

Does Status of SHG affect Women Social Empowerment? A Study of Hisar district in Haryana

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ABSTRACT

The present research paper is an attempt to find the association between status of Self Help Group-Bank Linkage Programme (SBLP) and factors affecting women social empowerment. Primary data is used for the study that is collected from 100 women self-help group members in Hisar District of Haryana. Factor analysis and Independent t-test is used to find out the accurate results. The study found that membership in self-help group helps them to become more confident and self-dependent. Self Help Group (SHG) has empowered women to improve and exercise control over various material or rational resources like knowledge, information, thoughts and decision making not only in their home but also in their community, society and nation as a whole. It helps them to earn more respect in the society. Although SBLP has a lots of positive aspects but some negative points are also found like maximum number of SHGs are created with the objective of taking loan from bank and not for any social responsibility or empowerment. The fund is used for either personal benefits or day to day expenses and not for any income generating activity which makes it difficult to repay the loan timely and increases NPAs for banks.

Keywords: Self Help Group-Bank Linkage Programme, Women Social Empowerment, NABARD.

INTRODUCTION:

Development of a country is based on various factors like overall growth and equal distribution of resources to its citizens. Financial Inclusion aims at financial equality all over the world. There are three steps in financial inclusion that is availability of financial services for all, then accessibility of financial services at minimum cost and last is usage of financial services for optimum outcome. In 1992, National Bank for Agriculture and Rural Development (NABARD) started a program, Self Help Group-Bank Linkage Programme, to induce Financial Inclusion. Membership of SHGs improves the standard of living of the group member and enhances their consciousness about the social constraints like gender equality, economic dependence etc. which leads them to socio-economic independence and increased self-confidence (Chitagubbi, 2011). Self Help Group is an informal association of 10 to 20 poor people which comprises either a mix of male and female or any of them to obtain economic benefit out of mutual help and joint responsibility. But women self-help groups got more popularity and future prospective than a mixed group or men oriented self-help groups.

Women empowerment is one of the critical issues in the progression and development of countries all over the world. Women empowerment is a process of knowledge and capacity building leading to better participation, better and timely decision making, better use of power and control and transformative action. The programme (SHGs) was also started with a purpose of women empowerment. The involvement of women in Self Help Groups (SHGs) is expected to make a significant impact on their empowerment socially as well as economically. The Self Help Group can prove to be a powerful instrument for the empowerment of women. It is an important informal institution for improving status of women on various social components. In recent years, women empowerment has been recognized as a core

indicator for determining the status of women. Self-help group provides them an opportunity to improve their skills and knowledge and make themselves empower enough to improve their living standard. Women self-help groups help them to enhance their ability in decision making, skills development and also alleviation of poverty for a large extent. Self Help groups help them to become empowered socially and economically.

This paper is an attempt to identify the factors affecting women social empowerment through Self Help Group membership and examine the relationship between these factors and the status of SHG. The remainder of this paper is organized as follows: Section 2 and 3 present the review of literature and research methodology respectively. The results have been discussed in section 4 and the last section concludes the paper.

LITERATURE REVIEW:

Galab & Rao (2003) found that women self-help groups helped them to enhance their confidence and self-dependence and also alleviation of poverty for a large extent. The type of the scheme, economic background of SHG member, and the geographical area emphasized the impact of SHG to improve the access of credit at minimum cost and the utmost utilization of it for the success of income generating activity to improve their standard of living. But failure of the activity reduced the living standard of the member to more critical condition. That's why some fundamental requisites should be followed by the group. Swain (2009) argued that women are empowered when women challenge the existing social norms to enhance their status and wellbeing. The results of the study demonstrated a significant increase in the empowerment of women in the SHG members group. Narang (2012) concluded that SHG-Bank Linkage Programme provided a better environment and opportunities for empowerment of women in India. But the empowerment can be a reality with the access of more economic resources, motivation and self-confidence. Sharma (2013) suggested that although financial inclusion enhances the growth of Indian economy especially for poor but still there are lots of areas which need more efforts to achieve the real benefits of financial inclusion for the society. Divya (2013) found that daily wages earners were also getting benefits of financial services through banks and other financial institutions but still special instruments were missing for the low income groups that make the financial inclusion more affordable and accessible. Sarania and Maity (2014) compared the participant and non-participant households of SHG-Bank Linkage in Baksa District of Assam and found that being an SHG member participant with SHG-Bank Linkage could increase access of various financial services as compare to non SHG members. Kumari & Mishra (2015) concluded that Government implemented a lot of programmes to resolve various problems like lack of availability and accessibility of resources especially for women. Among all of these programmes SHGs may be considered as the most significant initiative of the government. The membership of SHGs helps them to improve their self-confidence and self-dependence. SHGs provided women a platform to be empowered socially and economically. Sharma & Kumar (2015) also found that the assessment of various aspects of social empowerment showed a notable improvement in status of SHG members. The impact of SHG membership was remarkable on their personal and social life. Their confidence, ability of thinking, decision making on important matters improved after joining the SHG. SHG membership encourages them for saving and for creating a regular source of income. Vinodhini (2016) focused on confirming the financial and social empowerment status of women belonging to various self-help groups in the country and found that the key reasons for the success of SHGs are its link with the poor people, its innovative practices, its capacity to enable people's participation in development and trust building at different levels between stakeholders. SHGs also help in the financial status of the households. They have developed self-confidence and independence among rural women, which in turn increased the livelihood of the rural people.

