

**EMPOWERING AND DEVELOPMENT OF WOMEN THROUGH SELF -HELP GROUPS
BY COOPERATIVE BANKS IN INDIA**

Dr. Deepti Gupta
Research supervisor
Principal, SSCHE

Ms. Kimi Bhatia
Research Scholar
Shri Venkateshwara University

ABSTRACT

The approach combines access to low-cost financial services with a process of self management and development for the women who are SHG members. SHGs are formed and supported usually by NGOs or (increasingly) by Government agencies. Linked not only to banks but also to wider development programmes, SHGs are seen to confer many benefits, both economic and social. SHGs enable women to grow their savings and to access the credit which banks are increasingly willing to lend. SHGs can also be community platforms from which women become active in village affairs, stand for local election or take action to address social or community issues (the abuse of women, alcohol, the dowry system, schools, water supply).

Introduction

Women in most societies are subject to discrimination. This convention makes it binding on the agreeable nations of the World to take corrective action so as to eradicate gender biasness, end violence against women, as well as give women equal property rights, opportunities in education, access to health care, work opportunities, wages and also to end customs that are insulting to women. In this regard, self-help groups offer a big support to women. Self-help groups are generally facilitated by NGOs, and their role comprise of increasingly advising and training members in a variety of on-and off-farm income-generating activities.

A SHG is a group of about 10 to 20 people, usually women, from a similar class and region, who join hands together to form savings and credit organization. They pool financial resources and from these resources, they lend small interest bearing loans to their members. This process creates an ethic that focuses on savings first. The setting of terms and conditions and accounting of the loan are done in the group by designated members. Indeed, in a number of recent projects, NGOs were substituted by trained facilitators and animators drawn from self-help groups. Through promoting self-help groups, many organizations have funded a project that has contributed towards the improvement in the overall status of women in terms of income, empowerment, welfare, etc. SHGs are novel and innovative organizational setup in India, established specifically for uplifting women by conducting activities for their welfare.

All women in India are given chance to join any one of SHGs for training and development, so that they can become prospective entrepreneur or skilled worker. Since not all Indian women are resourceful, SHGs are promoted by the Government. For that reason, a Self-Help Groups are usually small voluntary associations of poor people, preferably from the same socio-economic background. The micro-credit given to them makes them enterprising; it can be all-women group, all-men group or even a mixed group.

However, it has been the experience that women's groups perform better in all the important activities of SHGs. Since self help group consists of people having personal experience of somewhat similar issue

or life situation, directly or through their family and friends experience sharing enables them to give each other a unique quality of mutual support and to pool practical information and ways of coping.

A self help group can also be defined as a financial intermediary comprising of a group of likeminded people especially women who came together to pool their small savings to a common fund and agree to meet their emergency needs on mutual help basis. In other words, it can be said that a self help group is a voluntary association of poor people formed with the common goal of social and economic empowerment.

When the SHGs arrange training facilities to carry out certain kind of work which are suitable for women in India, it becomes responsibility of the concerned bank to arrange for financial assistance that will aid in carrying out manufacturing and trading activities, arranging marketing facilities while the Government will procure the products of SHGs, arranging for enhancing the capacity of women in terms of leadership quality and arranging for the management of SHGs by themselves so as to have administrative capacity.

Concept of Self Help Group

The concept of self help groups had its origin in the co-operative philosophy and the co-operators by and large, including the National Federations in the credit sector, could not think of any better SHG than a primary co-operative credit society itself. As SHGs are small and economically homogenous affinity groups of rural poor, they are voluntarily coming together for achieving the **following**:

- To meet their emergency needs
- To have collective decision making
- To save small amount of money regularly
- To mutually agree to contribute to a common fund
- To solve conflicts through collective leadership and mutual discussion
- To provide collateral free loan with terms decided by the group at the market driven rates

A self help group is not a static institution. It grows on the resources and management skills of its members who continuously get themselves involved in issues and programmes requiring their services. To reiterate, self help groups are small informal association of the poor created at the grass root level for the purpose of enabling members to reap economic benefits out of mutual help and joint responsibility. Self help groups uplift socially and economically not only their members but also the families of their members and the community as well. It is, therefore, necessary that SHGs are promoted in a way that facilitates the development of a participatory and empowering culture. This in turn, makes it crucial for all interveners to empathize and be familiar with participatory management practices in their own organizations.

