Designing a Training Model for Promoting Entrepreneurship at Grassroots Level Through Women Self Help Groups

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Abstract

In the past three decades, women self help groups have registered significant socio-economic changes at grassroots levels of the Indian economy. The unique structure which was designed to suit their requirement was one of the major reasons to make the program successful. Even though it has released the poor from the clutches of moneylenders, micro entrepreneurship needs to be nurtured to firm up sustained development. The author in this research work studied the members' entrepreneurial skills, entrepreneurial propensity, barriers to become entrepreneurs, and influence of group cohesiveness among members. The primary data were collected from statistically treated women self help groups through structured interview schedule.

The study found that micro-entrepreneurs influence others to become entrepreneurs. On the basis of this, the new training model was designed to suit the requirement of women self help groups.

Keywords: **Micro-entrepreneurship, women self help groups**

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The group model developed by the father of micro-finance Dr. Muhammad Yunus, Women Self Help Groups (WSHG) could achieve several landmarks in changing the livelihoods of members of WSHGs. On similar lines, in the year 1992, a slightly restructured version was introduced which registered considerable progress among weaker sections of the society in India. It is also to be noted that this model could achieve two major goals of Millennium Development Goal, that is, gender equality, and empowerment of women and girls. Furthermore, it nurtured micro-entrepreneurship among women self help groups. Various research studies have confirmed that the SHGs helped women micro-entrepreneurs who are part of the group. In the process, they cultivate skills of other members which results in the development of entrepreneurial society. Therefore, the researcher initiated a study to develop an entrepreneurial model to suit women self help groups.

Entrepreneurial Model

In the existing SHG training model, the groups went through three types of training which included training, general briefing on group formation, book-keeping, and economic activities. The training concerned with economic activities was given to groups at the maturity stage, after a specific period of time. There was no specific training to address the need of members with entrepreneurial background or special motivational training to members who are afraid to start business.

The entrepreneurial event model designed by Shapero and Sokol (1982), as shown in Appendix 1 tested the impact of entrepreneurial perceived feasibility, perceived desirability, and propensity to act. In addition, the creativity (Marsl & O'Neill, 1984), and attitude towards entrepreneurs (Eurobarometer, 2007) were also taken for the study and measured using a five point scale (Appendix 1).

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Statement of Problem

As per the norms of Reserve Bank of India, banks extend term loan to self help groups on completion of specific period of time and minimum amount of group savings. On receipt of bank loan, members divide this amount and distribute it among themselves. As a result of division of loan amount, the members get only a small share. Hence, this is utilized to pay back the existing outside loan. Banks extend three or four cycles of loan to groups based on their repayment performance. However, the limited cycles of loan extended by bankers are not adequate to give a sustained solution. The first two cycles of loan help them to come out of the clutches of local money lenders. Later, they buy domestic household assets. Only later, they think of venturing into business activities. Therefore, the existing training model needs to be strengthened to focus on promoting entrepreneurial activities. Therefore, this study was undertaken.

Concept Review

Importance of Entrepreneurial Traits

The qualities of the existing entrepreneurs who are members of the group are assessed though the characteristics indicated in the theory of Harvard School Theory by Cole (1949). According to Harvard School Theory, it is a purposeful activity that initiates and maintains a profit oriented business in interaction with the internal situation with the economic, political, and social circumstances surrounding the business. The business comprises of two activities such as coordination activity and sensitivity to environmental characteristics (Desai, 2002).The theory indicates the important traits of an entrepreneur such as entrepreneurial sensitivity, community coordination, and initiative to start business.

Significance of Entrepreneurial Propensity

Entrepreneurial propensity is the attitude, interest, inclination, and tendency of a person to gain knowledge about entrepreneurship. Entrepreneurial tendency must be cultivated in a growing economy like India. It is not possible for the government to provide employment opportunity to everyone in the country. Therefore, citizens should have the passion to become entrepreneurs who become job providers rather than job seekers. Especially, people at grassroots with limited resources and the lower socio-economic background do not have access to facilities extended by the government. Self help groups emerged as platforms to bridge the gap between the formal and the excluded entrepreneurial section through an informal stand. In the SHG process, they share experience of members and get inspired by micro entrepreneurs. Thus, sharing of knowledge nurtures entrepreneurial propensity among other non-entrepreneurial members. As shown in Appendix 1, the entrepreneurial event model designed by Shapero and Sokol (1982) tested the impact of the entrepreneurial perceived feasibility, perceived desirability, and propensity to act. In addition, the creativity from Marsl and O'Neill (1984) and attitude towards entrepreneurs were also taken for the study, and measured using a five point scale. The individual entrepreneurial could be evaluated and assessed through variables such as perceived feasibility, perceived desirability, propensity to act, creativity, and feelings towards entrepreneurs.

Implication of Barriers to Entrepreneurship

Khanka (2005) and Desai (2002) pointed out the common psycho-social barriers faced by women entrepreneurs. These barriers hinge on non-availability of adequate finance, scarcity of raw material, stiff market competition for their market, limited mobility, family ties, lack of education, male dominated society, low risk bearing ability, poor self image, inadequate motivation, faulty socialization, discriminating treatment, lack of leadership qualities, social acceptance, lack of freedom of expression, afraid of failures, and criticism, non-persistence, and lack of leadership. Some of the additional problems for rural entrepreneurs are inadequate business knowledge either to start, or to market the products. The variables taken for the study were lack of motivation from family members to start the business, existing financial constraints prevailing in the family, individual lack of knowledge about the market conditions of various products, no time to spare because of pre-occupied family commitments, and there is no recognition within the

society for an entrepreneur.

Group Cohesiveness and Self Help Groups

Group cohesiveness means the degree of attraction of the members to their groups. According to Propinquity Theory, individuals affiliate themselves to one another because of spatial or geographical proximity. The dependent variables such as unity among members, leadership quality of the group animator, convening of periodical meetings, co-ordination among group members, and members' feeling towards satisfying the need of the individual members are the major factors considered for comparison among self help groups belonging to rural and urban areas.

Review of Literature

Development of women self help group addresses persistent macro economic problems.

