



A brief account of women empowerment through self-help groups – A case study

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Abstract

Women form a vital part of India's work force and play a very significant role with in and outside home. The future of mankind is linked to the development of women's potential and their economic independence. An attempt has been made to analyse the status of 40 Self Help Groups (comprised of 446 farm women) from nine villages of Baijnath block of District Kangra (Himachal Pradesh). Data were collected through interviews, discussions and observations. It was found that maximum duration of the groups was three years and majority of them were registered (92.5%) and 82% of them were doing inter-loaning. Women were using this money for general requirements like clothes, cosmetics and grocery items (51%), renovation of house (41.6%), marriage in own family (36.5%), health problems (34.8%). Exposure to outside world (91.3%), confidence among the members (78.8%), economic security (77.5 %) and cooperation among members (73.8%) were the main benefits reported by majority of SHG members. These groups were regular in money collection, maintenance of registers, discussion on utilization of money collected, socialization, discussing the social problems and religious activities during monthly meetings.

Key words: Self Help Groups, SHG, Women Empowerment, Microfinance

Self-Help Group (SHG) is a small voluntary association of poor people, preferably from the same socio-economic background. The people joined together for the purpose of solving their common problems through mutual help. The SHG promotes small savings among its members which are kept either with a bank or post office or cooperative society. This common fund is in the name of the SHG. Usually, the number of members in one SHG does not exceed twenty. The organizations forming the groups train the SHG members for maintaining the accounts on saving, lending, repayments and group functioning. SHGs enhance the quality of status of women as participants, decision makers and beneficiaries in the democratic, economic, social and cultural spheres of life (Jain, 2003). Money in the hands of men is spent quite differently from the one in hands of women. Reddy (2005) observed that the state of SHGs identifies key areas of weakness which undermine the sustainability of SHG movement. He identifies the major areas such as financial management, governance and human resource ranges from weak to average quality for a majority of SHGs. Microfinance is a powerful tool to alleviate poverty and empowerment of rural women. It is effective in

bringing social and economic changes in the rural India with improved managerial abilities of women (Pillai and Nadarajan, 2010).

The Government of India, is implementing women's empowerment programme in a big way. Since 1999, the department of Women and Child Development adopted the strategy of social mobilization through formation of small Self Help Groups of women. A systematic study of Self Help Groups is important to understand their strengths and weaknesses, their membership behavior, linkages and overlaps with other institutions. Thus, the present study was carried out to study the operational mechanism of SHGs, their Inter loaning behavior, to know the advantages of SHGs and to investigate the problems faced by the women.

The present study was undertaken in Baijnath block of District Kangra of Himachal Pradesh. A sample of 40 SHGs from nine villages viz. Dhanag, Gankhetar, Tara-garh, Averi, Kukuena, Panjala, Girtholi, Beer and Kyor was randomly selected. A structured interview schedule was prepared after reviewing the literature and discussions with experts. Data were collected from president and secretary i.e. two respondents from each Self Help Group, thus

comprising a total sample of 80 respondents. Information was generated through primary (personal interview and discussions with groups) and secondary sources (records maintained by the groups). Monthly meetings of Self Help Groups were also attended for observations. The data were analyzed in the form of number and percentages.

Table 1. exhibits general profile of sample Self Help Groups. There were total 446 members in 40 Self Help Groups. More than half of the groups (55%) were up to 2 years old, 25% three years old, and the rest were just six months old (20%), which involved 53.1, 24.9 and 22.0% of the total women, respectively.

Almost all the groups were registered with banks (92.5%) comprising of 91.9% of total women. The rest of the groups (7.5%) had yet to be registered as their formation time was less than six months (the important condition for registration). As far as size of the groups is concerned, little more than half of them were small sized (42.2% women), followed by medium size groups (30% groups and 30.5% women). Only 17.5% groups were large in size with 16-20 members comprising of 27.4% women. Sixty five percent of the groups containing 63.0% of women were pooling INR 20/month/member, followed by INR 10/month/member (22.5% groups and 25.5% women) and INR 50/month/member (7.5% groups and 11.7% women).

Terms and conditions for inter-loaning were decided by members of the individual group. Almost 58% of the groups were charging 2% interest per month and rest 32% groups with 1% interest per month.

