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An Analysis of Economic Empowerment of Women Self Help Groups in Tuticorin District

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Abstract

Women's empowerment would be able to develop self-esteem, confidence, realize their potential and enhance their collective bargaining power. Self Help Groups (SHGs) are a potential source to empower and institutionalize participatory leadership among the marginalized and to identify, plan and initiate development activities. In the process, it aims to commission women with multiform forms of power; hence a study was conducted on empowerment of women by SHGs in Tuticorin District, Tamil Nadu. The present study has covered the three villages from Tuticorin District viz, Meelavittan, Mullakkadu and Korampallam. This study is compiled with the help of the primary data covered only in a six month period (2010). Totally 238 respondents were selected from 18 SHGs of three villages by using simple random sampling method. The sample size was 1/3 of the total members of the SHGs. Generally SHGs include various activities. The important activities are contact with personnel from government and public organizations (26.5%) and NGOs' and other knowledge of how to get things done in public life (24.3%). The average number of the respondents in Tuticorin District study areas was about 48 members and standard deviation was about 16. SHGs started functioning all over Tamilnadu, in some areas they are functioning effectively whereas in some areas they face problems. Since SHGs help women to achieve economic empowerment, these policy measures can contribute a lot to the nation. To conclude, the economic activities of SHGs in Tuticorin District are quite successful.

Keywords: Empowerment of women, Self Help Groups, Micro-Finance, Percentage analysis, averages, chi-square tests and probability analysis.

Introduction

Empowerment can serve as a powerful instrument for women to achieve upward social and economic mobility and power and status in society. Women's empowerment would be able to develop self-esteem, confidence, realize their potential and enhance their collective bargaining power. Self Help Groups are a potential source to empower and institutionalize participatory leadership among the marginalized and to identify, plan and initiate development activities. Generally Self-help group may consist of 10 to 20 persons. It must be registered under the Registration Act.

The Genesis and Growth of SHGS in India

The Self Help Group (SHG) in India has come a prolonged way, since the pregnancy in 1992. The wide spread of SHGs in India has been phenomenal. It has done thespian swell from 500 groups in 1992, to a little 16, 18,456 groups that have taken loans from banks. About 24.25 million bad households have gained entrance to grave promissory note system by SHG-bank linkage programmed as great as 90% of these groups are usually women groups. The National Bank for Agriculture and Rural Development (NABARD) homepage declares that some-more than 400 women stick on the SHG transformation each hour

as great as an NGO joins the Micro-Finance Programme each day. There are additionally agencies that yield bulk supports to the system by NGOs. Thus organizations intent in micro finance activities in India might be categorized as Wholesalers, NGOs supporting, and SHG Federations as great as NGOs but delay retailing credit borrowers or groups of borrower. The widespread of the SHGs is rarely clever on the southern part of the nation with unequivocally couple of in the north as great as the east. Over half a million SHGs have been related to banks over the years though a handful of states, often in South India, comment for roughly 60%.

The SHGs have taken the form of a transformation for women's amicable expansion in India. In actuality as a plan for women's development, they have arisen out of the viewed complaint of women's miss of entrance to resources at both the domicile as great as the encampment level. Women's expansion has left beyond the mercantile dimension as great as place importance on issues relating to equality, liberty as great as self faith at the particular turn as great as in the oneness of the encampment (of women) at the organization turn. As a group-oriented model, SHGs in India is a resource for women's expansion to move in particular as great as common empowerment by improvement in both 'condition' as great as 'position' of women. Women are orderly as collectives towards the exactly idea of achieving gender equivalence as great as sustainable, Comprehensive encampment expansion. Unlike the self-help projects in Kenya, the SHGs in India are essentially micro-credit groups as great as proceed design of micro-credit is to improve the 'condition' of women. Women in India are mobilized to criticism opposite done at home violence, authorized discrimination, receiving flight prices, dowry, Prohibition of liquor, rape, kid marriage, womanlike infanticide, passionate abuse, done at home violence, masculine alcoholism as great as so on. In traffic with women's vital interests, women experience in common activities by SHGs to residence these vital needs.¹ In Tamil Nadu the SHGs were started in 1989 at Dharmapuri District. At present 1.40 lakh groups is a function with 23.83

lakh members. Many men also eager to form SHGs, at present. Tuticorin District having 19 town panchayats formed 1230 SHGs, and their achievement is 259%. In the process, it aims to commission women with multiform forms of power; hence a study was conducted on empowerment of women by SHGs in Tuticorin District, Tamil Nadu.

