

## SELF-HELP GROUPS (SHGS) AND WOMEN EMPOWERMENT: A STUDY OF PURI DISTRICT OF ODISHA

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### ABSTRACT

*Self Help Groups (SHGs) play a significant role in all-round development of the society in general and that of women in particular both socially and economically. SHGs have empowered the women to join their hands together in order to face the challenges coming on their way and to overcome their socio-economic issues. They help women to participate in family decision-making, to make them financially strong and to make them capable for leadership positions. The objective of the study is to analyze the impact of SHGs on socio-economic conditions of rural women of the Puri District before and after joining the group. It has been found that SHGs have not only empowered the rural women financially and improved the standard of living, but also helped them in changing their societal conditions. The study concludes that SHGs have empowered the women both socially and economically in the study area.*

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**Keywords:** *Women Empowerment, Self Help Groups, Employment, Puri District.*

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### Introduction

Women play an important role in the growth and development of the family and the society at large. Empowering women is the key to economic growth, political stability, and social transformation which is essential for the achievement of sustainable development. As the women consist of fifty percent of the total population, so we can say that the development of the nation is not possible without developing the women. Pandit Jawaharlal Nehru, the first Prime Minister of India once said that "The condition of a nation can be assessed by looking at the status of its women". Thus women empowerment is barely needed for the development of a nation.

### Women Empowerment

Empowerment is giving the power or authority to someone to do something. It is used by many in the sense like, gaining power and confidence, capacity building, decision-making power and control etc. This involves one's ability to do what he desires and to influence others.

"Empowering women is a prerequisite for creating a good nation, when women are empowered, society with stability is assured. Empowerment of women is essential as their value systems lead to the development of a good family, good society, and ultimately good nation". **Dr. A.P.J. Abdul Kalam**

**Kabeer** (2001) quotes, "Empowerment is the expansion in people's ability to make strategic life choices in a context where this ability was previously denied to them".

Women Empowerment is the process through which women challenge the societal norms and cultures in order to improve their well-being. However, now-a-days women are underprivileged, marginalized, and exploited as compared to the men and also they are very weak in family and social decision making. Women in India are still lagging behind in education, health, economy and decision making process. Thus, empowerment of women in terms of social, economical, psychological, political, and educational empowerment is need of the hour.

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- **Social Empowerment:** It is the ability of women to build positive relationships, participate in social activities and family as well as outside decision-making, without being restricted by gender norms.
- **Economic Empowerment:** It means women have the skills and resources to improve their economic status by engaging themselves in productive activities. As a result, they can decide on how to utilize their income.
- **Psychological Empowerment:** It is the process of developing the belief, feelings, self-confidence, and competence among women that they can improve their condition.
- **Political Empowerment:** It means women's participation in power sharing, co-decision making, and co-policy making in addition to their right to vote. The active participation of women in political sphere is vital to empowerment of women which will help in building gender-equal society as well as development of the nation.
- **Educational Empowerment:** Education is considered as one of the most important ways and means to empower women. Because education increases the knowledge, skills, and self-confidence which are necessary to participate fully in development processes.

### Self-Help Groups

The Self Help Group was originated by the Grameen Bank of Bangladesh which was founded by Prof. Mohammed Yunus in 1975 for providing credit to rural poor. Grameen Banks lent the borrowers without asking for collaterals or any kind of complicated paper works. In India, NABARD started SHGs in the year 1986-87 but the real work started after 1991-92 when SHGs were linked with banks which are known as Self Help Group Bank Linkage Programme (SHGBLP). Initially, SHG was a small and economically homogeneous group of the rural poor coming forward for saving a small amount of money regularly to be deposited in a common fund to meet the urgent needs of members and to give mortgage free loans to them. Now it is playing a pivotal role in the alleviation of poverty and empowerment of women in terms of poor, education, health, nutrition etc. in the rural areas of the country.

The SHG constitutes 10 to 20 women who save some amount of money which they can afford. They amount of money deposited by them is small ranging from Rs. 10 to Rs. 200. The members of the group organize meetings monthly, fortnightly, or weekly where formal as well as informal discussions are made along with disbursement and repayment of loan.

The Self Help Groups (SHGs) are promoted by Self Help Group Promoting Agencies (SHGPAs) like Non-Government Organizations (NGOs), Banks, and Government Agencies.

