A Study of SHG as a Model of Social Entrepreneurship in Mayurbhanj District, Odisha

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Abstract

"Social entrepreneurship" refers to the process of combining resources and opportunity to address social problems. In order to combat poverty, marginalization, environmental degradation and the accompanying loss of personal integrity, social entrepreneurs focus on altering the institutions and behaviors that support these issues. They do this by creating business that is either for-profit or non-profit, but in both cases, their principal objective is to achieve long-lasting systemic change. Self Help Group (SHG) is an example of a strategy that tries to promote social entrepreneurship in rural area. SHGs encourage its members and assist social entrepreneurs in overcoming obstacles. SHG plays a crucial role in helping impoverished women to achieve a stable lifestyle. It is steadily proving to be among the most effective ways to fight poverty in rural India. Thus, there is no question that SHGs provide a forum for the promotion of social entrepreneurs. SHGs thus undoubtedly serve as a platform for the promotion of social entrepreneurs. In this light, the researcher has made an effort to investigate the elements that motivate women to join SHGs as a kind of social entrepreneurship in Myurbhanj district of Odisha. Discriminant analysis has been used to find out the influencing factors affecting women to get associated with SHG as means of social entrepreneurship. The study identified "Employment generation", "Gender Inequality" and "Social value creation" as the factors influencing women to be associated with SHG.

1. Introduction

Self Help Group (SHG) programs have proven to be successful in empowering women. SHG offers rural women financial resources, which encourages them to launch new startups and supports their innovative activities. In India, NABARD launched SHG in 1986–1987 But the actual work was done in 1991–1992, when SHG was connected to banks. In spite of its rising popularity, "social entrepreneurship" means different things to different people. Many people only associate social entrepreneurship with non-profit organizations that start for-profit or income-generating ventures. Some individuals use it to describe a person who establishes a non-profit organization. Others use it to refer to business people that incorporate moral responsibility into their operations (Roy, *et al.,* 2014). Though starting a social enterprise is frequently associated with becoming an entrepreneur; this is merely a narrow use of a term with a rich history. The main objective of social entrepreneurship is to include the people of a community for the development of the society (Alvarez, and Barney, 2007). Self-Help Groups are one such system that aims to push social entrepreneurship in many ways. SHG helps social entrepreneurs to overcome challenges by offering support to its members, particularly in rural India.

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SHG is a small, volunteer group of persons from rural areas, especially women from similar socio-economic backgrounds (Sarmah, *et al.,* 2012). It gives rural women access to financial resources, which encourages them to initiate new small companies and supports entrepreneurship. Through self-help and mutual assistance in the SHG, they join with each other to address their problems (Bharathi, and Masthani, 2014)**.** On the basis of equality and trust-building, they engage in economic activities including credit and usage of shared resources. SHG has been viewed as opportunities for financing and saving (Dogra, 2002). Indian government is undertaking several measures to move forward women's status and to raise their financial situation. A successful program to raise the standard of women is the Self Help Group (SHG). SHG significantly contributes to attain a sustainable way of life for poor women by assisting rural women in starting their own businesses (Suja, 2012). It is gradually proving to be one of the most successful methods for combating poverty on a global scale. With this back drop, the researcher has tried to examine the factors influencing women to get associated with SHG as means of social entrepreneurship.

2. Review of Literatures

Over the past 20 years, the area of "social entrepreneurship" has been growing steadily. When the word "social entrepreneurship" is used in its widest sense, it refers to a variety of initiatives that combine business tools with social goals (Hockerts, 2017). So, social entrepreneurship is a component of a bigger cultural trend that seeks to balance morality and responsibility with commercial activities. The term "social entrepreneur" refers to an individual or a group of individuals who develop novel strategies for increasing the quality of life of the community. Social entrepreneurs employ a combined approach to accomplish their social goals (Ashraf, 2019). Social entrepreneurs are those who come up with the most creative answers and the urgent issues of the society. Because of their tenacious concentration, they provide innovative answers to critical societal problems. Instead of leaving it to the government or others, social entrepreneurs identify the problem,

collaborate to discover a solution and motivate the entire community to advance (Nyssens, 2006). It serves as a role model for encouraging women's economic growth in rural areas. Social entrepreneurship leads to financial prosperity, which is essential for sustainable development. They create novel strategies to raise money for societal improvement. It is the process of using original ideas to address social problems. In the present global environment, social entrepreneurship is needed in both urban and rural economies (Lanteri, 2015). It is seen as a plan for long-term expansion.

