

## SELF HELP GROUPS: AN APPROACH TO WOMEN EMPOWERMENT -A STUDY OF BLOCK LAR, DISTRICT GANDERBAL, JAMMU AND KASHMIR.

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### ABSTRACT

*Empowerment as a concept was introduced at the International Women's Conference at Nairobi in 1985. The conference defined empowerment as "A redistribution of social power and control of resources in favor of women". It is "the process of challenging existing power relations and of gaining greater control over the sources of power". One has to believe that the progress of any nation is inevitably linked with social and economical plight of women in that particular country. Empowerment by way of participation in SHG can bring enviable changes and enhancement in the living conditions of women in poor and developing nations. The underlying principle of SHG is to provide to the poorest of the poor and to achieve empowerment.*

*Self-help groups are necessary to overcome exploitation, create confidence for the economic self-reliance of rural people, particularly among women who are mostly invisible in the social structure. These groups enable them to come together for common objective and gain strength from each other to deal with exploitation, which they are facing in several forms. A group became the basis for action and change. It also helps buildings of relationship for mutual trust between the promoting organization and the rural poor through constant contact and genuine efforts. The present paper is an attempt to analyze the role of SHG's in the sustainable development of women in the Block Lar of Jammu and Kashmir State.*

**Keywords:** Empowerment, Employment, Voluntarism.

### INTRODUCTION

The word empowerment means "give power or authority to" and women's empowerment can be defined as the process by which women take control and ownership of their choices.

Women's empowerment is very essential for the development of society. Empowerment means individuals acquiring the power to think and act freely, exercises choice and fulfill their potential as full and equal members of society. As per the United National Development Fund for women (UNIFEM), the term women's empowerment means:

- Acquiring knowledge and understanding of gender relations and the ways in which these relations may be changed.
- Developing a sense of self-worth, a belief in one's ability to secure desired changes and the right to control one's life.
- Gaining the ability to generate choices exercise bargaining power.

Developing the ability to organize and influence the direction of social change, to create a more just social and economic order, nationally and internationally.

Women's Empowerment refers to an increase in the strength of women such as spiritual, political, social or economic. The most common explanation of "Women's Empowerment" is the ability to excise full control over one's actions. Thus, women empowerment occurs in real sense when women achieve increased control and participation in decision making that leads to their better access to resources it often involves the empowered developing confidence in their own capacities.

## **WOMENS' EMPOWERMENT IN INDIA**

The year 2001 had been declared by the Government of India as "Women's' Empowerment Year" to focus on a vision where women are equal partners like men". Because the Constitution of India grants equality to women in various fields of life. In the past, the position of women was miserable in the society and even women were not ready to undertake any assignment or job due to many reasons like fear, shyness and male dominance in the society but time has been changed now. Women of today are not like the early days. Now, they are always ready to come forward and want more economic independence, their own identity, achievements, equal status in the society and greater freedom. Government of India has provided for Self Help Groups (SHGs) to them so that proper attention should be given to their economic independence through self employment, entrepreneurial development and well being that ultimately leads to its contribution. SHGs have been emerged as a powerful instrument in order to alleviate poverty and for the empowerment of women in the rural economy. SHGs through the network of commercial banks, co-operative banks, regional rural banks, NABARD and NGO's has been largely supply driven and a recent approach in the provision of financial services to the poor and further

upgrading their status in the society. In this way, SHGs are important not only to reduce rural poverty, to promote rural savings but also to increase gainful employment. Keeping this in mind, the present study is to study the growth of SHGs and to analyze the current position of women empowerment and study the economic improvement of women after their joining SHGs. The information for the study has been collected from secondary sources i.e. various books, Journals, newspapers, published literature, websites, and annual reports.

### **SHG AS AN EFFECTIVE APPROACH TO WOMEN EMPOWERMENT:**

One has to believe that the progress of any nation is inevitably linked with social and economical plight of women in that particular country. Empowerment by way of participation in SHG can bring enviable changes and enhancement in the living conditions of women in poor and developing nations. The underlying principle of SHG is to provide to the poorest of the poor and to achieve empowerment.

