

## WOMEN EMPOWERMENT AND ENTREPRENEURSHIP THROUGH SELF HELP GROUPS IN KARNATAKA

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### ABSTRACT

*Women have the key role in all the activities pertaining to a society. Unfortunately, even in the modern high-civilized society, many countries treat a woman as the second class citizen. She is deprived of rights and liberty. She has been restricted with socio-cultural, educational political, economic and emotion taboos. Today a number of organizations are established to fight for the liberty and prosperity of women, both at domestic and international level. Modern society found that empowering women is the most powerful solution to the prevailing problem. Sri Kshetra Dharmastala Rural Development Project (SKDRDP) is one of the rural development organizations which primarily focus on the socio-economic empowerment of rural women. Hundred thousands of women across the state are benefited by the Women development scheme offered by SKDRD Project. From this perspective the theoretical paper analyses the user-end benefits of rural development schemes for the marginalized women group. The main objective of this paper is to identify the challenges and the prospectus of women empowerment scheme through Self Help Groups. The outcomes of the study can be applied in developing a women-empowerment model for the across the country.*

**KEYWORDS:** *Women Empowerment, Self Help Group, Economic Empowerment, SKDRD Project.*

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### Introduction

Women empowerment has emerged as a most debated issue today. For thousands of years, women were deprived of equal civilian rights and privileges. The rise of feminist movements had sparkled the thought of rights and liberty among the women. Due to the restless effort of feminists, governments and the non-governmental organizations today women have reached the mainstream of the society. Women empowerment is the process of creating an environment where the women can work for the benefit of her and the society. Women generally work harder than men in many continents and nations. It is the responsibility of women to make and maintain the households, nursing children and fulfilling their needs, cooking and taking care of family and so on. Besides these women also puts efforts in securing stable family income through performing different tasks such as teaching, sewing, cooking etc. But women have an unsecured disadvantageous social, economic, educational life. Though India is the largest democratic country women has limited rights in terms of education, life-partners choice, marital life, industrial venture and social life. Poor health is the other disturbing factor in many developing nations. Lack of awareness, poor education and induction, economic insecurity and mainly gender discrimination are the major hurdling reasons for the problem. The socio-economic condition of women in rural India is considerably poor. Dreams and desires of them are suppressed by the male-dominated society. Interestingly women are the most potentially untapped resources across the world which needs to be channelized systematically.

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### Objectives

The main objectives of the study are:

- To examine the contribution of self-help groups to women empowerment in Dakshina Kannada district of Karnataka.
- To study the challenges and opportunities in attaining women empowerment through the self-help groups.
- To suggest the ways and means for achieving a high degree of women empowerment through a self-help group.

### Data Collection

- **Scope of the Study:** This study is confined to the small-scale industries of Karnataka. Karnataka is the 7<sup>th</sup> largest state and the leading investment attracting the state of India. There are thousands of small and medium scale women entrepreneurs who are powered by Self Help Groups. The government of Karnataka provided a socio-economic and legal forum to these Self Help Groups which gear up women entrepreneurs across the state. Samples of the study are selected randomly.
- **Research Methodology- Data Collection:** The study is based on both primary and secondary data. Primary data is collected through interview and survey method. Discussions were held with experts from the industry and the officials of Self Help groups. Secondary data is collected from official websites of Self Help Groups, journals, books, local newspapers and the previous studies conducted on women empowerment and the self-help groups.

### Literature Review

- **Women Empowerment:** Women empowerment is a widely discussed issue across the world. Women for thousands of years deprived of their rights and requirements. As the result, imbalanced socio-economic and political growth disturbed the overall development of many countries. Today governments across the world show greater interest in the empowerment of women. Empowerment is the process of assisting the people to express their rights and control over the factors which makes their livelihood. Empowerment, in other words, is challenging the prevailing power and gaining control over potential power which in other words includes material, human and intellectual resources (Ganeswamurthy v S, 2004). Women empowerment is the process of making the women to be accessed to their rights and requirements, making them socially developed, economically self –reliable and politically strong. (Mamta Mokta, 2014) Empowerment increases self-reliance among women. It makes them express power on material assets, allows women to challenge the prevailing traditional social condition, abolishes gender inequality and discrimination, allows them in the decision-making process and finally it is the capacity building activity.

In the modern world women empowerment extended to gender equality based leadership, fair treatment of men and women, equal health and sanitation prominence, promotion of training and professional developmental etc (UNIFEM). Women empowerment is a multidimensional perspective which includes the overall development of women and bringing them into the mainstream of the society (Gupta V.S 2008). Women face personal, interpersonal and social disturbances while getting into the mainstream of the society. Education and establishing a base for the economic sustainability is the basic requirement for the women empowerment. Education makes them aware of their rights and responsibilities wherein economic empowerment entrusts them strength. Eventually gender and women studies programmes also equally contributed to developing theoretical and methodological approaches in women empowerment. Law, women organizations and small and medium scale financial organizations play a crucial role in women empowerment. Due to the continuous effort of all these organization women stand equal to men and gained mutual respect today.

