



Self Help Group (SHGs) is a tool to remove poverty and improve the women entrepreneurship and financial support in India. A study in Telangana State.

Malyala Vanaja, Degree lecturer,

Telangana tribal welfare residential degree college for women, Asifabad

Abstract: Self-help groups have been studied as a way to increase effectiveness of woman-owned businesses. They are thought to increase mutual trust, a spirit of thrift, group cohesiveness, among other attributes. Self-help groups have been empirically found to increase socio-economic status in rural India. Self-help groups were found to be especially important in developing communication skills for poor women in India. Improving communication skills was related to better access to banks, to become successful micro-entrepreneurs and self-reliant successful women in all respects. The more attractive scheme with less effort is “Self Help Group” (SHGs). It is a tool to remove poverty and improve the women entrepreneurship and financial support in India. The present paper confines itself to study of Women Empowerment through the Self Help Groups in TS. In the present study simple statistical tools adopted. Based on the analysis of women empowerment through self help groups in TS, the major findings of this study there is a positive impact of Self Help Groups on Women empowerment in TS.

Keywords: Women, empowerment, self help.

Introduction

A Self-Help Group (SHG) is a village-based financial intermediary comprising of ten to twenty local women. There are over 1,95,585 self-help groups (SHGs) in Telangana State under various departmental programmes, majority of which are WSHGs or women’s self-help groups. In the recent times, the woman has contributed to a great extent towards the development of the economy but not many are aware of this that they have the potential. The recent development has been in the entrepreneurial activities undertaken by them. In the light of the above observation, the study focuses on the awareness of functioning of registered Self-Help Groups among women in rural areas of Telangana State.

SHGs fall under the category of village banking, which includes 10 to 20 (primarily female) members. In the initial months the group members save and lend amongst themselves and thus building group discipline. Once the group demonstrates stability and financial discipline for six months, it receives loans of up to four times the amount it has saved. The bank then disburses the loan and the group decides how to manage the loan. As savings increase through the group’s life, the group accesses a greater amount of loans.

The SHG program links with the poor through Self-Help Group Promoting Institutions (SHPIs), which primarily include NGOs, but also banks, and government officials. The typical program features of small loan size, regular meetings, frequent repayment instalments and savings supplemented by training from SHGs. These may include primary healthcare, basic literacy, family planning, marketing and occupational skills (Bali Swain and Varghese 2010) It is, however, important to note that empowerment is multi-location, exists in multiple domains and is multi-dimensional. Thus, women's control over a single dimension – for instance, economic decision making – does not necessarily imply the ability to make reproductive or non-financial domestic decisions (Malhotra and Mather 1997). This is why alternative development initiatives, such as political quotas, awareness generation and property rights, and so on, are as essential for empowering women (Aghion and Morduch 2005; Kabeer 2005; Deshmukh-Ranadive 2003).

Empowerment is an active multidimensional process to enable women to realize their identity and power in all spheres of life. Empowerment provides a 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.

Obstacles for Women in India

Women's traditional roles in India have strongly constrained their activities at home, in the workplace and in the economy. They have also been disadvantaged in their access to resources, including food, transportation, education and literacy, technology, and financial resources in general, including financing for entrepreneurial activities (Beneria, 2003; Kabeer, 1996; Hymowitz, 1995).

It is increasingly evident that women's status in social, legal, educational and business / economic spheres are interconnected issues; that is, social, legal, or educational restrictions on females may be both a cause and an effect of economic restrictions. This can mean that reforms in the area of women and business can lead to improvements in women's social status, including access to resources, which in turn can lead to further improvements in women's economic position.

Efforts to Increase Entrepreneurship in India

The role of Multinational Corporations (MNCs) For many years, the lack of success of many multinational companies in countries such as India has been related to MNCs' insensitivity to host countries, including a failure to adapt products to local needs, lack of recognition of negative effects of their products on local social and economic conditions, and notably, a failure to find ways for local businesses to participate (Dawson, 1985). Some MNCs today follow a variety of practices to address these concerns, including adapting product and marketing strategies to local situations, hiring local employees whenever possible and using local enterprises as suppliers and distributors.

