Research Article

Performance of women self-help groups organized by two different non- governmental organizations in Kolar district of Karnataka state

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SUMMARY : A comparative study on performance of women self-help groups was carried out in Mulbagal taluka (Grama Vikas) and Bangarpet taluka (MYRADA) of Kolar district in Karnataka state. To test this difference, mann whitney 'U' test was used by developing the Null hypothesis and alternate hypothesis. The SHGs organised by the Grama Vikas were performing significantly better than that of the groups organised by the MYRADA. The average amount saved by the groups since inception of Grama Vikas was more (Rs. 78,401) than that of the groups of MYRADA (Rs. 44168). More number of economic activities have been taken up the SHGs of Grama Vikas.

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BACKGROUND AND OBJECTIVES

Acute and persistent poverty is one of the basic problems afflicting India. Lack of institutional credit has been considered as one of the major constraints for the poor to come of the vicious circle of poverty. At the government level attempts like introduction of co– operatives followed by nationalization of commercial banks and opening up of regional rural banks were made with a view to reach the poor for having better access to institutional credit. They failed to get the loans in time and they are still outside the forma credit delivery system and continue to depend upon indigenous money lenders even today, since the credit needs of the rural poor which are normally small and urgent.

Failure of co-operative banks, rural banks and also developmental and poverty alleviation programmes stressed the need for an alternative arrangement for the delivery of credit to the poor. Mankind has practiced self-help since times immemorial in innumerable ways. Even today, it is one the main characteristics of the productive behaviour of the poor in rural and urban areas. Thus, the potential of this system has been explored through the developmental approaches of non- government organisations (NGOs). Self-help has emerged as a new paradigm for combating poverty and self-help promotion has become one of the major thrust areas for NGOs in India.

In recent years self-help groups are emerging as an alternative arrangement for the delivery of credit to the poor particularly among the women in the rural areas. Besides economically empowering the rural poor, the SHG movement has encouraged group action against exploration and apathy. It is only the recent past, women have been included under the folds of SHG for assistance and also identifying their talents, needs and ideas.

Self-help groups are formed by rural people with the objective of improving their livelihoods through collective savings and investments I income – generating activities. The norms of

SHGs vary according to the preferences of the members and those facilitating their formation. These are very important for the society especially women to improve employment and income earning opportunities almost all major donor agencies support SHGs in India in one way or another which depending on their performance. Many success stories are available, describing how membership in a SHG changed the life of a particular individual of group for the better. Many NGOs in India are promoting the SHJG mechanism and linking it to various other developmental interventions for its better performance.

Certain components of SHGs which depicts their performance:

SHGs are formed for a variety of purposes and by a variety of people. The structural aspects of the SHGs includes parameters such size of the group, socio- economic profile of group leaders and profile of members.

Size of the group:

An SHG normally consist of 12 to 20 members generally who are of same socio and economic background.

Leaders of SHG:

Each SHG consists of three office bearers I.E. president, secretary and treasurers. In some cases there are two office bearers also, which depends on the promoting NGO/agency/institution.

SHG members:

The members of the group who apart from the office bearers are defined as group members.

Functions of SHGs:

The performances of groups need to be understood from functional point of view. The functioning of these groups can be discussed in various parameters such as:

Meetings:

Gathering of group members to transact and discuss about their savings amount, internal lending, social problems and others.

Savings:

Process of regular pooling of small amount by the members of the groups. it will be accumulated in their account and it will be rotated between the members as internal loan.

Internal lending:

This is the process of lending the money to the needy members of the group out of their own funds out of savings

and common fund. The interest rate for which has been pre decided by the group.

RESOURCES AND METHODS

Many studies have been conducted on different aspects of women developmental programmes executed by the government of India as well as the state government and even NGOs, but a very few studies have been conducted on the women self-help groups, in rural areas of Karnataka, particularly in Kolar district. Thus, the research was conducted at Mulbagal and Bangarpet talukaas in Kolar district of Karnataka state, where Grama Vikas and MYRADA two NGOs are functioning, respectively. The Kolar district was purposively selected by considering the more number of SHGs functioning and involved in developmental programmes. Hence, the research was undertaken to study the performance of women self-help groups.

Performance of the group:

Performance is one of the criteria by which the effectiveness of an orgnisation, institution or a group is measured. Here the performance of the group is a function of individual performance in a group of organisation, it includes their role and efficiency in handling the situation by an individual for the betterment of the group as a whole. To measure/quantify the performance of the group, the procedure developed by MYRADA was used. This procedure consists of 21 performance criteria. Under each criterion the leader/president of the group was asked to indicate the level of performance of their group. Some of the criteria were known by looking into the different records maintained by the groups.

