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WOMEN EMPOWERMENT THROUGH SELF-HELP GROUPS IN ANDHRA PRADESH



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ABSTRACT

The rural women though constitute almost half of the population; their participation in the labour force is only 34 per cent, while 56 per cent of their counterparts (males) are in the labour force. Thus 66 per cent of the female population is not gainfully employed. The DWACRA programme objective of the programme initially was to provide all the support for a collective action by the women groups towards achieving sustainable livelihood. The rural women with extremely poor economic background and mostly illiterate cannot be expected to possess the modern characteristics of an entrepreneur. The overall objectives of the present study are to study the income, expenditure and

savings of the members before and after joining SHGs. To develop women empowerment index at the SHG level. To examine whether the principles of management of micro enterprises started by women are followed and suggest appropriate measures for improving the performance of these units. The study was conducted in Kurnool district of Andhra Pradesh. First of all collect the secondary data on the micro enterprises including petty business. In district, we select the best performing units, based on the following criteria: Year of establishment, Capital investment, number of workers employed, gross value of output, nature of product and input markets and the qualifications of the manager of the enterprise. Some of the strategies for bringing more and more women into the entrepreneurial arena and providing them with organizational support. Explore new avenues for self-enterprise, upgrade their knowledge, skills and provide them with suitable technical guidance financial and marketing support and infrastructural facilities. The whole SHG movement in Andhra Pradesh should be reoriented towards training women for starting micro-enterprises by providing prompt and needed amount of loans. In this era of globalization, there is a wide scope for encouraging micro-enterprises to manufacture machine tools, components of TV, Radio, Watches, Cosmetics and even microchips of the computers and other electronic goods. Such cottage industries exist and flourish in China, Korea and Singapore. Indian women can create history if they are helped to rise to the occasion for more productive jobs and absorb surplus labour in the rural areas. This is the real women empowerment, which is not impossible. District Industries centers (DICs) have to be geared up to organize massive awareness programmes for women in exploring the possibility of starting micro-enterprises. The women have to be given not only initial capital but also help in marketing their products.

KEYWORDS : *Women Empowerment , Self-Help Groups , modern characteristics .*

INTRODUCTION :

The rural women though constitute almost half of the population; their participation in the labour force is only 34 per cent, while 56 per cent of their counterparts (males) are in the labour force. Thus 66 per cent of the female population is not gainfully employed. In order to utilize these valuable human resources, the government should adopt policies to bring these eligible women into productive employment. One such attempt is the DWCRA programme in early 1980. The objective of the programme initially was to provide all the support for a collective action by the women groups towards achieving sustainable livelihood. Later these women groups have been provided Bank loans for helping them to become micro entrepreneurs. The rural women with extremely poor economic background and mostly illiterate cannot be expected to possess the modern characteristics of an entrepreneur. Yet, with the given encouraging rural environment supported by the Govt. and NGOs with foreign funding, rural women have emerged as Self-Help Groups (SHGs) and as a vibrant micro-finance movement. They have become part and parcel of the rural community.

WOMEN ENTREPRENEURSHIP IN INDIA

In traditional societies, women's role was naturally limited to the family. She played a crucial role as a bearer of / children as mother and home maker. Many factors like urbanization, technical progress, and educational status of women have changed these conditions. The participation of women in the economic development is in unorganized sector, organized sector, self-employment and entrepreneurship. Having realized, the importance of the role to be played by women in national development a special chapter on the details of the plan of Action for "Integration of women in development has been included in the Sixth Five Year Plan and also was extended in subsequent Five Year Plans. Further, the New Industrial Policy of Government of India has specially highlighted the need for conducting entrepreneurship programmes for women to enable them to start small scale industries. The women Entrepreneurship depends upon their family background and support, educational status, attitude and special training she has received. These could enable women gradually move into every activity outside home to gain their better status in the society. The enterprises started by women are no longer confined to conventional fields like embroidery, knitting and tailoring or pickles, powder and papad, but women are venturing now in modern technological field or Energy, Electricity and Electronics. Now-a-days elite women in the cities are making a mark in the non-conventional fields such as consultancy, marketing, advertising, manufacturing, garments exporting, interior designing and decoration, beauty clinics, handicrafts, textile printing, food processing, tourism etc.

