

STRATEGIC DECISION'S FOR SELF HELP GROUPS IN INDIA RECENT PERSPECTIVE OF SOCIAL CHANGES AND INNOVATION

Swarnlata*
Dr. Kumar A.N Shahdeo**

ABSTRACT

Strategy and Change is to determine appropriate strategic response to changes in the social environment. Strategy pertains as a set of guidelines or principles to make decision among the feasible choices or condition, while changes to become different to long term development aspects. Social innovation is a process of developing or practicing new strategies and implementing in effective way of solutions to resolve many issues surrounding us. The components they describe the nature of changes in social environment are - Resource, Stability, Complexity, Scarcity and Uncertainty. Self Help Groups or SHGs it represents a unique approach of social innovation and to eradicating the social, environmental, and financial issues. It works for economic empowerment, strategic participations in household and community decision making. It has a various initiative in underutilized or unutilized resources of the society. The social and political dimensions of SHGs are Involved Independently with affinity, trust, participation in community issues and mutual responsible, during the last ten years (FY 2013 to FY 2022) SHGs credit linked has grown at a CAGR of 10.8 %, while credit disbursement grow at a CAGR of 5.7% during same period as per economic survey 2022- 2023. Banks that are the part of Self-Help Groups programmes like: NABARD, Bank of Baroda, Canara Bank, Union Bank of India, Dhanalakshmi Bank, HDFC etc. government should initiate to implement various schemes of social-economic development to enhance Knowledge and awareness about rural women health issues, financial security, climate change, organic compost, agriculture etc. My study is based on various aspects of self-Help Groups and Strategic innovative changes of society.

KEYWORDS: Strategy, SHGs, Innovative, Changes, Community.

Introduction

An Inception of Self Helped Groups

A self-helped groups are small financial independent informal committees, they are generally 10 to 25 or more group peoples who come together to find ways to improve their living condition, socio-economical causes, environmental issues discuss and solve together, who's age between 18 years to 65 years.

Ela Bhatt was Indian cooperative organiser, activist and social worker follow Gandhian who founded the self-employed women association (SEWA) of India in 1972, with the objective of unorganized sector to enhancing their income sources. Slowly, government involved through NABARD in 1992 formed the self – helped groups bank lineage project which is presently the world's largest

* Research Scholar, Department of Commerce and Business Management, Ranchi University, Ranchi, Jharkhand, India.

** Associate Professor, Department of Commerce and Business Management, Marwari College, Ranchi Cum Finance Officer, Ranchi University, Ranchi, Jharkhand, India.

microfinance projects, in 1993 onwards, NABARD along with Reserve Bank of India allowed SHG's to open savings bank accounts in banks. Government of India also introduced in 1999 the Swarn Jayanti Gram Swarozgar Yojana in the intension of promoting self-employment in rural areas through formation and skilling of such groups. This evolved in the National Rural Livelihood Mission in 2011. In same platform Skill India Programme launched by government in 2015, it takes an initiative to train over 40 crore populations in different industry related jobs. The vision is to create an empowered workforce by year 2022 with the help of various schemes and training courses.

The schemes for skill development in India are as follows:

- Pradhan Mantri Kaushal Vikash Yojana
- Skill Acquisition & Knowledge Awareness for Livelihood Promotion (SANKALP)
- UDAAN
- Standard Training Assessment and Reward Scheme (STAR)
- Polytechnic Schemes
- Vocationalisation of Education

Benefits of the Skill India Programme

These Programme direct benefits for the youth workforce of India that can access better paying jobs and experiences. The proper development in the grass root level, every sector within the economy will experiences equal growth opportunity. It trained various unorganized sector workforce to promoting micro – enterprises, cluster development, lending strategy of MSME, Dairy based ESDP, carpentry, electroplating, women EDP, women empowerment, technology infusion, CRR scheme and others to boost the country economic growth.

Evolution Stages of Self - Help Groups

- Formation of group members
 - Funding of Formation of capital resources
 - Development of required skills to boost income generation for the groups
- For those various types of SHGs promoting agencies to work:
- Non-governmental agencies
 - Government
 - Poverty management programmes
 - State and commercial banks
 - Microfinance institutions
 - SHGs federations
 - SHGs leaders/ Enterprises

Why Need for Social Innovation?

