

AN EFFECTIVE ROLE OF SELF HELP GROUP IN EMPOWERING RURAL WOMEN

Banoth Redya Naik

Master Of Social Work(MSW)

University PG College

Abstract

Self Help Groups (SHGs) emerge as an important strategy for empowering women and to alleviate poverty. India's SHG movement has emerged as the world's largest and most successful network of Community Based Organisations (CBOs). Development is a multi-dimensional process that affects society in multiple ways. It is well documented that women constitute about half of the world's population but their share in the economy and other development spheres remain neglected. In addition, this large section of population (including Indian women) have been suffering from various disadvantages - lack of accessibility to resources, non-recognition of their economic contribution within the family and society. In order to resolve these emerging challenges, Government of India (GOI) has implemented various programmes and policies since Independence. Among these programmes, Self Help Groups (SHGs) may be considered as a significant initiative of the government as well as the non-governmental organisations (NGOs). These are based on the principle of democratic process of development. The democratic institution provides a platform to the socially and economically deprived sections and encourages them for economic participation. Since the 1970s, SHGs have been working in many states of India and contributing to the development processes.

Keywords: Self Help Groups, Poverty, Empowering Women, Community based organisations, NGOs, GOI, Independence

Introduction

A Self-Help Group (SHG) is a village-based financial intermediary usually composed of 10-20 local women. Self help groups are voluntary, small group structures for mutual aid and the accomplishment of a special purpose. Today self help groups (SHGs) plays a major role in poverty alleviation in rural India.

A major rethinking on the existing strategies of rural development in general and women empowerment, in particular, led to the realisation that a new approach is needed to 'help the women to help themselves'. Such an approach, particularly known as promotion of Self-Help Group (SHG) formation, was stated with the objective of meeting the micro-credit needs of the poor women.

Self Help Group may be registered or unregistered. It typically comprises a group of micro-entrepreneurs having homogenous social and economic backgrounds; all voluntarily coming together to save regular small sums of money, mutually agreeing to contribute to a common fund and to meet their emergency needs on the basis of mutual help. They pool their resources to become financially stable, taking loans from the money collected by that group and by making everybody in that group self-employed.

Self help group as an empowering model:

SHGs emerge as an important strategy for empowering women and in alleviating poverty. SHG is a "people's scheme" and its organisation 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 sensitised 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.

According to the report by National Commission for Women (NCW) - (Status of women 2011), in India, women work for longer hours than men do. The proportion of unpaid activities to the total activities is 51% for females as compared to only 33% 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. This shows that though there is still a long journey ahead towards women empowerment. Women's are save small amount of money regularly and mutually agree to contribute a common fund. But this does not fulfil all their needs. Indebtedness has become the hallmark of the rural life.

In fine, a lot of studies are reviewed and different elements/indicators of empowerment are identified. However, it is observed that the following are the key areas where each and every study through some lights while explaining the features of empowerment.

a) Self Confidence:

To assess the self-confidence level of SHG members, the researcher collected information on those actions that indicate confidence levels of a person such as ability to sign; confidence to approach bank, confidence to speak to others; improvement in communication skills; ability to make judicious purchases, awareness of rights and procedures; expressing opinions freely; improvements in courage; confidences to talk within family and outside by women; enhancement of managerial abilities of women; community members seek the help of the groups, helps in other's problems; enhancement of social responsibility drives; and confidence to start new SHGs etc.

b) Family Support:

To assess the support that the family members provide to SHG members includes to attend SHG meetings, overcoming the resistance from husband and other members of the family to join the SHG pay savings, repay loan instalment; enhancement of girls' attendance at school, ability to transform institutions, enhancement of ability to organise struggle, inducing participation in politics, participation in democratic institutions etc. are also used by different researchers.

c) Access to Family Income:

To understand how far the SHG members access family income, data was collected by different researchers on 'sale of household produce', 'raising of hand loans', 'enhancement of women's financial contribution to household', 'repayment of hand loans' and 'need based medical support' etc.

d) Control on Resources/Assets:

To understand the control of SHG member's over household resources/assets, data was collected by different researchers on 'use of earnings from income generating activity', 'increases the capacity to spend more', 'use of SHG loans', 'personal savings', 'members can dispose of their own income according to their choice', 'enhancement of creation of assets in rural areas', 'enhancement of control of use of credit' and 'sale/mortgage of jewelries' etc.

e) Mobility:

To understand how far the SHG members have free mobility regarding whether members go alone or take the help of family or the group members to visit shops outside the village, the Public Health Centre/hospital, to do SHG work outside the village, to visit banks and Govt. offices at block level; this helped to assess the growth in self confidence and negotiating skills.

f) Role in Decision-making:

To understand who decides in the household, data was collected on 'purchase and/or sale of household assets', 'family savings', 'children's education & marriage', 'occupational change', 'casting of vote', 'purpose of loan' and 'adoption of household infrastructure' etc.

g) Changes in Women Roles:

To assess whether there were changes in the roles of men and women, different researchers collected information on some of the roles performed by men and women such as 'attending meetings', 'participation in village meetings', 'non-domestic roles', 'enhancement of help government in immunisation programmes', 'enhancement of ability to participate in non-family group', 'enhancement of campaign against social evils', 'enhancement of action to bring gender equality', 'work burden on women', 'husband sharing in the household work' and 'women taking up non-traditional activities'.

Self help group and micro credit:

Women in India are victims of a multiple socio-economic and cultural factors. They are an integral part of every economy. All round development and harmonious growth of a nation would be possible only when women are considered as equal partners in progress with men. Emancipation of women is a pre-requisite for nation's economic development and social upliftment. Poverty is the main obstacle for the improvement of the women. The role of women and the need to empower them are central to human development programs including poverty alleviation. In spite of various programs relating to poverty alleviation has been started, it was observed that woman in rural areas, especially from the poor families could be benefited.

