

Socio-Economic Empowerment of Rural Women through Self Help Groups (SHGs) With Reference to Kottayam District of Kerala

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Abstract: *The objectives of this research to study the economic profile of the sample members and assess the perception of members towards the economic benefits derived by them and to identify the influence of the socio-economic aspects on the economic empowerment of women members. The present study is empirical and it is based on the survey method. The whole data required for the present study were collected from primary sources, secondary sources and discussion with the SHG members in Lolam Block (Kottayam district). The primary data relating to the perception of the members on the economic benefits derived by them were collected by interviewing selected sample members with the help of an interview schedule. The multi-stage sampling was used for this study method. The economic development of the members is said to be attained when the society improves the quality of members' life through increasing per capita income, reducing poverty, enhancing individual economic opportunities etc.. The SHG members are involved in activities which yield income to them and it would make a lot of difference to the lives of rural women. The present study is a fact-finding exercise to know the extent of influence of socio-economic variables on the economic benefits derived by members of Self - Help Groups. It was found that the members are economically benefited because of their membership in the self-help group.*

Key Words: Economic empowerment, Economic productivity, Economic variables, Sustainability

Introduction

Till the end of the 20th Century, the concept of empowerment was absent. The position of women was miserable in society and even they were not ready to undertake any assignment or job due to many reasons like fear, shyness, male dominance in the society etc. But time has been changed now. But today's women want economic independence and are interested in their own identity in society and to enjoy greater freedom in making them involved in various domestic

and social activities. Empowerment provides 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, beliefs and practices. Thus, empowerment is an active multi-dimensional process to enable women to realize their identity and power in all spheres of life. The economic development of the members is said to be attained when the society improves the quality of members' life through increasing per capita income, reducing poverty, enhancing individual economic opportunities, better education, improved health and nutrition, conservation of natural resources, a cleaner environment, and richer cultural life. The development of new policies programmes and even projects facilitated changes in the status of women by assisting low-income women. This concern for low-income women's needs has coincided historically with recognition of their important role in development. The empowerment approach is the most recent and is aimed at empowering women through greater self-reliance and internal strength. Government of India has initiated, through its policy of empowering the women, formation of self-group provided to give proper attention to their economic independence through self-employment, entrepreneurial development and well-being that ultimately leads to its contribution. The SHGs empower women with common perception both socially and economically. The SHG members are involved in activities which yield income to them and it would make a lot of difference to the lives of rural women. Economic independence is one of the means to empower women. Enhancing women's economic productivity is an important strategy for improving the welfare of Indian households living below the poverty line. The existence of disempowered women in a state of economic, political, social and knowledge is known to be a major hindrance to economic development. Income-generating activities are considered as those initiatives that affect the economic aspects of people's lives through the use of economic tools such as credit. The Self-Help Group provides an appropriate platform for initiating and sustaining income-generating activities for the rural women with the help of the credit facilities provided through the varied financial institutions. SHGs have been emerged as a powerful instrument 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 supplying 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. It is a homegrown 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 ensuring that the members with similar interest can participate freely in the self-help group. 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 socioeconomic economic empowerment.

Women Empowerment in India

The Indian Constitution, in its fundamental rights, has the provision for equality, social justice and protection for women. Despite these rights, women are still discriminated and exposed to inequalities in all spheres of day to day life. The year 2001 had been declared by the Government of India as “women empowerment year” to focus on the vision where women are equal partners on par with men. Women of today are not like the early days. They readily come forward to identify their potentialities and achieve their desired goal. And the Government has provided the scheme - “Self Help Groups” to enable women to achieve economic independence through self-employment, entrepreneurial development, etc.

Self Help Groups in India

SHG is a small voluntary association of poor people, preferably from the same socio-economic background who come together for solving their common problems through self-help and mutual-help. It is an informal and homogeneous group of not more than twenty members. SHG promotes small savings among its members.

The SHGs, in India, have come a long way since its inception in 1992. At present, it is widely used as an instrument to empower women socially and economically the self-help groups” thereby leading to the overall development of women. The SHGs are the viable pathways for the empowerment of women.