It could be observed from the Table 2. that all the groups were involved in money collection and maintenance of registers, discussions on utilization of collected money and socializing in the group meetings.

About 3/4th of the groups were involved in discussing social problems of the area and religious activities. Other activities performed by the groups involved feast party (52.5%), discussion regarding entrepreneurial activities undertaken or to be undertaken (42.5%), cleaning the village through *shramdan* (40%) and visiting places of common interest (32.5%).

Main purpose of forming SHGs was to encourage the habit of saving, boost member's self confidence and improve their self esteem. Out of 446 members 296 were involved in inter loaning. The SHGs were not only involved in money management activities but also in socializing and other common activities. Fig 1. exhibits that members of SHGs as beneficiaries were taking loan for their general requirements (clothes, cosmetics and grocery) (51%), renovation of house (41.6%), marriages (36.5%), health problems (34.8%), renovation of cowshed (24%) and attending functions of friends and relatives (14.5%).

Table 1. General profile of sample self help groups

Characteristics	Number		Percentage	
	SHGs	Members	SHGs	Members
Duration of formation				
Upto 6 months	8	98	20.0	22.0
Upto 2 years	22	237	55.0	53.1
Upto 3 years	10	111	25.0	24.9
Nature of group				
Registered	37	410	92.5	91.9
Non-registered	3	36	7.5	8.1
Size of the group				
Small (upto 10 members)	21	188	52.5	42.2
Medium (11-15 members)	12	136	30.0	30.5
Large (16-20 members)	7	122	17.5	27.4
Contribution (INR)/member/month				
10	9	113	22.5	25.3
20	26	281	65.0	63.0
30	5	52	7.5	11.7
Interest rate (INR/100/month) for inter-loaning				
1	11	120	33.3	40.5
2	19	145	57.6	49.0
5	3	31	9.1	10.5

Table 2. Detail of activities undertaken by Self Help Groups*

Activities Undertaken	Number of Self Help Groups	Percentage
Money collection and maintenance of registers	40	100.0
Socializing	40	100.0
Discussion on utilization of collected money	40	100.0
Discussing the social problems of the area	31	77.5
Religious activities	29	72.5
Tea party	21	52.5
Discussion regarding entrepreneurial activities	17	42.5
Cleaning the village with <i>shramdan</i>	16	40.0
Visiting different places of common interest	13	32.5

*Multiple Responses

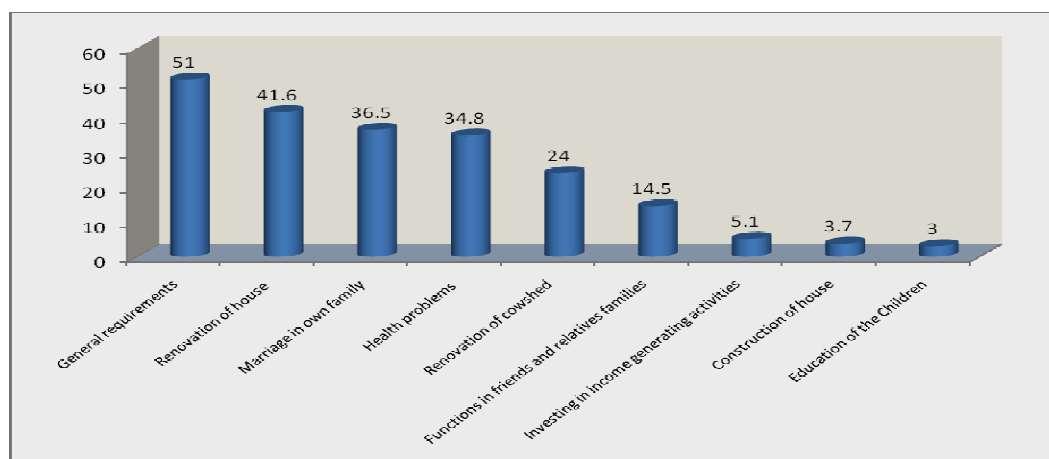


Fig 1. Purpose of taking loan by the members

A meager percentage of members (3-5%) had also taken loan to invest in some income generating activity, construction of house and education of children.

