CHAPTER NINE
ROLE OF NON-GOVERNMENTAL ORGANISATIONS IN PROMOTING SELF-EMPLOYMENT AMONG WOMEN

INTRODUCTION

The organisations which are outside the direct control of government agencies or autonomous bodies and are engaged in providing financial and non-financial services to the community are called non-governmental organisations (NGOs).

The NGOs have been a vital part of the historical legacy of rural development in India. The NGOs in India came to prominence after independence, especially after 1970s. Development practitioners, Government officials and foreign donors consider that NGOs by virtue of being small scale, flexible, innovative and participatory, are more successful in reaching the poor and in poverty alleviation. This consideration has resulted in the rapid growth of NGOs involved in initiating and implementing rural development programmes.

G.R. Madan’s (2005)\textsuperscript{1} paper on ‘Voluntary Organisations and Development’ dealt with social work done during ancient, medieval and modern India. Tracing the growth of welfare institutions, he narrated the historical roots of social work being the foundation of India as a social state. He also described his own efforts aimed at reviewing Lok Sevak Sangh (LSS) visualised by Mahatma Gandhi through his own organisation known as Association of Voluntary Social Agencies and Workers, India (AVSAWI).
Kumar (2004), in his paper, ‘Role of Voluntary Organisations in Social Change: Some Issues’ made some observations on NGOs and considered them as change agents in bringing about change in the societal structure and technology. He also identified the issues related to changing technology and emerging unemployment, lack of entrepreneurship, people’s orientation and participation in sustained development activities and resistance to change. He also enumerated the action programme for change agents whose aim is to empower the powerless for leading their lives in a self-sufficient way.

In this Chapter, an attempt has been made to examine the active role that NGOs can play in promotion of self-employment among women as well as throw light on the opinion of women themselves as to what they think about the effectiveness of NGOs in betterment of their lives and self-employed ventures. However, in order to understand the role of NGOs in self-employment generation, it becomes imperative to analyse the nature of NGOs and examine their significance in the society for the better lives of women.

**NATURE OF NGOs**

NGOs are directed towards improving the socio-economic situations of people with whom they work. Bhose (2003) presented the following important characteristics of NGOs:

1. **Voluntary**: NGOs are formed voluntarily and are built upon the commitment of a few persons.
2. **Legal Status**: NGOs are registered with the Government under the Societies Act, Trust Act, etc. They are also registered under Foreign Contribution Regulation Act (FCRA) with the ministry of Home Affairs, Government of India. This is required to be entitled to obtain funds from abroad.

3. **Independent**: NGOs are independent in planning and implementation of their programmes.

4. **Flexible**: NGOs are flexible in interventions. They are not bound by red-tapism and bureaucratic obstacles.

5. **Quicker in decision making**: NGOs take quick decisions in response to the needs of the community. As decisions are taken quickly, their services are delivered timely to the people.

6. **High motivation**: The members and the staff are endowed with high motivation and inspiration to work for the cause of the people. They strive tirelessly to achieve their purpose for the benefit of the target groups.

7. **Freedom in Work**: NGO workers enjoy freedom in their field work, in organising the community and carrying out the development schemes.

8. **Catalystic**: NGOs facilitate the communities towards social action but they do not dilute and distort themselves in the process of intervention.

9. **People-Centred**: NGOs facilitate people’s participation. They plan things with the people and implement the same through the people. Thus they learn the best from the people and replicate the same with other groups.
10. **Non-profit oriented**: NGOs are not run on profit motives. The surplus and gains from economic projects, if any, are not distributed to the members or stakeholders. They are re-used for development purposes.

**SIGNIFICANCE OF NGOs FOR BETTER LIVES OF WOMEN**

Women’s non-profit organizations have long played an important role in the lives of women in many parts of the world. In India, well-educated and affluent women found socially sanctioned work outside the home in the voluntary sector. They worked as volunteers under the aegis of religious organizations and for social service nonprofits dedicated to the alleviation of poverty.

