



Significance Of The Self Help Groups: A Critical Evaluation Of Chitradurga District

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Abstract: The process of women socially and economically has gained prominence through the Self Help Group (SHG) and its Bank Linkage Program. Numerous researchers and authors have praised the SHG initiative, considering it a key approach to promoting women's empowerment. SHGs are typically small, informal groups of people, usually women, who come together with a common purpose. The primary goal of this study is to evaluate the impact of SHGs on the socio-economic empowerment of rural women, as well as to assess the changes in their socio-economic, cultural, and behavioral conditions after joining the SHGs. Additionally, the study seeks to identify the key challenges and issues faced by SHGs in the selected area.

The research is conducted in rural areas of Chitradurga district, using both primary and secondary data sources. Primary data is collected through field surveys in the study area, focusing on a sample of 12 SHGs from Chitradurga district. Various aspects of the SHGs, such as educational background, age, economic status, and occupational patterns, are analyzed before and after members join the groups. The findings show that after joining SHGs, rural women members experienced significant empowerment, with noticeable improvements in self-esteem and positive behavioral changes

Index Terms - Self Help Group (SHG), empowerment of rural women, challenges and issues faced by SHGs, before and after members join the group, self-esteem and positive behavioral changes

INTRODUCTION

Self-help groups (SHGs) are small, voluntary groups of individuals from similar socio-economic backgrounds who come together with the goal of addressing common challenges through mutual assistance and self-reliance. In India, SHGs are predominantly focused on women, and their primary activities revolve around savings and credit services. The formation of SHGs is usually facilitated by organizations that promote microfinance, with the aim of generating income, creating employment opportunities, reducing poverty, and fostering social change, especially in rural areas. One of the most important features of SHGs is that most of these groups are managed and organized by rural women.

SHGs are emerging as a powerful tool for reducing poverty, empowering women, raising awareness, and creating an environment that leads to sustainable rural development. For any community to achieve socio-economic development, it is essential to prioritize the empowerment of women. The status of women in society can only improve when they are sufficiently empowered both socially and economically. Empowerment is a process that focuses on all sources and structures of power and operates on both individual and collective levels to achieve its goals. Poor women cannot overcome their vulnerabilities in isolation; empowerment can only be achieved through collective efforts. Therefore, rural women must be organized and recognized as a strong force. This empowerment includes equality in all aspects of life, such as having an equal voice in decision-making, authority, and control over resources and tools that support these advances.

CONCEPT OF SELF HELP GROUP

According to NABARD, Self-Help Groups (SHGs) are defined as "small, economically uniform groups of rural poor who come together to save and collectively contribute to a common fund, which is then lent to members based on their needs and the group's decisions." Also known as micro-banks, SHGs are village-level financial tools typically consisting of 10 to 20 rural poor women. Members regularly contribute small amounts of money over a few months until the group has accumulated enough savings to start offering loans. These savings can be loaned out to members or other needy individuals in the village, often for purposes like generating income.

REVIEW OF LITERATURE

In their 2001 research article titled "The Impact of Micro Finance on the Socio-Economic Status of Women in Madurai District," Anjugam and Alagumani highlighted several positive outcomes of microfinance. They found that it enabled households to repay old debts, cover medical expenses, purchase livestock, meet social obligations, and benefit from leasing cultivable land. These aspects were also discussed in the paper as key ways microfinance contributed to improving the socio-economic conditions of women in the district.

In their 2003 research paper titled "Social-Economic Impact through Self Help Groups," K. Ritu, R. K. Kushwaha, and A. K. Srivastava studied the functioning of self-help groups (SHGs) in the Kanpur District. For the study, they selected 25 women from SHGs as the sample, with 10 female members from each SHG and an additional 10 non-members from the same villages as respondents. The research revealed that SHGs had a significant impact on the socio-economic status of the women involved. The authors concluded that there is a strong connection between SHGs and the improvement of the socio-economic conditions of women in the study area.

Pandey and Rini Roberts (2011) explored how participating in Self Help Groups (SHGs) influenced the empowerment of women in Karnataka's Chamarajnagar District, using a personal narrative approach. They emphasized the need for a combination of supportive inputs, active involvement of women, shifts in social norms and perceptions, and alignment with broader social change movements to enhance empowerment.

OBJECTIVES OF THE STUDY

1. To examine the contribution of Self Help Groups to the overall socio-economic development and empowerment of rural women.
2. To assess the perspectives of beneficiaries regarding the impact of SHGs.

