

A Comprehensive Study on Self Help Gropus



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Abstract

Self-help Groups (SHGs) are playing a major role in removing poverty in the rural and urban India today. The self help group-based model is widely practiced for rural development, poverty alleviation and empowerment of women. Self-help as a strategy for social development places stress on self-sufficiency, human agency and action. The intention of this research paper was to evaluate the impact of women participation in self help groups on self-economic empowerment. A descriptive study design was used with the study. The sample of SHG studied was drawn from 100 women beneficiaries from self-help groups (SHGs). The sample size of hundred SHGs beneficiaries was identified through systematic random sampling. The study used in-depth interview and data captured using semi structured interviews. The study concludes by participating in SHG there was an enhanced self-economic empowerment in terms of savings, access to loan and using of money. The SHG has improved the saving culture of the respondents through making it compulsory for all to save and encouraging members to increase their savings and reinvest them in entrepreneurial activities. The study noted that by participating in SHG the respondents were able to access formal banking institution with easy and access better amount of loan as compared to pre SHG period. It is suggested that there is a need to train SHG members and its leaders on organization skills, leadership skills and strategic management skills so that they can reach grass root organization to another high level.

Keywords: Self-Help Group, Self-Sufficiency, Economic Empowerment, Women Participation, Women.

Introduction

Empowerment is a process of change by which individuals or groups gain power and ability to take control over their lives. It involves access to resources, resulting into increased participation in decision making, bargaining power, increased control over benefits, resources and own life, increased self-esteem, and self-respect. It means empowerment includes economic, social and political empowerment.

Women Empowerment

Women Empowerment refers to increasing the economic, social, political and spiritual strength of women. It involves the developing confidence in own their capacities.

Self Help Groups

The origin of Self Help Groups is from the brainchild of Grameen Bank of Dhaka, which was founded by Mohammed Yunus in Bangladesh in the year 1976. The successful experiment in Bangladesh, of forming Self Help Groups and extending micro credit through it, it has been adopted by India and other developing countries. The SHG movement has flourished and spread in India after the success of NABARD's Pilot Project in the year 1992. SHG is a voluntary association of 10-20 members with common interest to improve their economic and social status. The SHG means small, economically homogenous, affinity of rural poor and voluntarily formed of save and contribute to a common fund which in then lent to its members as per social and economic upliftment of their families and community. It encourages small savings among members to solve their problems collectively. The SHGs are promoted by government agencies.

Statement of the Problem

In developing countries, credit access and terms, have been the major setbacks in women economic empowerment (Das, 2012). Lack of collateral security, need of small-sized loans which is expensive, high bank transaction costs have been the major hindrance (Panda, 2009). The need to create a grassroots organizational base to enable poor women to come together, to analyze their issues and problems themselves, and to fulfill

their needs has been strongly advocated in countries like Indian, Bangladesh and Pakistan (Vetrivel & Mohanasundari, 2011). Grassroots organization such as the self-help group has enable women secure their tomorrow through pooling their little financial resources in terms of savings. These savings are crucial in two aspects they are lend to members as loans and part of it is used to access loan from financial institutions. The Self – Help Group (SHG) also empowers its members through equipping them with new skills through frequent trainings. Participation in Self-help groups has been much hypothesized to bring women economic empowerment (Moon, 2011, Panda 2009 and Tesoriero 2006). There is a need to train SHG members and its leaders on organization skills, leadership skills and strategic management skills so that they can these grass root organization to another level (Sabhu, 2013). Positively Influencing The Social, Economic And Political Aspects For Rural Women But The Social Uplifment Was Maximum Through These Programmes As Compared To Economic And Political Empowerment. (Roshni 2014). Thus this study therefore purposes to assess the impact of women participation in SHG on self-economic empowerment.