A report by Jasmine (2008) on self help groups and poverty alleviation found that micro-credit was extensively utilized by the poor section of the society, and it helped them enter micro-entrepreneurial activities which enhanced their income and standard of life. The group motivates its members in repaying the loan resulting in earning the creditability of bankers and thereby, helping members in coming out of the poverty circle. Ramachandran et al. (2008) considered factors such as age, education, social structure, primary occupation, and membership profile to study the empowerment of SHG members. The study found that married women who attained the age of 35 years and above derived benefits from SHGs and majority of the group members were having low level of literacy. Vijaya Lakshmi and Valarmathi (2008) in their study on the socio-economic empowerment of women SHG members analyzed their profile and found that the majority of members were aged between 31-40 years. The minority people also derived benefits through group activities. These members had very low literacy level and most of the members were married. The authors also studied factors like nature of family, family size, number of children, and duration of membership etc.

Ramanathan (2008) examined the SHG-Bank linkage program of nationalized banks and found that the strategy of promotion of SHGs made a positive impact in their lifestyle and initiated its first step in solving macro-problems like regional imbalances, availing loan from banks, promotion of livelihood among members, providing micro-insurance, linking members with bank through technology services, and encouraging them to attend capacity building programs. Lazar and Palanichamy (2008) assessed the self help group, an anti-poverty program that improved banking standards of the poor by analyzing the trend of poverty during the past four decades. The authors came to the conclusion that there was a decline in poverty indicators after the introduction of self help group program in both urban and rural settlements. Oliver (2010) who has been Executive Director, Center for Micro- Finance, IFMR highlighted that micro-finance program created new businesses and made remarkable changes in the composition of household spending. Kamath (2009) adopted a methodology of recording the daily expenditure of the poor in dairy industries and found that there was positive progress in turnover in their daily consumption. As a result, the author found out that this would not only educate group members through financial literacy, but also strengthen the relationship between banker and borrower resulting in enhancement of future credit. Similarly, Nair (2012) examined the pattern of funds flow from 2006 to 2010 to SHG and Micro Finance I (MFI). This showed that commercial banks shifted their focus to large MFIs from medium, and small institutions. This helped MFIs to leverage capital shortage and played a significant role in the process of neo-literal restructuring and also finalization with the daily use of commodities. Rao (2012) studied the progress made by SHGs in the last 30 years. The all India nodal agency of SHG, NABARD has emerged as a unique institution and can leverage knowledge and information into its functional areas to fine-tune its efficiency. This once again proves that in the case of SHG-Bank linkage program, NABARD invested huge energy and man-power, and drew on the synergies emanating from its myriad roles. As a result, NABARD was successful in taking this program to 100 million poor households. Benjamin F. Lyngodoh and Pati (2013) conducted a study on microfinance in matrilineal tribal society and noticed an appreciation in income, expenditure and savings. It also led to improvement in asset structure, quality of life, and livestock. The study also brought out a positive outcome with reference to socio-political existence of meaningful relationship with women empowerment. However, the author suggested that the

need for training in market analysis and book keeping could assure its success in sustainable development of women. Janaki and Mohan (2013) conducted a study on establishment of micro-enterprises by SHGs through microfinance and observed that there was a definite positive impact on women empowerment. There was a real enhancement in quality of life through personality development and transformation and it was suggested to still redesign the model to adjust in such a way that it ultimately promoted entrepreneurial activities.

Women Self Help Groups in Promoting Women Entrepreneurial Activities

Krishnaswamy (2009) found about entrepreneurial sensitivity that women entrepreneurs after joining the self help group could identify the business opportunity correctly. As a result, the resources were being utilized at an optimum level, and it also modified their entrepreneurial activities. This would ultimately bring success in their entrepreneurial carrier. On the other hand, in a study conducted by Mogaduv (2012) on the utilization of credit pattern by rural SHG members, the ratio was assessed to be 50:15:20:15 (household, clearing previous loans, investing in agriculture, and petty businesses). It is noticed that members started to earn an additional income ranging from ₹ 5.000 to ₹ 12,000. Since SHG acts as a platform to build women entrepreneurial society, there is a need to train members in developing entrepreneurial skills to have alternative livelihood. Jenilla et al. (2011) conducted a study to analyze the obstacles faced by women in a society and suggested to create a forum to exchange ideas, build vertical link between women and women elected representatives, to create more employment opportunities, and personality development training. Singh (2008), the Chief General Manager, NABARD while reviewing the progress made by SHG-Bank linkage program at macro aspects has mentioned the issues addressed by this bank linkage system such as reducing regional imbalance, promotion of microenterprises among members, providing micro-insurance, and providing quality SHGs etc. Sudalai Muthu and Senthil Kumar (2008) in a study on the economic status of SHG members observed that the members had better access to credit, regular income, and participation in public affairs etc. At the same time, members who were undertaking micro-entrepreneurial activities faced problems like low price for their product with thin profit margin, difficulty in procuring raw material, and sharing dual responsibility between family and business. The impact of micro-credit extended to marginal farmers through SHGs was studied by Thomas (2008) and he brought out the problems faced by them. He mentioned that in the case of alternative livelihood, the farmers lacked marketing infrastructure, research support in identifying the right product, and marketing mix to make it more viable. On similar lines, Munian (2009) assessed that the changes made by SHG-Bank linkage could be made sustainable by more awareness building, skill development, and training by promotional agencies particularly, banks and block authorities. Therefore, there was a wide scope to study the micro-entrepreneurial activity among women self help groups.

Objectives

The study was undertaken with the following objectives through comparative study between rural and urban settlements.

1. To classify women self help groups according to their economic activity.

2. To assess the influence of micro entrepreneurs among women self help groups in promoting entrepreneurship.

3. To study the existing training model for women self groups.

4. To suggest the entrepreneurial model to promote entrepreneurship among women self help groups.

Methodology

To achieve objectives of the study, a structured interview schedule was designed and the primary data were collected from the sample members who were selected through multi-level sampling. The data were collected from 700 WSHGs members covering six districts. The study was conducted in Chennai, Coimbatore, Dharmapuri, Thiruvallur, Nilgiris, and Madurai districts of Tamil Nadu. The collected data were treated using statistical tools such as percentage analysis, and chi-square.

