

## **A STUDY ON THE ROLE OF SELF HELP GROUPS IN ECONOMIC EMPOWERMENT OF WOMEN**

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### **Abstract**

***“A nation would not march forward if the women are left behind”***

***– Swami Vivekananda***

In a patriarchal society like India, women live a very poor life. In order to improve the condition of women, the government of India has adopted the strategy of Self Help Groups (SHGs). Self Help Groups have emerged as an important tool to bring about socio-economic change in society. Various studies point out the positive impact that SHGs have had on savings, income, poverty alleviation and women empowerment. Women participation in Self Help Groups have observably created great impact on the life pattern and style of poor women and have empowered them at various levels not only as individuals but also as members of the family and the society as whole. They come together for the purpose of solving their common problems through self-help and mutual help. The more attractive method with less effort is “Self Help Groups” (SHGs). It is a tool to remove poverty and improve the Women Empowerment and financial support in India. Self Help groups play a major role in poverty alleviation in rural India. A growing number of poor people in various parts of India are members of SHGs and actively engage in savings and credit, as well as in other activities. The savings and credit focus in SHG is the most prominent element and offers a chance to create some control over capital. The SHG system has proven to be very relevant and effective in offering women the possibility to break gradually away from exploitation and isolation. Though Women can empower themselves in different aspects through Self Help Groups, the present paper is mainly focusing on the Role of SHGs in Economic Empowerment of Women in YSR Kadapa district of Andhra Pradesh.

**Keywords:** Self Help Groups, Empowerment, Participation.

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**Full Paper**

*“Millions of women in our hamlets know what unemployment means. Give them access to economic activities and they will have access to power and self confidence to which they hitherto have been strangers.”*

**- Mahatma Gandhi**

**Introduction:****Womenempowerment**

The word empowerment is defined as the process by which women take control and ownership of their choices. Empowerment is a process of awareness and capacity building leading to greater participation, to greater decision-making power and control and transformative action. Empowerment as a concept was introduced at the International Women's Conference at Nairobi in 1985. The conference defined Empowerment as "A redistribution of social power and control of resources in favour of women. It is “the process of challenging existing power relations and of gaining greater control over the sources of power”. Empowerment is a multi-faceted process which encompasses many aspects i.e. enhancing awareness, increasing access to resources of economic, social and political etc."In recent years Women empowerment has become a subject of great concern for the nations all over the world especially in poor and developing countries. The impact of globalization is seen ultimately on position of women in some form or other in most of the developing countries with the variation of degree. The United Nations has also strived hard in an incredible way to draw the due attention of the World Community on this issue in the past years. Women Empowerment refers to an increase in the strength of women such as spiritual, political, social or economic. The most common explanation of “Women’s Empowerment” is the ability to exercise full control over one’s actions. Thus, women empowerment occurs in real sense when women achieve increased control and participation in decision making that leads to their better access to resources it often involves the empowered developing confidence in their own capacities. The participation of women in SelfHelp Groups(SHG) has made a significant impact on their empowerment. In the early decades, the concept of Women empowerment was totally out of mind and their condition was miserable. But with the changing situation, the thinking of people has been changed due to education, awareness

and now, the problems of women are looked upon as the problems of social welfare and are considered more seriously and ultimately solved in the form of other way round particularly in the past more than 20 years. Due to the development of new policies, programmes and even projects, the status of women has totally been changed as they provide support to the low income women. This concern for low-income women's needs has coincided historically with recognition of their important role in development. Various intervention approaches have been developed in order to address the needs of the women which ultimately reveal modifications not only in social policy approaches to Third World Development, State Policies relating to women but also in the overall economic policy of the country as a whole. The empowerment approach is the most recent and is aimed at empowering women through greater self-reliance and internal strength.

**Empowerment** The dictionary meaning of the word 'empowerment' is to give power to make them able (person/group). The Oxford Dictionary defines empowerment as the 'action of empowering, the state of being empowered'. The term 'empowerment' as the range of activities from individual self-assertion to collective resistance, protest and mobilization that challenge basic power relations. Empowerment is a process aimed at changing the nature and directions of systematic forces, which marginalize women and other disadvantaged sections in a given context.