OBJECTIVES OF THE STUDY:

The present paper strives for the following objectives:

- To identify various factors affecting women social empowerment through Self Help Group membership.
- To examine the relationship between identified factors of women social empowerment and the status of SHG.

HYPOTHESIS

H1: There is significant relationship between factors affecting women social empowerment through SHG membership and status of SHG.

RESEARCH METHODOLOGY:

The study is based on primary data collected from SHG members in Hisar District of Haryana. The information required is collected through interview schedule cum questionnaire from 93 SHG members chosen on the basis

of convenience sampling method. The questionnaire includes questions related to general information and social empowerment of the group members with various criteria of social empowerment like self-confidence, decision making, communication skills etc. The collected data is analyzed using Factor Analysis and Independent t- test.

RESULTS AND FINDINGS:

Factor Analysis:

Factor Analysis attempts to identify underlying variables that explain the pattern of correlations within a set of observed variables. This procedure is often used to reduce the number of variables in a data set but can also be used to explore the hidden structure of the variables in data file.

Factor Analysis is primarily used for data reduction or structure detection:

- The purpose of data reduction is to remove redundant (highly correlated) variables from the data file, perhaps replacing the entire data file with a smaller number of uncorrelated variables.
- The purpose of structure detection is to examine the underlying (or latent) relationships between the variables.

KMO and Bartlett's test:

The Kaiser-Meyer-Olkin Measure of Sampling Adequacy is a statistic that indicates the proportion of variance in the variables that might be caused by underlying factors. This test indicates the suitability of data for structure detection. As shown in Table no. 1, KMO measure of sampling adequacy is 0.841(close to 1.0) which indicates that the factor analysis is useful with our data.

Table 1: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.841
Bartlett's Test of Sphericity	Approx. Chi-Square	473.162
	Df	91
	Sig.	.000

Source: Outcomes of data analysis in SPSS by researcher

Bartlett's test of sphericity tests the null hypothesis that correlation matrix is an identity matrix, which would indicate that the variables are unrelated and therefore unsuitable for structure detection. Significance value is 0.000 (less than 0.05) hence null hypothesis is rejected which indicates that the factor analysis is useful with our data.

Communalities:

Table 2: Communalities

	Initial	Extraction
Q.1 Membership in SHG is an instrument for community development	1.000	.592
Q.2 Membership in SHG develop team building and team spirit	1.000	.803
Q.3 Membership in SHG provides strength to protest against social evils	1.000	.676
Q.4 Membership in SHG creates better awareness about mutual help.	1.000	.749
Q.5 Membership in SHG improves self-confidence to face problems.	1.000	.606
Q.6 Membership in SHG creates awareness about self-reliance.	1.000	.581
Q.7 Membership in SHG induces social development activities.	1.000	.605
Q.8 Membership in SHG improves literacy and communication skills	1.000	.670
Q.9 Membership in SHG improves problem solving capacity.	1.000	.747
Q.10 Membership in SHG increases decision making power.	1.000	.598
Q.11 Membership in SHG creates awareness about banking operations.	1.000	.579
Q.12 Membership in SHG increases social contacts.	1.000	.644
Q.13 Membership in SHG eradicates poverty and social disparities.	1.000	.730
Q.14 Membership in SHG improve self-esteem.	1.000	.564

Extraction Method: Principal Component Analysis.

Source: Outcomes of data analysis in SPSS by researcher

Extraction communalities are estimates of the variance in each variable accounted for by the factors in the factor solution. Small values (less than 0.3) indicate variables that do not fit well with the factor solution and should possibly be dropped from the analysis. In our results all values are more than 0.3 which means that the extraction communalities for this solution are acceptable.

