

## “IMPACT OF SKILL DEVELOPMENT AND HUMAN RESOURCE DEVELOPMENT ON SELF-HELP GROUPS IN SELECT BLOCKS OF THANE DISTRICT”.

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**Abstract :** RBI (2008) report states that SHG provide both skill development and human capital training services to their members in addition to financial services. This paper aims to explore the impact of entrepreneurial skill development and human resource development on SHGs. This study also investigates whether training has impacted income of SHG micro-entrepreneur and leadership skills developed among SHG members. To sum up, SHG provide both skill development and human capital training services to their members in addition to financial services and MAVIM, Banks, DRDA, NGOs and other agencies are acting as a support system by providing training not only to improve the entrepreneurial skill of SHG members but also to elevate the self-esteem of poor women.

**Keywords:** Skill Development , Human Resource , Self-help Groups , Financial Services .

### 1 INTRODUCTION

Recent study conducted by NCAER (2008), to find impact and sustainability of Self Help Groups Bank Linkage Programme, states that SHGs (Self Help Groups) have significantly improved the access to financial services of the rural poor. RBI (2008) report states that SHG also provide both skill development and human capital training services to their members in addition to financial services. This paper aims to explore the impact of entrepreneurial skill development and human resource development on SHGs. The researcher tried to test this objective using a data from three blocks of Thane District (before division). This study investigates whether training has impacted income of SHG micro-entrepreneur. The SHGs provide a vehicle to reach a larger number of poor for a wider development agenda, such as women’s development schemes and child development services. The SHG program connects the poor through Self Help Groups Promoting Institutions (SHPIs), which includes Non-Governmental Organizations (NGOs), Banks, MAVIM, District Rural Development Authorities (DRDA) and government officials. Besides developing entrepreneurial skills among members, SHGs have inculcated among the people a habit to work together, they have learned to approach bank and government officials, school authorities and also learned to speak to visitors.

In this connection, an attempt is made in this research work to analyze the skills enhanced by SHGs among its women members with the help of Self Help Groups Promoting Institutions (SHPIs). The study also shows entrepreneurial skills and leadership skills developed among SHG members.

### CONCEPTUAL FRAMEWORK:

**a) Human Resource Development (HRD):** Human Resource Development involves intellectual, moral and physical development of a person. It can be achieved through education and training. HRD in the organizational context is a process by which employees in the organization are helped in continuous and planned way to acquire or sharpen capabilities to perform various functions.

**b) Self-Help Groups (SHG):** According to Linda Farris Krutz, “A Self-Help Group is a supportive, usually

change-oriented mutual-aid group of 10-20 members that address a single life problem or condition shared by all members.” In simple words, Self-Help Groups consists of 10 to 20 women who save some amount that they can afford. It is small amount ranging from Rs.10 to 200 per month. They save money and avail loans from banks and further start economic activity to earn money.

**REVIEW OF LITERATURE:**

a) Rizwana (2002), in her article, a study on Economic empowerment of women through Maharashtra Women Development Corporation, has undertaken 12 SHGs with main objective to analyze the structure, functions and compositions of the women Development Corporation i.e. the Maharashtra Arthik Vikas Mahamandal Ltd. [MAVIM]. She has also studied its programme in the context of economic empowerment of women. Entrepreneurship Development programs like canteen management, computer, tailoring etc. training was organized by the Women Development Corporation.

b) Mishra C. (2007) in his article has explained that two types of Self Help promoting Institution (SHPI) namely government and NGOs are active in the household level garment sector. The DRDA promoted SHGs are more in organized and have better infrastructure to carry out the activities relating to the garment sector. The NGOs promoted SHGs on the other hand have taken part in their developmental activities in the village in a bigger way than in the DRDA promoted ones. He has also indicated that capacity building and credit availability are complementary inputs to the growth of SHG based garment sector.

