

# Impact of Self-Help Groups on Employment of Women

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**Abstract:** *The main motto behind the starting of a SHG is that women have economic problems and want employment prospects that will better their standard of living. In India, comparatively women face the problem of getting work more than men. SHGs are a way to change the face of rural working women in India. SHGs have helped to transform the community at large by empowering women. In a woman's pathway to employment and empowerment, many problems and hindrances arise because of the patriarchal society around them. SHGs have helped in many ways by trying to remove these obstacles and by creating newer economic avenues.*

**Keywords:** Employment, self-help groups, empowerment, economic

## 1. Introduction

Population and unemployment have always been the main complications of developing India. The over-burgeoning population results in BPL families in almost every city, town and village of India. Because of this, the women suffer the most. Work for men is scarce these days so work for women; especially rural women are a distant dream. To realize this dream to some extent, the Government of India, RBI and NRLM programme emphasized Self-help groups. These are those groups that led to the organization of illiterate and semi-literate women from villages and interiors of rural areas. These groups are formed voluntarily. They meet regularly for meetings, choose a leader, save weekly, monthly, contribute to the group corpus and grow together. Thus, SHGs are a procedure for growth and development.

The idea behind SHG formation:

- Create self-employment opportunities for the impoverished.
- Make loans available without collateral security
- SHG-bank linkage advantage
- Imparting knowledge and skill training to the members of the group
- Motivating and guiding them as they become entrepreneurs
- Be the channel between the Government schemes and the rural women of India
- Gives financial security and financial independence to the women
- Make the credit available in case of emergency
- Women empowerment

## 2. Review of Literature

Singh, Dr & Shilendra, Singh. (2019)<sup>1</sup>, in their paper said that as entrepreneurship grows in an SHG the employment is directly affected. If the lending capacity to the SHGs increases then the employment rate is also expected to rise.

They also stated in their paper that as entrepreneurship is vital for the growth of the nation, the credit facility to the SHG should be increased. When the members of the SHG, both men and women get a window to showcase their business acumen, employment will increase. The present research paper tries to find the relationship between the characteristics of entrepreneurs and their success and also tries to find out the factors that influenced the entrepreneurship development on sample male and female to become entrepreneurs were studied in Manipur. The data were collected from 210 workings SHG employees of both manufacturing and services activities in four districts that were selected inconvenience to the researchers who held the major dependability of MSMEs activity.

Bose, Jaya & Murugan, M. Prabu & A, Serma Saravana Pandian & Ganesamoorthy, Senthil Kumar & Selvakumar, K. N. (2013)<sup>2</sup>, undertook a study in the Thiruvannamalai district of Tamil Nadu to analyze the socio-economic characteristics, income and employment pattern of Self-Help Group members and non-members through livestock rearing. Data about the objectives of the study were collected from 120 sample respondents using a pre-tested interview schedule.

Tigari, Harish & Aishwarya, R. (2020)<sup>3</sup>, are of the view that women prefer to join SHG rather than any financial institution. The study also helped in proving that SHG had a positive impact on the growth of the women members. In recent years, SHGs have become significant contributors to the generation of self-employment and source of livelihood. So, it empowers and creates women entrepreneurs. For this purpose, the primary data were collected from the 30 members of SHGs by simple random sampling, through a structured questionnaire.

Maruthi, I & Peter, Pesala. (2016)<sup>4</sup>, in their paper wanted to investigate the employment opportunities and participation of SHG (Self-help Group) in selected households in Karnataka, India. For research purposes, Karnataka was divided into three regions: North, Central and South

Karnataka. In all selected villages, 150 sample households were selected randomly. The total sample size was 1800. The major findings of the study were that half the population in that village did not get regular employment opportunities. People were largely dependent on agriculture. Among the households, forty-eight percent of the household were involved in Self-Help Group (SHG) activities during the study period. Poverty and illiteracy were rampant in the village. Households availed loans from the banks, some got while did not get due to lack of collateral security. The government shall provide employment opportunities to the Dalit people in Karnataka.

In the article published on Indiaspend<sup>5</sup>, the writer talks about the job card that a person receives under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS). After getting the card the women in the states of Assam and UP learned to negotiate with the local gram Panchayats to get power, status, space and money in return for the work that they do. MGNREGS is becoming an employment-generating platform for the women working in the SHG. MGNREGS as a key poverty alleviation scheme, and synergized with the SHG network, is a key component of NRLM.