Total Variance Explained:

Table 3: Total Variance Explained

Component	Initial Eigen values			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	5.297	37.838	37.838	5.297	37.838	37.838	2.869	20.491	20.491
2	1.734	12.383	50.220	1.734	12.383	50.220	2.718	19.415	39.906
3	1.080	7.716	57.937	1.080	7.716	57.937	2.047	14.623	54.529
4	1.033	7.376	65.313	1.033	7.376	65.313	1.510	10.784	65.313
5	.885	6.322	71.635						
6	.704	5.030	76.665						
7	.624	4.461	81.125						
8	.549	3.919	85.045						
9	.493	3.522	88.567						
10	.443	3.164	91.731						
11	.338	2.418	94.149						
12	.315	2.247	96.395						
13	.266	1.901	98.296						
14	.239	1.704	100.000						

Extraction Method: Principal Component Analysis.

Source: Outcomes of data analysis in SPSS by researcher

- **Total variance explained, initial Eigen values**

The leftmost section of the table no.3 shows the variance explained by the initial solution. Only four factors in the initial solution have Eigen values greater than 1. Together, they account for almost 65% of the variability in the original variables. This suggests that four latent influences are associated with service usage, but there remains room for a lot of unexplained variation.

- **Total variance explained, extracted factors**

The second section of the table no. 3 shows the variance explained by the extracted factors before rotation. The cumulative variability explained by these four factors in the extracted solution is about 55%, a difference of 10% from the initial solution. Thus, about 10% of the variation explained by the initial solution is lost due to latent factors unique to the original variables and variability that simply cannot be explained by the factor model.

- **Total variance explained, rotated factors**

The rightmost section of the table no. 3 shows the variance explained by the extracted factors after rotation. The rotated factor model makes some small adjustments to factors 1 and 2, but factor 3 is left virtually unchanged. Look for changes between the unrotated and rotated factor matrices to see how the rotation affects the interpretation of the first and second factors.

Component matrix:

Table 4: Component Matrix^a

	Component			
	1	2	3	4
Q.2 Membership in SHG develop team building and team spirit	.783			
Q.4 Membership in SHG creates better awareness about mutual help.	.728			

	Component			
	1	2	3	4
Q.12 Membership in SHG increases social contacts.	.691	-.401		
Q.3 Membership in SHG provides strength to protest against social evils	.672			
Q.7 Membership in SHG induces social development activities.	.663			
Q.13 Membership in SHG eradicates poverty and social disparities.	.655	-.478		
Q.11 Membership in SHG creates awareness about banking operations.	.623			
Q.9 Membership in SHG improves problem solving capacity.	.619		.543	
Q.6 Membership in SHG creates awareness about self-reliance.	.577			
Q.10 Membership in SHG increases decision making power.	.576			.437
Q.5 Membership in SHG improves self-confidence to face problems.	.572		.444	
Q.1 Membership in SHG is an instrument for community development		.533		
Q.14 Membership in SHG improves self-esteem.	.489	-.530		
Q.8 Membership in SHG improves literacy and communication skills	.455			.663
Extraction Method: Principal Component Analysis.				
a. 4 components extracted.				

Source: Outcomes of data analysis in SPSS by researcher

The relationships in the unrotated component matrix are somewhat clear. The fourth factor is associated with decision making power and literacy and communication skills. The third factor corresponds to problem solving capacity and self-confidence. The second factor is associated with for community development. The first factor is associated with team building and team spirit, awareness about mutual help social contacts etc. However, some of these "first factor" services are negatively associated with the second factor; some, positively. In general, there are a lot of services that have correlations greater than 0.2 with multiple factors, which makes the situation hazy. The rotated factor matrix should clear this up.

Rotated factor matrix:

Table 5: Rotated Component Matrix

	Component			
	1	2	3	4
Q.13 Membership in SHG eradicates poverty and social disparities.	.800			
Q.12 Membership in SHG increases social contacts.	.726			
Q.14 Membership in SHG improves self-esteem.	.716			
Q.11 Membership in SHG creates awareness about banking operations.	.651			
Q.2 Membership in SHG develop team building and team spirit		.794		
Q.4 Membership in SHG creates better awareness about mutual help.		.789		
Q.3 Membership in SHG provides strength to protest against social evils		.720		
Q.1 Membership in SHG is an instrument for community development		.523		.495
Q.7 Membership in SHG induces social development activities.		.520	.500	
Q.9 Membership in SHG improves problem solving capacity.	.466		.715	
Q.5 Membership in SHG improves self-confidence to face problems.			.713	
Q.6 Membership in SHG creates awareness about self-reliance.			.659	
Q.8 Membership in SHG improves literacy and communication skills				.790
Q.10 Membership in SHG increases decision making power.	.445			.606
Extraction Method: Principal Component Analysis.				
Rotation Method: Varimax with Kaiser Normalization.				
Source: Outcomes of data analysis in SPSS by researcher				

- All factors are affected by the rotation but factors are easier to interpret now. The first rotated factor is most highly correlated with poverty and social disparities, social contacts, self-esteem, banking awareness, problem solving capacity and decision making power and out of these variables four are not particularly correlated with the other three factors and one variable is highly correlated with first and third factor which

means respondents who agreed with factor one is also agreed with factor three for community development. Thus first factor is names as “Social Integration”.

