

SELF HELP GROUPS: A TOOL FOR SUSTAINABLE DEVELOPMENT GOALS

Kalachand Sain

State Aided College Teacher,
Department of Economics,
Balagarh B.K. Mahavidyalaya,
Balagarh, Hooghly, West Bengal,
Email: kalachand31@gmail.com

Abstract

Self Help Groups (SHGs) are very effective in popularising microfinance, which is a useful tool for upliftment of the economic condition of the rural poor. NABARD launched a pilot phase of the SHGs-Bank linkage program in 1992. This paper attempts to examine the socio-economic conditions of women group members and examine how sustainable development goals (SDGs), particularly, the goals of 'no hunger' and 'no poverty' can be achieved through the formation of SHGs. Chi-square test has been used for data analysis. It is observed that micro-finance through SHGs is the appropriate approach and effective tool for reducing hunger and empowerment of women.

Keywords: SHGs, Sustainable development, Women, Empowerment. Hunger, Poverty.

I. Introduction

Micro-finance is getting considered a very powerful tool for uplifting the economic condition of the poor through a group effort. In India, the microfinance programme has a crucial role to play in uplifting the plight of more than 30 crore people living below the poverty line. Microcredit has its origin in Bangladesh, where Dr. Mohammad Yunus with the support of Grameen Bank started the movement. Micro-finance is the provision of thrift, credit and other financial services and products of very small amounts for the poor in rural areas (Juja, 2014, pp 21). The main objective of microfinance is to raise the income level and improve the living standard of the poor. Numbers of issues come to mind when the word 'micro' is considered – viz., the small size of the loan made, the small size of the savings made, the shorter frequency of loans, shorter repayment periods, amount, the micro-level of activities, etc. Self-help groups, members achieve economic empowerment, reframing, identity transformation and formation of a new way of life (Kurtz, 1997)

Sustainable development goals:

To ensure sustainable development of rural women, the focus must be laid on developing the capacity of women through increasing their economic power, social power, participation

power and decision-making powers. These goals are achievable to a large extent through the formulation of SHGs.

In 2015, the world agreed a new set of global goals to eradicate extreme poverty and achieve sustainable development. In the context of the Millennium Development Goals (MDGs), they are known as the Sustainable Development Goals or SDGs. The SDGs are derived from the Millennium Development Goals (MDGs) that were intended for implementation in developing countries. Sustainable Development Goals cover the three dimensions of sustainable development- economic growth, social inclusion and environmental protection. One of the important objective of SDG is women empowerment, which includes some important objectives, such as - i) Reducing all types of discrimination against women and girls everywhere; ii) Eradicate various types of violence against every woman and girl in the public spheres as well as private spheres including sexual and other types of abuses; iii) Eradicate all types of harmful practices, such as early and forced child marriage, female genital mutilation, etc. iv) Ensure women's equal participation and leadership in decision-making processes at every level and in every sector.

II. Literature review

It is relevant to refer briefly to the previous studies in this area to find out and fill up the research gap, if any. Some important studies which are relevant to the present study have been discussed below: **Mohanty and Sahu (2020)** analysed the performance of SHGs in women empowerment, social harmony and social and economic improvement in Jagannath Prasad Block of Ganjam District in Odisha, India. The study focused on the socio-economic development of women through SHGs. It has been found that micro-finance contributes to increasing savings by women in their own name. This makes them capable of influencing the family members for savings. **Rose and Jose (2017)** examined the impact of SHG initiatives on the socio-economic status of members in Kerala. The study was based on a sample of 16 SHGs. The scholars felt that there is a need to organize the sensitization programs for the members of SHGs in respect of self-improvement and enterprising expertise advancement. **Chandavari and Rayanagoudar (2016)** conducted a study on the profile of SHG individuals in Karnataka based on the sample of 400 SHGs comprising 6338 individuals in it. They observed that the largest number of respondents joined this SHG to get monetary help. **Malhotra (2016)** investigated the effect of the self-help groups on the under-special houses and especially the ladies in the territory. Data were gathered principally from the individuals from the self-help groups working in Chandigarh. The survey was done on woman members. Authorities were likewise addressed and meets were led to understand the down-to-earth circumstances. Information from the bank was likewise collected to get the official image of these self-help groups. The information was gathered from the SHG individuals who are oppressed women of the rustic zone. **Baghel and Shrivastava (2015)** have investigated the impact of the Self-Help Group (SHG) on the overall socio-economic development of rural women of the Durg district of Chhattisgarh. The study considered four independent variables viz., Individual Social Indicators, Community Social Indicators, Individual Economic Indicators and Community Economic Indicators to analyse the socioeconomic development of rural women. **Nandini and Sudha (2015)** investigated the role of microfinance in

