



Economic empowerment of women through self help groups: an empirical study from tiruvallur district

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Introduction

The growing commercialisation of rural economy, increasing dependence of agriculture on external inputs, mobilizations of savings towards construction and the growing education have opened up new vistas for the micro-enterprise development in India. Self Help Groups (SHGs) have speeded up the process through credit availability and training. Many successful stories created demonstration effect among the participants. Improved fund availability and savings encouraged women micro entrepreneurs to take up new projects and to create more employment opportunities in rural areas. The SHG approach has considered to be one of the successful approach not only for economic empowerment but also social and political empowerment among rural women in India. Regular intervention by the promoters enhanced the skill formation and awareness among the participants. Economic empowerment involves access to resource, decision making and asset creation among beneficiary and community. Women being important labour force in agriculture, created ample opportunities to access rural resources and enhance the economic status of rural women. But effective resource mobilization and utilization with appropriate skill formation will be the challenge for rural women. Social and political hindrances managed by the peer learning and training among women. Though majority of research findings reveals positive impact of SHGs on rural women entrepreneurship, development of appropriate indicators for impact evaluation will be the concern. There are several quantitative and qualitative tools are developed to analyse the impact evaluation of women empowerment through micro finance. Present study will focus on

measurement of financial intervention by the micro finance institution on rural women.

Literature Review:

The women empowerment theme become universally accepted and experimented issue, which has deeper implication for Indian context. There are several studies revealed positive impact of financial intervention through microfinance in rural areas. Similarly growing business opportunities raised several critical issues which has negative impact on women empowerment. The subject of empowerment of women is deeply rooted in the globally determined and accepted goals of equality, development, and peace for all (Murugaiah, 2002).

Suguna (2002) mentioned three dimensions of women empowerment namely economic, social and political. The economic empowerment includes skill development, income generation, credit availability whereas the social empowerment consists of equality of treatment, equality of respect, equality of opportunity, equality of recognition and equality of status. The political empowerment represents the process of controlling power and strengthening of their vitality.

Sharma (2007), in the study, "Micro-finance and Women Empowerment" examined that empowerment is an indicator to build broadly in eight criteria's, i.e. mobility, economic security, ability to make small and large purchases, involvement in major household decisions, relative freedom from domination by the family, political and legal awareness, participation in public protests and political campaigns.

Planning commission (2011), report on “Microfinance and Empowerment of Scheduled Caste Women: An Impact study of SHGs in Uttar Pradesh and Uttaranchal” explains that micro-finance interventions are well-recognized world over as an effective tool for poverty alleviation and improving socioeconomic status of rural poor. The study concludes that after accumulating a reasonable amount of resources, the group starts lending to its members for pretty consumption needs. If the bank is satisfied with the group in terms of genuineness of demand for credit, credit handling and capacity of the members, repayment behavior within the groups and the accounting system and maintenance of the records, it extends a term loan of smaller amount to the group.

Roodman (2012), in the study titled, “Due Diligence: an Impertinent Inquiry into Microfinance” revealed that microfinance has promoted activities that resulted in reducing poverty and empowering women. The study observed that microfinance is adding dynamic industries which are inherently useful for services to millions of poor people.

Objectives of the Study

- To study the impact of SHGs on economic empowerment of women in rural areas.
- To understand the impact of training and credit availability on women entrepreneurship
- To understand the impact of economic empowerment on social empowerment of rural women.

Research Methodology:

This research study involves both primary data and secondary data analysis. Structures questionnaire is prepared and administered to self-help group members. Statistical tools like average and other methods used to analyse the data and interpretation. This study is only to evaluate the economic empowerment of women up to certain extent. This research study is only pertaining to Thiruvallur District and may lead to further research scope for generalisation.

Research Analysis:

This primary research is conducted with the help of MALLIGAI self-help group from Tiruvallur District

The researcher as selected 42 samples randomly from the three ares. Structured questionnaire method is used and all the respondents are joined this SHG since 6 years

Social Women Empowerment:

Empowerment concept can be assessed in different contexts. Social empowerment shed lights on education, age, caste and other social parameters where significance improvement on participation and impact on decision making and social responsibility of the women can be measured. This research primarily focused on economic empowerment and partially on other contexts. Therefore we have analysed only age and educations parameters to support the economic empowerment of rural women in the research area.