Sangvikar, Balkrishan & Pawar, Avinash & Kolte, Ashutosh. (2019) <sup>6</sup>, talks about how SHG helps indirectly increasing entrepreneurship and leading to cumulative employment. It is an innovative model of a voluntary group of people who support entrepreneurship development and employment generation. Entrepreneurship plays a key role in the growth and progress of any country and society. SHGs provide economic development, empowerment, and social equality to the members. The study was conducted using a questionnaire on a sample of 240 members of self-help groups in India. This paper also included the challenges faced while employment was generated by these SHGs.

Ghosh, Chandralekha & Chatterjee, Tanmoyee. (2010) <sup>7</sup>, analyzed in their paper that local politics plays an important role in the employment status of women. If the local political scenario is stable then the employment level is not hampered. But if the local leaders create hindrance in working of the SHG the employment gets affected. Also, sometimes it becomes their personal decision to continue employment or leave it. The present paper investigates the factors influencing the employment status of a selected group of self-help group members. During the 2005 survey, all the members were employed but during 2009 it was observed that about 55 percent of the self-help group members have turned into housewives due to many personal and other issues.

#### Factors affecting employment status of women

##### 1) Family members

For an Indian woman, her family is her priority. Taking care of them is of prime significance to her. Bringing up her children, their education, household responsibilities, such factors lead to the late start of a woman's career. Sometimes marital tensions do not let her step outside her house and earn on her own. Thus, family members can make or break a woman's aspirations and career in a family-oriented country like India.

##### 2) The political scenario of the area

It is often seen that the local political leader takes interest in the working of the SHG. To some extent, it is justifiable, to solve the administrative problem of the SHG. But when the local political party interferes with the functioning of the SHG, it creates a lot of problems in the growth of the SHG. Thus, it should be seen that the political force does not influence the leader, members and the system of the SHG.

##### 3) Personal reasons

A rural woman has a Pandora's box, unlimited problems to tackle, one after the other. Discharging family responsibilities, society rules, peer pressure, personal health, children expectation, demands of husband, seasonal unemployment, marital status, all hamper and burden the mental health of the SHG women.

##### 4) Society harmony

The Indian society is acrimoniously divided. A part of it wants the women to develop and grow while the other part suppresses this growth and does not wish to see the female strata of the society lead and succeed. Society throws insults, taunts and tries to create innumerable deterrents in the path of a woman who wants to work. This is seen mostly in the rural areas. Thus, a woman from a SHG faces many hitches and disharmony from the society she belongs to.

##### 5) Diversification of business loans

It is seen in many cases that the loans given to the members for starting a small business end up getting used for personal consumption purposes. In ill-luck scenarios, the credit money sometimes gets used up by the male members of the family in gambling and drinking. This is mostly seen in backward village areas. The loan also gets used up at times of medical emergencies and marriages. Thus, there is a lot of diversifications of the business loan.

##### 6) Internal conflicts in SHG

A SHG is made up of people who have problems. They are non-professional who all are striving to make basic ends meet. Thus, at times there is a lot of tension and issues in the group. It is mostly related to savings; loan distribution and loan payback. Thus, in a group that has around 15-20 people struggling to earn some money conflicts are an ongoing process.

Ways to help the women maintain their employment status quo –

1) Counselling – A woman's journey when working in a trivial job or a multi-national company will always be full of hurdles which she has to overcome at every stage in her life. Through discussion and counselling sessions she can sort her problematic issues and unburden herself from time to time. Also, the counselor will advise her on needful issues.

2) Strike a balance – The women should slowly learn the trick of striking a balance between her personal life and professional life. As both are of prime importance it is she who should know to give attention to both domains.

3) Family therapy – Sometimes the family needs education and guidance in increasing their understanding and bettering their attitude towards a working housewife and a working mother. This stereotype of the taboo that

revolves around the working of rural area women has to be slowly erased.

- 4) Literacy – Education better the employment prospects of the women. A rural illiterate woman might not have many options of work. but an educated rural women even with basic education skills can earn better than her uneducated counterparts. Thus, literacy directly or indirectly helps in the employment status of the women.

### 3. Conclusion

There is a spacious gap between goals articulated in plans and situational reality in India. The NGOs have given considerable grass-roots presence and deep insight to empower women physically, mentally, socially, politically, and economically. Training is needed at all levels of the SHG. The leader of the group should be changed from time to time so that all get an equal opportunity of power and responsibility. Meetings should be taken periodically.

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