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Depth of Membership and Outreach Indicators of Kudumbashree Units in Kerala: A Comparison with NGO Promoted SHGs

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ABSTRACT

The present study made an attempt to compare socio-economic outreach indicators of SHGs promoted by Local Self Government (Kudumbashree) with NGO. It examines the depth of membership in terms of social inclusiveness and demographic features of members of the group. The study indicates significant differences in the socio-economic outreach indicators of SHGs between Kudumbashree and NGOs.

Keywords : Self-Help Goups, Kudumbashree Units, Non-Governmental Organisations

1) Introduction

The Self Help Groups (SHGs) are small informal associations created for the purpose of enabling members to reap economic benefit out of mutual help, solidarity, and joint responsibility. About 98 percent of the self-help groups in Kerala are women groups. There has also been an increase in the flow of funds for micro-enterprises through various promotional agencies. Though NGOs were the forerunners in this field, the setting up of *Kudumbasree* – the poverty eradication programme of the State Government – has given a boost to the SHG strategy. Women from poor families organised into Neighbourhood Groups (NHG) at the grassroots-level, and it federated into Area Development Society (ADS) at *Grama panchayat* level and these are further federated into CDS at the municipality/district level. The main difference between SHG and NHG is that SHGs are non-CDS, non-governmental, and informal organisational structures promoted by voluntary agencies.

2) Review of Literature

Kudumbashree is an effective method for poverty alleviation in rural and urban segments in the developing societies. Rural women, who were regarded as voiceless and powerless started identifying their inner strength, opportunities for growth and their role in reshaping their own destiny (Raghavan, V.P, 2003). A Comparative study of self help groups promoted by non-governmental organisations and *kudumbasree* reveals that not many differences could be seen between the SHGs of *Kudumbasree* and NGOs, and a great majority of them are from low economic backgrounds. However the membership exposes them to various activities in SHGs of both NGOs as well as *Kudumbasree* had enabled the members' social, economic and political empowerments to a large extent (Suneetha Kadiyal, 2004). The results of the study reveals that *Kudumbashree* programme made substantial impact on various sectors and areas covering health, education, agriculture, animal husbandry, dairy development, enterprise development, child development, women empowerment and rehabilitation of destitute (Jacob Jhon, 2009). However, it was also observed that the SHGs failed to enable members to realise their potential benefits. The reasons identified for the failure were the wrong approach followed in the SHG formation by the team, misconceptions about SHG goals both among the team and the members, and lack of clarity about the concept (Shylendra, 1998). In general, SHGs have been able to reach the poor effectively, especially women and help them obtain easy access to facilities like savings and credit and empower them (Stiglitz, 1993; Fernandez, 1994). In this context, the

present study will be an additional contribution to the existing field of research in this area.

3) Objectives and Hypothesis

The present study aims to examine and compare the depth of membership and outreach indicators of Self-Help Groups promoted by Local Self Government and Non-Governmental Organisations. The postulates used for the study are (a) There is no significant difference in the membership outreach indicators between *Kudumbashree* (KDM) and NGO promoted SHGs ; (b) There is no significant difference in the demographic features of members such as age group, marital status, educational level, occupation, land holding size and savings methods between *Kudumbashree*(KDM)and NGO promoted SHGs

4) Materials and Methods

The research design used for the study was both descriptive and analytical in nature. The study mainly depend on primary data was collected from the sample SHGs through a structured interview schedule. The universe of the study consists of all the women SHGs promoted by *Kudumbasree* Mission (KDM), and NGOs in the rural areas of Kerala. The number of SHGs under the purview of *Kudumbasree* and NGO in concentrated districts in Kerala has been considered as sample frame. Accordingly, a total of 100 sample *Kudumbashree* units (KDM) and 100 NGO promoted SHGs have been taken for the intensive study. Simple random sampling method by using lottery techniques had been employed for the selection of sample units. Statistical and mathematical tools such as percentage, average, standard deviation, and 't' test had been suitably employed for the analysis of data. A five year period of data from the financial year 2006-07 to 2010-11 from the samples SHGs had been collected for the study.

