

SHGs: micro credit in empowering women in sivagangai district

Dr. A. Sebasthi Sahaya Malathi

Assistant Professor, Department of Economics,
Bharathi Women's College, Chennai, Tamil Nadu, India

Abstract

Empowerment becomes a powerful and popular word in the recent period which is directly related with the women development in all aspects. Empowerment is a broad concept, which includes social empowerment, political empowerment, educational empowerment and legal empowerment. Each part consists of unique characters and features, which facilitates to promote the overall development of the women and their participation in the society.

Key words : Self Help Group, Empowerment, entrepreneur, enterprise

Introduction

Empowerment of women is an important objective of any wholesome development process of an economy. In this background, for women and especially for poor women, micro enterprise ownership has emerged as a strategy for economic survival. One of the most essential factors contributing to success in micro entrepreneurship is access to capital and financial services. Research has shown that investing in women offers the most effective means to improve health, nutrition, hygiene and educational standards for families and consequently for the whole of society. Thus, a special support for women in both financial and non-financial services is necessary.

Social empowerment of people through SHG in Sivagangai district is one of the essential studies concerned with the performance and achievements of the SHG and how it will be help to the social and economic empowerment of the people particularly down turn women. This paper focus on dimensions of social empowerment, social empowerment through SHGs, Economic empowerment, Functions of SHGs, Motivational Factors, Constrains and Problems.

Objectives

The present study aims at performance of women self help groups and its impact on economic development. The following are the objectives of the present study.

- To study the socio - economic profile of self Help Groups in Sivagangai district.
- To explore the various problems encountered by the self help groups.
- To analyze the impact of members of the self help groups before and after their entry.
- To make suitable suggestions for the development of self help groups based on the findings of the study.

Methodology of the Study

The study makes use both of primary and secondary data. In Sivagangai district women in SHGs also engaged in manufacturing, trading and service activities. This study uses a statistical tool to analyze the activities of women.

Stratified random sampling method is adopted and the sample size is 200 (31.7 per cent) of the total registered units under each activity. Primary data has been collected from Self Help groups women from these identified units. Sivagangai district, consists of Thiruppuvanam, Manamadurai, Ilayangudi, Kalayarkovil, Thiruppathur, Devatkottai, Sawkottai, Singam Punari, Kallal, S.Pudhur. The study covers only the Sivagangai district. The data so collected are coded edited tabulated and presented in the form of tables and ranking method, Rotated matrix has been used to analyze the problems and motivational factors.

Main functions of SHGs

The basic aim of self help groups is that it acts as the forum for members to provide space and support to each other. The following are the vital functions of self help groups:

1. To promote the habit of self help approach among women population.
2. To develop collective leadership.
3. To promote effective women's participation in their own development programme.
4. To promote women's empowerment.
5. To promote saving habit among the group members.
6. To borrow loans from the promoting / sponsoring band and use it for lending to group members.
7. Solving the problems if any, through group efforts and approach.

Social empowerment of women is the emerging concept which make a balanced and sustainable growth of the country. Government has taken various initiatives to promote the social empowerment of women through various schemes and programmes. Development of the country is not only measured by the high GDP, attractive currency value, moderate contribution in world market, and innovative technological sophisticated instruments, but also social empowerment of the women. Therefore there should be a social relevant, local people concentrated and need based programme is essential to overcome this kind of drawbacks. India will be super power country in very soon not only by economic strength but also by the social fulfillments and achievement. Hence the government may thing about the social empowerment of women and it will leads to emancipations of the people in all aspects.

Self-Help group formation in Tamil Nadu

(As on 30 April 2009) (Rs. In lakhs)

