Research Paper

The Role of Self Help Groups in the Socio-Economic Development of Rural SC/ST Women in Gulbarga District of Karnataka."

SOCIOLOGY

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ABSTRACT

The study aims at ascertaining the impact of the SHG members at post-SHG stage as compared with pre-SHG stage. In this respect, the Study attempts to evaluate the changes for the members in their income, assets position, savings, indebtedness, rate of interest on loan, housing facilities and study the impact of SHG programme on economic and social empowerment of rural poor women

INTRODUCTION.

At this juncture, for economic empowerment of the rural poor, provision of financial services at affordable rates of interest is needed. Poor families need to become creditworthy and banks need to introduce products / services that meet most credit needs of the rural poor, besides becoming poor - friendly. Financial intermediation between banks and poor women to concurrently meet the needs of both the poor borrower and the banks is therefore, a solution. The Self Help Group (SHG) is one such financial intermediary. Rural women are generally considered less creditworthy than males as most assets are in the name of males in the household, besides their earning less through employment. Further, their access and control over the household earnings is generally low.

STATEMENT OF THE PROBLEM.

It is evident from the available literature that no studies are made exclusively and extensively covering the micro-financing and socio-economic aspects of Self Help Groups in Gulbarga district.. Therefore, the present study entitled "Role Self Help Groups in the socio-economic development of rural SC/ST women in Gulbarga Districts of Karnataka has been undertaken by the researcher.

OBJECTIVES OF THE STUDY

1   To analyze the role of Self-Help Groups (SHGs) for promoting socio-economic development of poor women in rural/ semi-urban areas in Gulbarga district of Karnataka.
2   To offer suitable suggestions on the basis of the findings through the study.

SCOPE OF THE STUDY

The study presents an extensive analysis of Self Help Groups and its implementation for empowerment of SC/ST women in Gulbarga district by way of social aspects .

METHODOLOGY:

Sources of Data :-

Both Primary and Secondary data are used to achieve the above objectives of the study. Researcher intends to collect the primary data needed for the study through the questionnaire and holding interviews with the respondents. Secondary data are collected from the annual reports, books and magazines, journals and the Internet/website.

Sample Design:-

As on August 2014 There were 9794 Self Help Groups in the Gulbarga district. Out of which 6000 groups are linked with financial institutions, 300 Self Help Groups are selected from 7 blocks of Gulbarga district of Karnataka.. Simple random sampling technique is used to draw sample for the present study by selecting one member from each group.

Tools used

Adoption of Social Variables: --- The social performance of the members was measured with the help of the social index which consisted of seven variables namely social recognition, social participation, self-sufficiency, social communication, social independence, social interaction and social responsibility. The members were rated regarding the performance of the social variables.

DATA ANALYSIS

Social empowerment:

It indicates improvement in social indicators in life of beneficiaries in two periods. The social empowerment of sample Self-Help Group members was measured by using the changes in a set of parameters such as improvement in social recognition, participation, self-sufficiency, social communication, social independence, social interaction and social responsibility between pre and post- Self-Help Group situations. The Social Index is prepared with the help of seven questions related to seven social variables which are binary in nature (Appendix-II). The social indices of the members are classified as upto 20, 21-40, 41-60, 61-80 and 81 to 100. The average value of social index for each group is also calculated. Table-1 presents the details.

TABLE -1

Distribution of Sample SHG members according to Social Indices

Index	Group-I		Group-II		Group-III		Group-IV	
	Pre-SHG	Post-SHG	Pre-SHG	Post-SHG	Pre-SHG	Post-SHG	Pre-SHG	Post-SHG
Upto20	17.3	3.6	14.1	3.9	12.7	3.2	21.3	3.9
21-40	31.8	4.7	32.3	23.2	33.4	9.7	19.2	5.7
41-60	28.5	19.3	39.3	35.9	39.3	16.4	27.4	26.4
61-80	13.1	30.2	15.2	24.6	18.5	39.6	23.7	36.5
81-100	9.3	42.2	9.1	12.4	6.1	31.1	8.4	27.50
Total	100	100	100	100	100	100	100	100
Average value of Index	26.4	63.89	42.33	71.29	36.5	76.43	48.43	82.34

The percentage of members who have the social index value of upto 20 has declined from 17.3 in pre-SHG to 3.6 in post- Self-Help Group situations whereas the percentage for the value of 81 to 100 had increased from 9.3 to 42.2 during the same periods in Group-I. In Group-IV, the percentage of members who had upto 20 as social index in pre- Self-Help Group stage was found as 21.3 which declined to 3.9 in post- Self-Help Group stage. But the percentage of members who had 81 to 100 as index had increased from 8.4 to 27.5 during the two periods respectively. The average value of social index for the members in Group-I between pre and post- Self-Help Group situations were 26.4 and 63.89 respectively whereas the indices of the members in Group-IV were 48.43 and 82.34 during the same period. It indicates that the social empowerment of the members had increased during two periods of the Study.

