

## **WOMEN EMPOWERMENT THROUGH SELF HELP GROUPS IN SHIMOGA DISTRICT**

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**Abstract :**

The empowerment of women is crucial for the development of the country. Women empowerment is a process in which women challenge the existing norms and culture, to effectively promote their well being. The Indian Constitution grants equality to women in all aspects. In this regard, the year 2001 was celebrated as the year of Women Empowerment. The concept of self help groups (SHGs) introduced by the Ministry of Rural Development has taken its roots in nook and corner of the rural areas and in the semi-urban and urban areas, which help improve the living standards. The present paper examines the economic empowerment of the SHG members through the SHGs. The study proves that the SHGs enabled the women to have a significant improvement in the economic empowerment.

**Key Words: Women, Economic Empowerment, Self help groups.**

## **INTRODUCTION: SELF HELP GROUPS**

Poverty and unemployment are the major problems of any under developed countries, to which India is not an exception. A large number of anti-poverty and self-employment generation programmes have been introduced from time to time through successive plans especially for alleviating poverty and minimizing unemployment in rural areas. The Swarnajayanti Gram Swarozgar Yojana (SGSY) is one of the most important ongoing programme for the self employment of Rural poor. The programme was launched on 1st April 1999 after restructuring the erstwhile IRDP, TRYSEM, DWCRA, SITRA, GKY, MWS, and etc schemes. The basic objective of SGSY was to lift the poor people above the poverty line by increasing their income levels over a period of time through training and by providing them income generating assets through a mix of Bank credit and subsidy from government.

The origin of SHGs is from the brainchild of Grameen Bank of Bangladesh, which was founded by Professor Mohammed Yunus. A SHG is a voluntary association of poor people. At the grass roots level the process of social mobilization pushes forward in organizing SHG's with the objectives of eradication of poverty. A SHG may have 10 to 20 members. In the context of women empowerment there are provisions under SGSY that 50% of the groups formed in each block should be exclusively for women. It is a tool to remove poverty and improve the rural development.

Basically the people who live below the poverty line in a village are motivated to become members of SHG. Literally motivating the poor people is not an easy task. It needs the co-operation and whole hearted efforts of all stake holders in a block area, this requires the participation of all concerned especially the elected members of Panchayat, voluntary organizations and obviously to the people for whom it is meant.

The real effort to support SHGs in India, however, came in the late 1990s when the Central Government of India introduced a holistic program, Swarnjayanti Gram Swarozgar Yojana (SGSY) based on the group approach for rural development. The SGSY approach was to encourage the rural poor to organize themselves into SHGs and to independently take up viable economic activities as micro-enterprises with support from government subsidies and bank credit

(Tripathy 2004). Today, these Self help groups have become the vehicle of change for the poor and marginalized. A SHG is a small economically homogeneous affinity group of the rural poor voluntarily coming together to save small amount regularly, which are deposited in a common fund to meet members emergency needs and to provide collateral free loans decided by the group. (Abhaskumar Jha 2000). SHGs have been recognized as a useful tool to help the poor and as an alternative mechanism to meet the urgent credit needs of poor through thrift (V. M. Rao 2002) SHG is a media for the development of saving habit among the women (S. Rajamohan 2003). SHGs enhance the equality of status of women as participants, decision-makers and beneficiaries in the democratic, economic, social and cultural spheres of life. (Ritu Jain 2003). The basic principles of the SHGs are group approach, mutual trust, organization of small and manageable groups, group cohesiveness, spirit of thrift, demand based lending, collateral free, women friendly loan, peer group pressure in repayment, skill training capacity building and empowerment.

Studies conducted by various scholars on the workings of SHGs revealed that the SHGs are an effective tool to promote rural savings and gainful employment. It helped in increasing the incomes of the poor and the marginalized, through collective performance. The success of SHG has gained wide prevalence and several banks have established SHG-Bank linkages as a medium of rural business expansion leading to rural entrepreneurship. Through this the rural poverty is reduced considerably. Therefore, women members are becoming economically independent and their contribution to household income is also increased.

### **Concept of Women Empowerment**

Empowerment is an active multidimensional process to enable women to realize their identity, position and power in all spheres of life. Empowerment provides a greater access to knowledge and resources, more autonomy in decision making, greater ability to plan lives, more control over the circumstances which influence lives, and freedom from customs, belief and practices. Empowerment demands a drastic and basic change in the system of marriage and family, husband and wife relationship and attitude towards socialization and remarriage. Empowerment is a process that gives a person freedom in decision making. Women's empowerment is not a Northern concept. Women all over the world, including countries in the South, have been

challenging and changing gender inequalities since the beginnings of history. These struggles have also been supported by many men who have been outraged at injustice against women and there upon the consequences for the society. It would be yet another instance of imperialism to say all these women and men did not have minds of their own.