Objectives

- To analyze the growth and trend of the Self Help Groups in India.
- To study the socio economic background of the members of Self Help Groups of Tuticorin District
- To know the reasons for joining SHGs.
- To examine the activities of Self Help Groups in the study area.
- To identify the factors that had influenced the effective functioning of the Self Help Groups.

Experimental

The present study has covered three villages from Tuticorin District viz, Meelavittan, Mullakkadu and Korampallam. These three villages were selected for this because of the SHGs in these villages is functioning in a very successful manner. This study is compiled with the help of the primary data covered in only six month period (2010). The primary data collected with the help of specially prepared interview schedule. The schedule included the questions related to the general information about the SHGs members, savings and borrowings, internal loaning, book keeping and activities of SHGs. Totally 238 respondents were selected from 18 SHGs of three villages by using simple random sampling method. The sample size was 1/3 of the total members of the SHGs. This is purely a descriptive study. Percentage analysis, averages, standard deviation, variance, chi-square tests, Cramer's V and probability analysis were used for the analysis.

Results and Discussion

In the study area, 238 respondents in three villages from Tuticorin District viz, Meelavittan, Mullakkadu and Korampallam were selected for the study and average number of the respondents in Tuticorin District study areas was about 48 members and standard deviation was about 16. The

Table 1. Age wise classification of the respondents

Particulars (years)	Frequency	Percentage	Results
31-40	39	16.4	Mean (Average):59.5
41-50	162	68.1	Standard deviation: 70.02143
51-60	33	13.9	Variance (Standard deviation): 4903
61 and Above	4	1.6	Population Standard deviation: 60.64
Total	238	100.0	Variance (Population Standard deviation):3677.25

Table 1 shows the age wise classification done into four different categories.

From the table we find that the respondents mainly fall under the age group of 41-50 where the highest frequency occur i.e. 162 and in total sample size it constitutes to 68.1% followed by the age group of 31-40 and its frequency is 39 which constitute 16.4% in the total sample, followed by the age group of 51-60 which the frequency is 33 and its percentage of the total sample size is 13.9%. This indication would be relevant to the study because most of the earning members in a family would be in the age group of 41-50.

Table 2. Community-wise Classification of the respondents

Particulars	Frequency	Percentage
Backward Classes	85	35.7
MBC	22	9.2
SC/ST	131	55.1
Total	238	100.0

MBC = Most Backward Classes

From the Table 2 it is understood that the respondents are mainly from the SC/ST community which is 55.1% of the total respondents. Following this next stands the backward class community with 85 members and 35.7% of the total sample size. Here most backward class is only a meager amount in the sample i.e. 22 in numbers and 9.2% in total percentage.

Table 3. Religion wise Classification of the Respondents

Particulars	Frequency	Percentage
Hindu	205	86.1
Muslim	2	0.8
Christian	31	13.1
Total	238	100.0

The Table 3 reveals that 86.1% of the total respondents belong to the Hindu religion and the actual number is 205 of the total 238 samples selected. The remaining 13.1% are Christians. This might be about the fact that the field area chosen should be a Hindu religion dominated area.

From Table 4 we conclude that more number of the respondents is engaged in agriculture for their means for livelihood i.e. 221 respondents are agriculture earning people.

The Table 5 reveals that 85.3 percent of women stated that the most important motivating factor to join the SHG was to supplement their family income. It also reveals that there is definite growing awareness in society and women in particular that if the family has to maintain a reasonable standard of living, women should supplement to family income with whatever skill they have 8.8 and 5.9 percent of them stated that they join the SHG was bored at home and to provide good life for their children, respectively.

