



## Women's Development through participation in Self Help Groups

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### Abstract

Self Help Groups (SHGs) have emerged as major agents of development and empowerment of weaker sections in the third world. In India, since the beginning of the Ninth Plan, most of the development programmes are channeled through SHGs. Microfinance in the form of SHG-Bank linkage model has been able to inspire hope in the lives of thousands of rural poor especially the rural poor women. There is a common perception that women who join SHGs are not only become economically empowered but become powerful in many ways. They gain a say in family matters and their social status is enhanced. Under this circumstance in the present paper an attempt has been made to judge at what extent SHGs contribute to the improvement of women awareness and overall development of women. In our study, we have collected primary data from 110 women SHG members of Sonamukhi block in Bankura district of West Bengal during 2019. To judge the Women's Development, a questionnaire has been made on six variables namely education, employment, income, housing condition, status in the society and voice against social exploitation. Chi-square test has been used to test the result. The study concluded that women participation in SHG have been able to improve their lives as well as their decision making power and status both in the households' and society.

**Keywords:** Microfinance, SHGs, Empowerment, Awareness, Decision Making

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### Introduction

In a patriarchal society like ours, by the term women empowerment or women development we simply mean the transfer of power of any kind from men segment of a society to women segment of the same society. There is no denying the fact that women empowerment is a process and not a product, a state of continuous raising of socio-economic power in such a manner that women become able to organize themselves to increase their own self-confidence in every sphere of their life, to assert their independent right to make choices and to control over resources which will assist in challenging and eliminating their own socio-economic-political subordination. United Nations define it as the process by which women take control and ownership of their lives through expansion of their choices (United Nations, 2001). The lower status of women mostly stem from their low economic status and subsequent dependence and lack of decision making power. Various case studies show that there is a positive correlation between credit availability and women's empowerment. Once economic empowerment is achieved it would have a major implication on the overall empowerment of women.

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Micro finance through SHGs is now recognized as a key strategy for addressing issues of poverty alleviation and women's development. Micro finance in the form of Self help group (SHG) linkage model has been able to inspire hope in the lives of thousands of rural poor, particularly rural women and enable them to contribute to their families' well being through savings and borrowings. Through the generation of self employment and income the rural women are able to reduce poverty. Microfinance influences the quality of life of the rural women by providing easy finance. It is considered to be a powerful tool for empowering rural poor women by shifting them from debt-trap of informal credit sources to formal credit system.

So far various studies have been undertaken on the issue of women empowerment in different countries. We mention here a few of them. Batliwala tries to mean empowerment or women's development as a process by which women gain greater control over material and intellectual resources and challenge (Batliwala 1994). Bansal and Chauhan defined development as a process through which women can get legal and moral power in all spheres of life; social, economic, political, psychological religion and spiritual (Bansal and Chauhan, 2002). Some scholars find that access to microfinance increases women's mobility, ability to make purchases and major household decisions, ownership of productive assets, legal and political awareness, and participation in public campaigns and protests (Hashemi, Schuler and Riley 1996). Similarly, Pitt, Khandker and Cartwright find positive effects of microfinance on women's autonomy in purchasing decisions, women's access to financial and economic resources, the size of women's social networks, greater freedom of mobility for women and greater likelihood that the women initiates discussion with the husband about family planning (Pitt, Khandker and Cartwright 2006).

However, some studies find no or negative effects of microfinance access on women empowerment. Armendariz and Roome (2008) find that female access to microfinance with male exclusion may have perverse effects on women's empowerment. In his study Rahman finds that a majority of women borrowers of Grameen Bank experienced increased spousal conflict and aggression (Rahman 1999). Again from a study in two drought prone villages in India Garikipati finds negative empowerment impacts on women's work time allocation as well as control over minor finances (Garikipati 2008).

Given the mixed evidence of the literature on women development as effects of microfinance, more empirical evidence will be useful to shed light on the issue. In our study we try to examine the nature of development against a data set collected from 110 women SHG members of Sonamukhi block in Bankura district the basis of stratified random sampling method.