5) Results and Discussions

SHGs are expected to extend financial services to the poor, and contribute to the alleviation of rural poverty. SHG members reflect a diverse membership covering different social and economic categories, including the poor. The table 1 depict the depth of membership and outreach indicators of SHGs and its mean difference between sample groups respectively.

Table 1: Depth of Membership and Outreach Indicators of SHGs

Indicators	Type of SHGs	Number of SHGs	Mean	Std. Devi-ation	't' Value	Sig. (2-tailed)
Average number of members in a group	KDM	100	16.16	4.692	2.001	0.048*
	NGO	100	14.70	3.950		
Average percent-age of Below Poverty Line(BPL) members in a group	KDM	100	40.03	27.936	2.649	0.009*
	NGO	100	27.90	25.684		
Average percent-age of deprived class of members (SC/ST/OBC) in a group	KDM	100	13.20	22.040	3.901	0.000*
	NGO	100	3.34	8.757		
Average percent-age of growth of membership in a group (during the last five years)	KDM	100	0.32	9.251	-1.111	0.271
	NGO	100	3.22	17.263		

Source: Survey Data

*P<0.05, two-tailed

It has been observed a significance difference in the average number members in two selected sample groups ('t'=2.001, P<0.05). There was significant difference reported in the percentage of Below Poverty Line (BPL) members in two selected sample SHGs ('t'=2.649, P<0.05). The statistical test shows significant difference in the percentage of members belongs to under-privileged class in two selected sample groups ('t'=2.649, P<0.000), and its shows comparatively better representation among the SHGs promoted by KDM. While, in terms of average percentage of growth of membership, the statistical test shows no significant difference among the two sample groups ('t'=2.649, P<0.271).

In order to understand the socio-economic profile of the members of the SHGs, the analysis on the age group, marital status, educational level, occupation, size of land holdings and savings habits has been taken into consideration. The tables 2 reveals the socio-economic features of members of the sample SHGs selected for the study.

Table 2: Socio-economic Features of Members of SHGs

Socio-economic Features	Type of SHGs	Number of SHGs	Mean	Std. Deviation	't' Value	Sig. (2-tailed)
Age						
Average percentage of members belongs to age group of 18-35 in a group	KDM	100	27.34	19.261	-1.899	0.061
	NGO	100	34.42	22.594		
Average percentage of members belongs to age group of 35-55 in a group	KDM	100	73.20	19.326	2.081	0.040*
	NGO	100	65.35	22.884		
Marital Status						
Average percentage of married members in a group	KDM	100	94.20	7.696	2.074	0.042*
	NGO	100	88.71	17.897		
Average percentage of unmarried members in a group	KDM	100	2.96	4.607	-2.561	0.013*
	NGO	100	9.53	17.859		
Average percentage of widow members in a group	KDM	100	3.25	5.312	1.314	0.192
	NGO	100	2.18	4.418		
Educational level						
Average percentage of members below Matriculate in a group	KDM	100	25.71	24.971	0.501	0.618
	NGO	100	23.48	26.046		
Average percentage of members having Matriculation in a group	KDM	100	51.52	27.477	1.612	0.110
	NGO	100	43.36	30.058		
Average percentage of members having pass in 12th class in a group	KDM	100	19.18	21.693	-.814	0.418
	NGO	100	22.42	23.579		
Average percentage of members having Bachelor Degree in a group	KDM	100	3.25	5.906	-2.843	0.006*
	NGO	100	11.24	19.421		
Occupational Status						
Average percentage of members depend on agriculture & allied activities in a group	KDM	100	8.04	13.939	2.635	0.009*
	NGO	100	2.99	9.301		
Average percentage of wage earning members in a group	KDM	100	42.45	25.446	-2.420	0.018*
	NGO	100	54.74	31.100		
Average percentage of members depend on income from micro-enterprise units in a group	KDM	100	4.71	11.214	-1.528	0.131
	NGO	100	9.03	18.379		