Recognition

Women are an integral part of every economy. All round development and harmonious growth of a nation would be possible only when women are considered as equal partners in progress with men. However, in most developing countries, women have a low social and economic status. In such countries effective empowerment of women is essential to harness the women labour in the mainstream of economic development.²

The micro credit has a lasting impact on the lives of the women particularly in rural areas. Their quality of life has improved a lot. They can speak freely in front of large groups of people. They got recognition in the family and society. SHGs and

Table 4. Occupation of the Respondents

Particulars	Frequency	Percentage	Results
Unemployed	9	3.8	Mean (Average): 59.5
Agriculture	221	92.9	Standard deviation: 107.69556
Industry	3	1.2	Variance (Standard deviation): 11598.33333
Collie	5	2.1	Population Standard deviation: 93.26709
Total	238	100.0	Variance (Population Standard deviation): 8698.75

Table 5. Reasons for joining SHGs

Reasons	Frequency	Percentage
Family Income	203	85.3
Bored at home	21	8.8
To give good life to children	14	5.9
Total	238	100.0

micro credit has also given women a greater role in household decision making. The chi-square analysis result ($\chi^2 = 7.58$, $p = 0.022596$) shows a significant relationship of SHGs and improvement of recognition in society in the study area (Table 6). Hence, it could be concluded that micro credit has resulted in improvement of recognition in society (68.1%) in the study area and it was strongly accepted by the respondent followed by the added strength to raise the voice (31.9%).

Savings

One of the basic principles of SHGs is that even the very poor may save small amounts, and that the additional incentives of getting bank loans at lower rates of interest, particularly among those

who are otherwise ineligible for getting bank loans, would inculcate and strengthen the habit of saving.³

The members of SHGs save a fixed amount periodically, depending upon the convenience of the members of the SHG, and the savings of all the members is kept together in the bank in the name of the SHG and forms the SHG fund. It could be concluded that the micro credit has resulted improvement of inculcated habit of saving more and more (77.3%) in the study area and it was accepted by the respondent followed by the decreases ill effects of borrowing from money lenders (22.7%). In this study too, this hypothesized preposition is supported by the significant relationships which exist between SHGs and strengthen the habit of saving ($\chi^2 = 15.05$, $df = 2$, $P = 0.000539$) as shown in the Table 7.

Internal loaning

The SHGs use their own funds for internal lending among their members and generally charge interest at the rate of 2-3 per cent per month of these lending. These rates are still lower than that charged by moneylenders. Apart from this, some

Table 6. Recognition

Recognition	Meelavittan	Mullakkadu	Korampallam	Total
Recognition in society	58(60.4)	65(79.3)	39(65)	162 (68.1)
Added strength to raise the voice	38(39.6)	17(20.7)	21(35)	76 (31.9)
Total	96(100.0)	82(100.0)	60(100.0)	238 (100.0)

($\chi^2=7.58$, $P=0.022596$, $df=2$, Cramer's $V=0.1785$), Significant at 1% probability level.

Table 7. Savings and Borrowings

Savings and Borrowings	Meelavittan	Mullakkadu	Korampallam	Total
Inculcated habit of saving more and more	18(54.5)	63(88.7)	103(76.9)	184 (77.3)
Decreases ill effects of borrowing from money lenders	15(45.5)	8(11.3)	31(23.1)	54 (22.7)
Total	33(100.0)	71(100.0)	134(100.0)	238 (100.0)

($\chi^2=15.05$, $P=0.000539$, $df=2$, Cramer's $V=0.2515$), Significant at 1% probability level

SHGs (e.g. SHGs consisting of members only from SC/ST families, with all members from BPL families) also get subsidies from the government depending on their loan repayment pattern, and this additional amount of money due to the subsidies also get added to the SHG funds. The three Model types of bank-linked SHGs get additional loans from commercial banks, Regional Rural Banks (RRBs), NGOs etc.⁴

It could be concluded that the micro credit has resulted in improvement of internal loaning easier and quicker to obtain (71.8%) in the study area and it was agreed by the respondent followed by the acquaintance with the banking operation (28.2%) (Table 8). The result of chi-square- test ($\chi^2=51.88$, $P<0.0001$,) revealed that there is a significant difference between SHGs and improvement of internal loaning in Tuticorin District.