## **OBJECTIVE OF THE STUDY AND STUDY DESIGN**

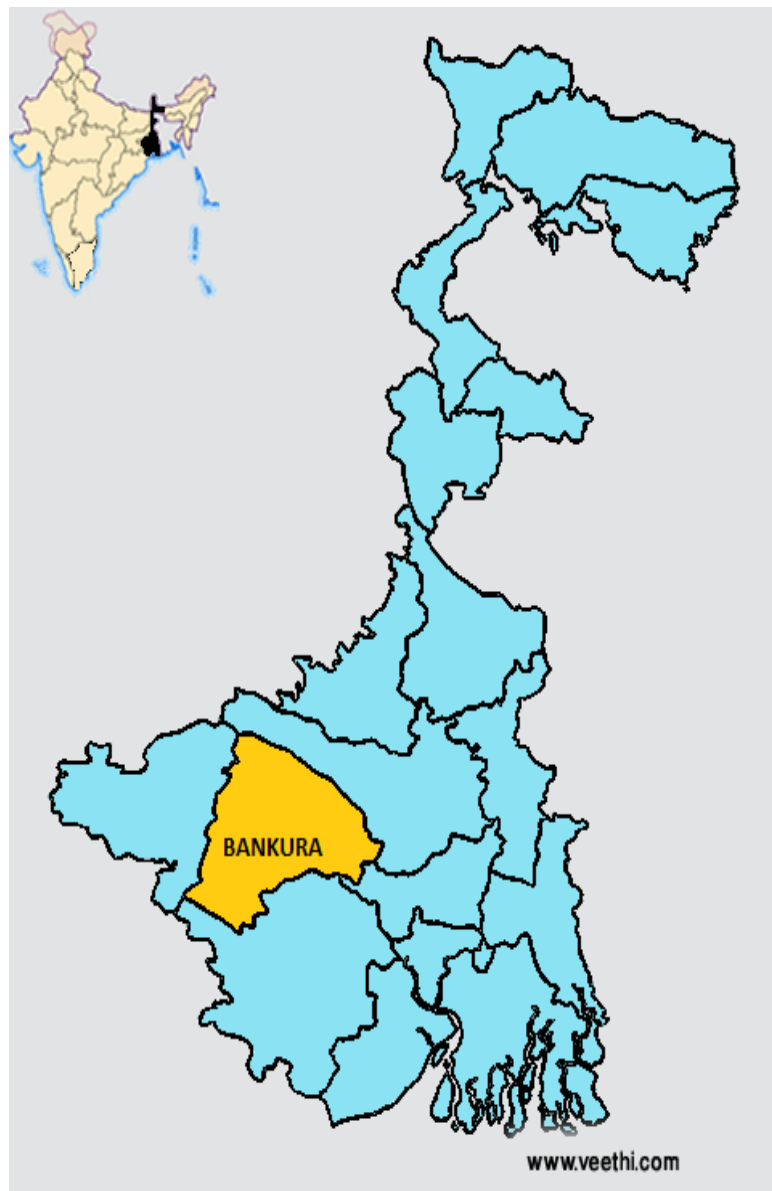
This article is merely an attempt to examine about the myth and reality of women development achieved through the working of the SHGs among the poor women of the rural area. This paper comprises of five sections. The first section (I) of this write-up covers the Introduction and a brief review of Literature. Section II deals with the study area and sample profile. In section III methodology used for the study have been mentioned. Our fourth (IV) section will provide the data and their analysis. Section V makes concluding remarks.

## STUDY AREA

To give the objective a clear shape we have concentrated our study in the Sonamukhi Block of Bishnupur Sub-division of Bankura District of state of West Bengal. The District Bankura is surrounded mainly by three districts namely Bardhaman, Purulia and Paschim Medinipur. However, a very small portion of the district remains in touch of the Hoogly district. Our study block has a close contact with the Bardhaman district, the Rice Queen area of our state and thus possesses very rich land and producing generally three crops in a crop year.

MAP 1

### BANKURA IN WEST BENGAL



## SELECTION OF GROUP

We have selected 9 SHGs under NRLM on the basis of random sampling method from the study area. These 9 SHGs covered three Gram Panchayets (GP) namely, Kochdihi, Dihipara and Purba Nabasan. On the other hand, we have restricted our sample size in 9 SHGs and their 110 women members. We try to present these through Table 1.