Role of government

The Indian government has been involved in efforts to increase local entrepreneurship since the 1950s including a government program of reservations and a subsidy system for university graduates. These efforts have been criticized as both ineffective and more concerned with patronage networks and bribery than with a strong small business sector. The government has also been criticized for the many regulatory bottlenecks and for its failure to make sufficient progress on infrastructure improvements (Sharma, 2003).

Microcredit programs and economic development

Microcredit programs in the economic development context refer to the extension of banking financial services to the poor, who otherwise would be unlikely to have access to services such as small loans and taking deposits (Economist, 2004).

Role of NGOs

Perhaps the most effective type of organization in the efforts to foster entrepreneurship in India in general, and among women especially, has been the NGO (non-governmental organization). A number of NGOs have initiated programs related to entrepreneurship, including microcredit or microfinance programs for small-scale entrepreneurs; training and technology transfer projects; and direct assistance with small business start-ups. With due respect to women, NGOs sometimes offer programs targeted specifically at women, since women may have limited or no access to more generalized development programs.

Review of literature

Amita Rani and Pawan Kumar Dhiman (2012) focused on the role of Self-Help Groups (SHG's) in promoting entrepreneurial culture among the SHG's members of Jakhal block district Fatehabad Haryana. In the research primary data had been collected from 100 sample respondents from seven villages of Jakhal block district Fatehabad (Haryana) through designed schedule by conducting interview and observation method and it had been found that these groups were not working up to the mark due to conservative family culture and poor educational background of the masses. It had also been found that among surveyed group members after starting SHG activities only 6 percent of the member's family income increased more than INR 20,000 per annum, 55 percent's income increased up to INR 20,000 annually, 26 percent's income in-creased up to INR 10,000 and 13 percent members income had not improved in the post SHG period and forfeiting the objectives of the government policies.

Kappa Kondal (2014) conducted a study of women empowerment through Self-Help Groups in Gajwel Mandal of Medak District in Andhra Pradesh. In the present study, simple statistical tools adopted. Based on the analysis of women empowerment through self help groups in Gajwel, the major findings of this study revealed that, there is a positive impact of Self Help Groups on Women empowerment in Gajwel Mandal of Medak District in Andhra Pradesh.

The paper by Eswaraiah (2014) is an empirical attempt focusing on women empowerment through self-help groups in drought -prone Ananthapuramu district in Andhra Pradesh. The findings of the study establish the SHGs have made a positive impact on women empowerment especially in the spheres of social status, economic empowerment and decision-making on various aspects of family matters.

Munivenkatappa (2014) paper intends to study experiences of some NGOs in Mysore district of Karnataka State. This study shows that there is a relationship between women's empowerment and environmental management and how women can become agents for the promotion of environmental sustainability.

Paltasingh (2014) highlights the SHG-bank linkage and bottlenecks in the implementation of such initiatives. Policy measures have been recommended in the concluding section that can contribute to women's empowerment.

Research Design

Statement of the Problem

Poverty and Unemployment go hand in hand in most developing countries. In India, the financial institutions have not been able to reach the rural sector especially in the unorganised sector. In developing countries, women play a pivotal role as risk managers and drivers of development, particularly in regions of severe poverty. Peoples' participation in credit delivery and recovery and linking of formal credit institutions to borrowers through the SHGs have been recognised as a supplementary mechanism for providing credit support to the rural poor. Most of the SHGs members do believe that finance is their major problem. It is true that unfavourable event in business will lead to financial crisis. Women suffer from illiteracy, lack of awareness, poor healthcare and unemployment. This is particularly true in the rural areas and in cases of main weaker sections of society like scheduled caste and schedule tribes. In the recent times, women have contributed to a great extent towards the development of the economy but not many are aware of this that they have the potential. The recent development has been in the entrepreneurial activities undertaken by them. Therefore, empowerment of women is the only remedy to the problem faced in not only India but also other developing countries.

Significance of the study

Why India is still called as a Developing Country? – Poverty, illiteracy, malnutrition, unemployment, lack of awareness in women have been the major reasons. In the recent times, the woman has contributed to a great extent towards the development of the economy but not many are aware of this that they have the potential. The recent development has been in the entrepreneurial activities undertaken by them.