Review of Literature

Ranjula, B. S. and Fan Y. W. (2007), in the study “Does Microfinance Empower Women? Evidence from Self-help Groups in India” found that women empowerment takes place when women challenge the existing social norms and culture, to effectively improve their well-being and there is significant empowerment in the women empowerment of SHG members.

Venkatesh, J. and Kala, K. (2010), in a study titled “Empowering rural women all the way through self groups” analyzed the economic empowerment of women in the South Tamil Nadu and found that after joining the SHGs the economics of the women members have augmented and the monthly household outflow has also been uplifted considerably. The SHGs in South Tamil Nadu are very victorious to extend women empowerment in rural areas.

Shiralashetti, A. S. (2010), in her study entitled “Women Empowerment through Self-Help Groups in Bijapur District: A Study” found that monthly income, increase in monthly expenses, enhanced savings, increase in power to make family decisions and so on. This shows that the SHG movement is in the right direction towards eradicating the poverty of the people.

Vinayagamurthy, A. (2011), in a study titled “Women empowerment through self-help groups. A case study in the north Tamil Nadu” analyzed the women empowerment through SHGs in the north Tamil Nadu and found that the income of the women has increased after joining the SHG thereby leading to considerable increase in their expenditure and a slow increase in their savings. The SHGs in Tamil Nadu are very successful to develop women empowerment in rural areas.

Mahender, M. V. S., Reddy, S. A. and Bhat, M. S. (2011), in a study titled “A study on economic empowerment of women through self-help groups in Mahabubnagar District of Andhra Pradesh” explored the role of SHGs in the empowerment of women in Mahabubnagar district of Andhra Pradesh and found that there was an increase in the income and savings level among the members of the SHGs thereby help increase in the purchasing power of the women members. The purchasing power of the women members.

Uma, N. (2012), in a study titled “Self-help group: An effective approach to women empowerment in India” examined the women empowerment through SHGs and explained the position of women empowerment in India and found that the SHGs have been more successful in improving their living conditions thereby help to alleviate poverty besides women empowerment.

Objectives of the Study

- To study the economic profile of the sample members and assess the perception of members towards the economic benefits derived by them.
- To identify the influence of the socio-economic aspects on the economic empowerment of women members

Research Methodology

The present study is empirical and it is based on the survey method. The whole data required for the present study were collected from primary sources, secondary sources and discussion with the SHG members in Lalam Block. The primary data relating to the perception of the members were collected with the help of an interview schedule. The secondary data relating to the study relating to the number of SHGs in the study area, its members and other relevant information were obtained from various published and unpublished records.

Sampling

Lolam Block is situated in a rural area of Kerala; it is one of the 12 blocks of Kottayam district. According to the administration records, the block number of Lalam is 97. The study used a multi-stage sampling method. In the first stage, the List of villages was obtained from the local authorities. From the list, SHGs with more than 4 years of experience were identified. The Lalam Block block has 10 villages and there are a total of 24973 houses in this Block. Among these 10 villages 1562 SHGs, SHGs were existing for more than 4 years. Among the groups, 10% of the groups were selected by applying a simple random sampling method by using Tippet random numbers and it worked out for one hundred and fifty-six groups. Then, two members from each group were selected as the respondents for the study using a simple random sampling method and it worked out for a total of three hundred twelve. Thus, on the whole, sample respondents for the present study were 312.

Analysis of Data

The interview schedule is constructed by including Personal variables and variables for their economic activities and personal behaviour of the group members. It includes variables like Age of the members, Marital status of the members, Social category of the members, Lalam block in which members reside, Literacy level of the members, Occupational status of the members, Family type of the members, Family size of the members, Status of the members in their family, Monthly family income of the members, Average monthly expenses of the members, Average monthly savings of the members, Value of assets possessed by the members, Reasons for joining as a member in the SHG's, Period of association with SHG's, Member's status in their groups, Grade status of their groups. Information was also collected for the perception of members in terms of economic variables or aspects which are considered as one which gives empowerment. The different aspects identified are – Control over her income, takes

part in a family expenditure, able to purchase consumable assets, efficiency in meeting expenditure on social function and education of children, access to household resources, promotion of savings, the decision on purchasing assets, freedom in joining SHGs, ability to conduct bank dealings freely and enhanced income and expenditure.