### **REVIEW OF LITERATURE:**

Indhumathi and Palanivelu (2013) „Women Empowerment through Self – Help Group“ reveals that the formation of SHGs has led to a member of positive feature. The most important achieved aspect is that the earlier belief that the poor are unbankable and less credit worthy has been wrong. The success of any strategy of woman empowerment depends upon the following factors: level of education, hard work, social customs, family planning, environment and collective strategies beyond the microcredit to increase the endowments of the woman enhance their exchange outcomes vis-a-vis the socio culture and political spaces are required for the women empowerment.

Parker (2013) in his article “Empowering Women Through Microfinance in India” depicted that across the globe, but especially in Asia, and particularly in areas where rural population density is relatively high, microfinance can be an extremely effective poverty reduction tool. Microfinance enterprises can also potentially be very profitable undertakings as excess urban capital is redirected to credit starved rural areas. Modern microcredit is a relatively new phenomenon and as such some growing pains should be expected.

Rajendran and Dr.R.P.Raja (2011) in their study “Does Micro Finance Empower Rural Women?- A study in Vellore District, Tamil Nadu” summarizes that there is an appreciable empowerment in the political space than economic empowerment and there was negligible social empowerment as a result of participating in microfinance through the SHG programme.

### **FEATURES & FUNCTIONS OF SHGS:**

The SHG works in democratic manner. The upper limit of members in a group is restricted to 20. Among them a member is selected as an „animator“ and two members are selected as the representatives. The animator is selected for the period of two years. The group members meet

every week. They discuss about the group savings, rotation of SHGs funds, bank loan, repayment of loan, social and community action programmes.

- SHG is a development group for the poor and marginalized.
- It is recognized by the government and does not require any formal registration
- The purpose of the SHG is to build the functional capacity of the poor and the marginalized in the field of employment and income generating activities
- People are responsible for their own future by organizing themselves into SHGs
- Create a common fund by the members through their regular savings.
- Flexible working system and pool the resources in a democratic way.
- Periodical meeting. The decision making is done through group meeting.
- The loan amount is small and reasonable.
- The rate of interest is affordable, varying group to group and loan to loan. At present it is as low as 7% and remains lower than the money lender.
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#### **METHODOLOGY:**

The present study is based on the primary data and secondary data. The primary data covering all the aspects of self help groups in accordance with the objectives of the study are collected through interview method. The secondary data are collected from the relevant publications and shimoga district hand book, Statistical abstract of karnataka.

#### **THE OBJECTIVES OF THE STUDY:**

o investigate the empowerment of women in shimoga District of karnataka state through participation in entrepreneurial activities of SHGs, the present study was undertaken with the following objectives.

- 1.To examine the effects of socio-economic factors on success of ventures of women entrepreneurs and SHGs.
- 2.To enquire in to the impact of success of venture on women's empowerment in terms of status and economic independence.
- 3.To find out the problems faced by women entrepreneurs in selected areas.
- 4.To suggest various measures for development of women entrepreneurs in the rural areas.

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**NEED FOR THE STUDY:**

Women must be empowered by enhancing their awareness, knowledge; skills and technology use efficiency, thereby, facilitating overall development of the society. The concept of Self Help Groups (SHGs) is providing to be a helpful instrument for the women empowerment. SHG is an organization of rural poor, particularly of women that deliver micro credit to undertake the entrepreneurial activity. Entrepreneurship development and income generating activities are a feasible solution for empowering women. It generates income and also provides flexible working hours according to the needs of homemakers. Economic independence is the need of the hour, the participation in income generation activities helps in the overall empowerment of women.

**HYPOTHESIS:**

- There is a positive relationship between family economic condition and success of SHG members.
- The success of SHG's positively associated with the women empowerment.

