

DETERMINANTS OF ENTREPRENEURIAL ASPIRATIONS AMONG MEMBER OF SELF HELP GROUPS - EVIDENCE FROM JEEVIKA*

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Abstract

This study examines relationship between social entrepreneurship attitude and socio-economic factors of members of SHGs. Data is collected using interview schedule of 180 members of oldest SHGs from three different districts of Bihar. Social entrepreneurship attitude is broadly measured in seven aspects on Likert scale. Individual member of SHGs were unit for our study. This data was analysed through regression and correlation analysis. The finding suggests that social entrepreneurship attitude is significantly related with number of productive assets, age of SHGs, Land size, total loan taken from SHGs and leadership. These finding have implications over promoter agencies must give assistance for procuring more productive assets and rented land enabling them to engage in more business activities.

INTRODUCTION

Entrepreneur word is used for business context, these are the person involved in using creative and innovative ideas in making profit. The Government of India has defined a women entrepreneur is “an enterprise owned and controlled by women saving a minimum financial interest of 51 per cent of the employment generated in the enterprise to women”.

SHGs are also helping women to get entrepreneurship qualities with the help of activities undertaken within it. Women, after joining the SHGs are more confident in interacting with new people. These women are slowly learning to be self-reliant in doing income generating activities which has impact on their family’s education and health. SHGs has more potential of socio-economic change and development of procedural and financial discipline among its members (Shah et al. 2007). The SHGs has targeted women workforce as the beneficiaries under various poverty

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*This paper was prepared during our stay as intern at JEEVIKA. We are thankful for BRLPS for assistance during data collection

reduction programs (Lavoori and Paramanik 2014; Manohar 2015). In India, the SHGs encourages poor women from rural areas to join SHG for savings, facilitating inter-lending among the group members, and accessing collateral-free loans from banks (Panda; 2009). A study conducted in six states, including Andhra Pradesh and Karnataka in the south, Orissa in the east, Maharashtra and Uttar Pradesh in the central region, and Assam in the northeast of India, reveals better performance of SHGs in terms of per-capita savings, loan recovery (Parida and Sinha 2010). The SHGs were found sustainable as women were more focused and united, adhere to basic objectives of groups, utilize the borrowed funds for productive activities, and concerned about the well-being of their children and family members.

The SHGs play a major role in achieving a sustaining livelihood by facilitating the rural women to enter into entrepreneurial activities. Entrepreneurial characteristics are found through a combination of various social, economic and psychological factors to which the person becomes subjected to right from childhood. Academic excellence is pre-requisite for becoming a successful entrepreneur (Dr. R selvakumar, 2016). Socio-Economic conditions like Educational status, Caste, Member's age, land status had significant impact on entrepreneurship qualities. Other behavioural factors may include innovativeness, planning, risk taking, leadership, decision making, motivation, cosmopolitan outlook, information seeking goal achievement and Self-confidence.

Entrepreneurship amongst women has been a recent concern. However it is observed that the development of women entrepreneurship is very low in India, especially in the rural areas. Previously done studies had aimed to find out impact of SHGs on the social entrepreneurship attitude.

Our study aims to find out relationships between entrepreneurship aspirations and socio-economic conditions of SHGs members.

Entrepreneurship aspirations was measured with seven different aspects which includes self-confidence, creativity, locus of control, ambiguity tolerance etc. Socio-economic conditions of members were measured with aspects like land holding, Educational status, loan- outstanding, gender, leader/non-leader etc.

This study broadly measure social entrepreneurship attitude with wider context. Concept of Correlation and Regression were used in our assessment procedure.

METHODS

Individual member of SHGs were unit for our study. Our sample consist of 180 women member of SHGs from three different blocks namely SaurBazar , Majhaulia and Sheikhpura from three different districts Saharasa, Paschim champaran and Sheikhpura from state of Bihar. 60 women SHGs members were selected from oldest SHGs of different village from different panchayat of each blocks. SHGs were chosen purposively solely on the basis of date of formation to get a representative sample.

Two focus group discussions were conducted in Saharasa in order to know about the basic functioning of SHGs. These FGDs were with both open ended

and closed ended questions. Those questions are as follow:-

- Why you have joined SHG? Please narrate the story of your journey from beginning till now.
- Please highlight the key achievements and motivations/ aspirations for being into SHGs.
- Please highlight the key opportunity, constraints and challenges for making the group effective.
- Is there any role of federations for making the effectiveness of SHGs? If yes, please highlight the important function of federation for sustaining the SHG's function.

In FGDs we found out the aspect to be tested. A detailed interview schedule was prepared. Social entrepreneurship attitude was measured with questions on Likert scale. These were qualitative data used in better understanding of social entrepreneurship attitude in members. FGDs were conducted to see member's aspirations towards social entrepreneurship attitude. Secondary data was collected from journals, publications and office orders of JEEViKA. Audit reports of Village organisation, Block profile provided by BPIU, and Books of records of SHGs were main source of data collection.