Rapid progress in SHG formation has now turned into an empowerment movement among women across the country. Economic empowerment results in women's ability to influence or make decision, increased self confidence, better status and role in household etc. The formation of SHGs is not ultimately a micro credit project but an empowerment process. The

empowerment of women through SHGs would give benefit not only to the individual women but also for the family and community as a whole through collective action for development.

The group members use collective wisdom and peer pressure to ensure proper end-use of credit and timely repayment. This system eliminates the need for collateral and is closely related to that of solidarity lending, widely used by micro-finance institutions. To make the book-keeping simple enough to be handled by the members, flat interest rates are used for most loan calculations.

The major elements of the SHG approach to micro-credit include the following:

- i. Provide a cost effective approach to formal institutions for expanding and reaching out to poor;
- ii. Offer an effective alternative to pursue the objective of growth by facilitating the empowerment of rural poor women;
- iii. Make micro-finance available to cater to the consumption and production needs of poor women;
- iv. Provide a platform for poor women to participate in mainstream economic activity; and
- v. Help in capacity building by providing greater awareness on various development and welfare programmes relating to women and child health in general and education of children is particular.

Originally confined to the southern States, micro-finance is fast spreading to the rest of India. For the banking system, the SHG linkage has been a winning proposition. It has resulted in lower transaction costs, negligible defaults, and the generation of enormous goodwill. The MFIs have been adept at providing customised solutions based on their understanding of local conditions. However, a number of weaknesses remain. Banks have not yet standardised their approach towards micro-lending. A lack of infrastructure and design facilities and also worthwhile distribution channels for marketing the products has constrained growth. A number of initiatives are needed to keep the micro-finance system on track. The goal is to make it a dispenser not just of credit but of a variety of social goods and services to the rural poor.

Self help Group and Government initiatives for women:

The SHGs, by providing access to financial services and informing the women members about the various welfare programmes especially targeted to women and children, truly empower women by making them partners in bringing about the needed social and economic transformation. The efforts of SHGs are thus, to a very great extent, contributing to address the gender issues of economic development in India.

With the central and state Governments, along with the National Bank for Agriculture and Rural Development (NABARD), extending the required support for women SHGs as a strategy for women empowerment, the SHGs has taken firm roots in India. The movement is eventually expected to reduce gender inequalities in the country.

Important policy initiatives initiated in this regard include: promotion of groups under the Development of Women and Children in Rural Areas (DWACRA) Programme and adoption of the model of South Asia Poverty Alleviation Programme (SAPAP). The SAPAP is assisted by United Nations Development Programme (UNDP) as a response to the Dhaka declaration of the SAARC summit on 'Eradication of Poverty and Reduction of Gender Inequalities'.

Self Help Groups making rural women self-reliant

The mushrooming of Self Help Groups in the countryside is fast changing the life style of rural women in Himachal Pradesh. More than nine thousand such SHGs have become operative here and are covering more than 50 thousand rural women belonging to BPL and other poor families under the ongoing National Rural Livelihood Mission.

The mission has been implemented in five blocks in the State in the first phase and the rest would be covered in the next stages in coming four years. In order to strengthen and provide greater financial support to the poor families with the goal of poverty alleviation through social mobilisation, institutions and capacity building, financial inclusion, saturation approach, skill generation and a portfolio of sustainable livelihoods, the NRLM has been made operational in the hill State from April, 2013. The State was given Rs. 14.92 crore for initiating the programme.

Conclusion:

Self Help Group is an important tool which helps the rural women to acquire power for their self-supportive life. SHG Programme clearly plays a central role in the lives of the poor. Empowering women is not just for meeting their economic needs but also more holistic social development. There is evidence of increased household income. Standard of living for the program participants have increased and also the food security is much more for the program clients.

It is worth mentioning here that SHGs emerge as an important strategy for empowering women & masses and alleviating poverty. 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 sensitised the women members to take active part in socio-economic progress of rural India. A lot of literature are found on the role of SHGs in empowering women & masses and also have cross world evidences that SHGs are helpful in reducing poverty.

References:

- 1) M. Saaranavan, "The impact of self-help groups on the socio-economic Development of rural Household Women in Tamil Nadu a Study", *International journal of research-Granthalayah*, Volume 4 (Iss.7: SE): July, 2016, ISSN-2350-0530(o).
- 2) Ang, M.H. (2004). "Empowering the poor through microcredit", *Entrepreneurship and Innovation Management*, Volume 4(Iss.5), PP 485-494.



- 3) Banerjee, T., "Economic impact of Self-Help Groups- A case study", *Journal of Rural Development*, Volume 28 (Iss.4), PP 451 – 467 , 2009.
- 4) GladisMary John , "Women Empowerment Through Self Help Groups", *Southern Economist*, March 1 2008.
- 5) Karl, M., "Women and Empowerment: Participation and Decision Making.", *Women and World Development Series, United Nations. New York, NY 1995.*
- 6) Sanjay Karti Ds, Amalesh Bhowal, "Self help groups as a empowerment model: Perceptions of direct Stakeholders", *Science and Education Publishing, Volume 1(Iss.5).*
- 7) "Self help groups Making rural women self reliant", *The Hindu*, May 04,2015.
- 8) Dr.Suprabha K.R, "Empowerment of self help groups(SHG) towards Microenterprise Development", *Procedia Economics and Finance*, 11(2014)410-422.
- 9) Tripti Kumari, Anand Prasad Mishra, "Self help groups(SHG) and Women's Development: A Case Study of the Varanasi District", *Space and Culture*, Volume 2(Iss.4),2015.
- 10) "Self help groups and micro finance", *The Hindu*, march 14, 2005.