

Self-help group strategy to empower rural women

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ABSTRACT : The present study on the role of SHGs in empowering rural women was taken up during January 2014 in four villages of Dharwad taluka of the total 159 groups registered during 2008-09. Five had discontinued, 70 were in to only money saving and lending and 84 groups had taken up enterprise were selected and 2001 members formed the sample. Three aspects of empowerment of women were studied namely; socio-psychological, economic and political-legal. The findings revealed a high socio-psychological economic and political-legal. The findings revealed a high socio-psychological empowerment with an index of 73.72, followed by economic empowerment with an index of 65.57 and the least was politico-legal empowerment of 52.98.

KEY WORDS : Empowerment, Self-help group, Rural women

View Point Article : Nagnur, Shobha, Rayanagoudar, Rekha, Chandavari, Veena and Pawar, Vijayalaxmi (2014). Self-help group strategy to empower rural women. *Internat. J. Home Sci. Extn. & Comm. Manage.*, 1 (2): 63-67

Article History : Received : 01.05.2014; Revised : 07.05.2014; Accepted : 22.05.2014

INTRODUCTION

India has been recognized as one of the top 15 emerging economies in the world with a population of about 1.2 billion. In spite of this a large proportion of the households are considered to be poor. Women who constitute half of the population are the worst affected as they are not only neglected by their family members but even by the successive government. A country cannot progress when half of its population are outside the ambit of the nation's development. When women are empowered the immediate family and society are empowered and the nation is empowered. The SHG concept which emerged during the new millennium has shown promising results in empowering rural women. Empowerment has been defined as increased well being, community development and self sufficiency, expansion of individual

choices and capabilities for self reliance and transformation of power relation through out the society. (International Network of Alternative Financing Institution, 2004). Deka *et al.* (2012) worked on Micro-finance and functioning of women SHG in Jorhat district of Assam. Women need to empower not only on the economic front but she needs to be socio-psychologically strong as well as be aware of her legal and political rights. Studies on empowering women through self-help groups by Chiranjeevulu (2003) in Andhra Pradesh, Sharma (2003) in Agra and Krishan *et al.* (2008) in Mangalore reported that the SHG movement has helped the women to develop self confidence and self esteem. Poverty is not the only issue, but also social and gender issues could also be tackled effectively. The formation of SGH, aims for the development of socio economic condition of group, their quality of life and to help the group to become a self dependent

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one which indirectly relates to the socio-economic development of the country (Rahman, 2006). Self- help group has been recognized as one of the most promising and effective tools for empowering rural people in most of the developing countries of the world including India (Sarma, 2000; Sinha, 2004).

The present study intended to know whether women by virtue of being members of SHGs have been empowered. The study was taken up with the following specific objectives:

- To know the status of SHGs in Dharwad district and Dharwad taluka in particular.
- To identify the socio –personal characteristics of the selected SHGs
- To study the socio-psychological, economic and political-legal empowerment of the women SHG members.

METHODOLOGY

The study was conducted in Dharwad district of Karnataka state during the year 2014-15. four villages from Dharwad taluka namely Hebbali, Uppin Betegeri, Kotur and Tegur were selected for the study based on the highest number of SHGs as per the official records of DRDA 2011 (District Rural Development Agency). All the 159 SHGs registered during the year 2008-2009 were selected from five villages. A structured interview schedule was developed to elicit the relevant information from respondents. The data were collected by personal interview method from the selected respondents. The empowerment index was calculated by using the formula:

$$\text{Empowerment index N} = \frac{\text{Obtained score}}{\text{Maximum obtainable score}} \times 100$$

OBSERVATION AND ASSESSMENT

Table 1 and Fig. 1 shows the status of SHGs in the four selected villages of Dharwad taluka. Out of 159 SHGs registered during 2008-09 only five SHGs (3.15%) have discontinued either because members have left the village or died or due to poor group dynamics.

Seventy (44.02%) SHGs are in the dormant group. Dormant groups are those who are only into money collection,

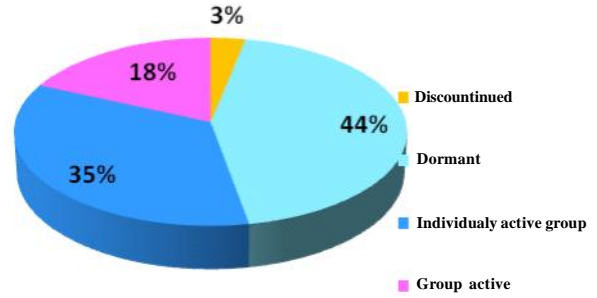


Fig. 1: Status of SHGs in selected villages

borrowing and lending. One of the important functions of SHGs is mobilizing small savings at regular intervals from poor group members who do not normally have saving. These resources generated by them are used to meet the productive and emergent needs of the group. Women due to this have been able to keep at bay the money lenders who charge exorbitant rates of interest. The money collected by these women members are saved in banks by which they are able to access loans at reasonable rates of interest. When the collection of money is sustained over a period of time, the government either provides incentive money or lends money at low rates of interest.