Data was filtered and important variable were chosen for study.

Correlation and regression analysis was used for our study.

SAMPLE PROFILE

S. No	Socio-economic characteristics	Frequency
1.	Caste categories	
	General	16
	Other backward class(OBC)	96
	Scheduled caste(SC)	68
2.	Member's Age (age group)	
	20-39	87
	40-59	67
	60 & above	28
3.	Age of SHG (in months)	
	20-59	80
	60-79	70
	80 & above	30
4.	Type of family	
	Nuclear	141
	Joint	39
5.	Education	
	Illiterate	132
	Primary	17
	Middle	10
	High School	14
	Intermediate	6
	Graduate	1
6.	Land Size (in Kattha)	
	0-4	104
	5-19	55
	20-59	15
	60 & above	5
7.	Total Loan Taken (in Rs.)	
	0-39999	142
	40000-79999	34
	80000 & above	4
8.	No. of Productive Assets	
	0-3	165
	4 & above	15
9.	Occupation	
	Agricultural Labour	12
	Petty Shop	42
	Business	2
	Non-agricultural Labour	62
	Agriculture	57
	Services	5

Above table shows the summary Socio-Economic indicators. Basically this table summarises our data on different variables.

Block-wise Loan Analysis

Name of Block	Number of SHG	Number of Members	Average loan size	Average Frequency of Loan	Average loan taken for Production	Average loan taken for Consumption
Saur Bajar	6	60	24669.67	4.8	21823	5708.33
Majhaulia	6	60	26660.2	3.75	9387.2727	17990.9
Sheikhpura	6	60	25491.52	3.73	12966.94	12524.57

The above table shows Block-wise profile of our sample. We can see that Average loan size, Average frequency of loan is more or less similar in all three blocks. They do differ in the Average loan taken for consumption and production. In Saur Bajar, average loan taken for consumption is pretty low with respect to production. But in Majhaulia, the trend is just opposite. And in Sheikhpura it is comparable.

Results

1. Correlation result

Correlation Table

Correlations																	
	CSE	PA	DR	PO	ED	AS	AM	CLO	PS	SS	AmbT	SC	CRTY	LOC	RTP	LS	TILT
CSE	1	.360**	-.017	.105	-.204**	.449**	-.047	.090	.608**	.845**	.896**	.838**	.689**	.233**	.759**	-.171*	.185*
PA		1	-.082	.283**	-.101	.224**	-.025	-.093	.296**	.304**	.328**	.362**	.085	.054	.314**	-.013	-.019
DR			1	-.086	-.067	-.078	-.073	-.042	-.128	-.081	-.020	-.083	.117	.234**	-.045	-.149*	-.107
PO				1	-.074	.082	.037	-.094	.116	.045	.145	.181*	-.107	-.035	.125	.019	-.019
ED					1	-.129	-.103	.096	-.042	-.162*	-.182*	-.161*	-.073	-.183*	-.216**	.160*	.055
AS						1	-.034	.087	.273**	.282**	.367**	.574**	.186*	.007	.421**	-.180*	.085
AM							1	-.109	-.033	-.021	-.106	-.043	-.044	.078	-.024	.227**	.008
CLO								1	.131	.058	.093	.063	.128	-.034	.005	.059	.682**
PS									1	.502**	.554**	.515**	.244**	-.114	.358**	-.010	.192**
SS										1	.763**	.614**	.521**	.050	.581**	-.160*	.124
AmbT											1	.750**	.511**	.056	.632**	-.152*	.209**
SC												1	.423**	.065	.565**	-.154*	.109
CRTY													1	.263**	.471**	-.027	.236**
LOC														1	.138	-.166*	-.083
RTP															1	-.167*	.116
LS																1	.267**
TILT																	1

