

SIGNIFICANCE OF THE SELF HELP GROUPS: A CRITICAL EVALUATION

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ABSTRACT

The process of Social and Economic empowerment of women has been put into the mainstream with the help of The Self Help Group and its Bank linkage program. Meanwhile, various researchers and authors have commended the SHG program and its movement as the fundamental way for promoting women empowerment. Though, SHG is merely a small informal group of people (usually women) teaming up for a shared goal. The major objective of the study is to evaluate the role of Self Help Groups in socioeconomic empowerment of rural women and also to assess and analyze the changes, that arises in the socio-economic, cultural, and behavioral status of the rural women members after involvement in the SHGs. The study also aims at finding out the major issues and concerns confronted by SHGs in the study area. The study is undertaken in rural areas of Udaipur region. Both primary and secondary data are used for the study. Primary data is gathered from a field survey in the study area. A sample of 10 SHGs have been taken to study various aspects of the SHGs viz. educational profile, age, economic status and occupational pattern etc. pre and post SHG joining. The results indicate that post-SHG's period has recorded significantly enhanced empowered rural women members and yielded increased self-esteem and positive behavioral changes.

Keywords:

INTRODUCTION

Self-help groups (SHGs) are defined as a small voluntary group of individuals from the same socio-economic status, come together with an objective of finding solutions to their common issues through self-help and mutual help. Self-help groups in India are mostly women oriented and the majority of their actions and schemes are focused on savings and credit services. The Formation of Self Help Groups is usually facilitated by developer organizations in spreading micro finance and were employed for income and employment generation activities, poverty elimination and social change, particularly in rural areas. The utmost significant feature of SHGs is that majority of these groups are being controlled and structured by rural women.

Self help group (SHG) is developing as an influential instrument for poverty reduction, women empowerment, generating awareness and ensure feasibility of atmosphere which ultimately results in viable rural development. For any community's socio-economic development it is necessary to empower its women on the first hand. The position of women in society can be improved only when women are sufficiently empowered both socially and economically. Empowerment can be defined as a process that focuses on all sources and structures of power. For the achievement of its objective, this process of empowerment works on both levels viz. individual and collective. Poor women cannot come out of weakness all alone; empowerment can only be achieved if attempted collectively. Hence, rural women have to be structured and recognized as an authoritative power. This power here involves equality in all spheres of life like equal say in decision making, command, and control over resources and instruments for supporting these advances.

CONCEPT OF SELF HELP GROUP

SHG's as defined by NABARD is a "small, economically homogenous groups of rural poor, formed to save and jointly contribute to common savings to be given to its members as per the group members decision and requirements". A self-help group also termed as a micro bank is a village-based financial instrument generally composed of 10–20 rural poor women. Members contribute small regular funds over a couple of months till there is enough savings capital in the group to begin loaning. These saved funds might be then borrowed back to the members or to others poor people in the village for any reason like for income generation.

REVIEW OF LITERATURE

As per **NABARD (2005) institution**, Self Help Group is nothing but a group of homogenous people belonging to a same class, with an average size of about 15 people. They voluntarily come together for solving and discussing their common problems. They are stimulated to make voluntary savings on a regular basis. They then make a use of this mutual savings to provide small interest loans to their needy members.

The process benefits them avoid getting into security and other high-interest requirements from commercial banks and money lenders. This progressively shapes financial discipline in all of them. They also become proficient in handling resources of a size that is far outside the individual own capacities of any of them. Due to this, the SHG members begin to appreciate limited resources and understand their value. Once the groups acquire financial discipline commercial banks also encouraged to provide loans to the SHG in fix multiples of the pooled accumulated savings of the SHG. These bank loans are then provided without any security and at market interest rates. Deciding the terms of loans to their own members is the responsibility of the group. Since the savings are accumulated after the mutual funds from all members, peer pressure ensures timely repayments of loans taken from the group by its members.

