AN ANALYSIS OF WOMEN SELF HELP PROGRAMME IN KARNATAKA – A QUESTION OF INCOME AND EMPLOYMENT GENERATION

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ABSTRACT

There are three distinct modes to route the credit to micro enterprises. Under the first mode, banks lend directly to the SHGs for lending to micro entrepreneurs. Under the second mode, banks provide loans to the NGOs for lending to the SHGs and ultimately to the micro entrepreneurs. Under the third mode, banks extend credit to the SHGs with the NGO as the facilitator. Keeping pace with the banks, the Government of India has taken a number of steps to alleviate the poverty of the villages. A number of programmes have been designed to augment the flow of credit to the poor with varying degrees of implicit and explicit subsidies. The main thrust of these credit programmes has been the provision of financial assistance to the poor at a concessional rate of interest coupled with capital subsidy to enable them to rise above the poverty line. In this background, this is an attempt to analyse the impact of Self Help Programme on social and economic conditions of women through SHGs.

Key Words: Self Help Programme, SHG, Microfinance, Micro Credit

1. Introduction

Poverty and unemployment are the twin problems faced by the developing countries. According to the Planning Commission more than one third of India's total population live below the poverty line. Policy makers in India have realized the need for generating employment opportunities at a large scale to bring the teeming millions of its population above the poverty line. While the labour force in India is increasing in number every year, the number of unemployed is swelling and takes the form of huge backlog. In 1999, the Government of India launched a single self-employment programme known as "Swarnajayanthi Gram Swarozgar Yojana" (SGSY) that replaced the earlier self-employment and allied programmes. This scheme is definitely an improvement over the earlier programmes in its emphasis on decentralization and people's participation. It encourages group approach and plans to involve the NGOs, the Banks and the other developmental sectors and now it has been changed as National Rural Livelihood Mission (NRLM) for rural area and National Urban Livelihood Mission (NULM) for urban areas. This mission mode programme implementing in rural area since 2013 and in urban area it implemented from April, 2014.

Looking at the poverty alleviation programmes over the years a clear shift is visible in the thinking of the development planners in the nature of employment to be generated. They realize the need for transition from income generation to self-employment and from self-employment to entrepreneurship development. A large number of employments can be generated only through making many people as entrepreneurs who would in turn generate employment opportunities not only for themselves but also for others.

Participation of people in credit delivery and recovery and linking of the formal credit institutions to borrowers through the SHGs have been recognised as a supplementary mechanism for providing credit support to the rural poor. The SHGs are informal groups formed on a voluntary basis, for providing the necessary support to their members for their social and economic emancipation. The Non-Governmental Organisations play an important role in preparing the members by changing their attitude to participate in-group activities.

The distinguishing feature of the SHGs is creating social and economic awareness among the members. The social awareness enables the members to lead their lives in a sound hygienic environment and pursue a better living. From the economic point of view both men and women

work shoulder to shoulder to increase the income of the family. Every member of the SHGs has felt the need for more involvement in economic activities. The spirit for social and economic up-liftment of members is the significant contribution of each and every SHG.

2. Objectives of the Study

The objectives of the present study are as follows:

1. To know the social conditions (Amenities Availed) of the Women respondents
2. To examine and evaluate the impact of women Self Help Programme on the social and economic status of its members.

3. Research Methodology

Data Collection

The present study is empirical in character based on the survey method. The primary data were collected from the selected SHG members covering various aspects related to socio-economic development using interview schedule.

Construction of Tools

The variables have been set on the basis discussions hold with the officials ,the NGOs and selected SHG members and also on the basis of available literature.

The variables thus identified for the study were operationalised. Based on the variables identified for the study interview schedule, was drafted. The schedules so drafted were circulated among a few members. In the light of their comments the final interview schedules were further modified.

Sampling

The information relating to SHG and their member have been collected from different sources and listed the SHGs in Taluka wise. Randomly 10 SHGs has been selected from each Taluka. From each SHG,4 members have been chosen. Thus, from 30 SHGs finally total 120membershas been selected for the study.

Analytical Tools

To compute the relationship between the variables (Social and economic condition of the members) between the period before and the period after joining the SHGs, the following 'Chi-square formula has been utilized to test the hypotheses

$$(x)^2 = \sum_{i=1}^{n} \frac{(O_i - E_i)^2}{E_i}$$

Where,

$(x)^2$ = Pearson's cumulative test statistic, which asymptotically approaches a $(x)^2$ distribution.