Social Innovation and awareness are a process to developing effective solutions to challenging and often systematic environmental and social issues are important of social economic progress. Today's, the world is facing many challenging issues from socio economic inequality to ongoing violence and injustice to growing climate change so, we cannot effort to wait for others to solve the all these serious problems in our future time. That is more important of everyone as worldwide are involved is a changemaker working on incredible initiative's and in organisations like (Government policies, non-profitable organisation, others) that focus on a range of issues like health, education, gender, racial injustice, economic and political inclusion, workforce empowerment, poverty alleviations among more others. It's very clear pervious and exiting institutions method of solving issues are not sufficient to addressing exiting problem at local, national, and global areas. Our hyper-connected fast-moving and complex worlds demands for fresh ideas, alternatives approaches and new ways of doing things to change a better future.

- **Challenges of Strategic Social Innovation**
 - Strategic goals are often large and complex not clear priorities and responsibility.
 - Lack of alignment
 - Inability to measuring progress
 - Individual people are not connected to strategic innovation.

Objective of the Study

- To encourage the well-being participation in decision making processes and self-empowerment.
- To develop new opportunities and the establishment of social enterprises.
- To take individual initiatives change in quality of life and save surrounding the resources, recreation of environmental sources.
- Strategy needs to change the self-help groups participation in economic development.

Material and Method

The methods of data collection used to study the significance and development of self-help group and strategic innovative enterprises work on social causes and their impact in the economic development of rural sector is based on secondary data. The journal, article, web links, newspaper and books used as a comprehensive search and analysis framework that combine the cross-referencing source of information.

Social Change, Innovation and Environmental Challenges

Technological innovation alone is insufficient to tackle the challenges related to the environment and climate change with a greater focus required on research policy and bottom-up innovation (Bergman et al 2010). While when thinking of innovation, we usually think new technology developed as an engine for the growth of any organisation or own growth. However, these is more than that to innovation. It also helps the society prosper, community aspects to renovate develop for environmental issues every individual moto.

In India's most famous religious fresh water resource largest river Ganga is now one of the world most polluted river, causes to sewage water flowering in from household and industries including more the 8 million tons of fresh flowers pilgrims offer to reverential by river each year, that causes toxic arsenic, lead, cadmium from the pesticides and pollutants effects the health diseases millions of people suffering such as dysentery, cholera, hepatitis other heath diseases. In 2015 Ankit Agarwal and Karan Rastogi take an initiative for innovative social change to start up **Help Us Green project** to reduce pollution in the river. the Help Us Green team to collects discarded flowers to keep them out of the water then flower recycles then into 100 percent organic vermi-compost fertilizer and incense for European and Indian consumers, by the help of local women employing from local social and economic strata. They together, these women collect millions of ton flower daily from the city local temple, mosques, and other religious place.

- **Husk Power System**, another example that operate with a similar paradigm, which generate electricity from rice husk waste, Ecofemme which produces reusable cloth. Sanitary pads and karma recycling which collects, repairs, and resells used mobile phones that collected from local fairywaala that move surrounding the area.
- **Indic Initiatives**, venture that fosters innovation to slove waste management issues that can save over 2000 tons of paper waste from reaching landfills every day, through recycling waste paper like tissue paper, paper cups, and tetra packs into pulp, another recycling, Argo fibers like banana, jute, pine apple and cotton into pulp. The problem of paper waste disposal must be controlled right at the source.
- **Agnisumukh** is an inspired by the ancient traditional cooking method of charcoal, energy efficient radiant heat gas burners. These ultra efficient cooking stoves save 30% on gas and heat to beat indoor air pollution in commercial kitchen. It provides clean green energy efficient heating solutions across gas fuels.