Self Help Group (SHG) is a process by which a large group of women (10 – 20), with common objectives are facilitated to come together voluntarily to participate in the development activities such as saving, credit and income generation thereby ensuring economic independence. SHG phenomenon definitely brings group consciousness among women, sense of belongingness, adequate self confidence. In fact, what she cannot achieve as an individual, can accomplish as a member of group with sufficient understanding about her own rights, roles, privileges and responsibilities as a dignified member of society in par with man. When she becomes a member of SHG, her sense of public participation, enlarged horizon of social activities, high self-esteem, self-respect and fulfillment in life expands and enhances the quality of status of women as participants, decision makers and beneficiaries in the democratic, economic social and cultural spheres of life. In other words, we can say that SHG is an effective instrument to empower women socially and economically which ultimately contributes in the overall development of the country like India wherein still large segment of women population are underprivileged, illiterate, exploited and deprived of basic rights of social and economic spectrum.

### **SHG MODELS IN INDIA:**

In India three different models of linkage of SHGs to the financial institutions have emerged. They are:

- Banks, themselves, form and finance the SHGs.
- SHGs are formed by NGOs and other agencies but financed by banks.
- Banks finance SHGs with NGOs and other agencies as financial intermediaries.

The second model is the most popular model. Almost three-fourths of all the SHGs come under this model. Only 20% of the SHGs are covered under the first and 8% under the third model respectively.

### **FUNCTIONS OF SHGS:**

The important functions of SHG are the following:-

- Enabling members to become self-reliant and self-dependent.
- Providing a forum for members for discussing their social and economic problems.
- Enhancing the social status of members by virtue of their being members of the group.
- Providing a platform for members for exchange of idea.
- Developing and encouraging the decision making capacity of members.
- Fostering a spirit of mutual help and cooperation among members.
- Instilling in members a sense of strength and confidence which they need for solving their problems.
- Providing organizational strength to members.
- Providing literacy and increasing general awareness among members.
- Promoting numerically and equipping the poor with basic skills required for understanding monetary transactions.

Thus the SHGs function on the *principle* of the five 'P':

- 1) Propagator of voluntarism.
- 2) Practitioner of mutual help.
- 3) Provider of timely emergency loan.
- 4) Promoter of thrift and savings.
- 5) Purveyor of credit

### **FEATURES OF SELF HELP GROUPS ARE:**

1. Small in size (10 to 20 members in a group).
2. Identical background, common interest and affinity of members.
3. Close and intimate knowledge of member's needs and problems.
4. Democratic functioning.
5. Simple documentation.

6. Collective decision making and peer pressure in repayment.
7. Regular meetings and savings.
8. Group access to external funds.
9. Focus on poor people especially women below poverty line.

#### **ADVANTAGES OF SELF HELP GROUPS:**

1. They help the poor to gain economic and social empowerment.
2. They reduce the transaction cost of lenders and borrowers.
3. They encourage the poor to save. The poor become creditworthy and bankable customers and are not seen as beneficiaries.
4. Women are trained in new skills and technologies and the wage earning workers become micro entrepreneurs.
5. Increased asset creation and savings, higher employment and improved social lives of members are the benefits to the members

#### **NEED AND IMPORTANCE OF SELF HELP GROUPS:**

Self-help groups are necessary to overcome exploitation, create confidence for the economic self-reliance of rural people, particularly among women who are mostly invisible in the social structure. These groups enable them to come together for common objective and gain strength from each other to deal with exploitation, which they are facing in several forms. A group became the basis for action and change. It also helps building of relationship for mutual trust between the promoting organization and the rural poor through constant contact and genuine efforts. Self-help groups play an important role in differentiating between consumer credit and production credit, analyzing the credit system for its implication and changes in economy, culture and social position of the target groups, providing easy access to credit and facilitating group/organization for effective control, ensuring repayments and continuity through group dynamics; setting visible norms for interest rates, repayment schedules, gestation period, extension, writing of bad debts; and assisting group members in getting access to the formal credit institutions. Thus, self-help group disburses microcredit to the rural women for the purpose of making them enterprising women and encouraging them to enter into entrepreneurial activities. Credit needs of the rural and urban poor women are fulfilled totally through the SHGs. SHGs enhance equality of status of women as participation, decision-makers and beneficiaries in the democratic, economic, social and cultural spheres of life.

