

Women Empowerment through Self Help Groups

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ABSTRACT

Women are the most preponderant segment of the rural society, regarded as “the unsung heroine who works from dawn to dusk but long been bypassed or overlooked in the process of empowerment. Majority women lack assets that help contribute to their empowerment and well-being, economic independence through self-employment and entrepreneurial development. Women empowerment is a global issue which has gained momentum in recent decades. Empowerment is an active process of enabling women to realize their full identity and power in all spheres of life. Entrepreneurship is the dynamic process of creating incremental wealth. The process of economic empowerment among women can be institutionalized through Self Help Groups (SHG). The SHGs are characterized by a focused attention on providing employment opportunities by imparting training in order to generate both income as well as employment (Husain and Nair, 2006). Today the SHGs are the largest Micro– Finance (MF) programme in the world. As empowerment is one of the key constituent elements for poverty alleviation. In order to improve economic access among women, ten self help groups were made in village Lohiyan and Rerwan in Jalandhar District with the help of a NGO. Each SHG was comprised of 10 to 12 women members. All the members were selected for the study. They were motivated to take trainings and start their own entrepreneur. Maximum number of subjects in each SHG was illiterate or studied up to metric. As self help groups are financed by the regional rural banks, cooperative banks and commercial banks. Present study was undertaken to analyze the formation and functioning of SHGs and the impact on socioeconomic status of women and to assess the relationship between access and success of SHG's with government schemes, institutions like banks and NGOs in the support of Self Help Groups.

Key words: Self Help Group; Empowerment;

India has about 250 million people below the poverty line with the women and children being worse affected. The overall growth and development of a country is reflected by the socio economic status of women. Women have not been treated on par with men in any aspect of life though their role is crucial for the sustenance for family and society as well as for the development of economy as a whole (Sardagi, 2012). Without the involvement of women, a nation's economic development and progress is incomplete. Women belonging to low socio-economic groups generally face financial crisis to fulfil daily needs which forms a vicious cycle of financial problems, malnutrition, lack of education and poor living conditions etc. Women empowerment is the key component in mitigating

poverty and related problems. Due to globalization, emancipation of women in India has created economic opportunities and woman entrepreneur have emerged as a significant pillar in booming nation's economy. Making of self help groups is the best way to institutionalize economic empowerment among women. Self help group not only instigate women to grow their savings but also give access to facilities of credit from various banks.

Self Help Groups are voluntarily formed informal, registered or unregistered group of micro entrepreneurs having homogeneous social and economic backgrounds; voluntarily coming together to save regular small sums of money, mutually agreeing to contribute to a common fund and meet their emergency needs on the basis of

mutual help. (Jagtap and Goyal, 2012) Concept of self help group involves a small group of women working together to improve their financial status. It is generally a saving and credit organization, composed of 10-15 farm women belonging to same area, religion or class. Self help groups are voluntary gatherings of persons who share needs or problems that are not being addressed by the existing organizations, institutions, or other types of groups. The broad goals of a self – help group are to bring about personal and social – economic change for its members and society (Latha et. al., 2008). SHGs also act as a platform for economically poor women to be aware and active in various community and financial affairs and gain strength as part of a group. It is a path toward empowerment of rural people and the ultimate improvement of social and economic status of rural women. Self help groups are supported by government or NGO's. The process of economic empowerment among women can be institutionalized through Self Help Groups (SHG). The SHGs are characterized by a focused attention on providing employment opportunities by imparting training in order to generate both income as well as employment (Husain and Nair, 2006).

Entrepreneurship is the dynamic process of creating incremental wealth. The wealth is created by individuals who take the major risks in terms of equity, time and career commitment of providing value to some product or service (Kuratko and Richard, 2001). Today the SHGs are the largest Micro– Finance (MF) programme in the world which empowers rural women and reduce poverty and ensures sustainable and holistic rural development. SHGs countenance various problems such as limited credit, non loan repayment by members, lack of or delayed information regarding the new schemes and incentives by the government. In order to improve economic access among women, Nine (09) self help groups made by NGO Pahal were selected in village Lohiyan and Rerwan in Jalandhar District. Each SHG was comprised of 10 to 12 women members. All the members were selected for the study. They were motivated to take trainings from KVK. Present study was undertaken to analyze:

- i. To study the general characteristic features of the members including pattern of savings of SHG members

- ii. To study impact of making SHG on socioeconomic status of women
- iii. Factors motivating the members to join the SHGs

METHODOLOGY

Primary data were collected from the SHG members through personal interview method with the help of a well structured and pre-tested schedule developed by KVK. Rerwan and Lohiyan (located in Lohiyan block, district Jalandhar) was purposely selected as NGO Pahal was also working towards formation of self help groups in that area. Nine (09) SHGs were selected which carried out income generating activities. Thus a total 90 farm women from 09 SHGs were selected randomly for the collection of required information for the study. In order to collect the necessary data, both descriptive and exploratory methods were adopted. Further, focused group discussions (FGD), personal observation techniques etc were used to unearth all the possible information on the characteristics of group and qualitative information on the behaviour of the SHG members and also to understand the level of enthusiasm, group participation, decisiveness and cooperativeness among the members. Case study method was also used to get in-depth and clear insights on overall quality of life of SHG members. To know about the functioning of SHGs and Bank / NGO, the respondents were asked to give their reaction on a 3 point continuum scale i.e., Yes (3), Partly (2) and No (1). The data were classified based on objectives.