Self Help Groups (SHGs) play a pivotal role in all-round development of the society in general and that of women in particular. SHGs have empowered the women to join their hands together in order to face the challenges coming on their way and to overcome their socio-economic issues. Banks have made them financially strong, secure and also to become well planned by providing micro finance. This paper tries to identify the role of SHGs in empowerment of the women particularly in rural areas of the Puri district.

### Review of Literature

(**Krishnamurthy & Arivazhagan, 2011**) made an attempt to examine the role of SHGs and entrepreneurial skills in the socio-economic empowerment of women in four villages of Thiruvallur district of Tamilnadu. The main objectives of the study were to examine the extent of linkage between SHG and the banks at all india level and to study the role of SHGs in socio-economic empowerment of women. They concluded that SHGs played a positive role in improving economic condition, societal condition and in promoting entrepreneurial skills among the sample respondents.

(**Dash, 2013**) made a research on the role of self-help groups on empowerment of women in the district of Bargarh of Odisha. For the purpose of study 75 respondents were taken randomly from SHGs of Bargarh town and 5 members were taken from each group. The study revealed that the quality of life of SHG members have improved a lot by increasing their income, savings and consumption as well. SHGs have also made the rural women self-reliant and confident to mobilize various public services for their benefits.

(**Acharya, 2013**) made a qualitative study on the role of SHGs in empowerment of tribal women of Rayagada block of Gajapati district. The key findings from the study were: increased participation in household decision making, gaining respect in family, increase in savings, meeting day-to-day family expenses, self-reliance and self-confident etc.

(Pradhan & Tripathy, 2014) in her article “ The role of self help group in socio-economic empowerment of women: A case study of Anugul district of Odisha” made an attempt to study the role of SHGs in socio-economic empowerment of women in Anugul district of Odisha. They found that majority of the women mebers are not economically sound. However, they have incorporated a regular saving habit and enhanced their participation in family decision making.

(Harpreet Kaur & R. Bhaskaran, 2015) studied on the role of microcredit in rural women empowerment through SHGs in Jalandhar district of Punjab. The focus of the study was to identify the factors responsible for economic, social, and political empowerment of women. It was found from the study that SHGs are playing major role in the economic, social, and political empowerment of women. It was concluded that economic empowerment was mostly affected by demographic factors like, education, family size, and purpose of availing loans by the respondents.

(Devarapalli & Rao, 2016) made an attempt to evaluate the impact of SHGs on women empowerment in Prakasam district of Andhrapradesh. The study highlighted the formation and functioning of sample women SHGs and income generating activities of SHG women. The study revealed that availability of raw materials and market demand for the products are the major reasons of joining SHGs. It was also found that SHGs helped in eradication of poverty and improving the quality of life. However, inadequate institutional finance creates problems for the running SHGs.

(Samadarsani & Mallick, 2017) in their paper studied the impact of SHGs on rural women of Madhupada village of Bhadrak district of Odisha. They pointed out that SHG is the biggest weapon to empower the women in the studied locale. After joining SHG women became self sufficient, self dependent and improved their standard of living. They were also able to solve their economic problems by taking loan with low interest.

(A. Mohanty & Mishra, 2018) in their study made an attempt to analyze the operating systems of SHGs and to understand the impact of SHGs on psychological, economical and social well-being of women in 5 selected blocks (Khordha, Begunia, Baliana, Bhubaneswar and Chillika) of Khurdha district of Odisha. It was found from the study that there is positive impact of SHGs on Psychological, Economic and Social aspects of the women in study area. They enhanced their self confidence, literacy level, skill development, and awareness on health and sanitation in terms of psychological aspects. Similarly, saving habits, undertaking income generating activities, and creating employment opportunities are some of the key aspects of economic empowerment of through SHGs.

(Parhi et al., 2019) in their study made an attempt to identify the factors affecting buying behaviour of food and non-food items of SHGs in Puri district of Odisha. The findings of study revealed that reasonable and affordable price of the product and use of quality raw materials are considered mostly by the respondents while purchasing food and non-food items marketed by SHGs in the study area. It was also found from the study that packaging of products should be improved in order attract more customers. Hence, SHG products should be brought into the mainstream use by the customers in order to make the rural women empowered.