Objectives of the study:

The objectives of this study are:

1. To study the socio-economic profile of SHG women.
2. To analyze the reasons for joining SHG by women.
3. To study the structural conduct and performance of self help groups.
4. To find the impact of SHGs on women, their families and community at large.

Research Methodology:

The design of the study is explorative in nature. The study is defined as being exploratory because of the fact that very few researches has been done on the issue in hand. This required the researcher to

perform an extensive preliminary work as to gain familiarity with the various factors and to set up the pace for conducting research. The researcher has used two instruments for the collection of data and information, viz. Interview and Questionnaire. Questionnaire was the only formal research instrument used for the study. Questions were related to the demographics of respondents and also related to their plight before and after joining self help groups.

The researcher resorted to a choice-based or convenient sampling approach for selecting the respondents for this survey. The data was collected through primary as well as secondary sources. Primary data was collected by administering the pre-tested questionnaire to the selected respondents. The sample size for the study was 50 respondents who must have joined any self help group. Secondary data was collected from various websites, publications including books, journals, magazines, newspapers and periodicals of government, etc.

Limitations of the study

- The study is confined only to self help group for women by cooperative banks.
- Due to time constraints, the study makes use of small sample size.
- Since data related to plight of women before and after joining SHG, it is likely that some of the answers might not fully correct that reflect their plight.
- The other limitation of the study lies with the area of the study, the data has been taken from SHGs from the areas of Moradabad cooperative banks only.

The functions of the SHGs are:

- Regular saving.
- Book keeping.
- Credit management.
- Awareness and training.
- Regular weekly meeting.
- Networking with relevant agencies.
- Linkages with other development players.
- Conducting social action programs and community action programs.

Stages in Group Development

Studies conducted in past have suggested that groups move through stages but these stages are not consistent across different groups.

Groups are shown to be in four stages:

- **Group Formation** - 0-6 months.
- **Group stabilization** - 7-12 months.
- **Self reliance** - 13-18 months.
- **Institutionalization** - 19-24 months.

stages of these groups can also be defined as follows:

- **Saving Group** – Formation stage – 0 to six months
- **Savings and Help Group** – Linkage to financial institution –Six months to one year.
- **Micro-Credit Group** – Stabilization period – One year to thirty months
- **Income Generation Group**

- **Self Help Group** – Growth period - thirty months to forty eight months
- **Mutual Help Group** – Beyond forty eight months.

Self help group are mainly divided in four categories which are listed as below:

Stages	Explanation
Formation	Where the formation revolves around the solution of a common problem-hence discordant member should not become part of the same group, as it leads to waste of time and energy in resolving the disputes.
Stormative	When the group struggles to cohere. Some members who cannot co-exist with others may have to leave. Thus the first few months will see this transition.
Normative	After the group settles down, it will decide on issues relating to transaction of business such as how much to save, when should a bank account be opened, who should keep a record of the meeting, etc.
Performative	This is gained once the loan cycle has been completed and the NGO and SHG, both gain stability. The group expands its programs.

Therefore, the promotion of SHGs is a process, by which the members, who are identified by participatory techniques, come together for their mutual benefits. The promotion of groups is preceded by the conduct of surveys, participatory wealth ranking and the initiation of thrift and savings by the groups. Training of the group members is carried out on number of subjects, they are taken on exposure visits, disseminated information and are constantly monitored as regards their development.

MEASURE OF EMPOWERMENT

Woman in India also face considerable gender discrimination. They are outnumbered by men, face discrimination in the matter of food consumption, are less literate than men, have little control over their own fertility, work in unpaid and undervalued sectors, suffer wage discrimination, are subject to laws that discriminate against them, face violence at home and outside and are under represented in parliament and legislature.

Women throughout the world have been subject to gender discrimination in varying forms. In general, a woman has found to have had lesser access to land, property and business. Their mobility is more restricted than men. They have limited access to labour markets and are subject to discrimination in the matter of wages and compensation for their labour. They also remain under-represented in decision – making and hold less than 10 percent of seats in parliament in most region of the world.

Caroline Moser (1993) has devalued the concept of strategic and practical gender needs. It recognizes that women have a subordinate role in society, which impedes their participation in development, on equal terms with men. Thus planning intervention can be of two types – practical gender needs and the

removal of hardships that women face practically such as the provision of fuel and drinking water or sanitation.