Objectives of the Study

1. To analyze the impact of women savings in Self Help Group (SHG) in enhancing their economic empowerment.
2. To assess the impact of loan taken by women from Self Help Group (SHG) in facilitating their economic empowerment

Review of Litrature

Jain and Nai (2013) concluded that time association had got a significant impact on the benefit derived from SHGs. Greater the time of association, greater are the benefits derived. Joining after SHGs has helped in the significant reduction of poverty, have made the women members feel more independent, has increased their standard of living.

Sharma Manoj (2013) the conclusion of this paper is that Self Help Group is an important tool which helps the rural women to acquire power for their self supportive life and nation building efforts.

Yadav and Rodriques (2014) suggested that women empowerment is progressive stage. SHGs are playing important role in planning of development, implementation and evaluation of various issues related to rural and urban peoples. Nowadays SHGs has become a centre which offers opportunities to the women. It also takes away the obstacles in the path of the development of the women. SHGs are a powerful instrument to empower the female members socially economically and politically.

Louis Manohar (2015) the author explore the penetration and growth trend of SBL programme in the six regional division of India.

Parimala Devi B and Dr. Anjaneyulu D (2016) the findings of this paper is SHG – Bank Linkage Programme has significantly improved the access of rural poor to formal financial services both in the aspects of savings and credit. Increased access

to financial services by rural women results in social and economic empowerment of women. The initiative is the largest microcredit and micro savings programme of its kind in the world, and uniquely Indian.

Research Methodology

Scope of the Study

The study is undertaken in Jaipur district of Rajasthan. The scope of data collection is restricted to only women’s SHG’s member.

Research Design

A research design is the specification of methods and procedure of acquiring information. Design to be adopted here is descriptive as well as exploratory research. It basically seeks to extracts information about self help groups. In this study, a sample size of 100 is taken and the questionnaires were filled up by given to shg’s members.

Sampling

For making the census study of the entire universe is quite difficult on the account of limitations of time and money. Therefore, sample of 100 respondents have been selected for giving the representation of whole population.

Sampling Method

Random sampling is used because the study is not restricted to one industry.

Sampling Tools

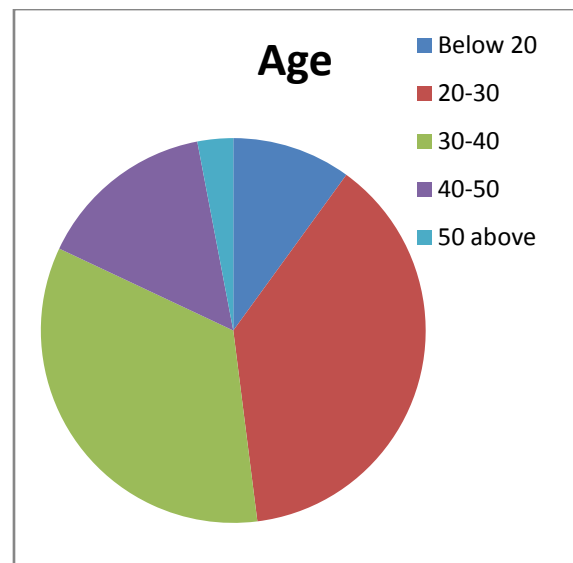
Structured schedule and interviews is used as a tool for the collection of data, mainly because it gives the chance for timely feedback from respondents.

Sample Size

The size of the sample is 100 respondents.

Age Level Of Respondents

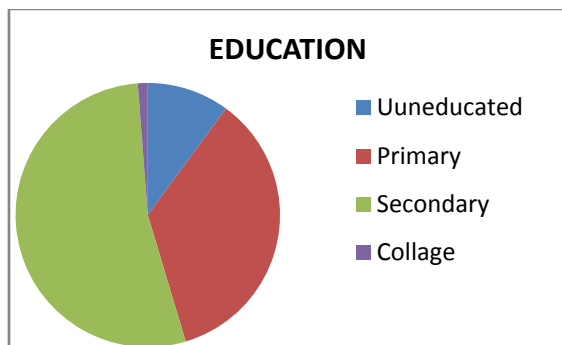
Age	Frequency
Below 20	10
20-30	38
30-40	34
40-50	15
50 above	3
Total	100



Most active part of the population in SHG are between the age bracket of 20-30 and 30-40 they command 38% and 34% respectively of the sample size. The other 15% is shared among those in the age bracket of 40 – 50 and age 50 above 3% and below 20 the population was 10%. The government should invest in the skills of these groups so that they can contribute in the economy growth of the country.

