



Training and Capacity Building of Self Help Groups A Case Study from Karnataka

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ABSTRACT

The impact of capacity building programmes on the functioning of SHGs in Mysore and DK districts of Karnataka was studied. SHGs are primarily informal in nature and are formed by the voluntary participation of the members who constitute them. Lack of innovation and a redundant approach makes the SHG members less dynamic. The sample size of the present study constituted of 80 members from DK district and 131 members from Mysore district. A majority of the members in both the districts were women. The data was subjected to statistical analysis.

The results indicate that capacity building and training exercises in both districts have not been very effective so as to make a significant impact. There is a need to stress upon capacity building programmes for a better functioning of the SHGs in both the districts.

Keywords : Capacity building, SHGs, training programmes, impact

Introduction

Microfinance can make SHGs a substantial tool for the development of the weaker sections of the society. SHGs by means of bank linkage have brought a large segment of people who are financially excluded and considered financial illiterates within the fold of the formal financial sector. In order to achieve these goals the savings and credit by SHGs holds the key. Credit is an essential lubricant for development, but, even more important is capacity building among the people and their participation in the development process. The UN Development Programme has defined "Capacity" as the ability of individuals, institutions, and societies to perform functions, solve problems, and set and achieve objectives in a substantial manner. Whatever be the terminology, capacity building remains one of the most challenging functions of global development. According to Eade and Williams (1995), capacity building is strengthening people's capacity to determine their own values and priorities and to organise themselves to act on these. This forms the basis of development. Above all it is about the process of transforming lives and societies.

Self Help Groups are primarily informal in nature and they are formed by the voluntary participation of the members who constitute them. The outside interventions of NGOs as promoting agencies play a role in the formation of these groups. But their impact on the members or the group as a whole is restricted to the core issues governing the groups, i.e. lending activities. This is carried out in a stereotyped fashion without leaving much scope for experimentation in the daily business. This is basically due to lack of education and appropriate skills on the part of its members. Lack of innovation and a redundant approach makes the groups less dynamic and at times static. Over a period of time, this could develop into a problem threatening the very existence of the groups. Many studies have shown that these groups are infected with inherent deficiencies which are rooted in the lack of awareness, strategic vision, and managerial skills among the members. Some of these problems are discussed in the studies carried out by Ramani (2007), Stephan and Selein (2005), Vinayagamoorthy (2007), Jain (2010), and Singh (2009).

Training and capacity building measures are suggested as the prime tools to overcome the inherent problems faced by the Self Help Groups. Training makes an individual exact with a course of action, whereas capacity building generally

empowers the individual. Together, they make the individual more suited and accomplished to the task.

Methodology

How efficient the Self Help Group members are in their jobs, to what extent have they internalised the needs of the organisation, the degree of skill acquired by them, along with the capacity to apply them in the daily affairs of the group are the pertinent areas to probe while one talks about training and capacity building. The sample Self Help Group members of both districts of Mysore and Dakshina Kannada were asked to disclose the details about the training undergone by them and also the benefit perceived through such training. A well structured questionnaire was designed and administered among SHG members of the districts of Mysore and Dakshina Kannada. The sample size was 80 members in DK Districts and 131 members in Mysore district. Student's t test was applied to the data.

Results and Discussions

The output of the questionnaire is presented in Table 1. For easier comparison the data was transformed as percentage of the total.

Table 1: Capacity building through Training in Mysore and DK Districts

No.	Parameter	Mysore District		Dakshina Kannada District	
		Total	%	Total	%
1	Position in SHG	52	39.7	54	67.5
2	No Position in SHG	79	60.3	26	32.5
3	Training	37	28.2	74	92.5
4	No Training	94	71.7	6	7.5
5	Type of Training				
	Additional information	10	7.6	14	17.5
	Skill development	10	7.6	7	8.7
	Self - confidence	26	19.8	20	25.0
	No Training	85	64.8	39	48.7
6	Duration of training				
	up to two days	6	4.5	30	37.5
	3 to 10 days	9	6.8	16	20.0
	above 10 days	24	18.3	17	21.2
	No Training	92	70.2	17	21.2

7 Conducting agency				
ODP	19	14.5	SKDRDP 48	60.0
MYRADA	8	6.1	RUDEST 01	1.2
Others	10	7.6	Others 05	6.2
No Training	94	71.7	No Training 26	32.5

Out of the total number of members interviewed 28% of them had an exposure to training in Mysore. In Dakshina Kannada, the percentage is three times more, and about 92.5% of the members had an exposure to some basic training. As regards the type of training, they were mainly of two types, viz. knowledge based and skill based or both. To be specific, the training that was imparted to members was oriented towards improving awareness and enhancing self - confidence or skill up-gradation. There are cases where the members underwent training because it was offered as a precondition to access institutional credit. In some other cases training was specifically centred on the market access and selling techniques.