- **Entrepreneurship and Women Empowerment:** Imparting and incubating entrepreneurial qualities among women is the strongest tool for women entrepreneurship. Imparting entrepreneurial qualities and investment support may bring following changes among the women:
  - Entrepreneurship brings economic empowerment among the women
  - Economic empowerment gives self-respect to women.
  - Economic empowerment

Both government and the general public have shown keen interest and accountability in improvising the socio-economic condition of women in recent years. In the USA only at least 18% of all starts ups have women entrepreneurs. Interestingly the United States has 9 million women entrepreneurs (Lisa Calhoun, 2015). Women entrepreneurs are more ambitious and successful than the male entrepreneurs. India is one of the fastest growing economies is showing tremendous progress in women entrepreneurial activities. 14% of total entrepreneurs are women constituting employment opportunity to 13.46 million people. South India has the largest counterpart in entrepreneurial activities. Around 79% of entrepreneurs run by the women are self-financed (Devanik Saha, 2016). The existence of Self-help groups is one of the prime reasons for the successful entrepreneurial activities of South India.

- **Self Help Group:** Self-help groups are the economically deprived small homogenous group of rural people who come together with a common objective of mutual socio-economic benefits. The main objectives of self-help groups include:
  - Cultivating saving habit among the people.
  - Mutually agreed on financial commitments.
  - Supporting social and personal expectations
  - Imparting leadership qualities
  - Financial support for individuals and family requirements.

Around 10 to 12 persons of the common mindset of a village form a group with a common objective of overall mutual support and development. The group has an external supervisor who acts as the mediator between the group and streamlining institution. The group actively involves in constructive works proposed by each member of the team. If any member has financial requirements the group supports such person through the possible ways. Such person can approach for a loan through the group. Banks and the financial institutions linked to the governing organization facilitate financial support. Repayment is done on a weekly basis where if the member who availed loan failed to repay, the other members of that group have to take the responsibility of repayment. Eventually, self-help groups actively participate in social, cultural and financial capacity building of people.
- **Role of Self Help Group in Women Empowerment:** Economic insecurity is the major issue among the rural woman. Adjusting to financial requirements is difficult task among the rural women. It is because of lack of financial support due to multiple reasons such as unemployment, family dependency, rural lifestyle etc. A self-help group is a forum for such women where the SHG governing institutions provide them financial support with nominal terms and conditions. Conditional weekly repayment makes the women to take-up constructive decisions. Thus women are economically becoming stronger. Besides these, the self-help groups develop socio-cultural and leadership qualities by bringing the women into the mainstream of the society. The group's members are participating in social, cultural events, workshops on household and personality development, skill enhancement programmes etc. Eventually, self-help groups have the following roles in women empowerment;
  - Independent/sole decision making
  - Platform for future
  - Engagement in capacity building activity
  - Constructive lifestyle (Empowering social status)
  - Builds networking skills
  - Area representation of the women
  - Identity building capacity
  - Sanitary and cleaning guidance
  - Women training programme
  - Self-help groups organize workshops on entrepreneurship
  - Bringing the innovativeness and change in grass-root level
  - Self-help groups result in social-cultural impact and change among women
  - Self-help groups drive change
  - Self-help groups support individual representation
  - Building the entrepreneur quality among women

- Nature of Finance:** As discussed earlier, a group of 12 women of surrounding neighborhood has to form a group with common objectives. Once in a week, the group members have to meet in any member's home which goes on a rotation basis. The group will have a president and secretary which also changes yearly on a rotation basis. Spiritual and cultural discussions take place at the weekly meeting. The prime objective of the meeting is to boost economic empowerment of women. Women those who are in need of money have to apply for a loan with the consent of other group members. The loan will be sanctioned with minimum documentation as the other members of the group are the witness and surety for the borrowing. If the borrower fails to repay the loan the group members must take the responsibility of repayment. The borrower has to repay the amount on weekly basis. Thus the Self Help Groups brings the balanced regional economic growth. Besides these, the members must compulsorily visit the bank every week to deposit collected for the week. This also happens on a rotation basis so that each member of the team will be aware of banking activities. Women can avail loan for household development, agriculture, small-scale business and other reasons too. Besides these, the SHG associations organize workshops and training programmes on small-scale and home product entrepreneurship. Thousands of people across the state benefitted from this facility.

