

## **Impact of Self Help Groups on the Empowerment of Rural Women: A Case of Kudumbasree Programme in Kerala**

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### **ABSTRACT**

Empowerment can be defined as a multi-dimensional social process that helps people gain control over their own lives. In India, Self Help Groups (SHGs) have emerged as major instruments for women empowerment by fostering mobilization of rural women and facilitating their economic activities. Kudumbasree is a women oriented SHG based programme launched in 1998 by Government of Kerala to wipeout the absolute poverty in the state through a concerted action of community based organizations and local self governing bodies. Empowerment of rural women through group mobilization and collective action was the inherent objective of the programme. The study is based on the survey conducted in Kozhikode districts of Kerala state to assess the impact of SHGs on the empowerment of rural women. It was found out that SHGs have contributed significantly to the empowerment of rural women. SHG members' personal traits as well as group and social activities were the major determinants of empowerment.

Empowerment can be defined as a multi-dimensional social process that helps people gain control over their own lives. It is a process that fosters power in people for use in their own lives, their communities and in their society, by acting on issues they define as important (Page and Czuba, 1999). In other words, empowerment refers to the processes by which those who have been denied the ability to make choices acquire such ability (Kabeer, 1998). Empowerment of women assumes significance since lesser participation of women in social, political and economic spheres was considered as major obstacle to sustainable development. Of late, many change agencies have perceived women empowerment as a necessary prerequisite to achieve their developmental objective and are making deliberate efforts in this direction. Osmani (2001) has identified two critical aspects to be taken care by change agencies for empowering the women. The first is social mobilization and collective agency, as poor women often lack the ability and self-confidence to confront and challenge existing disparities and barriers against them. Change agencies need to play an important role here. Second is the aspect of economic security, which is essential to pursue the process of social

mobilization. As long as the prevalence of economic deprivation and livelihood insecurity continues, poor women will not be in a position to mobilize.

In India, Self Help Groups have emerged as major instruments for women empowerment by fostering mobilization of rural women and facilitating their economic activities. Self Help Group is a group of about 10-20 persons from a homogenous class who come together for addressing the common problems. They collect voluntary savings on a regular basis and use the pooled resources to make small interest bearing loans to their members. It has become a country wide movement, followed by the NABARD sponsored SHG-Bank linkage programme, which started in 1992. At present there are around 7 million SHGs in the country of which more than 75 percent are exclusively women SHGs (NABARD, 2010). Many a times, Governmental and Non Governmental Agencies are involved in various aspects of Self Help programme and are referred as Self Help Promoting Institutions (SHPIs). SHPIs facilitate group formation, oversee functioning of SHGs and act as financial intermediaries between SHGs and Banks. The nature and functioning of different SHPIs vary greatly

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and hence the orientation of the SHGs promoted by these SHPIs also varies accordingly. Even though the programme of Self Help was envisaged as a tool for economic upliftment of poor through financial intermediation between the financially deprived and formal financial system, the impact of SHGs has relatively been more pronounced on social aspects than on the economic aspects (Puhazhendhi and Satyasai, 2001). Beyond thrift and credit service, SHGs contribute to the overall development of members in the social, political, cultural and economic arena (Fernandez, 1998).

Kerala State Poverty Eradication Mission or 'Kudumbasree' is a Self Help Group based women oriented initiative launched in 1998 by the State Government with the active support of Government of India and NABARD to fight absolute poverty. It follows a process approach rather than a project approach. The lower most tier of Kudumbasree constitutes the SHGs consisting of 10-20 women members selected from the poor families. SHGs under Kudumbashree are known by the name 'Ayalkoottam' (Neighbourhood Groups). At present, Kudumbasree has strength of 3.8 million members in 0.2 million SHGs, which are federated to 17,486 Area Development Societies (ADS) at ward level and 1061 Community Development Societies (CDS) at panchayat

level. The empowerment of rural women through group mobilization and collective action is the inherent aim of Kudumbasree programme. The study indented to find out to what extent this objective has been realized.

## METHODOLOGY

The study is based on the primary information collected from members of Self Help Groups under Kudumbasree programme in Kozhikode district. Fifty SHG members were selected following a multistage random sampling process. The study followed an ex-post-facto research design. Personal interview and group discussion were used for collection of primary data. An impact assessment index was developed to evaluate the impact of SHGs for the empowerment of rural poor based on five out of six components of empowerment identified by Malhotra et al. (2002) with slight modification. The components of empowerment included economic, socio-cultural, familial, political and personal. To find out the influence of socio economic and psychological variables on empowerment of SHG members, simple correlation analysis was carried out. To analyse the trend in empowerment impact of SHGs, a comparison of the results of the present study and the study conducted five years ago was also carried out.

