

Effectiveness of SHGs in Improving Livelihood Security and Gender Empowerment

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Paper No. 188

Received: 20 June, 2014

Accepted: 18 July, 2014

Abstract

To achieve a satisfactory level of human development, it is imperative for all individuals to enjoy a sense of security. Self-help Groups (SHGs), besides being a microfinance mechanism are a method to implement developmental schemes at the grass root level and also help the marginalized community come together to solve their problems through participatory approach. In this study, an attempt has been made to assess the effectiveness of self-help groups in their developmental influences on the livelihood security and gender empowerment. In all 80 SHG members were selected through purposive and random sampling methods. The present study purposively included both women and men, successful and non successful self help groups so as to analyze the effectiveness of SHGs for genders empowerment. Data were collected through personal interview using pre-tested structured interview schedule and focused group discussions. In successful SHGs the upper age was 45 years, in non-successful SHG majority of respondents were in age group of 46 years and above. Among women's successful group majority of the members (45per cent) were educated up to secondary level and 90% of respondents were educated up to secondary level in men SHGs. In case of non-successful women SHG forty 5% respondents were illiterate while 55% were educated up to primary level. There was a definite improvement on all aspects related to empowerment and livelihood security after joining the SHGs as compared to before joining the SHG as there was positive impact in all types of groups. This may be due to the fact that the group processes improve the human capability of its members to deal with life conditions with confidence in a better way.

Keywords: SHGs, livelihood security, gender empowerment

The major form of microfinance in India is based on Self help groups (SHGs), which are small groups of 10-20 members. These groups collect savings from their members and provide loans to them. The groups also obtain loans from banks and on-lend them to their members. The organization of Self

Help Groups, especially for micro finance and micro enterprises development programme, constitutes a widely accepted development strategy for poverty reduction. Self-help Groups (SHGs) are also a method to implement developmental schemes at the grass root level and help the marginalized community come together to solve their problems through participatory approach. Linked not only to banks but also to wider development programs, SHGs are seen to confer many benefits, both economic and social. Group-based microfinance, through the mechanism of self-help groups, provides a good opportunity to provide awareness about the importance of need for primary education and basic health care etc. through their meetings and peer consultations. Empowerment means moving from a position of enforced powerlessness to one of the power. There are various indicators that define women empowerment. These indicators are mobility, autonomy, decision making, ownership of household assets, freedom from domination in the family, political and legal awareness, participation in social and development activities, contribution to family expenditure, reproductive rights, exposure to information media and participation in development programmes (Banerjee and Dutta; 2014).

SHGs enable its members to grow their savings and to access the credit which banks are increasingly willing to lend as well as access to other financial services. SHGs also act as community platforms from which women become active in village affairs, take part in political decision making process at village level or take action to address social or community issues. It is also envisaged that involvement in Self Help Groups will enable its members to gain greater control over resources like material possession, intellectual resources like knowledge, information, ideas and decision making in home, community, society and nation.

Improved awareness of members about social issues is an important indicator of the capacity development of groups. The improved awareness levels enable group members to play a more effective role in community affairs and work towards achievement of common goals. SHG women are increasingly discussing and taking action on social and community problems like sanitation and pollution, management of village schools, various kinds of assistance to poor women, alcoholism, female feticide, dowry, access to drinking water, health, etc.

A number of studies have been conducted that analyzed the role and status of women in general and rural women in particular in matters such as decision-making with regard to monetary and non-monetary matters, changing attitude of rural women towards factors influencing their status and also the impact of development programmes and welfare schemes introduced by the Government for rural women in different fields such as health, education, employment, social and political areas. However, only a few micro level studies have been made in India from gender perspective on SHGs. The present study assessed the extent of effectiveness of SHGs in improving livelihood security and gender empowerment that took into account both male and female SHGs. In this study the impact of SHGs on empowerment included change in self development, social, economic, political and information empowerment. The impact on livelihood security in the study was referred to as change in food, occupational, habitat, educational, social and health security.