RESEARCH METHODOLOGY

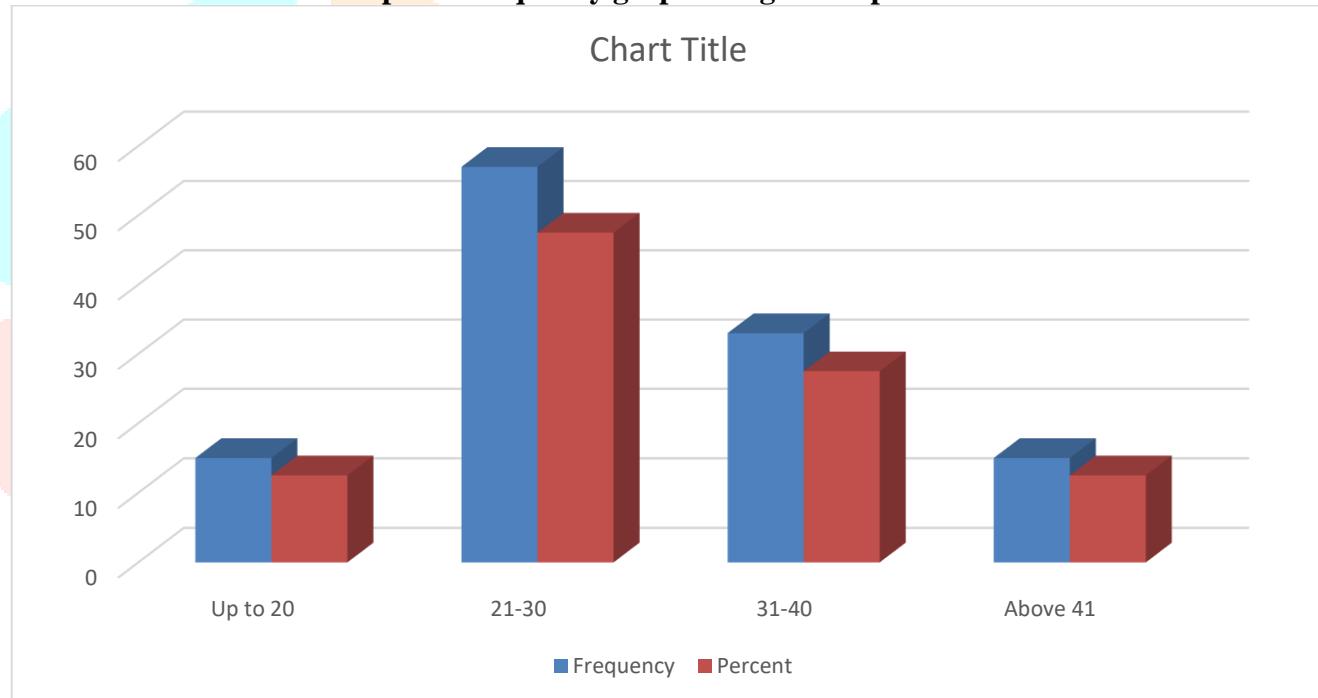
This ongoing study is an empirical analysis of Self Help Groups (SHGs) and their role in driving socio-economic change among women in rural areas of Chitradurga district. To highlight the impact of SHGs on the socio-economic transformation of women, a primary data survey was conducted using a structured questionnaire, which was tested across various dimensions before and after SHG involvement. A purposive sampling technique was used to select a sample of 12 SHGs, comprising 120 members from 6 taluks of Chitradurga district, for the study. After gathering the primary data through the questionnaire, the information was coded, edited, and organized into tables in a systematic way, facilitating a purposeful analysis and enabling meaningful interpretation of the findings.

RESULT AND DISCUSSION

Table 1: Frequency Table of Age of respondents

Age	Frequency	Percent	Valid Percent	Cumulative Percent
Up to 20	15	12.5	12.5	12.5
21-30	57	47.5	47.5	60
31-40	33	27.5	27.5	87.5
Above 41	15	12.5	12.5	100
Total	120	100	100	

