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### **A study on impact of economic self-help group programs on women's empowerment**

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#### **Abstract**

This study focuses on the impact of women's economic self-help groups (ESHGs) on women's economic, social, psychological, and political empowerment. Both governmental and non-governmental institutions spend formidable resources facilitating SHGs in low-and middle income countries in South Asia and other developing countries, under the premise that access to microfinance, training, and group support can enhance women's empowerment. We found that women's economic SHGs have positive effects on economic and political empowerment, women's mobility, and women's control over family planning. The estimated effect sizes range from 0.06–0.41 standardised mean differences. We did not find evidence for positive effects of SHGs on psychological empowerment (Hoop, 2017). The research further suggests that the positive effects of SHGs on empowerment run through mechanisms that are associated with familiarity in handling money, independence in financial decision-making, solidarity, social networks, and respect from the household and other community members. However, the included evaluations often did not include sufficient information about the specifics of the activities that were implemented by the SHGs. As a result, it remains unclear which of the various SHG models are most effective. Finally, our triangulation of the quantitative and qualitative findings indicates that SHGs do not have adverse consequences for domestic violence.

**Keywords:** Women's self-help groups, microfinance, women's economic

#### **Introduction**

ESHG have positive effects on women's economic and political empowerment, as well as social empowerment such as, women's family size decision making power and social mobility. There is no quantitative evidence to indicate positive effects on women's psychological empowerment. However, the qualitative studies suggest that women participating in ESHG perceive themselves as psychologically empowered.

ESHG with a training component, such as financial and business education or life skills training, have a larger effect than programs that do not involve training. Important mechanisms which facilitate empowerment are gaining financial skills (economic empowerment); gaining the capability to speak in front of others, access to household decision making (psychological empowerment); improved networks and the experience of mutual support from and solidarity with fellow group members (social empowerment); and access to wider social participation combined with an increased understanding of political contexts and individual rights (political empowerment).

There is no evidence of increased levels of domestic violence. Qualitative data indicate that ESHG may decrease domestic violence as women gain respect from their partners, families and access to household decision making. Few qualitative studies report experiences of disappointment, mistrust and stigma among women who attended ESHG. ESHGs do not reach the poorest citizens. The 'poorest of the poor' do not participate for economic and religious reasons, and mechanisms of self selection.

#### **Literature review**

(Dasgupta, 2001) <sup>[1]</sup> emphasis in his study 'Informal journey through Self Help Groups' by stating that microfinancing through informal group approach has helped to bring quite a few benefits for the rural poor in the form of saving habits, credit accessibility, effective credit structure, low transaction cost, effective recovery rate, outstanding empowerment of poor women.

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He emphasis in his study by stating that SHG's through microfinance should be treated as one of the best means to offset social and financial citizenship not as an end in itself. (Rasure, 2002) <sup>[5]</sup>, in his article "women empowerment through self-help-groups" reveals that the microfinance through SHG worked as a tool to empower the rural women in the country, as they provide easy access to micro credit for self-employment. The study concludes that the SHG activities motivate the rural poor to go for savings which in turn help them to come out of the vicious circle of poverty. (Nedumaran, 2001) <sup>[4]</sup> conduct a study on the performance and the socio economic impact of the SHGs in Tamil Nadu and this study compares the pre-SHG situation and there is a remarkable improvement in the socio economic aspect of the rural women in the post SHG situation. It concludes that Socio economic conditions of the rural self help group members were considerably improved after joining the Self Help Group. (Jaya, 2002) <sup>[3]</sup> in her paper "Study of Self Help groups in empowering women-A Case study of selected SHGs and NHGs" reveals that the membership in the SHG group has benefited them in a way of getting informal banking at their doorstep. SHGs also help them to get awareness on the new economic opportunities which are available. The study identifies a drawback that non-availability of incentives to the group leaders is the factor leading to their decreasing interest and gradual decline in the functional efficiency of the successful group. (Silvia, 2004) <sup>[6]</sup> studies Self Help Groups in Tumkur district (Karnataka) in her study she states that the women participation in SHG activities help them to increase their income, create awareness about savings, lending's, repayment, personal skills and ability which results in the overall empowerment of community.

### Statement of problem and research gap

Women empowerment is one of the mesmerizing issues which have attracted the attention of the government and NGOs across the globe and especially in the developing countries. To allay the sufferings of the rural women many schemes/programmes have been conceived and implemented by the government from time to time. SHG is one among such programme which primarily focuses on the self-help and mutual help for the development of the society. The strategies adopted under SHGs in the forms of various activities have focused on the overall empowerment of women as it carries activities like, skill development, microcredit, savings, awareness, and so on. SHGs at the grass root level have enabled the women to secure their future through the effective financial support. Participation in SHG has been much hypothesized to bring the women economic empowerment. Though there is large a number of research on microfinance services and empowerment but the study on the issues of impact assessment and empowerment of women through micro-finance activity has not received much attention so far. Therefore, the present study assumes great importance in micro-finance industry. The study therefore purposes to assess the impact of women participation in SHG on self-economic empowerment.

