

Impact of Self Help Groups (SHGS) on Decision Making

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INTRODUCTION

From time immemorial, in a variety of cultures of different countries, people have organized themselves at the grass root level of find innovative solutions to specific problems. Organizing at the local level is a form of collective advocacy on behalf of a shared cause or direction action in the service of achieving a collective goal. As Baltiwala (1994) stated “In gross roots programs and policy debates, empowerment has virtually replaced terms such as welfare, upliftment, community development and intervention”. In recent years the group approach for poverty alleviation has been gaining recognition in the Asian countries. Mostly women are mobilized into groups for undertaking mutually beneficial social and economic activities. The group provides the women a base for self-employment and empowerment through group dynamics. In India, these mutual help based groups are known as self help groups (SHGs). The fundamental basis of the self help group exists prior to any external intervention. A common bond like caste affiliation, place of residence, need and interest, community links individual. A development functionary must have the experience to identify these common bonds which are commonly called “natural affinities”.

The empowerment of women through SHGs would give benefit not only to the individual women but also for the family and community as a whole through the collective action for development. These SHGs have a common perception of need and an impulse towards collective action. Empowering women is not just for meeting their economic needs but also for more holistic social development. The SHGs empower women both socially and economically. They encourage women to participate in decision making in household, community and local democratic sector and prepare women to take up leadership position.

The self help group is not a static institution. It grows on resources and management skills of the issue and programs that requires their development in public and private spheres. Self help group usually considered of 10 to 20 members living in the same area. The groups are formed by the NGOs, Government department or project implementing agencies. They have voluntary come together for the business of saving and credit and to enhance the member's financial security as primary focus and other common interest of members such as area development, awareness, motivation, leadership, training and association in other social intermediation programmes for the benefit of the entire community.

REVIEW OF LITERATURE

The important works on such matter are Gupta, M.L. and Gupta, N (2006) in their study **“Economic Empowerment of Women Through SHGs”** indicated the successful working of SHGs in Punjab has given enormous benefits. Organized working of the women through SHGs has raised the income of the families involved. Success of these SHGs not only improved the economic status of the women concerned but there is also a drastic change in their social status.

Selvakumar, M and Sunder, R (2007) in their study **“Swarnjayati Gram Swarozgar Yojana – Tool for Poverty Eradication”** indicated that SGSY is the best tool to eradicate poverty in rural India. It helps the poor women to uplift their socio-economic status in their respective communities.

In addressing the first Ad-hoc National Federation of SHGs meeting in New Delhi, The Union Rural Development Minister Dr. Raghuvansh Prasad Sing provided importance on the formation of SHGs. The SHGs play a proactive role for the economic empowerment of rural mass (2008).

Borthakur, Purabi and Das, Mallika (2004) in their study **“Ravi – A Model Village of Assam”** indicated that in Jorhat District, Ravi village was an important village where nine SHGs run solely by women. The success of these groups are promoting and encouraging others to form more and more SHGs.

Thakuria, Nava (2005) in his study **“The Growing Mission of Self-Helping”** indicated that the Milizuli Self-Help Group in Nalbari has successfully empowered the Hira (pottery) community women in the society.

Mandal, Amal (2004) in his book **“Rural Development in West Bengal”** indicated that SGSY scheme helped the poor community women to improve their socio-economic status in West Bengal.

Rao, Radhakrishna (2005) in his study **“Women’s Groups Herald a Wind of Change in Rural Uttaranchal”** explained that the all women SHGs took upon themselves the tasks of giving a fresh thrust to development activities and community empowerment.

Extension research (Roy and Clark, 1994; Roy and Tisdell, 1996; Rao, 1991) on women’s socio-economic status in Rural India have found that these women have reached the end of their carrying capacity and that the empowerment of women is a fundamental requirement for sustainable development. As per 56th Round Survey data (2000-01), the estimated percentage of proprietary female owned enterprises in rural areas is to be extent of just 7.6 percent of male owned enterprises and the number of workers in female own account enterprise is found to be 6.84 lakhs as against 89.9 lakhs for male counterparts. Regional inequalities in women owned enterprises are found to be higher in rural areas compared to urban areas.

Ahirrao (2008) in his study **“Rural Women Empowerment Through Micro Finance”** shows the SHGs of rural women consists of members who are the poor, having low saving capacity and who depend on money lenders for meeting their consumption needs and social obligations. Formation of women into self-help groups paved a way to develop their economic standards, thereby building self-confidence. Women in SHGs have been encouraged by the Govt. as well as NGOs to undertake self-employment ventures with locally available resources.

Koul, D.N. and Mohan, G (2008) in their study **“Women’s Self-Help Groups and Micro-Finance”** shows that the SHGs formed helped the rural womenfolk in improving their awareness and self-

dependency. It was more crucial for women of tribal communities for sustenance of their family. The biggest concern was that the groups are more of credit management nature and the meetings were mostly limited to collection of monthly saving and discussion of loans.

In relation to women and work, there are a number of studies done by sociologists and anthropologists in the contemporary set up. Miralao (1983), called women's work crucially important in the economic support of families in view of limited incomes of households that are insufficient to meet requirement for living or in enabling families to improve their economic conditions. In the contemporary setup the single earner household has become a dual earner household in which, both husbands and wives earn by going outside the home to work. Thus work participation empower the poor women.

NABARD established as an apex institution to provide credit facilities to the rural areas. NABARD provides micro finance to the women SHG in order to empower the womenfolk in the rural areas. The institution thinks that there is urgent need of empowering women especially in rural area. The formation of SHG and Micro finance will enhance their socio-economic position in the society. [NABARD website]

OBJECTIVES OF THE STUDY

In the light of above facts, this study was conducted with the two main objectives.