The rural poor are in-capacitated due to various reasons such as; most of them are socially backward, illiterate, with low motivation and poor economic base. Individually, a poor is not weak in socio-economic term but also

lacks access to the knowledge and information, which are the most important components of today's development process. However, in a group, they are empowered to overcome many of these weaknesses, hence there are needs for SHGs which is specific terms are as under:-

- To mobilize the resources of the individual members for their collective economic development.
- To uplift the living conditions of the poor.
- To create a habit of savings, utilization of local resources.
- To mobilize individual skills for group's interest.
- To create awareness about right.
- To assist the members financial at the time of need.
- Entrepreneurship development.
- To identify problems, analyzing and finding solutions in the groups.
- To act as a media for socio-economic development of village.
- To develop linkage with institution of NGOs.
- To organize training for skill development.
- To help in recovery of loans.
- To gain mutual understanding, develop trust and self-confidence.
- To build up teamwork.
- To develop leadership qualities.
- To use it as an effective delivery channel for rural credit

### **SELF HELP GROUPS IN BLOCK LAR:**

Lar is a town and a notified area committee in Ganderbal district of Jammu and Kashmir, India. It is a newly established tehsil carved out of Ganderbal. It is situated on newly constructed bypass at the foothills of Himalayan Mountains in the catchment area of Nallah Sindh. Block Lar consists of 21 Halqa Panchayats and 24 Villages. The total households are 6181, out of which BPL households constitute the total of 2711.

Lar is located 34.262°N 74.755°E, 6 km north of Ganderbal town at an average elevation of 1,650 meters (5,410 ft).

As of 2011 India census, Lar has a population of 50491. Males constitute 52% of the population and females 48%. Lar has an average literacy rate of 59.99%, higher than the national average of 59.5%.

Under the supervision of **National Rural Livelihood Mission (NRLM)** and the **Jammu and Kashmir State Rural Livelihood Mission (JKSRLM)**, there are about **388 SHGs** running in the block, with an average count of 12 to 15 members in each one of them. The women who are the members of these SHGs are daily wage workers, salaried workers, home makers and students. Few of them are single mothers too. One major dimension about introducing and running the SHGs in this block includes the objective of bringing together the unempowered women of this area as a part of community organization.

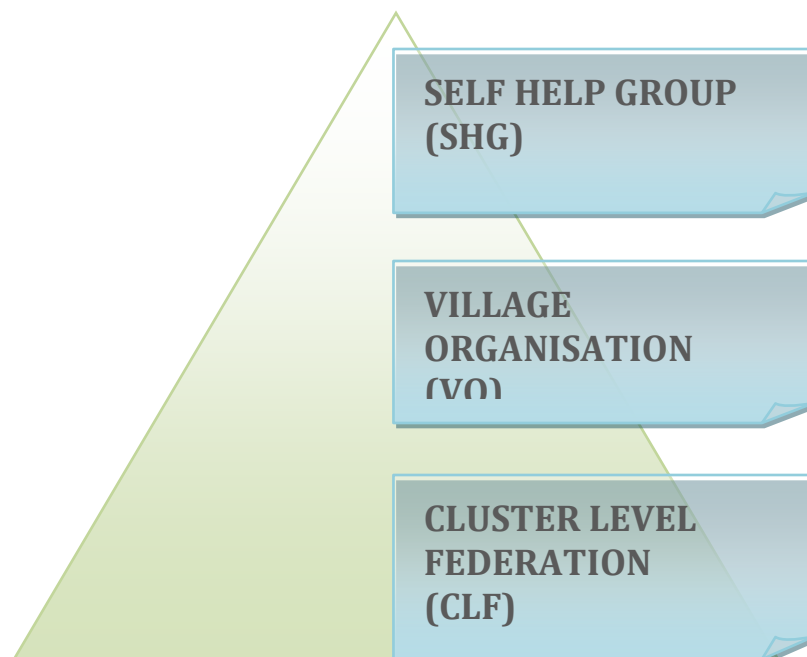
The program of National Rural Livelihood Mission in India was introduced with the objective of curbing the poverty and working for the upliftment and the betterment of rural pockets of India. NRLM has been designed as women specific program where in women SHGs are formed in order to make the program function. The program works in the following manner:

- 1. Base lining for identification of poor/BPL households:** In the very first step for the functioning of a program, identification of real poor households is done with the help of local key resource person (including ASHA, Sarpanch), and a list of BPL households is prepared.
- 2. Information dissemination:** After the identification process is over, the next step is to disseminate the information in the community about the program. Information dissemination is done with the help of local key resources along with the project resource persons (trained experts) who are usually external
- 3. Group formation:** Once the people are informed about the program and the benefits and provisions associated with it, Self Help Group (SHG) ranging from minimum 10 women to maximum 20 women is formed as a group. Earlier the SHGs formed were skill based or any other such art, but the SHGs within the NRLM are purely based on the proximity, that is mostly women from the same community form the group. The women may be experts in different skills. This is the core belief of NRLM that women should continue with their own skill where there are least possibilities of risk rather than taking up some new work, about which they don't have any knowledge.
- 4. Group functioning:** Once the members are formed in a single SHG, they are provided the training and the information about the functioning of group and they are advised about the objective and purpose of this SHG. They are provided the knowledge related to the credit schemes and about the bank incentives under NRLM. Each group elects/selects 2-3 members as first leader, secretary and treasurer for a specific period on a consensus basis to take greater role to lead and manage the activities. They also act as signatories of the group and involve in responsibilities such as ensuring regular group meetings, attendance, implementation of norms, accountability, transparency, book keeping and represent the group at various forums. Rotation of leadership would be promoted to provide opportunities for all members to

build their capacities. The SHG is supposed to follow the Panchasutra for the time period of 3 months and once three months are over, the group undergoes training.

5. **Revolving Fund (R.F):** Once the grading is done, all the books of accounts are checked and audited by the auditor and by the Block Project Manager (BPM), and if the group scores Grade A, the group is then provided with the first dose of fund by NRLM which amounts to Rs 15,000/group. This amount is then distributed among 2-3 group members as per the Micro-Credit Plan, which ensures that the member with the pressing need is provided with the amount. The member has to accordingly repay the loan amount to the group. The groups which fail to score Grade A are then again made to complete the round of their three months while following the Panchasutra in letter and spirit.
6. **Community Investment Fund (C.I.F):** After receiving the R.F from NRLM, the group is again evaluated after three months and if the group scores Grade A, they are provided with the C.I.F amounting to Rs 40,000/SHG and the amount is again distributed as per the MCP.
7. **Bank Linkage:** Once the group receives C.I.F, the group after an evaluation of three months is ready to be linked with the bank for getting the credit. Initially the group is provided an amount of Rs 50,000 at the interest rate of 12% after reviewing their performance. It is viable to mention here that the group/members don't have to mortgage anything against the loan as in case other than NRLM. This group can take a loan up to 10lakhs from the bank if they will continue to pay their installments on time. The SHG can further take C.I.F 2 from NRLM which amounts Rs 50,000.