Women make a significant contribution to overall rural development. They apply their commercial acumen to every aspect of farming, from selling horticultural products to operating a dairy farm. When it comes to rural women's prosperity, the emphasis must be on developing the women by raising their levels of education, financial power and social conditioning (Desai, 2005). This is mostly accomplished through the formation of Self Help Groups, which encourage social entrepreneurship for the development of women community in rural area. SHG took the shape of social entrepreneurship and gained momentum from the 1980s when it came to discussion of rural development, women empowerment and poverty eradication. Self Help Groups make various attempts to advance social entrepreneurship (Kumaran, 2002). The idea of providing funding through SHGs is a very original approach to address and resolve the issues of employment and income in rural India. SHG is a means by which the less advantaged group in society may obtain official financial services at a very cheap cost and with little formality (Galab, and Rao, 2003).

SHG inspires its members while supporting social entrepreneurs in overcoming challenges, especially in rural India (Srivastava, 2005). Self Help Groups (SHGs) are voluntary organizations of women with the aim of achieving a common objective like creating social values, supporting widows and divorcees by increasing the financial conditions of rural women Rajasekaran, and Sindhu, 2013). Women with the same social background get together for a shared purpose to generate and manage funds for benefit of the members of the group (Horper, 2002). The introduction of this

concept aims to enable rural communities to become self-sufficient and engage in some type of income-generating activities and also encourage them to save more money (Suri, and Kaur, 2016). By working together, they also convince additional society members to join the SHG. Involvement in SHG not only helps them to cope with financial issues, but also allows them to start their own business and provide work for the neighboring communities (Gurumoorthy, 2000). The idea gained popularity as a result of its success and potential in alleviating poverty, reducing gender discrimination and women exploitation in rural India. SHGs are vital for fostering confidence and bringing sustainable livelihood among rural women who live in poverty (Bundela, *et. al.,* 2013).

Self Help Groups which support social entrepreneurship for the growth of the women's community in rural areas are primarily responsible for empowering women by increasing their levels of education, financial security and social conditioning. SHGs have taken the form of social entrepreneurship and try to promote social entrepreneurial activities in a variety of ways. It is a means by which the less advantaged group in society may obtain official financial services at a very cheap cost and with little formality. SHGs encourage their members, especially in rural India and assist social entrepreneurs in overcoming difficulties. Therefore, it is undeniable that SHGs provide a platform for the promotion of social entrepreneurs.

3. Mayurbhanj District at a Glance

The Mayurbhanj district, which is part of Odisha's northern region, is surrounded by Balasore, Keonjhar and Jharkhand. The district is unique in terms of largest forest reserve Similipal with rich mineral base and great cultural heritage. The district is largest in size among all the districts of Odisha with a total geographical expansion of 10,418 sq.km representing 6.69% of State's area. It is also primarily agricultural based district. SC and ST population comprises of 7.3 and 58.7% of total population of the district. Total number of workers as per last Census was 12.24 lakhs out of which 46.5% represents agricultural workers

and 19.5% cultivators. The overall literacy rate was 63.2 comprising of SC at 66.06% and ST at 53.11%.