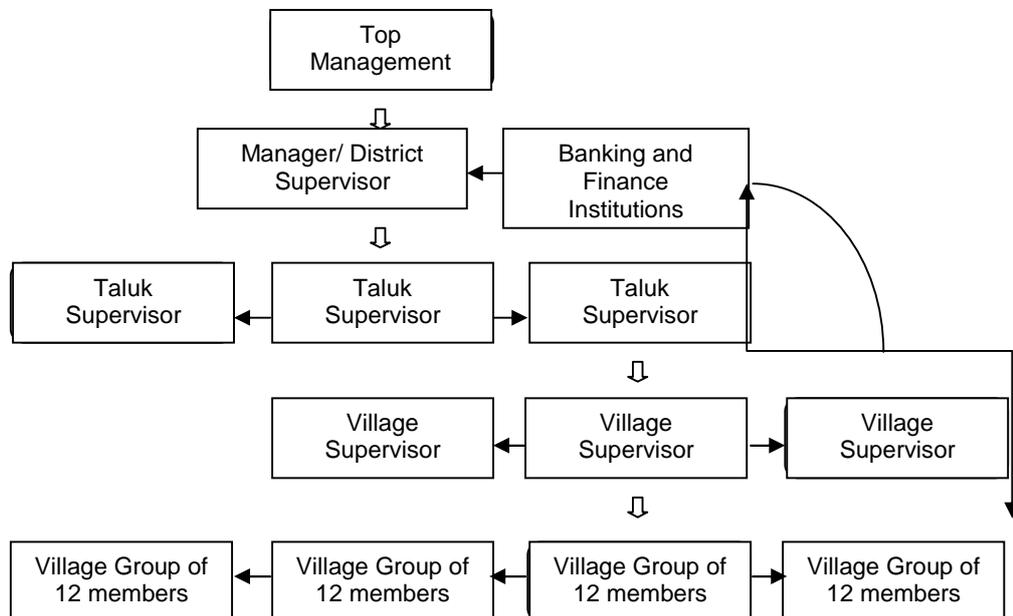


Figure 1: SHG Structural Flow Chart.

SKDRDP is the SHG association which has developed with the objective of socio-economic development and women empowerment of rural Karnataka. The association has heads for each district under which the taluk supervisors take care of village supervising heads. Each village supervisor is assigned with 5 to 10 villages. Each village has 5-10 Self Help Groups based on the size of the population. Each self-help group must have 12 members who cooperate with each other in socio-economic and leadership quality development activities of the group members. Banks lend financial support to the SHG members through the higher management wherein the repayment will be directly done by the borrower in the concerned bank.

- Terms and Conditions:** The borrowers need to accept the terms and conditions laid by the Rural Development programmer and the associated financial institutions. Since the payback is the group commitment the banks and the financial institutions don't rely much on the documentation. Still, the borrower has to declare the capacity to repay the borrowed amount.
- Sri Kshetra Dharmastala Rural Development Project (SKDRDP) and Self Help Groups: The Success stories:** Dharmastala is a small village located in Dakshina Kannada district of Karnataka. Sri Manjunatheshwara temple is the popular religious site of Dharmastala. The

sustainable developmental vision of Sri D. Virendra Heggade, lead to the foundation of SKDRDP which, primarily focused on providing basic necessities to the village farmers for their sustainability. The project primarily focused on the barter system where the group of people exchanges the work, finance, and ideas for better development. Later the programme got designed in a scientific way where the banking and financial institutions, supervising authority to control the activities were included. The Self Help movement that initially started in the Belthangady Taluk, has spread across twenty-two districts of Karnataka – i.e., Dakshina Kannada, Udupi, Uttara Kannada, Shimoga, Chikmagalur, Dharwad, Haveri, Gadag, Kodagu, Belgaum, Tumkur, Chitradurga, Davangere, Koppal, Mysore, Chamrajnagar, Hassan, Raichur, Mandya, Bellary, Bagalkot, Bangalore Rural districts. Today SKDRDP programme has mobilized 3.72 million members in the state of Karnataka into 3, 70,642 SHGs.

Today the plan focused on Rural Banking and Finance, Rural Health Insurance, Rural Life Insurance and Pension Schemes. Eventually, women empowerment is the basic hymn of the project. Women are given financial support for the following purposes

- Irrigation and irrigational land development
- Home product and rural employment generation
- Small Scale industry
- House construction, repairs, and rural households
- Personal loans for various occasions.

Besides these, the SKDRDP organizes rural health camps, workshops on product development, health etc, alcohol-relief camps and many other social awareness programmes. Rural men and women are the major beneficiaries of the project scheme.

