

Impact of Participation of Women in Self-Help Group and Their Empowerment in Raipur District Chhattisgarh

By

Sonal Khandelwal

Research Scholar, School of business Studies, Mats University Raipur Chhattisgarh

Dr.Umesh Gupta

Professor, School of Business Studies, Mats University Raipur Chhattisgarh

Abstract

Self Help Group (SHG) in India, as part of micro financing system, is one such formation by the people who are poor and in the clutches of poverty to support each other. Because of present formal financial system which failed to cater to the financial need of the rural poor, particularly poor women in rural households, at micro level, the concept of SHG is arisen to lend credit to those deserving people to invest in income generating activities as well as to promote saving among them. Hence, SHGs have gained wide recognition in India as in most developing countries in Asia. In this present context, a focus is made in this paper to explore the micro finance in general, microfinance in India, concept, characteristics and functions of Self-Help Groups and the SHGs in India. The functional SHGs highlighted that the poor and vulnerable women often become inactive. A significant relationship was found between women's active participation in SHGs and its impact on women's perception of their rights and gender stereotypes, household decision making, and participation in other development activities. Women did access finance, though in a limited scale, due to the fear of repayment and lack of opportunities. Although the ability to act differs in both categories of SHGs, women continue to experience domestic violence. Convergent effort needs to be undertaken to integrate gender equality and access to finance; to facilitate the process of empowerment of women through an inclusive method of forming, sustaining, mentoring and training the most vulnerable women in SHGs. Women are playing several economic, social and political roles in the society. These roles, however, were not well recognized in several societies especially in developing countries. Ethiopia is among the countries, which has signed several international treaties and made proclamations, policies, and regulations regarding women rights, but the problems relayed to women are not yet fully addressed. This is mainly because the policies and regulations are not fully internalized by the community and the presence of women under deprived economic conditions. On top of these non-state actors such as civil society organizations should work proactively towards empowerment starting from formation of women groups to end of termination stages. The study was initiated to assess the contribution of self-help groups in social and economic empowerment of women, investigate the linkage between financial institutions and SHG statues, identify the challenges that SHG are facing at unit and system levels and explore the contribution of social organizations in strengthening SHG. The study result revealed that self-help groups (SHG) are playing important role in determining the status of women in social organizations and the level of decision making at household level. Women are also advocating about women and children rights on several occasions and are attracting the attention of the kebele administration as important partner. The income of women has shown improvement though the amount of loan is still small. Generally, the contribution of SHGs is magnificent in improving women social and economic status hence empowered them to be economically self-reliant.

Introduction

All over the world, throughout the history, People, who are oppressed and have something in common with them, have joined together to overcome the barriers they face. Self Help Group (SHG) in India, as part of micro financing system, is one such formation by the people who are poor and in the clutches of poverty to support each other. Because of present formal financial system which failed to cater to the financial need of the rural poor, particularly poor women in rural households, at micro level, the concept of SHG is arisen to lend credit to those deserving people to invest in income generating activities as well as to promote saving among them. Hence, SHGs have gained wide recognition in India as in most developing countries in Asia. In this present context, a focus is made in this paper to explore the micro finance in general, microfinance in India, concept, characteristics and functions of Self-Help Groups and the SHGs in India.

The SHG can contribute to changes in economic conditions, social status, decision making and increases women in outdoor activities. These SHGs play every important role in social change. SHG not only changes the outer form of a community or a society but also the social institutions as well as ideas of the people living in the society. In other words, it also applies to change the material aspects of life as well as in the ideas, values and attitudes of the people.

Research Problem

The Women empowerment programmes implemented to empower rural women through the formation of SHGs is making a silent revolution in the district, but it needs certain efforts without which the revolution will become weak in future.

The main purpose of the study is to understand the participation of women in SHGs and whether it leads to their empowerment. This paper particularly focuses on the empowerment journey of women in SHGs. Specifically, their participation and thereby their relationship with a range of variables – ability to make decisions at household level with respect to their understanding and access to rights, their perspectives on gender stereotypes, and their ability to take action individually or collective in case of exposure to domestic violence, both against themselves and other women in the community.