Methodology

Purposive and random sampling methods were used for selection of sample. The present study purposively included both women and men, successful and non-successful self help groups so as to

analyze the effectiveness of SHGs for gender empowerment. In this study the success of a group was operationalised on the basis of their sustainability i.e., group working cohesively as SHG for five years. The groups were selected from the areas where Indian Agricultural Research Institute (IARI) is operating its projects. Four women's SHGs (two successful and two non-successful) and four men's SHGs (two successful and two non-successful) were selected purposively for the study. From these eight selected SHG, ten members were drawn randomly. Thus, finally 80 SHG members were selected for the study. Data were collected by personal interview using pre-tested structured schedule and focused group discussions with members of SHGs to understand the processes. The extent of effectiveness of SHGs was measured by self anchoring perceived impact assessment scale on a continuum of -5 to 5 indicating very low to very high impact. The items related to component of gender empowerment i.e., self development, social, economic, political and media empowerment were studied. The components such as food, occupational, habitat, education, social, health and environmental security were studied under livelihood security. Respondents were asked to indicate a score from -5 to 5 against each item where they perceived themselves on the livelihood parameter, before joining SHG and after joining SHG. The scores of respondents were determined by adding up the weights for responses against all statements. The impact score for each dimension was calculated based on perceived pre and post score. Case studies of SHGs as a group were conducted to supplement the findings of the impact survey and to understand the factors for success and failure of SHGs. The case studies of both the success and the not-so-successful one to study the factors responsible for and to understand the problems and obstacles faced by them. Chi square test was also administered to find out the significant difference between the perception of male and female SHG members towards livelihood security and gender empowerment.

Results and Discussion

Profile of SHG members

The respondents were divided into four groups. These groups had two types of SHGs selected for the study viz. successful and non-successful. A glance at the data given in the table 1 revealed that in successful SHGs maximum age of members was in 45 years. While in non-successful SHG majority of respondents were in age group of 46 years and above. It was observed that irrespective of the type of group, the illiteracy is prevalent more among women group. Among women's successful group majority of the members (45%) were educated up to secondary level, followed by primary (30%) and illiterate (20%). One member was educated up to graduate level. Among successful men SHG, 90% of respondents were educated up to secondary level. In case of non-successful women SHG, forty five per cent respondents were illiterate while fifty five per cent were educated up to primary level. Similar pattern was observed in non-successful men SHG with sixty per cent respondents were educated up to primary level and forty% educated up to secondary level.

In terms of occupational pattern or income generation activities undertaken by the SHG members, almost all the respondents had agriculture as the main occupation. Agriculture and some type of service simultaneously as a main source of income were undertaken by 35 per cent, 40 per cent, 25 per cent and 10 per cent of respondents in group I, II, III and IV respectively. Few respondents had main occupation of dairy. Meena and Singh (2012) also reported that most of the SHG members in Eastern India were

male (53%), aged from 27 to 47 years, had rural background (94%), experienced less than 6 year in SHG (61%), adopted agriculture as prime occupation (61%), educated up to primary level (51%) with low income.

Table 1. Comparative Profile of SHG members

N=80

Variable	Category	Successful SHGs		Non successful SHGs	
		Group I Women (n=20)	Group II Men (n=20)	Group III Women (n=20)	Group IV Men (n=20)
Age	Up to 30 years	5 (25)	12 (60)	0 (0)	2 (10)
	31-45 years	15 (75)	8 (40)	9 (45)	6 (30)
	46 years and above	0 (0)	0 (0)	11 (55)	12 (60)
Education Level	Illiterate	4 (20)	0 (0)	6 (30)	0 (0)
	Primary	6 (30)	1 (5)	14 (70)	12 (60)
	Secondary school	9 (45)	18 (90)	0 (0)	8 (40)
	Graduate	1 (5)	1 (5)	0 (0)	0 (0)
Major Occupation	Agriculture	9 (45)	12 (60)	13 (65)	15 (75)
	Agriculture and service	7 (35)	8 (40)	5 (25)	2 (10)
	Dairy	4 (20)	0 (0)	2 (10)	3 (15)

