

IMPACT OF SELF HELP GROUPS IN ECONOMIC EMPOWERMENT OF RURAL WOMEN

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ABSTRACT

Rural women today have been suffering a lot due to the feeling of helplessness and lack of decision-making capabilities in financial matters. Self help groups (SHGs) are the most recent development for them which could enable them to come forward and make them self dependent and self employed. The main objective of this study is to study the effectiveness of SHGs in empowering women as well as the interest of rural women towards SHGs. Chi-square test has used to test the significance of the result and it was found that the women associated with SHGs have disclosed that have economically benefited them across the time of association with them but there is significant difference in the perception on the effect that SHGs had on various factors and socially and politically benefited by SHG across the time of association with SHG.

KEYWORDS: Self help group, self-dependent, empowerment, Loan, poverty, growth.

INTRODUCTION

Self Help Groups (SHGs) are small voluntary associations of poor people, preferably from the same socio-economic background who come together for the purpose of solving their common problems through self help and mutual help .Self help groups have become a good source to empower woman. It plays a vital role in the rural development and groups reduces the emphasis of the unorganized sector and develops individual skills of the community and members. At present SHGs are growing at rapid pace and helping woman to grow in the society which could improve their socio-economic conditions. The SHG promotes small savings among its members. The savings are kept with a bank. This common fund is in the name of the SHG. Usually, the number of members in one SHG does not exceed twenty. SHGs are helping in woman empowerment to a great extent, By this woman can become self dependent by saving small amount of money on monthly basis and once their group becomes able to lend money and then by taking loan also as per their requirement which could make them start their small business and make them employable. For taking loan they have to give a prior notice in the meeting so that they could get the loan at the right time. They fix small installment for repayment of the loan which is very convenient for them to repay their borrowings with principal amount as well as interest. Every month all the women come together and hold meetings and make their monthly payment. SHGs brings confidence among woman to face the problem of poverty and develop their individual skills also as well as increases their living standard & social relation which could lead to enhanced their leadership qualities and their participation in social activities and they could give a better social security also.

Review of literature

(Kumar, 2009) reviewed the scope and limitations of self-help groups in improving women's health and empowerment focusing on the empirical work undertaken in one of the Indian States. They explored the extent to which SHGs could be involved in attaining better health for women and children. (Tanya Jakimow, 2006) analysed the 'normative' model of SHG programmes and its actual application and showed that while SHG programmes had the potential to empower women was often not realized through the persistence of 'top-down' approaches in implementation. SHG programmes were further limited in their ability to transform social relations due to their apparent insistence that the marginalized were the only legitimate actors in their own empowerment. Rather than argue for the discontinuation of SHG programmes in India, their potential to empower women could be increased through a 'bottom-up' orientation in implementation, while recognizing that in and of themselves SHG programmes could not reduce all the constraints preventing the pursuit of interests. (Prof. Dr J. Venkatesh, 2010) stated that Women empowerment was a process in which women got a greater share of control over resources - material, human and intellectual like knowledge, information, ideas and financial resources like money - and access to money and control over decision-making in the home, community, society and nation, and gain empowerment. (Tracey L. Moyle, 2006) studied the empowerment of women by addressing two dimensions: economic empowerment and personal empowerment. One hundred women, aged between 16 and 65 years, participated in self-help groups from two rural Indian villages in North-West India took part in the study. Both quantitative and qualitative data were gathered through self-report surveys and interviews, with the analysis yielding contradictory findings. The quantitative data found that working women reported moderate to high levels on collective efficacy, proactive attitude, self-esteem and self-efficacy with no significant reporting of psychological distress. In contrast, examination of the qualitative data revealed positive appraisals of self-worth, purpose and independence and negative appraisals of pressure, challenge and stress. The implications of these findings and the importance of this study were also discussed. The SHG approach, apart from generating incremental income, helped them to upgrade the economic and social status along with a sense of recognition contributing to the process of empowerment. (Vijayalakshmi, Gowda, Jamuna, Ray, & Sajjan, 2012) concluded that SHG were improving the standard of living of all families who came in the project area. Appropriate strategies for empowerment of SHG women were addressed through organizing appropriate trainings both on and off-campus, including higher level trainings, follow-up activities, providing relevant leaflets and folders, exposures besides recognizing and encouraging women to come forward and take up processing and of linger millet products value addition and income generating activities. The SHG project has made a successful impact in improving the livelihood security for rural women. (Kusakabe, 2010) concluded that being an SHG member was useful for gaining employment that leads to better recognition in the family and society. However, employment opportunities and organizational experiences mean that the benefits were not equally shared among all the members.