WOMEN EMPOWERMENT PROGRAMMES IN ANDHRA PRADESH

Andhra Pradesh stood first among all the states empowerment programmes starts from equal property rights for women, reservation in jobs and educational institutions as well as political reservations in local self-Governments. The DWACRA programme in Andhra Pradesh has been judged numbers are in the country in terms of mobilizing women for social, political and economic development of the poorest of the poor families in rural areas. With the World Bank funding, the then Govt. renamed the programme as Velugu and the next Govt. changed the name as Indira RantiPatham (IKP). All these programme have been implemented by an independent society called Society for Elimination of Rural Poverty (SERP) which function under the directions of the Ministry of Rural Development. As on October 2011, in 22 districts of Andhra Pradesh there are 1,06,60,968 members in 9,33,585 SHGs exclusively for women.

WOMEN ENTREPRENEURSHIP THROUGH MICRO FINANCE

Micro Finance is emerging as a powerful instrument for poverty alleviation in the new economy. In India, micro finance scene is dominated by Self Help Groups (SHGs) - Bank Linkage Programme, aimed at providing a cost effective mechanism for providing financial services to the unreached poor. Based on the philosophy of peer pressure and group savings as collateral substitute, the SHG programme has been successful in not only in meeting peculiar needs of the rural poor, but also in strengthening collective self-help capacities of the poor at the local level, leading to their empowerment. Micro Finance for the poor women has received extensive recognition as a strategy for poverty reduction and for economic empowerment. Increasingly in the last five years, there is questioning of whether micro credit is most effective approach to economic empowerment of poorest and, among them, women in particular. Development practitioners in India and developing countries often argue that the exaggerated focus on micro finance as a solution for the poor has led to neglect by the state and public institutions in addressing employment and livelihood needs of the poor. Credit for empowerment is about organizing people, particularly around credit and building capacities to manage money. The focus is on getting the poor to mobilize their own funds, building their capacities and empowering them to leverage external credit. Perception women is that learning to manage money and rotate funds builds women's capacities and confidence to intervene in local governance beyond the limited goals of ensuring access to credit. Further, it combines the goals of financial sustainability with that of creating community owned institutions. Women entrepreneurship in Andhra Pradesh has become initiated through Indira KrantiPatham (IKP) by providing access to credit through innovative programmes like community managed sustainable agriculture, dairy, collective marketing, Community Investment Fund (GIF), land purchase, petty trade and food security programmes. It has been observed that there are not enough studies to find out the levels and spread of women entrepreneurship in Andhra Pradesh. The present study aims to fill the gap.

OBJECTIVES

- The overall objectives of the present study are:
- To study the income, expenditure and savings of the members before and after joining SHGs.
- To examine whether the principles of management of micro enterprises started by women are followed and suggest appropriate measures for improving the performance of these units.

METHODOLOGY

The study was conducted in Kurnool district of Andhra Pradesh. First of all collect the secondary data on the micro enterprises including petty business. In district, we select the best performing units, based on the following criteria: Year of establishment, Capital investment, number of workers employed, gross value of output, nature of product and input markets and the qualifications of the manager of the enterprise. There will be three instruments for collecting primary data. A structured and pre- tested household schedule will be canvassed among the SHG members associated with the selected micro enterprises.

Background Characteristics of Sample Respondents

In this section an attempt is made to analyze the socio economic and demographic characteristic features of the selected sample respondents in the study area. In this regard important indicators like caste composition, education status, type of house, occupation, type of family, economic status, year of joining in the SHG etc.,

Caste wise Distribution

The Caste-wise classifications of the sample respondents indicate that 61.2 per cent of total respondents are belong to the Backward Classes. This is due to the reason that in the selected area Backward Community is very high. Among the other castes, the Forward Caste respondents constitute 19.4 per cent, Scheduled Tribes respondents constitute 11.4 per cent and Scheduled Caste respondents are 8.0 per cent.

Education Status

The statistical information relating to the literacy levels of the sample respondents indicate that the literacy levels of respondents are increased. Among the literate respondents, 27.1 per cent are having secondary education, literate with any formal education, primary and higher education are 12.7 per cent, 22.6 per cent and 5.7 per cent respectively.

Management Aspects of Micro Enterprises

Information has been elicited from the women entrepreneurs about their organization particularly the acquisition of raw materials, technology used, training received, workers employed and wages paid, Bank linkages, marketing including advertisement costs, and finally income and expenditure. All these aspects are important in the context of modern scientific management of an enterprise. Details about These aspects have been presented in this section.

Types of Enterprises

In the selected micro-enterprises in rural areas of the district is found that about 35 per cent of the selected units are petty business units, followed by 22 per cent dairying, another 15 per cent are kirana shops, 20 per cent are agriculture and horticulture and about 8 per cent are tailoring units. As a matter of fact, the largest bulk of units in petty business consist of brick units, mango jelly production units, pottery, etc.