O_i = an observed frequency;

E_i = an expected (theoretical) frequency, asserted by the null hypothesis;

n = the number of cells in the table.

and,

The Mc Nemer test was also been utilised to test the different social and economic variables.

4. Results and Discussion

Table 1

Access Basic of Amenities by the Members

Particulars	Calculated Chi-square Value	Levelof significance	Result
Health Care Facility	20.000	0.000	***
Sanitary Facility within House	21.909	0.000	***
Sanitary Facility within Village	18.788	0.000	***
Water Supply to House	23.345	0.000	***
Water Supply within the Residential Locality	16.493	0.000	***
Educational Facility	19.519	0.000	***
Market Facility	21.656	0.000	***
Transport Facility	21.401	0.000	***
Medical Facility for Livestock	22.271	0.000	***

***Significant at 5per cent level.

To know the basic facilities accessing by the SHG members before and after joining the

SHG the null hypothesis(H_0) such as 'there is no significant difference in availing themselves of the amenities by the members before and after joining the SHGs formulated. To test the null hypothesis the MC Nemar Test was conducted and the results are presented in the table 1. It is evident from the table that, the calculated value of the Chi-Square for all facilities availed by the sample members before and after joining the SHGs is more than the table value (3.84). Therefore the null hypothesis is rejected. Hence, it could be inferred that there is significant difference in availing themselves of the facilities by the members before and after joining the SHGs.From the results of the study it is conclude that, the members are access more facilities after joining the SHGs as compared to the before joining.

Table 2

Impact of Self Help Programmes on Economic Variables

Variables	ZValue	Level of Significance	Result
Total Savings	16.130	.000	***
Total Borrowings	23.833	.000	***
Total Assets	22.405	.000	***
Total Employment	17.522	.000	***
Total Income	21.863	.000	***
Total Expenditure	12.775	.000	***

***Significantat5per cent level.

To know the impact of SHP on economic conditions of the SHG members, the null hypothesis such as there is "no significant difference in the economic conditions of the members before and after becoming the members of the SHGs" has been formulated and to test the hypothesis the Sign Test was utilised.

The results of the study are shown in Table 2. It is evident from the table that the calculated values of Z for all the economic variables are more than the table value (1.96) at 5 per cent level and hence the null hypothesis is rejected. Thus it is inferred that there is a significant difference in the economic conditions of members before and after joining the SHGs.Therefore, from the study it is hereby conclude that the economic conditions of the SHG members have been improved after joining the SHG.

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Table 3

Economic and Social Index of Members

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Impact	Z Value	Level of Significance	Result
Economical Index	17.943	.000	***
Social Index	21.906	.000	***
Composite Index	21.906	.000	***

***Significant at 5 percent level.

The overall impact of micro credit encompassing economic as well as social aspects has been measured by the aggregate measurement known as the Composite Index of Standard of Living.In order to test the null hypothesis that "there is no significant difference in the economic and social impacts on members before joining and after joining the SHGs", the Sign Test has been used.It is evident from table 3 that, the calculated value of Z for social, economic and composite index is greater than the table value (1.96.) at five per cent level and hence the null hypothesis is rejected. It is concluded that there is a significant difference in the social and economic impact on members before and after joining the SHGs.

Conclusion

The new millennium has thrown many challenges subjecting many nations to undergo transformation cutting across their established tradition and culture. New issues have to be addressed to effect social and economic progress of our nation. The most important one is women's empowerment through Self-help groups. SHGs have undoubtedly begun to make a significant contribution in poverty alleviation and empowerment of poor, especially women in rural areas of our country. In the present study the attempt has been made to know the impact of Self Help Programme on women through SHGs.

The result of the Sign Test shows that there is a significant difference in the economic conditions of the sample members before and after becoming members of the SHGs. The distribution of the members according to the value of Composite Index clearly brings out a lucid shift. It also shows that the impact was relatively more pronounced on the social aspects than on the economic aspects.

The results of the Sign Test for economic, social and the Composite Index also show that there is a positive economic and social impact on members after joining the SHGs.

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