In majority of the cases training was limited to facilitating microfinance business, keeping accounts and maintaining books, and conducting meetings. These are the fundamental requirement for any SHG to functionally operate in the field. In Mysore District 20 Self Help Group members underwent knowledge enhancement and skill development training whereas 14 members of Dakshina Kannada underwent knowledge enhancement training and 7 of them secured skill development training. Importantly, 19.8% of Mysore and 25% of members of DK district underwent motivational training which aimed at reassuring the members and creating self - confidence in them. These figures are not very encouraging and reflect insufficient training exposure to Self Help Group members in both the districts.

A similar situation is noticed when the duration of training is accounted for. Mysore and DK districts respectively record as about 18.3% and 21.2% of the members having undergone training for more than 10 days. In Dakshina Kannada, about 37.5% of the members secured training for two or less than two day's training. 6.8% in Mysore and 20% in Dakshina Kannada received training for a duration of 3-10 days. The duration of training is certainly inadequate and a matter of concern.

The type and duration of training that a particular member has to undergo is always determined by the agency that provided loan to the members. In order to determine which agency offered the highest number of training days, all institutions that forwarded microfinance to the members are accounted for. The difficulty in comparing institutions of both the districts is that they are very different from each other with variable dimensions. There were two major agencies in Mysore district which accounted for nearly ¾ of the training given. Organisation for Development of People (ODP) offered training to 51.4%, while MYRADA offered training to 21.6% members. The training offered to the members of DK district was comparatively more promising by way of performance. SKDRDP which involves more than three sub - sectors offered training to 91% members in Dakshina Kannada. Although the data appears to indicate that more number of members underwent training; capacity building programmes in terms of number of days seems to be not quite substantial.

Table 1.1: Capacity building (t test results)

Parameters	X _m (MYS)	X _m (DK)	X _m - X _m
Position in SHG	52	54	-2
No Position in SHG	79	26	53
Training	37	74	-37
No Training	94	6	88
Additional Information	10	14	-4
Skill development	10	7	3
Self - confidence	26	20	6

No Training	85	39	46
Up to two days	6	30	-24
3 to 10 days	9	16	-7
Above 10 days	24	17	7
No Training	92	17	75
ODP	19	48	-29
MYRADA	8	1	7
Others	10	5	5
No Training	94	26	68

t distribution table (Independent samples)

Mean _a - Mean _b	t Value	df (Degree of freedom)
15.9375	1.67	15

There was a vast difference in the type and duration of training the members underwent. As a result statistically there is no significant (-0.72) differences between the means. The probability level is also low (51.91%). The difference is because of the fact that more number of members in DK district underwent training for a minimum period of 2 days. Position attained, skill development, and self - confidence were not much achieved except that more number of members of Mysore district had self - confidence boosting training. This is expressed in the t distribution table.

The outcome of this discussion is that SHGs in both districts indicate a lack of focused and meaningful training schedule for the members. Their non- attendance in capacity building programmes is quite likely to be broken in the near future if innovative programmes of microfinance are conducted. Their level of participation needs to be increased. Long term capacity building programmes to improve agricultural and livestock rearing skills must be conducted. Managing resources must be given prime importance. It must be the primary duty of microfinance institutions to develop and train its members to cope up with the present day requirements.

Table 2: "t" Test values for socio-economic variables

No.	Indicators	't' values	Result*
1	Age, sex, marital status, religion, caste	+1.39	Non significant
2	Education, main occupation, family size, net wage earning members & source of information	+0.41	Non significant
3	Land possessed, land value, live stock, live stock value, home assets and housing condition	+0.24	(-)Significant
4	Capacity building programmes	-0.72	(-) Significant

*Results for both districts compared

A comparison of the 't' values of various socio-economic variables reveals that there is a need to train the members in various aspects of capacity building programmes to make them understand the importance of group dynamics and its potential to achieve more. In order to cope with the proposals of the loan lending institutions, capacity building programmes were organised. However the indicator, capacity building was not quite significant in the sense, that a very meagre number in both the districts did undergo proper capacity building programmes. May be, they did not attend these programmes deliberately or they had no time to do so.

Conclusion

To sum up, capacity building and training exercises have not been fully developed to include all the members and is far from significant. The training and capacity building did not appear to be profound enough to make a significant effect and therefore ended up being a half -hearted or less penetrative exercise allowing scope for development. The reasons are not clear as to why the members did not make use of the opportunities to train themselves. It could be deliberate or may be circumstantial compulsion which led to such a situation. Either way it is a matter of concern.

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