



## WOMEN EMPOWERMENT AND SELF HELP GROUP

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### ABSTRACT

Self help groups enhance the equality of the status of women as participant and decision maker in the democratic, economic, social and cultural spheres of life. The basic principles of the SHGs are group approach, mutual trust, organisation of small and manageable groups, group cohesiveness, spirit of thrift, demand based lending, collateral free loan, peer group pressure, skill training, capacity building and empowerment. At present, 1.40 lakh groups are functioning with 23.83 lakh members. It is observed that, SHGs are suffering due to lack of management skill, training, marketing, availing financial assistance, government support etc. Keeping this in mind, the present study is carried out to examine the efficacy of SHGs in the study area. It is found that 85 (34%) respondents have completed only primary education. It is found that 140(56%) respondents monthly income is between Rs.10,001 and Rs.15,000. Hence, it is suggested that informal groups can be constituted by themselves to create a reliable and potential source of income to enhance the earning capacity of scheduled caste women in SHGs. It is concluded that the formation of Self-Help Groups is "not ultimately a micro-credit project but an empowerment process".

### KEYWORDS :

#### INTRODUCTION

Self help groups enhance the equality of the status of women as participant and decision maker in the democratic, economic, social and cultural spheres of life. The basic principles of the SHGs are group approach, mutual trust, organisation of small and manageable groups, group cohesiveness, spirit of thrift, demand based lending, collateral free loan, peer group pressure, skill training, capacity building and empowerment. At present, 1.40 lakh groups are functioning with 23.83 lakh members. It is observed that, SHGs are suffering due to lack of management skill, training, marketing, availing financial assistance, government support etc. Keeping this in mind, the present study is carried out to examine the efficacy of SHGs in the study area.

#### REVIEW OF LITERATURE

Puhazhendi and Satyasai (2000) examined the socio-economic impact of Self Help Groups and found that the overall impact of such groups was significant both on social and economic spheres of the household. They found that economically weaker sections accounted for 84 per cent of the membership. It is concluded that the impact of micro finance was relatively more pronounced on social aspects than economic aspects.

Nedumaran et al. (2001) analysed the performance and the socio economic impact of Self Help Groups in Tamil Nadu and found that there was an increase of 23 percent in the net income in the post SHG situation. Social conditions of the members had also considerably improved after joining the Self Help Group.

Krishnaiah (2003) examined Self Help Groups in Andhra Pradesh and observed that as a result of group formation, women were able to diversify their activities by undertaking non-farm and animal husbandry related activities. He concluded that repayment of loans by the groups is appreciable because of peer pressure, members are known to each other and they are aware of the credit worthiness of members and the good performance of repayment from members to groups and groups to banks helped to get higher loans subsequently.

Selvarajan and Elango (2004) found that some groups charge 24 per cent interest to the members and it is obvious that the high rate of interest is very much oppressive causing hardships to the poverty stricken groups.

Lakshamma (2005) examined the self help groups in Prakasam District of AP and found 95 per cent of respondents out of 435 respondents informed that there is an improved economic position after joining the group. It is concluded that participation in groups

has improved the economic position of the beneficiaries and their family members.

Rao (2005) examined the benefits and gains of Self Help Groups in Midnapore district of West Bengal. He found that there is increase in self confidence and social status, improvements in leadership qualities and managerial skills and they become part of decision making process in family and community. Further, there is better understanding of immunization of children.

Panda (2006) studied 80 tribal Self Help Groups in Kandhamal district and reported that the highest number of Self Help Groups ( numbering 30 and constituting 37.5 per cent) were formed with a view to receive economic benefits followed by 20 Self Help Groups (25 per cent) for upgrading traditional occupation and relieving debt burden.

Rajasekaran and Sindhu (2013) made a study on entrepreneurship and small business with reference to Women SHGs in Coimbatore City. Their analysis clearly shows that the role of women entrepreneurs' contribution to the society is commendable. Kappa Kondal (2014) conducted a study of women empowerment through Self-Help Groups in Gajwel Mandal of Medak District in Andhra Pradesh. It is found that that, there is a positive impact of Self Help Groups on Women empowerment in Gajwel Mandal of Medak District in Andhra Pradesh.

#### SIGNIFICANCE OF THE STUDY

Self Help Group is a path toward empowerment of rural people and the ultimate goal is the improvement of social and economic status of rural women. The result of this study may be helpful to the NGOs or Government and other related people while deciding on matters concerning their areas of interest.

#### OBJECTIVES OF THE STUDY

1. To analyze the impact of training programme on the respondents.
2. To find out the association between socio economic characteristics and reason for joining SHG.
3. To offer suitable suggestions based on findings.