RESULTS AND DISCUSSION

Characteristics of the Members of Self-Help Groups: Socio-economic characteristics of rural women of self help group are presented in Table 1 regarding age, marital status, educational qualification, family type, caste etc. It was observed that maximum number of subjects (63.3%) were of middle age i.e. 36-50 yrs. 27.7% subjects belonged to the category of young age indicating that the middle aged married women have more family responsibilities and have desire to change for individual as well as family welfare. Middle aged women were also in a position to take decisions at home as compared to younger counter parts they were also more efficient and responsible than their younger counter parts. The results were in agreement with the findings of Joseph

and Easwaran (2006) and Naik *et.al* (2012). Only 8.8 % subjects were under the category of old age. 96.6% women were married and only 2.2% women were divorced or separated which clearly shows lower divorce rate in rural area.

Maximum numbers of subjects (36.6%) were studied up to primary level whereas 13.3% subjects were illiterate. 30% subjects were educated up to middle and 20% were matric pass. There was no subject educated up to twelfth or college and. 60 % women belonged to nuclear family and 40 % women belonged to joint families. Majority of the members (72.2%) belonged to SC/ST category followed by others category (27.7%). The members of SHGs are common in respect to social background, heritage, caste or traditional occupation come together for a common cause to raise and manage resources for the benefit of the group members (Kumar, 2011).

Table 1 General characteristics of the respondents (N=100)

Vaibles	Category	No.	%
Age	Young(18-35 years)	25	27.77
	Middle(36-50 years)	57	63.33
	Old (Above 50)	08	8.88
Marital Status	Married	87	96.6
	Unmarried	01	1.11
	Widow	02	2.22
Educational qualification	Illiterate	12	13.33
	Primary education(1-4)	33	36.66
	Middle	27	30
	Matric	18	20
Family type	10+2 and College	Nil	Nil
	Joint Family	36	40
	Nuclear family	54	60
Caste	SC/ST	65	72.22
	Others	25	27.77

Data presented in Table 2 show that 43.3% women wanted to be a part of self help group to improve financial status whereas 14.4% women had a desire of being recognized. The reason to be a part of SHG among 32.2 and 38.8% women was improved social status and improvement in living conditions, respectively. 25.55% subjects joined SHG to promote saving habits whereas 40% of them were keen on obtaining financial support. Majority of subjects (80%) realized that there is need to earn money and self help group is a good means to save money. They joined SHG because their money

can be saved in smaller amount on weekly basis. These subjects were motivated by seeing other SHG and NGO intervention. NGO Pahal had employed local boys to communicate and motivate women to join SHG. This was followed by the 53.3% of women motivated by NGO intervention. 44.4% women had taken trainings from KVK and also visited KVK. They were motivated to start their own entrepreneur though they were also expecting arrangement of assured sale of their products by KVK. Further, 40% women joined SHG to satisfy the urge to gain social status by being a part of the group followed by 10% women having desire to start income generating activity. The results were in line with the study by Husain and Nair, 2006 observed similar results and characterized SHG's by a focused attention on providing employment opportunities by imparting training in order to generate both income as well as employment. The participation of women in various economic activities is highly important because it not only lowers the disproportionate levels of poverty among women but also as an important step in raising their household incomes. (Shobhana and Singh, 2012)

Table 2 Factors that motivated members to join SHG (N = 90)

Factors	No.	%
Improvement in financial status	39	43.3
Sense of recognition	13	14.4
Improve Social Status	29	32.2
Improvement in living conditions	35	38.8
Promote Saving Habit	23	25.5
Obtain Financial Support	36	40
Initiate Group Activities	11	12.2
Trainings taken under KVK and motivated to start SHG	40	44.4
NGO intervention	48	53.3
Emulation of other SHG	11	12.2
Requirement to earn money and found that SHG is a good means to save money	72	80
Desire to start income generating activity	9	10
To satisfy the urge to gain social status by being a part of the group	36	40
Influenced by friends and relatives	14	15.5

Changes in the features regarding social status and family after joining SHG : Table 3 depicts the changes in social status and their status in family after joining SHG. 46.6% women felt improvement in their self

Table 3. Changes in the features regarding social status and family after joining SHG

Factors	No.	%
Improved self confidence level	42	46.6
Improved status in family	32	35.5
Involvement of women in decision making in family	26	28.8
Helps in Family Finance	9	10
Family Violence (decline)	21	23.3
Help from family	34	37.7