Hypothesis

The study attempted to test the following hypotheses:

1. There is no significant difference between the means of group cohesiveness.

2. There is no significant difference between the mean ranks towards dimensions of entrepreneurial traits.

3.There is no significant difference between the mean ranks of entrepreneurial propensity.

4.There is no significant difference between the mean ranks of barriers to become an entrepreneur.

5.There is no significance difference between the demographic profile of WSHGs and the dimensions of group cohesiveness.

6.There is no association between the undertaking of economic activity and human settlements women self help groups.

7.There is no association between entrepreneurial profile of members and human settlements of women self help groups.

8.There is no association between the nature of training undergone and human settlements of women self help groups.

9.There is no association between group cohesiveness and the dimensions of entrepreneurial propensity both in rural and urban human settlements.

Data Analysis and Results

Table 1 shows the mean ranking of the factors of entrepreneurial traits. It can be seen that *p* value was less than 0.01, so the null hypothesis is rejected at 1% level of significance with regard to dimensions of entrepreneurial traits. Therefore, it is concluded that there is a significant difference between mean ranks towards entrepreneurial traits of members who are running micro-businesses. In the mean ranking, the members believe that self-confidence (10.90) was the most effective factor followed by organizing capacity (10.47), and the support extended by their family members (10.36) in

Table 1. Friedman test for Significant Difference Between the Mean Ranks of Entrepreneurial Traits.

S. No.	Dimension of Entrepreneurial Traits	Mean Rank	Chi- Square Value	*p*-value
1	One has to take calculated risk to become an entrepreneur.	10.18		
2	Success of an entrepreneur depends on his organizing capacity.	10.47		
3	An entrepreneur should be an information seeker.	9.94		
4	One has to make use of opportunities one comes across.	9.95		
5	Hard work is basic for the entrepreneur's success.	9.99		
6	Sharing of success with members will help in developing business.	10.00		
7	Entrepreneurial activity is an additional burden to me.	3.72		
8	We are getting good support from bank.	10.14	3755.936	0<0.001**
9	Self -confidence is a key investment of success.	10.90		
10	Public view that small entrepreneurs are not quality oriented.	3.49		
11	Micro-entrepreneurs face tough competition from major players.	3.76		
12	Institutional support to run a business is not continuous.	3.60		
13	Small businesses do not always earn profits.	3.38		
14	Family support is essential for running business.	10.36		
15	SHG helped me to do business in a better way.	10.12		

Note: ** Denotes significant at 1% level.

running the business.

Table 2 depicts the mean ranking with respect to entrepreneurial propensity. Since *p* value was less than 0.01, the null hypothesis has been rejected at 1% level of significance with regard to dimensions of entrepreneurial propensity. Therefore, it is concluded that there is a significant difference between mean rankings towards entrepreneurial propensity of the respondents. Among the mean ranks, positive attitude towards starting a small business (10.03) was

Table 2. Friedman Tests for Significant Difference Between the Mean Ranks of Entrepreneurial Propensity of WSHGs.

S. No.	Dimension of Entrepreneurial Propensity	Mean Rank	Chi- Square Value	*p*-value
1	I think it would be very good to start my own small business.	10.03		
2	If I run business, I may end up in incurring loss.	4.81		
3	I know how to start a small business.	9.15		
4	If I get an opportunity to start a business, I will be successful.	8.98		
5	I have constraints in starting a business	4.76		
5	If I want to start a business, I will do it	9.56		
7	I feel good when I take my own decisions.	9.33		
8	I would like to lead the group during group planning activity.	9.18	1088.460	<0.001**
9	I would not take too much responsibility.	4.52		
10	I know how to take a decision in running a business.	8.83		
11	I have a unique talent of combining others' ideas.	8.40		
12	I see better ways to accomplish everything in doing small business.	8.58		
13	I will follow others' ideas in doing business.	4.49		
14	Small business helps to create wealth and benefit for my family.	9.88		
15	Entrepreneurs are like employment exchanges.	9.50		

Note: * Donates significant at 1% level.

Table 3. Friedman Tests for Significant Difference Among the Mean Ranks of Barriers to Entrepreneurship

S. No.	Dimension of barriers to becoming an entrepreneur	Mean Rank	Chi- Square Value	*p*-value
1	I am not financially sound enough to start a small business.	6.09		
2	I will not get minimum support from my family members to do or undertake entrepreneurship.	5.62		
3	In a group, micro- successful entrepreneurs are not sharing their knowledge with other members.	5.83	90.647	<0.001**
4	I do not know much about government aid support and funding in assistance available for entrepreneurs.	5.07		
5	I do not want to take risks with the small savings in my hand.	5.97		
6	I do know enough about running a business.	3.12		
7	Seeing others lose their hard earned money in business. made me take a step back.	5.78		
8	In business the return on investment is uncertain.	5.10		
9	Society doesn't give minimum recognition to micro entrepreneurs.	6.12		
10	I am not finding time to think of undergoing micro entrepreneurial activity.	6.30		

Note: * Donates significant at 1% level.

the most effective factor followed by creating wealth (9.88) out of business, and respondents' confidence in doing the business (9.56) in future.

It is observed from Table 3 that the calculated *p* value was less than 0.01. Therefore, the null hypothesis is rejected at 1% level of significance with regard to dimensions of barriers to become an entrepreneur. Hence, it is concluded that there is a significant difference between mean rankings towards barriers to become an entrepreneur. Among the ranking, time constraint to run a business (6.30) is the most effective factor followed by social stigma (6.12), and financial restrictions of the respondents to start a business (6.09).

Table 4 indicates that the calculated *p*-value is less than 0.01; the null hypothesis is rejected at 1% level of significance. Therefore, there is a significant difference between rural and urban areas with reference to the dimensions of group cohesiveness such as leadership, periodical meeting, group coordination, fulfilling needs, and overall group cohesiveness. In rural settlements, the mean level of 'leadership', 'group coordination', 'fulfilling the needs', 'overall group cohesion' are higher than in urban areas. The mean value of the factor 'periodical meeting' is higher in urban areas than in rural settlements.

