

Economic empowerment of rural women through SHGs in Jajpur district of Odisha

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■ **ABSTRACT** : Rural development and reduction of poverty are the two important objectives of our nation. Self help groups (SHGs) have been proved to be an effective means to achieve these two objectives. The SHGs in Odisha have been in the services of rural women for quite a long time with successful achievement. The importance of SHGs in elimination of poverty has been greatly realized. A study conducted on “Economic Empowerment of rural women through SHGs in Jajpur district of Odisha” reveals that SHGs in the state is at increasing trend fulfilling the requirements of their members. Many researchers are in opinion that emerging SHGs are the right channel to reach and empower rural women.

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Of all the resources essential for progress of a nation, human resource is most important. Women constitute about half the population of the nation, accomplish about two third of its working hours, receive one-tenth of the world's income and own less than one-hundredth of the world's property. Women are generally considered as the weaker sex requiring social and economic protection. Recognizing the need for involving in their own development, the government of India has initiated several programmes and undertaken various measures to bring them in the mainstream of development. In this context, self -help groups (SHGs) have emerged as an instrumental power to create a socio-economic revolution in the rural areas of our country. SHGs have not only produced tangible assets and improved living condition of members but also help

in changing much of their outlook, worldview and attitude. Women in India are the victims of multiple socio-economic and cultural factors. Self-help groups also play a very vital and critical role towards empowering women in almost all the fields. In recent years the group approach to various poverty alleviation programmes is getting recognition in India. Mostly, women are mobilized into groups for undertaking mutually beneficial social and economic activities. The group provides women, a base for self-employment and empowerment through group dynamics. In India the mutual help based groups are known as self help group. It is being realized in India that SHGs can establish relationship between the formal institutions and the poor for providing information, credit and other facilities. It has been very well established that providing finance to the poor after organizing them

into homogenous group commonly known as SHGs have given statutory results in India and other developing countries, especially among the rural poor. The SHG is a viable organized set-up to disburse microcredit to the rural women for the purpose of making them enterprising and encouraging them to enter into entrepreneurial activities. The formation of SHGs is not ultimately a micro credit project but an empowerment process.

Women Group approach to poverty alleviation is gaining momentum in India and other developing countries. This approach aims at inculcating the habits of saving even in small amounts, supplemented by borrowing from outside sources and rotation of saved and borrowed funds by lending within the group. The SHGs generally have members not exceeding 20 and each group selects among its members a leader called animator. The animator conducts meetings regularly every week. Women empowerment is multifaceted concept that extend to the psychological, economic, social, cultural, political and institutional spheres of women's lives. SHGs are the tool for achieving social and economic empowerment through collective actions. It has led the women to understand their potentials, rights, entitlements and their responsibilities as mother at home, as labourer in different activities they engage with and as a citizen in the country. The SHG is a viable organized set-up to disburse microcredit to the rural women for the purpose of making them enterprising and encouraging them to enter into entrepreneurial activities. The empowerment of women through SHGs would gives benefit not only to the individual women but also for the family and community as a whole through collective action for the development.

The SHGs have the common perception of need and impulse towards collective action. Empowering women not for economic need alone, but also for more holistic social development. The SHGs empower women

both socially and economically. They encourage women to participate in the decision making in the household, community, local democratic sectors and prepare women to take leadership position.

Self-help groups of women in India have been recognized as an effective strategy for the empowerment of women in rural areas. In recent years self-help groups are emerging as In order to analyze the role of SHGs in women empowerment, a brief review of literature has been made. According to Mohanan (1998), the self-help scheme to beneath new strategy to combat poverty. To him, the SHG route is one of the cost effective methods of delivery of credit to the poor for whom modern capital is inaccessible. SHG acts as the forum for members to provide space and support to each other, it enables its members to learn and to cooperate and work in a group environment. Micro credit which includes micro savings is gradually emerging as one of the most effective strategies to alleviate poverty. Micro credit has worked largely through SHGs it benefits the SHGs to improve the quality of life of their members and their productivity to earn sustainable income. The rural industries designed to cover enterprises which are classified as small, tiny, micro village and household units involved manufacturing, processing agro based products, preserving, storing or marketing, to improve the quality of products by introducing new tools and processes to reduce raw material wastages to impart skill development training to artisans. These works are being supported by various NGOs involved Manufactory, Processing agrobased product, Processing, storing or marketing to important quality of product by introducing new looks and process to reduce raw material wastage to impart skill development training to artisan. These work are being supported by various NGOs and Govt sector e.g. Khadi village industries for non-farm is came generating activities SGSY, SJSRY etc. SHG approach with micro