Graph 1: Frequency graph of Age of respondents

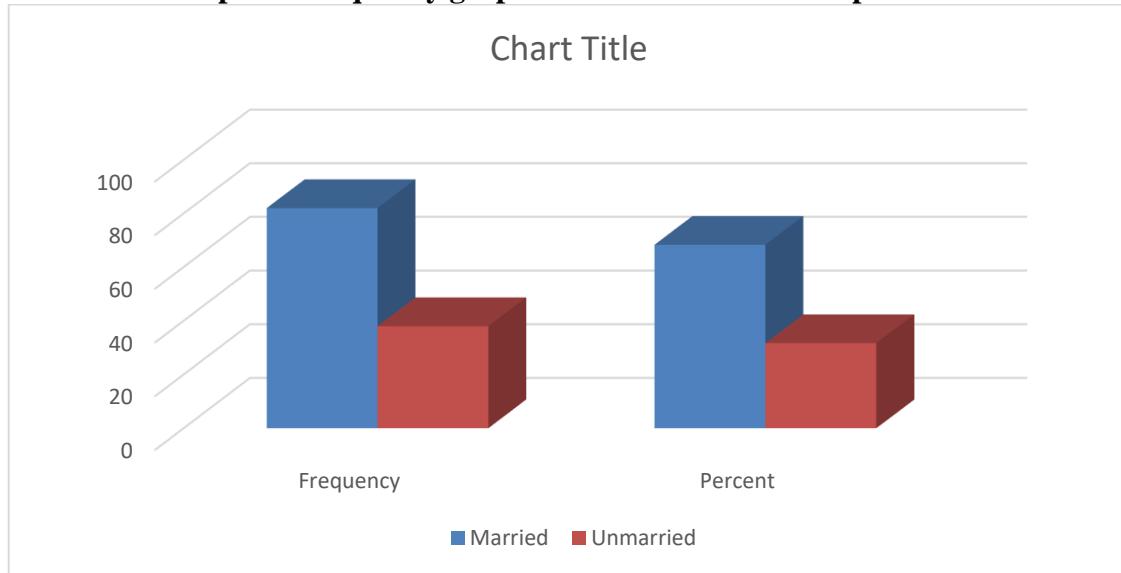


Inference:

Largest portion of respondents (47.5%) are between the ages of 21 and 30, indicating that this age group forms the majority of the participants. About 27.5% of the respondents fall within the 31-40 age group, which represents the second-largest group. The youngest group (up to 20 years) and the oldest group (above 41 years) each account for 12.5% of the sample, which are the smallest proportions in this study. The age group of 40 years, 87.5% of the sample is covered, and the final cumulative percent reaches 100% with the inclusion of those above 41 years of age. This suggests that the majority of the SHG members surveyed are within their productive middle age, particularly between 21 and 40 years.

Table 2: Frequency Table of Marital Status of respondents

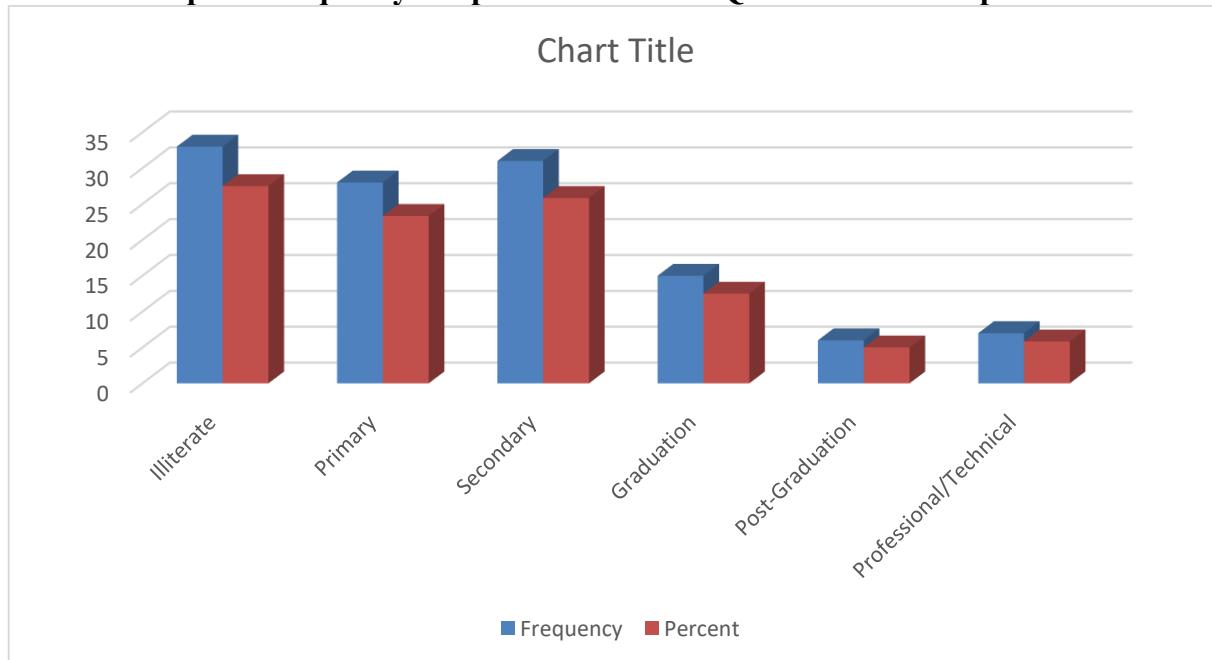
Marital Status	Frequency	Percent	Valid Percent	Cumulative Percent
Married	82	68.33	68.33	68.33
Unmarried	38	31.67	31.67	100
Total	120	100	100	

Graph 2: Frequency graph of Marital Status of respondents**Inference:**

The majority of the individuals in this sample are married (68.33%), while a smaller proportion (31.67%) is unmarried. There is a significant difference between the married and unmarried groups, with married individuals being more than twice as common as unmarried individuals.

