WHY WOMEN JOIN IN SELF HELP GROUPS? - A STUDY TO ANALYZE REASONS

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ABSTRACT

According to the research done by the World Bank, India is home to almost one third of the world's poor. Though many central government and state government poverty alleviation programs are currently active in India, Self Help Groups(SHGs) plays a major contribution to poverty reduction and women's empowerment. Government of Tamilnadu introduced many schemes to enhance the women empowerment. This study addresses women empowerment through self-help groups in Coimbatore District Tamilnadu. The information required for the study has been collected from both primary and secondary sources and a multi stage random sampling method has been followed. Average and percentage analysis was carried out to draw meaningful interpretations of the results. Garretranking technique was used to find the reasons for joining the self-help group. Factor analysis used to determine the relationship between the observed variables. The results of the study revealed that the SHGs have greater impact on women empowerment and it was found that most women experienced increased income and therefore improved their economic status, political and social conditions after joining in SHGs.

Key words: Women Empowerment, Self Help Groups, Coimbatore, Tamilnadu

1. INTRODUCTION

All round growth and development of a country would be possible only when both genders are considered as equal partners. Women are an integral part of every economy. In India women constitute around fifty percent of the total population. Even then they are under privileged and impose many limitations on them. The situation is more in the rural and backward areas. Women development activities must be given importance to eradicate poverty. Increase the economic growth and for better standard of living. Self help group (SHGs0 – Bank Linkage Program me is emerging as a cost effective mechanism for providing financial services to the "unreached Poor" which has been successful not only in meeting financial needs of the rural poor women but also strengthen collective self help capacities of the poor, leading to their empowerment. Women employment is essential to bring the women labor in the main stream of economic development.

2. LITERATURE SURVEY

Gladis Mary John (2008)in her study found that membership in SHG inculcated a great confidence in the mind of majority of women to succeed in day to day life. Positive change was found in the attitude of relatives and friends towards the women in self help groups.

Ganesan (2008) has focused in his article " Rural Transformation through Self Help Groups (SHGs)" that the SHGs have limited capital, they consist of self employed individuals, they lack of advanced skills or technology and poor ability to corner the market an most often operate outside the limits of regulation and the formal market mechanism.

Barbora and Mohanty (2001) in their found that economically weaker sections, i.e. scheduled castes and scheduled tribes accounted for a sizeable proportion of SHG membership. **M. Anjugam (2007)**that socially backward, landless and marginal farm house holds participate more in the self-help group programme.

3. STATEMENT OF PROBLEM

Earlier studies shows that self help groups are necessary to deal with exploitation, create confidence for the economic self-reliance of rural people, particularly among women who are mostly invisible in the social structure. This study is undertaken to study the socio- economic profile of SHG women and to analyze the reasons of women joining in Self Help Groups.

4. OBJECTIVES

Theobjectives of this study are**:**

To study the socio – economic profile of SHG Women

To analyze the reasons of women joining in Self Help Groups

5. METHODOLOGY

The study is analytical based on the relevant data were collected both from primary and secondary sources. Field survey was conducted for primary data and discussion with apex leaders, higher officials, the subject experts and the local NGOs were consulted. Multi stage random sampling method becomes essential when a

sufficient number of rear units are to be identified in sample. Coimbatore district was selected for the study area and the agencies that render micro credit facilities. According to the strength of the SHGn the total population the villages were ranked in each block. Then 5 highest SHG populated villages in each block and corporation were selected as sample villages. Researcher selected the respondents who are member of the group for at least one year and taken at least one loan have been randomlyselected from each group. Thus 600 respondents are selected for the present study.

The required secondary data were collected form annual reports, statistical statements, documents of the NABARD, TNCDW, Lead Bank, NGO and other ground level financial and development institutions. The formation collected from the publications, magazines, books, pamphlets, periodicals are also substantiated. The facts and figures have been proved to be useful in cross checking the information collected from the respondents.

6. SELF HELP GROUPS

Villages are faced with problems related poverty, illiteracy, lack of skills health care etc. These are problems that cannot be tackled individually but can be better solved through group efforts. Today these groups known as self help groups have become the vehicle of change for the poor and marginalized. The origin of Self Help Groups (SHGs) is found by Prof. Mohammed Yunus in 1975 is of Grameen Bank of Bangladesh, who tried out a new approach to rural credit in Bangladesh, In India NANARD initiated SHGs in the year 1986-87 but the real effort was taken in after 1991-92 from the linkage of SHGs with the banks.