Figures in parenthesis indicate percentage

Impact of SHGs on Livelihood Security

On the parameter of livelihood security the assessment point was how the group members perceived change in their security level of food and nutritional, economic, habitat, education, social and health. It was found that irrespective of the gender and performance of the group, the impact score of each parameter was positive. The data in table 2 showed that in Group I the impact score was maximum for social security (5.4) followed by food and nutritional security (5.3), habitat security (4.8), economic security (4.7), and health security (4.3). In group II the perceived impact score was highest for health security (6.2) followed by habitat security (5.7) and social security (4.8). The Group III and IV were although non-successful, the positive impact was observed in all the dimensions of livelihood security. In this group the maximum impact score found was in social security (5.0) followed by food and nutritional, habitat and health security. The impact was same in case of food and nutritional security, habitat and health security (4.4). The group IV perceived more change in their level of habitat security (4.4) followed by health security (4.1).

Table 2. Perceived Impact of SHGs on Livelihood Security

N=80

Livelihood Parameters	Successful SHGs						Non successful Group					
	Group I Women (n=20)			Group II Men (n=20)			Group III Women (n=20)			Group IV Men (n=20)		
	Perceived mean scores		Impact Score	Perceived mean scores		Impact Score	Perceived mean scores		Impact Score	Perceived mean scores		Impact Score
	Before	After		Before	After		Before	After		Before	After	
Food and nutritional Security	3.2	8.5	5.3	3.5	7.9	4.4	3.3	7.7	4.4	3.4	7.2	3.8
Economic Security	3.4	8.1	4.7	3.8	7.7	3.9	4.0	7.5	3.5	3.6	7.4	3.8
Habitat Security	3.2	8.0	4.8	3.1	8.8	5.7	3.2	7.6	4.4	3.2	7.6	4.4
Educational Security	5.3	7.6	2.3	3.6	7.8	4.2	3.5	7.2	3.7	3.5	7.1	3.6
Social Security	3.6	7.8	5.4	3.7	8.5	4.8	2.3	7.3	5.0	3.9	7.2	3.3
Health Security	5.3	9.6	4.3	3.4	9.6	6.2	3.8	8.2	4.4	3.3	7.4	4.1

It was interesting to note that women perceived maximum impact on food and nutritional and social security. It may be due to the fact that women give more importance to family nutritional needs and their status in the society. It is also remarkable that in all types of SHGs, the perceived impact of their empowerment was seen positive in all the dimensions. This may be due to the fact that group process improves the capacity of its members to deal with life conditions with confidence in a better way. The perceived positive impact is an important indication of the increasing empowerment and influence of women and men SHGs in the rural community.

Sinha and Patakia; 2004 also reported that the SHGs have undoubtedly made a positive impact on the lives of poor women. Some of the short-term impacts include reduced migration, increase in income leading to better food and clothing, procurement of productive and other assets for the family, meeting of major consumption expenses etc. There are indications of investment on education of children so that they may have a better future. On the negative side, due to absence of proper medical facilities, there has been a considerable drain on resources for health. Livelihood activities have had a positive impact on the gender equation. Women had a relatively greater say in the use of the money that they have earned. Women have greater respect in the family as they are able to access loans while men were not. Their

increased ability to articulate their needs at various fora and their improved managerial skills had also earned them the respect of their men.

The study conducted by Hussain and Zafar; 2012 also reported that the financial status of households had improved due to improvement in access across formal credit institutions, since SHGs are linked with banks. Access to credit has enabled women to undertake income generating activities. Increased income has been spent on better nutrition of children and on the health care for the family. One hundred% children of SHG members had immunization services against the six diseases. There were improvements in school enrolment, attendance, toilet facilities and access to electricity and gas. Increase in awareness levels about the society led to laying roads, planting trees, conserving environment, construction of water harvesting structures, donations to the victims of natural calamities, campaign against eradication of social evils like dowry, child marriages, crime against girls and women, untouchables, aids and support to widows and destitute. Eighty five% of eligible members adopted small family norms.

A case of mentorship and mutual trust!