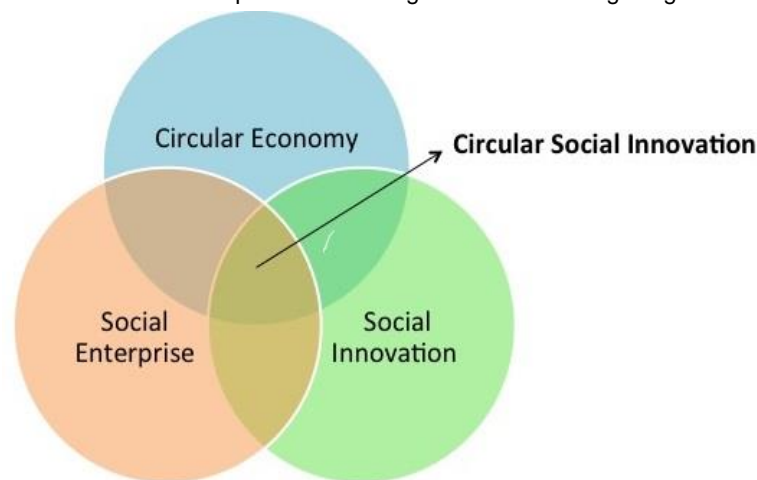
Jayaashree Industries creates an opportunity "Every Women's Health Right" 88% of women in India are driven to use ashes, newspaper, sand hushes, dried leaves, and old cloth system during their mensuration time because of these unhygienic practices more then 70% of women suffer from reproductive tract infections and increasing the risk of contracting associated cancers. Arunachalam Muraganatham has initiate women from low-income group in India Dignity by enabling them to afford to buy sanitary towel at the same time as providing them with an income to introduce first low-cost machine for sanitary production towel, through bank loans and NGOs directly connect with rural women's learning & earning system like a machine operator can learn the entire towel making process in three hours and the employ three others to help with processing and distribution.

Ashaya is upcycling the toughest plastic waste types of material into high quality product using innovative technology.

Reti Ecotech is converting waste textiles to compressing the binder textile mixture into bricks and panels form that can be used to create things like furniture, brick cladding.

- **Enterprises Vs Innovation**

Circular social enterprise and innovation distinguishing in characters it highlights the nature relevance and differentiate from the term like social enterprises and social innovation. Sustainable development and holistic changes --- in economic, political, social environmental cultural relationship that promotes the interest of mainstream social enterprises that revolve around the business side of changes, while social innovation focuses on the processes through which that change is generated.



- **Corporate Social Innovation (CSI)**

Social innovation from a business perspective that integrate on going approach that seeks to continuously address social challenges and improves on these root problems solution. organisations should acknowledge the business opportunity in creating solutions for their surrounding the issues that related to the environmental, social, political, and economical with in the boundaries of organizational environment expressing and realizing the social issues.

Corporate social responsibilities represent the values declaration based on ethics overreaching organizational action towards social benefits. On the other side corporate social innovational projects based on social values that make strategy to develop plan and implementing on the social change.

- **Importance of Social Innovation**

Social Innovation is part of the society because it is trying to solve all neglected common problems. This concept has existed since ancient times but acquired now in today's world. Across the world societal challenges is increasing scale and complexity are cropping up and to developed strategies for long term sustainability.

- Volunteer open-source system is free that built for volunteers and the intellectual property rights are freely available too part of social change mainly focused on local unemployed.
- Young Start-up ideas to resolve the social and environmental problems on small steps to change the world.
- NGO's and government involvement take maximum numbers of initiatives to solve and design the projects.

- **Innovation and Self-Helped Group**

A self-helped Group is basically financial intermediary committee usually composed of community people. These self-helped groups linked with banks for delivery of micro credit, the mechanism has provided a great opportunity for economical weaker sections to participate in the

financial ecosystem and drive benefits to regular savings and even development of entrepreneurship. It's a social change that happens through innovative ideal processes to increase enterprises on this wave various startups are leading the change leveraging, cutting edge technologies to redefine consumption and production from innovative production to take care environment and social empowerment, to take back platforms that ensure products find a solution to zero waste to waste to resource solutions turning trash into treasure, the land escape evolving rapidly. They were boosting the Indian economy system, with environmental consciousness on the rise recycling industry has become a beacon of hope a sustainable future.