Table 5 shows that the calculated *p* value was less than 0.01, and hence the null hypothesis is rejected at 1% level of significance. Hence, there is a significant difference between the respondents born and brought up in the same town and those who migrated from other towns with reference to factors such as 'leadership', 'periodical meetings', and 'group coordination'. Group co-ordination is higher among persons from the same towns, as they are used to have better understanding (13.91) with their neighbors than with the people who migrated from other towns (13.18).

From Table 6 it is inferred that the calculated *p* value was less than 0.05, and the null hypothesis was rejected at 5% level of significance; hence, there is a significant difference between joint and nuclear family system with the

Table 4. *t*-test for the Significant Difference Between Human Settlements and the Dimensions of Group Cohesiveness

	Human settlements					
	Rural		Urban			
Dimensions of group cohesiveness	Mean	*SD*	Mean	*SD*	*t*-value	*p*-value
Unity	11.03	1.49	10.76	2.10	1.952	0.051
Leadership	11.09	1.34	10.30	2.11	5.704	<0.001**
Periodical meeting	13.35	2.00	13.75	1.47	3.039	0.002**
Group Coordination	13.81	1.56	13.39	1.77	3.274	0.001**
Fulfilling needs	13.51	2.24	12.57	2.43	5.230	<0.001**
Overall group cohesiveness	62.79	6.74	60.76	5.42	4.420	<0.001**

Note: ** Denotes significant at 1% level.

Table 5. *t*-test for the Significant Difference Between Native Places With Respect to the Dimensions of Group Cohesiveness

	Native Places					
	Same town		Other town			
Dimensions of Group Cohesiveness	Mean	*SD*	Mean	*SD*	*t*-value	*p*-value
Unity	10.97	1.70	10.76	2.05	1.492	0.136
Leadership	10.80	1.87	10.45	1.83	2.493	0.013**
Periodical meeting	13.78	1.49	13.33	1.94	3.445	0.001**
Group Coordination	13.91	1.37	13.18	1.94	5.785	<0.001**
Fulfilling needs	13.02	2.30	12.91	2.50	0.614	0.539
Overall group cohesiveness	62.47	5.23	60.63	6.87	0.698	<0.001**

Note: ** Denotes significant at 1% level.

Table 6. *t*-test for Significant Difference Between Family Types and Dimensions of Group Cohesiveness

	Family Types					
	Joint		Nuclear			
Dimensions of Group Cohesiveness	Mean	*SD*	Mean	*SD*	*t*-value	*p*-value
Unity	10.90	1.65	10.87	1.96	0.194	0.846
Leadership	10.65	1.92	10.63	1.84	0.142	0.887
Periodical meeting	13.54	1.68	13.59	1.75	0.363	0.717
Group Coordination	13.79	1.54	13.48	1.75	2.231	0.026*
Fulfilling needs	12.96	2.46	12.98	2.37	0.093	0.926
Overall group cohesiveness	61.83	5.88	61.54	6.20	0.581	0.561

Note: * Denotes significant at 5 % level..

Table 7. *t*-test for the Significant Difference Between Occupational Status and the Dimensions of Group Cohesiveness

	Occupational status					
	Employed		Unemployed			
Dimensions of Group Cohesiveness	Mean	*SD*	Mean	*SD*	*t*-value	*p*-value
Unity	10.84	1.81	10.95	1.98	0.784	0.433
Leadership	10.53	1.89	10.86	1.78	2.229	0.026*
Periodical meeting	13.54	1.83	13.65	1.50	0.845	0.398
Group Coordination	13.48	1.78	13.76	1.50	2.065	0.039*
Fulfilling needs	12.86	2.46	13.19	2.26	1.170	0.088
Overall group cohesiveness	61.24	6.34	62.41	5.52	2.408	0.016*

Note: * Denotes significant at 5 % level.

Table 8. *t*-test for the Significant Difference Among Bank Account Holders and the Dimensions of Group Cohesiveness

	Bank Account Holder					
	Yes		No			
Dimensions of Group Cohesiveness	Mean	*SD*	Mean	*SD*	*t*-value	*p*-value
Unity	10.92	1.92	10.68	1.65	1.375	0.170
Leadership	10.65	1.86	10.60	1.88	0.245	0.807
Periodical meeting	13.62	1.71	13.38	1.78	0.457	0.648
Group Coordination	13.56	1.68	13.63	1.75	0.581	0.562
Fulfilling needs	13.00	2.38	12.87	2.46	1.014	0.311
Overall group cohesiveness	61.75	6.05	61.16	6.29	1.375	0.170

Note: * Denotes significant at 5 % level.

dimensions of group cohesiveness and group coordination. The mean value of 'group coordination' (13.79) was higher in 'joint family system' than that of 'nuclear family (13.48).

It is evident from Table 7 that the calculated *p*-value was less than 0.05, and the null hypothesis is rejected at 5% level of significance. Therefore, there is a significant difference between respondents who were employed and unemployed with dimensions such as leadership, group coordination, and overall group cohesiveness. This means that

the score of unemployed members reflects through higher faith in their leadership of group animator and results in better group coordination.

Table 8 compares the respondents (bank account holders) with reference to their group cohesion. It is inferred that since *p*-value was more than 0.05, the null hypothesis has been accepted. Hence, there is no significant difference among the respondents who have bank account and dimensions of unity group cohesiveness and overall group cohesiveness.

It is inferred from Table 9 that with respect to the periodical meeting and fulfilling needs, the calculated *p*-value is less than 0.01, the null hypothesis is rejected at 1% level of significance; hence, there is a significant difference between opening of bank account before and after joining the group with reference to fulfilling the members' needs. The mean score (13.30%) of opening a bank account after joining the group is higher than before joining (12.55%) the WSHG. The calculated *p* value was less than 0.05, significant at 5% level, and the hypothesis is rejected with indication to periodical meetings.