c) Ramakrishna (2012), in this paper has made a sincere effort to explain the growth of women entrepreneurship through SHGs particularly among rural women. He has mentioned that women entrepreneurs create new jobs for themselves and others also. Over the years women entrepreneurship has been neglected by the society and in the social sciences also. Self-Help Groups acts as instrument for a variety of goals like empowering women, developing leadership abilities among poor people, for growth of women entrepreneurship. He has concluded that microfinance can be a powerful instrument for self-employment by enabling the women, to become agents of change. Micro-enterprises not only enhance national productivity, generate employment but also facilitate economic, personal and social empowerment of rural women. He has also mentioned that rural women also have basic indigenous knowledge skill potential and they need knowledge regarding accessibility to loans, various funding agencies and awareness about government welfare programs. SHGs are effectively financing for rural women, hence formation and strengthening of rural women entrepreneurs’ network must be encouraged. Significance of the study: Women SHGs in many parts of the country have achieved success in bringing the women to the main stream of development of nation. SHG is also a viable organized set up to disburse micro credit to the rural women and encouraging them together into entrepreneurial activities. The SHGs have made a lasting impact on the lives of rural women. Their quality of life has improved a lot. They could develop their skills and abilities in various productive activities. They have become bold and can speak freely in front of big crowd and can interact with bank official, children’s school authorities and government officials. Hence, an attempt is made in this research work to study impact of skill development and human resource development through training on women SHG members in three select blocks of Thane.

**OBJECTIVES OF THE STUDY:**

- 1.To study the conceptual framework of Human Resource Development and Self Help Groups.
- 2.To explore the impact of human resource development through training organized by SHPI, on entrepreneurial skills of SHG members.
- 3.To analyze whether skills development has impact on personality of SHG members.

**HYPOTHESIS OF THE STUDY:**

H1 Self Help Group Promoting Institutions have arranged training to significant numbers of SHG.

**Methodology of study:** This study is based on the primary as well as secondary sources of data. Field survey was conducted to collect primary data from 141 SHGs from almost all areas of Kalyan, Ambernath and Shahapur, blocks of Thane District (before division). Secondary data was collected from books journals, manuals, and articles from websites and DRDA reports.

**Sampling Design:** The population consists of SHG enterprises from select blocks of Thane District. The sample size is 141 SHGs by adopting convenience sampling method covering three important blocks that is Kalyan, Ambernath and Shahapur. The researcher has selected Shahapur having highest and Kalyan having

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lowest women SHGs amongst all the 13 blocks of Thane District. Chi-square and percentage analysis has been used to analyse the data and arrive at conclusions.

### Details of sample size:

**Table 1 Profile of the respondents**

| Sr. No. | Block Name | Total SHGs |
|---------|------------|------------|
| 1       | Kalyan     | 40         |
| 2       | Ambernath  | 44         |
| 3       | Shahapur   | 57         |
| Total   |            | 141        |

**Analysis of Study:** Firstly the researcher will focus on the impact of human resource development through training on SHG members. Training for the SHG members is organized by the SHPI which include MAVIM, NGO, Banks, DRDA and other agencies functioning in the select blocks. Training is provided covering various areas like vocational, managerial, financial, marketing skills etc. SHPA also provide training and outreach to members in fields such as health care, awareness about government schemes and occupational skills like tailoring, candle/incense sticks making, perfume making, pickle making, phenyl making etc. The general training given to SHG members includes basic literacy, book-keeping, group formation and group dynamics.

The details of training organized by SHPI are given below:

**Table 2 Impact of Human Resource Development through Training on Respondents**

| Sr. No. | Particulars | BLOCK     |        |          | Total |
|---------|-------------|-----------|--------|----------|-------|
|         |             | Ambernath | Kalyan | Shahapur |       |
| 1.      | MAVIM       | 03        | 05     | 07       | 15    |
| 2.      | DRDA        | 10        | 07     | 16       | 33    |
| 3.      | NGO         | 13        | 13     | 10       | 36    |
| 4       | BANK        | 04        | 16     | 10       | 30    |
| 5       | Others      | 10        | 03     | 14       | 27    |
|         | Total       | 40        | 44     | 57       | 141   |

Source: Compiled from primary data

It is evident from Table 2 that SHPI that is MAVIM, NGO, DRDA, BANK and others provide training to significant number of SHGs in the three select blocks. Majority of the training camps 36 (25.53 percent) are organized by NGO, followed by DRDA organized 33 (23.40 percent) camps. Banks organized camps for 30 SHGs (21.28 percent) and other agencies organized 27 (19.15 percent) camps. Out of the total 10.64 percent camps are organized by MAVIM. Thus, it is clear that the hypothesis is accepted and we can conclude that SHPI have arranged training to significant number of SHGs in Kalyan, Ambernath and Shahapur blocks of Thane.