The 'Jagruti' SHG was constituted in the year 2006 with 20 women members in village Ujjawa, Najafgarh Block, Delhi. The women were from different castes and backgrounds but had common problem-poverty and backwardness. On the initiation of KVK, Ujjawa, these women were mobilized to form a SHG. These women were educated ranging from 7th standard to 12th standard. The group started as thrift and credit group with savings of ₹ 100 per month. The group opened the account in Bank of Baroda. All the group members were from the rural background and living in veil. Anita, the secretary of the group, revealed that while opening the bank account, first time ever they entered a bank. They were so scared that they took out their footwear outside the bank. With the help of KVK, these women initiated some income generating activities through preparation of some handicrafts and bangles and packaged food. Some members purchased buffalo, poultry etc. Members of the group expressed that earning money and working in group gave them confidence and appreciated the education of their children, especially girls.

Factors for success for sustainability of SHGs

Regular meetings, Mutual trust, Guidance, Internal Motivation, Mentorship, Handholding, Common enterprise, Family support.

The result of the Chi-square statistic is 0.0525 and the P value is 0.818821. This result is not significant at $p < 0.05$. It indicates that there is no difference in male and female for their perception on impact of SHGs on livelihood security.

Impact on Gender Empowerment

The indicators of gender empowerment had five sub-indicators i.e.; self development, social, economic, political and information empowerment. The data showing the impact of self help groups on sub-dimensions of empowerment is shown in table 3.

Table 3. Impact of SHGs on Gender Empowerment

N=80

Empowerment dimension	Successful SHGs						Non successful Group					
	Group I Women (n=20)			Group II Men (n=20)			Group III Women (n=20)			Group IV Men (n=20)		
	Perceived mean scores		Impact Score	Perceived mean scores		Impact Score	Perceived mean scores		Impact Score	Perceived mean scores		Impact Score
Before	After	Before		After	Before		After	Before		After		
Self Development ev.	5.9	7.9	2.0	6.1	8.5	2.4	6.0	7.6	1.6	6.1	7.4	1.3
Social Empowerment	6.1	8.3	2.2	6.0	8.4	2.4	5.7	7.2	1.5	5.7	7.4	1.7
Economic Empowerment	6.0	7.8	1.8	6.1	7.5	1.4	5.8	6.9	1.1	5.9	7.6	1.7
Political Empowerment	5.3	6.9	1.6	5.7	6.5	0.8	5.2	6.2	1.0	5.4	6.8	1.4
Information Empowerment												
Media Exposure	5.1	6.2	1.1	3.3	7.1	3.8	3.3	5.7	2.4	3.9	7.0	3.1
Awareness about development programmes	3.5	6.8	3.3	3.5	6.9	3.4	0.9	3.1	2.2	3.5	6.2	2.7

Among the five variables studied, a look at the impact scores shows that there is a definite improvement on all aspects related to empowerment after joining the SHG as compared to before joining the SHG as impact score was positive in all the groups and in all dimensions. In Group I of women SHGs, among factors of information empowerment, the maximum impact was seen in awareness about development programmes (3.3) followed by a impact on media exposure (1.1). Among other dimensions maximum impact was on social empowerment (2.2) followed by impact on self development (2.0), economic empowerment (1.8) and political empowerment (1.6). Similar pattern was also observed in Group II comprised of male SHGs. This group also expressed more change in their level of information as maximum impact was seen in their media exposure (3.8) and awareness about development programmes (3.4). The equal impact score (2.4) was observed for development of self and social empowerment followed by economic empowerment (1.4). Among Group III which was non successful women SHG the maximum impact was seen in information empowerment i.e., media exposure (2.4) and awareness of development programmes (2.2). The perceived impact was to the extent of 1.6 in self development followed by social empowerment (1.5) and economic empowerment (1.1). The group IV perceived more change in their level of media exposure (3.1) followed by awareness about development programmes (2.7). The members of this group also felt equal improvement in their social and economic empowerment (1.7).