eradicating poverty in countries like India. Their study was based on the sample of SHGs operating in Ramnagar District, Karnataka. SHG-Bank Linkage scheme helps to provide financial support to the SHG and women beneficiaries. The authors analysed development of women in terms of asset creation, repayment of debts, improved decision-making skills, and improved nutrition level in their families. **Shettar (2015)** analysed the situation of women empowerment in India and highlighted the issues of rural women empowerment. The said study is based on secondary data. The study exposes that the women of India are relatively disempowered and they enjoy a somewhat lower status than that of men in spite of several schemes launched by the Government. The study concludes with a remark that access to employment, education and change in social structure is only the enabling factors to women empowerment. **Krishnaveni, Haridas, Nandhini and Usha (2013)** conducted highly relevant research work on self-help groups. According to them, SHGs are extremely relevant to making the people below the poverty-line self-reliant. SHGs help group members to increase their income as well as improve the standard of living among the group members. **Pandey and Robert (2011)** scrutinised the effect of the contribution of SHGs on the empowerment of women in Chamarajnagar District of Karnataka with the help of a narrative method. In the above study, the authors mentioned that it is very vital to provide a convergence of inputs, ensuring positive participation of women in the program in the form of a movement for social change. **Karmakar (2008)** reviewed the studies conducted by various experts. SHG is expanding as the world's largest micro-finance program in terms of its transactions and outflows and has taken the banking services to the doorstep of people, who have not been serviced by the banking system. **Purushotham, P. (2004)** based on the study of self-help group members of Anantapur district in Andhra Pradesh's observes that micro-credit intervention helped the group members to acquire property, repay old loans, increase in income and savings. **Dadhich (2001)**, on the basis of the evaluation of Oriental Grameena Project in India, has shown how micro-finance can be used as an effective vehicle to alleviate rural poverty. He concludes that if properly designed and effectively implemented, microfinance can be a means not only to alleviate poverty but also to empower women. **Nedumaran et al. (2001)** discussed the enactment and the socio-economic effect of SHGs in Tamil Nadu and found that there was an increase of 23 percent in the net income of the members after joining SHG groups. The social conditions of the members also considerably improved after joining the Self-Help Group. **Sundari, S and Geetha, N (2000)**, in their study examined the gender disparity in access to institutional credit. In their opinion, the disparity is gradually narrowing down over a period of time.

III. Research gap

From the literature review done above, it is observed that many empirical and theoretical studies have been done in India on SHGs and its impact on poverty alleviation and status of women. Most studies are limited to the southern states of (erstwhile) Andhra Pradesh, Tamil Nadu, Kerala and Karnataka. Comparatively fewer studies have been undertaken in respect of the effect of SHGs on women empowerment in eastern India, especially in the state of West Bengal. It seems appropriate to examine the role of SHGs in West Bengal. To fill this research gap, I take up study SHGs in Kalna Block II, where no major research relating to

SHGs and sustainable development goals has been conducted. We need to examine whether joining SHGs results in women's empowerment in terms of financial independence or not.

IV. Objectives of this Study

Following are the main objectives:

- i. To understand the socio-economic condition of women job seekers.
- ii. To examine how sustainable development goals, particularly, the goals of 'no-hunger' and 'no-poverty' can be achieved by creating SHGs.
- iii. To assess the impact of the SHGs on the empowerment of women.

