

Integrated Self Help Group (I-SHG)-The Potential Maximized Through a Sustainable Social Business Model

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ABSTRACT

For the empowerment of rural (poor) women, most of the developing nations, including India, have developed means through Self Help Groups. Kerala, being one of the states with most literacy rates, the SHG concept has been understood and replicated with rigour. Such groups are provided with support and encouragement for setting up of a unit –mainly product oriented– limited to their expertise and interest sometimes exceeding to the level of gaining competence through training and development. At present most of these units are self-contained within the horizons of their competence and expertise. Improvements in their operations, business planning, innovating, finding newer and better markets, scientifically managing the business as a whole, all possesses great challenge. This becomes a mammoth task when the numbers of units are growing. Beyond women collectives men are forming SHGs as well and the task of micro managing these units becomes nearly in-adequate and hence a better mechanism of sustainable development is thought of by creating platform to integrate various SHGs especially from the rural part of the state, but not limiting to it, with a large pool of MBA aspirants from various B-Schools. This collaboration when linked to a massive intellectual, practical and experienced resource of retired self- actualizers and industry experts could amplify the cooperative model. Innovative integration of management education to the “grassroot level empowerment” christened as I-SHG (Integrated Self Help Group) is an Online Portal-based working project aimed at collaboration, cooperation and coexistence of prevailing SHGs, MBA aspirants, academicians, practicing experts, inspired professionals, corporate entities, retired self actualizers, voluntary groups, financial institutions, regulatory bodies and the government both online and offline. This is an initiative mainly to connect the rural segment with the global paradigms resulting in a sustainable Social Business Model. The concept could be replicated in various management related situations where a collective problem solving is required.

Key words: Empowerment, I-SHG, Social Business Model

I-SHG – Integrated Self Help Group

I-SHG is a working project aimed at integrating the Self Help Groups and their efforts in the

state of Kerala. The project is aimed at building a portfolio of SHGs and the activities they actually perform. An integration of offline and online linkage could scale up the scope of the project. As multiple stakeholders are involved in various aspects of the case it makes a huge impact in terms of implementation, monitoring and continuous development. The aim of the project can be summarized to “Grassroot level empowerment”. As the statement mentions this project stands for the empowerment of the beneficiaries at the end of the day.

The recognized problem

One of the great problems that most SHGs are facing becomes evident soon after their initiation while at this stage they may struggle to find the like-minded people from around their own locality that could be part of the group. This could be solved by the initiator of the group and with some opinion formers/leaders who will bring the right members to the group. Soon after this stage the naming and registration becomes a hurdle which could be solved with the help of support agencies from government and non-government sectors. Such support services helps such groups to register and complete all necessary bye-laws and educate them on the functional aspects of the group. Banks will extend all possible support in availing necessary initial capital to establish the group and its activities. The group will also have the required guidance for procuring necessary tools, accessories and machinery to begin their activities. Beyond this lies the real problem where the group’s motivation and inspiration catalyze the initiative of the group resulting in a sound performance in the beginning. Over a period of time the group members may find it difficult to scale up their business and find new potential markets and hence the activities of the groups stagnate. The group may have the desire to stretch but they are either unaware of the opportunities or they may not be able to scale up by themselves. A highly potential group thus may sub-optimize and remains without any vision for growth. When the scope is explored it is evident that such units are many in number in the state of Kerala. An adequate mechanism is not present to revive the potential and keep it going. Fundamentally the reach, knowledge of the technology, creativity, innovation and more over the proper managerial skills are lacking in scaling up businesses of such SHGs. The competition from finely organized retail networks could restrict the groups to grow further and sustain.

The opportunity at hand

Identifying the deficiencies of SHGs in sustainable development reveals a very evident need for initiating efforts for proper managerial support in all levels of SHG development and growth. With this objective in mind I-SHG explores the opportunity at hand through the following model. (Figure 1)

I-SHG integrates the SHGs of the state to a cloud of MBA aspirants in various B-Schools