Table 1: Age wise classification of women SHG members.

Age wise Classification	No. of respondent	Percentage
Below 25	1	2.38%
25-35	3	7.14
35-45	24	57.14
45-55	12	28.57
Above 55	2	4.76
Total	42	100

Monthly Income	Before joining SHG	%	After joining SHG	%
Below 2000	12	28.57	0	0
2000-5000	10	23.8	6	14.28
5000-10000	12	28.57	13	30.95
10000-15000	6	14.28	17	40.47
above 15000	2	4.76	6	14.28
Total	42	100	42	100

The majority of the women members belongs to the age of 35 to 45 which shows the necessity and role of the middle age housewives in the family life in the village. This also represents

Education wise classification	No of respondent	Percentage
Illiterate	15	35.71
Primary	19	45.23
High School	6	14.28
12th std	2	4.76
Total	42	100

social responsibility and family dependency on women.

Table 2: Education wise classification of SHG members

Education profile of the respondents from the Table No.2, reflects mixed combinations. The number of illiterate and primary education holders represents major portion of the sample. Above matriculation is very less in the sample. This indicator may further leads to investigation on education and rural women participation through self-help groups.

Economic Empowerment:

The economic intervention of the microfinance institution on rural women is assessed through several indicators. Basically the concept of empowerment reveals giving the power to the beneficiary and it may be expressed through improvement of life in terms of level of income, expenditure, and savings. Economic aspects of the empowerment also look into asset creation and entrepreneurial aspects of the rural women. In this research some of the economic empowerment indicators assessed and conclusions are drawn. Further it has also notified some of the research themes which may be the further research scope.

Table 3: Impact on level of Income

The women respondent participation in self-help groups has changed the perception and income generation in the family. Most of the members revealed that, their participation created the awareness among the earning members of the family and it has stimulated other members to improve their income generation activities. These factors led to sustainable increase in the family income of the member. It is witnessed from the above family. Secondly the income category of ten thousand to fifteen thousand increased from 14.28 to 40.47 and later category increased from 4.76 to 14.28. This impact is due to training and entrepreneurial skill improvement among the members and led to asset creation in the rural area.

Table 4: Impact on level of Expenditure

Table No.4 summarises the level of spending by the family of women member before and after joining the self-help group. Compared to the level of income to spending, it has proved that consumption spending increased much higher than the level of income. Secondly it has generated several further questions in this research related to change in the level of spending and level of borrowing and savings of the family. The increase in the level of income after joining SHG in the last category of fifteen thousand is only 14.28 percent of the total sample. But increase in the expenditure level in the same category and above is 28.57 percent. The category like five thousand to ten and ten thousand

to fifteen thousand improved progressively. This change in expenditure pattern of the member family is may be due to easy access to the credit and peer pressure of payment of debt. .

Table 5: Impact on Saving

The savings habits were improved after the intervention by the self-help groups in the research area. Before joining the SHG members had the habits of savings but the amount of the savings are less. After joining the SHG, members improved their amount of savings and level of savings is also increased sustainably.

Entrepreneurship and Training:

Economic empowerment is focused on sustainability of the resource access and asset creation among rural women. The intervention of the VIMUKTI among rural women is improved entrepreneurial skills and employment generation activities among rural women. The training on various agricultural activities and self-employment avenues improved the participation of rural women in various economic activities. Apart from this social awareness and legal aspects improved their social status. .

Conclusion

The institutional intervention of self-help groups through financial and social tools improved the rural women status and their participation in the economy. In the research area it has

Monthly Savings	Before joining SHG	%	After joining SHG	%
Below 100	17	40.47	0	0
100-500	21	50	12	28.57
500-1000	4	9.52	30	71.42
Total	42	100	42	100

been proved that economic and social empowerment witnessed through intervention by the self-help groups. It has further led to entrepreneurial and social awareness and improvement among the rural women which further lead to forward linkages in the society.

Reference:

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