CHAPTER – II
DESIGN OF THE STUDY

Introduction

Women constitute, half of the population and contributing substantially for the socio-economic development of the families and the nation as a whole. However, this contribution was recognized in domestic spheres and not accounted in terms of economy. Most women in India are dependent on land based livelihood than men. Yet they have less access to landownership and other property, credit facilities, income generating programmes and live in abject poverty. The concept of human poverty has been well defined by Dr. Amartya Sen as a kind of economic insufficiency, as an absence of certain capabilities and skills, as a political and economic exclusion. For the empowerment of women in every field, economic independence is of paramount importance.

The emergence of micro-credit system is an alternative system and is generally recognized as a powerful tool for empowering women. To bridge the gap between demand and supply of funds in the lower rings of the rural economy, the formal sector took the initiative to develop a supplementary credit delivery mechanism by encouraging institutional arrangements outside the financial system. Micro-credit is distinctly different from other populist poverty alleviation schemes. This is a concept of economic empowerment of women through the formation and nurturing of Self-help Groups (SHGs) of the target population.
Micro-credit and Micro-finance is emerging as a powerful instrument for poverty alleviation in the new economy. In India, micro-finance scene is dominated by SHG-Bank Linkage programme aimed at providing a cost effective mechanism for providing financial services to the ‘Unreached Poor’. The SHG programme has been successful in not only meeting peculiar needs of the rural poor, but also in strengthening collective self-help capacities of the poor at the local level leading to their empowerment.

Empowerment is a process of change by which individuals or groups gain power and ability to take control over their lives. It involves increased well-being, access to resources increased self-confidence, self-esteem and respect, increased participation in decision making and increased control over benefits, resources and own life. Micro-credit or micro-finance for the poor women has received extensive recognition as a strategy for poverty reduction and for economic empowerment. In a country like India, economic uncertainties, loss of livelihood, inflation, lack of access to natural resources, natural disaster etc make the poor extremely vulnerable. In this context, it would be necessary to ensure that the poor are empowered to access development resources and use it to their greatest benefit.

Micro-credit programme through self-help groups is different from poverty alleviation programmes. It targets the rural and urban households below the poverty line and assures the poor women of employment and income. Micro-credit savings helps the women to come out of the clutches of the money-lenders. Further, savings can also be
ploughed back into the common fund. Micro credit through self-help groups helps the poor women to build their skills and capacities and provide access to finances without any collateral and empowers them not only economically, but also socially.

In India, even today in certain regions and states majority of the women are plagued by illiteracy, poverty and lack of basic amenities in addition to the major responsibility of maintaining the family. This necessitated the effort to identify and take up various income generating activities to supplement the family’s income which resulted in the formation of a large number of self-help groups in India. As such India has become one of the countries where SHGs and micro enterprise play an effective role in women’s development.

Self-help Group in short, is a sustainable organizational setup which disburses micro credit to the poor women and encourages them to enter into entrepreneurial activities. Women lead self-help groups in many parts of our country have achieved success in bringing them to the mainstream of decision making. Self-help Groups serve as a source of inspiration and a viable alternative for achieving the objective of socioeconomic development for women by involving them in all development programmes.

In Tamil Nadu, there are about 6.5 lakh of SHGs functioning in the state. All the districts in Tamil Nadu are covered by SHG bank linkage programme and is one of the leading districts among them. The study districts has a record number of SHGs, which figure significantly in a big way in eradicating poverty and empowering women.
In our country, during the last five decades efforts have been made to improve the status of women by various strategies and through development programmes. The neglect of women in the development process and the immediate need for appropriate attention on women to enable to attain requisition position has been emphasized. The state of Tamil Nadu witness gigantic strides in terms of women empowerment through micro credit. However all SHGs are not equally successful. Therefore, research on factors which are figuring in the success of SHGs would facilitate the unsuccessful SHGs in their economic ventures. Research studies penetrating into these aspects are always essential to understand the process of SHG movement in a much better way for realizing the potential and benefits of Self-Help Group movement. Keeping this in view the present study was taken up.