According to **Ranjula Bali Swain and Fan Yang Wallentin (2007)**, for successful implementation of women empowerment programs women are required to challenge the existing social and cultural norms, to successfully improve their status. The investigation experimentally proves this hypothesis by making use of quasi-experimental family sample data gathered for five states in India for the years 2000 and 2003 and the final results of the study displayed that, there is a substantial growth in the women empowerment of the SHG group members.

OBJECTIVES

- ☞ To analyze the role of Self Help Groups in the complete socio-economic growth of rural women with their empowerment.
- ☞ To evaluate the perception of beneficiaries about the role of SHGs.

RESEARCH METHODOLOGY

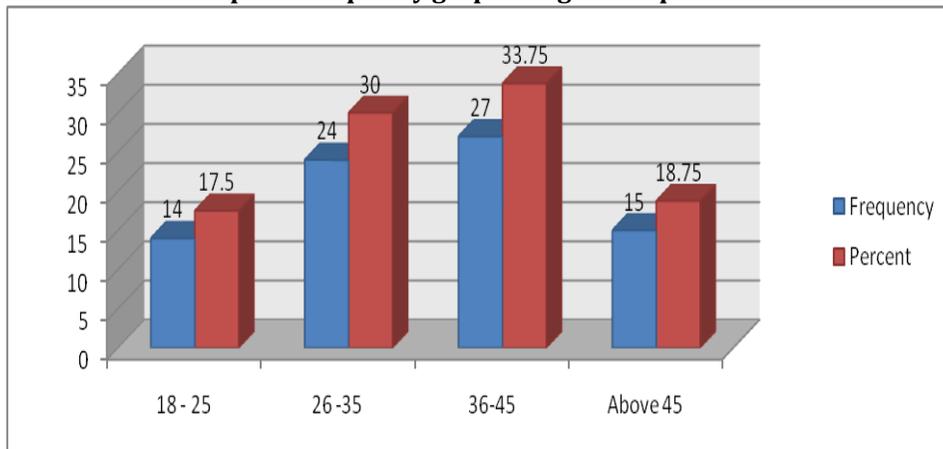
The study under process is an empirical analysis of the SHGs and their role in the socio-economic change of women in rural areas of Udaipur district. To achieve the objective of enlightening the role of SHGs in a socioeconomic change of women, primary data survey has been conducted with the help of structured and a questionnaire was tested on various dimensions before and after joining SHG. A sample of 10 SHGs consisting of 80 members has been taken for the present study based on purposive sampling technique. After the collection of primary data through providing a questionnaire to the respondents, the information is coded, edited, tabulated and presented in the form of tables, in a systematic manner to enable purposeful analysis and for drawing meaningful interpretation.

RESULT AND DISCUSSION

Table 1: Frequency Table of Age of respondents

Age					
	Age	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18 - 25	14	17.5	17.5	17.5
	26 -35	24	30	30	47.5
	36-45	27	33.75	33.75	81.25
	Above 45	15	18.75	18.75	100
	Total	80	100.0	100.0	