powered by the guidance and support of Mentors from academia and industry. The visionary model deals with a fairly simple concept of utilizing the potential of the existing B-Schools in providing a socially relevant intervention through Knowledge, Skill and Competency Management. Students in the B-Schools require adequate exposure to real life business – management issues and problems to enhance their course curriculum. The available opportunity directed at present (in most B-Schools in India) towards man-power assistance for established large business formats where the students get simple short term exposure to some ground realities. For inexperienced student community anything is far more exciting and is valued with great enthusiasm. Such industry exposure is necessary to some extent for a fresher to get the feel of the reality but involving a strategically relevant business issue, tackling the real-life problem and strategizing with actual cost involved, dynamics of negotiation and teamwork involved moreover the painstaking implementation in a VUCA (Volatile , Uncertain , Complex and Ambiguous) world, waiting for the results to substantiate the decision are far reaching for such MBA graduates at present in most B-Schools in Kerala. I-SHG integrates the MBA graduates from various B-Schools across the state to join their hands on the I-SHG portal .I-SHG is an online portal which provides a common platform for MBA graduates to register as small groups. Prior to registering on I-SHG portal the group needs to identify one or more Self Help Group from a rural area nearby that requires support and assistance for scaling-up their existing business. The student groups may adopt such SHG groups to provide support in scaling –up during their course of study involving in a Project Centered Learning. Such registered student groups will receive access to I–SHG portal where the adopted SHG can also be registered whereby they receive a free website. Thus various registered student groups needs form a cloud of Knowledge, Skill and Competence. This cloud is adequately supported by “ Mentors” consisting of academicians, industry experts and retired hands that will remain as mentor, philosopher and guide for the student cloud. The students from various B-Schools who participate in this are connected through the portal where the students can collaborate, cooperate and co create in an engaging manner through I-SHG blogs for dealing with the managerial challenges. The I –SHG portal thus becomes a warehouse of SHG information thus creating a database of various products available with each of the registered SHGs. Each SHG page will display the products they produce and the price at which it is available for customers (retail or in bulk or for party or for gifting). Customers can order online with the facilities provided. The page publicity may attract advertisers to advertise on the page at a reasonable donation to promote the pages which works as a regular revenue generating model for I-SHG. The student group will continue to provide managerial and administrative support in scaling-up the adopted SHG.

The process

A B-School interested in associating with I- SHG project will sign an MOU with the I-SHG . The B-school will identify one or more teams of MBA students with a faculty coordinator who will register with I-SHG portal. The team(s) will identify SHGs from in and around their locality, educate the SHGs on the services provided by I-SHG and the benefits of joining I-SHG. The student groups will help upload the required whereabouts of the SHG and provide login and password for the SHG. Each registered SHG will have a webpage in I-SHG which is administered by the SHG and the team of learners. Necessary managerial assistance is planned and designed jointly through discussion with the SHG. Any critical managerial issue may be uploaded in the student blog for others to see and respond. The objective of adopting an SHG by a team is to empower the SHG members to scale up their business and establish a sustainable revenue model. The student group, once the members graduate, will include new members at the institution level. Thus the process continues till the SHG could stay afloat on the business model generated.

The Potential Maximized – I-SHG

The potential of I-SHG is envisioned as an integrated platform to showcase the SHGs of the State, their activities, products and services at a simple mouse-click. The reach is boundary less and the scope is not limited to a local potential market. The benefits of I-SHG reaches to retailers, vendors, banks and to the Government also .The potential is maximized because of the scope of consultancy by young entrepreneurial MBA students who, through this ,practice business management which turns up the spread- out potential of the B-School learning into a practical real life scenario. This is an opportunity for academics to extend practice oriented Project Centered Learning as well as the practicing managers to extend practical solutions to the new age problems at the grassroot business levels. The potential is maximized even by harnessing the underutilized wealth of Knowledge, Skill and Competencies of retired young at heart professionals. The potential is further maximized through support from government agencies in this regard. Corporate can make use of this opportunity as part of their Corporate Sustainability and Responsibility paradigms. The Integrated Self Help Group will bring together the power of Information and Communication Technology (ICT) , MBA education , Experienced veterans from various disciplines , provides engagement to like –minded professionals and establishes a promising upliftment for rural SHG entrepreneurs in maximizing the potential which may otherwise continue to remain unexplored.