Women can readily identify these needs. These projects generally reinforce the traditional relations between men and women. Strategic needs on the other hand are usually difficult for women to identify and even when she is made conscious of them by means of discussions in women's gatherings, as these are in the nature of a challenge to her existing unequal social situation, these needs are seen as secondary to issues like practical survival and family needs. Hence, these needs have to be raised cautiously after first meeting the basic and immediate practical needs.

Indicators of Empowerment used in Empirical Studies

<u>HOUSEHOLD LEVEL</u>	<u>AGGREGATE LEVEL</u>
Domestic decision making	Labour market
Finance, resource allocation, spending	Female labour force participation
Expenditure	Occupational sex segregation
Child related issues (well being, schooling and health)	Child care options
Social and domestic matters (cooking)	Gender wage differentials
Access to or control over resources,	Labor laws
Welfare receipts	<ul style="list-style-type: none"> • Ratio of female/male • Administrators and managers • Ratio of Female/ male professional and technical workers • Women's share of earned income
Access to control of cash, household Income	Percent of women in modern work
Economic contribution to household time use, Division of labour	Relative rates of male to female migration
<ul style="list-style-type: none"> • Management/Knowledge • Farm management • Accounting knowledge • Managerial control of loan 	<ul style="list-style-type: none"> • Education • Female literacy, Female enrollment • In secondary school, maternal education • Knowledge of loan
Mobility, Freedom of Movement	<ul style="list-style-type: none"> • Social norms and practices • Women's physical mobility
<ul style="list-style-type: none"> • Public space • Political participation – public protests • Political campaigning • Confidence in community actions • Development of social and economic activities 	<ul style="list-style-type: none"> • Ratio of seats held by women in Parliament • Questions, complaints, requests from women at village council.

SOCIAL IMPACT AND EMPOWERMENT

- ❖ Self Confidence
- ❖ Communication skills
- ❖ Mobility
- ❖ Financial Position

- ❖ Confidence level
- ❖ Knowledge about health and hygiene
- ❖ Ownership of house and land
- ❖ Change in role in decisions about self
- ❖ Participation in local affairs
- ❖ Decisions affecting the family

Empowerment levels

<u>At family level :</u>	
<u>Before joining SHG</u>	<u>After joining SHG</u>
Husband did not permit them to go out alone, quarrel about meetings	Now they are able to go where they want and get permission easily.
Did all housework, serve food to husband, feed children, and wash clothes.	Husbands take their own meals, sometimes feed the children, or cook food. At least, wash their own clothes.
Were like slaves to husband.	Do not depend on husband for money. They consult husband.
In-laws ill treated them.	In-laws speak nicely, share the work when they have to attend meetings
<u>At Community level :</u>	
No respect in society.	Now their opinions are valued on common issues
Could not talk as equal to men	Now invited to Gram Sabha, given respect
Had a fear of society	Have taken up issues of violence against women, got culprits remanded. Men in the community are afraid of them.
Lot of opposition in village to their forming SHG.	Now seen as getting things done from Govt. and non govt. sources
<u>At the level of govt. functionaries :</u>	
Very scared of going to govt. officers. Only men did. Women did not know what they did when they went.	Now they go to govt. offices. They know where to go, for what work.
They would go to govt. offices and wait to be called. Often they were asked to come another day.	<ul style="list-style-type: none"> • Now they meet important officials like BDO, Collector. Their work is done quickly. • Now they understand banking procedures, Govt. officials contact them to implement schemes in health, education, etc.

Questionnaire

The following statements relate to the plight of women before joining self help groups (please tick the appropriate option):

Q1. Were your husband used to permit you to go out alone?

a) Yes

(b) No

Table 1

S. No.	Age group (in years)	Frequency of Yes	Frequency of No	Percentage of Yes	Percentage of No
1	10 to 20	2	6	4	12
2	20 to 30	3	7	6	14
3	30 to 40	3	4	6	08
4	40 to 50	4	5	8	10
5	50 to 60	3	9	6	18
6	Above 60	1	3	2	06
	Total	16	34	32	68

As displayed in Table 1, 68% women were not getting permissions from their husbands for going out alone, whereas husbands of only 32% females allowed them to go out alone.