**Table 1**

### SHGS under different parameters

Gram Panchayets	No of Self-Help Groups	No. of Members/Households
Kochdihi	3	35
Dhipara	3	37
Purba Nabasan	3	38
Total	9	110

Thus as a whole we have taken 3 SHGs from each of the strata that we consider for stratification. On the other hand the average number of SGH members of our sample is 12.22.

## RESEARCH METHODOLOGY

The present study is based on primary data collected from Bankura district of west Bengal. We have selected Sonamukhi block from Bankura district purposively. The main purpose of selecting this block is that in this district this block has good performance in relation to SHG activities. After that, 3 SHGs from three gram panchayets of this block have been selected in such a way that all groups have got 3<sup>rd</sup> dose of CC loan. Thus we have selected 110 BPL women from the 9 SHGs formed under National Rural Livelihood Mission (NRLM). We have taken all participants from each group i.e. we have followed complete enumeration method. Specially prepared structured questionnaires have been used for the collection of desired data. The data has been collected during the year 2019. Five point Likert scale has been used to get the result. We have analysed the data with the help of a simple statistical tool like percentage. Chi-square test has been used to test the result.

## RESULTS AND DISCUSSION

In this section we have analysed the data to know the impact of microfinance on the quality of life or women's development of the rural poor in Bankura district of West Bengal. We know that there are so many socio-economic factors that are related to the development or empowerment of the rural poor women. In our study we have considered six socio-economic indicators of the sample households to judge the women development in our study. These six indicators are (i) education (ii) self-employment (iii) income (iv) housing condition (v) status in the society (vi) voice against social exploitation. To know the agreement level of the respondent we have used five point Likert scale such

as Strongly Agree (SA), Agree (A), Undecided (UD), Disagree (DA) and Strongly Disagree (SDA). Each and every respondent is asked the following questions to know their agreement level.

### (I) EDUCATION

One of the objectives of the SHGs is to create awareness among the members on the importance of education in the family and especially girls. It is very natural that an empowered woman will not only take care of her children education but she will also try for improvement of her children's education in future. Education develops different types of abilities in a person and broadens the outlook. Not only that, an educated woman can understand her right and duties well. A member should have minimum basic knowledge of calculation for financial dealings, maintaining records of her financial transactions and concept of banking process so that she can visit a bank independently and confidently. Again, a member will be considered highly empowered if she has the perception on available educational facilities and awareness regarding choice of Institution.

Table: 2

<b>Better access to Education has increased due to join in SHG</b>			
Agreement Level	Code	Frequency	Percentage
Strongly agree	1	32	29.09
Agree	2	36	32.73
Undecided	3	26	23.64
Disagree	4	12	10.91
Strongly disagree	5	4	3.64
<b>Total</b>	.....	110	100.00

**Source:** Field Survey 2019

**Note:** calculated value of Chi-square ( $\chi^2$ ) = 33.3

Table value of Chi-square ( $\chi^2$ ) at 5% level of significant with d.f. 4 = 9.49

Table 2 shows the agreement level of the respondents regarding the better access to education and joining in SHG activities. Each and every sample respondent was asked whether or not education facility has increased after taking microfinance facility. From the table it is found that 29.09 percent of the respondents strongly agree and 32.73 percent of the respondents agree that they have got better access to education as a result of joining the microfinance programme. Again the calculated value of Chi-square between better access to education and microfinance is greater than the table value at 5%

level of significance. Thus, we can conclude that there is a significant relationship between better access to education and joining in SHG activities.

## (II) SELF-EMPLOYMENT

One of the macroeconomic objectives of any society is to achieve full employment. Thus, the basic goal of increasing employment is crucial to developing nations where unemployment and underemployment are regarded as major causes of poverty (Sodipe and Ogunrinola, 2011). Microfinance to Self Help Groups may be considered as a vital option for meeting the financial needs of the poorer section of the society in the one hand and on the other hand this tiny amount of finance may also be used as small employment generation activities within the household (Robinson, 2001, p. 30). Side by side SHG activities also opens the opportunity of income supplementation and asset creation within the group as well as within the household (Pangannavar, 2008, pp.12-15).