Table A : Status of WSHGs in Odisha as on March, 2014

No. of WSHGs formed	5,63,388
No. of members	67,60,656
Credit advanced	Rs.3011.26 crores
Amount of savings	Rs.414.96 crores
No. of WSHGs credit linked	4,77,772
Federations formed at district level	8005 (7661 GP level + 314 block level+30)
No. of SHGs with repeat finance	3,03,969
Amount of repeat finance	Rs.1961.04 crores Other achievements

Odisha Economic Survey, 2014-15

finance made available by commercial bank through NGO and SHBo are eligible for PMRY, SJSRY assistance. There is not upper limit on the loan sanctioned for SHGs. They must take up common economic activities for which loan is sanction without landing to members. Loan may be provided as open to individual eligible taking is to account requirement to the project. "Mission Shakti" a campaign for holistic empowerment of women was launched in March, 2001 with a target to organize two lakh WSHGs covering all revenue villages of the state. The formation of WSHGs has crossed 2 lakhs by 2008. Mission Shakti believes in empowerment through SHGs mode with thrift and credit as its backbone. Women at large have displayed great strength in the success of the Mission due to their positive contribution to the group dynamics and their natural inclination for savings (Odisha economic survey, 2014-15).

Soundari and Sudhir (2001) reveals that the SHGs engage not only in productive economic activities but also in social empowerment and capacity building of rural dalit women. Rao (2002) has pointed out that for bridging gaps gender inequality, women should be empowered by making them as active partners in decision-making, implementation and evaluation of all interventions initiated for energizing, organizing and sustaining their livelihood. According to him, empowerment is an ongoing process and not an end by itself. The processes involved in empowering are (i) growth in people's awareness and (iii) Gaining access to resources and public facilities; (iv) Negotiating over relations between different social groups.

Puhazhendhi (2000) observed that of the sampled households food items like wheat and rice which was consumed only during festivals was consumed regularly. Similar was the case of vegetables. Further 27 per cent were stocking food for lean season and 8 per cent owned radios after joining SHGs.

Banerjee (2002) in his evaluation study of "self help group in Tamil Nadu" expressed that few women members of the groups got elected in panchayat bodies and pressurized the authorities in laying of roads, getting electric connection and providing drainage, borewell and constructing community halls which would definitely go a long way in improving the quality of life of the members. The author also indicated that women members expressed full satisfaction over their performance and

wanted to continue their association with the groups.

Kothai *et al.* (2003) corroborated that there was positive impact on SHG members where the confidence level of the women members has increased enormously. They could talk to outsiders without any inhibition, they were capable of moving around to cities and banks without seeking the help from men and were also not getting cheated/exploited easily by merchants and middle men. Vasudeva (2004) rewarded Andhra Pradesh SHGs by saying that they are steadily bringing a silent revolution in the empowerment of women in rural areas and have achieved a respectable position in the country overall the states. SHGs have brought about a massive impact on the rural women of our country especially in the 4 southern states of Andhra Pradesh, Tamil Nadu, Karnataka and Kerala. The above studies reveal that SHGs have ushered in prosperity and contentment in the lives of the rural poor especially in their nutritional and living standards.

■ RESEARCH METHODS

The objectives of the present study was to study the pre and post-SHG status of SHGs members and to evaluate the impact of SHGs in women empowerment and in rural development. The present study was studied in Jajpur district of Odisha. Data on SHGs have been used from Primary and secondary data for the present study. Stratified random sampling method has been used for the selection of 120 beneficiaries of 40 WSHGs of 4 different blocks of Jajpur district. The impact of SHG in developing income generation activities before and after the formation of SHGs was analyzed. Similarly the growth of income pattern of the respondents in pre and post SHGs stage has been taken for analysis and others socio-economic parameters have been assessed to study the impact on beneficiaries.

