



# Impact of Self-Help Groups on the Economic Development of Women of Gadchiroli district of Maharashtra

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## 1.0 Introduction

Self Help Groups (SHGs) are small voluntary associations of often poor people especially of women from backward classes that come together for the purpose of solving their common problems through self-help or mutual help. It has been observed that merely a poor woman is not only socio-economically weak but also lacks access awareness about many factors and information about opportunities that are available in various realms of the society. However, in a group, they are empowered to overcome many of these deficiencies. In addition to above the concepts like microcredit focuses on capability building among poor women through the group approach commonly known as self-help group. At present in India the SHGs are growing at very high speed thereby helping the woman for changing their position within the family as well as in the society.

Today, SHGs have become a reliable vehicle of change in the rural areas, transforming the lives of the weaker and marginalized sections. The concept of SHGs helps in organizing the poor and the marginalized to join hands to solve their problems. Moreover, this approach has given very good results in developing countries. However, not all the areas have seen a robust transformation of the weaker sections and woman of rural area, there are many places that have shown phenomenal results. Since, the lack of growth and less penetration in rural areas of backward areas like Gadchiroli District of Maharashtra have made the working of SHG concept challenging. Hence, in order to understand the various aspects of SHG operations in the study area i.e. Gadchiroli District of Maharashtra, a comprehensive study has been carried out.

## 2.0 Research Methodology

For the purpose of data collection, a structured questionnaire was used. Prior to its use the reliability and validity of the same was determined. All the standard methods were used to conduct this study.

### 2.1 Study Area

This study is conducted in the various talukas of Gadchiroli District of Maharashtra.

### 2.2 Study Universe and Research Design

All the geographical area of Gadchiroli District of Maharashtra was considered as the universe of the study and all the women who are members of some SHGs were considered as population of the study. Only the women who had been members of registered SHGs considered as sample for this study. The study adopts a descriptive cross sectional research design for the purpose of primary data collection.

### 2.3 Sampling Method and Sample Size

The non probability convenience sampling technique was used to select the samples for this study. Based on the information collected in the reconnaissance survey, a sample size of 600 was considered as the appropriate sample size.

### 2.4 Data Collection

The data was collected by using a structured research instrument i.e. an interview schedule in this case. The interview schedule development was carried out with respect to the objectives of this study. Prior to data collection, reliability and validity of the interview schedule was estimated by employing test-retest method. The data was collected by using survey method and personal interaction.

### 2.5 Statistical Analysis of Data and Significance Level

All the data generated in this study was analysed with the help of various statistical tests and SPSS 18.0 software. The significance level was chosen to be 0.05 (or equivalently, 5%). The descriptive statistics such as frequency and percentage were determined and Chi-Square Test was used as an inferential statistical test..

## 3.0 Results and Discussion

### 3.1 Inspiration for setting up the Self-Help Group

**Table 1:** Inspiration for setting up Self Help Group

Attribute	Nos. of Respondents	Percentage
Gramsevak	39	6.5
NGO	98	16.3
Other Self Help Group	346	57.7
Bank Official	88	14.7
Others	29	4.8
<b>Total</b>	<b>600</b>	<b>100.0</b>

Chi-square 561.883; df: 4,  $p < 0.05$ ; Table Value: 9.49

**Table 1** shows information pertaining to source of inspiration for setting up an SHG by the women of study area. Study result shows that 6.5% women got guidance from Gramsevak for setting up SHG while 16.3% women got inspired from the information provided by the NGOs. In addition to this 57.7% women got inspired from other SHG, while 14.7% and 4.8% women of the study area got inspiration to form and become members of SHGs from the guidance they received from bank official and others.

### 3.2 Membership of SHG

**Table 2:** Duration of membership in self-help group

Duration of SHG Membership	Nos. of Respondents	Percentage
2 yrs	85	14.2
2 to 4 yrs	114	19.0
4 to 6 yrs	306	51.0
More than 6 yrs	95	15.8
<b>Total</b>	<b>600</b>	<b>100.0</b>

**Chi-square** 219.213; **df:** 3, **p**<0.05; **Table Value:** 7.82

Above **Table 2** shows information pertaining to duration of SHG membership of women of study area. Study result shows that 14.2% women are involved in SHG from last 2 years while 19.0% women are member of SHG from 2 to 4 years. In addition to this 51.0% women are member of SHG from 4 to 6 years however 15.8% women are member of SHG from more than 6 years.