Advantages of Self Help Groups

Rural women in India suffer from being both economically and socially invisible. Through SHGs they are organized to overcome such problems. There were many advantages of being members of SHGs reported by the office bearers of groups which included ‘exposure to outside world’ (91.3%), ‘confidence among members’ (78.8%), ‘financial security’ (77.5%) and ‘cooperation among members’ (73.8%) (Table 3). Other

advantages reported by some respondents include ‘special recognition to the village’ (23.8%) and ‘availing benefits from the government schemes’ (16.3%).

Association with SHGs made the members aware of the gender equality and led them to economic, social and political independence. It also improved the position of the respondents in the patriarchal family system through gaining knowledge of legal system and enabled the members to involve in family decision making. Moreover, the members also developed the leadership qualities through sense of devotion to work, duty consciousness and self confidence (Chitagubbi *et al.* 2011).

Table 3. Advantage of SHGs according to the office bearers of the group * N=80

Advantages	Number	Percentage
Exposure to outside world	73	91.3
Confidence among the members	63	78.8
Economic security	62	77.5
Cooperation among members	59	73.8
Recognition to the village	19	23.8
Benefits from government schemes	13	16.3

*Multiple Responses

Problems in running SHGs

Although most of the groups in study area were running smoothly, still a few of them had problems either with group members or due to their families. The office bearers i.e. president and cashier were interviewed to know the problems faced by them as they were holding responsibility of managing the group activities smoothly.

Conflicts among the group members (18.6%) and

collection of money (12.5%) and assembling the members (10.0%), were the main problems reported by office bearers (Fig 2.). Other problems faced were difficulty in money distribution (7.5%) and conflicts at home (6.3%). Sharma (2007) reported that the SHG movement has not achieved success in some north-eastern states for reasons that are peculiar to the region. The study also highlighted the banking constraints as a factor that hinders the quality of SHG in Northeast India. However, such type of problems has not been encountered by the Self Help Groups of the study area.

It is concluded that most of the SHGs were registered. Half of them were having up to 10 members. SHGs members were using money for their general requirements, renovation of house, marriages in home and for health purposes. The main activities of members during monthly meetings were money collection, maintenance of registers, discussion on utilization of money collected, socialization, discussing the social problems and religious activities. Exposure to outside world, confidence in handling money, economic security and co-operation were the main benefits reported by majority of SHG members.

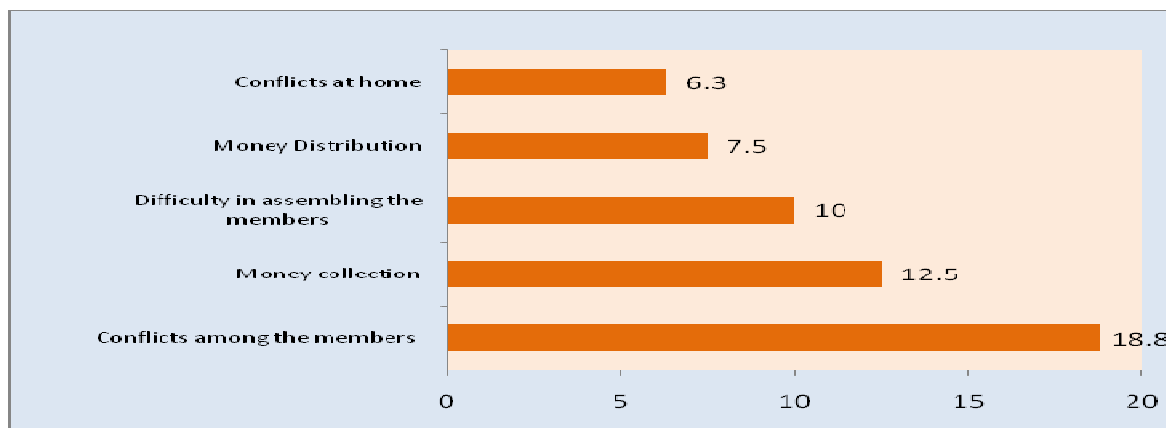


Fig 2. Problems in running the Self Help Groups (%)

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