**IMPACT OF TRAINING ON DEVELOPMENT OF ENTREPRENEURIAL SKILLS OF RESPONDENTS**

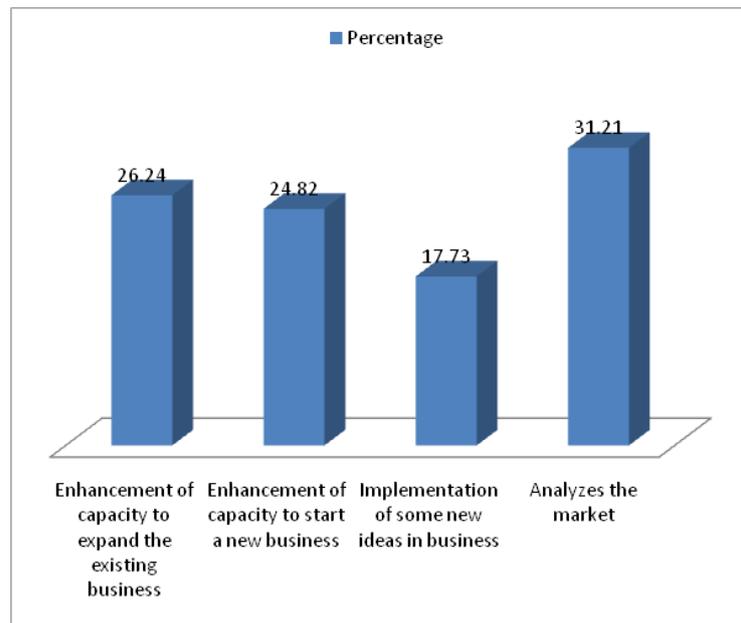
Training provided by various agencies has positive impact on the development of entrepreneurial skill of respondents. Training enhances capacity of SHG entrepreneur for expansion of the existing business, capacity to start new business; they can implement new ideas in business and learn to analyze market regularly. The details of entrepreneurial skill developed among SHG members are given below:

**Table 3 Impact of Training on Development of Entrepreneurial Skills of respondents**

| Sr. No. | Factors   | No. of SHG | Percentage |
|---------|---|------------|------------|
| 1.      | Enhancement of capacity to expand the existing business | 37         | 26.24      |
| 2.      | Enhancement of capacity to start a new business         | 35         | 24.82      |
| 3.      | Implementation of some new ideas in business            | 25         | 17.73      |
| 4.      | Analyzes the market                                     | 44         | 31.21      |
|         | Total   | 141        | 100        |

Source: Compiled from primary data

**Graph 1 Impact of Training on Development of Entrepreneurial Skills of respondents**



It is evident from Table 3 and Graph 1 that majority of the SHG entrepreneurs 31.21 percent analyzes market regularly; followed by 26.24 percent entrepreneurs feel their capacity to expand the existing business has been enhanced. Further 24.82 percent feel that their capacity to start new business has been enhanced and 17.73 percent agreed that they implement new ideas in businesses. This is because they had undergone training organized by the SHPI functioning in the select blocks.

**Impact of skill development on personality of respondents:** SHG gives platform to exchange ideas and views to poor women. It has a considerable positive impact on the socio-economic conditions of SHG members. The women have gained a good confidence. They are now interacting with bankers, children

school authorities and government officials. Through these actions their self-esteem is being elevated. The details of their self-esteem elevation are given below:

**Table 4 Impact of skill development on Personality Development of respondents**

| <b>Sr. No.</b> | <b>Factors</b>                                  | <b>No. of SHG respondents</b> | <b>Percentage</b> |
|----------------|---|-------------------------------|-------------------|
| 1.             | Feels more confident after joining SHG          | 79                            | 56.03             |
| 2.             | Feels their personality developed               | 68                            | 48.23             |
| 3.             | Feels leadership skills developed               | 65                            | 46.10             |
| 4.             | Faces life crisis efficiently after joining SHG | 86                            | 60.99             |

Source: Compiled from primary data

Table 4 disseminates the information about improvements in the personality of the respondents due to development of various skills. More than 60 percent of the respondents feel that they can face the life crisis efficiently and confidently after joining SHGs. 56.03 percent feel that they have become bold and 48.23 percent responded their personality has been developed. Whereas 46.10 percent feel that skill development has positive impact on their leadership qualities. Thus, it can be concluded that skill development has elevated the self esteem of SHG members.