Q2. Does your husband used to support you in household chores?

(a) Yes

(b) No

Table 2

S. No.	Age group (in years)	Frequency of Yes	Frequency of No	Percentage of Yes	Percentage of No
1	10 to 20	3	5	06	10
2	20 to 30	4	6	08	12
3	30 to 40	2	5	04	10
4	40 to 50	4	5	08	10
5	50 to 60	3	9	06	18
6	Above 60	2	2	04	04
	Total	18	32	36	64

Table 2 shows that before joining self-help groups, 64% women were not getting any support from their husbands in household chores. However, only 36% females were being supported by their husbands.

Q3. Were your in-laws used to ill-treat you?

a) Yes

(b) No

Table 3

S. No.	Age group(in years)	Frequency of Yes	Frequency of No	Percentage of Yes	Percentage of No
1	10 to 20	5	3	10	06
2	20 to 30	5	5	10	10
3	30 to 40	3	4	06	08
4	40 to 50	6	3	12	06
5	50 to 60	5	7	10	14
6	Above 60	1	3	02	06
	Total	25	25	50	50

As per table 3, the percentage of women who used to be ill-treated by their in-laws before joining self-help groups is equal to the percentage of women who were not ill-treated, i.e. 50% in both the cases.

Q4. Were you scared of society?

a) Yes

(b) No

Table 4

S. No.	Age group(in years)	Frequency of Yes	Frequency of No	Percentage of Yes	Percentage of No
1	10 to 20	4	4	08	08
2	20 to 30	6	4	12	08
3	30 to 40	4	3	08	06
4	40 to 50	4	5	08	10
5	50 to 60	7	5	14	10
6	Above 60	1	3	02	06
	Total	26	24	52	48

According to Table 4, the percentage of women says no is 48% who were not scared of society before the joining of self help group, while the percentage of women who says yes is only 52%.

Q5. Were you unaware of the banking and governmental procedures?

a) Yes

(b) No

Table 5

S. No.	Age group (in years)	Frequency of Yes	Frequency of No	Percentage of Yes	Percentage of No
1	10 to 20	5	3	10	06
2	20 to 30	6	4	12	08
3	30 to 40	3	4	06	08
4	40 to 50	5	4	10	08
5	50 to 60	6	6	12	12
6	Above 60	3	1	06	02
	Total	28	22	56	44

Table 5, shows that before joining the self help group 56% of women were aware of the banking and governmental procedures while 44% of women were not aware of the banking and governmental procedures.

Q6. Was the treatment received by government officials encouraging?

a) Yes

(b) No

S. No.	Age group (in years)	Frequency of Yes	Frequency of No	Percentage of Yes	Percentage of No
1	10 to 20	3	5	06	10
2	20 to 30	1	9	02	18
3	30 to 40	2	5	04	10
4	40 to 50	3	6	06	12
5	50 to 60	4	8	08	16
6	Above 60	2	2	04	04
	Total	15	35	30	70

According to Table 6, the percentage of women says no is 70% who were not use to received the treatment encouraging by government officials before the joining of self help group, while the percentage of women who says yes is only 30%.

The following statements relate to the plight of women after joining self help groups (pl. tick the appropriate option):

Q1. Do you easily get permission from your husband to go out alone?

a) Yes

(b) No

Table 1

S. No.	Age group (in years)	Frequency of Yes	Frequency of No	Percentage of Yes	Percentage of No
1	10 to 20	6	2	12	04
2	20 to 30	5	5	10	10
3	30 to 40	3	4	06	08
4	40 to 50	5	4	10	08
5	50 to 60	9	3	18	06
6	Above 60	3	1	06	02
	Total	31	19	62	38

As displayed in Table 1, 72% women use to get permission from their husbands to go out alone after joining the self help groups, whereas husbands of only 38% females not get permission to go out alone.

Q2. Is your husband supportive in various household chores?

a)Yes

(b) No

Table 2

S. No.	Age group(in years)	Frequency of Yes	Frequency of No	Percentage of Yes	Percentage of No
1	10 to 20	6	2	12	04
2	20 to 30	7	3	14	06
3	30 to 40	4	3	08	06
4	40 to 50	8	1	16	02
5	50 to 60	10	2	20	04
6	Above 60	2	2	04	04
	Total	37	13	74	26

Table 2 shows that after joining self-help groups, 74% women get support from their husbands in household chores. However, only 26% females not being supported by their husbands.