Participation in nonprofits in India gave women an opportunity to enter the social and political spheres in ways often denied to them by the for-profit and public sectors. Important changes in women’s lives are a direct result of the intervention of non-governmental organizations (NGOs).

Many NGOs that deal with the alleviation of poverty for women often also focus on advocacy for women’s rights as well as providing services for women (Carr, Chen, and Jhabvala, 1996)⁴. Although legislation in India protects and promotes women’s rights in most cases, NGO intervention aids in enforcing such rights (Allen and Truman, 1993⁵; Mishra and Mishra, 1998⁶). And observers often credit the proliferation of NGOs with successfully altering the political context in which women live and function (Fisher, 1998)⁷.
Entrepreneurship, a much debated topic, has been defined in the for-profit literature as “the catalytic agent in society which sets into motion new enterprises, new combinations of production and exchange” (Collins and Moore, 1970)\(^8\). Although the concept of entrepreneurship is closely linked with the for-profit sector and may seem strange in the NGO world, it is not. The same entrepreneurial spirit is the key to initiating projects and mobilizing resources, whether it is for promoting a social cause in the non-profit sector or promoting a profit-making enterprise. Both kinds of enterprises are the result of the entrepreneur’s innovation, leadership, imagination, efforts, and ability. Thus, using the definition from the for-profit literature, a non-profit entrepreneur is defined as a self-directed, innovative leader who starts a non-profit enterprise (Handy and Kassam, 2001)\(^9\).

A study of NGOs has been undertaken in the state of Maharashtra in India, where women play an important role in NGOs related to gender issues (Jani and Pedroni, 1997)\(^10\).

Entrepreneurs in both profit and non-profit sectors face similar challenges viz., identifying opportunities, promoting innovative ideas, implementing ideas into viable enterprises, mobilizing resources, and undertaking risks inherent in starting a new project. This suggests that entrepreneurship in the for-profit or non-profit sectors are related, although the primary motivations in the two sectors differ—making profits versus promoting a social cause. Furthermore, entrepreneurs in both sectors are equally vulnerable to the personal, structural, and cultural environments in which they live.
Given the paucity of entrepreneurial literature in the non-profit sector, especially in the less industrialized countries, in the present study insights have been looked for in for-profit entrepreneurship studies done in less industrialized countries by Berger (1991)\textsuperscript{11}, Gupta (1991)\textsuperscript{12}, Shabbir and Di Gregorio (1996)\textsuperscript{13}, and Naffziger and Terrell (1996)\textsuperscript{14}. From these studies, we find that cultural values and norms are critical in explaining entrepreneurship. The literature available suggests that the individual’s decision to start a self-employed venture is affected by factors such as family support, qualifications, business experience, and socioeconomic and personality characteristics. Although these studies are based on entrepreneurs of for-profit enterprises, many of these factors may be expected to influence non-profit entrepreneurs as well. In addition to the factors mentioned in the for-profit literature, non-profit literature suggests that non-profit entrepreneurs are driven by their beliefs, personal experiences, perceptions of community needs, and desire to provide services to others. They are as likely as for-profit entrepreneurs to be willing to take risks, self-directed, and innovative. However, their focus is on what they can do for others (Pilz, 1995\textsuperscript{15}; Bilodeau and Slivinski, 1996\textsuperscript{16}; Kassam, Handy, and Ranade, 2000\textsuperscript{17}).

As apparent from the above discussion, it is clear that NGOs can be instrumental in bringing positive changes to the lives of women. It should not be forgotten that a vital element of such positive changes is the economic empowerment of women. As discussed in the previous Chapters, it is now clear that self-employment is a highly potential avenue towards economic empowerment. The role of NGOs in self-employment and empowerment of women has been analysed in the following section.
ROLE OF NGOs IN SELF EMPLOYMENT AND EMPOWERMENT OF WOMEN

NGOs can play a meaningful role towards self-employment of women and their empowerment in the following ways:

- **Training & Skill Development**
  
  Of the total 22.27% female work participation in India, main workers contribute 16.03% and marginal workers 6.24%. Women constitute 90% of the total marginal workers of the country. There are wide regional variations in work participation rates within the country from 4% to 34%.