(J. P. Mohanty & Sahu, 2020) studied the role of Self Help Groups for empowerment of rural women in the Jagannath Prasad Block of Ganjam district of Odisha. The results of the study revealed that SHGs play a significant role in the empowerment of women both socially and economically. Microcredit also plays an important role in the alleviation of poverty and rural development of the area under study.

#### **Objectives of the Study**

- To examine the socio-economic conditions of rural women before and after joining SHG.
- To study the impact of SHG in the empowerment of rural women.

#### **Hypothesis of the Study**

The study has developed the following null hypothesis:

- H** : There is no significant difference in the occupation of members before and after joining SHG.  
**H** : There is no significant difference in the income of members before and after joining SHG.s  
**H** : There is no significant difference in the employment before and after joining SHG.

#### **Research Methodology**

- **Data Collection Method:** The study has taken into consideration both primary and secondary collected data. The primary data has been gathered by using well prepared interview schedule. The secondary data has been resourced from various published and unpublished reports of Panchayatiraj Department, Govt. of Odisha, Directorate of Statistics and Economics, Govt. of Odisha, Mission Shakti, Govt. of Odisha, NABARD and RBI.

- **Sampling Method and Sample Size:** The multi-stage sampling method is followed in the study. There are 11 blocks in Puri district. At the first stage, 4 Gram Panchayats (GPs) were selected out of these 11 blocks. At the second stage, 6 SHGs from each GP were selected at random and at the third stage, 2 members from each SHG were selected as sampling unit which resulted into 528 respondents. In order to select the GP, SHGs and SHG members, random sampling method was used.
- **Data Analysis Tools and Techniques:** In order to analyze the data collected, all the figures and variables are tabulated and Descriptive statistics like percentage, average and standard deviations for comparative analysis are used. To evaluate the impact of SHG on empowerment of women, the variables like occupation, income, and employment are taken into consideration and to draw the statistical inferences, T-Test and F-Test are used. The statistical packages i.e. Minitab and Ms-Excel are used to get the result.

### Result Analysis and Discussions

The major objective of setting up of SHGs is to help the rural women in taking up and managing their own productive activities which gives them employment and better standard of living. Some of the key indicators i.e. occupation of the respondents during Pre-SHG and Post-SHG period, income of the respondents, employment generation, benefits received by them from the group and empowerments through SHGs are taken into consideration to evaluate the impact of SHGs, which are discussed below:

**Table 1: Occupation of the Respondents during Pre and Post-SHG Period**

Economic Activity	Pre-SHG period		Post-SHG period	
	No. of the Respondents	%	No. of the Respondents	%
Agriculture	220	41.67	108	20.45
Commercial Farming	25	4.73	60	11.36
Food Processing	30	5.68	75	14.20
Pisciculture	25	4.73	56	10.61
Livestock	95	17.99	90	17.05
Household Industry	36	6.82	86	16.29
Trade and Commerce	85	16.10	30	5.68
Others	12	2.27	23	4.36
<b>Total</b>	<b>528</b>	<b>100.00</b>	<b>528</b>	<b>100.00</b>

Sources: Primary Data

### Interpretation

The table reveals the occupation of the SHG members before and after joining the SHG. They were asked about the Pre-SHG and Post-SHG activities undertaken by them. It was found that, before taking SHG activities, 41.67% of the members were engaged in agriculture, 4.73% in commercial farming, 5.68% in food processing, 4.73% in pisciculture whereas 17.99%, 6.82%, 16.10% and 2.27% of the members were engaged in the occupation like livestock, household and industry, trade and commerce and other activities respectively.

However, after joining SHG, the dependence of the members on agriculture reduced to 20.45%, livestock to 17.05% and trade commerce to 5.68% whereas the economic activities like commercial farming, food processing, pisciculture, household, and industry were increased to 11.36%, 14.20%, 10.61%, 16.29% respectively.