Education Level

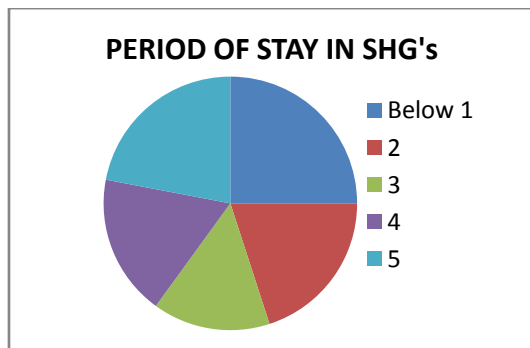
Education	Frequency
Uneducated	10
Primary	35
Secondary	53
Collage	7



Majority of respondents had secondary certificate representing 53% followed by those with primary certificate 35%, college and degree holders represented 7. Those who did not go through any formal education were 10% almost all the respondents i.e. 90% could read and write and only 10% were illiterate.

Period of Stay in SHG'S

Year	Frequency
Below 1	25
2	20
3	15
4	18
5 above	22



Majority of the respondents 55% are 3-5 years old in the group i.e. 18% are 4 years old, 15% are 3 years old, and 22% are five years old. Those with two years stay are 20%. A stay in the group of around 3 -5 years shows that most of the members are in the performing stage and have overcome the

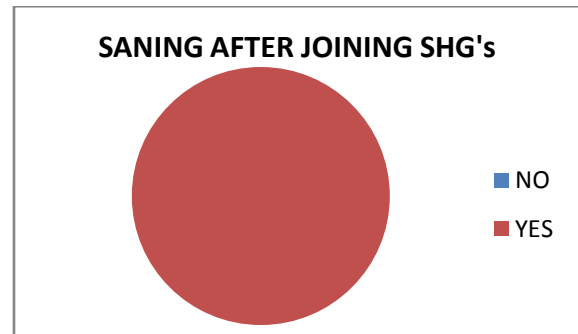
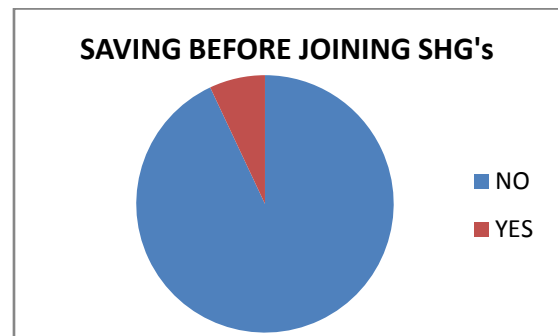
performing stage which is usually at the second year of the group existence.

Impact of Women Savings in Self Help Group (SHG) in Enhancing Self-Economic Empowerment

The researcher sought to establish the saving culture of respondents before and after joining SHG, then after joining SHG did savings improved and what were women reasons for savings. The tables below show their responses.