From Table 10 it is inferred that the calculated *p*-value was less than 0.01, and so, the null hypothesis is rejected at 1% level of significance; hence, there is a significant difference between family members having a bank account and fulfilling the members' needs, and overall group cohesiveness. The mean score of family members not having a bank

Table 9. *t*-test for Significant Difference Between the Periods of Opening Bank Account and the Dimensions of Group Cohesiveness

	Periods of opening bank account					
	Prior to joining the group		After joining the group			
Dimensions of Group Cohesiveness	Mean	*SD*	Mean	*SD*	*t*-value	*p*-value
Unity	10.93	1.95	10.92	1.90	0.107	0.915
Leadership	1.59	2.06	10.68	1.71	0.601	0.548
Periodical meeting	13.81	1.41	13.49	1.88	2.189	0.029*
Group Coordination	13.49	1.74	13.60	1.64	0.775	0.439
Fulfilling needs	12.55	2.63	13.30	2.15	3.666	<0.001**
Overall group cohesiveness	61.38	5.69	61.99	6.28	1.177	0.240

Note:* * Denotes significant at 1% level.

* Denotes significant at 5 % level.

Table 10. *t*-test for the Significant Difference Between Family Members' Bank Account and the Dimensions of Group Cohesiveness

	Family members having bank account					
	Yes		No			
Dimensions of Group Cohesiveness	Mean	*SD*	Mean	*SD*	*t*-value	*p*-value
Unity	10.82	1.81	10.99	1.99	1.108	0.268
Leadership	10.54	1.81	10.85	1.96	2.028	0.043*
Periodical meeting	13.49	1.82	13.75	1.48	1.838	0.067
Group Coordination	13.51	1.81	13.71	1.40	1.452	0.147
Fulfilling needs	12.76	2.54	13.43	1.97	3.453	0.001**
Overall group cohesiveness	61.13	6.49	62.73	4.99	3.246	0.001**

Note:* * Denotes significant at 1% level.

* Denotes significant at 5 % level.

account (13.43) is higher than the mean score (12.76) of family members having a bank account. However, the calculated *p*-value was less than 0.05, and the null hypothesis is rejected at 5% level of significance. Hence, there is a significant difference between family members of SHGs having bank account and leadership.

As per the analysis shown in Table 11, it is inferred that since *p* value was less than 0.01, the null hypothesis is rejected at the significance level of 1%; hence, there is a significant difference between the status of *animators* who are entrepreneurs and their role in fulfilling needs of members. The mean value 13.22 in respect of the *animator* being an entrepreneur is higher when compared to the mean (12.45) of animators who are not entrepreneurs. However, the calculated *p*- value is less than 0.05; the null hypothesis is rejected at 5% level of significance in the case of the status of the animator being an entrepreneur and overall group cohesion.

From Table 12 it is inferred that 417 out of 700 respondents, that is, 59.6% were doing business. Among the

Table 11. *t*-test for the Significant Difference Between Animator Being an Entrepreneur and the Dimensions of Group Cohesiveness

	Animator Being an Entrepreneur					
	Yes		No			
Dimensions of Group Cohesiveness	Mean	*SD*	Mean	*SD*	*t*-value	*p*-value
Unity	10.89	1.78	10.84	2.05	0.310	0.756
Leadership	10.62	1.79	10.67	2.00	0.350	0.726
Periodical meeting	13.61	1.65	13.50	1.87	0.817	0.414
Group Coordination	13.65	1.55	13.42	1.96	1.675	0.094
Fulfilling needs	13.22	2.15	12.45	2.77	4.051	<0.001**
Overall group cohesiveness	61.99	5.43	60.88	7.24	2.264	0.024*

Note: ** Denotes significant at 1% level.

* Denotes significant at 5 % level.

Table 12. Economic Activity of Respondents

Group	Frequency	%
Entrepreneurial Activity		
Doing Business	417	59.60
Not doing business	283	40.40
Total	**700**	**100.00**
Future intension of members not doing business		
Propensity of becoming an entrepreneur	211	74.60
Not willing to becoming an entrepreneur	72	25.40
Total	**283**	**100.00**

remaining 283 respondents, 74.60% had the propensity to do business in future, and the balance 25.40% did not intend to do any business and expressed different factors as barriers to their aspiration of becoming entrepreneurs. The majority of the respondents were micro-entrepreneurs and prospective entrepreneurs as well.

It can be observed from Table 13 that 12.30% of the respondents are illiterates, 23.10% of the respondents have studied upto primary school, 29.90% of the respondents have completed high school, and 25.7% of the respondents have completed either Higher Secondary school or are Diploma holders. Only 9% of the respondents are graduates. As far as occupational status is concerned, out of 700 respondents, 233 respondents (33.29%) were unemployed and the remaining 467 respondents were employed. Of the total sample taken for the study, 51.43% of the respondents were

daily wage earners and were not having permanent employment. 12.86% of the respondents were employed, with private firms, and 2.43% were employed with government institutions. These demographic characteristics reveal that the majority of the beneficiaries from SHGs possess school level of education. The pressure of unemployment makes them part of WSHG system to meet emergency financial requirements. Besides, majority of the respondents were daily wagers who got an opportunity to access formal credit through group loans to learn soft skills.

Table 13. Demographic Profile of Respondents

Demographic Profile	Frequency	%
Educational Qualification		
Illiterate	86	12.30
Primary school	162	23.10
High school	209	29.90
H.Sc./ Diploma	180	25.70
Graduate	63	9.00
Nature of Employment		
Unemployed	233	33.29
Daily wages	360	51.43
Private sector	90	12.86
Government sector	17	2.43
Total	**467**	**100.00**

Table 14. Chi-Square Test for the Association Between Economic Activity and Human Settlements

	Human Settlements				
Group	**Rural**	**Urban**	**Total**	**Chi-Square value**	***p*-value**
Entrepreneurial activity					
Doing business	19	227	417	3.085	0.079
	(0)	(54.4)			
	(45.6)	[56.8]			
Not doing business	110	173	283		
	(38.9)	(61.1)			
	[36.7]	[43.2]			
Overall total	**300**	**400**	**700**		
Out of the respondents not doing business					
Propensity to become	83	128	211	0.076	0.783
entrepreneur	(39.3)	(60.7)			
	[75.5]	[74.0]			
Not willing to become	27	45	72		
entrepreneur	(37.5)	(62.5)			
	[24.5]	[26.0]			
Total	**110**	**173**	**283**		

Note: 1. The value within ( ) refers to row percentage
2. The value within [ ] refers to column percentage

From Table 14 it is inferred that there is no association between members doing business in rural and urban areas and their human settlements, and their willingness to do business. The latter does not have any association with human settlements. These have no significance at the 1% level. Therefore, the null hypothesis is accepted. The sample size for the study was 700, which comprised of 300 SHG members from rural areas, and 400 SHG members from urban areas. There were 63.3% of 300 rural respondents, and 56.8% of 400 urban respondents who did business. Therefore, the total respondents doing business were 417. Among the remaining 283 respondents, there were 75.5% of rural respondents comprising 110 members, and 74.0% urban respondents comprising of 173 members willing to undertake business in future.