Research gap / Gap Analysis - From the review of literature it is found that studies were done on woman education and for self employment and empowering woman by increasing their standard of living and encouraging woman to come forward. This study is done for knowing the positive and negative impact of SHG in rural areas and see how it has helped in reduce poverty and made the members feel self-dependent.

Objectives of the study

- To study the performance of SHG groups in rural area
- To study the positive and negative impact on members of SHGs after joining them
- To study the interest of rural woman towards SHGs
- To study the effectiveness of SHGs in empowering women

Hypothesis framed for the study

H ₀₁	There is no significant difference in the perception on the effect that SHG have on various factors across the time of association with them
H ₀₂	There is no significant difference in the perception that SHG have economically benefited across the time of association with SHG
H ₀₃	There is no significant difference in the perception that SHG have socially benefited across the time of association with SHG
H ₀₄	There is no significant difference in the perception that SHG have politically benefited across the time of association with SHG

Research methodology

The sample of the study included members of various SHGs in the rural area of Thiruvallur district. A well structured questionnaire was framed and pretested for its relevance. Once the pilot-survey was completed and necessary correction incorporated, the questionnaire was distributed to about 250 members across various SHGs in Thiruvallur district (rural). In a number of cases, the questionnaire was explained in the local language and the responses were collected. Care was taken to see that not more than 10 questionnaires were given to one SHG; of the entire questionnaire distributed, 156 questionnaires were filled and complete in all responses and were hence considered for the study. Chi-square test was applied to find the significance of the difference in the responses.

Data analysis and interpretation

Table 1(Demographic profile of the respondents)

		FREQUENCY	PERCENTAGE
AGE	18-30years	50	32.1
	30-40years	68	43.6
	40-50years	31	19.9
	50-60years	4	2.6
	>60years	3	1.9
	Total	156	100
RELIGION	Hindu	135	86.5
	Jain	21	13.5
	Total	156	100
MARITAL STATUS	Married	152	97.4
	Widow	4	2.6
	Total	156	100
Type of family	Nuclear	88	56.4
	Joint	68	43.6
	Total	156	100
Family members	2 members	8	5.1
	3 members	17	10.9
	4members	36	23.1
	>4members	95	60.9
	Total	156	100
Head of your family	Spouse	123	78.8
	Self	6	3.8
	Father-in-law	27	17.3
	Total	156	100
Earning members in your family	One	156	100
Number of dependents in your family	Nil	12	7.7
	one	20	12.8
	Two	40	25.6
	Three	81	51.9
	>4members	3	1.9
	Total	156	100
Time of association with SHG	<1year	3	1.9
	1-2years	12	7.7
	>3years	141	90.4
	Total	156	100
Your monthly savings(Rs.)	<Rs100	6	3.8

	Rs.100-500	60	38.5
	Rs.500-1000	36	23.1
	Rs.1000-1500	23	14.7
	Rs.1500-2000	16	10.3
	Rs.2000-2500	3	1.9
	>Rs.2500	9	5.8
	No savings	3	1.9
	Total	156	100
Your (Rs.)	Rs.5000	152	97.4
	Rs	4	2.6
	Total	156	100



Interpretation- 97.4% the woman were married, maximum were between the age group of 30-40 years and around 43.6% were members of SHG or the other. Most of them were from nuclear families (56.4%) with the spouse as the head of the family and having 4members. In all the families there was single person who was earning but the dependents were in the ratio of 51.09%. 90.4% of the families were associated with SHGs for more than 3 years. 38.05% families had monthly saving between Rs 100-500. 97.04% of the families were such who had borrowed a sum of Rs 5000-10000.