4. Formulation of Hypothesis

SHGs are assuming new tasks and duties that are fundamental to the sustainability of the poor woman's existence and helping them to grow as social entrepreneurs (Kyriakidou, *et al.,* 2015, Young, 1986). These groups provide social entrepreneurs a variety of benefits as they develop and overcome challenges. This organization was formed voluntarily based on shared interests with the concept of social entrepreneurship so that women can work together for their growth and fight for their rights (Nyssens, 2006). In general, women prefer to get associated with SHG due to its variety of entrepreneurial activities which in turn support them to raise their income, standard of living and social standing (Karmakar, 1999). Therefore, the study undertakes the hypothesis that the association of women with SHG is related to different facets of social entrepreneurship.

5. Methods

5.1 Population

The study is based on women members of SHG of Mayurbhanj district. There are 32,369 Women Self Help Groups (WSHG) and a total of 3,22,453 members in the district (https://missionshakti.odisha.gov.in/district-pages/mayurbhanj), which constitute the population. And so the population consists of 3,22,453 women members associated with 32,369 WSHG spread over 26 blocks of Mayurbhanj district. Only 384 women from the WSHG were allowed to take part in the study, due to time restrictions. These 384 women were randomly chosen from 26 blocks to make up the sample.

5.2 Determination of Sample Size

The sample size decision is tested as follows:

$$n = \text{Total Sample size } \frac{\dfrac{z^2 p(1-p)}{e^2}}{1 + \dfrac{z^2 p(1-p)}{Ne^2}} = 384$$

N = Population size = 3,22,453

e = Error involved = 5%,

P = Proportion of scales = 0.50

Z = Critical value at 95% confidence level = 1.96

The sample size is limited to 384 randomly selected women members of SHG.

5.3 Collection of Data

The study has made use of the data from both primary and secondary data sources. Secondary sources included government reports and websites were used to compile data on SHG and entrepreneurial activities from 26 blocks in the Mayurbhanj district. Primary data were gathered from 384 members of the WSHG about the numerous variables that influence women to join SHGs. A well designed questionnaire consisting of seven items based on SHG as model of social entrepreneurship has been used as an instrument tool to collect the primary data from 384 randomly selected members of WSHG on 11-point scale. Where, 11-indicates strongly disagree and 1-indicates strongly agree attitude to that particular item/statement. The items were decided after researching a lot of literature. Only 384 of the WSHG members in the Mayurbhanj district of Odisha are thus included in the sample. The data were collected over a period of four months in 2021. The collected data were analyzed by using SPSS-23.

5.4 Techniques of Data Analysis

Discriminant analysis is used to identify the most influencing factors affecting women to get associated with SHG as means of social entrepreneurship. The method undertakes the task of multiple linear regressions. It is successfully used to find out the independent variable influencing the dependent variable the most.

6. Results and Discussions

6.1 Discriminant Analysis Model

The mathematical model for discriminant analysis is:

$$Y = b_0 + b_1 X_1 + b_2 X_2 + b_3 X_3 + b_4 X_4 + b_5 X_5 + b_6 X_6 + b_7 X_7$$

Y (dependent variable) = Discriminant Score, X_1 to X_7 are the independent variables.

Y = Involvement of a woman with SHG (Women preferring to be the member of SHG are coded with '1' and women without any preference are coded with '2').

Seven independent variables included in the model are listed below.

X1 = Livelihood Sustainability

X2 = Support to divorcees and widows

X3 = Employment generation

X4 = Social value creation

X5 = Women rights

X6 = Gender Inequality

X7 = Financial stability

Table 1. Group statistics

	SHG	Mean	Std. Deviation	Valid N (list wise) Unweighted	Valid N (list wise) Weighted
1	X1 = Livelihood Sustainability	2.6112	1.85038	625	625.000
	X2 = Support to divorcees and widows	2.5600	1.78670	625	625.000
	X3 = Employment generation	2.6304	1.82470	625	625.000
	X4 = Social value creation	2.6800	1.85189	625	625.000
	X5 = Women rights	4.4832	3.60112	625	625.000
	X6 = Gender Inequality	2.6288	1.82920	625	625.000
	X7 = Financial stability	4.9456	3.76304	625	625.000
2	X1 = Livelihood Sustainability	2.6025	1.85086	244	244.000
	X2 = Support to divorcees and widows	2.6434	1.83471	244	244.000
	X3 = Employment generation	2.5410	1.78769	244	244.000
	X4 = Social value creation	2.5779	1.79106	244	244.000
	X5 = Women rights	2.6025	1.81720	244	244.000
	X6 = Gender Inequality	2.5123	1.78812	244	244.000
	X7 = Financial stability	2.4836	1.70805	244	244.000