Table: 3

<b>Self-Employment potential has increased due to join in SHG</b>			
Agreement Level	Code	Frequency	Percentage
Strongly agree	1	38	34.55
Agree	2	30	27.27
Undecided	3	12	10.91
Disagree	4	18	16.36
Strongly disagree	5	12	10.91
<b>Total</b>	.....	110	100.00

**Source:** Field Survey 2019

**Note:** calculated value of Chi-square ( $\chi^2$ )=23.8

Table value of Chi-square ( $\chi^2$ ) at 5% level of significant with d.f. 4 = 9.49

Table 3 shows the satisfaction level of the respondents regarding employment opportunity as a result of joining the microfinance programme through SHG activities. To know whether or not self-employment opportunity has increased due to get financial support from joining in SHG each and every sample member was asked. From the table it is found that 34.55 percent of the respondents strongly agree and that their employment opportunity has increased due to involvement in SHG activities. To know the relationship between better access to self-employment and microfinance through SHGs we have applied Chi-square test. From the table it is found that calculated value of Chi-

square is greater than the table value at 5% level of significance. Thus, we can say that microfinance through SHG activities have a positive impact in increasing the employment opportunity of the members.

### (III) INCOME

It becomes essential to investigate the phenomenon of development oriented Self Help Groups (SHGs) that provide employment opportunities and have enhanced income from both farming and non-farming activities. Side by side, it should also be remembered that for making a poverty free economy, micro credit is not enough. Besides this the poor people should also be linked to markets, financial institutions and even multinationals for their betterment. However, there is no doubt that the working of microfinance can significantly increase the income of the poor family (Murdoch and Haley, 2002) and improve the living conditions of the rural poor (Chavan and Ram Kumar, 2002).

Table: 4

<b>Income has increased due to join in SHG</b>			
Agreement Level	Code	Frequency	Percentage
Strongly agree	1	39	35.45
Agree	2	36	32.73
Undecided	3	17	15.45
Disagree	4	11	10.00
Strongly disagree	5	7	6.36
<b>Total</b>	.....	110	100.00

**Source:** Field Survey 2019

**Note:** calculated value of Chi-square ( $\chi^2$ )=38.86

Table value of Chi-square ( $\chi^2$ ) at 5% level of significant with d.f. 4 = 9.49

We can have a look about the agreement level of the respondents regarding increase in income and microfinance facility by joining SHG from Table 4. Each and every sample respondent was asked whether or not income has increased due to joining in SHG. From the table it is found that 35.45 percent of the respondents strongly agree and 32.73 percent of the respondents agree that their income has grown up as a result of joining in SHG. To know the relationship between increase in income and microfinance through SHGs we have applied Chi-square test. From the table it is found that calculated value of Chi-square is greater than the table value at 5% level of significance. Thus, we can say that there is a significant relationship between increase in income and microfinance through SHG activities.

#### (IV)HOUSING CONDITION

Besides income the other indicators that we use here to measure the quality of life are housing and sanitation. There is no denying that housing is one of the important factors that affect the quality of life and productivity of workers. Shelter ranks itself almost at the same level as food and clothing as a basic human need. Besides the facility of housing, cleanliness within the houses and outside of the houses is also very important for the productivity of the labour power. We see that the grass-root level training and block level training provide some sort of sense about sanitation among the SHG households through the participant members (Kar, 2014).

Table: 5

<b>Housing condition and sanitation facility has improved due to join in SHG</b>			
Agreement Level	Code	Frequency	Percentage
Strongly agree	1	28	25.45
Agree	2	39	35.45
Undecided	3	26	23.64
Disagree	4	15	13.64
Strongly disagree	5	2	1.82
<b>Total</b>	.....	110	100.00

**Source:** Field Survey 2019

**Note:** calculated value of Chi-square ( $\chi^2$ )=35.88

Table value of Chi-square ( $\chi^2$ ) at 5% level of significant with d.f. 4 = 9.49

Table 5 shows the agreement level of the respondents regarding improvement in housing condition & sanitation facility and joining in SHG activities. Each and every sample respondent was asked whether or not housing condition & sanitation facility has improved after taking microfinance facility. From the table it is found that 25.45 percent of the respondents strongly agree that their housing condition and sanitation facility have improved as a result of joining the SHG. On the other hand, only 13.64 percent respondents disagree and 1.82 percent respondents strongly disagree. From the table it is found that calculated value of Chi-square is greater than the table value at 5% level of significance. Thus, we can conclude that there is a significant relationship between improvement in housing condition & sanitation facility and joining in SHG activities.