The impact of media exposure was seen more in men's groups as compared to women's groups. Hence the major impact of SHGs was in terms of information empowerment across all groups whether men or women and in both the successful and non successful groups. Working in groups, discussing issues of common interest, working for the common cause and such other activities, group members acquire more forward looking attitude and become aware of social issues. These attitudinal changes are an indication of the capability of the groups, as the SHG movement goes beyond a mere saving and lending entity as a tool for empowerment.

Moyle and Biswas; 2006 assessed the economic and personal empowerment of 100 women aged between 16 and 65 years, participating in SHGs in Rajasthan. Based on qualitative data, the study found that after joining SHGs, the members achieved both economic and personal empowerment in terms of collective efficiency, pro-active attitudes, self-esteem and self efficacy. In case of personal empowerment, 99 per cent of women believed that 'self-help group members are always able to discuss problems that affect everyone', and 91 per cent of women believed that 'if a problem arises that people cannot solve by themselves, the group as a whole will be able to solve it'. Similar results were found in case of

A case of vested interest!

'Ekta' SHG was registered on 13th December, 2002. It had 10 members from the village Badarpur Said, District Faridabad, Haryana. Each member contributed ₹ 100/- per month. Books were maintained by the group leaders, Rajni and Sheetal. All the women were very happy being the member of SHG as it was fulfilling their various needs of money for children's education, starting some enterprise, purchasing raw material for their enterprise, construction of house, purchasing buffalo, etc. Officials from DRDA helped the women to initiate the SHG. The bank account was opened in Gurgaon Gramin Bank. Members were issued the passbook and they were regularly depositing the money and all those who took the loan paid back at 2% interest. Meetings were held rarely, almost once in six months. However everyone had confidence on office bearers of the group. In 2008 a loan of ₹ 2.5 lakh was granted to the group for disbursing ₹ 25,000.00 to each member for purchasing buffaloes. Instead, of the loan amount, the office bearers gave only ₹ 14,000.00 to each member but got their thumb impression/signature on ₹ 25,000.00. For paying back the loan money, the group members could convince the bank authorities with great difficulty.

Although it was a difficult phase for the group members, but the whole process gave confidence to the women to go outside their social system and deal with strangers.

From the group point of view, it is a failure case but as for individual women, involvement in group has empowered them as they have become more confident in approaching authorities outside their village and could economically fulfill their basic needs.

Perceived reasons for failures:

Vested interest, Lack of cooperation among members, Lack of transparency, No coordination among members, Lack of support from mentors, No common enterprise, Irregular meetings

perceived capability of group members. Ramachandran and Seilan; 2005 also identified the benefits of SHG namely development of saving habit among the poor, access to larger quantum of sources window for better technology and access to various promotional assistance. The important indicators of empowerment among the SHGs were contribution towards the family income, skill up gradation, understanding the banking operations, improved standard of living, better leadership and communication skills, awareness in health education and decision making of women in community, village and in household.

The Chi-square statistic is 0.0434 and the P value is 0.834996. This result is not significant at $p < 0.05$. It indicates that there is no difference in male and female for their perception on impact of SHGs on empowerment.

Conclusion

This study assessed the effectiveness of SHGs in improving livelihood security and gender empowerment in selected SHGs of women and men. Six livelihood security areas such as occupational, food, health, education, habitat and social were chosen. The gender empowerment was measured in the areas of self development, social, economic, political and media empowerment. Age and educational level of the SHG members were found to have positive relation. The impact was assessed based on difference in perceived mean scores before joining SHG and after SHG. From the results it is concluded that irrespective of the gender or success of SHG, joining SHG has definitely made an impact on empowerment and livelihood security of its members. The analysis in this study has provided a better understanding of how the SHGs help in addressing multiple needs of poor women and men in rural areas.

Hence it may be concluded that even if SHGs are not successful in terms of sustainability or continuity of groups over the years, they have strong profound impact in terms of livelihood security and gender empowerment. Thus the SHGs have a great potential for gender empowerment and livelihood security. This potential needs to be harnessed by ensuring regular capacity building, hand holding and linkages with institutions. This will enhance the effectiveness of SHGs and also ensure their sustainability.

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