The implementation of the program in Block Lar, was done through the following institutions:





## **The status of decision making power among the SHG members as a part of Women's' Empowerment:**

Researchers framed certain questions in his tool of data collection which would be helpful for measuring the decision making power among the SHG members in the community. To which he came up with certain observations:

- There have been numerous programmes working for women empowerment all over the country but there are many indications which say that the patriarchal society will always have a control on women.
- This has been researched that even the bread winner of the family is a women she can hardly be the one to have decision taking authority of the house.
- The respondents do own some assets but the sole authority of how to use them is in hands of the male members of the family this statement can be supported by the analysis that only 6 percent of the respondents have the authority to use their assests the way they want.

Majority of the respondents have no share in important decision regarding household which hence proved the purpose of the Researchers' study.

### **SUMMARY:**

This part of the study includes the whole summary of research and Researchers' observations:

- Maximum number of the respondents falls in the category of 31-35 years that is about 37 percent of the total sample size.
- Around 53 percent of the respondents have attained primary education which depicts the status of the level of education among the women in the study area, reason for such data is there is no school of higher education for girls in the area, and also due to male dominance the women have no equal access to any such institutions.
- NGO working in the area has done a tremendous job in mobilizing a large mass of people to join the SHG groups.
- 87 percent of the respondents have experienced an increment in the interaction with other members and with the groups in the community after joining the SHG.
- Savings of the respondents have been increased after joining the SHG this has been stated by 100 percent of the respondents who used to have some savings before joining the SHG.
- 94 percent of the respondents believed that they have experienced increment in their self confidence.

- 87 percent of the total respondents experienced no input in decision of no. of children they want to have with their husband. The same observations, with various decisions go in favor of male member of the family.
- 54 percent of the respondents suggested that bank facilities should be improved.

## **RECOMMENDATIONS:**

The Self-Help Groups have indeed positively contributed towards the progress of masses. On the basis of the findings of the study following suggestions have been made which would help to improve the functioning of the Self-Help Groups and the members and in turn would help the empowerment of women.

### **Suggestions to the Government:**

- ❖ There is only one bank in the study area which the women do not feel easy to get accessed because of distance and other various reasons, so more bank branches should be introduced in the area.
- ❖ The literacy levels of women are low and hence efforts to enhance literacy levels in the area should be given priority.
- ❖ The government could make SHGs as statutory bodies and allowed to work with the local bodies to channelize women's development programmes.
- ❖ There could be an established media advocacy mechanism for highlighting grass-root issues on Self-Help Groups and micro-credit.
- ❖ NGOs and the governments can take necessary steps to sign memorandum of understanding with universities to provide proper education and training for SHG members.
- ❖ Government should come with a special policy to create a separate cell for solving problems of SHG.
- ❖ Government should encourage export of goods which are produced by the group members.

### **Suggestions to NGOs:**

- ❖ NGOs may help SHG in identifying new marketing area and methods of distribution of products manufactured or marketed by SHGs.
- ❖ NGO official have to enhance the literacy level of SHGs members.
- ❖ More training programmes can also be introduced.
- ❖ The members of SHG groups have keen desire to speak fluent Urdu. So, spoken Urdu sessions should be held at least once a week.

- ❖ Success stories of Self Help Groups from varied backgrounds should be popularized through media, radio etc. This will boost the self-help groups' activities.
- ❖ Main focus of the NGO should be on connecting the SHG members with the main stream society rather than isolating them, so activities which include more exposure should be included.
- ❖ Proper follow ups should also be introduced about how the loan money is being used.

### Suggestions to the Groups:

- ❖ Self-Help Groups must try to function independently instead of depending on NGOs for their effective functioning.
- ❖ A Self-Help Group should not only concentrate on the growth of the group, but should also show active involvement on the social issues and other essential issues like health, sanitation etc to develop the entire community.
- ❖ Groups should be aware of all government schemes and should make use of them for their development.
- ❖ There should be rotation of group leadership, so that all the members of the group get an opportunity to play managerial role. This will inculcate the leadership skills among the members.
- ❖ More trainings to be done on group etiquettes and also creating a sense of support among the members.
- ❖ Members should learn to polish their individual personality and also implement it in their personal domain.

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