In the light of the above observation, the study focuses on the awareness of functioning of registered Self-Help Groups among women in rural areas of TS. The proposed project is to study the proportion of women population in rural areas who have the potential to become entrepreneurs but not aware of the financial assistance provided by the Government of TS through registered Self-Help Groups. This in turn would help the Government to know the proportion of women who are already aware of the financial assistance provided by the Government, which has been their ladder to become successful in their entrepreneurial activities

Objectives of the study

- To find the level of awareness of functioning of registered Self-Help Groups among women in rural areas of TS.
- To find out the rate of employment generated through registered Self-Help Groups in the rural areas of TS
- To find out the contribution of the women entrepreneurs towards the growth of the rural areas of TS.

Scope of the study

The scope of the study is to find out women empowerment, measured by income generation, women employability and rural economic development, through Self- Help Groups within Rural Districts of TS and to find out the level of awareness of these self- help groups among the rural women of TS.

For this purpose, primary and secondary data was collected from members of the self-help group in TS.

Research Methodology of the Study

Type of Research

The study is descriptive in nature.

Primary Source of Data

The data was collected using a structured schedule which was given to members of the self-help groups in the districts of Warangal in TS. Interview method was also applied to gather required information regarding this study.

Secondary Source of Data

The present study also used secondary data. The required data was collected from the published annual reports of the State Planning Commission Board of TS, Municipal Offices, websites of NABARD and RBI and other related books and journals for relevant articles related to the study.

Sampling design

Sampling Size

For the purpose of this study, the schedules were given to three hundred members of self-help groups in the three districts of TS. Out of these ten questionnaires was rejected by the researchers since they were incomplete. Thus, the total sample size for the study was from two hundred and ninety respondents.

Sampling Technique

Convenience sampling technique was used in collection of data using structured schedules which was sent to the members of the self-help groups' functioning in TS.

Findings

- The majority (62 per cent) of the respondents are in the age group of 20 – 40 years of age.
- Even though a sizable number of the population have at least had basic education, still a large number of members are illiterate, i.e.; they have not even had basic high school education.
- Seventy-two per cent of the respondents have been members of the SHGs for more than three years.
- Of the surveyed respondents, seventy of them are employed and another thirty-seven have taken up entrepreneurial activities as their main occupation.
- Many of the housewives have joined SHGs mainly because it acts as an additional source of income to the family and being part of the group they can receive financial assistance faster and at cheaper rates.
- Sixty-four respondents stated that the reason for joining SHGs was to raise their income levels, while fifty-three respondents stated that it was for taking financial assistance of educating their children and another forty-eight replied stating to improve their standard of living.
- The study also showed that there was a significant increase in income of women after joining SHGs.
- It was also seen that the women in these districts were aware of the existence and functioning of SHGs and the benefits of these groups.
- We can also conclude that there was a significant increase in the rate of employment of women after joining SHGs.
- Over ninety per cent of the women have agreed that their stand of living has improved after joining the SHGs.

- Some of the women also said that they feel empowered not only economically but also socially. They have more self-esteem and know more about the issues happening around the world.
- There also exists a significant relationship between the members of the group and taking financial assistance from the groups.
- By having bank linkage programmes, these SHGs have inculcated the habit of savings among its members. On an average they are able to save around Rs. 300- 500 on weekly basis.
- As many as thirty-seven entrepreneurs have come up through these SHGs. They are not only empowering themselves but also the community at large and there by being role models for others in the community.

Suggestions

- As majority of the members of the self -help groups are illiterate, these SHGs can take up the initiative to give minimum education to uplift their state.
- In order to increase employment government and NGOs should come up with self-help group programs to inculcate entrepreneurship among the rural women of Karnataka.
- As per the analysis SHGs have led to increase in employment as well as income among the rural women. These programs have to be expanded to cover illiterate women in the urban areas.
- Only fifty-three respondents stated that financial assistance was taken for educating their children. The financial schemes should be made easier so that many rural women can take it up for educating their children. This way illiteracy can be eradicated.
- Self-help groups should take up the initiative to educate the rural family members as to how women contribute equally to the family income and they should not be confined to the house.
- Based on the analysis the members of the self-help groups have contributed towards the rural development. Therefore, the level of the awareness of the working of self-groups should be increased among the rural population.
- SHGs should also promote the products manufactured by its members by conducting exhibitions in rural and urban areas. This initiative will increase the awareness level as well as give the rural women member a wider exposure
- This in turn will increase the employment, income and economic development of the rural areas thereby reducing the regional imbalance of income and wealth in the country.

