

## OBSTACLES OF RURAL WOMEN SELF HELP GROUPS IN ENTREPRENEURIAL VENTURE, TIRUNELVELI DISTRICT

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### Abstract

*'Women in businesses' are considered as a recent phenomenon in India. As education has spread and compulsions for earning have grown, changes have started taking place as far as role of women in economic development and strides have been made by women in setting instrument to the empowerment of women. There are many organizations promoting women entrepreneurship in India. In Tamilnadu, the spirit of entrepreneurship triggered through Self Help Groups (SHG<sub>s</sub>) Scheme has resulted in inducing women to take up Income Generating Activities. When the access to capital is made easy for them, they are sure to take up economic activities. The access to capital along with acquisition of skills and other supporting services extended through SHG scheme will turn the women from the rural areas into entrepreneurs thus leading to the upliftment of their socio-economic well-being. At this backdrop, the present study is devoted to obstacles of rural women Self Help Groups in Entrepreneurial Venture, Tirunelveli District.*

**Key words:** Entrepreneurship, Self Help Groups

### Introduction

*'Women in businesses' are considered as a recent phenomenon in India. As education has spread and compulsions for earning have grown, changes have started taking place as far as role of women in economic development and strides have been made by women in setting instrument to the empowerment of women. There are many organizations promoting women entrepreneurship in India. The Association of Women entrepreneurs of Karnataka, The Working Women Forum, The Association of Women Entrepreneurs of Small Scale Industries and Non-Governmental Organizations are some of the leading institutions in Women entrepreneurship in the country. In Tamilnadu, the spirit of entrepreneurship triggered through Self Help Groups (SHG<sub>s</sub>) Scheme has resulted in inducing women to take up Income Generating Activities. When the access to capital is made easy for them, they are sure to take up economic activities. The access to capital along with acquisition of skills and other supporting services extended through SHG scheme will turn the women from the rural areas into entrepreneurs thus leading to the upliftment of their socio-economic well-being. At this backdrop, the present study is devoted to obstacles of rural women Self Help Groups in Entrepreneurial Venture, Tirunelveli District.*

### Review of Literature

Afiya Sultana (2012) in her work highlighted that women entrepreneurship in Bangladesh is growing at an accelerate rate and their contribution to socio-economic development is significant. It was observed that 62.5 per cent of the respondents took the SME loan to establish their business smoothly. This study found that women entrepreneurs face problem such as finance and lack of training facility.

Jahangit Alam Chowdhury (2012) in his study indicates that the participation in the microcredit programme of the Grameen Bank does not promote self employment for women through enabling them to start micro enterprises at the household level. But the results indicate that the same participation significantly helps husbands of women members to start micro enterprises and to create self employment opportunities for them and significantly increases capital of existing micro enterprises that are managed and controlled by husbands or other male members in the household. The socio cultural environment is not conducive for women to start a micro enterprise of their own. In spite of some positive changes in socio cultural attitude in the last two decades, still it is regarded in the rural areas as unacceptable to see women to run their businesses outside home in the market places.

Satya Sidhartha Panda and Amit Kanjilal (2013) in their study found that 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 rights, family development and market development, community development and at last the national development.

Manjunatha (2013) in his study examined the relationship between SHG and socio economic development of rural community in general and women in particular of Karnataka state. He found that through the self help group scheme, there is a positive impact on poverty but the process of empowerment is poor. The beneficiaries did not know the terms and conditions of bank loan but know about opening up of savings bank account.

### Statement of the Problem

Self employment ventures are tagged with risks and the entrepreneurs should be very tactful in dealing with them. The SHG Women doing business may also face problems in carrying out economic activities mainly personal, marketing and guidance problems. Thus the present study is devoted to analyze the obstacles of rural women Self Help Groups in Entrepreneurial Venture, Tirunelveli District.

### Scope of the Study

Entrepreneurship development among members of Self Help Groups of Mahalir Thittam in Tirunelveli District has been shown through business creation and job creation.

Thus the study covers the obstacles of rural women Self Help Groups in Entrepreneurial Venture, Tirunelveli District and suggests measures to overcome and avoid the obstacles.

#### **Objectives of the Study**

The objectives of the study are as follows:

- i) To find out the obstacles of rural women Self Help Groups in Entrepreneurial Venture in the study area and
- ii) To offer suggestions to remove their obstacles.

#### **Hypotheses of the Study**

- i) There is no significant relationship between age of the sample respondents and their obstacles in entrepreneurial venture.
- ii) There is no significant relationship between income of the sample respondents and their obstacles in entrepreneurial venture.