Today, the self – help group movement is increasingly accepted as and innovation in the field of rural credit in many developing countries including India to help the rural poor considered a vehicle to reach the disadvantaged and marginalized section, which in the normal course cannot avail of credit facility from the bank, A SHG is a small economically homogeneous affinity group of the rural poor voluntarily coming forward to save a small amount of money regularly, which is deposited in a common fund to meet the members emergency needs and to provide collateral free loans decided by the group.

7. ANALYSIS OF DATA

The data collected through the well structured questionnaire are analyzed and interpretations made on the basis of such analysis. Average and percentage analysis was carried out to draw meaningful interpretations of the results. Garretranking technique was used to find the reasons for joining the self help group. Factor analysis used to determine the relationship between the observed variables

7.1. Socio Economic Profile of SHG Members

(a) **Age group -** The study reveals that out of respondents selected for the study, 2.35% of the members are below 20 years.35.3% of the members are in the age group of 30 to 40 years. 26.8% of the members re in the age group of 40 to 50 years.7.5% them are in the age group of 40 to 50 years.0.7% of them are above 60 years.

(b) **Education –** 8.6 % of them are illiterates. 6.5% of them have no formal education but know to read and write. 14.3% the respondents have education from class 1 to 5. 19.3% are in the category of 5 to 9 classes.18.3 % of them are educated to SSLC Lvel.23.3%of them have education up to plus two.8.7% percent of the respondents are undergraduates. 1% of the respondents have other type of education like teacher training ITI and the like.

(c) **Marital status –** 5.3% of the respondents are unmarried. 85.3% they are married. 8.4% of them are widow. 1 % of the respondents are divorcee.

(d) **Family annual income -** 24.3% of the respondent's family annual income is below Rs.30, 000. 32.7% of the respondent's family income is from Rs.30, 000 to 50,000 per annum.21.5% of them have a family income between Rs 50,000 to 75,000 per annum. 16.5 Of the respondents family income range is between 75,000 to 100,000 per annum. 5% of the respondents family annual income is above Rs 1,00,000 .

7.2. Reasons for joining Self Help Group

Self – help groups are necessary to overcome exploitation, create confidence for the economic self – reliance of rural people, particularly among women who are mostly invisible in the social structure. The problems faced by the rural people cannot be tackled individually but can be better solved through group efforts. These groups enable them to come together for common objective and gain strength from each other to deal with exploitation, which they are facing in several forms. The rural poor are in – capacitated due to various reasons such as; most of them are socially backward, illiterate, with low motivation and poor economic base. But also lacks access to acknowledge and information, which are the most important components of today's development process.

For analyzing this members of SHGs were asked to prioritize the specific reasons for joining the groups. For this all the possible reasons were made known to members of self- help groups. They were asked to rank the reasons in the order of their importance. the ranks given by them were quantified using the Garrett Ranking Technique (Garrett, 1969) using the following formula:

$$\text{Per cent position} = \sum_{j=1}^{n} [(R_{ij} - 0.5) / N_j] \times 100 \qquad \text{...(1)}$$

where,

R_{ij} = Rank given for the ith item by the jth individual, and

N_j = Number of items ranked by the jth individual.

Table2: Reasonsfor Joining SHG

		Rank						Mean Rank
		I	II	III	IV	V	VI	
1	To repay old debts	126	186	148	32	39	69	2.688
2	To maintain house expenditure	186	173	44	22	60	116	2.432
3	To promote saings	137	119	78	30	64	172	3.369
4	To raise status in society	78	56	145	118	120	85	4.802
5	To promote income generating activities	58	50	139	145	130	78	4.339
6	To get loan	18	16	46	253	187	80	3.378

Source: primary data

Table3: Reasons for Joining SHG

S.No	Reasons	Score		Rank
		Total	Mean	
1	To repay old debts	21883.33	36.5	5
2	To maintain house expenditure	19316.67	32.2	6
3	To promote savings	28683.33	47.8	4
4	To raise status in society	43016.67	71.7	1
5	To promote income generating activities	38383.33	64.0	2
6	To get loan	28783.33	48.0	3