**Table 2: Impact of SHGs on Average Income of SHG members during Pre and Post-SHG period**

Economic Activity	Average Income in Rupees		Absolute increase in income (Rs.)	Percentage increase in income (%)
	Pre-SHG	Post-SHG		
Agriculture	11,300	15,220	3,920	34.69
Commercial Farming	16,500	32,200	15,700	95.15
Food Processing	15,400	25,150	9,750	63.31
Pisciculture	22,500	38,300	15,800	70.22
Livestock	18,350	19,500	1,150	6.27
Household Industry	17,200	29,350	12,150	70.64
Trade and Commerce	25,400	45,250	19,850	78.15
<b>Others</b>	<b>10,100</b>	<b>21,400</b>	<b>11,300</b>	<b>111.88</b>

Sources: Primary Data

### Interpretation

The Table-2 reveals income level of SHG members during Pre and Post SHG period. It can be observed from the above table that there is a significant impact on income generation of the members in the study area which is very helpful for the eradication of poverty. The study reveals that income generated is different from activity to activity. In livestock and agriculture, the growth of income is less as compared to other activities like trade and commerce, pisciculture, commercial farming, food processing, household and industry and other activities. It shows that the dependence on the agriculture is reducing day by day after joining SHG.

**Table 3: Impact of SHGs on Average Employment Generation**

Economic Activity	Average Employment in Person Days		Absolute increase in Employment (Days)	Percentage increase in Employment (%)
	Pre-SHG	Post-SHG		
Agriculture	165	205	40	24.24
Commercial Farming	190	260	70	36.84
Food Processing	155	210	55	35.48
Pisciculture	180	292	112	62.22
Livestock	135	145	10	7.41
Household Industry	172	256	84	48.84
Trade and Commerce	285	325	40	14.04
Others	200	245	45	22.50

Sources: Primary Data

### Interpretation

The above table shows the employment situation of the sample SHG members during Pre and Post-SHG periods. Looking at the table we can say that there is a noticeable positive effect of joining SHG on employment generation. In case of pisciculture there is highest percentage of increase in employment i.e. 62.22% and lowest in livestock i.e. 7.41%. In household and industrial activities (48.84%), commercial farming (36.84%), food processing (35.48%), agriculture (24.24) and trade and commerce (14.04), members are also engaging themselves to generate their income.

**Table 4: Utilization of Income by the Respondents**

Utilization of Income	No. of Respondents	Percentage (%)
Reinvested In The Activity	201	38.07
Consumption Expenditure	132	25.00
Education	52	9.85
Health	58	10.98
New Assets	85	16.10
<b>Total</b>	<b>528</b>	<b>100.00</b>

Sources: Primary Data

### Interpretation

It is assumed that increase in the level of income of the people results in more productive investment and improved living standards. The above table shows how the members are utilizing their income in different activities. Out of the 528 respondents, 38.07% reinvested their income on activities they are engaged, 25% spent their income for meeting consumption expenditure, 9.85% told that they were utilizing major part of their income for children's education, 10.68% for healthcare and 16.10% for purchasing new assets.

Most of the rural women were not able to contribute towards their family income before joining SHG. But after joining SHG, their income level increased through different income generating activities.

**Table 5: Benefits Received by SHG Members**

Benefits Received	Opinion of the Respondents			Total
	Agree	Disagree	Neutral	
Development of saving habits	441	8	79	528
Increase in income	325	78	125	528
Access to larger amount of resources	289	150	89	528
Key to better technology	310	99	119	528
Better lifestyle and decision making ability	365	65	98	528
Access to promotional assistance	292	148	88	528
Well organized and raising voice in redressing their grievance	328	156	44	528

Sources: Primary Data

### Interpretation

The above table depicts the benefits derived by the members from SHGs. The respondents were asked about the benefits received by them from the group. It is found from the table that development of savings habit is one of the major benefits received by them followed by increase in income, better lifestyle, decision making ability etc.

**Table 6: Empowerment of SHG Women**

Key Indicators	Opinion of the Respondents			Total
	Agree	Disagree	Neutral	
Contributing towards family income	341	124	63	528
Skill up gradation	292	151	85	528
Understanding banking operations	315	136	77	528
Improvement in standard of living	260	168	100	528
Better leadership and communication skill	281	139	108	528
Awareness in health education	385	109	34	528
Decision making ability	258	171	99	528

Sources: Primary Data

### Interpretation

The prime objective of Self-Help Group is to empower the rural and tribal women and strengthen them financially, socially, and politically. The opinion of sample respondents regarding women empowerment through SHGs are shown on the above table. The various indicators for measuring the women empowerment through SHGs are able to lend towards the family income, skill enhancement, understand banking operations, improving the standard of living, better leadership and communication skill, awareness in health education and the ability of making decisions. Most of the respondents opined that SHGs help them in making self-reliant for which they will be empowered.