The empowered women become agents of their own development, able to exercise choices to set their own agenda and be strong enough to challenge their subordinate position in the society. The Tenth Five-year Plan (2002-2007) adopted the strategy of women's component plan under which not less than 30 percent of funds/benefits were earmarked for all the women-related sector's and women specific programmes. The Eleventh Five-year Plan (2007-2012) also undertook steps to further strengthening of Self Help Groups and community based organizations for the empowerment of women. Special attention needs to be given to increasing employment opportunities and productive resources of women through special financial intermediaries, building women's competitiveness and increasing economic exchanges among women empowerment. According to **Chandramani** has said that Women's empowerment is first step towards social change. This begins with the awareness about their rights and capabilities and the understanding as to how the socio-economic and political forces affect them. The author

opines that SHGs are the most powerful means to empower women and to promote their income generation and bargaining power and improve the quality of life.

### **Economic empowerment**

For economic empowerment, it is necessary for a woman to have access to and control over productive resources and to ensure some degree of financial autonomy. According to the report by National Commission for Women, in India, women work for longer hours than men do. The proportion of unpaid activities to the total activities is 51 percent for females as compared to only 33 per cent for males. Over and above this unpaid work, they have the responsibilities of caring for household which involves cooking, cleaning, fetching water and fuel, collecting fodder for the cattle, protecting the environment and providing voluntary assistance to vulnerable and disadvantaged individuals in the family. To achieve the goal, there is an urgent need of change in the mindset of the entire society. In rural region, winds of changes development have yet to reach and basic economic needs are yet to be fulfilled. The main source of employment for women is farm labour. But this does not fulfill all their needs. Indebtedness has become the hallmark of the rural life. Participation in self-help groups helps in saving some money out of their daily household expenses. Also, they can avail loan with lower interest rates. This has led a sort of change in the society's view towards woman, in general. The impact of economic empowerment through Self Help Groups plays a vital role in families. According to **Vinayamoorthy and Pithoda** made an attempt to examine women empowerment through SHGs in three villages of Tamil Nadu. They selected a sample of 398 members of 20 SHGs from Vellore, Thiruvannamalla and Dharampur districts of the state. The main objectives of the study were to examine the income, expenditure and the savings of the members after joining SHGs and the role of SHGs in providing credit. They concluded that economic activities of SHGs were quite successful.

### **Various Schemes for Economic Development**

#### **Swa-Shakti**

The project jointly founded by IFAD, World Bank and the Government of India was launched in October, 1999 and culminated on 30th June, 2005. The objective of the program was to bring out socio-economic development and empowerment of women through promotion of women SHGs, micro credit and income generating activities. The project was conceived as a Pilot Project

implemented in 335 blocks of 57 districts in 9 states. The project established 17,647 SHGs covering about 2, 44,000 women. This was a Centrally Sponsored Project.

### **SwawlambanProgramme**

SwawlambanProgramme, previously known as NORAD/Women's Economic Programme, was launched in 1982-83 with assistance from the Norwegian Agency for Development Corporation (NORAD). NORAD assistance was availed till 1996 to 97 after which the programme is being run with Government of India funds. The objective of the programme is to provide training and skills to women to facilitate them to obtain employment or self employment on sustained basis. The target groups under the scheme are the poor and needy women, women from weaker sections of the society such as Scheduled Castes and Scheduled Tribes etc. In order to ensure more effective implementation and for better evaluation of the scheme, it has been transferred to the State governments from 1st April 2006 with the approval of Planning Commission.

### **Support to Training and Employment Programme (STEP)**

This programme seeks to provide skills and new knowledge to poor and asset less women in the traditional sectors. A comprehensive package of services such as health care, elementary education, crèche facility, market linkages, etc. are provided besides access to credit. Skill development is provided in ten traditional skills amongst women. This is a Central Scheme launched in 1987. The Ministry is at present getting the programme evaluated. Based on the results of the evaluation, the scheme is proposed to be revamped. Further, the possibilities of providing training and skills to women both in traditional and non-traditional sectors and integrating with RashtriyaMahilaKosh for credit linkages are being considered. A sum of Rs. 240 crore is proposed for the scheme in the XI Plan.