Tool Used for Analysis

Perception of the members on the economic benefits derived by them on becoming a member in Self - Help Groups has been obtained using Likert's 4-point scale viz., benefit derived on account of the economic aspects identified has been significantly improved, improved, no change/ usual and no response. The impact of the socio-economic variables on the economic benefits gained by the members was analyzed using chi-square analysis. The results of such analysis are given in the following table.

Table: 1. Perception of Women towards Economic Variables

Economic aspect	Significantly improved	Improved	No change/ Usual	No response
Control over her personal Income	58	42	-	-
Takes part in the family Expenditure	56	38	6	-
Able to purchase consumable Assets	64	31	5	-
Expenditure on Social function and education of children	62	27	11	-
Access to household resources	74	26	-	-
Promotion of savings	82	18	-	-
Decision on purchasing assets	66	26	8	-
Freedom in joining SHGs	73	27	-	-
Ability to conduct bank dealings freely	52	28	18	2
Increase in income and Expenditure	86	14	-	-

Source: Primary Data

Analysis of the Influence of Socio-economic variables on economic Benefits

To find out the influence of various demographic factors relating to the sample members (Independent Variables) on their perception on the Economic Benefits derived by them as members in SHG's (Dependent Variable). Null Hypotheses were formulated that "personal factors relating to the sample members do not significantly influence economic benefits derived

by them because of their membership in SHGs". This hypothesis was tested with the help of the Chi-Square test and the result of the same is presented in Table – 2.

Table: 2. Factors Influencing the Economic Benefits Derived by the Members – Chi-Square Test

S. No.	Variables	Calculated value	Table value	DF	Significance
1	Age of the members	3.34	9.49	4	Not significant
2	Marital status of the members	5.262	5.99	2	Not significant
3	Social category of the members	55.748	9.49	4	Significant
4	Taluk in which members reside	186.77	15.50	8	Significant
5	Literacy level of the members	6.616	11.1	6	Not significant
6	Occupation status of the members	235.105	11.1	10	Significant
7	Family type of the members	0.859	5.99	2	Not significant
8	Family size of the members	0.825	9.49	4	Not significant
9	Status of the members' in their families	6.285	5.99	2	Significant
10	Monthly family income of the members	12.762	9.49	4	Significant
11	Average monthly expenses of the members	8.798	9.49	4	Not significant
12	Average monthly savings of the members	13.460	9.49	4	Significant
13	Value of assets possessed by the members	7.429	9.49	4	Not significant
14	Awareness source	32.758	21.00	12	Significant
15	Reasons for joining as members in SHG's	34.208	15.5	8	Significant
16	Promotion of their groups	26.790	5.5	8	Significant
17	Period of association	5.983	9.49	4	Not significant
18	Status of the members' in their groups	12.933	5.97	2	Significant
19	Grade status of their groups	3.247	5.99	2	Not significant
20	Nature of savings of the members	15.965	12.60	6	Significant
21	Loan type received by the members	27.916	12.6	6	Significant

Source: Primary Data

The result of Chi-Square test from the above table indicates that the calculated values are more in the factors such as the social category of the members, Lalam block in which the members reside, occupational status of the members, the status of the member in their families, monthly family income of the members, the status of the members in their group, average monthly expenses of the members, average monthly savings of the members, awareness source about the SHG concept, reasons for joining as a member in SHG, mode of promotion of their group, status of the member in their groups, nature of savings, the benefit received by the member, loan type received by the member. Hence, these factors influenced the empowerment of women significantly. Hence, the null hypothesis is rejected and it is revealed that identified socio-economic factors played a significant role in enhancing the economic status of women on becoming the member in SHGs.

Conclusion

The above study justified the greater role played by the said socio-economic variables on becoming a member of SHGs. The process of women empowerment is conceptualized in terms of said factors as it was found that there was a significant change in the economic activities related to their daily life. Thus, they will be able to spend for the education of children and also on the purchase of household assets and they can meet financial challenges in the walks of their life. Hence, it is proved that SHG's in India are integrating the low-income segments with the other segments having moderate or more income ensuring them a better development in their position. It is significantly important that efforts to provide more help to increase the level of activities by adopting different strategies to have a sustainable improvement in the economic status of women.

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