Under each criterion four statements related to that were framed and scoring was given to statements as 0 to 3. The total scores for the each groups was computed and the maximum and minimum score that may be obtained by the the groups was 63 and 0. Then the SHGs were grouped into low, medium and high category by taking the mean and half standard deviation as a measure of check.

Category	Score	
	Gramavikas	**MYRADA**
Low (X-1/2 S.D)	<59.92	<51.87
Medium (X-1/2 S.D)	58.92 to 61.08	51.87 to 56.79
High (X-1/2 S.D)	>61.08	>56.79

Three groups from each of the organization were randomly selected for the study. Twenty members from each of the groups were considered for the study making a sample size of 120. One of the objective of the study was to study the difference in performance of SHGs organised by two

NGOs. To test this difference, mann whitney 'U' test was used by developing the Null hypothesis and alternate hypothesis. The Null hypothesis set for the study was, there is no difference between the performance of SHGs of two different NGOs and the alternative hypothesis for the test was, there is a difference between the performance of SHGs two different NGOs.

OBSERVATIONS AND ANALYSIS

A perusal of the data presented in the Table 1 shows the scores obtained by the groups of Grama Vikas and MYRADA. The 'U' value was found out by arranging the scores in ascending order. After arrangement keeping the MYRADA as control group 'U' value found out by using the formula

U=n1 n2 – U and alpha=10 per cent.

The 'U' value obtained was 1 and n1=n2 *i.e.* 3. By looking the Table 'j' at n1=n2=3 and u=1. The table value is 100 *i.e.* 100 per cent. Under the condition of 'U' test that, if the observed value of U has an associated probability equal to or less that alpha, reject Null hypothesis in favour of alternate hypothesis.

The Null hypothesis was rejected and by accepting the alternate hypothesis it was clear that, there was a significant difference between the performance level of Grama Vikas and MYRADA. By looking into the total scores obtained and mean scores of groups of Grama Vikas and MYRADA, the SHGs formed by Grama Vikas performed significantly better than that of the groups formed by MYRADA (Table 1 and 1a).

Table 1: Performance of the groups with respect to the items taken for the study and their respective scores

Sr. No.	Description of the item	Grama Vikas			MYRADA		
		GP1	GP2	GP3	GP1	GP2	GP3
1.	Goals, vision and mission of the group – decision making	3	3	3	3	2	3
	Awareness	3	3	3	3	3	3
2.	Size of the group	3	3	3	3	3	3
3.	Economic status of members	3	3	3	3	2	3
4.	Meetings of the group	2	2	2	2	2	2
5.	Attendance of the members in meeting	3	3	3	3	3	3
6.	Participation of members in meeting	3	3	3	3	2	3
7.	Sharing of responsibility by members	3	2	3	3	2	3
8.	Rules and regulations for the group	3	3	3	2	2	3
9.	Savings	3	2	3	2	2	2
10.	Sanctioning of loans	3	3	3	2	3	3
11.	Loan repayment	3	3	3	3	3	3
12.	Cash handling	3	3	3	3	2	3
13.	Resource mobilisation	3	3	3	2	2	2
14.	Book keeping and documentation	3	3	3	3	3	3
15.	Training programmes	3	3	3	3	2	3
16.	Planning, Implementing, monitoring and evaluating the programmes	2	2	3	3	2	3
17.	Social and community action programmes	3	2	3	2	2	3
18.	Attitude of members towards its activities	3	3	3	3	3	3
19.	Team spirit among the group members	3	3	3	3	3	3
20.	Follow up of group activities by the leader	3	2	3	2	1	3

Table 1 a: Performance of SHGs of Grama Vikas and MYRADA

Group. No	Grama Vikas	MYRADA
1.	61	55
2.	57	48
3.	62	60
Total	180	163
Mean	60	54.3

Probability=0.10=10* , * Significant at 10% level. 'U' value=1, N1=3, N2=3.

Some of the outcomes of the study with reference to the performance of the group are as follows:

The group constitution:

It is very important that the members of the groups should know about their existence and future of the group. The group is about to take up the social and economic perspectives. And it was observed that majority of the respondents are aware of it in the groups organised by Grama Vikas (with 9 score) and MYRADA (with 9 score).

Organizational discipline:

This tracks among other regularity of meetings, attendance and savings in the group. This is very important in point of view of basic purpose of the group and it is observed from the table that the all the members of the groups of both Grama Vikas and MYRADA are actively participating with 100 attendance in the group meeting. The savings of the members was with little difference between the groups of Grama Vikas (score of 8 out of 9) and MYRADA (6 out of 9).