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

In the above correlation table Above Correlation table we have Number of Productive assets (PA), Dependency ratio (DR), Primary Occupation (PO), years of formal education (ED), age of SHG (AS), Member's age (AM), Cumulative loan outstanding from Informal sources (CLO), Land size (LS) and Total loan taken from SHG (TLT) as independent variable whereas we have Composite Score of Social Entrepreneurship Attitude (CSEA) as dependent variable. CSEA is measured as the average of seven different dependent variables namely Personal Satisfaction (PS), Self-sufficiency (SS), Ambiguity tolerance (AmbT), Self-confidence (SC), Creativity (CRTY), Locus of control (LOC) and Risk taking Propensity (RTP). Above result suggest significant correlation between some of our independent and dependent variables. Social entrepreneurship attitude, which we have measured as composite score of seven different variables, is significantly correlated with number of productive assets, years of formal Education and age of SHG. Personal satisfaction is positively and significantly correlated with number Productive Assets and Age of SHG. Self-sufficiency is positively and significantly correlated with number Productive Assets and Age of SHG. It is also negatively and significantly correlated with years of education. The second inference is a bit contradictory because we expect that years of education should impact Self-sufficiency positively. However we can justify this because our data is skewed, most of our SHG members are illiterate and very few of them are educated. Ambiguity tolerance is positively and significantly correlated with number Productive Assets, Years of Education and Age of SHG. Self Confidence is positively and significantly correlated with number Productive Assets, Age of SHG, Primary occupation and member's age. It is also negatively and significantly correlated with years of education. Average creativity is positively and significantly correlated with Member's Age. Locus of Control is positively and significantly correlated with dependency ratio and age of SHG. Risk taking propensity is positively and significantly correlated with number Productive Assets and Age of SHG. It is also negatively and significantly correlated with years of education.

2. Regression Result from OLS estimation

Regression result

Composite Score of Social Entrepreneurial Attitude	Coefficient	Standard Error	t-value	P-value
No of productive Assets	.0704504***	.016083	4.38	0.000
Dependency Ratio	.0084454	.0130318	0.65	0.518
Years of Formal Education	-.0219795	.0140125	-1.57	0.119

Age of SHG	.0084841***	.0017534	4.84	0.000
Member's Age	-.0006493	.0022077	-0.29	0.769
Cumulative Loan outstanding from Informal Sources	-0.00000216	3.38e-06	-0.64	0.523
Land size	-.0039528*	.0020131	-1.96	0.051
Total loan taken from SHG	0.00000425**	1.73e-06	2.46	0.015
Caste (SC/ST and Non-SC/ST)	.0021462	.058474	0.04	0.971
Office Bearer members	.1031534*	.0610008	1.69	0.093

***Significant at 0.001 level. (2-tailed test)

** Significant at 0.005 level. (2-tailed test)

* Significant at 0.01 level. (2-tailed test)

Number of productive assets (PA) has positive and significant relationship with Social Entrepreneurial Attitude (SEA). This suggests that as PA increases, SEA also increases with a factor of 0.07045. In other words, we can say that higher number of milch cattle leads to higher Social Entrepreneur Attitude. We have included the number of milch cattle in number of productive assets. Age of SHG has significant and positive relationship with SEA. This suggests us that older SHG has better SEA. As SHG grows older, they impart social entrepreneurial qualities in SHG members and due to that SEA increases. Land Size has negative and significant relationship with SEA. It means as land size increases, SEA decreases by 0.00395 times. Total loan taken from SHG has positive and significant relationship with SEA. This is also consistent with our theory. Members who take more loans has higher SEA. Other variables have no significant relationship with SEA.

Discussion

Our analysis of data suggests that we have significant and positive relation of Social entrepreneurship attitude with number of productive assets. Here number of productive assets is nothing but number of Cows, Buffaloes and Goats. It means that livestock is the easiest and popular income generating activity for SHG members. And this finding seems pretty obvious because rural women, who are the members of our SHGs, already have those skill sets which are required for this income generating activity. Although during our interaction with SHG members, we came to know that some of the members want to purchase livestock

but they don't have place to keep them. This shows the problems that they face due to landlessness.

Age of SHG is also significantly and positively related with social entrepreneurship attitude. This means that as SHG grew older and older, it imparts entrepreneurial attitude to members. It imparts financial discipline and encourage them to do income generating activity. With time SHG members became self-confident, Self-sufficient and creative. They want to take things in their own hand and not depend on others. They take their own decisions by their learning's from SHGs.

Co-efficient of land size is negative suggesting inverse relationship between Land size and social entrepreneurship attitude. It means as land size increases social entrepreneurship attitude decreases. It means people who have no or very little land are more curious to look for new income generating activity, whereas people who have much land are busy in maintaining their land and not look for new income generating activities. Landless members have nothing to lose so they take more risk with respect to other members. But we cannot say this for sure because our data is skewed and more than half (58%) of our members have land between 0-5 kattha.

We dig a little deeper and try to find any significant difference, if there is any, in the behaviour of leader and non-leader members as well as between SC/ST and Non SC/ST. First we will talk about the difference in the behaviour of leader and non-leader members and then SC/ST and non-SC/ST. In former case, we found that our composite score is not significantly different in the case of former. However dependency ratio is significantly lower in the case of leaders with compare to non-leaders. Low dependency ratio give them time and space to to follow their role as leader. Total loan taken is also significantly higher in the case of leaders with respect to non-leaders. Also when we compare the individual score of entrepreneurship attitude for leaders and non -leaders then we see significant difference in the ambiguity tolerance and creativity. In both these variables leaders scored significantly higher than non-leader members. Table related to this analysis is included in annexure.