### SKDRDP

Shri Kshethra Dharmasthala Rural Development Project, popularly known as SKDRDP, is a charitable trust promoted by Dr.D.Veerendra Heggade. SKDRDP concentrates on the

empowerment of rural women by organizing Self-help Groups (SHGs) on the line of Joint Liability Groups (JLBs) of Bangladesh and provides infrastructure and finance through micro credit for the rural people. The Shri Kshethra Dharmasthala Rural Development Project encompasses all the aspects of enriching the rural life. SKDRDP is active with its Community Development Programs throughout the state of Karnataka and holds its presence in six coastal towns under the Karnataka Urban Development and Coastal Environment Management Project.

### Objective of the study

- To analyse women empowerment through Self Help Groups with respect to the SHG members in Villupuram District of Tamil Nadu.
- To study the social and economical conditions of the SHG members.
- To analyse the attitude of the members of the SHGs towards social impact.

### Research methodology

The study is based on primary and secondary data. The primary data were gathered from 300 SHGs women entrepreneurs visionaries through purposive testing technique. Purposive testing is utilized as the examining strategy as it requires catching information on the aptitude level of woman business people having a place with SHGs in Vilupuram locale who are into the animator's job. The data collected were broke down to look at the self-help groups on economic empowerment and self, social mindfulness utilizing measurable instruments like rate examination, Garret Rank, ANOVA test and Friedman test. The translation for the equivalent has been expressed. The secondary data were collected from books, journals, newspapers and websites.

Hypothesis Ho: There is no significance difference between empowerment of woman after joining SHGs among various self- help group members.

### Results and discussions

Table: 1 uncovers that out of all out respondents taken for the examination, 23.3% of them have a place with the age of 18-30 years, 38.7% are 31 to 40 years of age, 30% of them have a place with age group of over 41-50 years and staying 8 % of them have a place with age of over 50 years. Mainly the respondent falls under the age group of 31 to 40 years.

**Table 1:** Age of the self-help group members.

Sl. No	Age	No of Members	Percentage
1	18-30	70	23.3
2	31-40	116	38.7
3	41-50	90	30.0
4	Above 50 years	24	8.0
Total		300	100

Source: Primary Data

Type of family chose self-help group individuals is appeared in Table 2. The table shows that 65 (22%) are individuals from joint families and the staying 245(80%) are individuals from family units. Individuals from joint families get budgetary help in the midst of hardship however such help is inadequate in the event of individuals from family units.

**Table 2:** Type of family of the self-help group members

Sl. No	Type of Family	No of Members	Percentage
1	Joint Family	65	22
2	Nuclear Family	245	80
Total		300	100

Source: Primary Data

Table 3, show that 84(28%) individuals are unskilled, 125(42%) individuals are Primary education, 90 (30%) members are educated up to secondary level and only. To finish up education level of the SHG individuals is exceptionally low.

**Table 3:** Literacy levels of the self-help group members

Sl. No	Literacy Level	No of Members	Percentage
1	Illiterate	84	28
2	Primary education	125	42
3	Secondary level	90	30
Total		300	100

Source: Primary Data

**Limitation of the study**

The study is restricted to only three villages in the taluk. Randomly 100 respondents have been chosen for the study. Respondents lack of time to give information and casual attitudes.

The opinions of the respondents are time bond and may change over a period of time.

The study can't be generalized as the sample size is too low.

**Findings of the study**

1. Majority of the respondents are less than the age group of 30.
2. Most of the respondents are educated, out of 100 respondents 59 per cent of respondents have completed their schooling.
3. Of the total respondents 67 per cent are married. Nearly all respondents are Hindus and majority of them live in nuclear family.
4. 67 per cent respondents live in a nuclear family.
5. 36 per cent respondents earn an income above Rs. 7000.
6. The study shows the impact of SHG on the monthly income of the respondents before and after joining the group. Before joining the groups only 5 per cent of respondents are earning a monthly income above Rs.7000 but after joining the group 29 per cent of the respondents opts for income above Rs. 7000.
7. The study shows the impact of SHG on the monthly expenditure of the respondents before and after joining the group. Before joining the groups only 5 per cent of respondent's monthly expenditure are above Rs.3000 but after joining the group 44 per cent of the respondents opts for expenditure above Rs. 3000.
8. 47 per cent of the respondents reveal that increase in the monthly saving is achieved within one year of membership in the group.
9. There is a significant difference in the mean income and expenditure of the SHG members after joining the SHG group.
10. The study shows that the SHG activity made a positive impact on the economic empowerment of SHG members.

**Conclusion**

Microfinance programme for the rural empowerment has resulted in improving the socio-economic status of rural women. The SHGs under SKDRDP have made a long lasting positive impact on the lives of the women in the areas taken for the study, a drastic change is seen in their quality of life after becoming the member of SHGs. Based on the result it can be acclaimed that the functioning of SKDRDP are contributing significantly in increasing the status and livelihood options of women in every sphere, so as to make the women lead a empowered life. Therefore such institution should be promoted to enhance the status of women in the society. Thus it can be concluded that the blow of SHGs through micro finance is significant in bringing rural women empowerment through confidence building, courage, and skill development among the financially excluded section of the society.

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