V. Sample design and data collection

For the present study of Kalna Block II in Burdwan district, West Bengal, India has been chosen. Statistical tools like Chi-square test; percentages etc. have been used for data analysis. This study is based on primary and secondary data. Secondary data have been collected from reference books, journals, and websites. The primary data were collected by administering a structured questionnaire, exclusively prepared by keeping in view the objectives of the study. Data were collected from 50 randomly chosen female group members of the SHGs in January 2018.

VI. Social and Educational Profile of Women's members of SHGs in Kalna Block II

The factors which determine the women group members' participation SHGs are nature of work, the requirement of a skilled worker, hours of work, availability of work at the local level, wage rate, etc. A socio-economic condition represents the status, position and growth of a society. Therefore, it is very important to understand the socio-economic structure of a society. The socioeconomic conditions of women group members studied by me have been discussed here. This is done under three sub-headings viz., family structure, family headship and educational status of the women.

A. Family structure

Family structure has an influence on the empowerment of women. In the study area, 35% of respondents belonged to the nucleus family and the rest 65% to the joint family structure before joining SHGs. After joining SHGs, the situation changed noticeably. After joining SHGs proportion of the nucleus family increases to 40% of respondents; affiliation to joint family reduced to 60% of the respondents (Table 1). In a joint family, the women have to compromise family matters strictly with other family members. The decision-making power is shared equally with all other family members and husband. There is a negative relationship between family structure and women empowerment and vice-versa.

B. Family headship

In our society of India in most cases, women live under the headship of husband or other family elders like father-in-law or brother-in-law. The family head holds the supreme

authority not only in family decision-making but also in affecting the role of women in the family. Table 1 shows that 60% of women respondents live under the headship of their husbands and in remaining 40% of the respondents reported living under the headship of other family members before and after joining SHGs. The women being much more flexible with husband, compared to other family elders, the gradual rise of the headship of husband is counted as an index of women empowerment.

C. Educational status of women

As women empowerment largely depends on awareness of women's rights and education which increases the bargaining power of women on a family matter. As per the field report, 10% of women are illiterate before joining SHGs. The survey reveals that 30% of women members have primary education and 60% have secondary level education. After joining the SHGs, these proportions change to 20% and 80% respectively. This implies that involvement with SHGs expands the educational position of women.

Table 1: Social and Educational Profile Women's members' of SHGs in Kalna Block II

Explanatory variables		Before joining SHGs		After joining SHGs	
		Number	%	Number	%
Family structure	Joint	35	70	30	60
	Nucleus	15	30	20	40
Family headship	Others	20	40	30	60
	Husband	30	60	20	40
Education Level	Illiterate	05	10	00	00
	Primary	15	30	10	20
	Secondary and above	30	60	40	80

Source: Calculated and compiled by author

Income level of members:

For the improvement in the standard of living, income acts as a major determinant. Table 2 shows that the income of the members has increased after joining SHGs. The highest category is Rs (3000-4000) per month. This increase shows that members have raised their income level after joining the SHGs. 14% of respondents belong to the income group of Rs (3000-4000) which has increased to 24% after joining the SHGs. Again 16% of respondents lie in the income group Rs (5000-6000). It is very significant. According to the data collected, there is an impact that there is a change in income after enrolment under SHGs. Many women group members joined in economic activities independently to raise their income level and standard of living.

VII. Data Analysis:

The rise in income among the women group members represents signals reduction of poverty and an increase of the standard of living of women members. Chi-square test has been used to examine if joining SHGs results in the improvement of the economic position of the women. Collected data have been analysed to examine the hypothesis noted below:

H₀: Joining SHGs makes no significant difference in the income of the women members.

H₁: Joining SHGs enhances the monthly income of the women group members.

Table 2: Monthly Income of the members before and after joining SHGs.

Sr. No.	Monthly income (Rs)	Before joining SHGs		After joining SHGs	
		No. of respondents	Percentage	No. of respondents	Percentage
1	Less than 1000	04	08	00	00
2	1000-2000	14	28	05	10
3	2000-3000	18	36	10	20
4	3000-4000	07	14	12	24
5	4000-5000	05	10	10	20
6	5000-6000	02	04	08	16
7	Above 6000	00	00	05	10
Total		50	100	50	100

Source: Calculated and compiled by authors

Table 3: Chi-square value

Chi-square value	Significant	df
21.37	5%	5

Source: Calculated and compiled by authors

Computed Chi-square value is 21.37. For five degrees of freedom the critical value of chi-square is 11.070. Since the computed value is greater than the tabulated critical value 11.07, the computed chi-square value is significant at the 5% level. Therefore, the null hypothesis is rejected and the alternative hypothesis is accepted. It reflects that the respondents joining SHGs experience rising income levels. So, we can simply say that SHGs have a positive impact on women's level of income.