District	Rural		Urban		Total		
	No. of Groups	Women Enrolled	No. of Groups	Women Enrolled	No. of Groups	Women Enrolled	Savings
Ariyalur	5441	87032	542	8624	5983	95656	3262.03
Chennai	0	0	19977	319901	19977	319901	8026.89
Coimbatore	10578	167455	10284	155024	20862	322479	9107.73
Cuddalore	12490	208999	3415	62810	15905	271809	9684.32
Dharmapuri	5807	94109	798	12954	6605	107063	6625.51
Dindigul	9676	152724	2193	34385	11869	187109	4347.06
Erode	11500	184602	5502	84582	17002	269184	8277.04
Kancheepuram	15257	246295	6234	96475	21491	342770	11935.37
Kanniyakumari	5835	94673	7594	122770	13429	217443	10286.12
Karur	6648	135458	2102	32282	8750	167740	5325.86
Krishnagiri	7687	122922	824	13918	8511	136840	8792.5
Madurai	8307	135178	3813	52995	12120	188173	7764.49
Nagapattinam	10492	164709	1816	28229	12308	192938	78.47.98
Namakkal	7306	114759	2912	47777	10218	162536	6901.69
Niligiris	3320	51657	3556	57742	6876	109399	2244.82
Perambalur	2954	48174	462	6641	3416	54815	918.50
Pudukkottai	8732	142253	1192	17436	9924	159689	19270.78
Ramnad	7219	115423	1609	25796	8828	141219	7970.90
Salem	9959	165276	6612	98892	16571	264168	7167.10
Sivagangai	8241	127384	1192	27040	9433	154424	5421.10
Thiruvannamalai	13283	211626	2314	36513	15597	248139	4651.00
Thirunelveli	10589	170237	6396	101886	16985	272117	8217.04
Thanjavur	12690	206188	3305	52426	15995	258614	8148.96
Theni	5900	91665	3960	63122	9860	154787	4656.86
Thiruvallur	9460	147823	5268	85517	14728	233340	7128.41
Thiruvarur	8479	135096	1240	18544	9719	153640	4217.45
Thoothukudi	10041	162539	3842	59863	13883	222402	8087.91
Trichy	9337	144121	3928	60693	13265	204814	7013.00
Vellore	12053	211820	2135	32671	14188	244491	3308.45
Villupuram	14641	244292	2288	30886	16929	275178	9052.19
Virudhunagar	8379	132883	2321	35658	170700	168541	5453.39
Total	27230	4417366	119626	1884052	391927	6301418	221112.4
	1						

Source : Tamil Nadu Corporation for Development of Women Ltd., Chennai.

The above table reflects that Sivagangai district, among the total number of groups 9433, rural 8241 groups and urban 1192 groups enrolled and women savings of both rural and urban SHGs are 5421.10 lakhs.

Progress of SHG-Bank Linkage Programme in Tamil Nadu

Year	No. of SHGs Financed by Banks		Bank Load Disbursed (Rs. In Lakh)	
	During the year	Cumulative	During the year	Cumulative
2004-05	70437	220698	74647.47	167789.99
2005-06	92080	312778	64040.92	231830.91
2006-07	86166	398974	71528.64	381632.20
2007-08	78636	477612	106180.80	487813.0

Note : Data relates to commercial Banks, RRBs, and Co-operative Banks.

Source : NABARD

Self Help Groups in Sivagangai District

Sivagangai, one of the few spices trading centers of south India came into existence as a district on the 15th March 1985. The growth of entrepreneurship has been phenomenal and its contribution to the nation is spectacular. Women are emerging from Sivagangai have branched off and extended their activities elsewhere. They have also provided a multiplier effect in industrialisation. There have been many cases where small scale industrial firms have attained the status of large-business houses in sivagangai. Sustainable entrepreneurial development can be said to occur when industry progresses from an embryo stage to the stage of growth and maturity.

There are many avenues available for promoting women in this district. Several welfare schemes and voluntary organisations have also been established for the development of women of self help groups in Sivagangai district. In Sivagangai District Small Scale Industries Association and Mahalirhittam projects and other voluntary organisations are some of the associations, which promote women empowerment in this district.

SHGs members were engaged in petty business activities, milk animals and cottage industry, tailoring and textile business, mat making, pickle making and other income generating activities.

Distribution of sample women in Self Help Groups according to their personal characteristics

