

**ROLE OF SELF-HELP GROUPS IN EMPOWERING WOMEN-
A STUDY WITH SPECIAL REFERENCE TO MALAYAMBAKKAM VILLAGE
(KANCHIPURAM DISTRICT)**

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Abstract

Poverty continues to affect billions of people worldwide. Microfinance is just one of several tools available to help people get out of poverty. Traditional banks do not offer small amount of loans to its customers. This is where micro finance comes handy. It specifically caters to the poor's need for financial services. Microfinance institutions have been able to handle the issues of lending to the poor through products such as microcredit, micro-savings, insurance, and more, that can help customers pull themselves and their families out of poverty through innovative financial solutions like group lending. Self Help Groups also called as SHG's form a vital part of micro finance institutions. It generally consists of ten to twenty- five members. The members are usually women. They come together voluntarily and contribute small amounts of money on a regular basis. This study primarily concentrates on SHG's. A structured questionnaire was distributed among the members of SHG's. The primary objective of the study is to find out how significantly the SHG's have contributed to the economic and social empowerment of women.

Key words: Micro finance, self- help groups, women empowerment.

Introduction

Micro finance or micro credit institutions are those institutions which provide small amount of money to people with less income, or to unemployed individuals or to those who do not have enough income to start a business with the help of traditional financial institutions. Joint Liability Groups, Self Help Groups, Grameen Bank Model and Rural Co-operatives are some of the form of micro finance institutions. Of these, Self-Help Groups have developed as the most effective instrument for delivering the micro-finance services to the poor especially women. As far as India is concerned, most of the self-help groups are linked under [NABARD](#)'s 'SHG Bank Linkage' program. SHG's can borrow from banks once they have amassed a base of their own capital. By offering financial services to the poor unprivileged women of the country, the institutions have opened a door for their economic growth.

Review of related literature

Kanai Sarkar, Abdul Awal, Mohammad Rezaul Karim, Sameena Banu (2023) had conducted a study on, "Exploring the impact of self-help groups on rural women's empowerment in Coochbehar district of West Bengal, India". The results indicated that being a part of self-help

groups boosted the self-confidence and decision-making skills of the women members. It was also found that the social security and their inter personal skills of the women members had improved. The study further revealed that the women were financially benefitted as these groups gave them an identity and it gave them the freedom to act independently. It was concluded that the self-help groups had empowered the rural women personally, financially as well as socially.

Seema Ghosh, Mousumi, Singha Mahapatra and *Deepak Tandon (2023)* in their study, “Achieving Sustainable Development Goal of Women Empowerment: A study among self-help groups in India” analysed the effect of self-help group involvement and entrepreneurial traits of SHG members on economic and socio-cultural empowerment of women. It was found that there was a positive association between the SHG interventions and economic and socio-cultural empowerment of rural women.

Methodology

The survey was conducted at Malayambakkam village, Kanchipuram. A structured questionnaire was distributed among the 50 women members of SHG’s. Random sampling method was adopted for conducting the study. The questionnaire consisting of closed-ended questions was used to collect the primary data. Secondary data was collected from various journals and books.

Objectives of the study

- To study the influence of self-help groups on economic and social empowerment of women.
- To analyse the benefits harvested by the women members after joining the self-help groups.
- To find out if the existing women members would encourage or recommend other women to join self-help groups.

Findings of the study

Table 1
Impact /Influence of SHG’s on the members

Statements	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Total
I have become more confident after joining SHG’S	32 (64)	16 (32)	2 (4)	-	-	50
My money management skills have improved after joining SHG’S	38 (76)	8 (16)	4 (8)		-	50
I have become more participative	26 (52)	14 (28)	10 (20)			50
My communication skills have improved	25 (50)	21 (42)	4 (8)			50
My family’s economic conditions have improved after joining SHG’s	29 (58)	14 (28)	5 (10)	2 (4)		50

Source: Primary data, Figures in the brackets represent percentages

The above table represents the influence of self – help groups on the women members. 64% of the women feel that their confidence level has increased after joining the self-help groups. 76% of them say that their money management skills have enhanced to a greater extent, 52% feel that they have become more participative in decision making. More than half of the members feel that their communication abilities have bettered and 86% of the members have agreed to the fact that their family’s economic conditions have improved after joining in self-help groups.