### **Swayamsiddha**

This was an integrated scheme for women empowerment through formation of Self Help Groups (SHGs) launched in February, 2001. The long term objective of the programme was holistic empowerment of women through a sustained process of mobilization and convergence of all the ongoingsectoralprogrammes by improving access of women to micro-credit, economic resources, etc. This is a Centrally Sponsored Scheme. The Scheme had been able to provide a

forum for women empowerment, collective reflection and united action. The scheme was culminated in March, 2007. The programme was implemented in 650 blocks of the country and 67971 women SHGs have been formed benefiting 9,89,485 beneficiaries. The scheme came to an end in March 2007.

It is proposed to take up Swayamsidha with a wider scope during the XI Plan. It is also proposed to implement a woman's empowerment and livelihood project in four districts of Uttar Pradesh and two districts of Bihar with assistance from IFAD. The schemes of Swayamsidha and Swashakti would be merged and implemented as Swayamsidha, Phase-II in the XI Plan. The Mid-Term Appraisal Report of the Tenth Plan has also recommended merger of these two schemes as these have similar objectives. The next phase would be a country wide programme with larger coverage in States lagging behind on women development indices. Convergence is the basic concept in Swayamsiddha. The lessons learnt in Swayamsiddha and Swa-Shakti would be incorporated in the universalized Swayamsiddha giving an integrated set of training inputs relating to social and economic empowerment, including skill development and training in traditional and non-traditional sectors.

### **Self Help Groups**

The SHG movement has flourished and spread in India on account of the success of NABARD's Pilot Project in 1992 and the stress given on SHG as 'reliable instrument for women empowerment' in the 9<sup>th</sup> Five Year plan. Today, Self-Help Groups has become a key concept in the arena of women empowerment in India. In our day-to-day life, we come across this concept at least once in a day. Self help is the stem of the phrase 'self-help groups'. The literal meaning of this phrase is very transparent, "Help yourself to improve yourself".

Self Help Group (SHG) is a small voluntary association to form a group. The number of members in SHGs is normally ranged from 10 to 20. It is expected that, within the group, there should be true democratic culture in which all the members must participate actively in the decision making process by taking part in the debate rather one should say discussion. Though the cohesiveness among the members would be increased due to homogeneity of the groups in terms of education, occupation, income distribution, sex composition, but in the long term, strength of

SHGs depends on their members reliability to it and the adequacy of SHGs to meet the growing needs of the members. In fact, it is a home grown model for poverty reduction which simultaneously works to empower and shape the lives of its members in a better way. Groups are expected to be homogenous so that the members do not have conflicting interest and all the members can participate freely without any fear. Self Help Groups (SHGs) movement has triggered off a silent revolution in the rural credit delivery system in India. SHGs have proved as an effective medium for delivering credit to rural poor for their socio-economic empowerment.

The concept of SHGs moulds women as a responsible citizen of the country with social and economic status. It leads women to develop the habit of raising loans, form savings, inculcated with a sense of belongingness, habit of thrift and discipline among themselves. Groups actively take part in social welfare programmes focusing on dowry, AIDS awareness, nutrition, legal literacy, multiple roles of women and poverty alleviation programmes. The concept of self-monitoring has been introduced by the SHGs in a phased manner with the aim to make women totally own their movement and institutionalize its sustainability through networking. The women groups have taken the initiative to educate their own members with great enthusiasm. Women belonging to lowest strata of the society are getting habituated to savings and paved the way for decision making power in the family. In a developed country like India, SHGs uplift the women who are mostly invisible in the social structure by creating self- confidence and self-reliance.

### **Empowerment of Women through Self Help Groups**

Mahatma Gandhi states that the position of women the society is an index of its civilization. “Train a man and you train an individual, Train a woman and you build a nation”. The SHGs (Self Help Groups) are the major resource of inspiration for women’s welfare. In an attempt to uplifting the women, the government has initiated Women Welfare Programmes through development centers, rural agencies, banks, NABARD etc. In India, most of the SHGs are lead by woman with benefits of socio-economic homogeneity smaller size, functionality, participation, voluntary operating mode and non political women. The SHGs in India operating from April 1999, have entered into various fields like dairy farms, ration shops, fisheries, handlooms, farm cultivation, rain water harvesting etc. Special programmes have been designed

for training and capacity building of women beneficiaries of the SHGs. Regular skill development training programmes are being organized for value addition to DWCRA and SHGs productions for better packaging, pricing and to develop marketing skills among women. Women are exposed to best and relevant technologies displayed at training and technology development centers (TTDCs) in all districts.