## (V) STATUS IN THE SOCIETY

Microfinance programme pursued through SHG is a collective effort of group participants. The members co-operate one another, deal with other member of the society and meet the members of other groups in their joint group meetings. In this way they develop a social behavior. Not only that, SHG activities encourage and offer an opportunity to their members to go to the banks, to visit other places for acquiring skills, training and exhibiting their products in various fairs and exhibitions. Exposures of the members in the programme increase their confidence. In this way their statuses in the family and in the society improve.

Table: 6

<b>Status in the society of households has improved due to join in SHG</b>			
Agreement Level	Code	Frequency	Percentage
Strongly agree	1	30	27.27
Agree	2	35	31.82
Undecided	3	28	25.45
Disagree	4	10	9.09
Strongly disagree	5	7	6.36
<b>Total</b>	.....	110	100.00

**Source:** Field Survey 2019

**Note:** calculated value of Chi-square ( $\chi^2$ )=28.97

Table value of Chi-square ( $\chi^2$ ) at 5% level of significant with d.f. 4 = 9.49

Table 6 shows the agreement level of the respondents regarding improvement in status in the society of households and joining in SHG activities. To judge the fact, each and every sample respondent was asked whether or not status in the society has improved after joining SHG. From the table it is found that 27.27 percent of the respondents strongly agree that their housing condition and sanitation facility have improved as a result of joining the SHG. On the other hand, only 6.36 percent of the respondents strongly disagree. From the table it is found that calculated value of Chi-square is greater than the table value at 5% level of significance. Thus, we can say that there is a significant relationship between improvement in status in the society and joining in SHG activities.

## (VI) VOICE AGAINST SOCIAL EXPLOITATION

A self confident woman having awareness about her rights does not tolerate the undue troubles created by other member of the society. She is supposed to raise her voice against the common problems and exploitation against of any kind like child marriage, dowry, drug addiction, injustice and domestic violence. However, some of the women are hesitant and do not take these activities themselves and they remain lagged.

Table: 7

<b>Voice against social exploitation has increased due to join in SHG</b>			
Agreement Level	Code	Frequency	Percentage
Strongly agree	1	29	26.36
Agree	2	34	30.91
Undecided	3	27	24.55
Disagree	4	15	13.64
Strongly disagree	5	5	4.55
<b>Total</b>	.....	110	100.00

**Source:** Field Survey 2019

**Note:** calculated value of Chi-square ( $\chi^2$ )=25.23

Table value of Chi-square ( $\chi^2$ ) at 5% level of significant with d.f. 4 = 9.49

Table 7 shows the performance level of the respondents regarding voice against social exploitation as a result of joining the microfinance programme through SHG activities. Each and every sample respondent was asked whether or not voice against social exploitation in the households has increased due to joining in SHG. From the table it is found that 26.36 percent of the respondents strongly agree and 30.91 percent respondents agree that their voice against social exploitation has improved due to involvement in SHG activities. From the table it is found that calculated value of Chi-square is greater than the table value at 5% level of significance. Thus, we can conclude that voice against social exploitation in households has increased after joining in SHG activities.

## CONCLUSION

Through this we have tried to investigate the impact of microfinance through participation in SHGs on the development of poor women members in our study area. We have considered six variables in this purpose as mentioned earlier. It is observed that employment and income of the respondent have increased after participation in SHG activities. Not only that they have also succeeded to achieve

better access of education and housing facility by joining in SHGs. Again, increased self confidence and exposures of the members achieved through participation in SHG have succeeded to gain higher status in the society and to raise voice against social exploitation. Except few almost all the respondents are benefited through joining in SHG.

Thus, it can be concluded that microfinance programme is a successful step in generating employment and income to the rural poor especially the poor women in the grass roots rural areas. Not only that, the involvement in the group significantly contributes in improving the self-confidence and all round development of the members.

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