  Women find employment mostly as casual labour in agriculture and the growing informal sector. Efforts by NGOs focus attention on poor women. Their aim is to train and provide them opportunities of self-employment to improve their social and economic status. They also encourage the habit of thrift and credit among them to improve the welfare and quality of life of the family and community.

- **Legal Awareness and Property Rights**
  
  In rural India, only 13% of women inherited land from their fathers, as daughters. In the rural areas, the daughters marry and leave the village; hence no inheritance rights exist. The government schemes also allot land to male household heads. An adult married son gets compensation for displacement but the adult daughter gets nothing. NGOs are working closely with women to generate awareness regarding their legal rights and help them get land by extending loan facilities to buy land in groups.
Women Empowerment

Widespread efforts by NGOs to improve the access of women to national resources and ensure their rightful place in the mainstream of economic development are beginning to have positive results. Self Help Groups (SHGs) of women in India have been recognized as an effective strategy for the empowerment of women in rural as well as urban areas bringing women together from all spheres of life to fight for their rights or a cause. Since the overall empowerment of women is crucially dependent on economic empowerment, women through these SHGs work on a range of issues such as health, nutrition, agriculture, forestry, besides income generation activities and seeking micro credit.

Fair Trade

“Fair is a relative term.” The idea is also to cut down on the middlemen so that the product reaching the buyer in the richer part of the world is still desirable, price-wise. Fair Trade is about giving poor people power. It is a thriving business concept. It means paying producers a fair price for their work, helping them gain the skills and knowledge they need to develop their businesses, and challenging ways of trading which keep people poor. NGOs often act as facilitators in this process.

Credit / Micro Credit / Self-help groups

“If we are looking for one single action which will enable the poor to overcome poverty, I would focus on credit”-Prof. Mohammad Yunus, Founder, Grameen Bank, Bangladesh.
Provision of credit is an exercise in self-help and community reinvestment. Credit leads to social justice and empowerment. Effort is being made by credit planners to target women as they have a history of being better re-payers of loan. The development of confidence in the community has been the single biggest impact of micro finance interventions at grassroot levels.

- **Skill Training**

  The small scale/cottage sector accounts for over 10% of the production in agro and rural based industries in India. Government programmes focus on skill improvement, employment generation, transfer of technology, rural industrialization and promotion of self-reliance among the people. NGO's assist in raw material assistance, skill training, marketing, coordination and inter institutional linkages and render advice to the government on policy matters concerning the small-scale sector. There is a need to motivate educated unemployed youth for self-employment, by setting up small enterprises.

- **Capacity building:**

  The technical competence of the people manning the delivery of the cooperative support services must be enhanced and adopted to the specific requirements of the cooperative societies. Keeping in view the present state of economic liberalization, immediate necessary measures must be taken by government institutions, cooperative sector, private sector, NGOs, national and international agencies to sufficiently equip self-employed women with information, knowledge, technology, training and managerial techniques.
• Importance of linkages

If micro-finance programmes are to be successful, linkages between the financing agency (bank), NGOs and SHGs must be strong and durable. The following linkage models, depending on workability and other practical aspects, have evolved over the years:

*Direct bank lending to SHG*: Under this linkage, the financial agency deals directly with SHG and provides credit for further lending to individual members. Since no intermediary in the form of NGO is involved, only registered and highly efficient SHG can deal directly with financial agencies.

*Lending by bank to SHG with NGO as facilitator*: Here also the lending agency provides credit directly to the SHG, but through the mediation of the NGO. The NGO acts as a facilitator, and also provides training and other services to the SHG members.