% of members having no income (Home maker) in a group	KDM	100	44.69	25.188	2.294	0.024*
	NGO	100	32.62	32.668		
Landholdings Status						
Average percentage of landless members in a group	KDM	100	10.53	10.292	1.072	0.287
	NGO	100	8.21	13.412		
Average percentage of members holding <10cent land in a group	KDM	100	83.18	16.583	2.250	0.028*
	NGO	100	72.17	32.562		
Average percentage of members holding >10 cent land in a group	KDM	100	6.36	14.814	-2.176	0.033*
	NGO	100	16.28	30.484		
Saving habits						
Average monthly savings per member in a group(`)	KDM	100	134.40	181.427	-4.705	0.000*
	NGO	100	775.30	954.707		
Average percentage of members having Saving Bank Account in a group	KDM	100	97.85	8.669	0.267	0.790
	NGO	100	97.46	8.485		
Average percentage of members having Chit fund in a group	KDM	100	95.64	17.624	1.727	0.089
	NGO	100	88.22	27.714		
Average percentage of members having Life Insurance Policy in a group	KDM	100	43.83	41.421	2.026	0.045*
	NGO	100	30.46	36.331		

Source: Survey Data

*P<0.05, two-tailed

It has been found that there was significant difference in the percentage of members belongs to the age group of 35-55 between the sample groups ('t'=2.801, P<0.04). The 't' test shows significant difference in the average percentage of married members among the two groups ('t'=2.074, P<0.042). The study indicates that most of the SHGs members having educational level of matriculate and the statistical test show no significant difference between the two groups. But, in the case percentage of members having any degree qualification was higher in NGO based SHGs(11.24%) as compared to KDM based SHGs(3.25%); and it shows significant difference between the two sample groups(('t'=2.843, P<0.006).

It has been observed that most of the members depend on wage earnings as a primary source of income for their livelihood; and the statistical test shows significant difference between the groups ('t'=-2.420, P<0.018). But, there was statistically significant difference between the two sample groups in the case of members having no income ('t'=-2.294, P<0.024). In the case of the percentage of members engaged in agricultural and allied activities, the difference between the two groups was statistically significant ('t'=2.635, P<0.009).

The analysis of land holding size of the members of the SHGs reveals that majority of the members having land holding size of below 10 cents only; and it was reported a statistically significant difference between the two sample groups('t'= 2.250, P<0.028). But, the percentage of members having more than 10 cents of land holdings were comparatively higher in NGO based SHGs (16.28%) than KDM based SHGs(6.36%); and the statistical test shows significant difference between the two sample groups('t'=-2.176, P<0.033).

The amount of savings per member was higher in NGO based SHGs when compared to KDM groups; and the statistical test show significant difference between the two selected groups ('t'=--4.705 P<0.000). The study also shows that majority of members of the SHGs have saving bank account and chit fund; and the statistical test shows no significant difference in this regard. However, the percentage of members having life insurance policy was higher in KDM (43.83%) when compared to NGO groups(30.46%); and it was statistically significant('t'=-2.026, P<0.045).

6) Conclusion

The study indicates that SHGs promoted by *Kudumbashree* has better indicator of social inclusiveness/outreach than SHGs promoted by NGOs. The study also found significant difference in the variables of depth of membership and outreach between *Kudumbashree* and NGO based SHGs. It has been reported significant difference in the socio-economic features of members such as age group, marital status, educational level, occupation, size of land holding and saving habits between *Kudumbashree* and NGO based groups. The study indicates that half of the members of the SHGs who joined the groups to regular income for their livelihood; and others were joined in the groups for getting additional source of income. However, the members of NGO based SHGs were comparatively better in terms savings habits indicators than *Kudumbashree* units.

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