Community Participation and Women empowerment

Table 4 shows the women members' participation in the Gram Sabha in the study area. The Table shows that after joining the SHGs 50% of respondents said that they attended the Gram Sabha and 40% of respondents said that they not only attended the Gram Sabha, but also, they had been

speaking in Gram Sabha. 10% of women group members now also interact with government officials (Table 4). This has larger effects in terms of an increase in confidence levels.

Hypothesis1: H₀: There is no significant difference in the women group members' participation in the Gram Sabha. H₁: There is a significant difference in the women group members' participation in the Gram Sabha in the study area.

Table 4: Women group members' Participation in the Gram Sabha

Monthly income (Rs)	Before joining SHGs		After joining SHGs	
	No. of respondents	Percentage	No. of respondents	Percentage
Attending Gram Sabha	15	30	25	50
Speaking in Gram Sabha	10	20	20	40
Interacting with Officials	01	02	5	10

Source: Field survey, January 2017

Given the degrees of freedom equal to 4, the critical value of chi-square is equal to 9.48 at 5% level of significance. The calculated value of chi-square is 1.023 which is less than the critical value i.e., 9.48. Therefore, null hypothesis is accepted. It reflects that community participation and women empowerment are not related. It means simple community participation cannot lead to straightforward women empowerment.

Contingency coefficient:

The Contingency coefficient, denoted by C, provides a measure of the correlation between two variables, with each of these variables being classified into two or more categories. Its upper limit is dependent upon the number of categories. It does not have a negative value. After computing the value of chi-square from the given data, the value of contingency may be computed directly by the use of the following formula:

$$C = \sqrt{\frac{\chi^2}{\chi^2 + N}} \quad (\text{Where } N = \text{number of observation})$$

Here, the value of the contingency coefficient is 0.06, which is positive. It means SHGs have a positive impact on women's empowerment in our study area.

VIII. Findings:

The major findings of the study are:

- (i) Women members become educated after joining the SHGs in the study area.
- (ii) Income of the women members reflects an increase.

- (iii) Dependence of women on men started declining in the said study area.
- (iv) SHGs are one of the main sources of alternative employment for women in the study area.
- (v) It is observed that the participation of women in decision-making over family affairs is good.
- (vi) Women Workers' Participation in the Gram Sabha in the study area is not bad.
- (vii) Before joining the SHG, maximum members of the group were working as agricultural labourers, mostly in rural areas; after joining SHGs the women's occupational level changed; now many respondents are self-employed, some of them (nearly 19%) are working as agricultural labourers, which indicates that the women are taking on self-employment after joining SHGs.
- (viii) Economic empowerment of the members can be seen as there has been an increase in income, increase in expenses and related savings and there has been less dependence on money lenders, friends and relatives. They could spend their income on food, cloth, or other consumption needs either for their family members or for themselves.

IX: Conclusion

SHGs have positive impact on employment of women and their empowerment. Women have benefited more as workers than as a community. Women as individuals have gained because of their ability to earn independently, due to the paid employment opportunity under SHGs. SHG is widely acclaimed to provide employment, income and help the rural people to come out of the poverty. Independent and monetised earnings have increased consumption choices and reduced economic dependence. This has helped women in registering their solid involvement to the household's income. SHGs act as a training ground which increase the presence of women in the gram sabha; increasing number of women participate in the gram sabha, interact with government officials and go to banks and post offices. SHG has positive impact on employment pattern of women as well as SHGs reduce hunger-poverty among the rural women. Women have benefited both as individual and as community. The rural women are promoted individually because they are competent to earn independently. So, we can conclude that SHGs is not only a scheme but also an instrument, which helps to achieve the SDGs in the rural area.

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