### 3.3 Increase in savings after joining SHG

**Table 3:** Savings have increased after joining SHG

Response	Nos. of Respondents	Percentage
Yes	324	54.0
No	42	7.0
To some extent	234	39.0
<b>Total</b>	<b>600</b>	<b>100.0</b>

**Chi-square** 207.48; **df:** 2, **p**<0.05; **Table Value:**5.99

Above **Table 3** shows information pertaining to opinion of women of study area with respect to change (increase) in savings after joining SHG. Study result show that 54.0% women feel that savings have increased after joining SHG while 7.0% women do not feel so. In addition to this 39.0% women feel that savings have increased to some extent only after joining SHG.

### 3.4 Improvement in economic status due to participation in SHG

**Table 4:** Improvement in the economic status due to SHG

Improvement	Nos. of Respondents	Percentage
To a less extent	75	12.5
To a moderate extent	188	31.3
To a high extent	298	49.7
No improvement	39	6.5
Total	600.0	100.0

**Chi-square** 275.293; **df:** 3, **p**<0.05; **Table Value:** 7.82

Above Table 4 presents information pertaining to opinion of women of study area with respect to improvement in the economic status due to SHG. The results show that 12.5% women feel that participation in SHG has improved their economic status to a less extent while 31.3% women feel that SHG has improved their economic status to a moderate extent. In addition to this 49.7% women feel improvement in their economic status to high extent; however, 6.5% women do not feel that there is any improvement due to participation in SHG.

### 3.5 Gaining strength to perform financial transactions

**Table 5:** Gaining strength for doing financial transactions due to participation in SHG

Response	Nos. of Respondents	Percentage
Yes	529	88.2
No	16	2.7
Can't Say	55	9.2
<b>Total</b>	<b>600</b>	<b>100.0</b>

**Chi-square** 815.61; **df:** 2, **p**<0.05; **Table Value:** 5.99

Above **Table 5** shows information pertaining to opinion of SHG members of study area about getting strength for doing financial transactions. The results show that 88.2% women feel that they got a lot of strength for doing financial transactions after participating in an SHG. In addition to this 2.7% women did not feel like it, while 9.2% women are not sure about it.

### 3.6 Involvement in family decision making

**Table 6:** Women get involved in family decision making due to SHG participation

Response	Nos. of Respondents	Percentage
Partially	387	64.5
Fully	107	17.8
Can't Say	106	17.7
<b>Total</b>	<b>600.0</b>	<b>100.0</b>

**Chi-square** 262.27; **df:** 2, **p**<0.05; **Table Value:** 5.99

Above **Table 6** shows opinion of women about getting involved in family decision making after becoming an active member of SHG. Study result shows that 64.5% women feel that currently they are partially involved in decision making process within their families. However, according to 17.8% women they are now fully involved in the decision making while 17.7% women are not sure about it.

### 3.7 Change in the lives of women in rural and remote areas due to SHGs

**Table 7:** Change in the lives of women in rural and remote areas due to SHGs

Nature of Change	Nos. of Respondents	Percentage
Positive	561	93.5
Negative	0	0.0
No Change	39	6.5
<b>Total</b>	<b>600</b>	<b>100.0</b>

**Chi-square** 981.21; **df:** 2, **p**<0.05; **Table Value:** 5.99

Above **Table 7** shows opinion of women of study area about change in their lives after becoming member of the SHGs. Study results show that 93.5% women feel that participation in SHGs has led to positive change in the lives of women in rural and remote areas. In addition to this according to 6.5% women participation in SHGs has not changed the lives of women in rural and remote areas.

## 4.0 Conclusions

### 4.1 Inspiration for setting up the SHGs

- On the basis of the study results it is evident that most of the women of study area got inspired from other SHGs for setting up their self-help group.

### 4.2 Membership of SHG

- On the basis of the study results it is evident that most of the women of study area are member of SHG from 4 to 6 years.

### 4.3 Increase in savings after joining SHG

- On the basis of the study results it is evident that most of the women of study area experienced increase in savings after joining SHG.

### 4.4 Improvement in economic status due to participation in SHG

- On the basis of the study results it is evident that most of the women of study area have observed high improvement in their economic status due to SHG participation.

#### 4.5 Gaining strength to perform financial transactions

- On the basis of the study results it is evident that most of the women of study area got strength of doing financial transactions due to SHG participation.

#### 4.6 Involvement in family decision making

- On the basis of the study results it is evident that most of the women of study area are partially involved in the decision making due to SHG participation.

#### 4.7 Change in the lives of women in rural and remote areas due to SHGs

- On the basis of the study results it is evident that establishment of SHGs has led to positive change in the lives of women in rural and remote areas.

#### 5.0 Bibliography

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