

## PROBLEMS OF WOMEN SELF HELP GROUP MEMBERS IN ERNAKULAM DISTRICT

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### ABSTRACT

Majority of Kerala women are restricted to work inside their houses. Only few acquire the confidence and chances to work outside. Microcredit assistance and Self Help Groups (SHGs) are having a very important role in this aspect. Empowerment of women also has equal role to increase in income and savings through microcredit assistance. Women involvement in SHGs helps to improve their confidence level and ability to participate in social activities. Now a day's men started to accept women and ready to involve them in house hold decision making. When rural women are supported by adequate financial aids through Self Help Groups, they can engage in some kind of income generating activities and spare their leisure time effectively and fruitfully. Microcredit movement ensures not only to increase members' family income but also their overall empowerment in all phases of life. In this scenario, the present article focused to ascertain the major constraints faced by SHG women entrepreneurs at Ernakulam district. The result of the study disclose the short comings such as lack of managerial skills, lack of adequate training, lack of support from family etc.. are the problems faced by SHG members at Ernakulam district.

**Keywords:** Women Empowerment, SHG Groups, Lack of Marketing Skills.

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### INTRODUCTION

Poverty is the biggest problem faced by any developing country as it hinders growth of the economy and standard of living of the people. So the prime activity of the Government of India is alleviation of poverty, and for that different programmes are adopted from time to time. The Census 2011 Report indicates that people who are living below poverty line are 29.5%. In Kerala State, the poverty rate accounts to 11.3%. Poor people suffer from the negligence of formal financial institutions, due to lack of collaterals, the high transaction cost of giving a small amount of loan to a large number of people and poor credit history. Negligible amount of income and its irregularity is the main reason of the financial exclusion of rural poor. Inaccessibility of formal banking system and the influence of informal finance to the rural population forced authorities to think about an alternative source to fulfill their financial needs. So with a view to support this disadvantaged population, the micro finance movement is institutionalised by the Government to give financial support to the rural poor, mainly, rural women. Financial assistance given to women is better utilised than in men. Among many activities such as better education to children and health care, various pension schemes have been introduced by the Government, and microfinance programmes to alleviate poverty through SHGs is one of the prominent approaches to address the issue of rural poverty.

Microfinance is a poverty alleviation tool to extend financial supports like microcredit, micro savings and micro insurance for rural poor. Through microfinance, different types of financial aids like credit facilities, transfer of money and insurance schemes to the poor population and to their micro enterprises are provided. By providing microfinance, poor people would be able to start micro ventures or other activities to generate income with a view to improve their income level. Microfinance can be defined as an institutional system which provides loans in small amounts to a small group of rural people along with other related services such as training and skill development to enable them to get involved in some economic activities. It is the small sized financial aids and technical support extended to the rural community who run some kind of income

generating activity at local levels. Microfinance is interchangeably use as microcredit or micro loans which means a small amount of credit to meet the working capital needs of self employed or prospective self employed poor people. In order to arrive at the existing researchable issues previous studies relevant to this subject matter have been reviewed.

### REVIEW OF LITERATURE

Anju and Raju (2014) in their study identified that lack of supportive network, financial and marketing problems are the major problems for rural women entrepreneurs.

Poornima and Ramanaiah (2019) in their study identified that no stable price for the products manufactured, lack of practical knowledge and marketing problems are the prominent problems faced by SHG Entrepreneurs.

Priyanka Kumawat and Vishakha Bansal (2018) in their study ascertained that inadequate training facilities, problems in marketing the products, poor support from financial institutions etc. are the problems faced by SHG members.

Renu Pathak et al. (2019) in their study identified that group conflict, lack of interest in taking responsibility among SHG members and lack of motivation are the serious problems exists.

Sivakumar and Kavithasri (2017) in their study ascertained that lack of formal education, family responsibilities, lack of communication skills, heavy competition are the problems faced by SHG members.

Swami Doss and Manjula Devi (2013) in their study identified that heavy competition, inadequate marketing strategy, shortage of raw materials and shortage of finance are the problems faced by SHG members.

Vinodha Devi (2017) in her study identified that scarcity of raw materials for production, followed by shortage of power, insufficient finance for promoting and running an enterprise etc. are the problems faced by women entrepreneurs.

Therefore the present attempt is made to analyse the various problems highlighted through the previous studies.

**STATEMENT OF THE PROBLEM**

Rural women are the most marginalized community, which keep them away from formal financial sources and social activities. Microcredit is the most powerful tool for women empowerment and facilitates them to meet their life cycle requirements. Microcredit helps them to access monetary services in a better manner. The concept of microcredit put in to practice through Self Help Groups, where members started to pool up their small savings and distribute funds among members with low interest. Microcredit movements give opportunities to poor women through their concerned SHGs to participate in income generating and several social activities. This will help them to become empowered in different dimensions of their life. It helps poor people in the backward areas to come forward and enjoy better living conditions. In this situation an evaluation is required for assessing the impact of microcredit. Hence the present study is attempted to understand the problems faced by SHG women empowerment in Kerala.