Table 4. Distribution of subjects according to problems faced by them in SHG

Nature of Problem	No.	%
Difficulty to Approach the Authorities for Getting Loan	67	74.4
Poor Response of Authorities	52	57.7
Delay in Sanctioning the Loans	48	53.3
Inadequate Loan Amount	73	81.1
Lack of Administrative Experience	82	91.1
Lack of Cooperation Among Members	79	87.7
Lack of awareness regarding new schemes and facilities	83	92.2
Lack of cooperation by families	56	62.2
Need of training for better working and management	86	95.5
Are you ready to come to KVK for training by your self.	27	33.3

Table 5. Change in the saving pattern of SHG members

Agency	Saving pattern of SHG members			
	Pre-SHG		Post-SHG	
	No.	%	No.	%
In Bank & P.O	Nil	Nil	67	74.44
In SHG	Nil	Nil	19	21.11
Cash in Hand	81	92.22	3	3.33
Loan to relatives	09	10	1	1.11

confidence. They were able to express their view, talk to concerned people in a better way. 35.5% women realized their status in family as an individual is improved. The improved status in family was explained in terms of their involvement in giving opinion and family members talking about their achievements to visitors. 28.8% women expressed that they were involve in decision making in family matters after they became members to SHG and started earning. 10% women also helped their families by sharing day to day expenditure.

Financial and family status of women improved due to availability of loans, better management of available resources and social recognition due to involvement in work. 23.33% women reported that their was decline in family violence after they became members to SHG and started going out of house for productive work and meetings etc. these women reported that decline in violence may also be due to the fact that, now they have more self confidence, independent earning and as they were moving in group. According to them, group participation developed assertiveness in them in terms of their increased desire and ability to protest against socially undesirable habits such as alcoholism, gambling and violence against women. 37.7% women got help from their families for becoming member and doing their own business and in household work. This help was mainly from their children. Therefore, we can say that joining SHGs is an effective measure to improve status of women within the family and then society. SHG also act like a significant platform for improving social status, economic growth and combat the struggle against poverty. Women who were running their SHG from 1-2 years were very happy with the change in their lives along with sense of recognition. These members were confident enough to talk to anyone. The social empowerment process of women could be possible due to participation in SHGs as they attend meetings, engage in discussions, interact with people and influence decisions. *Jasuja and Seema (2005)* in her study summarized that women entrepreneurs were much productive and efficient, not only in providing vital support to their families but also give a new direction to economic development of nation.

Problems faced by the subjects in SHG : Table 4 shows the problems faced by subjects in SHG. The major problem faced by majority of members (92.2% and 91.1%) was Lack of awareness regarding new schemes and facilities and lack of administrative experience, respectively. 87.7% women felt that there was lack of cooperation among members within the group due to one or other reason. 74.4% women felt that it is difficult to approach authorities for loan whereas 81.1% women also felt that loan amount are inadequate to meet their needs. Poor response of authorities and delay in loan sanction was experienced by 57.7 % and 53.3 % women respectively. 62.2% women also reported lack of family cooperation. All these problems were mainly due to lack

of awareness, education and exposure. Women who joined groups were dependant on NGO for all kind of information and any ongoing schemes. There was no one else in village to aware them about any govt schemes. Bank employees use to be invited on certain occasions for lectures. According to women they only and always insisted on opening accounts.

Change in the saving pattern of SHG members : Table 5 presents the changes that occurred in the saving pattern of the members during pre and post SHG period. It is observed that 74.4% members started saving in bank or post offices after joining SHG. 21% women also started saving in SHG. Before joining SHG 92% women use to keep cash at hand whereas after joining SHG only 3% women was keeping cash at hand. 10% women use to give money on loan to relatives before joining SHG and after joining group only 1% women had given money on loan to relatives or friends. Therefore, we can say that joining a SHG enculcate a habit to save money in bank or post office etc. It also has impact on members to save some money for future use. Results were in line with the study by Chandrashekar and Lokesh, 2008 and Kuratko and Richard, 2001. Therefore, women can contribute in creating real wealth by taking major risks in terms of equity, time and career commitment of providing value to some product or service.

CONCLUSION

It can be concluded from the present study that

NGO's intervention is important to make SHG's. The cohesive Self-regulatory group processes and the motivational efforts of the NGO makes success of the SHGs exceptionally promising and effective. It was observed that rural women were able to increase their savings and income with the help of SHGs. The study also revealed that there is a need for media awareness about al ongoing schemes and facilities for these groups. There is also need for banks and cooperatives to meet more often to public and at their door steps. The NGO intervention was the major motivating factor for the women to join the SGHs. Women gets a plate form to Link not only to banks but also to wider development programmes, SHGs are seen to confer many benefits, both economic and social. SHGs enable women to grow their savings and to access the credit which banks are increasingly willing to lend and feel empowered. Purpose of SHGs is to make women economically independent and to increase their funds so that they should start any enterprise. So, majority of the members were willing to continue as members of SHGs as they not only to increase their family income but also for overall development of family. The collective initiative of women based on savings is ultimately leading to socio-economic empowerment. The women realized that these institutions were initiators for starting income generating activities and their guidance is needed for the smooth functioning of SHGs. Krishi Vigyan Kendras can work along with NGO's to train theses SHG's for better entrepreneur development.

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