In later case of SC/ST and non-SC/ST, we see that dependency ratio and locus of control are significantly higher for SC/ST members than non-SC/ST members. Dependency ratio is higher because of higher family size in the case of SC/ST members. Also Land size is significantly lower in the case SC/ST with respect to non-SC/ST members. Average land size for SC/ST members is 2.994 Kattha whereas same is 10.276 in the case of non-SC/ST members.

Apart from that we observe a very important thing. It was Social Awareness about government scheme is one of the various positive externalities that were created in this whole process. Earlier those women

who did not use to take their husband name due to social dogma, now they can talk frankly to any stranger. They are also very aware regarding health and education.

Conclusion

We observed that number of productive assets, Age of SHG, Land size and Total loan taken show significant relationship with social entrepreneurial attitude. Talking about the symbol of co-efficient, except land size all other variables show positive relationship with social entrepreneurial attitude. Social entrepreneurial attitude didn't vary significantly between SC/ST members and non-SC/ST members.

However, it did vary between Leader and non-leader members. During our interaction with SHG members we also came to know the fact that some of members are so popular in their areas that they contested for Panchayat Samiti elections. Members have shown their participation in government various social awareness programmes. SHG provide a nice platform for at least some of the members who really want to do something to enhance their standard of living.

There are also some limitations to SHGs. Some of SHG members are only working as credit intermediary. Instead of doing some income generating activity they are providing their family with cheap source of credit. Some of the members see SHGs as cheap source of credit.

There are evidences that show that casteism is still prevalent in our society. Due to casteism, non-SC/ST members of a SHG do not indulge in small income generating activities like livestock. Although they are able to do income generating activity but due to social dogma of casteism they see these activities as an activity for lower caste. Also due to some personal feud members of a group are divided in two sections. And it was hard for the Community mobiliser to held regular meetings.

Financial constraints are also a major problem for maintaining SHGs. Some of the members who were leaders for a long time dominate the group decisions. So leadership rotation is very important in SHGs to maintain the balance.

Policy Implementation/Recommendation

Due to wrong design of Incentives, members are taking loans from SHG as some grant. There be some awareness program that tells them that it is not a grant and members need to repay these loans. There should be some monitoring of the loan that members take from SHG. So that it can be tracked. There should be someone who ensures that loan is rightly utilised. Members should be trained so that they can hold the meetings regularly. Leadership should be rotated regularly because it will make Office bearers more powerful and they will dominate group decision. Hence, leadership rotation is crucial. In case of disagreement and conflict between group members, there should be some mechanism to resolve

those conflicts internally. Livestock is a sector where they can do much better because they have required skill set and resources to do those activities. In rural areas they see Cows and buffaloes as fixed deposits which will give some income on regular basis. Also they consider Goats as ATMs, whenever they need money they can sell them to near buy shops and get some money. We should encourage members to do those things which they already know and in which they have some comparative advantage.

ANNEXURE

Leader Vs Non-Leader

Name of variables	Leader Mean	Non-leader Mean
Composite Social Entrepreneurship Attitude	2.024	1.9242
Number of Productive Assets	13061	1.7251
Dependency Ratio	3.3741**	4.0947**
Years of Formal Education	0.3877	0.8778
Age of SHG	60.8775	61.748
Member's Age	42.652	41.2977
Cumulative Loan Outstanding from Informal Sources	8653.061	7117.557
Total Loan taken form SHG	32203.675**	22440.46**
Land Size	8.9591	6.9637
Average Need of Achievement	2.3367	2.3549
Average Self-Sufficiency	1.852	1.7290

Average Ambiguity Tolerance	2.0765**	1.8187
Average Self Confidence	2.1478	2.0820
Average Creativity	1.5458**	1.3358**
Average Locus of Control	2.2764	2.3282
Average Risk taking Propensity	1.9387	1.8206

SC/ST vs Non SC/ST SHG mebers

Name of Variable	SC/ST Mean	Non-SC/ST Mean
Composite Social Entrepreneurship Attitude	1.9297	1.9646
Number of Productive Assets	1.6469	1.5892
Dependency Ratio	4.3553**	3.6212**
Years of Formal Education	0.6029	0.8303
Age of SHG	56.2647**	64.6964**
Member's Age	40.1323	42.8660
Cumulative Loan Outstanding from Informal Sources	6507.353	8159.821
Total Loan taken form SHG	23413.235	26121.25
Land Size	2.9448**	10.2767**
Average Need of Achievement	2.3271	2.3638
Average Self-Sufficiency	1.6948	1.8035
Average Ambiguity Tolerance	1.9006	1.8816

Average Self Confidence	1.9963	2.1629
Average Creativity	1.3823	1.3995
Average Locus of Control	2.4154**	2.25**
Average Risk taking Propensity	1.7904	1.8906

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