SHG members Savings pattern before and after Joining SHG Made

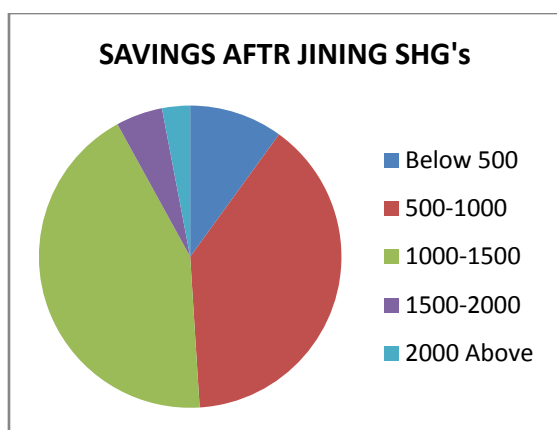
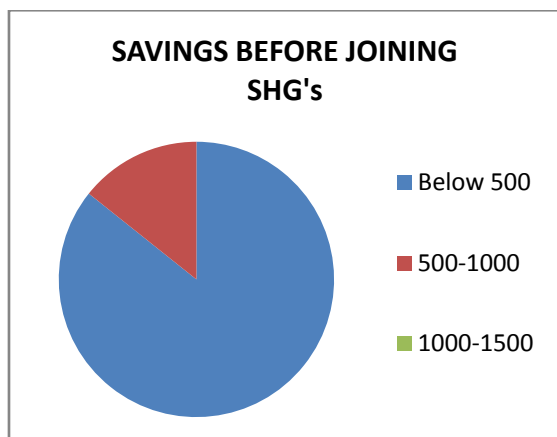
Savings before joining shg's	Frequency	Savings after joining shg's	Frequency
No	93	No	00
Yes	7	Yes	100
Total	100	Total	100



The numbers of SHG members who made savings before joining SHG were only 7 of the respondents after joining SHG all respondents 100% reported to make savings. A shift of 93 respondents on women participation in savings shows that SHG has inculcated the saving culture among its members.

Amount of Savings Before and After Joining SHG'S

Savings before joining shg's	Frequency	Savings after joining shg's	Frequency
Below 500	6	Below 500	10
500-1000	1	500-1000	39
1000-1500	-	1000-1500	43
1500-2000	-	1500-2000	5
2000 above	-	2000 above	3
Total	7	Total	100



Members who made savings before joining SHG made savings below 1000 were 7. After joining SHG there was a significant increase in savings with most respondents 43 persons making savings of between 1000 –1500. The other respondents were in the following brackets those making savings between 500-1000 were 39, those between 1500-2000 were 5 those below 500 were 10 and those above 2000 were 3. Despite the fact that most of respondent had only secondary and primary qualifications with no formal employment there was a positive shift not only in making savings but also in amount of savings they made, after joining SHG.

Reasons for Savings

The respondents were asked to give reasons for making savings as indicated in figure 4.2; which were then categorized into five major classes i.e. access SHG Loan, undertake entrepreneurial activities, asset creation and access bank loan or meet emergency. As shown in the above table most respondents rated to access SHG Loan at 95%, to be the key reasons for savings. The others followed as, to undertake entrepreneurial activities at 93%, asset creation at 90%, access bank loan at 87% and to meet emergency at 80%. Most respondents prefer to make savings to enable them access SHG loans, with some respondent at 93% prefer using their savings for entrepreneurial activities. The idea of making savings to meet emergencies is the least reason for making savings as per the respondents.

Limitations of the Study

This study only assessed internal factors which enhances economic empowerment and excluded external factors. The study was limited to only one division therefore generalizations to other divisions should be done with caution. Some of the respondent suffered recall bias.

Findings of the Study

The major findings of the study were that majority of the respondents 72% were in the age bracket of 20-40. Almost all of them 90 % having attained basic level of education hence they could read and write. The average period of respondents stay in the group was found to be between 3-5 years 55%.

Conclusion

The SHG concept is still new it was noted that it is more popular with primary and secondary school dropouts. Hence the government should work closely with these structures to reduce unequal income gap among the citizens. The study concludes that by participating in SHG there was an enhanced self-economic empowerment in terms of savings, access to loan and trainings. The SHG has improved the saving culture of the respondents through making it compulsory for all to save and encouraging members to increase their savings and reinvest them in entrepreneurial activities. The study noted that by participating in SHG the respondents were able to access formal banking institution with easy and access better amount of loan as compared to pre SHG period. Most respondent were able to attend training after joining SHG which had an impact in enabling them increase asset, improve book keeping, spend wisely and diversify investment. Banks were noted to be the major organizers of trainings.

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