Training Received

If women have to be encouraged to start modern micro enterprises, they have to be motivated and given appropriate training for organization of such enterprises. Rural women are generally illiterate but in some cases they are highly motivated and entrepreneurial in nature. Such talented people have to be spotted in Indira KrantiPatham (IKP), which is being implemented with the concept of SHG. The information has been elicited from the women entrepreneurs about the training they received either from the Government or corporation. We found that almost all the women (94per cent) did not receive any training. The remaining 6per cent of the women received same training as a part of dairying or in acquiring Bank linkage.

Income and Expenditure on Microenterprises:

The average annual income during 2012-13 financial years is estimated at Rs. 52438 and expenditure at Rs. 38083 growth and net profit is Rs. 14355 which comes out to be Rs. 1196 per month. This profit or net income is very low. This shows productivity of these micro-enterprises is not at all encouraging.

Impact of Micro Enterprises on Rural Households

Micro Enterprises run by women with bank linkages are expected to bring a lot of social and economic changes in the rural livelihoods. Increased income of the rural poor households will have far

reaching effect on income, housing, consumption, healthcare, education of children, lessening the loan burden, and so on. An analysis of the impact of micro-enterprises on different aspects of rural households is presented in this section.

Income of the Households

In the study area, there is 141 per cent increase in money incomes of the household. The highest income increases are reported from the occupation group of Artisans (427 per cent), Petty Business (233 per cent), Poultry (207 per cent), and Dairy (148 per cent). It is noticed that agriculture is not at all a profitable profession, since it is recorded an income increase of 79 per cent. One of the limitations of the data is that the time gap between before and after might widely vary in different SHG members, and hence may reflect lack of uniformity of measurement. Since time periods vary, we could not apply price indices to estimate real incomes. However, we have limited the period of impact measurement up to the last five years.

Impact on Assets and Durables

The changes in acquisition of assets and consumer durables, due to increases in incomes and credit worthiness of rural households. It can be observed that the rural households give top priority for improving housing conditions and acquisition of economic assets. There is a clear preference towards converting their houses into Pucca houses. Later their priority is buying income generating assets like poultry, cows and buffaloes, and sheep and goat. It is a really surprising that the rural people are preferring mobiles phones, TV, Radio, Gold and Silver and Scooter. Purchasing of sewing machines is also a priority in the study. The percentage increases in the number of mobiles phones are 952 per cent followed by Sewing machines (867 per cent), TV's (352 per cent). Scooter / Motor Cycle (204 per cent), and Purchase of gold and silver has increased by 134 per cent.

Impact on Consumption

In macro economics, the Engel curve describes how increases in income affect consumptions. The theory explains that increase in income leads to increase in food consumption immediately and later it declines and non-food consumption increases. The changes in the consumption pattern of the rural households who are micro entrepreneurs due to increased incomes led to rapid growth of consumption of non-vegetarian, oils, pulses, sugar and milk. This is by and large a welcome feature, keeping in view of the lower nutritional levels of the rural people. As regards, changes in non food items, the rural people increased spending a higher amount on entertainment (215 per cent), fuel (89 per cent), education (82 per cent) and cosmetics (76 per cent). It is a little discouraging to note that there is an increase in expenditure on smoking and alcohol by about 51 per cent.

Impact on Employment

Disguised and seasonal unemployment is predominant in the rural economy in India. This is because most of the rural workers are in agriculture and allied activities. Before joining SHG, the number of days worked was only 221 days in 365 days. After joining SHG, the number has increased to 290 days. Percentage of days unemployed was 39 per cent which declined to 21 per cent during the period under study.

Outstanding Loans

The concept of SHG has emerged on the concept of encouraging rural poor families for saving and depositing in Banks and lending the amount to the needy members in the SHG. Later, government in

turn has granted matching amounts and thus improved credit worthiness of the members. Afterwards government has introduced a revolutionary policy of sanctioning loans for just 3 per cent annual interest rate. These policy changes brought in radical changes in rural money market. Earlier, rural money markets are dominated by money lenders consisting of 62 per cent of the amounts borrowed are from them, followed by 22 per cent from friends and relatives, rural banks (8 per cent), commercial banks (3.5 per cent), cooperative banks (2.7 per cent). These patterns have changed now. About 55 per cent of loans are borrowed from Commercial Banks, followed by money lenders (23.7 per cent), rural banks (6.6 per cent) and cooperative banks (5.2 per cent). It can be observed that indebtedness has declined even by a marginal rate (1.5 per cent). However, money lenders still rule the roost meeting the needs of the SHG members by 24 per cent of the total outstanding loans.