Poverty and unemployment, illiteracy are the main problems of any under developed countries, including India. The rate of development of women employment in India is very low. This is because of the low growth rate of new and productive employment. The more attractive scheme with less effort is “Self Help Group” (SHG). It is a tool to eradicate poverty and improve the women Empowerment and financial support in India. A Self Help Group is a small economically homogeneous attraction group of the rural poor willingly coming together to save a small amount regularly, which is deposited in a common fund to meet members emergency needs and to provide collateral free loans decided by the group. Self Help Groups enhance the equality of status of women as participants, decision-makers and beneficiaries in the democratic, economic, social and cultural spheres of life.

SHGs emerge as an important strategy for empowering women and in alleviating poverty. SHG is a “people’s scheme” and its organization is a significant step towards empowering women. Women SHGs represent a form of intervention that is a radical departure from most current programmes. They are an effective strategy for poverty alleviation, women development and social empowerment. The women SHGs have enhanced the status of women as participant decision makers and beneficiaries on the democratic, economic, social and cultural spheres of life and sensitized the women members to take active part in socio-economic progress of rural India. SHGs in social change imply not only the change of outer form of a community or a society but also in the social institutions as well as ideas of the people living in that society.

Self Help Groups are considered as one of the most important tool in participatory approach for the economic, social, political and psychological empowerment of women. It is an important body for improving life of women on various social components. The basic objective of SHG is that it acts as the platform for members to provide liberty and support to each other. Today, in India, Self Help Groups (SHGs) represent a unique approach to financial intermediation. This



combines access to low-cost financial services with a process of self management and development for the women who are SHG members. SHGs are formed and supported usually by Non-governmental Organizations by Government agencies. Linked not only to banks but also to wider development programmes. SHGs are seen to confer many benefits, both economic and social. SHGs can also be community platform from which women become active in village affairs, stand for local election to take action to address social. In India before introduce this scheme for rural women were largely negligible. But in recent years the most significant emerging system called Self Help Group is a major breakthrough in improving lives of womenfolk and alleviating rural poverty.

### **Women Empowerment in India**

The year 2001 had been declared by the Government of India as “Women’s Empowerment Year” to focus on a vision where women are equal partners like men”. Because the Constitution of India grants equality to women in various fields of life. In the past, the position of women was miserable in the society and even women were not ready to undertake any assignment or job due to many reasons like fear, shyness, male dominance in the society and purda system but time has been changed now. Women of today are not like the early days. Now, they are always ready to come forward and want more economic independence, their own identity, achievements, equal status in the society and greater freedom. And Government of India has provided for Self Help Groups (SHGs) to them so that proper attention should be given to their economic independence through self-employment, entrepreneurial development and well-being that ultimately leads to its contribution. SHGs have been emerged as a powerful instrument in order to alleviate poverty and for the empowerment of women in the rural economy. SHGs through the network of commercial banks, co-operative banks, regional rural banks, NABARD and NGO's has been largely supply driven and a recent approach in the provision of financial services to the poor and further upgrading their status in the society. In this way, SHGs are important not only to reduce rural poverty, to promote rural savings but also to increase gainful employment.

### **Aim:**

The aim of the study is to find out the Role of Self Help Groups in Economic Empowerment of Women in YSR Kadapa district of Andhra Pradesh.

**Objectives of the Study:**

- 1.To study the income levels of SHGmembers after joining as member in SHG.
- 2.To study the type of business that SHG members have started.
- 3.Toanalyze the importance of Self Help Groups in Economic Empowerment of Women.

**Methodology:**

The present paper is mainly focusing on the Role of Self Help Groups in Economic Empowerment of Women in YSR Kadapa district of Andhra Pradesh. YSR Kadapa district is one of the pioneering district for the implementation of the Development of Women and Children in Rural Areas (DWCRA) as pilot project in the Andhra Pradesh state along with Srikakulam andAdilabad. Presently there are 51 Mandals in YSR Kadapa district of Andhra Pradesh consisting of 35,268 SelfHelp Groups.Six mandals were selected for this studyi.eKodur and Obulavaripalli, Chintakommadinne, Pendlimarri, Chapadu, Vempallimandals. For the purpose of present study, 360 Women samples were chosen by using multi stage sampling method, among them 60 respondents were chosen from each mandal. In this study primary data were collected from directly respondents by questionnaire. Secondary data were collected from books, websites and journals, annual reports. Data was analyzed by using tabulation, simple percentage techniques were adopted.