- The second factor is most highly correlated with team building and team spirit, mutual help and community development and at the same time social development is highly correlated with both second and third factor. Thus second factor is named as “Teamwork”.
- Third factor is highly correlated with social self-confidence improvement and self-reliance. Thus third factor is named as “Development activities”.

Only three factors are taken for further analysis as the fourth factor is not much reliable as per the standards and therefore it may misrepresent the result of the research.

Factor transformation matrix:

Table 6: Component Transformation Matrix

Component	1	2	3	4
1	.571	.585	.469	.334
2	-.796	.546	.257	.045
3	-.137	-.583	.786	.152
4	-.144	-.141	-.309	.929

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.
Source: Outcomes of data analysis in SPSS by researcher

The factor transformation matrix describes the specific rotation applied to the factor solution. This matrix is used to compute the rotated factor matrix from the original (unrotated) factor matrix. Smaller off-diagonal elements correspond to smaller rotations. Larger off-diagonal elements correspond to larger rotations.

Independent t-Tests:

After identifying the factors affecting women social empowerment through SHG membership, relationship between these factors and status of SHG i.e Operating SHG or Non-Operating SHG is examined using independent-samples t-test. It compares the means between two unrelated groups on the same continuous, dependent variable.

Table 7: Independent t- test

Status of Self Help Groups and Women Social Empowerment							
		t-test for Equality of Means		Levene's Test for Equality of Variances		Mean	
		T	Sig. (2-tailed)	F	Sig.	Operating	Non-Operating
Social integration	Equal variances assumed	2.604	.011	20.608	.000	0.35	0.21
	Equal variances not assumed	3.046	.003				
Teamwork	Equal variances assumed	4.292	.000	23.153	.000	0.54	0.32
	Equal variances not assumed	5.102	.000				
Development activities	Equal variances assumed	1.457	.149	.710	.402	0.2	0.12
	Equal variances not assumed	1.476	.144				

Source: Outcomes of data analysis in SPSS by researcher

As shown in Table No. 7, the group means are statistically significantly different for the factors, Social Integration and Teamwork, as the p value is less than 0.05 which means Status of Self Help Group-Bank

Linkage Programme has a significantly affects social integration and teamwork activities of SHG members. The group mean is showing more concentration on operating groups that means the groups which are currently operating are performing better than non-operating groups. The study shows that group membership has increased coordination and cooperation among the group members. They work as a team to solve out all mutual or individual problems. The study also finds that member's coordination makes group more strong and independent. Hence, operating SHG group membership enhances social integration as well as teamwork which are considered as important factors of women social empowerment. Whereas, for the third factor, Development activities, null hypothesis is accepted. P value is more than 0.05 which means there is no significant relationship between Self Help Group-Bank Linkage Programme and developmental activities of the members. It means group members are not taking up any development activity or say any income generating activity. Banks provide fund to the group for income generation like starting any small business or development activity but the fund is not used for that purpose. NGOs or Government should have a watch on it so that the purpose for which loans are given can be achieved.

CONCLUSION:

Development of a country is based on overall growth and equal distribution of resources to its citizens. Self Help Group has emerged as one of the most important development programme for rural India in last two decades. The study shows that SBLP is improving social life of women members by inducing them in various social activities. In this study many aspects of women social empowerment have been taken, out of which most of the aspects are showing positive indication of growth in the social life of women members. Out of three factors two factors, Social Integration and Teamwork, indicates that SBLP emerged as an important programme for social empowerment of women in Hisar. SBLP women members are more confident and self-dependent after joining the groups. They work as a team to solve their mutual or individual problems. Although SBLP changes the attitude of women members towards their social life but the overall scenario is still challenging. Women member are participating in social activities but developmental activities like income generating activities (IGAs) are not properly entertained by them. Self Help Groups are linked with banks for distribution of financial services to start various IGAs but SHG members are using the fund for their personal or day to day expenses which diversify the objective of SHG linkage with bank. NGOs or Government should have a watch on it so that all objectives of SBLP could be achieved.

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