**Need for the Study**

Poverty has remained the biggest challenge in India’s development efforts to bring about a perceptible change in the quality of life of its teeming millions. India being a developing country, a vast section of its population suffers from malnutrition, unemployment and poor health care. This is particularly true in the case of the four main weaker sections of the society namely, women, children, scheduled caste and scheduled tribes.

In rural India, the high rate of illiteracy and low economic status of women, underline the need for increasing their earning power by providing the income generating assets. Provision of employment opportunities and income to rural women is one way to improve their
nutrition, health, education and social status. In most of the developing countries, greater emphasis is laid on the need for development of rural women and their active involvement in the main stream of development. In our country, continuous efforts are being made by the Union and State governments to improve the status of rural women, especially those below the poverty line through different schemes of rural development.

Ever since independence a number of innovative schemes have been launched for the upliftment of women in our country. There has been a perceptible shift from viewing women as critical agents for socioeconomic development. Now the emphasis has shifted from development to empowerment of rural women.

Women constitute one-half of the segment of pluralism in India. The 2001 census counted 495.7 million females against a total population of 1027.01 million, in which 207.8 million women live in the rural areas and 27 per cent of the rural women live below the poverty line. Enhancing women’s economic productivity is an important strategy for improving the welfare of 60 million Indian households below the poverty line. Hence, the emphasis is laid on the empowerment of the rural women focusing on the following aspects. They are:

a) Direct involvement of women in programming and management.
b) Effective collaboration with community organizations.
c) Organizing and strengthening of women’s self-help groups.
d) Sensitization and advocacy for gender just society.
e) Identifying women’s needs and priorities while generating employment.

f) Organizing women in different groups to undertake certain productive activities to earn their livelihood, and to develop the rural community.

But women remain at the helm of affairs in the process of development. The rural and urban slum women play a major role in mobilizing and activating the rural development activities. One such important activity is self-help groups. As the programme is in implementation since 1986, it needs some empirical study to enable both women and the Government to set higher returns from the schemes. Therefore, it is indeed essential to examine the extent to which women are benefited through rise in per capita income through income generating activities.

In view of the growing importance attached to women’s development in the process of Rural Development and by and large economic development of the country, the timely attempt is made which may be proved useful in the planning and framing of Rural Development Models which are similar to the activities of other developing countries such as Bangladesh. Framing a development model which is related to women would bring positive results. The necessary support services are to be provided both by government and society at large. Such support services for rural women are provided under SHG and DWCRA programmes which brings about women empowerment.
Women empowerment means the idea that gives women power over their economic, social and reproductive choices which will raise their status, promote development and reduce population growth. “Women empowerment can be viewed as a continuum of several interrelated and mutually reinforcing components”.

- Awareness building about women’s situation, discrimination, rights and opportunities as a set towards gender equality. Collective awareness building provides a sense of group identity and the power of working as a group.
- Capacity building and skills development, especially the ability to plan, making decision, organize, manage and carry out activities to deal with people and institutions in the world around them.
- Participation and greater control and decision making power in the home, community and society.
- Action to bring about greater equality between men and women.

Self-Help Groups in short, is a sustainable organizational set up which disburses micro-credit to the poor women and encourages them to enter into entrepreneurial activities. Women lead self-help groups in many parts of our country have achieved success in bringing them to the mainstream of decision making. Self-help groups serve as a source of inspiration and a viable alternative for achieving the objective of socioeconomic development for women by involving them in all development programmes.
However, all self-help groups have not successfully contributed to the up-liftment of the poor women. Therefore, in order to find out what are the factors contributing to the success of self-help groups, the present research study was undertaken.

**Objectives of the Study**

In the parleys of social science research, it is quite essential to design the study comprehensively to address the basic issue of the study. Keeping this in view, care has been taken to understand the various important aspects of the study through selecting the objectives in the following manner:

**The General Objective of the Study**

- To examine the self-help groups and its beneficiaries in Tamil Nadu and identify factors contributing to success and failures of the self-help groups.

