



## A Study on Role of Self – Help Groups in Women Empowerment

### KEYWORDS

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**ABSTRACT** Empowerment is an active multidimensional process to enable women to realize their identity, position and power in all spheres of life. Empowerment provides a greater access to knowledge and resources, more autonomy in decision making, greater ability to plan lives, more control over the circumstances which influence lives, and freedom from customs, belief and practices. The empowerment of women is one of the central issues in the process of development of countries all over the world. Involvement in Self Help Groups has enabled women to gain greater control over resources like material possession, intellectual resources like knowledge, information, ideas and decision making in home, community, society and nation. The study analyzed the data collected from 150 women SHG members. The study concluded that the socio- economic factors has changed for womenfolk after joining the Self Help Groups.

### INTRODUCTION OF THE STUDY

“The women of India should play a vital role in building strong nation” (Nehru). Women constitute 48.46% of total population in India as per census 2011. To mitigate the problem of unemployment and underemployment, the role of women should not only be confined to generate employment, but also to provide employment to others.

### Role of Self-Help Groups (SHGs):

Individually, a poor is not only weak in socio-economic term but also lacks access to the knowledge and information which are the most important components of today's development process. However, in a group, they are empowered to overcome many of these shortcomings. Hence, the role of SHGs is highly essential which in specific terms covers the following as under:

- To mobilize the resources of the individual members for their collective economic development and uplifting the living conditions of the poor.
- To create a habit of savings and utilization of local resources in form of utilizing individual skills for group interest.
- To create awareness about rights that help in financial assistance.
- To identify problems, analyzing and finding solutions in the group.
- To act as a media for socio-economic development of the village.
- To develop linkages with institutions of NGOs.
- To help in recovery of loans.
- To gain mutual understanding, develop trust and self-confidence.
- To build up teamwork.
- To develop leadership qualities.
- To use as an effective delivery channel for rural credit.

### Concept of Women Empowerment

Empowerment is an active multidimensional process to enable women to realize their identity, position and power in all spheres of life. Empowerment provides a greater access to knowledge and resources, more autonomy in decision making, greater ability to plan lives, more control over the circumstances which influence lives, and freedom from customs, belief and practices. Empowerment is a process that gives a person freedom in decision making. Two vital pro-

cesses have been identified as important for empowerment. The first is social mobilization and collective agency, as poor women often lack the basic capabilities and self-confidence to counter and challenge existing disparities and barriers against them. Often, change agents are needed to catalyze social mobilization consciously. Second, the process of social mobilization needs to be accompanied and complemented by economic security. As long as the disadvantaged suffer from economic deprivation and insecurity of livelihood, they will not be in a position to mobilize (UNDP 2001).

Malhotra et al. (2002) suggest that women's empowerment needs to occur along multiple dimensions including economic, socio-cultural, familial- interpersonal, legal, political, and psychological. Since these dimensions cover a broad range of factors, women may be empowered within one of these sub-domains. Empowerment indicator is built on the following eight criteria: mobility, economic security, ability to make small purchases, large purchases, involvement in major household decisions, and relative freedom from domination by the family, political and legal awareness, participation in public protests and political campaigns (Hashemi et al., 1996). The core elements of empowerment have been defined as agency (the ability to define one's goals and act upon them), awareness of gendered power structures, self-esteem and self-confidence (Kabeer 2001; Monkman 1998).

### Empowering Women through Self-help Groups

An important aspect of SHGs is the implicit assumption that through participation in the groups, women will gain, generate and acquire power, and improve their 'position' within the family and the society (Mazumdar 1986). Women's empowerment has long been a central feature of the partnership between IFAD and the Government of India. Key instruments for supporting women's empowerment are self-help groups, whereby 10-20 rural women from the same village, mostly poor women, come together to contribute two-weekly or monthly dues as savings and provide group loans to their members. An important aspect of SHGs is the implicit assumption that through participation in the groups, women will gain, generate and acquire power, and improve their 'position' within the family and the society (Mazumdar 1986). Social 'position' or status of women is an aspect of positional power that refers to the power or authority assigned to specific positions and roles in a society (Stamm and Ryff 1984).