1. To study the formation mechanism of SHGs.
2. To measure the impact of the SHGs on decision making.

METHODOLOGY

The study was conducted in Dhubri district of Assam. Two blocks i.e. Golakganj development block and Agomani development block were selected randomly. Thus 25 SHGs were selected from these two development blocks for the study. 10 women members from each SHG and 10 non-SHG women members from the same village were selected on random basis as respondents. Thus 250 respondents from SHGs and 250 from non-SHG members were selected for measuring the impact of SHGs regarding decision making aspects. Following 3 points rating scale were used with the following score value –

Agree – Score value – 3

Undecided – Score value – 2

Disagree – Score value – 1

From the observed data mean value was calculated. The mean was compared the neutral score value i.e. 2. If the mean was found below the neutral value, it means the statements having no impact and in other if the mean value is equal or above the neutral score, it means the statements having impact. The data were collected through interview schedule. Percentage, mean and correlation co-efficient were used as statistical measures to treat the data properly.

Result and discussion

Table: 1

Sl. No.	Attributes	Categories	Residents	
			Frequency	Percentage
1	Motivating agency for joining SHGs	NGO	208	83.2
		Self	42	18.8
2	Purpose of joining SHGs by firm women	Saving	250	100.00
		Loaning facility	236	94.4
		Income generation	241	96.4
		Exposure of social contact	233	93.2
		Problem solving	101	40.4
		To get training and knowledge on different aspects	152	60.8
		To go outside home	87	34.8
3	Criteria for group formation	Nearness for the house	180	72.0
		Income	176	70.4
		Caste	125	50.0
		Age	19	07.6
		Person with similar ideology	45	18.0
4	Willingness of women to join SHG	Willingly	220	88.0
		Unwillingly	30	12.0
5	Risk orientation of women at the time of joining SHG	With risk	201	80.4
		Without risk	49	19.6
6	Kind of risk and problem faced by women SHGs member	Money loss	201	80.4
		Going outside the home	106	42.4
		Anger of male member	45	17.2

Table: 1 shows that majority (83.2%) of women joined SHGs through NGO's motivation. Cent-percent women members joined SHGs for the purpose of saving, followed by income generation (96.4%) loaning facilities (94.4%), exposure and social contact (93.2%) and to go outside home (34.8%). Nearness of the house was the major criteria for group formation (72.0%) followed by

income level (70.4%) and age group (7.6%). Majority of the respondents (88.0%) joined SHGs willingly but 80.4% felt financial risk at the time of joining.

Table: 2

Particulars	Members N=250		Non-members N=250		Correlation
	Mean	Difference from neutral value	Mean	Difference from neutral value	
Decision on children education	2840	0.840	1300	-0.700	r =0.610 which is > table value 0.5341.14 df at 5% level of significance
Independently take decision for nutrition of the family	2572	0.572	2.280	0.280	
Participate in decision of marriage of children	2960	0.960	2.144	0.144	
Participate in decision on purchasing HH matters	2924	0.924	2.284	0.284	
Participate in decision on purchasing of agri implements	3000	1000	2.188	0.188	
Feel free for enjoying outside the home like friends home, marketing, gossip etc.	24152	0.152	1.792	-0.208	
Participate in independent decision on family planning	2152	0.152	2.730	-0.730	

Table: 2 reveals comparatively higher mean scores for statements “purchasing of household matter”, “participate in decision of marriage of children”, “participate in decision of social custom”, take decision for children education “independently take decision for nutrition of family”, free for enjoy in outside the home like gossip etc.”, “participate in decision in family planning”, purchasing of agricultural implements” which were 1.0, 0.96, 0.924, 0.84, 0.572, 0.152 and 0.152 respectively. This indicates impact of SHGs on decision making. In case of non- members, the mean scores on item “free for enjoying outside the home, “take independent decision about family planning, “take decision in children’s education, “purchasing of agricultural implements” are 0.74, 0.73, 0.7, and 0.21 respectively. Sing (1998) described that the women play a crucial role in decision making process about household economy like sale of agricultural produce, live stock, and minor forest produce.

The correlation between the members and non-members was measured. The calculated value of “r” was found 0.610, which is greater than the table value 0.5341, 14 D.F. at 5% level of significance. Hence, significant relationships were found between members and non-members in decision making.

LIMITATION OF THE STUDY

The most important limitation of the study were as follows

1. The respondents are low literate. Thus sometime they provided some misleading information.
2. Due to ignorance the respondents did not openly provide their real socio-economic position in the community.
3. In most of the cases the self-employed women didn't disclose their business secrets (i.e. income and spending/saving etc.).
4. Some respondents also tried to furnish wrong information, which was detected through supplementary and counter questions during filling up questionnaire.
5. In case of some orthodox women, they either did not want to turn up or hesitated in giving answers of the questions.

POLICY IMPLICATIONS

- a). Mechanization be introduced in the SHG's productive activities to minimize the over burden of work of women.
- b). Government agencies and NGOs should expand training programmes for women so that their productivity and skill be raised.
- c). To get aware of new developments in SHGs sector, communication channels be geared up.
- d). To be more productive the marketing arrangement should be improved.

CONCLUSION

The SHGs empower women in various respects. They enable women to participate in decision making at every level. This SHG movement has been initiated in India, with a view to empower the poor women in the society. The successful SHGs have improved the socio-economic status of women in the society. SHGs change women from housekeeper to decision making. From this study, it can be calculated that majority of members joined SHGs for the purpose of saving. Most of the respondents accepted membership willingly but with the assumption of risk of money loss. Thus, the women as members of SHGs were able to take more decision as compared to those who are not the members of SHGs.

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