*Lending by banks to SHG, with NGO working as financing intermediary*: Under this model (widely prevalent in South East Asia), the linkage between the financial agency and the SHG is indirect. The NGO, which functions as a financial intermediary, accepts the contractual responsibility for lending to the SHG and for repayment of the credit to the bank. The NGO is also responsible for providing training and consultancy services to SHGs.
**Bulk lending by financing agencies through revolving fund arrangement:** Under this model, the NGO is provided with a revolving fund, which it lends to SHGs based on viability and demand. The NGO also adopts project-based approach to promote livelihood activities among the poor and provides access to various financial services. NGOs play an important role in training and guiding SHGs besides monitoring, supervising and collecting loans/repayments, financial management, market intelligence etc. to make them operationally efficient and economically productive so that they can meet the challenges of open market forces within a reasonable period of time.

**NON-GOVERNMENTAL ORGANISATIONS IN THE DISTRICT OF BARPETA**

NGOs in Assam are registered with the Registrar, Firms and Societies, Assam. According to the official records of the Registrar, the total number of NGOs in the district of Barpeta is 4831 till 2008. However, all are not active at present.

In 1957, the total number of NGOs registered in the district was six (6) and in 1958, only four (4) NGOs were registered. The decadal growth of NGOs from 1959 to 2008 has been depicted in the following table:
Table 9.1: Decade wise Registration of NGOs in the District of Barpeta

<table>
<thead>
<tr>
<th>Decade</th>
<th>No. of NGOs registered</th>
</tr>
</thead>
<tbody>
<tr>
<td>1959 – 1968</td>
<td>60</td>
</tr>
<tr>
<td>1969 – 1978</td>
<td>50</td>
</tr>
<tr>
<td>1979 – 1988</td>
<td>1183</td>
</tr>
<tr>
<td>1989 – 1998</td>
<td>2438</td>
</tr>
<tr>
<td>1999 – 2008</td>
<td>1090</td>
</tr>
<tr>
<td>TOTAL</td>
<td>4831 (including 10 from 1957 and 1958)</td>
</tr>
</tbody>
</table>

*Source: Registrar, Firms and Societies, Assam*

Out of the 1088 NGOs registered in the decade of 1999 -2008, fifty NGOs in the district of Barpeta, which were found active currently, were randomly selected to make an assessment of their objectives and core area of operation. The motive behind this was to find out the involvement of NGOs in the district towards women empowerment activities and their overall socio-economic empowerment. As observed, 68% (i.e., 34 sample NGOs) had one or more object stated, in the Memorandum of Association, which would contemplate to strive towards the development of women by supporting causes and activities for their social and economic empowerment. The major objects of these NGOs in the context of women population may be summarised as follows:

- To work for the removal of socio-economic isolation for the disadvantageous groups including women.
To promote awareness among women about human rights, women health, family planning and birth control measures.

To protect women against social injustice by supporting their cause for economic, social, educational, environmental and general welfare.

To work for women empowerment and provide assistance in this regard.

To set up rehabilitation centre for women victims in various crimes or violence.

To provide mobile literacy camp or health camp for women in remote areas.

To execute different plans, programmes and schemes for the benefit of women in collaboration with voluntary organisations, Government, semi-Government, national and international agencies.

To adopt fruitful schemes and plans for the upliftment of social as well as economic condition of women and encourage them for savings through SHGs.

To work for empowerment and improvement of the status of women from marginalised section.

To promote work culture and entrepreneurship for self-employment among women by organising seminars, workshops, training programmes, welfare projects, video shows, stage play, awareness camps, etc.

To provide vocational training in order to educate women in different fields.

To organise SHGs in different villages for self-employment and help the members obtain loan from banks.
To promote scientific approach and modern technology by providing technical assistance in agriculture, sericulture, handloom and textiles, handicrafts and horticulture on individual or co-operative basis.

To train men and women to take up livelihood independently by setting up weaving, cutting, embroidery, food processing, production of bamboo products, etc.

To make people from rural areas self-dependent in agro based industries, cottage industries, pisciculture, piggery, goatery, duckery, poultry, dairy and different farms like nurseries banana gardens, lemon gardens sand flower gardens.

To improve upon mulberry, muga and endi silk production by conducting research, providing training as well as opening production centres, starting cocoon bank and exploring national and international markets, thereby helping women in particular and poor unemployed youth in general.