The mean score (Table 1) for 'Women rights' for women preferring to be the part of SHG is 4.4832, whereas for others, it is 2.6025, indicating high difference. Similarly, the difference in mean scores of the attribute 'Financial stability' is high indicating the importance of variables of discriminating the users and non-users of mobile apps.

The significant difference (Table 2) in the mean exists for 'Women rights' and 'Financial stability', for which the p-value is less than 0.05. The p-values for all other variables is greater than 0.05 indicating insignificant difference in the mean scores of other variables.

The model (Table 3) is reliable for discriminant analysis with correlation coefficient of less than 0.75.

Canonical correlation (Table 4) for this model is 0.334.

Significant Chi-square value of 102.024 in (Table 5) indicate the significant discrimination in between two groups.

The model classifies (Table 6) 78.3% of the cases correctly

The discriminant coefficients (Table 7) reflect the relative contribution of each of the predictor on the

Table 2. Tests of equality of group means

	Wilks' Lambda	F	df1	df2	Sig.
X1 = Livelihood Sustainability	1.000	.004	1	867	.950
X2 = Support to divorcees and widows	1.000	.377	1	867	.539
X3 = Employment generation	1.000	.426	1	867	.514
X4 = Social value creation	.999	.544	1	867	.461
X5 = Women rights	.935	60.507	1	867	.000
X6 = Gender Inequality	.999	.721	1	867	.396
X7 = Financial stability	.900	96.619	1	867	.000

Table 3. Pooled within-groups matrices

	Livelihood Sustainability	Women rights	Employment generation	Social value creation	Women rights	Gender Inequality	Financial stability
X1 = Livelihood Sustainability	1.000	.128	.285	.626	.122	.412	.004
X2 = Support to divorcees and widows	.128	1.000	.197	.136	.220	.064	-.050
X3 = Employment generation	.285	.197	1.000	.304	.087	.536	-.054
X4 = Social value creation	.626	.136	.304	1.000	.130	.438	.000
X5 = Women rights	.122	.220	.087	.130	1.000	.056	.529
X6 = Gender Inequality	.412	.064	.536	.438	.056	1.000	-.006
X7 = Financial stability	.004	-.050	-.054	.000	.529	-.006	1.000

Table 4. Eigen values

Function	Eigen value	% of Variance	Cumulative %	Canonical Correlation
1	.125	100.0	100.0	.334

Table 5. Wilks' Lambda

Test of Function(s)	Wilks' Lambda	Chi-square	Df	Sig.
1	.889	102.024	7	.000

Table 6. Classification results

		SHG	1	2	Total
Original	Count	1	299	326	625
		2	44	200	244
	%	1	47.8	52.2	100.0
		2	18.0	82.0	100.0
Cross-validated	Count	1	297	328	625
		2	53	191	244
	%	1	47.5	52.5	100.0
		2	21.7	78.3	100.0

Table 7. Standardized canonical discriminant function coefficients

	Function
	1
X1 = Livelihood Sustainability	-.108
X2 = Support to divorcees and widows	-.117
X3 = Employment generation	.080
X4 = Social value creation	.061
X5 = Women rights	.374
X6 = Gender Inequality	.048
X7 = Financial stability	.744

Table 8. Structure matrix

	Function
	1
X7 = Financial stability	**.943**
X5 = Women rights	.746
X6 = Gender Inequality	.081
X4 = Social value creation	.071
X3 = Employment generation	.063
X2 = Support to divorcees and widows	-.059
X1 = Livelihood Sustainability	.006