Organizational system:

This particular section gives check list of assessing norms/ forming rules and regulation for the group, book keeping and documentation. It is observed from the table that all the groups of Grama Vikas are having well defined rules and regulations for the group (9 out of 9) where as in groups of MYRADA it is existing but not matching (7 out of 9) with that of Grama Vikas.

Financial management and performance:

This indicates about the compilation of financial indicators such as, Sanctioning of loans, Loan repayment and cash handling in the group.

The study results presented in the table indicates that groups of Grama Vikas has norms of sanctioning of loans (9 out of 9) in all the groups studied and in MYRADA groups (8 out of 9) it is observed little deviation in only one group. Again this may be also due to some emergent needs during the agriculture season and other peed seasons when everybody is in need of financial assistance from the group.

The indicator of loan repayment was closely observed by going through the records and it is observed that all the groups under study are performing to the standards and scored (9 out of 9) 100 per cent as per the indicator. This is the very important indicator for the any self-help group, as this is being the base or the vital purpose of the members for which they came together. If the loan repayment is regular, all other activities will take a shape to reach the unreached through lot of other activities.

Cash handling:

This is the core point of the group which decides whether the group is moving right direction or not. Because, the money pooled in the self-help group is from the "Poor Women" which is hard earned and with lot of dreams the poor women joined the group. So, it is the one which says like, your money + my money= our money. The cash handling and allocating the money for the guanine purpose very important in the group and platys vital role in the financial performance of the group. The study results shows that the groups organised by Grama Vikas have score (9 out of 9) relatively better, with very little variation that of groups of MYRADA (8 out of 9).

External linkage:

This particular criteria takes stock of the relationship between the SHG and banks and other financial institutions, cluster, federations and others. The major purpose for which the SHGs are formed is to avail the formal credit with minimum procedures at right time without compromising the equality in distribution within the group. Here in the study it

Table 2: Performance of the groups organised by Grama Vikas since inception and their linkage with bank

Name of the group	Bhuvaneshwari Mahila Sangha	Parvathi Mahila Sangha	Ganga Mahila Sangha
Year of inception	1993	1994	1993
Year of bank linkage	1997	1997	1997
Savings amount	94050	57890	83263
Average savings/group		74801	

Table 3: Performance of the groups organised by MYRADA since inception and their linkage with bank

Name of the group	Chamundi Mahila Sangha	Kasturi Mahila Sangha	Nethravathi Mahila Sangha
Year of inception	1995	1994	1994
Year of bank linkage	1997	1997	1997
Savings amount	51120	27690	53695
Average savings/group		44168	

is observed that all the group of Grama Vikas and MYRADA had Bank linkage under SHG – Bank Linkage programme and started the linkage in the year 1997.

Social and community actions by SHGs:

This is an indicator where in it measure the social and community initiatives taken by the SHGs/ its members. To study this the participation of the members in the group activities taken as indicator with others like social community action programmes by the group. It is observed from the table that the participation of members in MYRADA groups (8 out of 9). The another variable Taking social and community action programmes the scores with little different between groups of Grama Vikas (8 out of 7) and MYRADA (7 out of 9).

Self reliance in management affairs:

This indicator assess the capacity to manage their dealings themselves. This particular indicator has been studied in-depth by putting lot of questions and with lot discussions with members and office bearers separately. Here certain indicators like Involvement of members in planning, implementation, monitoring and evaluation of the programmes of SHG was studied and it is shown in the table that, groups of Grama Vikas have scored (7 out of 9) relatively lesser than that of MYRADA (8 out of 9). One more indicator like Team spirit among the members was also studied and it resulted like equal in the all the groups under study and they have scored 9 out of 9. The very important indicator of Follow up of activities by the leaders was studied and the scores of Grama Vikas groups (8 out of 9) are higher than that of MYRADA (6 out of 9).

In a nutshell, the performance measurement indicators offers comprehensive assessment system. Though this, SHG performance can be compared over period of time across groups. The overall performance according to the items under study depicts that the groups organised by Grama Vikas are performing significantly better that of groups organised by MYRADA. The Grama Vikas also organised a "Women Federation" by pooling all the SHGs they have formed and it has become focal point to get their rights and entitlements from the line departments and other government schemes/ programmes.

It is evident from the Table 2 and 3 that the year of formation of the groups were, two groups from GV established in the year 1993 and two groups from MYRADA and one from GV established in the year 1994 and remaining one group of MYRADA established in the year 1995. All the six groups under study were linked to the bank under the SHG – Bank linkage programme during the year 1997.

The level of performance of the groups was also judged by the total amount saved by the each group. It was clear from the Table 3 the total amount saved by the groups of GV was Rs. 235203. Whereas the total amount saved by the groups of MYRADA was Rs. 132505. The average savings amount of the groups of GV was Rs. 78401 whereas, in MYRADA it was found to be 44168.

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