As entrepreneurs embrace eco-friendly practices to contribute to the well-being of our planet, the demand for recycling business ideas is stronger than ever.

Significance of SHGs

- Women empowerment through self-help groups towards contribution in economic development is true gender equality.
- Social integration to eradicate many social issues illness such as dowry, alcoholism, early marriage, girls' education etc. with the help of self-help groups.
- SHGs linked with banks to lend the poor and marginalized section of society because of the assurance of return.
- SHGs given the voice to the under represented and voiceless section of society.
- Enhancing the efficiency of government projects help them to implement and improve the awareness about schemes.
- SHGs help the people for alternate employment solution and improve their livelihood through vocational training Programme, small business.
- SHGs encourage the rural to save and promote bank literacy.

Limitation of SHGs

- A large part of the group members is illiterate, awareness about the financial literacy is very low mainly in rural area or non-existent this critical gap that needs to be addressed.
- Lack of awareness about potential opportunities in the market (hyper-local, local, or national) as a result the products and services offered by the self-help groups teams do not get full benefited as market need.
- Development of skill mapping with market needs like (near term as well as long term) to identify self-help group members to move away from non-productive or low yield product services in high profitable area.
- SHGs products fail due to lack of marketing network support that can't explore the market without middle men involvement like (E-commerce chain). Directly can be expensive to introduce the market and difficult to sustain long term.
- Micro financial companies easy to availability of financial counselling and timely credit-linkage to banks and credits at affordable rate the loan should be given immediately after SHGs members help complete the skill development training program.
- SHGs team aren't working well for long time diverted from path, need for focused counselling. Presently this is ad-hoc and not through data driven analysis of the performance of an SHG. Analysis for root cause and identification to work on non-performance and failure points.

Findings

India's brag of some 12 million self-help groups of which 88% are all women members. The Economic survey 2022-23 presenting the union finance minister to parliament has a special mention of India's Boasts women led world largest microfinance banking operations – SHGs disbursing billions of rupees every year. These groups linked with the banks for disbursement of immediate small loans - called SHG bank linkage projects, SHG-BLP for taking livelihood options, like live stock rearing or setting up a tailoring unit. By 2022 these groups operate a world's largest financing operating projects, according to data published in the economy survey year 2022 – 2023 SHG-BLP covers 142 million families with saving deposits of Rs 47,240 crore. The SHGs credit linked has increased at a CAGR of 10.8 per cent during ten years (FY 2013 to FY2022), while credit disbursement per SHGs has increased at a CAGR of

5.7 per cent the same period. India's commercial banks 'healthy balance sheets show this is mostly due to massive waiving off of non-performing loans, but for the SHG – BLP loans there are hardly any loans turning into close ones that are to be waived off. The notable, point i.e. SHG's bank repayment is more than 96 per cent underscoring their credit discipline and reliability. Under the National Rural Livelihood Mission (NRLM), the government has set the mission to increased each SHG's income to Rs 1 lakh by 2024, to do so microfinance linked to livelihood development is the key strategy.

The development policies on the state of economy and recommendations of women SHGs must be made for Centre of rural development as they already worked as an effective local community institution. In India more the 75 per cent of rural women worked on agriculture sector. This implies a need to upskill and create opportunities of employment in agricultural related or many more sector such as food processing, packing, animal husbandry etc. here, SHG's can play a crucial role in shaping rural women's potential into concrete developmental outcome of financial inclusion, livelihood diversification and skill development. These SHGs group gives strengthened with access to loans and markets for their production.

In September 2023 Prime Minister Shri Narendra Modi while addressing a mega gathering of SHG's members in Madhya Pradesh, Said "Over a period of time Self-Helped Group turn into Nation Help Groups" He also promised that every rural household in the country would have one member in the local SHG's group.

