



E-ISSN: 2278-4136  
P-ISSN: 2349-8234  
JPP 2019; SP2: 741-743

**MV Karuna Jeba Mary**  
Post Doctoral Fellow,  
Department of Agricultural  
Extension & Rural Sociology,  
Tamil Nadu Agricultural  
University, Tamil Nadu, India.

**PP Murugan**  
Professor, Department of  
Agricultural Extension & Rural  
Sociology, Tamil Nadu  
Agricultural University, Tamil  
Nadu, India

## A study on constraints faced by self help group members for effective functioning of self help groups

**MV Karuna Jeba Mary and PP Murugan**

### Abstract

The study was conducted in Madurai and Coimbatore Districts of Tamil Nadu on women Self-help group members. The major problems expressed by rural self-help group members in order of their importance were inadequate marketing facilities, inadequate loan amount, inadequate family support when trainings are conducted away from their place, difficulty in procurement of raw material, lacking of formal education, internal conflicts, lack of trainings on entrepreneurial activities, members leave SHG in between and Dominance of leaders etc.

**Keywords:** effective functioning, inadequate marketing facilities, lacking of formal education

### Introduction

Women are important partners in the development process from local to global levels. So, for the overall development of the nation, development of the women is also important. Self Help Groups (SHGs), in this regard, are playing a vital role especially in developing micro entrepreneurs from among the masses particularly women at the grassroots level in underdeveloped rural areas. Self Help Groups (SHGs) help them to get involved in various income generating activities. Providing financial services individually to the poor people in the underdeveloped rural area is not viable for the bank as this will lead to high operating cost. These problems are solved through the formation of Self Help Groups (SHGs) so that a number of beneficiaries who are engaged in the similar business can collectively enjoy their services. Despite of its achievements over the years, it is not free from setbacks. The women members are adversely affected by various factors that cause a disruption in the functioning of SHGs. In this context the present paper is aimed at highlighting the problems faced by the rural women members of self-help groups (SHGs) in carrying out the SHG activities in Madurai and Coimbatore districts.

### Methodology

The study was conducted in Tamil Nadu state. Madurai and Coimbatore district were selected based on the more number of Self Help Groups compared to other districts of Tamil Nadu. Self Help Groups which functioning under Mahalir Thittam project are considered for the study. Entrepreneurship development and income generating activities are a feasible solution for empowering women. It generates income and also provides flexible working hours according to the needs of home makers. Participation in income generating activities helps in the overall empowerment of women. Thus, to investigate the empowerment of women in Madurai and Coimbatore district, sample Self Help Groups, which are doing entrepreneurial activities were selected randomly. A total of Twenty four self help groups were selected for the study. All the members of each of the selected Self Help Groups were selected for the present study. Thus, in total, there were 288 respondents. Data collection was done with the help of pre-tested structured interview schedule.

Problem was operationally defined as the difficulty faced by rural women member for participation in SHG activities. To study the major constraints of rural women while participating in SHG activities, a list of ten possible constraints were prepared and the respondents were asked to choose those constraints that were appropriate to their situation. After working out frequencies and percentages, ranking was given accordingly.

### Correspondence

**MV Karuna Jeba Mary**  
Post Doctoral Fellow,  
Department of Agricultural  
Extension & Rural Sociology,  
Tamil Nadu Agricultural  
University, Tamil Nadu, India.

## Findings and Discussions

**Table 1:** Constraints faced by the self- help group members in various self-help group activities.

(n = 288)

S.No.	Particulars	No	%	Rank
1	Lacking of formal education	161	55.90	V
2	Internal group conflicts	155	53.82	VI
3	Members leave SHG in between	126	43.75	VIII
4	Inadequate loan amount	199	69.10	II
5	Inadequate marketing facilities for SHGs products	250	86.81	I
6	Lack of specialized skills to undertake any entrepreneurial activity	96	33.33	X
7	Difficulty in procurement of raw material	173	60.07	IV
8	Dominance of leaders	98	34.03	IX
9	No family support when trainings are conducted away from their place	182	63.19	III
10	Lack of trainings on entrepreneurial activities	150	52.08	VII

\* Multiple responses

Table. 1. clearly depicts constraints faced by SHG women in the Self Help Groups in percentage rank order of their importance as: Inadequate marketing facilities for SHGs products (I rank) followed by Inadequate loan amount (II rank), Inadequate/ No family support when trainings are conducted away from their place, Difficulty in procurement of raw material, Lacking of formal education, internal group conflicts, Lack of trainings on entrepreneurial activities, Members leave SHG in between, Lack of specialized skills to undertake any entrepreneurial activity and Dominance of leaders respectively.