Conclusion

The core SHG philosophy is in women empowerment through increasing employability, self-sufficiency and inculcating a habit of saving among the rural women. Empowerment in micro-credit will inevitably involve a significant change in attitude, change in work practices and challenging vested interests. For women's empowerment to be addressed, women need to be enabled to define their priorities and demand their rights. Micro finance can be an effective strategic instrument for poverty alleviation only if it used for income generating microenterprise development. Self Help groups as per the research is successful in rural areas, especially among women. These programs have uplifted the rural woman economically and socially in the society. Women are an integral part of the economic development of the country, therefore the government should give equal importance to the women contributors and their well-being in the society.

Bibliography

Retrieved from:

- http://www.col.org/pcf3/papers/pdfs/ghadoliya_mk.pdf
- http://www.google.co.in/url?sa=t&rct=j&q=&esrc=s&source=web&cd=2&cad=rja&uact=8&ved=0CC0QFjAB&url=http%3A%2F%2Fwww.baif.org.in%2Fdoc%2FEmdy%2Fpowerment_of_Women%2Fempowerment%2520of%2520Rural%2520Women%2520through%2520SHGs.doc&ei=Ab5iVYjqOMKUuATdIIIOIAQ&usq=AFQjCNGuhrDBwqfCoUYsVTwVNwbzmx-uYw&bvm=bv.93990622,d.c2E
- <http://www.vedantaaluminium.com/pdf/yagna-vol3.pdf>
- <http://www.indianresearchjournals.com/pdf/IJSSIR/2012/August/2.pdf>
- http://www.ifad.org/evaluation/public_html/eksyst/doc/insight/pi/india-13.htm
- <http://jms.nonolypictimes.org/Articles/5.pdf>
- <http://www.isca.in/IJSS/Archive/v3/i1/3.ISCA-IRJSS-2013-198.pdf>
- <http://unicef.in/Story/518/Economic-empowerment-of-women-through-SHG>
- <http://www.slideshare.net/iaemedu/empowering-rural-women-all-the-way-through-self-help-groups>
- <http://www.borjournals.com/a/index.php/jbmssr/article/view/1667>
- http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2203040
- <http://gfjmr.gnu.ac.in/UserFiles/File/B!V5.pdf>
- <http://pezzottaitejournals.net/index.php/IJAFMP/article/view/104>
- <http://prj.co.in/setup/business/paper82.pdf>
- <http://www.microfinancegateway.org/sites/default/files/mfg-en-paper-can-microfinance-empower-women-self-help-groups-in-india-may-2007.pdf>
- <http://www.i-scholar.in/index.php/MJCMJPI/article/view/59707>
- http://icbr.net/pub/full_pdf/icbr.net-0204.34.pdf
- <http://seea.org.in/vol8-1-2008/14.pdf>
- <http://inpressco.com/wp-content/uploads/2013/09/Paper1679-83.pdf>
- http://ictard.daiict.ac.in/internship_reports/Final_Internship_Reports/Batch2010-12/201013008.pdf
- http://www.abhinavjournal.com/images/Management_&Technology/May13/11.pdf
- <http://ijournals.in/ijsrc/wp-content/uploads/2014/03/IJSRC-2302.pdf>
- http://www.b-u.ac.in/ugcproject/dr_mj_ugc.pdf
- <http://www.ircjournals.org/vol2issue2/28-32.pdf>
- http://njcmindia.org/uploads/3-3_473-479.pdf
- <http://www.cauverycollege.ac.in/is416.pdf>
- <http://www.bvimsr.com/publication%20pdf%20files/Vol%205%20No.%202%20pdf/7.pdf>
- <http://www.iracst.org/ijcbm/papers/vol3no52014/2vol3no5.pdf>
- http://www.voiceofresearch.org/doc/V1_I1/V1_I1_3.pdf
- <http://www.ijsrp.org/research-paper-0613/ijsrp-p1818.pdf>