#### **Methodology**

The study is based on primary as well as secondary data. The secondary data are collected from journals. The primary data are collected through interview schedule.

#### **Sampling Method**

Stratified random sampling method is followed.

#### **Pilot Study**

For the purpose of collecting primary data, a pilot study was conducted during the month of December 2014 with the help of interview schedule from 30 sample respondents. After conducting the pilot study, the interview schedule was modified.

#### **Sample Size**

As the study attempts to find out the problems of women SHG<sub>s</sub> in entrepreneurial venture, the sample respondents for the study are drawn from the women members of SHG<sub>s</sub> involved in economic activities in Tirunelveli District. The district has 19 blocks of which six blocks are covered by the Pudhu Vazhvu Project (PVP) Scheme. These six blocks and Palayamkottai block are urban centres. Therefore these 7 blocks have been excluded in this study. Out of the remaining 12 blocks, only 7 blocks have more than 1400 Self Help Group members. The total Self Help Group members in the 7 blocks are 20631 as per Records of Mahalir Thittam, Tirunelveli District, 2014-15. Out of 20631 respondents, 600 respondents are selected through stratified random sampling method.

Sample respondents selected from each block for the study is given below:

Alangulam	65
Ambasamudram	73
Charanmahadevi	58
Kalakad	67
Radhapuram	158
Tenkasi	42
Valliyoor	137
<b>Total</b>	<b>600</b>

#### Statistical Tools Used

Percentage analysis, Likert scaling technique, Chi square test and factor analysis are used in this study.

#### Period of the Study

The data are collected from December 2014 to May 2015.

#### Results and Discussion

##### Personal Factors

Age and income of the sample respondents are considered in personal factors. Hence data relating to the above said factors are collected and analyzed in this study.

**Table 1: Age of the Respondents**

Age (in years)	Number of the respondents	%
Less than 25	194	32.33
25-50	232	38.67
More than 50	174	29.00
Total	600	100.00

Source: Primary data

From Table.1, it is inferred that 32.33 per cent of the sample respondents belong to the age group of less than 25 years; 38.67 per cent of them belong to the age group of 25-50 years and the remaining 29.00 per cent of them are more than 50 years.

**Table 2: Income of the Respondents**

Income (per month)(Rs)	Number of the respondents	%
Less than 10000	189	31.50
10000-20000	265	44.17
More than 20000	146	24.33
Total	600	100.00

Source: Primary data

From Table.2, it is inferred that 31.50 per cent of the sample respondents earn less than Rs.10000 per month; 44.17 per cent of them earn Rs.10000-20000 per month and the remaining 24.33 per cent of them earn more than Rs 20000 per month.

### Obstacles

In order to know the intensity of obstacles encountered by rural women Self Help Groups involved in income generating activities, Likert score has been obtained for each factor and shown in Table 3.

**Table 3: Likert Score for Obstacles of Rural Women SHG In Entrepreneurial Venture, Tirunelveli District**

Obstacles	Very high	High	No opinion	Low	Very low	Likert Score	Mean Score	Rank
Family ties	164	143	85	65	143	120	0.2000	18
Lack of formal education	301	117	43	38	101	479	0.7983	4
Lack of support from family	400	96	24	74	6	810	1.3500	1
Increased work burden& responsibility	274	65	19	43	199	172	0.2867	16
Unattractive earning	275	75	82	55	113	344	0.5733	6
Insufficient financial assistance	345	44	33	61	117	439	0.7317	5
Competition from large units	265	43	124	65	103	302	0.5033	8
Inadequate networking	285	165	17	54	79	523	0.8717	3
Power failure	200	148	34	164	54	276	0.4600	10
Lack of quality	175	154	32	173	66	199	0.3317	14
Distance from market	160	163	118	49	110	214	0.3567	13
Inadequate demand	183	173	15	163	66	244	0.4067	11
Lack of social mobility	350	112	13	87	38	649	1.0817	2
Non-co operation from workers	170	140	79	64	147	122	0.2033	17
Conflict among group members	150	220	27	81	122	195	0.3250	15
Lack of work space	160	196	35	194	15	292	0.4867	9
Lack of technical training	154	189	39	163	55	224	0.3733	12
Scarcity of raw material	206	200	15	60	119	314	0.5233	7

Source: Primary data

Note: Likert score for Very High (2), High (1), No opinion (0), Low (-1) and Very Low (-2)

It is observed from Table.3 that the sample respondents put forth 'Lack of support from family' as the first impediment to carry out income generating activity followed by 'Lack of social mobility' and 'inadequate net working'. 'Lack of formal education' has been given fourth rank and 'insufficient financial assistance' has secured fifth rank. 'Non co operation from workers' has secured last rank.