To specially focus on self-employment opportunities of divorced and widowed women.

To organise training camps in various self-employment generating schemes from time to time in different locations for the welfare and interest of the educated unemployed men and women, so as to generate earning opportunity for them and thereby try to remove the unemployment problem in the district.

Source: Memorandum of Association of sample NGOs in Barpeta
Table 9.2: Response of Self-employed Women in Barpeta District towards the Role of NGOs in Women Self-Employment

<table>
<thead>
<tr>
<th>CRITERIA</th>
<th>Strongly Agree (%)</th>
<th>Agree (%)</th>
<th>Moderately Agree (%)</th>
<th>Very Little Agree (%)</th>
<th>Disagree (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instrumental in women self-employment</td>
<td>13</td>
<td>41</td>
<td>25</td>
<td>14</td>
<td>7</td>
</tr>
<tr>
<td>Helpful in obtaining finance from banks and other financial institutions</td>
<td>21</td>
<td>45</td>
<td>15</td>
<td>11</td>
<td>8</td>
</tr>
<tr>
<td>Useful in providing technical assistance in ventures</td>
<td>10</td>
<td>24</td>
<td>27</td>
<td>37</td>
<td>2</td>
</tr>
<tr>
<td>Helpful in TQM of self-employed ventures</td>
<td>6</td>
<td>18</td>
<td>19</td>
<td>48</td>
<td>9</td>
</tr>
<tr>
<td>Facilitator in bringing positive transformation in the lives of women</td>
<td>26</td>
<td>32</td>
<td>24</td>
<td>10</td>
<td>8</td>
</tr>
</tbody>
</table>

Source: Field Survey
As observed in Table 9.2, 13% women strongly agreed and 41% women agreed and 25% women moderately agreed that NGOs could be instrumental in the promotion, growth and development of self-employment of women. As regards to helpfulness in obtaining finance from banks and other financial institutions, 45% of the women agreed that NGOs could be important facilitators in this regard. A significant percentage of women i.e., 37% respondents very little agreed that NGOs could be useful in providing them technical assistance in starting new ventures or even improvisation of their ventures in future. Similarly, 48% women were doubtful and very little agreed that NGOs could be helpful in total quality management (TQM) of self-employment ventures. At last, however, it has been observed that though the self-employed women were sceptical about the present fruitfulness of NGOs for the cause of self-employed women yet 26% women strongly agreed, 32% women agreed and 24% women moderately agreed that NGOs have the potential to be prominent facilitators in bringing positive transformation in the lives of women.

CONCLUSION

Self employed women share a feminist ideology and a desire to help others. By associating with an NGO whose mission is closely related to their ideology, they are able to actualize their beliefs, and this affords them a high level of satisfaction and accomplishment. Earnings and independence seem to be secondary to pursuing the mission of the NGO. Although existing progressive affirmative action programmes help many persons of different sections achieve social and financial status in India by providing entry into elite professions and the political
arena, more attention should be paid to the education and empowerment of underdeveloped and vulnerable women in rural areas. Governments and donors can make an effort to ensure that more women, especially of backward regions, receive higher education and training in interpersonal skills and are recruited to volunteer. Furthermore, there is a need for public support to enable wider diffusion of some of the key themes that are part of the feminist perspectives, namely, concern for equity and social justice. If more people are exposed to such ideology, more may take action in the form of starting NGOs or support the entrepreneurs that do. It may be of value to ensure that those involved in social work and in volunteering be targeted to receive publicly available resources to support the formation of organizations. These include training programmes and mentoring services to facilitate the formation of NGOs. If such programs can be made available to those who are contemplating starting NGOs, or who are in the process of doing so, they may be able to increase the new entrepreneurs’ chances of success. Although this study cannot shed light on NGOs that were started but were unsuccessful, it sheds some light on where to direct information and training resources so that the critical areas of concern in women self-employment can be better addressed by the NGOs.

REFERENCES


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