SI No	Characteristics of Women in SHGs	Number of Sample Women in SHGs		
		Manufacturing Sector	Trading Activity	Service Activity
1.	Age			
	a) Less than 25	-	-	-
	b) 25-30	6 (15.00)	7 (12.72)	35 (33.33)
	c) 31-35	13 (32.50)	20 (36.36)	31 (29.52)
	d) 36-40	10 (25.00)	18 (32.72)	24 (22.85)
2	e) Above 40	11 (27.50)	10 (18.18)	15 (14.29)
	Educational Status			
	a) Illiterate	-	-	-
	b) Below SSLC	3(7.5)	14 (24.45)	6 (5.71)
	c) SSLC / PUC / Higher Secondary	20 (50.00)	28 (36.36)	19 (18.10)
3	d) Graduate / Post Graduate	12 (30.00)	7 (12.73)	32 (30.48)
	e) Technical Graduate / Diploma	5 (12.50)	6 (10.91)	48 (45.71)
	Previous Experience			
	a) No Experience	8 (20.00)	12 (21.82)	10 (9.52)
	b) Less than 1 year	12 (30.00)	18 (32.73)	15 (14.29)
4	c) 1-2 year	15 (37.50)	14 (25.45)	45 (42.96)
	d) 3-5 year	5 (12.5)	11 (20.00)	28 (26.67)
	e) More than 5 years	-	-	7 (6.67)
	Training			
	a) No training	-	5 (9.09)	-
	b) Less than 30 days	8 (20.00)	18 (32.73)	8 (7.62)
	c) 30-60 days	15 (37.50)	12 (21.82)	12 (11.43)
	d) 61-90 days	10 (25.00)	14 (25.45)	30 (28.57)
	e) more than 90 days	7 (17.50)	6 (10.91)	55 (52.38)

Source : Survey data

Note: Figures in parentheses are percentages to total sample units of respective activity

In sector wise analysis, the average age of women in service sector is 29.53 years and that of trading sector is 36.36 years. The average age of women in SHGs of manufacturing sector is 32.50 years. The above information highlights the fact that a high percentage of women take up and manage enterprise in the age of 31 to 35 years.

Distribution of sample women in SHGs according to their social characteristics

Sl. No.	Characteristics of Women SHGs	Number of Sample Women in SHGs		
		Manufacturing Sector	Trading Activity	Service Activity
1.	Ancestry			
	a) With business background	25 (62.50)	32 (58.18)	58 (35.24)
	i) Both father and husband in Business	12 (30.00)	12 (21.82)	23 (21.90)
	ii) Either father or husband in business	13 (32.50)	20 (36.36)	25 (23.81)
	b) Without business Background	15 (37.50)	23 (41.82)	47 (44.76)
2	Immigration			
	a) Emigrants	8 (20.00)	13 (23.64)	38 (36.19)
	b) Natives	32 (80.00)	42 (76.36)	67 (63.81)
3	Marital Status			
	a) Unmarried	-	8 (14.55)	15 (14.29)
	b) Married	27(67.50)	27 (40.00)	65 (61.90)
	c) Widow	9 (22.50)	7 (12.73)	17 (16.19)
	d) Divorce	4 (10.00)	3 (5.45)	8 (7.62)
4	Family Type			
	a) Joint Family	26 (65.00)	35 (63.64)	68 (64.76)
	b) Nuclear Family	14 (35.00)	20 (36.36)	37 (35.24)
5	Parent's Education			
	a) No formal education	4 (10.00)	20 (36.36)	40 (38.10)
	b) Primary Education	22 (55.00)	27 (49.09)	48 (45.71)
	c) Secondary Education	14 (35.00)	8 (14.50)	11 (10.48)
	d) Collegiate Education	-	-	6 (5.71)

Source : Survey data

Note: Figures in parentheses are percentages to total sample units of respective activity

The self Help Groups members of women in Sivagangai District are mostly married (57 percent) and remaining 43 percent are either unmarried or widows or divorced among 200 women 64.76 % are member of joint families and remaining 35.24 are from nuclear families.

Rotated factor matrix for the women in SHGs (Overall)