**Table1: Background profile of the self help group members selected for the study**

Variable	Categorization	Frequency	Percentage
Age	<35	18	36
	35-50	22	44
	>50	10	20
Education	(a)Illiterate	0	0
	(b)Functionally literate	14	28
	(c)Up to primary school	8	16
	(d)Middle school	8	16
	(e)High school	18	36
	(f)College Level & above	2	4
Social status	(a) Scheduled	3	6
	(b) Backward	34	68
	(c) Forward	8	16
	(d) Minority	5	10
Family type	Nuclear family	32	64
	Joint family	18	36
Occupation	Household activities only	34	68
	Unskilled labour	9	18
	skilled labour	2	4
	Farming	5	10

Land holding			
	Marginal	33	66.00
	Small	14	28.00
	Medium	3	6.00
	Large	0	0.00

## RESULTS AND DISCUSSION

An analysis of the back ground profile of the SHG members selected for the study showed that most of the members are middle aged, followed by those in younger age. Around half of the members were educated up to high school level or above. As the table shows there were no illiterates. This is in line with state's achievement in literacy. Analysis of social status of the members revealed that most of them belong to backward classes followed by those in forward classes, minority and scheduled. Family type of most of the members was nuclear (64%). Occupation wise, majority of respondents (68%) were engaged only in household activities followed by unskilled workers (18%). The percentage of respondents engaged in farming was 10 percent and skilled workers constituted 4 percent of respondents. The percentages of the respondents with marginal and small holdings were 66 and 28 percent respectively. There were few respondents having medium land holding (6%) and none of the respondents was there in large land holdings category, since the programme focused on poor families. The statistics on social status, occupation and, land holding of the members point out that SHG participation is based on economic status of the members rather than on social status.

Many dimensions of SHG participation like hassle free access to financial services, access to livelihood options, income improvement, networking and sharing of information, participation in decision making, capacity building opportunities, leadership development, awareness about various programmes etc. have translated into a qualitative change in the lives of the members. Empowerment encompasses all these qualitative changes. Impact of Self Help Groups on the empowerment of rural women was studied at individual level. Five components of empowerment were identified and improvement in these components was analysed.

**Table 2: Assessment of self help group impact based on components of empowerment.**

Sl.No.	Empowerment indices	Score
1.	Economic	65.2
2.	Socio-cultural	69.6
3.	Familial	61.2
4.	Political	67.87
5.	Personal	63.33

All the SHG members perceived a considerable improvement in their socio-cultural attributes as evident from the higher score for the variable. It is followed by political and economic empowerment. The socio-cultural dimension include women's visibility and access to social space, participation in extra familial groups and social net works and their roles and contributions in society. It reveals that, beyond microfinance, Self Help Groups have acted a platform for socialization of rural women. Compulsory participation in group meetings and other group activities, networking with other groups and higher level federation, interaction with officials of Kudumbasree mission and different institutions like bank and grampanchayat, participation in training activities, voluntary activities undertaken by the groups etc. have contributed largely to the social empowerment of members. Anad (2002) has observed that many SHGs in Kerala have become centres for initiating social actions against dowry system, alcoholism, illiteracy and divorce.

Political empowerment of SHG members can largely be attributed to the democratic style of functioning of SHGs and consequent leadership development among SHG members. Leaders in the group and higher level federations like ADS and CDS are democratically elected. Moreover the participation in group meetings and discussions as well as increased awareness about their rights and duties has encouraged many members to voice their opinion in various fora like gramsabha. Participation in SHGs and related activities in turn has improved the involvement of SHG members in the political process. In 2010 alone, 11,773 SHG members contested panchayath election and 5485 of them had won (Kudumbasree, 2010).

Economic empowerment of SHG members is an outcome of microfinance and income generating activities. Hassle free access to required finance made through group saving and SHG-Bank linkage played an important role in improving the financial position of SHG members. Beyond that, Income generating activities undertaken by SHG members require special mention. Majority of the groups selected for the study were manly involved in leased land farming activities. Under collective farming initiative, Kudumbasree mission has facilitated the convergence of the activities of various agencies and line departments to support the farming SHGs in accessing the resources, technology, extension and market.

SHG members under group farming initiative were able to reap good profit mainly due to the hand holding support provided by the mission.

Improvement in the personal characteristics is attributable to the effect of group dynamics on self esteem, self efficacy and psychological well being of SHG members which in turn is reflected in the their over all confidence in dealing with individuals and organizations.

This is in line with the findings of earlier studies (Seibel and Dave,2002) which have reported considerable

improvement in the communication skills, self esteem, self confidence, risk taking ability, leadership traits and various other personal attributes of SHG members.

Lowest score of family empowerment component signifies that impact in real sense is yet to be materialized at intra house hold level. Many earlier studies (Garikipati, 2008) also have reported this inconsistency in improvement in intra household status of SHG members, despite the considerable enhancement in other variables.

**Table3: Impact of Self Help Groups at individual level**

Sl.No.	Impact at individual level	Category	Respondents	
			Frequency	Percentage
1.	Economic	Low	3	6
		Medium	44	88
		High	4	8
2.	Socio-cultural	Low	9	18
		Medium	39	78
		High	2	4
3.	Familial	Low	6	12
		Medium	36	72
		High	8	16
4.	Political	Low	3	6
		Medium	39	78
		High	8	16
5.	Personal	Low	8	16
		Medium	42	84
		High	8	16

Mayoux’s (1999) argument that the degree of women’s empowerment depends on the flexibility of social norms and traditions is found suitable in this context.

