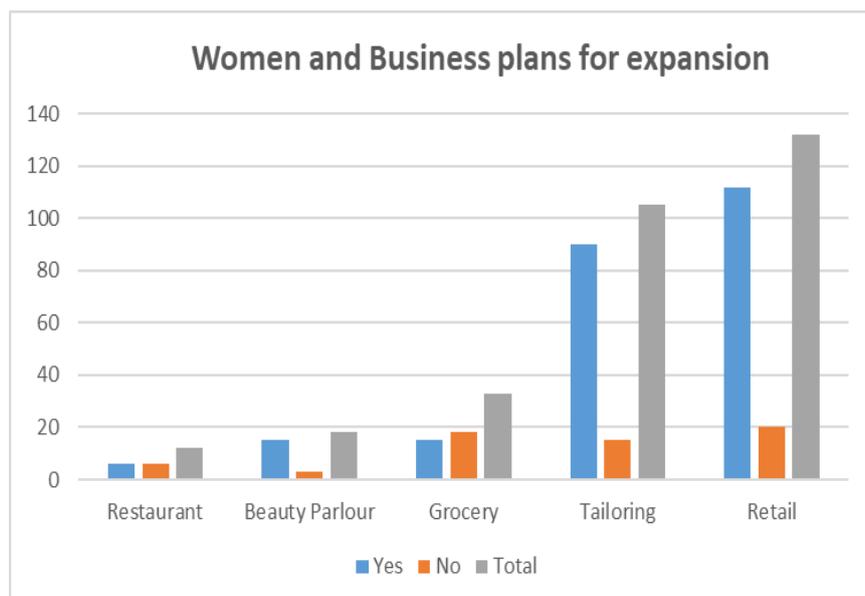
3.2 Major Difficulties faced in business as Women Entrepreneur:

Problems	Restaurant	Beauty Parlour	Grocery	Tailoring	Retail
Labour	3	9	3	36	38
Money/Finance	6	9	24	60	76
Family Support	3	-	3	9	12
Society	-	-	3	-	6
Total	12	18	33	105	132



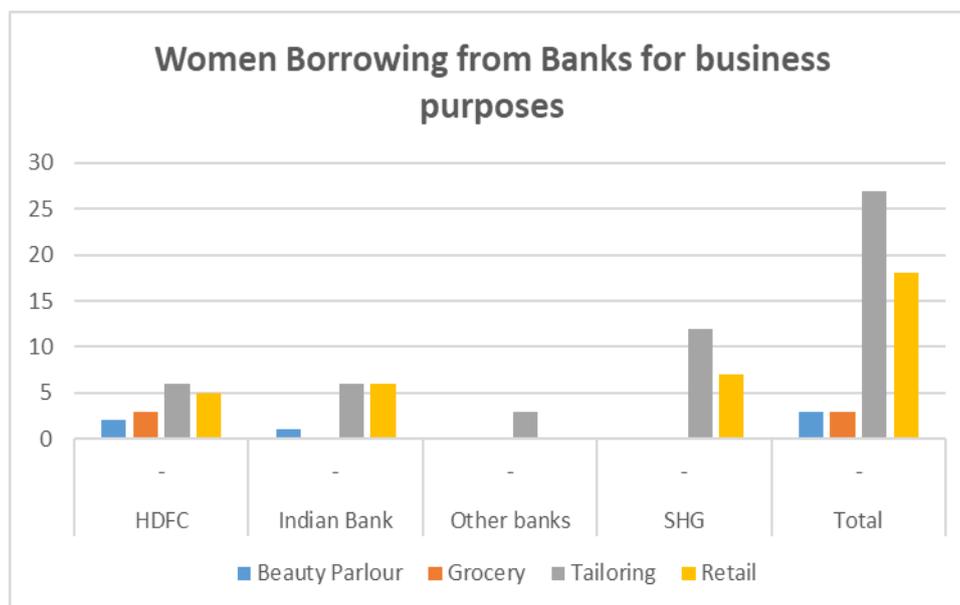
3.3. Any plans to expand business?

Options	Restaurant	Beauty Parlour	Grocery	Tailoring	Retail
Yes	6	15	15	90	112
No	6	3	18	15	20
Total	12	18	33	105	132