SHG Programme has been being used as a participatory approach to empower women since woman is partner of development and thereby eradicating of poverty at gross-root level. There is a need to conduct the research study to assess the development of SHGs at micro-level. My present research work has the following statement of problem:

- (i) to assess the development and growth in Raipur district during 2021-23
- (ii) to work-out the growth rate in terms of size, membership, saving accumulation, fund - accumulation and loan disbursement and their trends
- (iii) to find out the sustainability of their development
- (iv) to give suitable suggestions.

Objectives of the Study

The general objective of the study is to assess the role of SHGs in empowering women socially and economically. It will have the following specific objectives:

- To assess the contribution of self-help groups in empowering women economically and socially.
- To assess the linkage between financial institutions and SHG statues.
- To identify the challenges that SHG are facing at unit and system levels.
- To explore the contribution of social organizations in strengthening SHG.

Literature Review

Investment pattern of Working women

Schmidt & Sevak, (2006) studies on the Women's investment suggest that has women's investment volume has historically been lower than men's for several reasons, including socio – cultural and various demographic concerns. However, the differences continue to be significant even after controlling for individual characteristics

D. Julie R. Agnew, (2003) suggested through their research that there is substantiation proving Women to be more risk averse than men in general and this means that women would invest in less risky assets in their investment plans. Also, the differences in financial literacy between men and women may also explain differences in their investment decisions. There is some research on individual investors.

Vasagadekar Priya (2014) examined that woman working in various industrial sector in Pune. The investment habits, the role in investment decision making, preferable investment avenues and risk bearing capacity are studied. It is clear from this study; women generally prefer to invest in safe investment avenues like Post Office savings scheme and fixed deposits in banks.

Investment pattern of Households

C. K. Osondu et al. (2015) studied that household's reserves play a significant part in the economic progress of both developed and developing nations, owing to its noteworthy in sequence on the globular flow of earnings in the financial system.

Raja Rajan (1999) studied Chennai investors and found that life cycle stage of individual investors is an important variable in determining the size of the investments in assets and the of financial category.

Investment pattern of rural people

Kapil Kapoor (2016) research conducted to found out the investment pattern of rural and urban investors regarding various investment alternatives. Researcher examined the attitude of rural and urban investors towards different investment avenues. Investors irrespective to the area to which they belong, are very much inclined towards the investment in real estate. Investors believe that there may be fluctuations or ups and downs in the investment amount due to change in economic scenario, but the real estate always shows an upward trend. Villagers were inclined towards purchasing agricultural farms. Many prefer to purchase plots and flats in urban areas. This research concluded that investors whether belonging to rural areas or urban areas should look in all avenues while investing their funds. Some investments are risky, and some are not, so as per the age of investors they should decide about risky or less risky investments.

Amudha, V. Aravamudhan Varathan (May 2015) this study analysed the determinants and patterns of saving behaviour in rural household of Salem. The saving determinants are analysed empirically by a linear regression method. The income, level of expenditure,

consumption pattern and saving behaviour is taken as the criteria for depicting the samples. The study found that the savings does not depend upon income alone rather on the consumption pattern of the individuals also. Income grows the population is encouraged to save and the dis-saving occurs with the old generation as due to no or less income.

Investment pattern of Salaried Employees other than Teacher

V.R. Palanivelu & K. Chandrakumar (2013) highlights that certain factor of salaried employees like education level, awareness about the current financial system, age of investors etc. make significant impact while deciding the investment avenues.

V.R. Palanivelu & K. Chandrakumar (2013) studied the investment preferences of salaried class in Namakkal Taluk, Tamil Nadu. It highlights that certain factors like age, educational level, knowledge about financial system affect the decision regarding the choice of investment avenues.

Investment Pattern of Teachers

Dr. Dhiraj Jain and Parul Jain (2012) examine—savings and investment pattern of school teachers -a study with reference to Udaipur District, Rajasthan. The study concluded that in today's world money play vital role in one's life and that the importance of money has been started being recognized by the school teacher's community. They know the importance of money, so they are initiated themselves to prepare the budget and lessen down their expenses to meet the future consequences. It has been evident from the study that most of the school teachers are saving their money for the purpose of their children's education, marriage and as security after retirement.

