

WHAT MAKES SELF- HELP GROUPS (SHGs) SUCCESSFUL?

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ABSTRACT

Self-Help Group (SHG) movement in the country helps nearly 45 million poor households to access financial services from the formal banking system in the country. Some of these SHGs are highly successful and others not so successful. The purpose of the study is to find out the factors influencing the effective functioning of the self-help groups. Group Performance Index was constructed to assess the performance of SHGs. The study revealed that the effective functioning of groups is influenced by a host of factors involving: Quality of group meeting, savings habit, adequacy and accessibility to resources, repayment behaviour, group cohesion, group leadership, group interaction autonomy, sense of self, equity, accountability and transparency.