



Self-Help Groups and Women Empowerment (an Empirical Study Done for Mulshi Taluka in Pune District of Maharashtra)

KEYWORDS

Microfinance; Women empowerment; Self Help Groups.

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ABSTRACT

Micro finance has been playing a major role in many gender and development strategies because of its direct relationship to both poverty alleviation and empowerment of women. Micro finance Programs like the Self Help Groups in India are encouraged for their positive economic impact and the belief that they empower women. It is specifically against this background that the present study was undertaken to evaluate the nature and extent of empowerment in SHG rural women of Pune District. Analysis was conducted on the extent of various levels of empowerment achieved by the members through their participation in SHGs. The results strongly demonstrate that on an average, there is a significant increase in women empowerment of the Self Help Groups members. However, some key concerns such as training, awareness and feasibility of entrepreneurial developmental activities and support for increasing morale and confidence need to be addressed in order to reinforce women empowerment process all the way through micro financing.

INTRODUCTION:

The decade of 1990's witnessed growth of various people's organizations. In this context the role of Self-help groups (SHG's), especially of women has assumed a critical challenge¹. Self-help groups approach is the key element of social mobilization. Linked with micro-finance, the SHG approach and movement has now been accepted as an effective intervention strategy for poverty alleviation. The government of India as well as various state governments has initiated a number of projects and programs for socio-economic empowerment of rural women.

The microfinance project intervention in terms of formation and stabilization of SHG comprising of rural women for extending credit support and Promotion of thrift to promote viable economic activities in the backward areas has resulted empowerment of women. Women Empowerment is not just a goal in itself, but key to all global development goals. Empowerment is an active multidimensional process to enable women to realize their identity and power in all spheres of life. This paper examines the women empowerment through Self-Help Groups.

REVIEW OF LITERATURE

The Review of literature on Self help groups provides an understanding on how it has enabled delivery of financial services at a scale through appropriate mechanisms thereby reaching out to the poor. The SHG movement has brought about women's empowerment and social change in India.

Various studies have been conducted since the nationalization of commercial banks in 1969, highlighting the importance and use of credit particularly in rural areas. These studies look into the problems of over dues and the causes for poor recovery. Interestingly, several studies have been conducted by social scientists, financial institutions and agencies, which highlight the positive trends and impact of Self Help Groups on empowerment, credit accessibility and the social change. Some of the important studies are reviewed here.

Ahmad (1999) through a case study on Thrift Groups in Assam highlighted that women are coming to the admin-

istration directly for their just rights and to address their grievances boldly. It proved that Self Help Groups are successful in North East India even in the midst of insurgency.

Dasgupta (2001) in his paper on informal journey through Self Help Groups observed that micro-financing through informal group approach has affected quite a few benefits, to quote, savings mobilized by the poor; access to the required amount of appropriate credit by the poor; matching the demand and supply of credit structure and opening new market for FI's; reduction in transaction cost for both lenders and borrowers; tremendous improvement in recovery; heralding a new realization of subsidy less and corruption less credit; and remarkable empowerment of poor women.

Manimekalai and Rajeshwari (2001) in their paper highlighted that the provision of micro-finance by the NGO's to women SHG's has helped the groups to achieve a measure of economic and social empowerment. It has developed a sense of leadership, organizational skill, management of various activities of a business, right from acquiring finance, identifying raw material, market and suitable diversification and modernization. Their participation in the economic activities and decision-making at the household and society level is increasing and making the process of rural development participatory, democratic, sustainable and independent of subsidy, thus, macro-financing through SHG's is contributing to the development of rural people in a meaningful manner [K.C. Sharma (2001)].

Successful efforts to empower poor people will mean increasing their freedom of choice and action in different contexts which include access to information, inclusion and participation. [Puhazhendhi and Satyasai (2001)]. The movement of SHGs can significantly contribute towards the reduction of poverty and unemployment in the rural sector of the economy and the SHGs can lead to social transformation in terms of economic development and the social change. Rekha Goankar (2001), Naila kabeer (2005), M.Anjugam (2007) etc.

Micro finance program has a substantial influence on the economic status, decision making power, knowledge and

self worthiness of women participants of SHG-Bank linkage program. The findings of Das (2012) in his empirical study conducted in Assam suggest that the demographic factors like age and education are not having influence on empowerment as well as on managerial skill development among rural women, rather, appreciable changes are seen in the confidence, courage, skill development and self worthiness in rural areas, particularly among women. There is a significant improvement of managerial skills, psychological well being and social empowerment among rural women as a result of participating in micro finance through SHGs-Bank linkage program. The similar finding was observed earlier by Rajendran et.al (2010) in Vellore district of Tamilnadu.