**Table No.1 Percentage Distribution of Respondents by their Personal Information**

S.No	Personal information	No.of respondents	Percentage
1	Age in years		
	1)below-30	25	27.77
	2)above-30-50	52	57.77
	3)above-50	13	14.44
	Total	90	100.00
2	Education		
	1)illiterate	29	32.22
	2)1 to 4 <sup>th</sup>	21	23.33

	3)5 <sup>th</sup> to 7 <sup>th</sup>	16	17.77
	4)8 <sup>th</sup> to 9 <sup>th</sup>	14	15.55
	5) S.S.L.C	10	11.11
	Total	90	100.00
3	Caste		
	1)Scheduled caste	15	16.66
	2)scheduled tribes	6	6.66
	3)Backward community	46	51.11
	4)Open category	23	25.55
	Total	90	100.00
4	Martial status		
	1)Married	76	84.44
	2)Unmarried	9	10.00
	3)Widow	5	5.55
	Total	90	100.00
5	Family type		
	1)Nuclear	77	85.55
	2)joint	13	14.44
	Total	90	100.00

It is obvious from the Table. 1 that the mean age of respondents was 35 years. Among the total SHG women two thirds of them (32.22%) were illiterates. The percentage distribution of the women by the type of family they lived started that most of the respondents live in nuclear type (85.55%) and 14.44 percent of them live in a joint family.

The information collected from the women reveals that 16.66 percent of them belong to scheduled caste and 6.66 % belong to scheduled tribe and 51.11% belong to backward community. The marital status of there women shows that 85.55% of them live with their

husbands, 5.55% of them were widowed and remaining 14.44% were unmarried. In general, the background information informed that the women of the sample area were economically poor and their status was low and down trodden.

**Table 2. Percentage Distribution of Respondents by their Savings**

Savings per week( in rupees)	No.of Respondents	Percentage
No Savings	8	8.88
Rs.10-15	33	36.66
Rs.20-25	49	54.44
Total	90	100.00

SHG's were encouraged to have regular micro-credit savings which were useful for them to avail loans from banks after particular period of time. Table 2 states that as high as 54.44% of women have savings of rupees Rs.20 to 25 per week and only 8 women have no savings. The respondents were encouraged by the NGO's to have micro credit savings as there was an element of grant from different funding sources for NGO's to organize the SHG and to carry out training programmes for the member of the SHG's. It was also ascertained that in some cases due to the absence of formal bank services for short-term micro credit facilities, the poor were compelled to depend on traditional money lenders.

**Table. 3 Percentage Distributions of Respondents by Loans Availed**

Loan	No of respondents	Percentage
Availed loans	68	75.55
Not availed	22	24.44
Total	90	100.00

Based on the micro credit savings the SHG's have advised loans from the bank to start business like cattle rearing, weaving, food preparation etc. It has been illustrated in Table 3 that 75.55% of the respondents have availed loans and only 24.44% of the respondents have not availed loans from SHG mainly for the micro credit savings and the interests from the savings were shared based on rotation in group for every month.



## **SUGGESTIONS:**

1. NGOs must assess the needs of the inhabitants of the community through effective communications with SHG members.
2. There must be a platform to discuss the problems with other SHG group members.
3. SHG's should help their members to learn to function as collectives, enable them to secure skills in coordination, communication and meaningful discussion in common issues.
4. Attendance of members in group meetings has to be made compulsory.
5. It is felt that efficiency and effectiveness of SHG should be regularly monitored by a qualified and designated body to give corrective input wherever necessary as well as encourage the deserving ones.
6. The Government may promote quality SHGs through village/ cluster level; sub-district/ block level and district level federations.
7. Wherever banks are not accessible or not responsive, federations may be prepared to take up financial intermediation.
8. Promoting agencies play a crucial role in developing quality institutions. Promoting agencies may be given adequate financial and capacity building resources and timeframe.
9. Promoting agencies should have a clear role transformation strategy and should implement the same in letter and spirit.
10. The small and medium enterprises may be promoted to village/ cluster; sub-district/ block and district level SHG federations.

## **CONCLUSION:**

Government encourages women to form SHG especially women in rural areas. This is mainly to improve the status of women living below the poverty level. In the study it was evident that most of the SHG women have been involved only in the micro credit savings. They were not properly facilitated through conducting periodical meetings, training programmes and awareness camps for their improvement. Their active participation in economic activities was very much limited to the lack of adequate approach by the NGOs. Though the women have formed groups they have poor decision making capacity for their self-development.

Self-help groups, especially linked to micro credit schemes, have not been without their critics, nor are they a panacea for meeting challenges in economic and social development. It is widely recognized that such schemes are not universally successful. For example, some studies have shown that micro credit will not work in locations that do not have sufficient cash-based market activity, are isolated and with low population densities, or are largely self-contained with few outside ties, such as in some Pacific island countries (UNDP 1997). Some critics have pointed out that while micro credit schemes can reduce vulnerability, they have not lifted women out of abject poverty or have taken a long time to demonstrate any significant impact. On their own, micro credit schemes have limitations as they cannot transform social relations and the structural causes of poverty.

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