#### Testing of the Hypotheses

H<sub>0</sub>: There is no significant relationship between age of the sample respondents and their obstacles in entrepreneurial venture.

Test used	Degree of freedom	Level of significance	Table value	Calculated value	Result
Chi-square	34	5%	48.6	96.7431	Rejected

Since the calculated value is more than the table value, the null hypothesis is rejected. Hence, there is a significant relationship between age of the sample respondents and their obstacles in entrepreneurial venture.

H<sub>0</sub>: There is no significant relationship between income of the sample respondents and their obstacles in entrepreneurial venture.

Test used	Degree of freedom	Level of Significance	Table value	Calculated value	Result
Chi-square	34	5%	48.6	172.8162	Rejected

Since the calculated value is more than the table value, the null hypothesis is rejected. Hence, there is a significant relationship between income of the sample respondents and their obstacles in entrepreneurial venture.

#### Factor Analysis for Obstacles of Rural Women SHG In Entrepreneurial Vanture, Tirunelveli District

The adequacy of the data is evaluated on the basis of the results of Kaiser- Meyer-Olkin (KMO) measures of sampling adequacy and Bartlett's test of sphericity. The KMO measure of sampling adequacy is 0.731 which shows that the present data are suitable for factor analysis. Similarly Barlett's test of sphericity is significant ( $p < 0.001$ ) which indicates sufficient correlation exists between the attributes to proceed with the analysis.

Table 4: KMO and Barlett's Test

Kaiser- Meyer- Olkin (KMO) measures of sampling adequacy	0.731
Bartlett's test of sphericity- Approx. Chi square	2750.900
-df	153
-Sig	.000

Source: Computed data

Table 5: Total Variance Explained

Component	Initial Eigen Values			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of variance	Cumulative %
Family ties	4.601	25.560	25.560	4.019	22.330	22.330
Lack of formal education	3.075	17.081	42.640	3.225	17.912	40.242
Lack of support from family	1.929	10.716	53.357	2.754	15.298	55.540
Increased work burden & responsibility	1.393	7.736	61.093	2.231	12.394	67.934
Unattractive earning	1.231	6.841	67.093			
Insufficient financial assistance	0.998	5.543	73.477			
Competition from large units	0.866	4.811	78.288			
Inadequate networking	0.686	3.811	82.099			
Power failure	0.561	3.119	85.218			
Lack of quality	0.531	2.953	88.170			
Distance from market	0.454	2.523	90.693			
Inadequate demand	0.396	2.199	92.892			
Lack of social mobility	0.345	1.915	94.808			
Non-co operation from workers	0.289	1.605	96.412			
Conflict among group members	0.227	1.261	97.674			
Lack of work space	0.192	1.065	98.739			
Lack of technical training	0.129	0.719	99.458			
Scarcity of raw material	0.098	0.542	100.00			

Source: Computed data

**Extraction method:** Principal Compound Analysis

Table.5 highlights that the total variance explained for obstacles of rural women Self Help Groups in Entrepreneurial Venture, Tirunelveli District. The total 18 variables are reduced into 4 predominant factors with the individual variances.( 22.330, 40.242, 55.540 and 67.934)

**Table 6: Rotated Component Matrix**

Obstacles	Component			
	1	2	3	4
Family ties	0.796			
Lack of formal education	0.788			
Lack of support from family members	0.777			
Increased work burden& responsibility	0.751			
Unattractive earning	0.730			
Insufficient financial assistance	0.606			
Competition from large units		0.752		
Inadequate net working		0.711		
Power failure		0.699		
Lack of quality		0.601		
Distance from market		0.549		
Inadequate demand		0.511		
Lack of social mobility			0.846	
Non co operation from workers			0.843	
Conflict among group members			0.704	
Lack of technical training			0.532	
Scarcity of raw material				0.644
Lack of work space				0.502

Source: Computed data

**Extraction Method:** Principal component analysis

**Rotation method:** Varimax with Kaiser

**Normalisation:** Rotation converged in 5 iterations

From factor analysis, it is found that the first factor is the most important factor explaining 22.330 % out of the total variance. In total, six statements load on this factor. Highest loading is for the statement of 'Family ties' (0.796), followed by 'Lack of formal education' (0.788), 'Lack of support from family members' (0.777), 'Increased work burden& responsibility' (0.751), 'Unattractive earning' (0.730) and 'Insufficient financial assistance'(0.606). It is named as 'Personal and financial problems'.