Table 2
Awareness level of members after joining SHG’s

Statements	Highly increased	Increased	No change	Decreased	Total
Awareness on financial matters	33 (66)	17 (34)	-	-	50
Awareness on family planning	31 (62)	19 (38)	-	-	50
Awareness on health service	26 (52)	20 (40)	4 (8)	-	50
Awareness on children education	32 (64)	16 (32)	2 (4)	-	50

Source: Primary data, Figures in the brackets represent percentages

The above table shows the awareness level of the members after joining SHG’s. 66% of the members feel that their awareness relating to financial matters have increased. Awareness of the members on family planning and health service have increased by 62% and 52% respectively. 64% feel that their awareness on their children education have enhanced after becoming a part of self-help groups.

Table 3
Benefits of joining Self Help Groups

Benefits	Frequency	Percentage
Loan	35	70
Skill Development	11	32
Others	4	8
Total	50	100

Source: Primary data

The above table shows the benefits enjoyed by the members after joining self-help groups. 70% the members feel that the main benefit of joining self-help groups is availing loans while 32% feel that the foremost benefit of joining the self-help groups is skill development.

Table 4
Recommendation by existing women members

Statements	Frequency	Percentage
Strongly Agree	26	52
Agree	22	44

Neutral	2	4
Disagree	0	0
Strongly Disagree	0	0
Total	50	100

Source: Primary Data

Majority of the respondents (96%) say that they would recommend others women to join self-help groups.

Table 5

Chi-square test for association between education and increase in awareness on financial matters after joining SHG's

Hypothesis: There is no significant association between education and increase in awareness on financial matters after joining SHG's

Education level	Awareness on financial matters			Chi-square value	P value
	Highly increased	Increased	Total		
Illiterate	4 (33)	8 (67)	12 (100)	4.870	0.182*
Primary Education	5 (45)	6 (55)	11 (100)		
Senior Secondary	6 (50)	6 (50)	12 (100)		
Graduation	5 (33)	10 (67)	15 (100)		
Total	17 (34)	33 (66)	50 (100)		

Source: Primary Data

Note: * denotes 5% level of significance, the value within () refers to Row Percentage

An observation of the above table shows that the p value (0.182) is greater than 0.05. Therefore, the hypothesis - there is no significant relationship between education and increase in awareness on financial matters after joining self-help groups is rejected at 5% level of significance. Thus, it can be concluded that the level of awareness on financial matters of all women members have increased after joining the self-help groups irrespective of their level of education.

Table 6

Correlation

Null hypothesis: There is no correlation between affordable interest rates, easy repayment of loan and improvement in economic condition of families after joining SHG's.

Correlations

		Affordable interest rates and easy repayment of loan
My family's economic conditions have improved after joining SHG's	Pearson Correlation	0.498
	Sig. (2-tailed)	0.996*
	N	50

* denotes 5% level of significance.

From the above table, it can be observed that the significant value 0.996 is greater than 0.05. Therefore, the null hypothesis is rejected at 5% significance level. There is a strong positive correlation (0.498) between affordable interest rates, easy repayment of loan and improvement in economic condition of families after joining SHG's. The reason for the improvement in economic condition of families being reduction in poverty and unemployment because of availability of loans at cheaper interest rates.

Conclusion

Currently, there are millions of self-help groups in India, of which approximately 88% are women. The Ministry of Rural Development has recognised this and it has implemented a scheme called "Lakshpati Didi Program." The program has already assisted nearly one crore women to become lakshpathi and the Finance Minister has decided to increase the target to 3 crore in the forthcoming years. Self-help groups are seen as a tool for empowerment, fostering the leadership abilities among the poor and the needy. From the above study, it can be concluded that the women who have joined the self-help groups have gone through an all-round development. The self-help groups have empowered women both socially and economically as well as personally.

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