Problems Faced by Micro Enterprises

As many as 92 (23 per cent) respondents reported that no training is given to them. It is also reported that 17 per cent of the respondents reported delay in the Bank linkage. Another 15 per cent of the entrepreneurs reported that the bank loan is low. Hence, the whole SHG movement should be reoriented towards training women for starting micro-enterprises by providing prompt and sufficient sanctioning of loans. In this era of globalization, there is a wide scope for encouraging microenterprises to manufacture machine tools, TV, Radio, Watches, Cosmetics and even microchips of the computers and other electronic goods. Such cottage industries exist and flourish in China, Korea and Singapore. Indian women can create history if they are helped to rise to the occasion for more productive jobs and absorb surplus labour in the rural areas. This is the real women empowerment, which is not impossible.

Constraints to Women Entrepreneurs

The women entrepreneurs face additional hurdles than those of men. The constraints relating to self-sphere system including age, experience, education, knowledge etc., sociopscho system, which consists of entrepreneurial motivation, job satisfaction, value orientation, decision making ability, family occupation, caste, etc. Only when these hurdles are removed, they can become successful entrepreneurs. The other hurdles which the women entrepreneurs face are related to cultural barriers such as female responsibility as the role of family care taker, costs associated with women higher than men for pregnancy and maternity and absenteeism, educational barriers such as lack of schooling and vocational training, economic and political barriers such as unstable economic and political conditions, technological factors which displaces women and legal barriers, including lack of legislative protective measures, to safeguard women and organizational barriers, which include the physical superiority of men and their dominance in decision-making. Those who undergo training have succeeded in starting enterprises or face the obstacles of lack of co-ordination among institutions, lack of speed by which the applications are processed, lack credit facilities, bribing behavior of officials, demanding securities to avail loan and above all the procedural difficulties of fulfilling the formalities. It is therefore suggested to:

- ✦ Conduct conferences to bring entrepreneurs and bankers together,
- ✦ Developing political skill and awareness,
- ✦ Support networks to voice women entrepreneurs,
- ✦ Assistance from male experienced entrepreneurs, and
- ✦ Assistance from academic institutions such as colleges, universities and institutes to offer training and counseling.

CONCLUSION

To sum up, among the respondents EC's constitute about 61 per cent. The higher education

constitutes only 6 per cent among respondents. As regards the economic status of the respondents, 77 per cent of the respondents are poor, while 15 per cent belong to the poorest of the poor category and 8 per cent are non-poor. As regards the type of rural micro enterprises, petty business constitute about 35 per cent, dairying 22 per cent and kirana shop 15 per cent of the micro enterprises. About 43 per cent of the respondents are still using traditional methods of production and management in their enterprises while only 20 per cent use modern technology. On an average 67 per cent of the enterprises have employed three workers. This shows the potentiality of Micro-enterprises in absorbing rural surplus labour. The average annual income during 2012-13 financial years is estimated at Rs. 52438 and expenditure at Rs. 38083 growth and net profit is Rs. 14355. This profit or net income is very low. This shows productivity of these microenterprises is not at all encouraging. There is 141 per cent increase in money incomes of the household during the last 5 years. The rural households give top priority for improving housing conditions and acquisition of economic assets. It is really surprising that the rural people are preferring mobiles and phones, TV, Gold and Silver and Scooter.

POLICY RECOMMENDATIONS

The entrepreneurship development among women may be looked at from two angles. One is to create the environment needed for healthy and sound entrepreneurship and the other is to have more and more rational motivational campaigns. The emergence of entrepreneurs in a society depends to a great extent on the economic, social, religious, cultural and psychological factors prevailing in the society. Therefore, there is an urgent need to nurture and create an enabling entrepreneurial climate. Some of the strategies for bringing more and more women into the entrepreneurial arena and providing them with organizational support are outlined here:

- ✦ Explore new avenues for self-enterprise, upgrade their knowledge, skills and provide them with suitable technical guidance financial and marketing support and infrastructural facilities.
- ✦ The whole SHG movement in Andhra Pradesh should be reoriented towards training women for starting micro-enterprises by providing prompt and needed amount of loans. In this era of globalization, there is a wide scope for encouraging micro-enterprises to manufacture machine tools, components of TV, Radio, Watches, Cosmetics and even microchips of the computers and other electronic goods. Such cottage industries exist and flourish in China, Korea and Singapore. Indian women can create history if they are helped to rise to the occasion for more productive jobs and absorb surplus labour in the rural areas. This is the real women empowerment, which is not impossible.
- ✦ District Industries centers (DICs) have to be geared up to organize massive awareness programmes for women in exploring the possibility of starting micro-enterprises. The women have to be given not only initial capital but also help in marketing their products.

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