**Tale no-1****Annualincomeof the respondents**

<b>Income</b>	<b>Frequency</b>	<b>Percentage</b>
10000-20000	155	43.10
20001-30000	124	34.40
30001-40000	53	14.70
above 40001	28	7.80
<b>Total</b>	<b>360</b>	<b>100.00</b>

Table 1, refers to the distribution of sample respondents by monthly income. It is observed from the table 155(43.10%) of the respondents were in the income group of Rs.10000-20000 per year where as 124(34.40%) of the respondents are between Rs.20001-30000 and 53(14.70%) of the respondents are between Rs.30001- 40000. Very few percentage 28(7.80%) respondents are above Rs.40001.

### **Tale no-2**

#### **Savings of the members**

<b>Savings</b>	<b>After joining SHG</b>
Savings 2014-15	1455
Savings 2015-16	2107
Savings 2016-17	2949

The above table shows (Table-2) that in the year 2014-15 after joining as SHG members their savings were increased up to Rs.1455 per month. Coming to the year 2015-16 all the respondents are saved as an average per month were Rs.2107. And next in the year 2016 - 2017 all the respondents are saved as an average per month were Rs. 2949.

### **Table no-3**

#### **Starting of Business**

<b>Business</b>	<b>Frequency</b>	<b>Percentage</b>
Poultry/Goat business	30	8.30
Tailoring	36	10.00
Handy crafts	40	11.10
Cloth merchant	38	10.60
Milk merchant	62	17.20
Food products/Tiffin centre	42	11.70
Vegetable / Flower /Leman business	67	18.60
Running of petty shops	45	12.50
<b>Total</b>	<b>360</b>	<b>100.00</b>

The table indicates that out of 360 respondents 67(18.60%) of the respondents are started Vegetable / Flower /Leman business, 62(17.20%) of the respondents are started Milk business, 45(12.50%) of the respondents are started Running of petty shops, 42(11.70%) of the respondents are started Food products/Tiffin centre,40(11.10%) of the respondents are started Handy crafts ,38(10.60%) of the respondents are started Cloth merchant, 36(10.00%) of the respondents are started Tailoring,30(8.30%) of the respondents are started Poultry/Goat business. Most of the respondents are involved in Vegetable / Flower /Leman business.

## **Findings and Conclusions:**

### **Findings**

- It is observed from the table no-1 155(43.10%) of the respondents were in the income group of Rs.10000-20000 per year whereas 124(34.40%) of the respondents are between Rs.20001-30000 and 53(14.70%) of the respondents are between Rs.30001- 40000. Very few percentage 28(7.80%) respondents are above Rs.40001.

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## Conclusions

The findings of the study justify the greater role played by the SHGs in increasing empowerment of women, by making them financially strong, as well as it helped them to save amount of money and invest it further development. It is also found that the SHGs created confidence on social, economic and self-reliance among the members in six mandals. It develops the awareness programmes related to schemes, loan policies etc. However, there is a positive impact of Self Help Groups on Women empowerment in Andhra Pradesh. The economic progress of India depends on the productivity of both male as well as female population. However, in India, women were restricted to the four walls of the kitchen for the last many years due to male domination. Oflate, there has tremendous progress in social and cultural environment of India. Now a days women are working in all areas of the economy, which were even restricted to male members. Women have proved their working ability and are working on par with men. The SHG movement started in India has been working in right direction in development of women and eradicating the poverty in rural and urban areas. SHGs have been identified as a way to alleviate poverty and women empowerment. Women empowerment aims at realizing their identities, power and potentiality in all spheres of lives. But the real empowerment is possible only when a woman has increased access to economic resources, more confidence and self-motivation, more strength, more recognition and say in the family matters and more involvement through participation. Although it is a gradual and consistent process, but women should build their mindset for taking additional effort willingly for their overall development. SHGs have the potential to have an impact on women empowerment.

## Suggestions:

The following suggestions are made for Women Empowerment and effective implementation of SHGs in YSR Kadapa district of AP.

- Women should educate towards their opportunities and improve their knowledge according to the social and technological changes.
- Government conduct campaigns and create awareness on developmental schemes and other activities.
- The government should increase the financial assistance to SHGs.

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