Conclusion

In my conclusion it can be conclude that the changes are a way of life, it's a flow we had seen many different modes such as structural, cultural, constitutional, society change, industrial, influence of globalization it works towards creating a more equitable, inclusive, and fair society. On the other hand, innovation is the practical implementation of ideas that results to introduce new goods or services and improvement of life better. A strategy make plan achieve success or gain advantages all together so, innovation is a part of businesses that creates innovative solutions to solve social problems through social innovation. It benefits both communities and companies. Leaders should foster innovative though company culture and welcome fresh approaches that aim to better society, employees should feel they can make a change seek way to go better work for the community. Companies should integrate caring about the communities into their values action's environment learning processes and responsibility. This means caring about society making it part of every employee goal, responsibility of save environment. The field of social innovation is advancing rapidly still an emerging for it will progress.

SHGs play a vital role in giving credit access to the poor and this is extremely crucial in poverty alleviation, a great role in women empowering because SHG's work on weaker section of society to rebuilt through self-employment opportunities also helps to improve other development factor such as literacy, health care etc. The Rangarajan committee report highlighted major reasons for lack of financial inclusion in India are—(a) the insufficient reach of institution. (b) inability to give collateral security. (c) weak credit absorption capacity. (d) weak community network. SHG's monitoring cell should be established in every state. The cell should have direct links with district and block level monitoring system. The cell should collect both quantitative and qualitative information. Extensions of self-helped groups to urban or rural areas efforts should be made to increase income generation abilities of the urban/rural people as there has been a rapid rise in urbanization financially independence.

Acknowledgement

I would like to express my deep gratitude to DR. Kumar A.N Shahdeo for his valuable and constructive suggestions during the preparation of this full-length paper on social innovation and strategic change of SHGs in India.

References

1. Hallonsten, O. (2023). The Innovation Society. In: *Empty Innovation* (pp. 1-13). Palgrave Macmillan, Cham. https://doi.org/10.1007/978-3-031-31479-7_1
2. Herrera, M. E. B. Creating competitive advantage by institutionalizing corporate social innovation, *Journal of Business Research*, 68 (7), 1468-1474 (2015)
3. Saka-Helmhout, A., Chappin, M.H. & Rodrigues, S.B. (2022). Corporate Social Innovation in Developing Countries. *Journal of Business Ethics*, 181(3), 589-605. <https://doi.org/10.1007/s10551-021-04933-x>

4. Chughtai, M.S., Syed, F., Naseer, S. & Chinchilla, N. (2023). Role of adaptive leadership in learning organizations to boost organizational innovations with change self-efficacy. *Current Psychology*. <https://doi.org/10.1007/s12144-023-04669-z>
5. Brandsen, T., Evers, A., Cattacin, S., Zimmer, A. (2016). The Good, the Bad and the Ugly in Social Innovation. In: Brandsen, T., Cattacin, S., Evers, A., Zimmer, A. (eds) *Social Innovations in the Urban Context*. Nonprofit and Civil Society Studies. Springer, Cham.
6. Christen P. B., Ivatury G. 2007. 'Sustainability of Self-Help Groups in India: Two Analyses'. Occasional Paper 12. Washington, DC: CGAP.
7. Dwarakanath H. D. 2002. 'Rural Credit and Women Self Help Groups'. *Kurukshetra* 51 (1): 10–15.
8. EDA Rural Systems and APMAS. 2006. *The Light and Shades of SHGs in India*. Gurugram: EDA; Hyderabad: APMA
9. Ghate P. 2009. *Indian Microfinance: The Challenges of Rapid Growth*. New Delhi: SAGE Publications.
10. Kumaran K. P. 2002. 'Role of Self-Help Groups in Promoting Micro Enterprises Through Micro Credit: An Empirical Study'. *Journal of Rural Development* 21 (2): 231–50.
11. Kumari A., Malathi N. 2009. 'Micro Credit and Rural Development'. In *Micro-credit and Rural Development*, edited by Thakur A. K., Sharma P., 1–10. New Delhi: Deep & Deep Publication.
12. https://doi.org/10.1007/978-3-319-21551-8_25
13. <https://www.bajajfinserv.in/insights/skill-india-scheme>
14. <https://byjus.com/free-ias-prep/self-help-group/>
15. <https://csi.thenudge.org/blog/what-is-social-innovation-and-why-is-it-important>.