Source: primary data

From theTable-2and 3,it is clear that "**To raise status in society**" is the prime reason for respondents joining the SHG, followed by "**To promote income generating act iv it ies** ". The next reason was "**To get loan**". The fourth reason was "**To promote savings**" and the next reason was "**To repay old debts**". "**To maintain house expenditure**" stood as t h e last reason for joining the SHG

7.3. Number of LoansTaken bythe Respondents through SHG

Table4: Number of LoansTaken by the Respondents through SHG

Number of Loans taken	No. of Respondents	Percentage
One	48	8.0
2-4	416	69.3
4-6	68	11.3
Morethan6	68	11.3
TOTAL	600	100

Majority of the respondents 69.3% have taken 2-4 loans. The respondents who have taken loans 4-6 times and more than 6 times are 11.3% respectively. Only 8% of the respondents have taken one loan.

7.4. Number ofLoans Repaid by the Respondents

Table5: Numberof Loans repaid by the Respondents through SHG

Number of Loans Repaid	No. of Respondents	Percentage
One	131	21.83
2-4	365	60.83
4-6	50	8.33
Morethan6	54	9.0
TOTAL	600	100

Source:primary data

From the above table it is clear that 60.83% of the respondents have repaid loan 2-4 times. 21. 83% of the respondents have repaid only one loan. 9% of the respondents have repaid only more than 6 loans and 8.33% of the respondents have repaid 4-6 loans.

7.5. Size of the Latest LoanTaken

Table5:Size of the Latest Loan Taken

Size of Last Loan Taken	No. ofRespondents	Percentage
Lessthan Rs.5000	34	5.7
Rs.5000-10000	188	31.3
Rs.10000-15000	98	16.3
Rs.15000-20000	54	9.0
AboveRs.20,000	226	37.7

Source: Primary data

Regardingthelatestloan 37.7 % have taken loan above Rs.20, 000. 31.3% oftherespondentshavetakenloanfrom Rs.5000-10000. 16.3%oftherespondents havetakenloanfromRs.10, 000-15,000. 9%of therespondentshavetakenloan from Rs15000-20000.Only5.7%ofthe membershavetaken loanbelow5.7%

7.6. Empowerment after Joining the Self Help Group

It is difficult to measure empowerment and there is nosingle method to measure it. It is defined through indicators, which should encompass personal, social and economic change.The following few indicators of empowerment were referred to the respondents. To estimateand compare the mean satisfaction scores on the factors among the respondents weighted average analysis I sperformed using five rating scale and

assigning score 1for strongly disagree; 2for disagree; 3for neutral; 4 for agree   and 5 for strongly agree and the results are presented in the following tables

Table 6: Empowerment after Joining the Self Help Group

S.No	Indicators of Empowerment	Weighted Average
1	Economicindependence	3.840
2	Standard oflivinghasimproved	3.783
3	Understand the banking operation and knowledge on credit management	4.293
4	Good publicrelation and socialparticipation	3.360
5	Self-expression-decision making in community, village and households	3.273
6	Breaking social, religiousand culturalbarriers	2.762
7	Leadership qualities	3.955
8	Skillupgradationand bettertechnology	3.853

Source: primary data

It is seen from the above table that the weighted average scores on empowerment after joining SHG ranges from 2.762 to 4.293. The statement 'Breaking social, religiousand culturalbarriers' has secured least mean score and stood at last and the statement 'Understood the banking operation and knowledge on creditmanagement' has secured highest mean score and stood at top.

7.7 Hypothesis

Fromthe mea nscoresamong therespondentsnullhypothesisisestablishedandtheresult isshownbelow.:

Null Hypothesis:

There is no significant difference in the mean scores on factors of e m p o w e r m e n t a fter joining the group among respondents.

Table 7: ANOVA Table

SOURCE	DF	SS	MS	F
Between groups	7	969.867	107.763	108.62**
Within groups	4792	4754.055	.992	

**-Significantat1 %level

Since the Fis significant the null hypothesis of no difference in th emean score on empowerment after joining the group among the respondents is rejected and it is concluded there is significant difference in the mean scores among respondents

7.8 Factor Analysis

Factor Analysis is a multivariate statistical technique used to condense and simplify the set of large number of variables to smaller number of variables called factors. This technique is helpful to identify the underlying factors that determine the relationship between the observed variables and provides an empirical classification scheme of clustering of statements into groups called factors. Using all the 8 statements on indicators of empowerment viz. S1, S2 , S3…S8 factor analysis is performed and the results are presented in the table **number8.**