- **Organizational Benefits:** Banks and financial institutions have greater benefit from the disbursement of loan and financial support to the rural self-help groups:

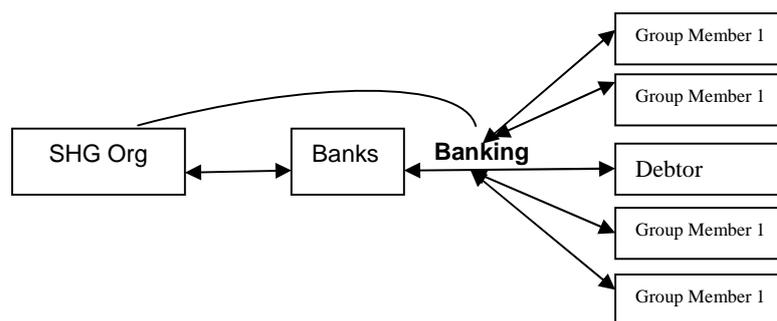


Figure 2: Self Help Group Loan Reimbursement Strategy Chart

The banks and the financial institutions distribute the loan have a positive outlook of the disbursement. Factor influencing the easy and quick reimbursement is:

- The lender has the guarantee of timely payback of the credit as it is the committed responsibility.
- Each member is responsible for repayment of the loan. Hence the creation of credit-related documents need not be necessary.
- Financial inclusion and rural community development which causes balanced rural development.
- Hassle-free marketing of bank and financial products in the rural area.
- Fast and easy recovery of the disbursed amount.
- Rural development organizations are equally responsible for repayment of the loan.

### Findings

The study mainly focused on the role of self-help groups in women empowerment. The major findings of the study are, for the past 10 years, Self Help Groups played a key role in balancing the regional economic and social development of Karnataka. Over 3.73 million people are directly or indirectly benefited from the rural development programmes introduced by SKDRDP. Rural Development programmes initiate banking activities to reach the large group of rural people who are in reach out of

banking facilities. Thousands of rural women have become successful small-scale entrepreneurs by the influence and aid given by SKDRDP. Self-help groups cultivated saving habit among the people of rural Karnataka. The socio-cultural and individual behavior of people of Karnataka is influenced by the action-plans and the activities SKDRDP. SHG's are the trustable areas of investment. Banks and the SHG organizations have the assurance of timely and hassle-free repayment. SHG's helped in building group norms and group behavior among the people. People get united in the god and the trust. Rural people dependency on the banking sector is enhancing slowly. It indicates the balanced regional growth.

Most of the SHG's practice sustainable development principles. SHG organizations support natural growing, organic farming and traditional method of cultivation among the people. The SHG's played a crucial role in empowerment of woman. Thousands of women self-help groups are formed across the state and they have special privileges in terms of banking and finance, farming and small-scale entrepreneurship. SHG's promote popular and ambitious schemes of government such as free education, girl child empowerment, women empowerment, clean India etc. These popular schemes reach the last mile beneficiary through such organizations. Thousands of educated folk are employed in the SHG's. SKDRDP commits to employ local youth in the various levels of management. SHG's primarily focusing on the unemployed rural women and the unskilled labor group. This unorganized sector plays a crucial role in economic development of a region. Millions of women irrespective of caste, class, and religion have become the members of SHG's. Thus SHG's unite people. Rural women are becoming self-reliable due to technological and self-employment training initiatives of SKDRDP.

### **Suggestions**

India has the larger scope for developing the rural area because the villages are the spine of the country. SHG's played a crucial role in rural development. Currently, interest charged on Self Help Group loan is very high. Government and the financial organizations have to focus on reducing the interest rate charges on the loan taken by the members. SHG's primarily focused on the rural women and unorganized labor group. There is the scope for involving the women population who work in the private sectors too. Minority women population participation in SHG activities is very low. SHG governing institutions have to consider this group as a special interest group. SHG activities are limited to Karnataka state only. There are tens of thousands of villages across the country need development boosters. Government and private organizations need to reach such high-concentration areas. SHG members get a loan for the agriculture and self-employment/entrepreneurship initiatives. It could be better if the SKDRDP create a market for the goods produced by the group members or facilitators. SHG's have passive outlook in the urban areas. There is vital scope for introduction and extension of financial, technological and moral support for urban women group. SHG's have limited scope for the rural people-industry interface. Rural unemployed youth and the women have to be trained by professional industrialists. SHG's are the true representatives of sustainable rural development. SH schemes need to focus on the sustainable socio-economic development. Facilitating long-term loan for women entrepreneurs to start and run small and medium enterprises.

### **Conclusion**

Self Help Groups primarily focus on women empowerment. Particularly rural women are the one who requires socio-economic and moral support in various stages of life. Organisations such as SKDRDP through self-help group schemes provide socio-economic support to the rural women to become successful entrepreneurs. Thus Self Help Groups, directly and indirectly, involve in women empowerment in the country.

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