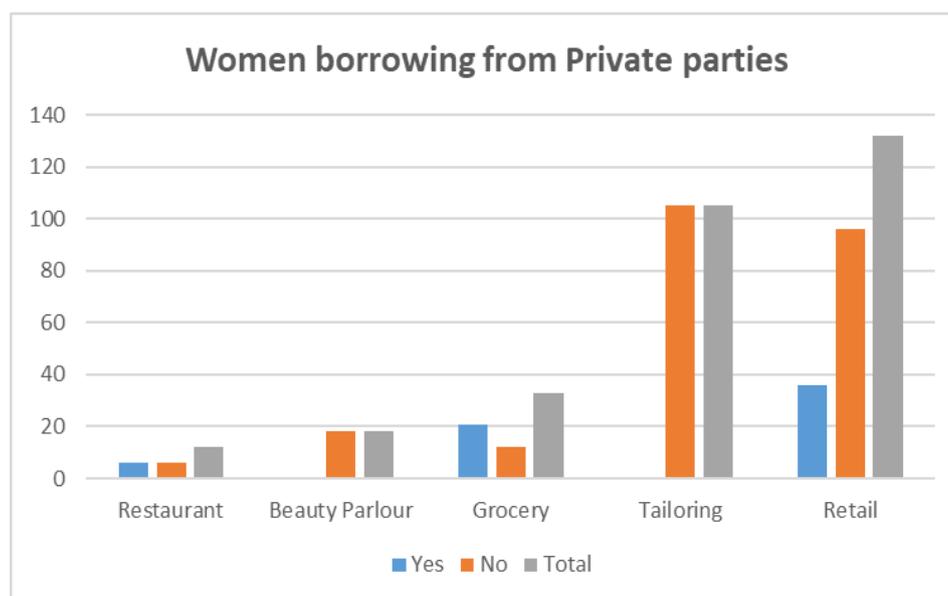
3.4. Name of Banks from which borrowed loans under the Women Entrepreneurship Scheme

Source	Restaurant	Beauty Parlour	Grocery	Tailoring	Retail
HDFC	-	2	3	6	5
Indian Bank	-	1	-	6	6
Other banks	-	-	-	3	-
SHG	-	-	-	12	7
Total	-	3	3	27	18



3.5 Borrowings from the private parties other than banks.

Options	Restaurant	Beauty Parlour	Grocery	Tailoring	Retail
Yes	6	0	21	-	36
No	6	18	12	105	96
Total	12	18	33	105	132



4. Findings

The key findings made from the survey are as follows;

- From the study it was found that the majority of women became entrepreneurs to solve their family financial problems and due to self-interest. In this 20th century women have become more independent and they are in a position to take business decisions. Women entrepreneurs also assist their husband in resolving complicated business problems. From the above table 3.1 it is found that women entrepreneurs engage in business giving higher priority to solve their family financial problems and other half of women entrepreneurs have started business due to their self-interest in business. Women started business out of their self-interest are highly energetic and happy in running the business as compared to women engaged in other field of business. Especially in the service sector like beauty parlour and tailoring women engaged in business out of their self-interest than any other factor.
- The researcher attempted to investigate the major obstacles faced by women entrepreneurs. It was found from the study that the maximum women entrepreneurs face the problem of labour and lack of adequate finance was their main problem. Very few women entrepreneurs face problems related to lack of family support and society problems. From the study the researcher could find that society or gender discrimination was not a major problem for these entrepreneurs. Irrespective of any business field lack of labour and finance was the major hurdle faced the women entrepreneurs.
- The researcher also made an investigation regarding the women entrepreneurs in SHGs to understand the level of interest for future business expansion. Surprisingly, majority of them i.e, 50% and above in each sector are highly interested in expanding their business. Very few entrepreneurs responded saying they have no interest to enlarge their business due to problems like lack of financial resources, family support, poor knowledge in raising fund, risk factor etc.,
- The Government of India has taken various initiatives in promoting the interest of women entrepreneurs in India. In spite of all these beneficial measures the women entrepreneurs lack the knowledge to get the benefits out of these measures. Majority of them are highly interested and capable in running business successfully but they do not possess any idea regarding the Government initiatives and bank's role in meeting the requirements of these entrepreneurs. The women entrepreneurs belonging to SHGs raise fund from their group itself. They pool the savings and the members are able to take loan against the pooled amount in the group. And this forms the reason among the women entrepreneurs not approaching the banks for their financial needs. .
- The researcher felt highly thankful when inquired about the borrowings from private parties. Except in the field of grocery majority of the women entrepreneurs doing business in beauty parlour, tailoring, retail do not borrow from private parties at any means. The entrepreneurs running restaurant business are highly influential to borrow from private parties at a higher rate of interest.

5. Conclusion

The study helps to recognize the various difficulties faced by women entrepreneurs in terms of money, society, government etc. From the data collected it clearly shows that majority of women entrepreneurs are highly confident and interested in being an entrepreneur. And if proper financial support and funding is provided to them from the government and family they can accomplish more business goals. Various studies reveal that the women entrepreneur has contributed to a major economic growth of the country. Therefore in order to motivate them, their growing financial needs and demands a proper channel of communication has to be made. New policies have to be framed to make them an enriched source of income for their family first and latter to the economy as a whole. Various studies have proved that the future global businesses handled by women entrepreneurs would be more successful as compared to business undertakings run by men.

6. References

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