Social Index in pre and post- Self-Help Group situations:

The social indices of members belonging to each group are separately calculated to verify the changes between pre and post-

Self-Help Group situations. For that purpose, the average social index for the members in all four groups and also for the pooled data has been calculated separately. The 't' test is applied to find out the test of significance of two means in a group in two different periods. Table 5.38 presents the Social Index in pre and post- Self-Help Group situations

TABLE-2

Social Index in pre and post- Self-Help Group situations

Sl. No.	Group	Average Social Index		Incremental Value of Index	t-statistic
		Pre- Self-Help Group	Post- Self-Help Group		
1.	Group-I	26.4	63.89	37.49	2.0230*
2.	Group-II	42.33	71.29	28.96	1.2671
3.	Group-III	36.50	76.43	39.93	2.9018*
4.	Group-IV	48.43	82.34	3391	4.0241*
	Overall	38.88	63.20	24.32	2.9103*

*Significant at 5 % level.

The incremental indices in Groups-I and II are 37.49 and 28.96 respectively whereas in Groups-Ill and IV, they seem at 39.93 and 33.91 respectively. The overall average social index has increased from 38.88 in   pre-SHG situation to 63.20 in post- Self-Help Group situation. The changes in social index during the two periods in Groups-I, III and IV and for pooled data are statistically significant since its 't' values are greater than the respective table values.

Change in Social performance:
The social performance of the members is measured with the help of the social index which consists of seven variables namely social recognition, social participation, self-sufficiency, social communication, social independence, social interaction and social responsibility. The members are rated according to the performance of social variables (Appendix-IT). The score value of each variable and also the social index of each member are calculated. In order to find out the significant changes in social performance of the members, the members scoring in the social variables at pro and post- Self-Help Group situations are taken into account. The Fisher 'F' test is used to and out the significant changes in the two periods regarding the social performance in different groups respectively. The resulting 'F' statistic is presented in Table -3

TABLE-3

Fisher's F test for Social Variables

Sl.No.	Social Variable	Group-I	Group-II	Group-III	Group-IV	Pooled
1.	Social Recognition	1.0921	3.4012	4.7214*	4.9046*	3.9212*
2.	Social Participation	1.7632	2.2943	3.0962	4.3117*	2.8017
3.	Self-Sufficiency	2.0614	3.8112	5.0172*	6.0217*	3.4176
4.	Social Communication	2.1146	2.9646	2.1162	3.0672	2.8612
5.	Social Independence	1.9336	3.6871	6.7119*	5.1172*	4.3142*
6.	Social Interaction	2.2712	2.0062	2.0962	4.6172*	3.2171
7.	Social Responsibility	2.9672	3.1162	2.1179	3.0937	2.8341
8.	Social Index	2.4108	3.3661	4.7681*	4.8322*	3.9217*

*Significant at 5 % level.

In Group-I and Group-Il, there is no significant change in any one of the social variables during pre and post- Self-Help Group situations since the 'F' values are less than the respective table values. The significant changed social variables in Group-Ill seem social recognition, self-sufficiency, social independence and social index during the two periods. In Group-IV, significant changes in all social variables except social communica-

tion and social responsibility are seen during the two periods of the Study. For the pooled data, the significant social changes are seen in social recognition, Social independence and social index. It shows that the social empowerment of women beneficiaries is brought through the Self-Help Groups but it is a matter of time and active participation.