S. No	Motivation Variable	F1	F2	F3	F4	F5	F6	F7	F8	H2
1	Encouragement from family members	0.8167	0.2437	0.0321	0.0525	0.1303	0.0257	0.0750	0.1785	0.7730
2	Infra structural facilities	0.7303	0.0673	0.0624	0.0895	0.1392	0.0788	0.1624	0.1952	0.6864
3	Market Potential	0.7305	0.0903	0.2002	0.3724	0.0557	0.1893	0.0140	0.1637	0.6834
4	Traditional / Hereditary	0.5480	0.1309	0.0866	0.0273	0.0436	0.0831	0.0221	0.0827	0.7762
5	Self employment	0.5296	0.1959	0.0414	0.3377	0.0621	0.0300	0.2307	0.2591	0.7377
6	Urge to achieve	0.1649	0.7875	0.0850	0.0345	0.0873	0.0359	0.1106	0.0357	0.7039
7	Seeking Challenge	0.1120	0.7461	0.0086	0.1135	0.0979	0.2173	0.0159	0.0992	0.6243
8	Family Members interest	0.2319	0.5595	0.0536	0.2752	0.1430	0.3633	0.0436	0.0389	0.5310
9	Financial Assistance	0.2319	0.5595	0.8590	0.2752	0.1430	0.3633	0.0436	0.0389	0.5310
10	Use of Idle Funds	0.0140	0.3089	0.5631	0.0537	0.1716	0.1813	0.3155	0.1002	0.6810
11	Employment Opportunity	0.0351	0.0840	0.0133	0.7180	0.2219	0.0516	0.1544	0.1178	0.7693
12	Family Back ground	0.0739	0.3955	0.0178	0.5807	0.1926	0.0723	0.0032	0.0366	0.6944
13	More dependent	0.3198	0.0012	0.0925	0.5214	0.2030	0.3737	0.3978	0.0624	0.6764
14	Organisational Skill	0.0249	0.1135	0.0040	0.5005	0.0177	0.2354	0.0897	0.4074	0.6875
15	Self Employment	0.1427	0.0411	0.0857	0.0008	0.8528	0.0812	0.1221	0.6508	0.7153
16	entrepreneurs Experience	0.1397	0.0822	0.0772	0.0857	0.7711	0.0164	0.0164	0.0232	0.6325
17	Social Status	0.1754	0.3994	0.0551	0.0612	0.5946	0.2370	0.2370	0.1295	0.6532
18	Dissatisfaction with existing job	0.2133	0.2144	0.1213	0.1149	0.3313	0.6864	0.0205	0.1245	0.5988
19	Aspiration about children	0.2355	0.1673	0.0202	0.0063	0.0008	0.6851	0.1127	0.0945	0.6423
20	Revival of sick unit	0.1354	0.0971	0.1201	0.0988	0.0857	0.5728	0.1050	0.0745	0.6707
21	Unemployment	0.0254	0.3318	0.1646	0.2338	0.0612	0.1324	0.7519	0.2008	0.6458
22	Technical knowledge	0.5841	0.0565	0.0828	0.1069	0.0988	0.0372	0.5842	0.0592	0.6223
23	Self interest	0.5841	0.8539	0.3287	0.1751	0.1069	0.3893	0.5446	0.1151	0.6382
24	Economic Independent	0.1479	0.1853	0.0295	0.1013	0.1013	0.0040	0.0898	0.7728	0.7951
25	Earning Income	0.3028	0.1732	0.1260	0.1356	0.1356	0.0931	0.4039	0.6185	0.7364
	% Of variance	12.9	10.9	8.4	7.9	7.4	7.2	6.8	6	
	Cumulative % of Variance	12.9	23.8	32.2	40.1	47.5	54.7	61.4	67.5	

The Rotated matrix of factor co efficient or factor loading summarizes the results of factor analysis for the motivation of women in all the three sectors.

The results reveal that all the factors taken together explain 67.5 percent of the total variation further the results are reliable as the communality values (h2) are high.

In F1 Encouragement from family members, In F2 urge to achieve, In F3 Financial assistance, In F4 Employment Opportunities, In F5 Self Employment, In F6 Dissatisfaction with existing job, In F7 Unemployment, In F8 Economic Independence are the factors influenced much on women and motivated to start the enterprises.

Motivators in starting the enterprise

Motivator	Manufacturing				Trading				Servicing				Overall			
	No.1	No.2	Wtd Score	Rating %	No.1	No.2	Wtd Score	Rating %	No.1	No.2	Wtd Score	Rating %	No.1	No.2	Wtd Score	Rating %
Husband	9	4	22	21.15	15	5	35	24.82	20	12	52	18.64	44	21	109	20.80
Family Members	15	10	40	38.46	20	10	50	35.46	34	25	93	33.33	69	45	183	34.92
Friends	7	5	19	18.27	8	8	24	17.02	20	15	55	19.71	35	28	98	18.70
Relatives	4	3	11	10.58	7	5	19	13.48	18	10	46	16.49	28	18	76	14.50
Government Agencies	4	2	10	9.62	4	2	10	7.09	13	7	33	11.83	21	11	53	10.11
Others	1	0	2	1.92	1	1	3	2.13			0	0.00	2	1	5	0.95
Total	40	24	104	100	55	31	141	100	105	69	279	100	200	124	524	100.00

Note : Wtd - Weighted Score
Source Survey Data

Once women are convinced that she should take up some gainful activity. She should to be motivated and nurtured by some well wisher. The above table exhibits the motivators in starting their enterprises. The ranking shows to hold good sector wise. In the case of Manufacturing, trading and service sectors women are motivated highly (34.92) by their family members than husband (20.80).