SHGs act as a resource centre for empowering women members, percolating the benefits to the society in general, it can come to a point where it becomes their choice whether to remain personally, economically and socially impoverished. It helps women to organize themselves into groups and undertake community based programs to eradicate their deprivations. Women empowerment is not the sole motive rather, the objectives are to bring prosperity to overall family, community and to ensure social development. (Minimol and Makesh (2012).

Interestingly, the above studies fairly show evidence of that SHG's are playing a vital role in extending micro-finance to the rural poor. The functioning of SHG's has been based on participatory mechanism and therefore the impacts of SHG's on its members in terms of empowerment, accessibility to credit, socio-economic change etc. has been found positive.

In this context, review of the existing literature makes it clear that research studies focusing on the impact of self help groups on rural women, especially of Pune district are rare in nature. So far no study has been undertaken in Mahalunge village of Mulshi Taluka in Pune District (Maharashtra) about the impact of microfinance among the members of the SHGs. For this reason, the present study is an attempt to assess the level of social, economic, psychological empowerment attained by rural women through their participation in SHGs. The study findings may be useful for policy imperatives and smooth functioning of SHG's. More benefits of SHG's may be obtained through proper functioning of these groups and extending of micro-finance to develop and promote micro-enterprises.

OBJECTIVES OF STUDY

The study was undertaken with the following Objectives:

- To comprehend the socio-economic status of Self Help Group women members.
- To analyze the impact of micro-financing through SHGs on the social, economic and psychological empowerment of rural women.

METHODOLOGY

The research design is exploratory and descriptive in nature. Sample size consisting of 60 women from various SHGs of the Village was considered. Primary data was collected through interviews and meetings with different categories of members of SHGs, using Purposive sampling method. Data and information were collected by employing a structured interview schedule. The schedule included questions related to the general information and psychological, economic and social empowerment of the respondents. (Variables taken to understand different em-

powerment considerations are identified from various government survey reports).

Scores were allotted on Likert's technique. Five point rating scale to assess Empowerment of Women in SHG was used and it consisted of ratings 5, 4, 3, 2, and 1 for Strongly Agree, Agree, Moderate/Neutral, Disagree and Highly Disagree respectively.

The data analysis was done by using the simple percentage analysis (descriptive statistics) and SPSS software by applying both T-Test and one way ANOVA as the main statistical technique².

Hypotheses related to SHG and women empowerment are:

H0: There is no significant difference in the mean values of Social, Economic and psychological Empowerment of SHG women across age, education and occupation level.

H1: There is significant difference in the mean value of Social, Economic and psychological Empowerment of SHG members across age, education and occupation level.

SELF-HELP GROUPS IN MAHALUNGE VILLAGE:

The main activity of the SHGs in Mahalunge Village is conducting group meetings in a common place at fixed intervals. Group meeting is done in all groups. They meet to discuss their savings, common problems, performances and so on in the meeting. In addition to this, the occasion is used to discuss their economic and social problems and other issues that need to be sorted out through intervention of the group or its members. Hence, the frequency of conducting meetings is once in a fortnight or in a month. Regularity in Attendance is also observed; nearly 60 percent of the total members attended the meetings. The NGOs attended a few meetings of the SHGs at the inception period in order to impart the required skill to the SHGs in conducting the proceedings. They gradually reduce their participation to make the SHGs independent in conducting the meetings. Decision on Financial Transactions included Collective decision. Majority of the members in a group are involved in decision-making. Common fund includes the saving; this common fund of the SHGs forms their lendable resource. The utilization of the common fund is measured in terms of percentage of the fund availed by the members as loan from the total common fund. The group leader is responsible for maintaining the books and the accounts in the bank.

SOCIO-ECONOMIC PROFILE OF MAHALUNGE SHG WOMEN:

Table 1: examines the profile of SHG women members selected as samples from Mahalunge Village of Mulshi Taluka. Simple percentage analysis was used to check the percentage of sample belonging to various categories like age, income level, educational level and occupation.

Age: All the age groups are actively involved in SHGs. Of the whole sample respondents, 43 percent of them are in the age group of 30 to 40 years. 32 percent and 25 percent belonged to age group between 20-30 years and in the age group of 40 years and above respectively. The marital status of SHG respondents' is married. (Amongst them very the minority were widows).

Educational level: 50 percent of the respondents are educated till 12th standard (High School level). Illiterates were only 12 percent whereas the rest 28 percent and 10

percent were educated up to secondary education and primary school level respectively.

Occupational Status: Occupation is considered as one of the important demographic factor as it indicates the risk associated with the occupation and needs of a person. Only 8 percent of the Sample respondents are allied to agriculture. The occupational statuses of respondents substantiate that 42 percent carry out business. Business denotes either they owned Kirana Shops or Novelty cum tailoring shops. The other respondents, 32 percent are private employed, that is either working as Anganwadi sevikas and Arogya sevikas in villages and nearby places and 18 percent as housewives whose husbands are into state government jobs (all along with them four members were pensioners).