Although the SHGs are meant to take up group enterprises, this does not always happen due to various reasons like lack of common space or inability of members to devote equal time. So most groups end up either as dormant groups or use group money to take up individual entrepreneurial activity.

There are 84 active groups which means these groups are involved in some entrepreneurial activity. Another important reason for formation of SHGs is to help women take up some income generating activity either on a full time basis or as a source of supplementary income. In the present study 55 groups have taken up individual activity only 29 had group entrepreneurial activity. Individual activities are more common than group activities as co-ordination between members is difficult as not all members can contribute equal time for the group activity. It could also be because of difference of opinions. Although there are 55 groups, not all members have taken entrepreneurial activities the reasons for other members

Selected village	No of SHG's registered in 2008-09		Status								
			Discontinued		Dormant		Active				
	F	%	F	%	F	%	Individual activity		Group activity		
						F	%	F	%	F	%
Hebballi	66	41.50	02	1.25	27	16.98	22	13.83	15	9.43	
Kotur	15	09.43	--		10	6.28	05	3.14	--	--	
Uppina betegeri	25	15.73	02	1.25	08	5.03	12	7.54	03	1.88	
Tegur	53	33.34	01	0.62	25	15.72	16	10.00	11	6.91	
Total	159	100	05	3.15	70	44.02	55	34.60	29	18.23	

not taking up enterprises are that most women are agricultural labour so they do not have time to spare and the wages earned by them are substantial about Rs. 120/ day. They are also risk averse and so fear posing their investment. Some of them do not have the knowledge and skill for the group activity. Lack of tie up with market is also an important reason why women do not want to work in groups and produce more. The amount of loan available to the individual members is upto 1 lakh provided the woman has been regular in her contributions and payments for at least one year. So women prefer to take up individual activity.

Twenty nine groups have taken group enterprises. The main reason why women go in for group activity is that loan availability for group enterprise is high *i.e.*, upto three lakhs at an interest rate of 6 per cent along with a 50 per cent matching grant by the government. This availability was provided to the group that has sustained for five years with maintenance of proper records. Normally a group enterprise requires that all members have some role to play in the group entrepreneurial activity. But here we see that few groups usually work this way. The money is shared and the entrepreneurial activity is carried on in their respective homes except in cases where machinery for papad/roti and vermicelli have to be purchased.

Data in Table 2 shows the information about the group formation agency, the average size of the group and the frequency of saving and the amount saved. Regarding the agency it is interesting to note that most SHGs are formed by the State Department of Women and Child Welfare. When one looks at the historical perspective of SHG formation, the SHGs were first started in Bangladesh by Dr. Mohammed Yunus during 1975 which soon spread to neighbouring India.

It was NGO who first took the lead to form SHG and soon there was a need to link banks for safe keeping of money and transparency in transactions. Later on the Government began to include SHGs in the annual plans as combat poverty.

The data in Table 2 shows that most SHGs 122 (76.75%) SHGs called as Stree Shakti are formed by State Development of Women and Child Welfare. The concept of Stree Shakti programme was launched during 2000-01 and it is being implemented throughout the state to empower rural women and make them self reliant. Stree Shakti Groups are formed at the village level to inculcate the savings habit in the members empowering the women economically. About 15 to 20 women members who are from below poverty line families, landless agricultural labourers, SC/ST women join together Stree Shakti Groups are formed through anganwadi workers and taluka federations. Thirty five (22.00%) were organized by the NGO Sree Kshetra Dharmastala. Rural development project which was started in 1982, the SHG movement which started to Belthangadi Taluka of Mangalore district now covers 22 districts of Karnataka.

The ideal size suggested for the success of the SHG is said to be not less than 10 members and not more than 20 members. The present data reflects the same with 70.43 per cent groups having 10 to 20 members. About 29.00 per cent have up to 10 members and only one is a large group of over 20 members.

Regarding the amount of savings, 77.98 per cent saved between Rs. 10-20. Since SHGs comprises of poor women it is natural that they would not be able to save more than Rs. 20. Some (18.24 %) have managed to save Rs. 21-50 and only 03.78 per cent saved between Rs. 51-100. The frequency of

Categories		Total	
		F	%
Name of agency	Govt bank	02	1.25
	NGO/ Private micro finance institutions (MFI)	35	22.00
	State department of women and child welfare	122	76.75
	Dept. of agriculture	--	--
	Any other		
Average size	Small (Up to 10)	46	28.95
	Medium (11 to 20)	112	70.43
	Large (>20)	01	0.62
Amount saved	Rs. 10- 20	124	77.98
	Rs. 21-50	29	18.24
	Rs. 51- 100	06	03.78
	Rs. >100	--	--
	Any other		
Frequency of saving	Weekly	125	78.62
	Monthly	34	21.38
	Quarterly	--	--
	Six monthly	--	--
	Any other	--	--

saving shows that 78.62 per cent saved on a weekly basis and only 21.38 saved monthly.

Table 3 shows the socio- personal characteristics of 2001 members from 154 groups. Most SHG members (53.60%) were in the age group of 18-35 years. A considerable per cent (44.80%) were in the middle age (36-55 years) and only 1.60 per cent were above 55 years. Young women from the productive age group dominated the SHGs. They are in the prime of life and so are energetic and enthusiastic who want to contribute to the family.