Table 9. Canonical discriminant function coefficients

	Function
	1
X1 = Livelihood Sustainability	-.058
X2 = Support to divorcees and widows	-.065
X3 = Employment generation	.044
X4 = Social value creation	.033
X5 = Women rights	.117
X6 = Gender Inequality	.026
X7 = Financial stability	.224
(Constant)	-1.366

discriminant function. As seen from the table, for X_7 = Financial stability' and 'X_5 = Women rights' are the most influencing predictor.

Structural coefficients are depicted in (Table 8). The coefficient for the variable 'X_7 = Financial stability' is 0.943 and it indicates the most important discriminating variable. The second most discriminating variable is 'X_5 = Women rights' with a score of 0.746.

Unstandardised discriminant coefficients (Table 9) are used to form the discriminant equation.

Y = -1.366-0.058 (Livelihood Sustainability**) -0.056 (**Support to divorcees and widows**) + 0.044 (**Employment generation**) + 0.033 (**Social value creation**) + 0.117 (**Women rights**) + 0.026(**Gender Inequality**) + 0.224 (**Financial stability**).**

The hypothesis is accepted for the factors - "Financial stability", "Women rights", "Employment generation", "Gender Inequality" and "Social value creation". And it is rejected for the factors- "Livelihood Sustainability" and "Support to divorcees and widows".

The study identified – "Financial stability" and "Women rights" as the prominent factors influencing rural women of Mayurbhanj district to be associated with SHG. The factors "Employment generation", "Gender Inequality" and "Social value creation" have positive relation with the factors of getting associated with SHG, supported by Bundela, *et al.* (2013), (Galab, and Rao, (2003) and (Suri, and Kaur, (2016). But, "Livelihood Sustainability" and "Support to divorcees & widows" are negatively related to the factors of getting associated with SHG, not supported by Karmakar, (1999), Rajasekaran, and Sindhu, (2013). It is therefore concluded that Self-Help Groups are nonprofit organizations made up of women who collaborate on projects with a common objective, such as advancing social values, helping women to generate employment, minimizing gender inequality and enhancing the financial standing of rural women. The ability of the organization pushing rural women towards entrepreneurship to establish women's rights in society and create financial security is one of the factors significantly contributing to the mass of rural women.

7. Conclusions

Self Help Groups (SHG) gives rural impoverished women the opportunity to support them and to take part in their developmental program. The program has been widely utilized by non-profit organizations, but it has recently been used in traditional development

initiatives. SHG is a fantastic illustration of how to empower aspiring business owners. Its objectives include helping women to become self-sufficient by strengthening and increasing their decision-making abilities and giving them the self-assurance to deal with difficulties on their own. The influence of SHGs was initially presented as a pilot program, but subsequently it transformed into a rural economic paradigm and has been used as vital instrument in reducing regional disparities, especially for the disadvantaged members of society. In light of the above discussion, it is ascertained that Self Help Groups are the associations of women who work together with a common goal and assist women in finding employment, reducing gender inequality and improving the financial condition of rural women. Thus, the significance of SHG cannot be understated and the elements contributing significantly to the mass of rural women is the ability of the group pushing women to entrepreneurship to create financial stability and establish women's rights in society. When we discuss SHG, it is mostly about the group's entrepreneurial ability. It is believed that SHG's entrepreneurial talents have an important influence on the development of society.

The study is sensitive in nature as it is based on the views of rural women influencing them to get associated with SHG, which are a reflection of their socioeconomic status. As a result, it's possible that the facts provided by the participants do not properly represent the situation, which could make it difficult to generalize the study's findings. Similar to that, the information gathered during a short time frame is insufficient to capture all elements of the parameters in this study, leading to limitations of this research. The study could also be extended to examine the change in the lives of women as a result of association with SHG in the form of social entrepreneurship.

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