Table 8:Rotated Factor Loadings

Indicators of Empowerment	I	II	Communalit
Economicindependence-S1	**0.732**	0.067	0.541
Standard oflivinghasimproved-S2	**0.740**	0.286	0.629
Understand thebankingoperation& knowledgeoncreditmanagement-S3	0.048	**0.664**	0.443
Good public relation & social participation-S4	**0.631**	0.237	0.455
Self-expression-decision making incommunity, villageand househ olds-S5	**0.798**	0.210	0.680
Breakingsocial,religiousandculturalbarriers-S6	**0.798**	-0.037	0.638
Leadership qualities-S7	0.193	**0.805**	0.685
Skill up gradation and better technology-S8	0.156	**0.689**	0.499
Eigen values	2.818	1.750	4.568
%of variance	35.226	21.879	57.105
Cum%of variance	35.226	57.105	

Source: primary data

Table no.8 gives the rotated factor loadings, communalities, Eigen values and the percentage of variance explained by the f actors. Out of the 8 indicators, 2 factors have been extracted and these 2 factors put together explain the total variance of these problems to the extent of 57. 105% . In order to reduce the number of factors and enhance the interpretability, the factors are rotated. The rotation increases the quality of interpretations of the factors. There are several methods of the initial factor matrix to attain simple structure of the data. The varimax rotation is one such method to obtain better result for interpretation is employed and the results are given in 4.2.

Table 9: Cluster ingofIndicatorsof Empowerment into Factors

Factor	Indicators	Rotated Factor Loadings
I.(35.226%)	Economicin dependence-**S1**	0.732
	Standard of living has improved-**S2**	0.740
	Good public relation & social articipation-**S4**	0.631
	Self-e xpression-decision makingin community, village and households- **S5**	0.798
	Breaking social, religious and cultura barriers-**S6**	0.798
II.(21.879%)	Understand the banking operation & knowledge on credit management-**S3**	0.664
	Leadership qualities-**S7**	0.805
	Skill up gradation and better technology-**S8**	0.689

Four factors were identified as being maximum percentage variance accounted.The five indicators S1, S2, S4, S5 and S6 were grouped to gether as factor Iand accounts 35.226 % of the total variance. The 3 statements S3 ,S7 and S8 constituted the factor II and accounts21.879% of the total variance. Thus the factor analysis condensed and simplified the 8 statements and grouped into 2 factors explaining 57.105 %of the variability of all the 8 statements

8. FINDINGS

1. The results indicate that **To raise status in society**" Is the prime reason for respondents joining theSHG, followed by „**To promote income generating activities**"

2. Majority of the respondents have experience, 47%belonged to the groups which were established five years ago.

3. It is inferred that 31.5% of the respondents are members in the group for 3-5 years. Similarly respondents who are members in the group for 2-3 years are also 31.5%.

4.Majority of the respondents 69.3% have taken 2-4 loans. The respondents who have taken the highest number of loansi.e. more than 6 times are11.3%

5.Majority 6 0 . 8 3 %of the respondents have repaid loan 2-4 times. The comparison between loans availed and repaid shows that the respondents are prompt in repaying their loans.

6.Regarding the latest loan taken by the respondents majority of them37.7% have taken loan above Rs.20,000

7.Fromthe m e a n scoresamong therespondentsa n u l l hypothesisisestablished and the results hows, there is no significant difference in the meanscoreson factors of empowerment after joining the group among respondents

8.The factor analysis condensedandsimplifiedthe 8 statements onindicators of empowerment and was grouped into 2 factors explaining 57.105% of the variability of all the 8 statements.

9. CONCLUSION

There is no doubt that SHGs enhance the opportunities to earn a livelihood and increase the woman's physical space due to her membership and activity in the SHG. However, empowerment does not necessarily take place when incomes are generated or when livelihoods are enhanced or, for that matter, when groups are formed. The studyshowsthatthemain reasonforjoiningSHGisnotbe merelytogetjust credit,it isan empowerment processAfter joining theself-helpgroupthe women areeconomicallyand sociallyempowered. This empowerment cannot be

transformed ordelivered itmust beself-generatedsuch thatit enablesthosewho areempowered to take controlovertheirlives.

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