



## A Study on Enabling Rural People to Alleviate Poverty Through Women Empowerment Functioning in SHGs With Respect to Erode District

### KEYWORDS

SHG, Empowerment, Poverty, Society

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**ABSTRACT** *In India, the trickle down effects of macroeconomic policies have failed to resolve the problem of gender inequality. Women face gender barriers to access education health, employment etc. There are several reason for this: Among the poor , the poor women are most disadvantaged –they are characterized by lack of education and access of resources, both of which is required to help them work their way out of poverty and for upward economic and social mobility.*

*Today the SHG concept has assumed a significant role in the development of our country, particularly in poverty reduction. The Government, Banks and Non-Government Organisations can function as catalysts and play a pro-active role in mobilising and sustaining SHGs. The challenge is about how to link self-help groups to agricultural activities, which are of key importance for the livelihoods of small farm holders in India.*

### INTRODUCTION

Poverty is widespread in India, with the nation estimated to have a third of the world's poor. In India the financial requirement is one of the basic needs of the poor rural people of the society for their socio-economic upliftment. Amongst the poor the most disadvantageous group are the women and they constitutes almost half of the population of India. The percentage of persons below the Poverty Line in 2011-12 has been estimated as 25.7% in rural areas, 13.7% in urban areas and 21.9% for the country as a whole. The respective ratios for the rural and urban areas were 15.83% and 6.54% for the Tamilnadu in 2011-12.

In many rural areas, there is a very high dependence of agriculture. Most of the inhabitants depend on farms as their main source of income and this can also be attributed to the low level of basic and manufacturing industry. Women's general education and literacy rate are important if they are to reach their full potential and become empowered. The Self Help Groups scheme was introduced in Tamilnadu in 1989. Self Help Groups have linkages with NGOs (Non-Government Organizations) and banks to get finance for development.

The main focus as a whole is on developing sustainable livelihoods, community development and social service provision like literacy, healthcare and infrastructure development. There is not only a concern with reaching the poor, but also the poorest. Policy debates have focused particularly on the importance of small savings and loan provision for consumption as well as production, group formation and the possible justification for some level of subsidy for programmes working with particular client groups or in particular contexts.

The problem is more acute for women in countries like India, despite the fact that women's labour makes a critical contribution to the economy. This is due to the low social status and lack of access to key resources. Evidence shows that groups of women are better customers than men, the better managers of resources. If loans are routed through women benefits of loans are spread wider among the household. Since women's empowerment is the key to

socio economic development of the community; bringing women into the mainstream of national development has been a major concern of government.

### PROBLEMS AND CHALLENGES

Surveys have shown that many elements contribute to make it more Difficult for women empowerment through micro businesses. These elements are:

- Lack of knowledge of the market and potential profitability, thus Making the choice of business difficult.
- Employment of too many relatives which increases social pressure to share benefits.
- Setting prices arbitrarily.
- Lack of capital.
- High interest rates.
- Inventory and inflation accounting is never undertaken.
- Credit policies that can gradually ruin their business

### REVIEW OF RESEARCH AND DEVELOPMENT

Poverty and unemployment are the major problems of any under developed countries, to which India is no exception. In India, at the end of ninth five year pan 26.1% of the population was living below poverty line. . But the more attractive scheme with less effort (finance) is "Self Help Group". It is to remove poverty and improve the rural development (Sabyasachi Das. 2003).

Mahendra Varman.P(2005),in a paper title, "Impact of Self Help Groups on formal banking Habits", makes a model attempt to examine whether there is any association between the growth of Self Help Groups and the increase in female bank deposit accounts and whether Self Help Groups have a tendency to influence account holding in formal banks among individual households.

Dr.S.Rajamohan in his study "opinion of the members of self help groups(2005) reveals that Self Help Group helps them to increase their status and aids to raise the standard of living of them. Women are becoming entrepreneurs with the help of Self Help Groups which avoids the exploitation of women and helps empowering them.

The study by Sayed Peerzade(2005) states that the efforts of government and its different agencies are ably supplemented by non-governmental organisation that are playing an equally important role in facilities of women empowerment.