Further analysis revealed that most of the SHG members are in medium level with respect to improvement in the selected components of empowerment, followed by those in high level. Around 75 percent of the members are in low and medium empowerment levels, implying that further scope for improvement still exist. The Kudumbasree mission needs to focus on the development of all participants by avoiding ‘local elite capture’. Development in its true sense will only be achieved only when the sense of inclusiveness and entitlement is clearly felt among the lower rungs of the society.

To analyse the effect of socio economic and

psychological variables on the empowerment of SHG members, simple correlation analysis was carried out. Among the fourteen variables identified, eight variables namely social participation, achievement motivation, group dynamics, attitude towards promoting institution (Kudumbasree), functional linkage, risk taking ability, leadership quality and extension contact and participation were found to be positively and significantly correlated with empowerment of SHG members. It can be inferred from the correlation analysis that SHG members’ personal traits as well as group and social activities were the major determinants of empowerment. The profile characteristics like age, education, annual income, land holding, social status etc. were not significantly related to the empowerment of SHG members. SHG members with higher level of personal attributes like achievement

motivation and leadership qualities (Kudumbasree) could better interact with relevant institutions, organizations and people to articulate their needs as well as better participated in the social sphere, when facilitated by congenial group functioning and supported by promoting intuition. This, in turn was reflected in their higher level of empowerment.

**Table4: Correlation of characteristics of SHG members with empowerment**

SL. No.	Independent Variables	r value
1	Age	0.22684
2	Education	-0.25980
3	Annual Income	-0.24897
4	Land Holding	0.26719
5	Social Status	-0.17379
6	Social Participation	0.92048**
7	Information Seeking Behavior	0.11463
8	Achievement Motivation	0.51272*
9	Group dynamics	0.64501**
10	Attitude toward SHPI	0.70108**
11	Functional Linkage	0.624404**
12	Risk Taking Ability	0.51251*
13	Leadership Quality	0.60062**
14	Extension contact and participation	0.57639*

\* Significant at the 0.05 level of probability.

\*\*Significant at the 0.01 level of the probability.

Since empowerment is a dynamic process, the impact of SHGs on the empowerment of the members will vary overtime. To capture this dynamism, results of

the present study was compared with results of another study, which was carried out among SHG members of Kozhikode district in 2006 to assess the impact of SHGs on empowerment of rural poor using similar indices. The Table 5 provides a comparative picture of scores obtained on different empowerment indices over a period of five years.

Significant change was observed in the case of familial empowerment component where the score was comparatively low in earlier study. In case of other components change is not large enough. It can be understood that, the pace of empowerment is slow after the initial enthusiasm, since internalization of power, the core of empowerment process, varies depends on many factors. Such variation in degree and pace of empowerment was reported by Bali Swain and Wallentin (2009) from their study on SHGs in five states of India. They had identified factors like household and village characteristics, cultural and religious norms within the society, behavioural differences between the respondents and their family members, the kind of training and awareness programs that the women have been exposed to, nature of the programme etc.as the major determinants of variation in pace of empowerment. Mayoux (2000) have pointed out that even in financially successful SHGs actual contribution to empowerment can be limited by the factors like confining women SHG members to low-income activities, focusing group meeting only on saving and credit, increasing pressure on women SHG members for saving and credit and thereby absolving men of household responsibilities, diversion of resources meant for necessary consumption and investment to repay the credit due to peer pressure etc. All these factors should be given due consideration while designing the programme for the empowerment of women to ensure sustainable improvement in the quality of their lives.

**Table 5: Comparison of SHG impact on women empowerment for different time period.**

Sl. No.	2011		2006*	
	Empowerment indices	Score	Empowerment indices	Score
1.	Economic	65.2	Power over economic resources	62.91
2.	Socio-cultural	69.6	Interpersonal	71.16
3.	Familial	61.2	Participation in family decisions	38.582
4.	Political	67.87	Participation in socio-political decision making	64.886
5.	Personal	63.33	Self development	59.833

(Values for the year 2006 is from Sajesh,V.K(2006): 'Impact of Self Help Groups for the Empowerment of Rural Poor', Unpublished thesis submitted to P.G.School,I.A.R.I)

## CONCLUSION

The concept of Self Help has been exploited by various developmental agencies, voluntary organisations, and governmental organisations involved in rural development and other welfare programmes. Study of the selected SHPI (Kudumbasree) clearly shows that SHGs can be used as potential tools for empowerment of rural women. Impact of SHGs on SHG members needs to be assessed not only in terms of quantitative parameters like amount of savings and credit, but also in terms of qualitative parameters like empowerment, since it reflect the change in quality of the life. Special mention for all the groups selected for study, more than 50 percent improvement was there taking all the components of empowerment together. Possibility of further development needs to be exploited fully, especially in terms of intra household empowerment. Personal traits as well as group and social activities of SHG members were found to be influencing their level of empowerment significantly, pointing to the need for capacity building of women members in these aspects. It is also important to delineate the factors affecting the pace of empowerment process, in order to ensure continuous improvement in the lives of rural women.

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