From Table 15 it is inferred that the factors of entrepreneurial profiles such as 'commencement of business', 'forms of business', 'year of establishment of the business', 'reason for selection of product', 'investment made in the business, and the 'loan amount availed from WSHG' do have an association with reference to their human settlements and they are significant at 1% level. Hence, the null hypothesis is rejected. In the case of nature of business undertaken by the members, it is significant at 5% level. Therefore, the null hypothesis is rejected. However, the factor 'generation doing business' is not associated with human settlement. In this case, the null hypothesis is accepted.

As far as commencement of business is concerned, 63.2% from rural, and 48.90 % from urban areas venture into business after becoming group members. This is due to the existence of higher economic pressure in rural families than those in urban areas. As far as the reason for selecting the product is concerned, 24.2% from rural, and 16.7% from

Table 15. Chi-square Test for the Association Between Profile of Entrepreneurial Members in Types of Human Settlements

	Human Settlements				
Entrepreneurial Profile	**Rural**	**Urban**	**Total**	**Chi- Square Value**	***p*-value**
		Generation Doing Business			
First	146	158	304	4.036	0.133
	(48.0)	(52.0)			
	[76.8]	[69.6]			
Second	28	51	79		
	(35.4)	(64.6)			
	[14.7]	[22.5]			
Third and above	16	18	34		
	(47.1)	(52.9)			
	[8.5]	[7.9]			
		Commencement of Business			
Prior to joining	70	116	186	8.511	0.004**
	(37.6)	(62.4)			
	[36.8]	[51.1]			
After joining	120	111	231		
	(51.9)	(48.1)			
	[63.2]	[48.9]			
		Reason for Selection of Product			
Family business	46	38	84	21.165	<0.001**
	(54.8)	(45.2)			
	[24.2]	[16.7]			

Training attended	69	97	166
	(41.6)	(58.4)	
	[36.3]	[42.7]	
Prior experience	32	54	86
	(37.2)	(62.8)	
	[16.8]	[23.8]	
Encouragement by group	43	28	71
	(60.6)	(39.4)	
	[22.7]	[12.4]	
Others	0	10	10
	(0.0)	(100.0)	
	[0.0]	[4.4]	

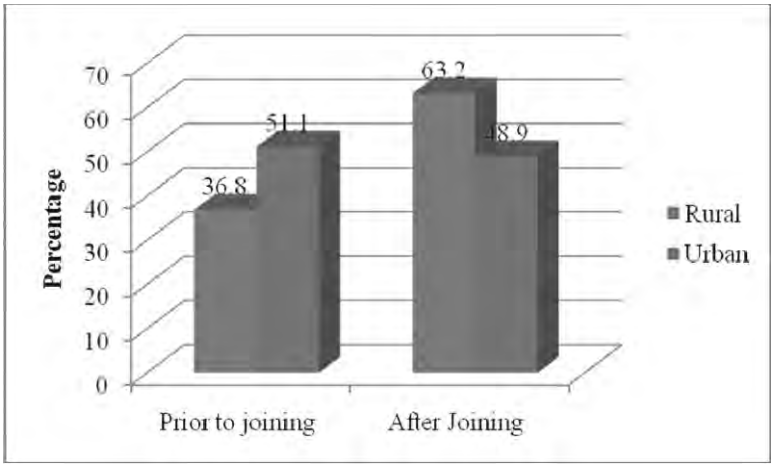
Note: 1. The value within ( ) refers to row percentage

2. The value within [ ] refers to column percentage

** Donates significant at 1% level

* Donates significant at 5% level

Figure 1. Commencement of Business



urban settlements stated that the reason for the choice of the product was related to their family business. The encouragement from groups made an impact on 22.7% of the rural respondents, and on 12.4% of urban respondents in selecting their products for business.

The rural WSHGs encouraged more members to become entrepreneurs when compared to urban WSHGs (Figure 1). From Table 16 it is inferred that almost 100% of groups had undergone general training, whereas, only around 90% of groups attended training related to book keeping. The third stage of training related to economic activities was attended by 60% to 65% of groups. There is no significance at the level of 1%. Hence, the null hypothesis is accepted with respect to all the three types of trainings.

Nearly 35.0% of the respondents from rural areas, and 39.3% of the respondents from urban areas were yet to

Table 16. Chi- square Test for the Association Between Training Undergone and Types of Human Settlements

Group	Human settlements			Chi- Square value	*p*-value
	Rural	Urban	Total		
			Type 1 - General		
Yes	299	392	691	3.752	0.053
	(43.3)	(56.7)			
	[99.7]	[98.0]			
No	1	8	9		
	(11.1)	(88.9)			
	[0.3]	[2.0]			
			Type 2 - Book Keeping		
Yes	263	356	619	0.298	0.585
	(42.5)	(57.5)			
	[87.7]	[89.0]			
No	37	44	81		
	(45.7)	(54.3)			
	[12.3]	[11.0]			
			Type 3 - Economic activities		
Yes	195	243	438	1.322	0.250
	(44.5)	(55.5)			
	[65.0]	[60.8]			
No	105	157	262		
	(40.1)	(59.9)			
	[35.0]	[39.2]			
Total	300	400	700		

Note: 1. The value within ( ) refers to row percentage

2. The value within [ ] refers to column percentage

* Donates significant at 5% level

undergo training related to economic activities. Hence, there was a need to improvise the existing system of training criteria to promote micro-entrepreneurs through WSHGs.

