

A Case Study :

IMPACT OF SELF HELP GROUPS ON SOCIO-ECONOMIC STATUS OF RURAL WOMEN

MANOSHI BARUAH DEKA, MANJU DUTTA DAS, SANGEETA BORAH SAIKIA AND REKHAMONI SAIKIA

See end of the article for authors' affiliations

Correspondence to :
MANOSHI BARUAH DEKA
Department of Extension
Education, College of Home
Science, Assam Agricultural
University, JORHAT
(ASSAM) INDIA

Accepted : March, 2008

ABSTRACT

The study was conducted in five adopted villages of AICRP on Home Science. For the study, ten self help groups and fifty members of SHG and fifty non members were selected as respondents. The findings indicated that majority SHGs were of medium size and linked with banks. Economic security and inculcating savings habit were the major motivating factors for joining SHG. Membership in SHG aided in generating income, facilitated loaning and increased social contact, opened up training avenues thus leading enhancement in the socio-economic status of rural women was reflected through the study

Key words : Self Help Groups (SHG), Socio-economic status, Rural women

Over the years, a plethora of poverty alleviation programmes in various forms has been implemented by the Government in the country and a huge amount of social and financial investment has been made to achieve the objective of poverty eradication. But due to overburden of multifarious functions, the problem could not be tackled effectively by the Government. Women are the vital part of Indian economy, constituting one-third of the national labour force and a major contributor to the survival of the family. Poorer the family, greater is its dependence on women's income. In this era of post-economic reforms group approach for poverty alleviation, has been gaining recognition in Asian countries. Mostly women are mobilized to organize into groups for undertaking mutually beneficial social and economic activities. The group forms the base for self employment through group dynamics. These groups are known as self help groups (S.H.G.) which are small voluntary association of poor people, preferably from the same socio-economic background. They come together for the purpose of solving their common problems through self and mutual help. The formation of SHG aims for the development of socio-economic condition of the group, their quality of life and to help the group to become self-dependent, which indirectly relates to the socio-economic development of the country.

The groups that are formed with thrift and credit as an entry point have shown that the poor can secure greater

access to credit and other support services for enhancing their income levels. Kamaraj and Muralidaran (2004) reported that self-Help Groups have the potential to create a socio-economic revolution in the rural areas of our country. They have proved that they could indeed bring about a change in the mindset of very conservative and traditional bound illiterate in rural areas.

Tripathy (2004) reported that SHGs formed under various programmes provide a great scope for convergence of the programmes / activities of various Ministries, Departments and organizations can look towards the SHGs for targeting their programmes, which ultimately would help in improving the quality of life in rural areas.

According to Sinha (2004) micro-credit or micro-finance, which is a tool for empowerment of the poorest has received extensive recognition as a strategy for poverty and it is delivered normally through SHGs.

Rajput *et al.* (2005) recommended systematic sensitization of members of SHGs regarding multiple roles they can play for overall development of village families.

Considering the above studies and as there is lack of employment and self employment opportunities in villages owing to their narrow economic base and due to inadequate data with regard to Assam, this study was undertaken with the following objectives:

- To study the background profile of SHGs
- To study the motivation factors for formation of SHGs.
- To measure the impact of the SHGs on enhancement of socio-economic status of rural women.

METHODOLOGY

The study was conducted in the adopted villages under All India Coordinated Research Project on Home Science in Jorhat district of Assam. Two SHGs from each of the five adopted villages were selected as per pre-determined criteria such as the SHG should be at least six months old and registered. The size of the total sample was one hundred out of which 50 were members of SHG and 50 were non members. Equal number of sample was selected from each village. The impact of SHG on enhancement of socio-economic status of rural women was judged by comparing the obtained mean score and neutral score value on a set of 10 statements and measured in 3 point continuum. The mean value below the neutral score was indicative of no impact and equal to and above indicated positive impact. The data were collected through personal interview.

RESULTS AND DISCUSSION

The data on background profile of the SHGs is presented in Table 1. The background profile for the present study included parameters such as size, interval of conducting group meeting, linkage with line organization and the leadership pattern of the groups. The data show that except one SHG, all were of medium size having 11-15 members in each group. The data further revealed that the majority (80%) of the groups convened their meeting weekly, where they exchanged their views, made work plans discussed and solved problems and took account of savings and credit. Majority (70%) of the SHGs were linked with banks and president was the leader.

In order to find out the different factors that motivated the rural women for group formation a number

of parameters such as economic security, credit and loaning facility, special recognition in society, working in cooperation, inculcate saving habit and starting enterprise were taken into account. Out of these six factors⁹⁵, economic security was expressed as a motivating factor by highest percentage (72%) of members of SHGs, followed by inculcating saving habit (68%) and starting enterprise (56%) (Table 2). Equal percentage (50%) of members expressed special recognition in society and working in groups as the motivating factors for group formation whereas about one fourth of members (28%) expressed getting opportunity for credit and loaning facility. These motivating factors of the SHGs indirectly relate the socio-economic development of the society as well as the country.