Graph 1: Frequency graph of Age of respondents

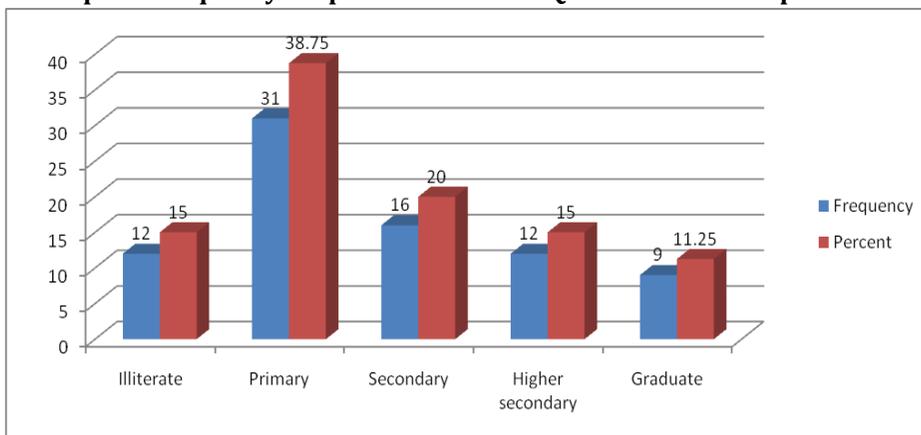


According to the above table, the total numbers of respondents are 80, out of which the respondents belong to the age group of 36-45 years are 33.75 %. Few respondents (17.5%) are found of the age group of 18-25 and 18.75% of them are above 45years of age and 30 % of them are falling between 26 - 35 age group. Thus from the results, it could be interpreted that a maximum number of respondents are from 36-45 years of age group, followed by respondents falling in 26-35 years of age group at the second position.

Table 2: Frequency Table of Educational Qualification of respondents

Educational Qualification					
Valid	Educational Qualification	Frequency	Percent	Valid Percent	Cumulative Percent
	Illiterate	12	15	15	15
	Primary	31	38.75	38.75	53.75
	Secondary	16	20	20	73.75
	Higher secondary	12	15	15	88.75
	Graduate	9	11.25	11.25	100
	Total		100.0	100.0	

Graph 2: Frequency Graph of Educational Qualification of respondents



Regarding the educational qualification of respondents, among total 80 respondents 15% of them are illiterates, 38.75% of them have primary education, 20% of them holds secondary education, 15% higher secondary certificate and remaining 11.25% are graduates and also there are no postgraduates and any other qualification among the members of SHGs in the study area. Thus it could be decoded that the majority of respondents are having primary education. Also, very few of them are graduates.

Social Impact and Empowerment of SHG members:

The impact of SHGs on the psychological, economical and social well being i.e. empowerment was measure on five-point Likert scale and scores were assigned for each statement. A high score of 5 was given to strongly agreed responses and a low score of 1 was given to strongly disagreed statements.

Table 3

Sl. No.	Variables	Pre-SHG			Post-SHG		
		Mean	SD	Rank of Mean	Mean	SD	Rank of Mean
1	Psychological well being	1.49	0.788	14	4.061	0.63	9
2	Self confidence	2.023	0.895	10	4.164	0.543	7
3	Self worthiness	2.421	0.823	7	3.048	0.769	18
4	Skill development	1.994	0.499	16	3.764	0.712	13
5	Women are economically and socially empowered	1.236	0.521	20	4.632	0.632	1
6	Poverty reduced	1.861	0.213	18	3.197	0.617	16

The analysis given in the table above reveals that the social status and empowerment of respondent women were increased after joining SHGs. Women are economically and socially empowered after joining the SHG was assigned the first rank, followed by Women undertake income generating activity. The third benefit enjoyed was moving independently and the fourth increased managerial abilities of women. The subsequent ranks were given to role in decision making, expressing opinion freely, and self-confidence. Thus, the benefits derived from the SHGs have contributed to the improvement of both human and economic capabilities of the sample respondents. However, impacts on the different variables are self-explanatory from their individual mean and standard deviation. It can be thus be concluded that SHG is having a good impact on the psychological and social condition of the women members.

CONCLUSION

Thus from the discussion and analysis done above, we can now conclude that self-help groups are emerging as a useful platform to increase women's socio-economic levels along with the increase in knowledge and awareness on various social and financial issues, also SHG's are successfully providing financial security during emergencies to rural poor women. SHG's are playing a pivotal role in assisting women in income and employment generating activities. The study concludes that SHGs have successfully brought psychological and social empowerment along with economic empowerment. Impact of SHG is really commendable in making women self-reliant and also bringing self-confidence, building self-esteem, acquiring power and control over resources, skill development, decision making, and empowerment. Thus finally we can say that SHG are contributing in making revolutionary changes in economic conditions, social status, decision making and increasing women participation in outdoor activities.

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