

An impact analysis of technological training on women self help groups

K. SITA DEVI*, T. PONNARASI AND M. P. SARAVANAN

Dept. of Agricultural Economics, Faculty of Agriculture, Annamalai University, CHIDAMBARAM (T.N.) INDIA

ABSTRACT

Microfinance mobilization as a programme to help the poor has gained wide acceptance. Self Help Groups are expected to muster up resources for future use towards income generation activities. Therefore, the present study has been formulated to evaluate the impact of technological training on women self help groups in terms of employment level and asset position of the members. A multistage stratified random sampling technique has been adopted with Cuddalore district as the universe. The ultimate sample for this study consisted of 72 SHGs and 216 members. The percentage analysis was done to study the socio-economic characteristics of the sample respondents. The Garrett Ranking Technique was used to study the utility of the SHGs in the process of empowerment of women. It was found that commercial banks, NGOs and government agencies were important agencies which imparted training to the members. The technological training programmes attended by the members of women SHGs resulted in the incremental increase in their employment pattern and asset position. The SHGs have helped the respondents to be more gainfully employed in the non-farm activities. It is emphasised that policy planners might think of launching evaluation studies of such programmes on a continuous basis, so as to understand and undertake efforts to make the SHGs succeed. Efforts may be initiated to impart the required training to the members on the identified new ventures.

Key words : Impact analysis, Technological training, Self Help Groups, Microfinance, Employment.

INTRODUCTION

The poor want to save money for a variety of purposes. Most poor women are working in the informal sector. There have been several initiatives for catering to the credit (and training) requirements of women working in the informal sector under different schemes of the government. For example, training facilities are offered under TRYSEM, STEP, DWACRA, IRDP schemes, and the scheme of Women Development Corporations. The NABARD and RBI have resolved to reach out to 40 lakh families in the next few years with microcredit.

Experiences of implementing different antipoverty and other welfare programmes within, as well as outside the country, have shown that the key to success lies in evolving appropriate community based organisations with participation at grass root level.

Microfinance mobilization as a programme to help the poor has gained wide acceptance. The Central government regards Self Help Groups (SHGs) as the platform for any microfinance programme and as the appropriate conduits for financial assistance to self help group members. The group members are generally those living below the poverty line.

A major innovation being tried in the area of rural credit is the promotion of Self Help Groups (SHGs) for the poor, especially women, to help them gain better access to savings, credit and training facilities. People's participation in credit delivery and recovery and linking

of formal credit institutions, to borrowers through intermediaries of SHGs have been recognised as a supplementary mechanism for proving credit support to the rural poor. SHGs are considered as a solution for some of the problems of the rural credit markets which come in the way of rural poor having sustained access to formal credit agencies.

The SHGs are rated as far more flexible and democratic and they are also less bureaucratic. Women can, therefore, find more opportunities for forming SHGs and develop leadership to achieve women empowerment. The initial growth of SHGs has been in areas where they received support from Non Governmental Organisations (NGOs). The NGOs supported not only in the formation of SHGs but also in identifying economic activities, imparting training and even financial support in the initial stage. By offering savings services, a financial institution can promote greater customer loyalty and loan repayment discipline, thus reducing the institution's cost of funds for on-lending and overall transaction cost. Moreover, RFIs can also improve their viability by expanding their volume of business. Subsequently, the SHGs have been linked with banks for savings and credit operations. Some of the NGOs, working for women's socio-economic upliftment, have also adopted the cooperative legal structure.

In the context of microcredit, the most vital function of the group is that it is the disciplining ground for the

* Author for correspondence.