In rural settlements, unity among members of the groups has association with 'perceived desirability', 'perceived action', 'feeling towards entrepreneur' and 'overall micro entrepreneurship', which are significant at 1% level as shown in Table 17. 'Periodical meeting' is positively associated with 'perceived desirability'; 'feeling towards entrepreneur', and 'overall micro-entrepreneur' are significant at 1% level.

Group coordination is also associated with 'perceived desirability', 'perceived action', 'creativity', 'feeling towards entrepreneur', and 'overall entrepreneurship', which are significant at 1% level. 'Overall group cohesion' is significantly associated with 'perceived desirability', 'perceived action', 'feeling towards entrepreneur', and 'overall entrepreneur' which are significant at 1% level.

The leadership quality of the group animator influences its members 'to start business and become entrepreneurs', and is significant at 5% level. 'Periodical meeting' has association with 'perceived action and creativity' which are significant at 5% level. 'Overall factors' of group cohesion do have a greater impact on its members to become entrepreneurs.

In urban settlements, the correlation between 'group cohesion', and 'entrepreneurial propensity' is shown in

Table 18. The fulfillment of the needs of the members, which is one of the factors of group cohesion has an association with 'feeling towards the entrepreneur', and also with overall entrepreneurial propensity, and is significant at 1% level. Similarly, the overall cohesion is positively associated with 'perceived action', 'feeling towards entrepreneur', and 'overall entrepreneur propensity', which are significant at 1% level.

As far as unity is concerned, having an association with 'perceived action' and 'periodical meeting' has a positive association with impulse towards becoming an entrepreneur. 'Fulfilling needs' of the members of SHGs is positively associated with 'creativity' and is significant at 5% level.

Table 17. Pearson Correlation Coefficients Between Group Cohesiveness and Entrepreneurial Propensity (Rural)

	Entrepreneurial Propensity					
Dimensions of group cohesiveness	**Perceived Feasibility**	**Perceived Desirability**	**Perceived to Act**	**Creativity**	**Feeling Towards Entrepreneur**	**Overall**
Unity	0.077	0.289**	0.306**	0.201	0.362**	0.393**
Leadership	0.024	0.105	0.186	0.019	0.251*	0.202
Periodical meeting	0.064	0.310**	0.264*	0.228*	0.521**	0.459**
Group coordination	0.175	0.373**	0.317**	0.232**	0.528**	0.526**
Fulfilling needs	0.014	0.258*	0.233*	0.169	0.277*	0.325**
Overall	0.040	0.318**	0.304**	0.205	0.454**	0.449**

Note: * Donates Correlation is significant at the 0.05 level (2-tailed).

** Denotes Correlation is significant at the 0.01 level (2-tailed).

Table 18 . Pearson Correlation Coefficient Between Group Cohesiveness and Entrepreneurial Propensity (Urban)

	Entrepreneurial Propensity					
Dimensions of group cohesiveness	**Perceived Feasibility**	**Perceived Desirability**	**Perceived to Act**	**Creativity**	**Feeling Towards Entrepreneur**	**Overall**
Unity	0.086	0.080	0.194*	0.073	0.145	0.123
Leadership	0.037	0.005	0.098	0.037	0.117	0.086
Periodical meeting	0.105	0.112	0.162	0.006	0.180*	0.129
Group coordination	0.058	0.076	0.119	0.140	0.115	0.169
Fulfilling needs	0.163	0.158	0.210*	0.212*	0.343**	0.348**
Overall	0.115	0.097	0.289**	0.187*	0.346**	0.332**

Note: * Donates Correlation is significant at the 0.05 level (2-tailed).

** Denotes Correlation is significant at the 0.01 level (2-tailed).

Limitations of the Study

Following were the limitations of the study:

1. The study was conducted in the selected representative districts of Tamil Nadu only considering the concentration of WSHGs in these districts.

2. The degree of literacy among women WSHG members was found to be very low. Their inability to respond to some

questions was a limitation.

Suggestions and Conclusion of New Model

The basic objective of SHG-Bank linkage program is to provide access to banking and thereby, economic empowerment of women. In this process, banker through NGOs or government body gives training on entrepreneurial aspect so that the loan extended to the group will be helpful in creating permanent assets and later, the members will have regular income. The existing training model could bring all the members for training related to economic activity. Therefore, the existing model needs improvement to focus more on left out members who are not interested in joining economic activity.

The proposed model (Appendix 2) examines the degree of entrepreneurial culture among WSHGs. The members' entrepreneurial profile and the nature of training undergone are taken as the base data. The members have been grouped according to their entrepreneurial background such as existing micro-entrepreneurs (Group 1), members with entrepreneurial propensity (Group 2), and members who do not have an inclination towards entrepreneurship (Group 3). Factors such as 'entrepreneurial sensitivity', 'community coordination', and 'individual initiatives' were taken as influencing factors of the first group. In case of group 2, the factors such as 'perceived desirability', 'propensity to act', 'perception of feasibility', 'creativity', and 'attitude towards entrepreneurship' were studied. In the homogenous group 3, barriers like 'lack of motivation', 'market knowledge', 'financial and time constraints', and 'social stigma' are taken as the most influential factors.

After grouping the members into homogeneous target groups, the objectives of the training materials was designed accordingly. In group 1, the focus may be on developing managerial skills, and tie-up with corporate entities. In group 2, orientation may be towards developing multi-skills, and knowledge on starting a business. For the members belonging to group 3, the material focuses on motivation and periodical interaction with successful women-entrepreneurs. The overall factors influencing the cohesiveness of the group are also taken into account for the study. The above methodology of preparing training according to members' entrepreneurial background can create an entrepreneurial society at the grassroots level.

Scope For Further Study

This study was conducted with a focus on entrepreneurial skills among women self help groups. A similar study can be conducted on the success of joint liability group, and its function among women self help groups.