Annexure

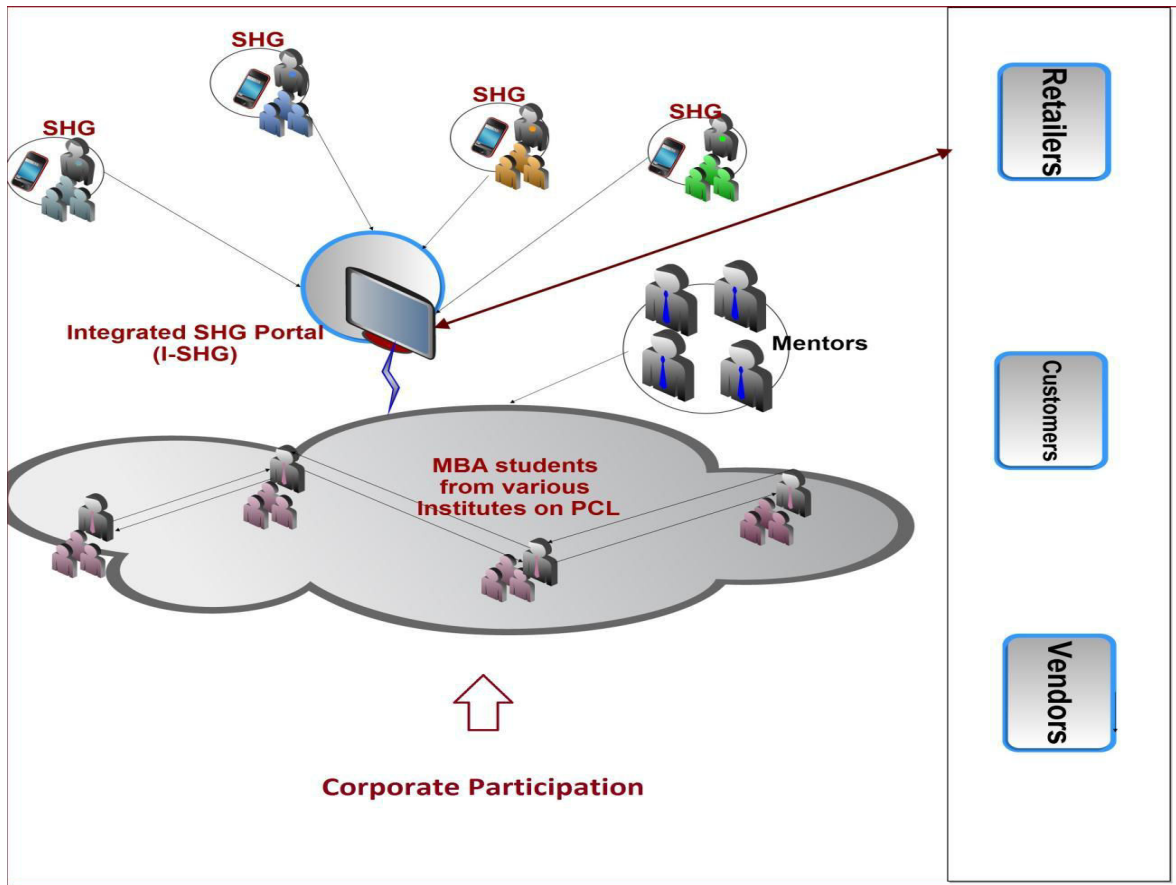


Figure 1: Model Showing the Project Stakeholders and their Interactions

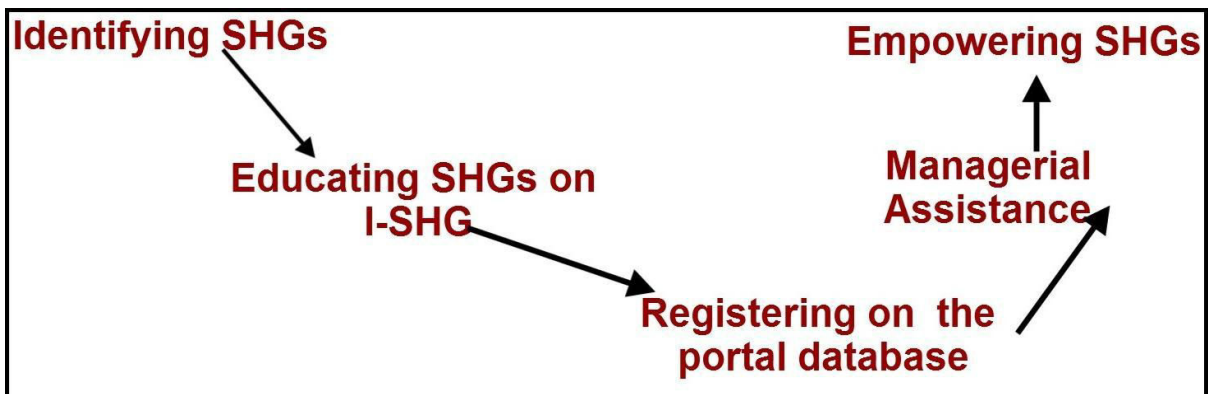


Figure 2: Process Flow in the Project I-SHG

Table 1: Number of Individual and Group Enterprises in Urban and Rural Areas (2010 data)

Individual /group enterprises	
Urban	
No. of individual enterprises	27820
No. of group enterprises	2234
Rural	
No. of individual enterprises	2716
No. of group enterprises	9423

Source: <http://www.mathrubhumi.com/english/news/features/kerala-self-help-group-shows-the-way-93615.html>