#### HYPOTHESIS

H<sub>01</sub>: There is no significant difference between socio economic characteristics of members and the reason for joining the self help group.

#### SAMPLING DESIGN AND METHODOLOGY

The study is confined to scheduled caste women belonging to self help groups in Erode district. The study is based on primary data

collected by the researcher. Interview schedule has been used to collect data from the sample respondents using random sampling. The study is based on data collected from 250 respondents. For the analysis of data, the researcher has availed the tools Garatt ranking technique and Chi-square analysis for effective interpretation.

**Results and discussions**

**IMPACT OF TRAINING PROGRAMME:** The SHG program links with the poor through Self Help Group Promoting Institutions (SHPIs), which includes NGOs, banks and government officials. The agencies survey the village, provide the details of the program, enlist borrowers and sometimes organize training program. Training and capacity building can broadly be classified into two categories. General training to all SHG members covers group formation and an introduction to linkage methods, which includes basic literacy, bookkeeping, group formation and dynamics. The

additional training module relates to other types of training. These include skill formation training which aims at improving income-generating activities such as farming, craft or business. SHG members can demand the required skill training.

**GARRETT RANKING**

Garrett's Ranking techniques has been used to analyze the impact of training programme on the respondents. Under Garrett ranking technique, percentage position is

calculated by using the following formula:

$$\text{Percentage} = 100 (R-0.5)/5$$

Where R=rank given for the variable.

**IMPACT OF TRAINING PROGRAMME – GARRETT RANKING**

Impact of training programme is shown in Table 1

**TABLE 1  
IMPACT OF TRAINING PROGRAMME – RANKING OF FACTORS**

S.NO	Factor	RANK												No. of Resp.	Total Score	Mean Score	Rank
		1	2	3	4	5	6	7	8	9	10	11	12				
1.	Marketing linkage	65	35	30	20	50	0	20	15	5	5	10	0	250	16425	65.7	I
2.	Bank linkage	50	65	50	0	5	20	10	10	10	10	5	5	250	15700	62.8	111
3.	Confidence building	5	15	65	35	40	10	5	25	15	20	20	5	250	13780	55.12	VI
4.	Skill development	40	35	25	60	10	10	20	10	10	10	15	5	250	15070	60.28	1V
5.	Linkages with Govt. Officials	50	40	30	10	70	10	10	10	10	0	5	5	250	15865	63.47	11
6.	Knowledge on rights, entitlements and development programmes	25	30	20	25	5	90	20	20	5	10	0	0	250	14655	58.62	V
7.	Enhanced income and earnings	0	5	20	10	15	45	50	60	25	10	0	10	250	12190	48.76	VII
8.	Managerial efficiency for micro enterprise development	0	15	15	10	35	30	55	25	25	20	5	15	250	11935	47.74	VIII
9.	Active participation in decision making in family	10	0	20	5	10	15	25	40	60	20	30	15	250	11060	44.24	1X
10.	Active participation in development programmes	0	5	5	25	25	5	20	20	50	75	35	15	250	10090	40.36	X
11.	Active participation in decision making outside the family	5	5	0	5	0	25	5	0	15	50	95	45	250	8530	34.12	X1
12.	Others	0	0	0	5	10	5	0	40	25	30	30	130	250	7160	28.64	X11

Source:Primary Data

Table 1 shows that the impact of training programme on the women SHG members are in the order of marketing linkage, Linkage with government officials, bank linkage, skill development, knowledge on Rights, entitlements and development programme, confidence building, enhanced income and earnings, managerial efficiency for micro enterprise development, active participation in decision making in the family, active participation in development programmes and active participation in decision making outside the family.

**3.11 MONTHLY INCOME OF THE RESPONDENTS AND REASON FOR JOINING SHG**

H<sub>0</sub> : There is no significant association between monthly income of respondents and reasons for joining SHG.

Details of the findings are shown in Table1.

**TABLE 1  
MONTHLY INCOME OF THE RESPONDENTS AND REASON FOR JOINING SHG: CHI SQUARE TABLE**

Monthly Income	Reason for joining SHG				Total
	For Getting Loan	For promoting savings	Social status	For other reasons	
Below Rs.5000	-	10	-	-	10
Rs.5000-10,000	40	45	-	10	95
10,001-15,000	15	35	45	45	140
Above Rs.15000	5	-	-	-	5
Total	60	90	45	55	250
Factor	X <sup>2</sup> Value	DF	Table value	Significant level	

Monthly Income and reason for joining SHG	21.97895	16.92	5%
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Source:Primary Data

As per Table 1, the calculated value(21.9785) is greater than the Table value. Hence, the framed null hypothesis is not accepted and it can be concluded that there is a significant association between monthly income and reason for joining SHGs.