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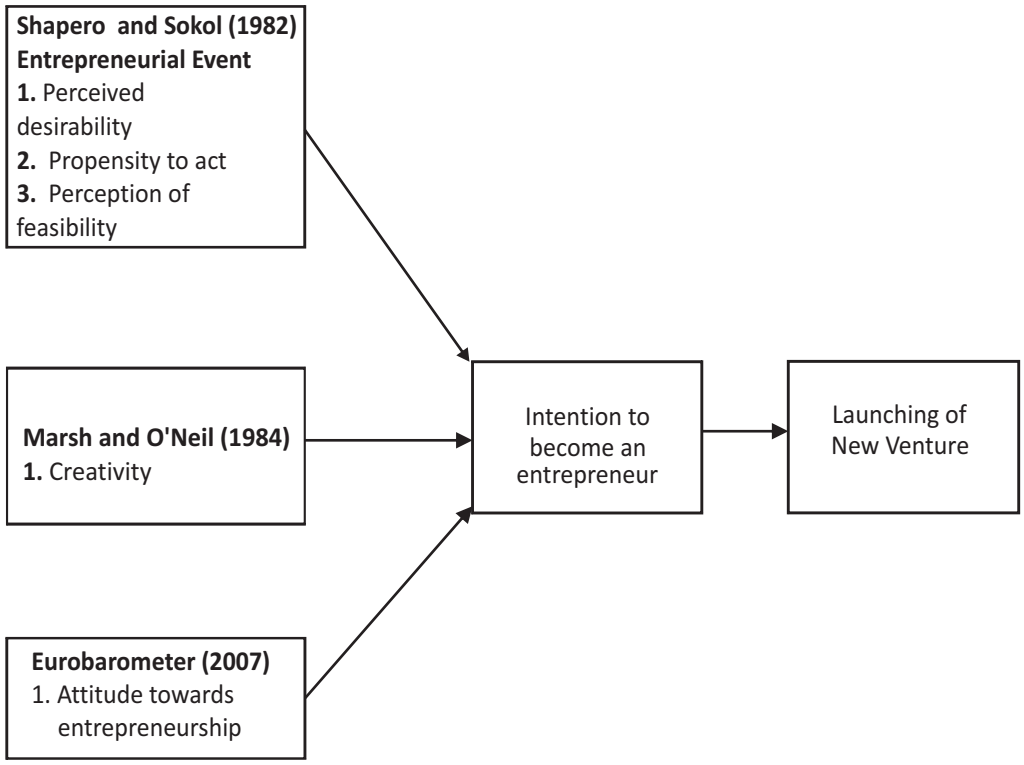
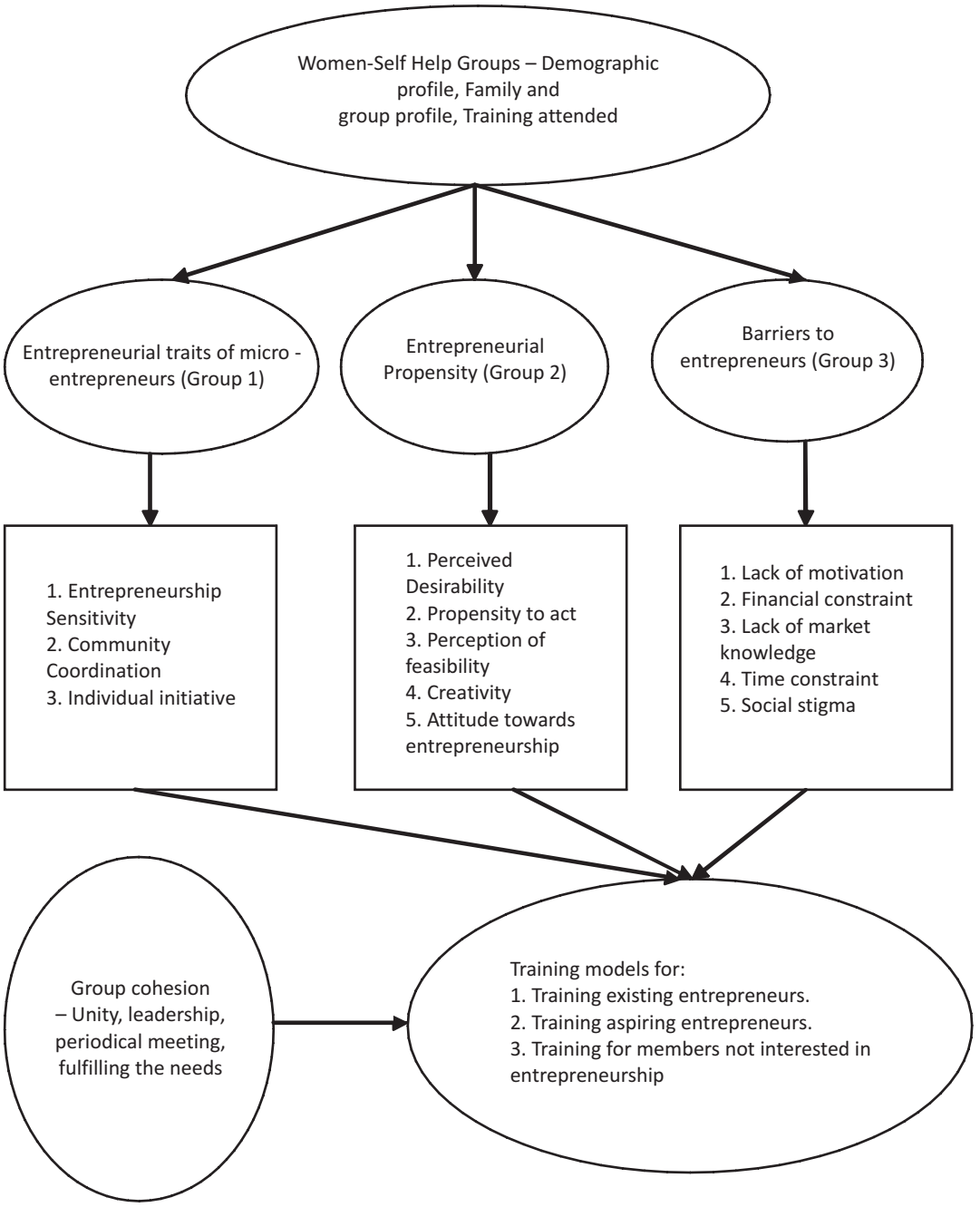
Appendix 1.

Entrepreneurial Event Model By Shapero and Sokol (1982), Marsh and O'neil (1984) and Eurobarometer (2007)



Appendix 2.

Proposed Model for Entreneurship Development Among Women Self Help Groups



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