Impact of self-help groups on income generation:

One of the major objectives in initiating SHGs for women, especially the poor women is to help them take up and manage their own productive activities. This could supplement their household income leading to improved living standards. Such income generating activities are also expected to serve as instruments which could bring about economic awareness and empowerment among the women members. The impact of SHGs are analyzed on the basis of income generation activities developed in

Pre-SHG and Post -SHG stage, income of the respondents in Pre-SHG and Post- SHG stage, benefits under SHGs and empowerment of women.

■ RESEARCH FINDINGS AND DISCUSSION

The findings of the present study as well as relevant discussion have been presented under following heads :

Entrepreneurship of the respondents in pre-SHG and post SHG stage :

The income generation activities of the respondents in Pre-SHG and Post-SHG stage is analyzed in the above Table 1. It was found that 65% of the respondents have no entrepreneurship in Pre-SHG stage whereas in Post-SHG stage, only 35 % of the respondents are without entrepreneurship. The entrepreneurship chosen by SHG members depends upon the availability of skill, demand for the product in the market and the availability of resources.

Income of the respondents in pre -SHGs and post-SHG stage:

The SHG members get involved in activities which yield better income to them. The income of the respondents in Pre-SHG and Post SHG stage was analyzed in the Table 2. It was shown that before joining

in self-help groups, 65 per cent of the respondents had no income and none of the respondents had income above Rs. 4,000. After joining SHG, four per cent of the respondents have income above Rs. 4,000 per month. In post- SHG 35 per cent beneficiaries coming under no income group. Before joining SHG, majority of the women were not able to contribute towards their family income as they do not have the skills or opportunities for employment. After joining SHG, through entrepreneurship development they would make a lot of difference to the lives of poor. The increased income has helped to supplement the incomes to reduce the level of the poverty to a great extent in several families.

Benefits under self- help groups :

In Table 3 the data shows how self-help groups have an impact on development of the savings habit, increased income, better status and decision making power, access to various promotional assistance, access to larger quantum of recourses and windows for better technology.

Empowerment of self-help group women :

The SHG programme mainly focuses on empowerment of rural women and making them and politically capable. The above table analyzed the

Table 1 : Entrepreneurship development of the respondents in pre-SHG and post- SHG stage

Entrpreneurship	Pre-SHG Stage	Post- SHG stage
No entrepreneurship	78(65)	42 (35)
Paddy processing	12(10)	15(12.5)
Dairy	7(5)	13 (10.8)
Poultry	9(7)	14 (11.6)
Value addition/ food processing	7(5)	16 (13.3)
Handicraft	5(4)	11(9.11)
Mushroom production	2 (1)	9 (7)
Total	120(100)	120(100)

Source: Primary Data, Note : Figures in the brackets denote percentage

Table 2 : Income of the respondents in pre-SHG and post SHG stage

Monthly income (Rs.)	Pre-SHG stage	Post- SHG stage
No income	78(65)	42 (35)
Upto Rs. 2000	28 (23.3)	35(29.1)
Rs. 2000-3000	9 (7)	18(15)
Rs. 3000-4000	5(4)	20 (16.6)
Above Rs4000	-	5 (4)
Total	120(100)	120(100)

Source: Primary Data, Note : Figures in the brackets denote percentage

Table 3 : Benefits received by SHGs members

Benefits received	Pre-SHG stage	Post- SHG stage
Savings	5(4)	43 (35.8)
Increased income	42(35)	78(65)
Access to various resources	25(20.8)	62(51.6)
Technological support	12(10)	44 (36.6)
Increased decision making power	21(17.5)	68 (56.6)
Access to various Schemes	15 (12.5)	41(34)

Source: Primary Data,

Note : Figures in the brackets denote percentage

Table 4 : Empowerment of self -help group women

Indicators of women empowerment	Pre-SHG stage	Post- SHG stage
Supplement family income	42 (35)	78 (65)
Skill development	12 (10)	45(37.5)
Understand the banking operation	15(12.5)	60(50)
Improve the standard of living	11(9.1)	75(62.5)
Leadership and communication skill	14(11.6)	31(25.8)
Recognition in village	10(12)	46(38.3)

empowerment of SHG women in the study area. Table 4 revealed that the opinion of the respondents regarding the women empowerment through SHGs. The respondents were able to contribute towards their family income and also counted other benefits like better understanding of banking operations, better leadership and communication skills. They gain experience of how to take decisions in community, village, and in households. The most important thing is that this improved their standard of living.