Schemes	Financial target (₹ Lakh)
I Organisation <ul style="list-style-type: none"> a. A & OE b. CBO Strengthening Programme c. Honorarium to CDS chair persons d. Administrative Grant for CDS e. Award for Best CDS f. Enabling Environment g. MIS 	3100.00
II Social Development <ul style="list-style-type: none"> a. Asraya b. Buds c. Gender Self Learning Programme d. Strengthening of Balasabha/Bala panchayat and Holistic Child Health Activities e. Tribal special project of sustainable development f. Coastal Special Project 	3499.00
III Local Economic Development <ul style="list-style-type: none"> A). Micro Finance <ul style="list-style-type: none"> a. Strengthening of CBOs b. Matching Grant c. Skill Upgradation d. Interest subsidy B) Micro Enterprise Activities <ul style="list-style-type: none"> a. Rural Micro Enterprises (RME) b. Yuvashree c. Innovation Fund d. Technology Fund e. Revolving Fund f. Cluster & Networking g. Crisis Management Fund h. Skill up gradation Training i. Handholding Support through Micro Enterprise Consultants (MECs) (C) Marketing (D) Samagra (E) Responsible Tourism (F) Joint Liability Groups (Farming) 	4950.00
Total	11549.00

Source: Kerala Government / finance dept published data

Figure 3: The Component wise Financial Target and Physical Target during 2014-15

TENTATIVE STATE/UT WISE FINANCIAL ALLOCATION UNDER NRLM DURING 2013-14
(Rs. in lakh)

S. No.	NAME OF STATES/UTS	ALLOCATION*					ALLOCATION (Administrative Cost)			TOTAL ALLOCATION (NRLM)			
		Central	STATE	TOTAL	Central	STATE	TOTAL	Central	STATE	TOTAL	Central	STATE	TOTAL
1	Andhra Pradesh	5004.00	1668.00	6672.00	727.00	242.33	969.33	5731.00	1910.33	7641.33			
2	Bihar	11904.00	3968.00	15872.00	1591.00	530.33	2121.33	13495.00	4498.33	17993.33			
3	Chattisgarh	2644.00	881.33	3525.33	431.00	143.67	574.67	3075.00	1025.00	4100.00			
4	Goa	175.00	58.33	233.33	101.00	33.67	134.67	276.00	92.00	368.00			
5	Gujarat	1884.00	628.00	2512.00	336.00	112.00	448.00	2220.00	740.00	2960.00			
6	Haryana	1108.00	369.33	1477.33	239.00	79.67	318.67	1347.00	449.00	1796.00			
7	Himachal Pradesh	467.00	155.67	622.67	158.00	52.67	210.67	625.00	208.33	833.33			
8	Jammu & Kashmir	578.00	192.67	770.67	172.00	57.33	229.33	750.00	250.00	1000.00			
9	Jharkhand	4488.00	1496.00	5984.00	662.00	220.67	882.67	5150.00	1716.67	6866.67			
10	Karnataka	3779.00	1259.67	5038.67	573.00	191.00	764.00	4352.00	1450.67	5802.67			
11	Kerala	1695.00	565.00	2260.00	312.00	104.00	416.00	2007.00	669.00	2676.00			
12	Madhya Pradesh	5664.00	1888.00	7552.00	809.00	269.67	1078.67	6473.00	2157.67	8630.67			
13	Maharashtra	7470.00	2490.00	9960.00	1035.00	345.00	1380.00	8505.00	2835.00	11340.00			
14	Orissa	5723.00	1907.67	7630.67	817.00	272.33	1089.33	6540.00	2180.00	8720.00			
15	Punjab	539.00	179.67	718.67	167.00	55.67	222.67	706.00	235.33	941.33			
16	Rajasthan	2869.00	956.33	3825.33	459.00	153.00	612.00	3328.00	1109.33	4437.33			
17	Tamil Nadu	4425.00	1475.00	5900.00	654.00	218.00	872.00	5079.00	1693.00	6772.00			
18	Uttar Pradesh	17146.00	5715.33	22861.33	2246.00	748.67	2994.67	19392.00	6464.00	25856.00			
19	Uttaranchal	902.00	300.67	1202.67	215.00	71.67	286.67	1117.00	372.33	1489.33			
20	West Bengal	6361.00	2120.33	8481.33	896.00	298.67	1194.67	7257.00	2419.00	9676.00			
21	A&N Islands	25.00		25.00				25.00	0.00	25.00			
22	Daman & Diu	25.00		25.00				25.00	0.00	25.00			
23	D & N Haveli	25.00		25.00				25.00	0.00	25.00			
24	Lakshadweep	25.00		25.00				25.00	0.00	25.00			
25	Pondicherry	275.00		275.00				275.00	0.00	275.00			
	TOTAL	85200.00	28275.00	113475.00	12600.00	4200.00	16800.00	97800.00	32475.00	130275.00			

Source: <http://ajeevika.gov.in/nrlm/Budget>

Figure 4: Budget Allocation for NRLM

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