So women can be considered as good agents of social change. The government and society would prosper by guiding women towards economic independence especially through Self Help Groups.

Problems of Self Help Groups women

To find out constrains the problem of women Yes (Or) No questions type asks, on that basis for yes (1) No (0) assigned respectively. The mean score for each and every constraint and problem has been calculated by using

$$\text{Mean} = \text{Total Score} / \text{No of respondents}$$

constrains and problem has been ranked on the basis of mean score

Problems faced by the women in SHGs

Sl. No.	Problems	Mean Score	Rank
1	Lack of self - confidence	0.31	XVII
2	No equal status in business	0.43	X
3	Society feels that the skill imparted to a girl is a waste	0.47	VIII
4	Lack of encouragement from family and society	0.49	VII
5	Conflicts due to dual responsibilities	0.55	IV
6	Non-Co-Operative attitude of husband and family members	0.39	XII
7	Non conformity to traditional norms	0.36	XIV
8	Lack of recognition and appreciation from the member of the family	0.32	XVI
9	Less chance of mobility for women	0.72	I
10	Male domination	0.41	XI
11	Lack of Sufficient time to look after children / husband	0.53	V
12	Lack of sufficient time to attend family / social functions	0.56	III
13	Society Lacks confidence in women's ability	0.51	VI
14	Faulty socialization	0.38	XIII
15	Lack of sufficient time to look after household activities	0.64	II
16	Problem of public relations	0.38	IX
17	Inferiority complex	0.35	XV
	Overall Mean score	0.48	

Women in Self Help Group in Sivagangai District face only a low quantum of social psychological system constrains as the over all mean score for this constraint is only 0.48 Of the many social and psychological constrains poor mobility of the women is the constraint mostly faced by the women since it has the maximum means score of 0.72. They also express the opinion that society feels that the skill imparted to a girl is a waste.

Suggestions

- It is observed from the analysis that the government provides only financial aid and other help in the empowerment of women in the study area. It is suggested that Government agencies, associations of women SHGs and non-governmental organizations carry out a many programmes for empowerment of Women Self Help Group.
- Income Generating activities should be introduced.
- Training regarding the market activities should be improved.
- Appropriate pattern of education and special training programme should be conducted.
- Banks and financial institutions must provide free financial assistance.
- It is also necessary to undertake research in the area of women's studies in general and women Self Help Group in particulars.
- If the above suggestions are carried out women will reach the pinnacle of success in their endeavors.

Conclusion

Success of women and satisfactory progress can be achieved only by honest, sincere and dedicated efforts by all. And joint efforts of both men and women can change developing India into a fully developed country.

The greatest revolution in a country is the one that affects the status and living conditions of its women. Promotion of women empowerment ensures economic independence. Social emancipation of women gains social status. It creates more respect in the family and give self - prestige, avoids gender bias and eliminates dowry deaths. It promotes leadership qualities among women and swells the family income. Promotion of women empowerment trains the future generation of women and it will also solve tomorrow's unemployment problem. And women empowerment inspite of their trails and hardships are a satisfied and confident lot in society and a model to other women.

References

1. Ashoka R., Ponnarasu S., and Kalavathi M.S., 2005, "Inter district variations in the performance of SHGs in Tamil Nadu", Co-operate Perspective. Vol.40, No.2, July-September.
2. Jean Dreze and Amartya Sen, 2002. "India: Development and Participation", Oxford University Press.
3. Sriraman V.P., "Self Help Group and Women Empowerment - Current Issues and Concerns", Bharathidasan Institute of Management, Trichy.
4. Chandrakavate M.S., 2006. "The SHGs Model of Micro Finance: A Silent Movement Towards Empowering Rural Women", Southern Economist, January 1, pp.29-32.
5. Bhatia, B.S., Saini, J.S. and Dhameja S.K. "Women Entrepreneurs : Their Problems, Training Needs and Managerial capabilities", in Entrepreneurship in the 21st Century, B.S.Eathore, S.K Dhameja (ed), 2001.
6. Chetana Kalpagh women and Development - Women Employment and the work place, Discovery Publishing House, New Delhi Vol. 1, 1991.