Table 2

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
You feel there is a reduction in poverty after joining SHG		33	16	85	22	156
Do you feel self dependent after joining SHG		17	18	83	38	156
Increase in the living standard of women after joining SHG		1	8	56	91	156
Is it easy to repay the principal amount interest			5	120	31	156
you are the interest	1	3	9	91	52	156

Interpretation- Becoming the member of a SHG had benefited the women members a lot. Most of them agreed that there was a significant reduction in poverty; they feel self-dependent after joining SHGs, there was a significant increase in the standard of living, the women found it easier to repay the principal amount along with the interest after joining SHGs and further the women members were also satisfied with the interest rates charged by the SHGs. Not even a single woman disagreed with the benefit that occurred on becoming a member of SHGs

Table-3

		Effect of				
		Increase in monthly income	Increase in monthly savings	Increase in monthly expenditure	Increase in the living standard	Total
Time of association with SHG	<1 year	0	3	0	0	3
	1-3 years	3	8	0	1	12
	>3 years	1	110	7	23	141
Total		4	121	7	24	156

Interpretation- from the above it can be clearly seen that greater the time of association with SHGs, greater the monthly savings, lesser is the increase in the monthly expenditure and greater is the increase in the living standard. The women who had lesser time of association were not able to realize the benefit that occurred. Greater the time of association, greater the benefit that would occur.

Table-4

Economically benefited by SHG						
	Possibility of savings	self employment	Increase in the living standards	economic empowerment	Increase in income	Total

Time of association with SHG	<1 year	3	0	0	0	0	3
	1-2 years	9	3	0	0	0	12
	>3 years	106	17	4	11	3	141
Total		118	20	4	11	3	156

Interpretation-It is clear that greater the time of association with SHGs greater are the economic benefits like greater possibility of savings, increased scope of self-employment, increase in the living standard, increase in the income and feel economically empowered derived. Association with SHGs has recently empowered women to a significant extent.

Table-5

		socially benefited by SHG					Total
		Social security	Participation in social activities	Access financial services	Social awareness	Increase in social relation	
Time of association with SHGs	<1year	3	0	0	0	0	3
	1-2years	3	3	0	2	4	12
	>3years	79	7	5	31	19	141
Total		85	10	5	33	23	156

Interpretation- Here also it is very clear that greater the time of association with SHGs, greater are the social benefits like feeling of social security, participation in social activities, having access to financial services, being socially aware and having social relations derived. SHGs have socially benefited the members to a large extent.

Table-6

politically benefited from SHG					
		Active participation on local bodies	Increase political awareness	increase in leadership qualities	Total
Time of association with SHGs	<1year	0	3	0	3
	1-2 years	3	5	4	12
	>3 years	7	88	43	141
Total		10	96	47	156

Interpretation-Association with SHGs has also politically empowered the members by making them actively participate in local bodies, increasing their level of political awareness, increasing their leadership qualities.

H_{01} : There is no significant difference in the perception that SHGs have economically , socially and politically benefitted the members across the time of association between them .

Table-7

Time of association with SHGS	calculated chi-square value	df	Accept/reject
Effect of SHGs	27.582	6	Rejected
Economically benifited by	3.992	8	Accepted



SHGs			
Socially benefited by SHGs	14.974	8	Rejected
politically benefited from SHGs	9.9	6	Rejected

Interpretation – The null hypothesis has been rejected in almost all the cases of economic benefits from SHGs indicating no significant difference in the perception that time of association with SHGs have economically benefited the participation of SHGs. In all the other cases, the null hypothesis has been rejected indicating a significant difference in the perception towards the benefits derived (both social & political) from membership of SHGs.

Findings and conclusions

Time association had got a significant impact on the benefit derived from SHGs. Greater the time of association; greater are the benefits derived. Joining after SHGs has helped in the significant reduction of poverty, have made the women members feel more independent; has increased their standard of living. The women have found it easier to repay the principal amount along with the interest and further more the women members were also satisfied with interest-rates charged on the loans taken from SHGs. Though there was a significant difference in the perception towards the effect of SHGs across the time of association, it was clear that greater the time of association with SHGs, greater were the benefits derived. All of them agreed that there was an increase in the monthly savings after joining SHGs and greater was the time of association greater was the monthly savings and increase in the living standard. All the members accepted that they were economically benefited after joining SHGs. And these benefits also increased as the time of association increased. Though there was a difference in the perception regarding the social benefits derived from the membership of SHGs, Most of them did agree that the time association with SHGs increased the sense of social security and created social awareness among the women members. Different women were also politically benefited differently across the time association. woman so it can be concluded that woman are taking interest in the SHGs programs and coming forward and are becoming self dependent and self employed which has ensures their well being and growth they have also learned to take decision.

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