Summary of findings :

On the basis of the study the following :

65% of the respondents have no occupation in Pre-SHG stage where as in Post -SHG stage, only 35 % of the respondents are without occupation.

In Pre –SHGs stage, 18 per cent of the respondents were engaged as agricultural labourer, but in post –SHGs stage, the percentage of agricultural labourer reduced to 9%.

In Pre-SHGs stage, 35 per cent of the respondents are engaged in other income generating activities which increased to 65 per cent in post-SHGs stage.

Before joining in self-help groups, 35 per cent of the respondents had no income and none of the 100 respondents had income above Rs. 4,000 per month. After joining SHG, 3 per cent of the respondents have income above Rs. 4,000 per month. In post -SHG stage, not a single beneficiary was in no income group.

In pre-SHGs stage, majority of respondents *i.e.* 15 per cent are having income ranging between Rs.2000-3000 per month but after joining SHGs, 20 per cent of respondents mentioned that their income have increased to Rs. 2,000-4,000 per month.

35.8 per cent of respondents are of the opinion that they have developed the saving habit after joining SHGs. Whereas 76 per cent of respondents revealed that their income level had increased significantly after joining SHGs.

51.6 per cent of respondents reveal that after joining SHGs, they are able to access large quantum of the resource whereas 30 per cent of respondents have expressed their dissatisfaction.

36.6 per cent of respondents have opined that SHGs proved useful window for better technology whereas majority of respondents *i.e.* 75 per cent of respondents have expressed their satisfaction that SHG have helped them to live better life and their involvement in decisions making power.

70 per cent of respondents reveal that SHGs have provided them access to various promotional assistance and 80 per cent of the respondents expressed that SHGs have been able to organize voice their grievance together.

65 per cent of respondents have opined that through SHGs, they are able contribute towards their family income, 37.5 per cent of respondents have expressed that SHGs have helped them for skills up gradation, 50 per cent of respondents are able to understand banking

operation after joining SHGs, 62.5 per cent of respondents have opined that their standard of living have improved after joining SHGs, whereas 25.8 per cent of the respondents have opined that SHGs have improved their better leadership and communication skill and 56.6 per cent of respondents stated that after joining SHGs, they are able to take decision in community, village and household activities. SHGs have a power to create a socio-economic revolution in the rural areas of our country.

Conclusion :

The SHG is a powerful instrument for poverty eradication in the new economic era. As women are the most vulnerable section of the society the quick progress of SHG is an upward vehicle for women empowerment. SHGs have not only produced tangible assets and improved living condition of members but also helped in changing much of their outlook and attitude. In the present study, it has been found that SHGs have served the cause of women empowerment, social-solidarity and socio-economic betterment of poor rural women. SHG serves as a democratic tool for grass root development for women. SHG promotes self reliance by generating its own funds. It breaks the vicious cycle of debts. It is an effective agent for change and serves as a solid platform for women empowerment.

The present study also revealed that most of the respondents were illiterate and had lesser participation in extension activity. So there is a need to educate women, not only in the sense of teaching them to read and write but also to impart better skills and technical know how which increase their confidence about income generating activities and to improve their social status by increasing their social awareness. Most of the

respondents during meeting mainly discussed on family problems, savings etc. but much preference was not given to other activities like how to deal about marketing aspects, how does the bank help in promoting them, what role the NGO plays in uplifting them etc. Hence, the NGO's, bank officials, extension functionaries etc. should create awareness and make them to discuss all these aspects in the meeting and should also conduct trainings, demonstrations, field visits, visiting successful SHGs etc.

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