### Hypothesis Testing

#### Hypothesis-1

**Table 7: F-Test Two-Sample for Variances**

	Occupation (Pre-SHG)	Occupation (Post-SHG)
Mean	66	66
Variance	4770.29	871.71
Observations	8	8
df	7	7
F	5.47	
P(F<=f) one-tail	<b>*0.02</b>	
F Critical one-tail	3.79	

Source: Author's own calculation

### Findings

The result of F-Test reveals that P value is 0.02 which is less than the significance level 0.05. Hence, the null hypothesis is rejected and alternative hypothesis is accepted i.e. there is a significant difference in the occupation of the members before and after joining SHG. It means that there is a great impact on the occupation of member after joining SHG. They have engaged themselves in more productive activities like Food Processing, Commercial Farming, Pisciculture, Household Industry etc. after joining the group.

#### Hypothesis-2

**Table-8: Paired T-Test and CI: Average Income during Pre-SHG and Post-SHG**

#### Descriptive Statistics

Sample	N	Mean	StDev	SE Mean
Average Income(Pre-SHG)	8	17094	5148	1820
Average Income (Post-SHG)	8	28296	10069	3560

#### Estimation for Paired Difference

Mean	StDev	SE Mean	95% CI for $\mu$ difference
-11203	6248	2209	(-16426, -5979)

$\mu$  difference: mean of (Average Income (Pre-SHG) - Average Income(Post-SHG))

**Test**

Null hypothesis	H : $\mu_{\text{difference}} = 0$
Alternative hypothesis	H : $\mu_{\text{difference}} \neq 0$
<b>T-Value</b>	<b>P-value</b>
-5.0	0.001

Source: Author's own calculation

**Findings**

From the above table it is found that the P value is 0.001 which is less than the significance level 0.05. Hence, the null hypothesis is rejected and it states that there is a significant difference in the average income of the members before and after joining SHG. It means that the income of the members have significantly increased after joining the group as they have taken up many more productive activities.

**Hypothesis-3****Table 9: Paired T-Test and CI: Average Employment during Pre-SHG and Post-SHG****Descriptive Statistics**

Sample	N	Mean	StDev	SE Mean
Average Employment (Pre-SHG)	8	185.3	45.1	15.9
Average Employment (Post-SHG)	8	242.3	55.7	19.7

**Estimation for Paired Difference**

Mean	StDev	SE Mean	95% CI for $\mu_{\text{difference}}$
-57.0	31.3	11.1	(-83.2, -30.8)

 $\mu_{\text{difference}}$ : mean of (Average Employment (Pre-SHG) - Average Employment (Post-SHG))**Test**

Null hypothesis	H : $\mu_{\text{difference}} = 0$
Alternative hypothesis	H : $\mu_{\text{difference}} \neq 0$
<b>T-Value</b>	<b>P-Value</b>
-5.15	0.001

Source: Author's own calculation

**Findings**

The above table depicts that the P value is less than the significance level of 0.05. Hence, the null hypothesis is rejected which means that there is a significant difference in the average employment during Pre-SHG and Post-SHG period. It states that members have got more employment opportunities after joining SHG. Thus, the SHGs have also positive impact on the employment generation.

**Conclusion**

From the study it can be seen that SHGs have the power to empower its members both socially and economically. SHGs play a significant role in all-round development of the society and women, both socially and economically. SHGs have empowered the women to join their hands together in order to face the challenges coming on their way and to overcome their socio-economic issues. They help women to participate in family decision-making, to make them financially strong and empower the women of the rural belt even to take up leadership positions. It has been found that SHGs have not only empowered the rural women financially and improved the standard of living, but also helped them in changing their societal conditions. The study concludes that SHGs have empowered the women both socially and economically in the study area. Moreover Self Help Groups should be encouraged in the rural areas not only to improve the socio-economic status of the members but also result in empowerment of the women within a short span.

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