Majority of (86.81 %) of the women responded that Inadequate marketing facilities for SHGs products was the first and foremost problem faced by Self Help Group women. Marketing is an important area of functioning of the SHGs. However, they face different problems in the marketing of products produced by them. Even though they prepare good quality products, they were unable to get remunerative prices because of unattractive packaging and brand name. They are selling their products to local vendors at low cost. This might be due to less preference of the society towards homemade and hand made products of SHGs. Government officials should come forward to create a wide range of marketing networks and streamline the SHG products for getting quality standards like AGMARK / BISMARK.

More than half of (69.10 %) of the respondents expressed the inadequate loan amount as second most important constraint. This might be due to lack of co-operation from the banking agencies as well as the non-release of subsidy components in time by Government. Further, it is also expressed that loan amount is not sufficient to buy a raw materials for starting a new venture. There was no coordination among the members for utilizing loan amount on any economic activity because inadequate loan amount was a major problem faced by the members. The loan was mainly sufficient for their day-to-day daily expenses.

Inadequate family support when trainings are conducted away from their place ranks third in the order of importance of constraints faced by SHGs members. This might be due to that most of the family responsibilities were under the control of women so it will be difficult for the other members in the family to take responsible to look after their family members.

So ultimately there will not be support from the family members to attend training programmes conducted outside. Difficulty in procurement of raw material is the next most important constraint expressed by more than half of the respondents (60.07 %). They spent huge amount for getting raw materials from long distance places. Normally each SHG procures raw materials individually from the suppliers. They purchase raw materials in smaller quantities and hence they may not be able to enjoy the benefits of large scale purchase like discount, credit facilities etc. Moreover, there is no systematic arrangement to collect raw materials in bulk quantities and preserve them properly. There is no linkage with major suppliers of raw materials. Most of the SHGs are Ignorant about the major raw material suppliers and their terms and conditions. All these causes high cost of raw materials.

Lacking of formal education is the fifth constraint expressed by little more than half of the (55.90 %) respondents. Most of the members engaged in SHGs are less educated and consequently their low education becomes a root cause for other problems. Studies on SHGs show that, low level of entrepreneurship skills among the illiterate women make bankers and finance providers doubt their business skills. The illiterate women in SHGs often face problems of record keeping Little more than half of the respondents expressed that Internal conflicts is the another constraint which affects the group functioning and availing the loan. This leads to non-co-operation among the members for utilizing loan amount on any economic activity. Followed by Lack of trainings on entrepreneurial activities (52.08%), Members leave SHG in between (43.75%) respectively.

Some of the women members of SHGs expressed Dominance of leaders as the problems that stands ninth in its rank order of importance. The reason might be that as there was lack of rotation of the leaders there was more scope to dominate in the group. In some cases the leaders of the group dominates the decisions in the SHGs and ultimately whatever they decide has to be followed by other members. Along with these major problems, the other problems faced by the women members of SHGs in next order of their importance was Lack of specialized skills to undertake any entrepreneurial activity.

## Conclusion

In our society, still a lot of things are to be done for bringing the women into the mainstream. Till today rural women are facing a lot of problems towards their fullest participation in all activities. The members of the SHGs might face some kind of challenges at individual level, the family and societal level that may constrain their participation in the activities organised by the SHG. Thus, the above mentioned constraints offered by the SHG members may have to be fully considered in drawing suitable programs and strategies. In order to solve the various problems relating to marketing of SHGs, the state level organisations should extend the activities throughout the state instead of limiting its operations in a particular area.

## References

1. Asokhan M. Empowerment of rural women through self-help groups- An empirical analysis. Unpub. Ph.D. Thesis, AC&RI, TNAU, Coimbatore, 2006.
2. Meenakshi V. Participation and empowerment of rural women in self-help groups-An analysis. Unpub. M.Sc. (Ag.) Thesis, AC&RI, TNAU, Coimbatore, 2011.
3. Ramesh K. Banking with the poor. National Institute of

Bank Management, Pune, 1996.

4. Selvarani G. A study on functioning and role of self -help groups towards socio economic empowerment. Unpub. Ph.D. Thesis, AC&RI, TNAU, Coimbatore, 2006.
5. Priyanka Kumawat, Vishakha Bansal. A Study on Problems Faced by SHG Members in carryout the SHG Activities. Int. J Curr. Microbiol. App. Sci. 2018; 7(01):420-423.