Influence of socio-economic variables on income generation:
To examine the impact of socio economic variables on income generation of the members, log linear regression model has been used. The independent variables taken for analysis are Assets (X_1), Age (X_2), Caste (X_3), Social index (X_4), Level of education (X_5) and family size (X_6)j. The dependent variable (Y) taken for analysis is income generation of the members. The above independent variables are taken to represent the contribution of social variables which are included so far in the present Study. To give importance to the economic variables, the assets of members are included for the present Study. The actual value of assets, age, social index and family members are considered. For the remaining two variables namely caste and level of education, the score values are assigned. The value assigned for Backward Class, Most Backward Class and Scheduled Caste / Tribe are 3, 2 and 1 respectively. By the level of education, the marks assigned to illiterate, 1 to 5th Std, 6 to 10th Std., higher secondary and others are 1, 2, 3, 4 and 5 respectively.   The model used is given below.

$$b_1 \quad b_2 \qquad b_3 \qquad\qquad b_4 \qquad\qquad b_5 \qquad\qquad b_6$$

$$y= a \, X_1 \qquad X_2 \qquad\qquad X_3 \qquad\qquad X_4 \qquad\qquad X_5 \qquad\qquad X_6$$

which is converted into log linear regression model.

$$\text{Log } y = \log a + b_1 \log X_1 + b_2 \log X_2 + b_3 \log X_3 + b_4 \log X_4 + b_5 \log X_5 + b_6 \log X_6.$$

The log linear regression model is applied to each group and also for the pooled data. The resulted regression coefficients of the independent variables in pre-SHG situation are presented in Table-4.

TABLE-4

Influence of Socio-economic variables on income generation in pre-SHGs

Sl. No.	Independent Variable	Regression Coefficient				
		Group-I	Group-II	Group-III	Group-IV	Pooled
1.	Assets (X_1)	-0.092	0.611	0.1203	-0.0344	-0.0413
2.	Age (X_2)	-0.1239*	-0.0934	-0.1394*	-0.1049	-0.1024*
3.	Caste (X_3)	0.2214*	0.2647*	0.3017*	0.3192*	0.2941*
4.	Social Index (X_4)	0.0531	0.0672	0.9231*	0.1429	0.4332*
5.	Educational Level (X_5)	0.1162*	0.2073*	0.2417	0.2919*	0.2562
6.	Family Size (X_6)	-0.0567	-0.1132*	0.0124	0.3021*	0.1094
7.	Intercept	-1.2492	-0.9762	1.0692	-0.0794	-1.0134
	R²	0.2293	0.3847	0.2967	0.3172	0.3493
	F	12.9732	1.0629	6.9321	7.0692	26.0119*

* Significant at 5 % level

In the pre- Self-Help Group situation, the variables which significantly and positively influence the income of the members are caste and level of education and at the same time, the negatively influencing significant variable is age of the members in Group-I. The coefficient of determination at 0.2293 indicates that the change in income is explained by changes in the six independent variables to the extent of 22.93 %. The F value of the regres-

sion analysis is also not significant.

In Group-II the variables namely caste and level of education directly and significantly influence the income of the members whereas family size influences inversely the income of the members. The coefficient of variation and F statistic of the regression model are not satisfactory. In Group-Ill, the significantly influencing variables are age, caste and social index. In Group-IV, those variables seem as caste, level of education and family size. The pooled data shows that the significantly influencing variables are seen age, caste and social index. Out of the variables, the age of the members is negatively influencing the income of the members. The coefficient of determination (R^2)indicates that the change in income is caused by the change in independent variables to the extent of 34.93 percent. The 'F' statistic of the regression model is also significant.

The total analysis reveals that there is an increase in the social index of members. Caste increases the income of the respondent while the increase in age of the members reduces the income of the members in the pre- Self-Help Group situation. The same type of regression model is applied for all groups of members and also altogether in the post- Self-Help Group situation. The resulted regression coefficients of independent variables are shown in Table-4.

Suggestions:
1. One of the most severe hindrance for the success of Self Help Groups is caste based groups. This leads to conflicts and break for success. It is strongly suggested that the formation of caste based groups should be strictly avoided.
2. Promote inter-group networking for developing ties to understand the mutual group requirements and support each other.
3. Government can think of providing an incentive to the Self Help Groups which are formed on non-caste basis or the Self Help Groups which have required number of SC/ST and OBC members along with others. This will promote social inclusiveness
4. Social intermediation is required for organising the poor into SHGs by introducing to the interested banks, arranging adult education programme and imparting a reasonable measures of skills. In view of the low literacy rate of women, social intermediation assumes special importance

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