**The Specific Objectives of the Study**

- To study the socio-demographic profile of SHG women beneficiaries in the districts of Thanjavur and Tiruvarur.
- To assess the level of participation of self-help group women in decision making in family and community in the districts of Thanjavur and Tiruvarur.
- To examine the impact of the programme on employment generation of self-help group women in Thanjavur and Tiruvarur Districts.
To assess the improvement in the economic status of women in Thanjavur and Tiruvarur districts before and after joining self-help groups.

To compare and analyze the components of empowerment in the districts of Thanjavur and Tiruvarur and

To analyze the group characteristics of self-help group women beneficiaries in the study area.

Hypotheses

Based on the above objectives, the following hypotheses were formulated:

There is no significant difference in the socio demographic and psychological characteristics of SHG women beneficiaries in Thanjavur and Tiruvarur districts.

Differences in the levels of participation of SHG women of Thanjavur and Tiruvarur had no significant effect on the decision making capacity at family and community level.

There is no significant improvement in the economic status of SHG women beneficiaries in Thanjavur and Tiruvarur after joining SHG programme.

There is no significant variation in the components of empowerment of SHG women beneficiaries in Thanjavur and Tiruvarur and

There is no significant difference in the group characteristics of SHG women beneficiaries in Thanjavur and Tiruvarur.
Brief Description of the Variables

Independent variables

**Age** - The number of calendar years completed by the rural women at the time of interview.

**Religion** - The religion to which the rural women belongs.

**Caste** - The caste hierarchy of rural women, whether belongs to upper/backward/scheduled caste.

**Family size** - The specific number of members in the family living together.

**Family structure** - The single type (nuclear) family or joint family, extended family.

**Occupation of the respondents** - The position of the family which acts as a source of income in which she spends major part of her time and attention.

**Educational status of the respondent** - The levels of formal education attained by the respondent.

**Educational status of the family** - The level of formal education attained by the members of the family.

**Family economic status** - The position of the respondents family with reference to income from agriculture/job / business, houses owned, property owned and material possession.

**Annual income** - The total earning of the family from farm and other sources.

**Landholding** - The total land owned by the rural woman.

**Social participation** - The extent and nature of participation of rural woman in various activities of social organization.
Mass media contact - The extent to which a rural woman is exposed to different mass media communications such as radio, newspaper, television.

Cosmopolitaness - The degree to which a rural woman is oriented to her immediate outside social system.

Attitude towards self-employment - The degree of positive or negative feeling of rural woman towards self employment.

Credit orientation - The favourable and positive attitude of an individual rural woman towards obtaining credit from institutional sources for self employment.

Persuasiveness - The ability of a rural woman to influence by arguments, by reasons, by inducements or to with over other person to accept something to be true, credible essential, commendable or worthy.

Self-esteem - The respondents sense of personal adequacy or inadequacy and a sense of having achieved (or not achieved) need satisfaction in the past.

Group Variables

Group interaction : The tendency of members to mix freely with each other without inhibition.

Group leadership : The effectiveness of the leaders in changing the attitude of members to maintain the group stable and enhance the success of the group.

Transparency : The extent to which the working of the group are .clear and known to the members of the group.

Need satisfaction : Achieving individual members necessitates by the group within a specified time.
**Inter-personal trust**: The extent to which members trust on each other for the successful functioning of the group.

**Team spirit**: The co-ordinated efforts, both physical and mental aspects of the members in order to achieve the best possible results derived by the group.

**Equity**: The group approach minimizes or removes the inequalities in the distribution of inputs, credit, resources and output among its members.

**Accountability**: The extent to which members are responsible and answerable for their action or achievement of objectives as decided upon.

**Variables Used**

The independent variables included in the present study were age, religion, caste, educational status, marital status, type of house, type of family, family size, landholding, occupation of husbands, annual income etc. and the socio-psychological aspects include training, social participation, extension participation, mass-media contact, attitude towards self employment, decision making in family and community, perception about SHGs, Self-esteem, Cosmopoliteness. The dependent variables included in the study were achievement motivation, risk taking ability, management orientation, Decision making ability, Initiativesness and Self confidence and the group variables namely, group interaction, group motivation, need satisfaction, equity and group goal achievement.
Tools Used

To find out the variations among the SHG beneficiaries in both the districts, three schedules were prepared consisting of three parts, namely, demographic and socio-psychological variables. Economic empowerments and components of empowerment and group characteristics of Self - Help Groups.