Gaurav Kabra (2010) concluded that the modern investor is a mature and adequately groomed person. In spite of the phenomenal growth in the security market and quality Initial Public Offerings (IPOs) in the market, the individual investors prefer investments accordingly which again depends on the investors' demographic characteristics. Hence, it becomes very vital to assess and understand the investor.

Kavita Shah and Dr. Mamta Brahmabhatt (2018) has conducted research on Investment pattern of individual investor and noticed that investment decisions irrespective of what is the amount, does require a definite amount of knowledge, information and acumen. There are several factors that direct the investment decision spread across avenue chosen ranging from gender and income to investor's personality and risk appetite. Investors, before making investments, need to collect investment related information from the internet and consult with friends, peers and investment experts before making investments.

Research methodology

For the purpose of study, the data has been collected from both primary and secondary sources.

The primary data collected from the respondents through interview schedule and secondary data are collected from the magazines, journals and newspaper. Both descriptive analysis and inferential analysis has been referred for the detail study.

Hypothesis

For working-out the trends in development of WSHGs in Raipur District the hypotheses are framed as following:

H0: (Null Hypothesis)

1. There is no significant relationship between the women empowerment and the SHGS.
2. There is no significant relationship between age and family of the respondents.
3. There is no significant relationship between the literacy level of women respondents and the reason for joining self-help group For analysis of variance t-test and correlation is used.

Findings

- The most important forms of urban financial investment were bank deposits, shares and securities.
- Investors will be provided with adequate and reliable information so that they can make sound investment decisions.
- Investors are mostly influenced by family members while taking decisions on investment.
- The visual and print media and training programs will help investors make well informed decisions.
- Female investors tend to display less confidence in their investment decisions and hence have lower satisfaction levels in their investment.
- The main investment avenues of individual investors are Bank Deposits, and the main purpose of investment is for children education, marriage and security after retirement.
- Women invest fewer amounts than men due to various reasons.
- Women are more risk averter than men.
- Women are purposefully kept away from financial decision making because they cannot understand investment.
- The savings does not depend upon income alone rather on the consumption pattern of the individuals also.
- The rural households have low educational status which is resulting in less awareness of the people towards the benefits of saving.
- Most of the school teacher are opined that saving funds as bank deposits and government securities as their investment preference.
- The investment knowledge directly affected the risk-taking behaviour.

Conclusion

This paper has focussed on evaluating the income generation and expenditures pattern of SHG women members prior to analysing their investment and savings pattern as investments and savings are generally determined by these two attributes because a person can make investments in assets and tend to save only if they have earnings in excess after fulfilling their needs. To measure the income generation, 12 different business activities supported by SHG are considered. The expenditure pattern is measured using 10 different household needs. The role of SHG in increasing the income and improving the lifestyle (based on spending on family needs) is ascertained by comparing the opinion of the respondents about the above aspects before and after becoming members of SHGs. From the inferences of the results, it is understood that SHGs have played significant role in assisting their women members to significantly increase their income levels. It is found that more earnings after joining SHGs are purely due to assistance from SHGs because the difference in earnings before and after becoming members of SHGs is independent of their age levels, religion, community, educational status, occupational levels, family type, number of earning members in family and

land holding status. However, family size of the respondents is found to be an important factor in improving the income levels after joining SHGs.

This study provides evidence on the strong potential of Self-Help Groups in promoting empowerment of women, in relation to how well the SHG structures function at the community level. It is important for Government to collaboratively plan and invest on micro and macro measures to qualitatively strengthen the SHG movement in various geographies. The planning process should mobilize the local institutions, champion local SHG leaders, involve state actors and consciously integrate gender equality as a measure of the programme success through the national level strategy. It is also important that the Government's policies are contextualized to the regional and cultural diversity of the country. This research also an effort aimed for the practitioners and the policy makers to have insights on the key elements of functionality and its overall impact on women. It was to reinforce that by becoming members of SHGs poor rural women take an initial step to access their rights but for having deep rooted transformation a more equitable, inclusive, convergent, and targeted effort needs to be undertaken.

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