Table 3: Frequency Table of Educational Qualification of respondents

Educational Qualification	Frequency	Percent	Valid Percent	Cumulative Percent
Illiterate	33	27.5	27.5	27.5
Primary	28	23.33	23.33	50.83
Secondary	31	25.83	25.83	76.66
Graduation	15	12.5	12.5	89.16
Post-Graduation	6	5	5	94.16
Professional/Technical	7	5.83	5.83	100
Total	120	100	100	

Graph 3: Frequency Graph of Educational Qualification of respondents

Inference:

A notable proportion (27.5%) of respondents are illiterate, representing the largest educational group in this sample. A combined 49.17% of respondents have completed either primary (23.33%) or secondary education (25.83%). This indicates that around half of the respondents have attained basic education levels. A relatively small percentage of respondents have completed graduation (12.5%), post-graduation (5%), or professional/technical education (5.83%). The respondents who have completed secondary education, the cumulative total reaches 76.66%. Only a small portion of the respondents (23.34%) have pursued education beyond secondary school. Overall, the data reflects a largely basic education level among the respondents, with relatively fewer individuals progressing to higher education or professional qualifications.

Social Impact and Empowerment of SHG members:

The impact of SHGs on emotional, economic, and social well-being, or empowerment, was measured using a five-point Likert scale. Each statement was assigned a score, with a high score of 5 given to responses indicating strong agreement, and a low score of 1 given to responses indicating strong disagreement.

Table 4

Sl. No.	Variables	Before Joining-SHG			After Joining-SHG		
		Mean	SD	Rank of Mean	Mean	SD	Rank of Mean
1	Emotional well-being	1.49	0.79	14	4.061	0.63	9
2	Engaging in income-generating activities	2.212	0.832	8	4.521	0.631	2
3	Self-confidence	2.023	0.89	10	4.164	0.543	7
4	Self respect	2.421	0.823	7	3.048	0.77	18
5	Skill development	1.994	0.512	16	3.764	0.712	13
6	Women are Socio-economically empowered	1.236	0.521	20	4.632	0.632	1
7	Ability to move independently	1.998	0.621	17	4.511	0.618	3
8	Poverty reduction	1.861	0.213	18	3.197	0.617	16
9	Managerial skills	2.02	0.417	15	4.429	0.598	4
10	Decision-making	1.312	0.652	19	4.354	0.551	5

The analysis in the table highlights that the social status and empowerment of the women respondents significantly improved after joining Self-Help Groups (SHGs). The most notable outcome was the enhancement of both economic and social empowerment among women, which was ranked first. This was closely followed by the fact that many women began engaging in income-generating activities. The third key benefit was the increased ability to move independently, while the fourth was an improvement in women's managerial skills. Further rankings were given to their growing role in decision-making, the freedom to express opinions openly, and the boost in self-confidence.

Overall, the benefits provided by SHGs have positively contributed to improving both the human and economic capacities of the women surveyed. Moreover, the impact on these various factors is evident from the respective mean and standard deviation scores for each. Therefore, it can be concluded that SHGs have had a positive effect on the psychological and social well-being of the women members.

CONCLUSION

Based on the discussion and analysis presented above, this study conclude that self-help groups (SHGs) are proving to be an effective platform for improving women's socio-economic status. They have not only enhanced women's knowledge and awareness of various social and financial issues, but also provided crucial financial security during emergencies, particularly for rural women. SHGs have played a key role in enabling women to engage in income-generating and employment-related activities. The study shows that SHGs have been instrumental in bringing about psychological and social empowerment, alongside economic

advancement. Their impact has been remarkable in fostering self-reliance among women, while also helping them gain self-confidence, build self-esteem, and acquire power and control over resources. Additionally, SHGs have contributed to skill development, enhanced decision-making abilities, and overall empowerment. Finally, SHGs are driving transformative changes in women's economic conditions, social standing, participation in decision-making, and involvement in outdoor activities.

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