Area of the Study

The locale of the study was the districts of Thanjavur and Tiruvarur in Tamil Nadu State.

Sample Selected

The study covered a total sample of 400 SHG beneficiaries from both the district. The SHGs of DWCRA and DWCUA groups from both urban and rural panchayats i.e., 200 SHGs members from Thanjavur and 200 SHGs members from Tiruvarur were selected.
To collect the data, interview schedules were used, which covered demographic, socio-psychological, economic and group variables. They were pre-tested on 50 respondents outside the study area. After analyzing each item based on the pre-test results and field experience, the schedules have been finalized. The schedules were administered personally to all the 400 respondents and the responses of the SHG beneficiaries were scored for the purpose of analysis.
Development of Interview Schedule

Interview schedule was prepared carefully to collect the information from the respondents. The overview schedule consists of three parts. Part A covers the general information like age, religion, caste, education, marital status, annual income of the family, educational status of the family, land holding, family structure, family size etc. Apart from this, Part A also covers contact with the extension agency, social participation, mass-media contact, decision making in family and community, credit orientation, perception about SHGs, attitude towards self-employment, self- esteem and cosmopoliteness.

Table 2.1

Distribution of two categories of respondents in Thanjavur and Tiruvarur

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Types of SHGs</th>
<th>Thanjavur</th>
<th>Tiruvarur</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>DWCRA – SGSY</td>
<td>100</td>
<td>100</td>
<td>200</td>
</tr>
<tr>
<td>2.</td>
<td>DWCUA – SJSRY</td>
<td>100</td>
<td>100</td>
<td>200</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>200</td>
<td>200</td>
<td>400</td>
</tr>
</tbody>
</table>

Part B contains questions with regard to SHG particulars about savings, economic empowerment, increase in income, employment generation and components of empowerment.

Part C covers the group characteristics of the SHGs like group interaction, interpersonal trust, group decision making, group motivation, group goal achievement, group leadership, need satisfaction, transparency, team spirit and accountability.
Pre-Test

Pre-test was done on 50 SHG women beneficiaries belonging to five groups, other than study area. The investigator administered the interview schedule personally by visiting the SHG members. Results showed that there was no major difficulty in understanding the items but a few items had to be modified and a few had to be included. Final schedules were used to study the role of SHG members in economic development.

Scoring and Analysis

The schedules were scored by assigning the appropriate weightages to obtain numerical values on the various variables measured. The total scores obtained by each of the 400 respondents on all the variables were computed. The data were carefully analyzed by employing appropriate statistical techniques like chi-square, ‘t’ test and ‘F’ ratio, to know whether the independent variables could influence significantly the dependent variables. The salient findings of the study were presented below.

Limitations of the Study

Circumstantial limitations may act as barriers and prove detrimental in case of many efforts aimed at achieving something. Similarly, this endeavour could not be relieved from the clutches of such limitations. Basically, the study was handicapped to the extent that it was a single venture, covering two districts of Tamil Nadu State. Irreversible and irrevocable time and intermittent pecuniary constraints were the next irrefutable limitations.
Sequence of Presentation

The thesis opens with the “Introductory chapter” and is followed by a brief discussion on empowerment of women through SHGs, conceptualization of empowerment, the information on SHGs, in India, and in Tamil Nadu specifically presented in Chapter 1. Chapter 2 gives the statement of the problem, objectives and hypothesis, methodology comprising of sampling variables and their empirical measurements and the statistical methods used in the study. Review of literature was preserved in Chapter 3. Chapter 4 deals with profile of the study area. Chapter 5 deals with results and discussion. This has been divided into five sections. Section I deals with the socio demographic and psychological characteristics of the SHG respondents. Section II describes the economic empowerment of Self-help groups. Section III deals with the findings about the components of empowerment. Section IV deals with effect of age and education on socio-psychological variables and components of empowerment, section V is devoted to the findings of the group variables. Summary and Conclusions were presented in Chapter 6, preceding Bibliography.