Book Keeping

Bookkeeping is the process of keeping full, accurate, up-to-date business records. Proper bookkeeping can help businesses effectively manage cash flow, stay abreast of profits and losses, and develop plans for the future based on financial trends. Furthermore, accurate bookkeeping is required by both federal and local tax agencies.⁵

Bookkeeping involves making a record of the monies received by a business as well as the monies paid out. It encompasses money a company owes to vendors, employees, tax agencies, contractors and any other individual or entity. Likewise, accurate records of amounts owed to a

company by outside individuals and organizations are also recorded in a company's books. It could be concluded that the micro credit has resulted in improvement of understandings schemes and loaning procedures (81.5%) in the study area and it was agreed by the respondent followed by the developing skill of financial management (18.5%). The chi-square test value ($\chi^2 = 85.36$, $P<0.0001$) assured that the variation is significant at 1% probability level, which indicates there is a significant difference between SHGs and accurate bookkeeping.

Training

The term training refers to the acquisition of knowledge, skills, and competencies as a result of the teaching of vocational or practical skills and knowledge that relate to specific useful competencies. It forms the core of apprenticeships and provides the backbone of content at institutes of technology.⁶

Training differs from exercise in that people may dabble in exercise as an occasional activity for fun. Training has specific goals of improving one's capability, capacity, and performance.⁷ It could be concluded that the micro credit has resulted in improvement of increase the development of professional and entrepreneurial skills (65.9%) in the study area and it was agreed by the respondent followed by develop functional literacy and education (34.1%). The result of chi-square analysis ($\chi^2=19.12$, $P=0.000070$) revealed that there is significant relationship between SHGs and increase the development of training at 5% level (Table 10).

Table 8. Internal loaning

Internal loaning	Meelavittan	Mullakkadu	Korampallam	Total
Easier and quicker to obtain	68(76.4)	80(90.9)	23(37.7)	171 (71.8)
Acquaintance with the banking operation	21(23.6)	8(9.1)	38(62.3)	67 (28.2)
Total	89(100.0)	88(100.0)	61(100.0)	238 (100.0)

($\chi^2=51.88$, $P<0.0001$, $df=2$, Cramer's $V=0.4669$), Significant at 1% probability level

Table 9. Book Keeping

Book Keeping	Meelavittan	Mullakkadu	Korampallam	Total
Developing skill of financial management	17(10.2)	4(9.1)	23(82.1)	44 (18.5)
Understanding schemes and loaning procedures	149(89.8)	40(90.9)	5(17.9)	194 (81.5)
Total	166(100.0)	44(100.0)	28(100.0)	238 (100.0)

($\chi^2=85.36$, $P<0.0001$, $df=2$, Cramer's $V=0.5989$), Significant at 1% probability level

Table 10 Training

Training	Meelavittan	Mullakkadu	Korampallam	Total
To increase the development of professional& entrepreneurial skills	49(54.4)	72(83.7)	36(58.1)	157 (65.9)
To develop functional literacy and education	41(45.6)	14(16.3)	26(41.9)	81 (34.1)
Total	90(100.0)	86(100.0)	62(100.0)	238 (100.0)

($\chi^2=19.12$, $P=0.000070$, $df=2$, Cramer's $V=0.2834$), Significant at 5% probability level

Table 11. Activities of SHG

Activities of SHGs	Frequency	Percentage
Expands services area	54	22.6
Communication skills& marketing techniques updated	24	10.1
Contact with personnel from government & public organizations	63	26.5
NGOs'& other knowledge of how to get things done in public life	58	24.3
Increase in self confidence and risk bearing capacity	39	16.4
Total	238	100.0

(Mean: 47.6; Standard deviation: 15.94679; Variance: 254.3)

Generally SHGs include various activities. The important activities are contact with personnel from government and public organizations (26.5%) and NGOs' and other knowledge of how to get things done in public life (24.3%) and average number of the respondents in Tuticorin District study areas was about 48 members and standard deviation was about 16 (Table 11).

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5. <http://www.wisegeek.com/what-is-bookkeeping.htm>
6. <http://en.wikipedia.org/wiki/Training>
7. <http://www.abacon.com/commstudies/groups/leader.html>

Conclusion

SHGs started functioning all over Tamilnadu, in some areas they are functioning effectively whereas in other areas they face problems. Since SHGs help women to achieve economic empowerment, these policy measures can contribute a lot to the nation. To conclude, the economic activities of SHGs in Tuticorin District are quite successful.

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