The second factor explains 17.912% out of total variance, which comprises six statements. The highest loading is for the statement of 'Competition from large units ' (0.752), followed by 'Inadequate net working' (0.711), 'Power failure' (0.699), 'Lack of quality' (0.601), 'Distance from market' (0.549) and 'Inadequate demand'(0.511). It is named as '**Marketing problems**'.

The third factor explains 15.298% out of total variance, which comprises four statements. The highest loading is for the statement of 'Lack of social mobility ' (0.846), followed by 'Non co operation from workers' (0.843), 'Conflict among group members' (0.704), and 'Lack of technical training'(0.532). It is named as '**Guidance problems**'.

The fourth factor explains 12.394% out of total variance, which comprises two statements. The highest loading is for the statement of 'Scarcity of raw material' (0.644), followed by 'Lack of work space' (0.502). It is named as '**Production problems**'.

#### **Findings of the Study**

The following are the findings of the study:

- Percentage analysis reveals that 32.33 per cent of the sample respondents belong to the age group of less than 25 years; 38.67 per cent of them belong to the age group of 25-50 years and the remaining 29.00 per cent of them are more than 50 years.
- Percentage analysis reveals that 31.50 per cent of the sample respondents earn less than Rs.10000 per month; 44.17 per cent of them earn Rs.10000-20000 per month and the remaining 24.33 per cent of them earn more than Rs 20000 per month.
- Likert Scaling Technique reveals that 'Lack of support from family' as the first impediment to carry out income generating activity followed by 'Lack of social mobility' and 'inadequate net working'. 'Lack of formal education' has been given fourth rank and 'insufficient financial assistance' has secured fifth rank. 'Non co operation from workers' has secured last rank.
- The obstacles of rural women Self Help Groups in Entrepreneurial Venture, Tirunelveli District have been studied with the help of factor analysis. The 18 variables taken for the study has been reduced to four factors namely personal and financial problems, marketing problems, guidance problems and production problems.
- By communality values, the variables which cause more strain to the respondents are 'Family ties' (0.796), followed by 'Lack of formal education' (0.788), 'Lack of support from family members' (0.777), 'Increased work burden& responsibility' (0.751), 'Unattractive earning' (0.730) and 'Insufficient financial assistance'(0.606) which are coming under the head '**Personal and financial problems**'.

- By communality values, the variables which cause more strain to the respondents are 'Competition from large units ' (0.752), followed by 'Inadequate net working' (0.711), 'Power failure' (0.699), 'Lack of quality' (0.601), 'Distance from market' (0.549) and 'Inadequate demand'(0.511) which are coming under the head '**Marketing problems**'.
- By communality values, the variables which cause more strain to the respondents are 'Lack of social mobility ' (0.846), followed by 'Non co operation from workers' (0.843), 'Conflict among group members' (0.704), and 'Lack of technical training'(0.532) which are coming under the head '**Guidance problems**'.
- By communality values, the variables which cause more strain to the respondents are 'Scarcity of raw material' (0.644), followed by 'Lack of work space' (0.502) which are coming under the head '**Production problems**'.
- Chi square test reveals that there is a significant relationship between
- Age of the sample respondents and their obstacles in entrepreneurial venture.
- Income of the sample respondents and their obstacles in entrepreneurial venture.

#### **Suggestions of the Study**

The following are the suggestions of the study:

- Identification of rural hubs, providing the needed institutional linkages and implementing all the government schemes and other promotional activities may trigger rural women to actively involve in income generating activities. These hubs may enable SHGS to establish a strong business linkage and promoting selective rural enterprises for self reliance.
- Financial assistance can be rendered to the individual members of the group involving in business actively.
- Literacy of women should be enhanced further through informal means.
- The funds granted for undertaking economic activities must not be diverted for consumption purposes.

#### **Conclusion**

Entrepreneurship especially women entrepreneurship is the best strategy for alleviation of poverty and balanced growth of the economy. If women gain economic strength, they gain visibility and a voice at home, workplace and community. If adequate motivation and facilities to take up entrepreneurship is injected into these groups, entrepreneurship will emerge on a wider scale and the village economy will get a face lift and also migration of entrepreneurs from rural area to urban areas can be reduced.

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