The data on impact of SHG on enhancing socio-economic status are presented in Table 3 which revealed comparatively higher mean scores for statements such as loaning facility, generates income, aids in taking income generating activity, develops independent decision, increases self confidence, increases team spirit, exposes social contacts, solves problem, helps to get training and knowledge on different aspects, helps to go outside home which were 1.0, 0.96, 0.95, 0.93, 0.92, 0.91, 0.90, 0.82, 0.81 and 0.40, respectively. This indicates positive impact of SHGs on enhancing the socio-economic condition. In case of non-members the mean scores were negative on items generates income, facilitates loaning, increases team spirit, aids in taking income generating activity, develops independent decisions, helps to get training and knowledge on different aspects which are -0.712, -0.736, -0.74, -0.732, -0.71 and -0.56 respectively. The same set of data further reveal that the difference from neutral value was much lower for non members in case of 'helps to go

Table 1: Distribution of Self help groups according to their background profile N=10

Sl.No.	Characteristics/villages	Percentage of SHGs					Total
		Gojpuria	Jamuguri	Nachungi	Thengal	Timtimia	
1.	Size of Group						
	Small (Upto 10 members)	10	0	0	10	0	20
	Med (11 to 15 members)	10	20	20	10	20	80
2.	Convening meetings						
	Weekly	10	20	20	20	10	80
	Fortnightly	20	0	0	0	10	30
3.	Linkages						
	Banks	20	20	10	10	10	70
	Block Office	0	0	10	10	10	30
4.	Leader of the group						
	President	20	20	10	10	20	80
	Secretary	0	0	10	10	0	20

SOCIO-ECONOMIC STATUS OF RURAL WOMEN THROUGH SELF HELP GROUPS

Table 2: Motivation factors for forming SHG

N=50

Factors*	Percentage of SHG members					
	Gojpuria	Jamuguri	Nachungi	Thengal	Timtimia	Pooled data
Economic security	80	60	70	70	80	72 ⁹⁶
Credit and loaning facility	50	0	40	40	10	28
Special recognition in society	60	0	80	50	60	50
Working in cooperation	60	60	80	0	50	50
Inculcate savings	80	60	70	60	70	68
Starting enterprise	70	0	60	70	80	56

*multiple response

Table 3 : Impact of Self Help Groups on enhancing the socio-economic status of rural women

N=100

S.No.	Particulars	Member (N=50)		Non-member (N =50)	
		Mean	Difference from neutral value	Mean	Difference from neutral value
1	Generates income	2.960	0.960	1.288	-0.712
2	Facilitates loaning	3.000	1.000	1.264	-0.736
3	Aids in taking income generating activity	2.950	0.950	1.268	-0.732
4	Solves problems	2.820	0.820	2.819	0.819
5	Develops independent decisions	2.934	0.934	1.392	-0.708
6	Helps to get training and knowledge on different aspects	2.810	0.810	1.436	-0.564
7	Helps to go outside the home	2.400	0.400	2.708	0.708
8	Increases self confidence	2.921	0.921	2.280	0.280
9	Increases team spirit	2.908	0.908	1.260	-0.740
10	Exposes to social contacts	2.900	0.900	2.837	0.837

outside home, increases self confidence in comparison to the members of SHGs. This indirectly reflects the impact of SHGs on socio-economic condition on members and non-members. The findings of the present study can be supported by the study conducted by Jain, and Kushwaha (2004) that the women as a member of SHGs were able to take more decisions as compared to those who were not the member of SHGs.

CONCLUSION

From this study, it may be concluded that majority SHGs were of medium size and linked with bank. Large number of the rural women formed SHG for obtaining economic security and inculcating saving habit in them generating income, obtaining loan, increasing their social contact, exposed to various trainings, increased team spirit thus leading to increase in self confidence which on the other hand resulted in empowerment of members of SHGs by enhancing the socio-economic status in comparison to the non member of rural women. However, systematic sensitization of members of SHGs and other rural women (non members) regarding multiple role of SHG on overall development of the community is the need of the hour. Therefore, planners and policy makers should suggest measures for organizing women into groups and take measures for sustainability of the SHGs as the

membership in SHG improves not only their position in the society but also helps in improving the economic scenario of the locality and the nation as a whole.

Authors' Affiliations

MANJU DUTTA DAS, SANGEETA BORAH SAIKIA AND REKHAMONI SAIKIA, Department of Extension Education, College of Home Science, Assam Agricultural University, JORHAT (ASSAM) INDIA

REFERENCES

Jain, Ritu and Kushwaha R.K(2004).Self help groups and its impact on decision making. *Indian Res. J.of Extension Education*.Vol. **4** (3)

Kamaraj, J.M.Arul and Muralidaran K.(2004).Empowerment of rural women through Self Help Groups ; 'Rural India' ,Vol. **67** (2 & 3): 33-35.

Rajput, S, Ahuja . A Khan.S and Singh N. (2005).Roles of women SHGs; 'Rural India' ,Vol. **68** (11) : 225.

Sinha, Archana(2004).Micro finance for women's empowerment; *Kurukshetra* Vol. **52** (6) : 31-38.

Tripathy, K.K, (2004). Self Help Groups: A catalyst of rural development; *Kurukshetra* Vol. **52** (8) : 40-43.