Q3. Do your in-laws still ill-treat you?

a) Yes

(b) No

Table 3

S. No.	Age group(in years)	Frequency of Yes	Frequency of No	Percentage of Yes	Percentage of No
1	10 to 20	3	5	06	10
2	20 to 30	4	6	08	12
3	30 to 40	2	5	04	10
4	40 to 50	2	7	04	14
5	50 to 60	3	9	06	18
6	Above 60	2	2	04	04
	Total	16	34	32	68

According to Table 3, the percentage of women says yes is 32% who not use to ill-treated by their in-laws after the joining of self help groups, while the percentage of women who are use to still ill treated by their in laws is 68%.

Q4. Are you still scared of society?

a) Yes

(b) No

Table 4

S. No.	Age group (in years)	Frequency of Yes	Frequency of No	Percentage of Yes	Percentage of No
1	10 to 20	3	5	06	10
2	20 to 30	2	8	04	16
3	30 to 40	3	4	06	08
4	40 to 50	4	5	08	10
5	50 to 60	5	7	10	14
6	Above 60	1	3	02	06
	Total	18	32	36	64

Table 4 shows that the percentage of females who are still scared of society is only 36%, whereas the percentage of females who are not scared of society after joining self help groups are 64%.

Q5. Are you aware of the banking and governmental procedures?

a) Yes

(b) No

Table 5

S. No.	Age group (in years)	Frequency of Yes	Frequency of No	Percentage of Yes	Percentage of No
1	10 to 20	4	4	08	08
2	20 to 30	6	4	12	08
3	30 to 40	5	2	10	04
4	40 to 50	5	4	10	08
5	50 to 60	10	2	20	04
6	Above 60	3	1	06	02
	Total	33	17	66	34

Table 5 shows that after joining self-help groups, 66% of women's are aware of the banking and governmental procedures. However, only 34% of females not being aware of all these procedures.

Q6. Is the treatment received by government officials encouraging?

(a) Yes

(b) No

Table 6

S. No.	Age group (in years)	Frequency of Yes	Frequency of No	Percentage of Yes	Percentage of No
1	10 to 20	5	3	10	06
2	20 to 30	7	3	14	06
3	30 to 40	4	3	08	06
4	40 to 50	7	2	14	04
5	50 to 60	8	4	16	08
6	Above 60	2	2	04	04
	Total	33	17	66	34

Table 6 shows that after joining self-help groups, 66% of women's use to receive the treatment encouraging by government officials. On the other hand, only 26% females not use to receive the treatment encouraging by government officials.

Conclusion

The evidence of women's empowerment through Self-Help Groups provides a varied picture. The women in empowerment and in a better position to negotiate the use of the loans taken by them take up gainful activity and participate in the marketing of their products. However there is a need for a more in-depth analysis of the SHGs in India in order to ascertain whether the increase in women's access to credit has had similar negative impacts in increasing their susceptibility to violence within the family. In-depth gender studies need to be conducted in order to ascertain whether there is an undercurrent of resentment among men as a result of the great importance being given to women in the formation of SHGs and their better access to credit.

The importance of the process of Group formation and the development of Groups ethos in building sustainable Self-Help Groups clearly seem to emerge as a necessary factor for the success of Self-Help Groups. However it is not only the provision of credit which leads to the empowerment of the members of the awareness by means of sustained capacity building groups, but the sustained inputs in conscientisation of the women and raising their level of awareness by means of sustained capacity building. The SHGs act as a support group developing courage and offering mutual solace and comfort to the members. It is when training in accounts and managerial inputs are given, that the availability of Credit leads to the setting up of successful ventures. This success in turn leads to a growth of their confidence and improves their status at home and in the community.

References :

1. Bisoyi Tanuj Kumar, Rural Credit Regional Rural Banks and Mirco-Finance, 2010.
2. RBI 2007, Annual Report 2007, Report on trend and progress in Banking in India 2006-07.
3. Micro finance-Self Employment and poverty Alleviation by Sangita Kamdar, Himalaya Publication.
4. Govt. of India ministry of Finance 2008, Economic Survey, New Delhi India.