Income type: The highest range of income category surveyed was Rs. 7000 to Rs. 9000 average and only 10 respondents (17 percent) belonged to this income status. The maximum 26 respondents (43 percent) belonged to the category Rs. 3000 to Rs. 5000 per month average. None of them were in the range less than Rs. 1000 per month. Majority of the SHG women had additional type of income generating assets such as milch animals (to quote cattle, goats, hen, etc).

Housing Condition: Countryside India has come a long way from the kuccha, mud houses of the past. Housing pattern shows that almost 90 percent of the SHG women lived in Pucca houses, and only 10 percent belong to Kuccha house.

ANALYSIS AND DISCUSSION:

Empowerment refers to control over resources and decisions. Empowering the poor requires removal of all barriers which stops them from taking actions that will result in improving their welfare. The distinguishing feature of the Self Help Groups is creating social, economic and psychological empowerment among the members.

Social Empowerment:

The social empowerment enables the SHG members to lead their life in a sound hygienic environment and pursue their better living. The woman members involve themselves more in taking decisions regarding the education of their children, the investment of the family, managing the economic assets of the family and bring up cohesion among the members of the family and others for a better living.

The study reports that after joining the groups, 78.3 percent of the SHG women strongly agreed that there is reduction in domestic violence, 76 percent reported active participation in attending social meetings. As far as decision making was concerned, 75 percent of the respondents had reported their major role in family decisions.

Applying the T- Test, (Table 2), it is scrutinized that in the socially empowered dimension, as of the indicators taken, reduction in domestic violence and availability of freedom is higher in mean score followed by participation in group activities and decision making ability. These observations are statistically significant. The findings demonstrate that microfinance/micro credit influence to involve in participation in group activities and also help to increase the freedom of expression.

Economic Empowerment:

On the economic point of view each and every member

of the family should work to increase the income of the family. The spirit for social and economic upliftment of the family motivates rural women to join SHGs. From the analysis, it is observed participation in microfinance has some economic impact among the Mahalunge women. This observation very well corroborates with the literature reviewed in previous sections. 76.7 percent women reported that they are economically and socially empowered. 71 percent and 75 percent have the same opinion that their savings practices are improved and easy access to credit is possible respectively. Subsequent to joining SHG there is an easy access to credit which facilitated them for their kids' school donations and in case of emergencies and domestic needs.

As per the statistical test (Table 2) purchases for households provides for the statistically significant highest mean score followed by raise in savings habit and quick access to credit.

While enquired about monthly savings, the SHG women reported so as to before joining the groups, saving activity was irregular and the amount of savings varied from Rs. 50 to Rs. 150 per month. Subsequent to joining the groups, saving a particular amount became mandatory and the amount ranged between Rs. 100 to Rs. 200 per month. As a result of certainty in income, the SHG members were begin comfortable to collect savings with their respective groups.

Psychological Empowerment:

In the psychological dimension, the study reports a contrasting observation which is a grim apprehension. Confidence in ones' own worth or abilities was lacking among the Mahalunge SHG women. The findings reveal 80 percent of the total respondents are of opinion that joining the group did not increase their capacity building that is risk taking abilities. Altogether the maximum 93 percent remained neutral on the aspect of boosting their confidence after joining the groups. SHG women though account for self esteem, (a sense of feeling self respected and self secured) the capacity building (a risk taking attitude to overcome problems) remained a question.

Applying the T-Test (Table 2) the very low scores given for confidence building does not have any statistical significance whereas the other aspect that is ability to take risk and solve problems is proven statistically significant.

Due to not so positive impact on psychological front, on the whole satisfaction of SHG women remained a neutral opinion. From the analysis, 91 percent is observed in this regard, but a statistically insignificant finding.

ANALYSIS OF VARIANCE AMONG THE GROUPS:

Table 3 (ANOVA) represents the mean value and standard deviation of economic empowerment achieved on the different demographic variables. High mean scores in the midst of 4.63 to 4.65 on five point scales and a standard deviation of 0.70 to 0.71 respectively, clearly point toward that SHG women have achieved economic empowerment.

Similarly, for social empowerment, we studied that all the demographic variables have mean scores between 3.73 to 3.77 on five point scale and a standard deviation of 0.41 to 0.44 respectively. This also clearly point to that Mahalunge SHG women have achieved social empowerment.

In support of psychological empowerment there are low

mean scores between 2.88 to 2.91 on five point scale and a standard deviation of 0.28 to 0.33 respectively. Without a doubt it specifies so as to SHG women have not achieved psychological empowerment.