**Testing of the hypothesis:** The statistical tools like Chi-square and Percentage analysis has been used by the researcher for testing of hypothesis.

Analytical summary of the findings is presented here with for the testing of hypothesis.

*H<sub>1</sub> Self Help Group Promoting Institutions have arranged training to significant numbers of SHG.*

**Result of Chi-square compared with table value**

| <b>Sr. No.</b> | <b>Particulars</b> | <b>Calculated Value</b> | <b>Degree of Freedom</b> | <b>p- value</b> |
|----------------|--------------------|-------------------------|--------------------------|-----------------|
| 1.             | Pearson Chi-Square | 61.545(a)               | 8                        | 0.000**         |

Source: Analyzed (SPSS package) from primary data

Chi-Square test was applied to analyze whether significant number of SHGs have undergone training arranged by Self Help Group Promoting Institutions in the select blocks of the Thane. From the Table 2, it can be concluded that most of the micro-entrepreneurs are facing various problems. Majority of the training camps 36 (25.53 percent) are organized by NGO, followed by DRDA organized 33 (23.40 percent) camps. Banks organized camps for 30 SHGs (21.28 percent) and other agencies organized 27 (19.15 percent) camps. Out of the total 10.64 percent camps are organized by MAVIM. The hypothesis is thus accepted on eight degree of freedom at five percent assumed error on Chi-Square test table suggests 15.50 value as against original value of 61.54 which is more, thus, the hypothesis is accepted.

**LIMITATIONS OF STUDY:**

The study mainly focuses on the impact of human resource development through on the SHG members select blocks of Thane District. Since this was the study undertaken by the individual, it was not easy to carry out such a vast study because of time, cost and other resource constraints. The researcher restricted herself to select blocks: Kalyan, Ambernath and Shahapur where the SHGs are run by SHG members.

**CONCLUSION:**

SHG also provide both skill development and human capital training services to their members in addition to financial services and MAVIM, Banks, DRDA, NGOs and other agencies are acting as a support system by providing training not only to improve the entrepreneurial skill of SHG members but also to elevate the self-esteem of poor women. Thus, skill development through training of women SHG member is one of the ways to develop human resource.

**FINDINGS:**

Entrepreneurial skill development and human resource development has positive socio-economic impact on women SHG members. The major findings are as follows:

i) It was found by the researcher that (refer Table 3) majority of the SHG entrepreneurs 31.21 percent analyzes market regularly; followed by 26.24 percent entrepreneurs feel their capacity to expand the existing business has been enhanced. Further 24.82 percent feel that their capacity to start new business has been enhanced and 17.73 percent agreed that they implement new ideas in businesses.

ii) The result of chi-square test states that human resource development through training of SHGs members has positive impact (Chi-square =61.54) at a probability < 0.000 on the personality of the SHG members. The calculated value of chi-square ( $X^2 = 61.54$ ) was higher than the table value (15.55).

iii) It is interesting to note that more than 60 percent of the respondents feel that they can face the life crisis efficiently and confidently after joining SHGs. 56.03 percent feel that they have become bold and 48.23 percent responded their personality has been developed. Whereas 46.10 percent feel that skill development has positive impact on their leadership qualities. Through these actions their self-esteem is being elevated.

Suggestions: Concentrated efforts by Government bodies, Banks and NGOs need to be taken not only to improve the entrepreneurial skill of SHG members but also to elevate the self-esteem of them. Hence, more and more training camps should be organized for women SHG members. For all entrepreneurial development programs women entrepreneurs should be considered as a separate target group.

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