**OCCUPATION OF THE RESPONDENTS AND REASON FOR JOINING SHG**

H<sub>0</sub> : There is no significant association between occupation and reasons for joining SHG.

Details of the findings are shown in Table2.

**TABLE 2  
OCCUPATION OF THE RESPONDENTS AND REASON FOR JOINING SHG: CHI SQUARE TABLE**

Monthly Income	Reason for joining SHG				Total
	For Getting Loan	For promoting savings	Social status	For other reasons	
Tailor	-	5	5	15	25
Coolie	-	-	-	-	-
Employed	20	30	15	20	85
House wives	40	55	25	20	140
Total	60	90	45	55	250
Factor	X <sup>2</sup> Value	DF	Table value	Significant level	

Monthly Income and reason for joining SHG	5.963	9	16.92	5%
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Source:Primary Data

As per Table 2, the calculated value(5.963) is less than the Table value. Hence, the framed null hypothesis is accepted and it can be concluded that there is no significant association between occupation and the reason for joining SHGs.

**MARITAL STATUS OF THE RESPONDENTS AND REASON FOR JOINING SHG**

H<sub>0</sub> : There is no significant association between marital status and reason for joining SHG.

Details of the findings are shown in Table 3.

**TABLE 3  
MARITAL STATUS OF THE RESPONDENT AND REASON FOR JOINING SHG:CHISQUARETABLE**

Monthly Income	Reason for joining SHG				Total
	For Getting Loan	For promoting savings	Social status	For other reasons	
Married	55	75	40	30	200
Unmarried	5	15	5	25	50
Total	60	90	45	55	250
Factor	X <sup>2</sup> Value	DF	Table value	Significant level	
Monthly Income and reason for joining SHG	3.974	3	7.82	5%	

Source:Primary Data

As per Table 3, the calculated value(3.974) is less than the Table value. Hence, the framed null hypothesis is accepted and it can be concluded that there is no significant association between marital status and reason for joining SHGs.

**EDUCATIONAL QUALIFICATION OF THE RESPONDENTS AND REASON FOR JOINING SHG**

H<sub>0</sub> : There is no significant association between educational qualification and reasons for joining SHG.

Details of the findings are shown in Table 4.

**TABLE 4  
EDUCATIONAL QUALIFICATION OF THE RESPONDENTS AND THE REASON FOR JOINING SHG:CHI SQUARE TABLE**

Monthly Income	Reason for joining SHG				Total
	For Getting Loan	For promoting savings	Social status	For other reasons	
Illiterate	-	10	5	-	15
Primary	35	20	15	15	85
Secondary	10	35	15	15	75
Higher secondary	15	25	10	25	75
Total	60	90	45	55	250
Factor	X <sup>2</sup> Value	DF	Table value	Significant level	
Monthly Income and reason for joining SHG	21.9785	9	16.92	5%	

Source:Primary Data

As per Table 4, the calculated value(21.9785) is greater than the Table value. Hence, the framed null hypothesis is not accepted and it can be concluded that there is a significant association between Educational qualification and reason for joining SHGs.

**FINDINGS**

1. The impact of training programme on the women SHG members are in the order of marketing linkage, Linkage with government officials, bank linkage, skill development, knowledge on rights, entitlements and development programmes, confidence building, enhanced income and earnings, Managerial efficiency for micro enterprise development, Active participation in decision making in the family, Active participation in development programme and active participation in decision making outside the family.

2. There is a significant association between monthly income and reason for joining SHGs

3. There is a significant association between occupation and reason for joining SHGs.

4. There is no significant association between marital status and reason for joining SHGs.

5. There is a significant association between educational qualification and reason for joining SHGs.

**SUGGESTIONS**

- It is found that 85 (34%) respondents have completed only primary education. Hence, it is suggested that the NGOs can encourage the scheduled caste women in SHGs to take up secondary education and higher education if possible.
- It is found that 140(56%) respondents monthly income is between Rs.10,001 and Rs.15,000. Hence, it is suggested that informal groups can be constituted by themselves to create a reliable and potential source of income to enhance the earning capacity of women in SHGs.

**CONCLUSION**

The formation of Self-Help Groups is “not ultimately a micro-credit project but an empowerment process”. It aims at empowering women and thus uplifting their families above the poverty line. It is a gradual process resulting from interaction with group members through awareness and capacity building. Within the SHG approach, empowerment is embedded at many levels. The impact of SHG on the various dimensions of women empowerment depends on the backwardness, prevailing cultural practices, and demographic profile of the area.

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