### ORIGIN OF THE PROBLEM

In the absence of significant industrial growth, there has been severe unemployment and underemployment, resulting in poverty. Young people in rural areas have problems confront with relatively high unemployment, marginalisation, a lack of appropriate resources, a level of education below that available in towns and cities, and poor career prospects. Women self help groups are at present playing a vital role in the personality and skill development of women in India. But Indian women are generally far behind men in aspects such as entrepreneurship skills, managerial skills, marketing skills etc. This state of affairs raises the following questions:

- What are the factors influencing women empowerment in rural area to alleviate poverty?
- To what extent government have played their role in rural people women empowerment?
- Has the extent of women empowerment improved over a period of time?
- To find out the problems faced by the members in Self Help Groups.
- To explore future strategies and to suggest measures for the better management of self help group.

### OBJECTIVES OF THE STUDY

The overall objective of the present study is to analyse rural women empowerment through Self Help Groups with respect to the SHG members in Erode District of Tamil Nadu. The specific objectives are given below.

- To examine the factors influencing women empowerment in rural area to overcome poverty
- To ascertain the contribution of Government and NGO's for the welfare of SHG's member in rural area
- To find out the changes in economic and financial condition of SHG members through their functions.
- To know the association between demographic profile and the empowerment of SHG over the period
- To measure the problems faced by SHG's in practical life
- To suggests appropriate ways and means for alleviating poverty in rural area.

### METHODOLOGY

The validity of any research depends on the systematic method of collecting the data, and analyzing the same in appropriate order. In the present study, it exposes the facts based on survey method. The study attempts to measure the empowerment of women in rural area. These indicators have been included in the interview schedule by framing the questionnaire in Tamil. Each indicator has a set of statement to which the responses of the respondent have been recorded in five point scale ranging from 1 to 5. After analysis, inferences are drawn to empower women to overcome poverty in rural area and find out relationship between variables and role of government and NGOs in women empowerment have been made. In this study, descriptive and analytical research was used.

### SAMPLING DESIGN

Sampling method used for the study is multi-stage sampling technique. In the first stage, it was decided to con-

duct the study at the district level keeping in the mind, the time, and period and research constraint.

Erode district has been selected as it is one of the pioneering districts in implementing SHGs programme. All the blocks in Erode district can be selected based on census method in the first stage. In each block, the list of SHGs has been obtained from the District Collectorate, and the groups have been selected using simple random method using lots in second stage. In the third stage, the list of members has been obtained from each group and 5 members have been selected by applying simple random method.

### DATA COLLECTION

An extensive use of both primary and secondary data was collected. The primary data were collected from the sample SHG members with the help of structured interview schedule. The researcher can use close-ended questions in the questionnaire to collect the necessary primary data. The secondary data related to the working of SHGs in Erode District were collected from the Collectorate and NGOs of Erode District.

### TOOLS OF DATA COLLECTION

By virtue of mass data obtained from the research survey as well as the data collected from secondary sources, descriptive and analytical research were considered the most appropriate for the study. The research problems and the questionnaire were all framed accordingly. The core of the study being "A Study On Enabling Rural People To Alleviate Poverty Through Women Empowerment Functioning In SHGs With Respect To Erode District ", to empower SHGs and to reduce the poverty level in rural area. These factors were studied through percentage analysis, Z-test, ANOVA, Averages, and standard deviation. In addition, Post-hoc test, Correspondence analysis, structural path analysis and correlation analysis have been used for this research study.

### SCOPE OF THE STUDY

The study highlights the factors influencing women empowerment in SHGs functioning. It also identifies the role of governments and NGOs in SHG to develop rural area which helps to alleviate poverty. Economic and Social status of women are developed through the working of SHGs.

### CONCLUSION

Rural women have sparks which can be fanned into flames with necessary guidance and training. There are innumerable possibilities for promoting profitable small enterprises by rural women and all efforts should be made to develop this nursery for entrepreneurship. Self-Help Groups of assetless women will have to be made sustainable through backward linkages to credit and technology and forward linkages with organized markets. The efficacy of SHGs would be considerably enhanced if a symbiosis could be worked out between SHGs and Panchayati Raj Institutions (PRIs) because by nature and mandate both these institutions have the same objective viz. of ushering people-centred development and through it to empower the disempowered.

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