More than half of the respondents were educated up to primary (32.16%) and middle school (28.10%). About 17.50 per cent had studied up to high school. Only 0.5 per cent members were graduates while 6.90 per cent were illiterates. Even in rural areas it is heartening to note that education is

being given importance with the government making efforts through various schemes for the education of the girl child. Basic education with a minimum of reading and writing are also essential for women to understand the dynamics of money lending and borrowing. Usually the office bearers are better educated as they have to manage the accounts and book keeping.

Women from SHGs were of various occupations as seen in the table. About 33 per cent were home makers. These home makers are usually from better off families who either save money or take enterprises which they can carry out from their own homes. For them an enterprise is not the sole source of income. Another 31 per cent were involved in farming. These women are usually those with small landholding where family labour plays an important role. About 16 per cent were in

Characteristics	Categories	Frequency	Percentage
Age	Young (18 to 35 years)	1073	53.60
	Middle (36 to 55 years)	896	44.80
	Old (Above 55 years)	32	1.60
Education	Illiterate	138	6.90
	Can read and write	242	12.10
	Primary School	653	32.16
	Middle School	562	28.10
	High School	350	17.50
	Post metric	46	2.30
	Graduate and above	10	0.50
	Occupation	Home maker	656
Farming		187	9.30
Wage earner		94	4.70
Business		03	0.10
Service		14	0.70
Enterprise		6	0.30
Home maker +farming+ MGNREGA		01	0.04
Home maker +farming+ business		290	14.50
Home maker +service		01	0.04
Home maker+enterprise		310	15.50
Home maker +farming		439	21.90
Membership in any other organization	Yes	987	49.30
	No	1014	50.70

Note: Only individual from dormant and active groups

Sr. No.	Empowerment	Highly empowered		Fairly empowered		Less empowered		Index
		F	%	F	%	F	%	
1.	Socio-psychological	128	27.70	334	72.30	--	--	73.72
2.	Economic	47	10.17	367	79.44	48	10.38	65.57
3.	Politicol-legal	21	04.55	222	48.05	219	47.40	52.98
	Overall index							63.88

managing some enterprise *i.e.*, those that have been taken up enterprise due to being a member of the SHG group. About 15 per cent were doing both farming and business and only 4.70 were wage earner or landless labourers. Those not involved in enterprise and business mainly belong to the category of women who lend and borrow money only. Nearly 50 per cent of the respondents are members of some other organization while the other half were members of only one self-help group. While women belonging to Stree Shakti Groups can be a member of only one Stree Shakti Group they can be members of other NGO groups or of the banks. So nearly half of the respondents were members of more than one SHG women became members of more than one SHG so that they can avail more numbers of loans.

Table 4 shows the empowerment of women on three aspects namely socio-psychological, economic and legal and Political empowerment. It is clear that 72.30 per cent women were fairly empowered on socio-psychological aspects with 27.70 per cent in the highly empowered category and none in the low empowerment category. The women are empowered to the extent that they have now stepped out of the four walls and are in position to travel to places for trainings and exposure. As a group their bargaining power has increased and so are able to have a say in the community affairs of the society.

Similarly for economic empowerment higher per cent (79.44) were fairly empowered with almost an equal per cent (about 10% each) in the highly empowered and less empowered categories. Micro-credit has been advocated as the new universal remedy for reduction of poverty especially when it is done through SHGs. There have been many examples and experiences available in the country, which reveal that women are empowered when savings, credit and enterprise are used as tools for mobilizing and building the capacities of women at the grass-root level. The SHGs are able to cater to the immediate and emergent credit needs of the individual members. The group has the freedom to decide its member's credit needs.

However, on the political and legal front 47.40 per cent belonged to the less empowered category 48.05 per cent were less empowered and a small per cent 04.55 were highly empowered. Due to advent of SHGs, women are able to see the outside world, they understand the processes involved in solving the local problems through political participation. By and by, their participation in political process has been increasing. SHG members have found opportunities to become leaders or have acted as pressure groups for or against a particular political candidate in panchayat elections.

The overall empowerment index shows that women were socio-psychologically empowered to the extent of 73.72 per cent, economic empowerment was 65.57 per cent and political and legal empowerment was to the extent of 52.98 per cent. Related work was done by Awasthi *et al.* (2001); Chattopadhyay (2005); Gupta (2006); Jadhav and Tambat

(2010); Yenagi and Halakatti (2011).

Conclusion:

Thus, the results show that the greatest impact of SHGs has been in boosting the morale of women. Rural women are confident with higher self esteem at present than ever before and this is all thanks to the SHG movement. Some women who had never been out of their villages have now come out of the four walls and are ready to face the hitherto male dominated society. The economic empowerment means that women are now capable of earning some money to contribute to the family kitty. Women also have the freedom to spend the money earned by them. The political empowerment level indicates that women still need to actively participate in the political process. Although one third the seats in the panchayat raj are reserved for women the male members still dominate the political scene. All in all it is heartening that women SHGs have truly empowered the woman on all fronts.

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