**Empowerment of Women and SHGs**

Agriculture in India accounts for 37% of India's Gross National Product (GNP) and according to the National Sample Survey organization data; it employs 70% of the working population and about 84% of all economically active women (NSS, Gol 1991). But out of 168 million people estimated to be living below the poverty line, 60-80 million are women. Poor women in India, suffer from triple disadvantages of poverty, social backwardness (usually overlapping) and being women (DFID 2000). In order to empower women in India, SHGs were introduced during the mid - 1980s in Karnataka by Mysore Resettlement and Development Agency (MYRADA). It is interesting to note that SHGs with exclusive women members are more sustainable than those of men members. The term SHGs is used to describe a small group of 10 to 20 poor women who come together on voluntary basis to accumulate savings through thrift and self management, in order to prove their credit worthiness to financial institutions. The concept builds on mutual trust and help, shared ownership, peer pressure, emphasizing group solidarity and togetherness (Shashikala 2007). Andhra Pradesh has over 42%, Tamil Nadu and Uttar Pradesh have 12 % and 11%, respectively and Karnataka has about 9% of the total SHGs in India (Chakrabarti, 2004). It is assumed that increasing women's knowledge and access to micro-finance services will lead to individual economic empowerment through enabling women's decisions about savings and credit use, enabling women to set up micro-enterprises, and increasing incomes under their control. This in turn is assumed to enable women to initiate broader social and political changes (Mayoux, 2001).

**OBJECTIVES OF THE STUDY**

Every study needs clear and specific objectives for accurate analysis and interpretation. The following are the objectives of the study.

- To analyze the role of SHGs in Women Empowerment.
- To identify the purpose, usage and repayment of loans availed by SHGs.
- To analyze the income, expenditure and savings pattern of SHGs before and after joining SHGs.
- To analyze the problems faced by SHGs.

**STATEMENT OF THE PROBLEM**

Women in India have been oppressed culturally, socially, economically and politically for centuries. Women in India shoulder a number of responsibilities, but they are not given adequate participatory or decision making power in the family or elsewhere. Women can gain such power, if their economic status, cultural and social status improves. The empowerment of women is one of the central issues in the process of development of countries all over the world. Involvement in Self Help Groups has enabled women to gain greater control over resources like material possession, intellectual resources like knowledge, information, ideas and decision making in home, community, society and nation. Thus empowerment means moving from a position of enforced powerlessness to one of the power (Dr.S.Suja, May 2012). The study addresses the following questions:

- Are the women members of SHGs in the selected area empowered?
- To what extent the selected women members of SHGs are empowered?
- Has the extent of women empowerment improved over a period of time?
- To what extent SHGs have played their role in women empowerment?

The present research study attempts to find answer to all the above questions. In the process, it deals with all the indicators of women empowerment. The study also analyses the attitude of SHG members towards women empowerment.

**LIMITATIONS OF THE STUDY**

- The study is confirmed only to the Coimbatore and therefore the results of the study cannot be generalized.
- The study is focused on the empowerment factors only, the other aspects like the performance of SHGs are not considered.
- The availability of information and data are limited by time factor.

**REVIEW OF LITERATURE**

Anand (2002) reviewed the progress of Self Help Groups. The study examined the performance of selected Self Help Groups and NHGs the impact of micro credit programs on empowering women. It has been clearly established that delivering credit alone may not produce the desired impact. The supporting services and structures through which credit is delivered remaining from group formation and training to awareness raising and a wide range of other supporting measures are critical to make the impact of group activity strong and sustainable.

Anitha and Revenkar (2007) made an attempt to study rural development through micro credit, the study concluded that the success of SHGs not only improves the economic status of women, but also brought lot of changes in their social status.

Vinayamoorthy and Pithoda (2007) made an attempt to examine women empowerment through SHGs in three villages of Tamil Nadu with selected sample of 398 members. The study examined the income, expenditure and the savings of the members after joining SHGs and the role of SHGs in providing credit. They concluded that economic activities of SHGs were quite successful.

Vasanthakumari (2008) made an attempt to examine the role of micro enterprises in empowering women in Kerala. Sample sizes taken for the study were 328 micro entrepreneurs. The study revealed that these enterprises helped in empowering rural women economically, socially and individually. The study suggested giving priority to commercial viability of enterprises.