Despite the fact that, analyses of variance for economic, social and psychological empowerment parameters with demographic variables were statistically not significant³. All most in all observations at different dimensions, the associated p-value (sig) is more than 0.05 (95% confidence level), showing there continue to exist no significant variation. ANOVA proves no statistical significance in the inter group differentiation involving demographic variables and diverse empowerment aspects. Hence, Null Hypotheses is accepted and acknowledged.

Observation and findings:

Psychological Empowerment be real lacking and is as a result of two facets:

One aspect is the long term sustainability of the groups. Members joined SHGs either for emergencies, kids' school donations or in case of domestic needs. On the further, the trend observed so far is many of the SHGs go for a closure or breakup after 3 to 4 years.

Two, There are minimal opportunities of income generating and entrepreneurial developmental activities for these SHGs. Though there is an eagerness for formal training and technical knowledge among the SHG Women, the administrative setup and the short of support from NGOs in reaching the rural women dwindle their morale and confidence.

Conclusion:

The study inferred that group association and access to financial services certainly brings positive changes among group women leading to their socio-economic empowerment. However, there is need of employing long term policy measures to empower women in its true sense. Some key issues such as training, awareness and viability of the group activities need to be addressed in order to strengthen women empowerment process through micro financing.

Cultural and social norms are slowly changing, traditionally, males were the decision-makers for all household purchases, but now women do participate in decision making for the items they use, such as cooking utensils, food items and other durables as a result of greater exposure. The study brings to a close that deprived and underprivileged woman if join the groups, can come out of poverty. So, contributing to environment is needed to be created to give boost to women self-help groups and to take control over their lives.

TABLE: 1
SOCIO-ECONOMIC PROFILE OF SHG MEMBERS

Sl.No.	Characteristics	Number of Respondents	Percentage to Total
I	AGE		
	20 – 30 years	19	32
	30 to 40 years	26	43
	40 years & above	15	25
II	EDUCATION		
	Illiterate	7	12
	Primary School level	6	10
	Middle School Level	17	28
	High School level	30	50
III	OCCUPATION		
	Agriculturalist	5	8
	Business*	25	42
	Government Job	11	18
	Private Job	19	32
IV	INCOME (Average Rs. Per Month)		
	<1000	0	0
	1000-3000	12	20
	3000-5000	26	43
	5000-7000	12	20
	7000-9000	10	17
	>9000	0	0
V	NATURE OF HOUSING		
	Owned House (Pukka)	54	90
	Rented House (Kacha)	6	10

*Business denotes either they owned Kirana Shops or Novelty cum tailoring shops.

TABLE: 2
T-TEST: SHG MEMBERS' ATTITUDE ON THE VARIOUS EMPOWERMENT PARAMETERS.

	PARAMETERS.	Mean	Standard Deviation	t- values,	p-Values
I	SOCIAL EMPOWERMENT:				
	Participation in Group Activities	3.7667	0.42652	13.923	.000*
	Reduction in Domestic Violence and empowered with freedom.	3.7833	0.41545	14.605	.000*
	Decision making ability for family	3.7500	0.43667	13.304	.000*
II	ECONOMIC EMPOWERMENT:				
	Purchases for households	4.6333	0.71228	17.762	.000*
	Improved the Saving Habits	4.5333	0.79119	15.012	.000*
	Access to credit	3.7500	0.43667	13.304	.000*
III	PSYCHOLOGICAL EMPOWERMENT:				
	Capacity building / Ability to take risk and solve problems.	1.8000	0.40338	-23.043	.000*
	Confidence building / Confidence to talk within and outside.	2.9333	0.25155	-2.053	.045
	Self-esteem / Self-Image	3.8333	0.37582	17.176	.000*
	Overall Hope & Satisfaction after joining SHG	2.9167	0.27872	-2.316	.024

Note: * P-value is significant at 0.05 levels

TABLE: 3
ANOVA TEST: EMPOWERMENT AND DEMOGRAPHIC VARIABLES

Sl. No.	PARAMETERS / CATEGORIES	N	MEAN	Standard Deviation	F	SIG
I	ECONOMIC EMPOWERMENT					
	Between and within Age Group	60	4.63	.712	0.156	0.960
	Between and within Education Group	60	4.65	.701	3.10	0.340
	Between and within Occupation Group	60	4.64	.713	1.593	0.178
II	SOCIAL EMPOWERMENT					
	Between and within Age Group	60	3.76	.426	0.749	0.563
	Between and within Education Group	60	3.73	.449	0.365	0.779
	Between and within Occupation Group	60	3.77	.418	0.706	0.622
III	PSYCHOLOGICAL EMPOWERMENT					
	Between and within Age group	60	2.91	.278	0.273	0.894
	Between and within Education Group	60	2.90	.305	0.454	0.716
	Between and within Occupation Group	60	2.88	.331	0.821	0.540

Null Hypotheses: there are no differences in mean across different groups.

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