**OBJECTIVE OF THE STUDY**

To find out problems faced by SHG members in Ernakulam district

**RESEARCH METHODOLOGY**

**Area of Study**

Poverty among rural people is a common phenomenon. Poverty among woman is one of the serious matters in Kerala too. Hence, the present study is conducted at Ernakulam District of Kerala.

**Data Collection and Sampling**

This study is based on primary data which is collected with the help of Questionnaire. By adopting random sampling technique 125 respondents from Aluva and another 125 from Paravoor taluk of Ernakulam district were selected and hence sample forms 250 women respondents in Ernakulam district.

**Tools for Analysis**

Factor Analysis is employed for analysis.

**ANALYSIS AND INTERPRETATION**

To ascertain prominent problems faced by the respondents of SHG on running their microcredit venture factor analysis is employed. For the purpose of employing Factor Analysis KMO and Bartlett's Test conducted which is given in Table 1. Result of KMO and Bartlett's Test disclose that sample size and data is fit for employing factor analysis.

**Table 1: KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.930
Bartlett's Test of Sphericity	Approx. Chi-Square 4157.867
	Df 190
	Sig. .000

Result of Factor Analysis is disclosed in Table 2.

**Table 2: Problems of SHG Members**

Problems	1	2	3	4
Lack of managerial skills	<b>0.887</b>	0.210	0.181	0.119
Lack of adequate knowledge	<b>0.885</b>	0.143	0.086	0.190
Frequent changes in formalities for availing loan	<b>0.869</b>	0.172	0.229	0.014
Lack of adequate training	<b>0.816</b>	0.155	0.084	0.278
Lack of support from family	<b>0.798</b>	0.120	0.188	-0.145
Short period of repayment of loan	<b>0.781</b>	0.348	0.243	0.263
Difficulty to fulfill government formalities	<b>0.764</b>	0.383	0.106	-0.037
Lack of experienced manpower	<b>0.754</b>	0.150	0.200	0.306
Lack of self confidence	<b>0.737</b>	0.251	0.213	0.211
Lack of digital literacy	<b>0.724</b>	0.391	0.279	-0.202
Lack of infrastructural facilities	0.241	<b>0.833</b>	0.046	0.082
Non availability of strategic location	0.335	<b>0.758</b>	0.016	-0.106
Problem of fall in Price for the Product	0.245	0.038	<b>0.830</b>	0.039
Lack of Demand	0.233	0.126	<b>0.817</b>	-0.015
Labour union problems	0.170	0.000	-0.001	<b>0.908</b>
Eigen Values	10.529	1.662	1.376	1.110
% of Variance	52.646	8.310	6.879	5.549
Cumulative % of Variance	52.646	60.956	67.836	73.384

From the Table it could be noticed that "Lack of managerial skills", "Lack of adequate knowledge", "Frequent changes in formalities", "Lack of adequate training", "Lack of support from family", "Short period of repayment of loan", "Difficulty to fulfill government formalities", "Lack of experienced manpower", "Lack of self confidence", etc are the major problems faced by SHG Members in running their business ventures. The total cumulative percentage of problem contributed by these significant factors amounts to 73.384 per cent.

**SUGGESTIONS**

- Educational institutions and voluntary organizations should come forward in educating women SHG members to improve their managerial ability and to remove their ignorance and creating awareness.

- Banks and financial institutions are to avoid frequent change in formalities for availing funds from their institutions. If they carry out any change in procedures, it should be properly communicated to the SHG members.
- District Industries Centres(DICs) is expected to offer more training programmes for the development of entrepreneurs. SHG Women entrepreneurs should make use of such training programmes conducted by DICs and improve their production methods, marketing skills, etc.
- Success of entrepreneurs depends not only on their individual ability and skill but also with necessary support extended by their family members. Thus, family members should offer necessary support (i.e.) male members should voluntarily take up and share the family responsibilities.
- Banks and financial institutions should fix repayment period for SHG members in accordance with periodicity of returns

## **CONCLUSION**

The result of factor analysis disclose that inability to manage business, lack of basic knowledge among SHG members due to their illiteracy, Frequent changes in formalities for availing loan, lack of adequate training etc. are the major problems faced by SHG members. For sustainable progress in living standards of women members of SHGs, Government efforts alone will not give the desired result. Hence voluntary efforts by educational institutions, social clubs and other voluntary organizations should come forward for providing necessary training and improving the skills of members of SHGs. Therefore co-ordinated efforts of Government and others would certainly improve the standard of living of women SHG members.

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