Mehra et al., (2010), conducted a study on 80 SHG members of Indore district, M.P with the objectives to understand the empowerment of women through SHG and to explore income generating activities initiated by SHG members and associated problems. Findings indicated that SHGs helps in empowerment of women by increasing their financial position, influence over decisions pertaining to general welfare of the family, political activities and their own development.

**METHODOLOGY**

**TYPE OF RESEARCH**

The present study is descriptive research.

**Variables used in the study:**

Variables	Source
Need of SHG, savings pattern, expenditure, purpose of loan, repayment of loan	Sahoo (2013)
Economic , social factors of empowerment	Heijden (2006)

**AREA OF THE STUDY**

The study was conducted among the Self Help Groups members in Coimbatore.

**SAMPLE SIZE**

A sample of 150 SHG Women respondents was selected using convenience sampling techniques.

**TOOLS USED**

The following tools were used for the analysis.

- Percentage analysis
- Weighted average score

**FINDINGS:**

The following are the findings of the study based on Percentage analysis:

**Personal Details:**

- ① Majority of the respondents are in the age group of 31-45 years (43.33%), educated only up to school level (53.33%), married (71.33%), live in nuclear families (74.67%), were housewife before joining SHG (27.33%).

**Loan:**

- ① Majority of the respondents took loan for personal use (27.33%), spent their loan amount for business (35.33%), borrowed finance from SHG (44.67%), favor banks to get loan (50%), choose borrowing due to low interest (46%), have availed loan between Rs.15,001 – Rs.20,000 (37.33%), utilize the loan for income generating purpose (76%) and re-pay the loan on time (82%).

**Income and Savings:**

- ① Majority of the respondents earn a monthly income of Rs.4,001- Rs.5,000 (36.67%), spent Rs.1,001- Rs.2,000 per month before joining SHG (31.33%), spend Rs.1,001- Rs.2,000 after joining SHG (37.33%).
- ① Majority of the respondents were saving Rs.251-Rs.500 per month before joining SHG (44.67%), save Rs.501-Rs.1,000 per month after joining SHG (36.67%), keep their savings personal (15.33%), are financially benefited after joining SHG (45.33%).

**Training:**

- ① Majority of the respondents rated good for the value of training given by SHG (71.33%).

**Decision and Status:**

- ① Majority of the respondents prefer to take decisions themselves (37.33%), were taking decisions by themselves before joining SHG (42%), are taking decisions by themselves after joining SHG (48%), prefer to take the decisions jointly with spouse (41.33%), male members took family decisions before joining SHG (46%) and female take family decisions after joining SHG (58%).
- ① Majority of the respondents' level of involvement in family is more (43.33%), status in the community has improved (71.33%) and status in the household after joining SHG has improved (76.67%).

**Weighted Average Score:**

- ① Analysis of the problems faced by SHGs were ranked using Weighted Average Score analysis which reveals over burdened with responsibilities ranks first, lack of encouragement ranks second, excessive stress & tension ranks third, lack of training ranks fourth, high cost of production ranks fifth, marketing problems ranks sixth, lack of ability to plan ahead ranks seventh, high interest rate on bank loan ranks eighth and low productivity ranks ninth.
- ① Analysis for the reasons for joining SHGs were ranked using Weighted Average Score analysis which shows women joined SHGs to save ranks first, to gain economic independence ranks second, to support family ranks third, to avail loan facility ranks fourth, to support family ranks fifth, to showcase talents ranks sixth and to pass their time ranks seventh.

**SUGGESTIONS:**

Following suggestions are recommended based on the study:

- ✓ SHGs should teach women to balance work and family.

- ✓ Psychological and motivational programs are to be conducted to help women overcome their problems.
- ✓ More training programs are to be given in various areas.

**CONCLUSION**

The study was undertaken to identify the empowerment of women through Self Help Groups in Coimbatore. It is found that the socio-economic factors has changed for womenfolk after joining the Self Help Groups. Women are able to save more after joining SHG due to the financial independence. Also, there is no change witnessed in their spending pattern. They utilize the loan for more income generating purposes and are able to take decisions in their family. Status in family and community has improved for women after joining SHGs. Still there are emerging issues that need to be addressed to make the role of women in the long run. It is clear that by involving voluntary organizations in social mobilization and creating an enabling policy environment, micro finance can achieve a vast scale and can become a rational movement. The self help group is important in re-strengthening and bringing together of the human race. It is concluded that SHGs have contributed to women empowerment.