

# Empowering Women through Self Help Groups and Women Cooperatives- A Tool for Sustainable Development

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## Abstract

Women Empowerment means empowering and emboldening women by political, legal, economic and social means. Women empowerment has been the major goal of every country. Today, Women is by no means less than men in any sphere of life. She contributes equally in the social and economic development of the nation. Both Government and Non-Government agencies play a major role in uplifting the status of women in society by introducing various schemes. Formation of Women Self Help Groups (WSHG) and Women Cooperatives are the various schemes adopted for women empowerment. One of the highlights is that, in India, ninety percent of the WSHGs and Cooperatives have paved the way to boost the confidence of women by providing them regular income facilities, education and training. The paper mainly attempts to study the role of SHGs and Women Cooperatives in women empowerment with the help of success stories of certain SHGs and Cooperatives and how it is one of the most powerful tools of sustainable development.

## INTRODUCTION

Empowering women through financial independence is the main motive of the Self-Help Groups. Self Help Groups (SHGs) is a voluntary homogeneous group of ten to twenty people generally women either registered or unregistered from the same social background who pool their assets and resources for thrift and savings. Self-help group provides an effective solution to deal with the problems of poverty thereby enabling communities in improving the quality of life. This also empowers rural women who otherwise are marginalized due to illiteracy, inability to get quality health care services and above all poverty.

The self-help groups provide employment and facilitate the poor women in survival and livelihood. It helps in improving and increasing the equality status of rural women in various forms like participation, decision making, capacity building and acting as an important member in the economic, democratic, cultural and social spheres of life.

Self Help Groups gives wide opportunities to women for empowerment in terms of improvement in the standard of living and financial and

economic freedom through development of their entrepreneurial mindset and providing self-employment. Financial freedom and self-reliance boost the confidence and self-esteem of women. In India, the major problem suffered by rural women is poverty and unemployment. From the records, it is found out that female unemployment rate is much more than the male employment rate. Government has introduced many schemes to overcome the problem of unemployment and poverty. Out of various schemes, SHG is an attractive one.

Women Empowerment provides powers to women to become independent society builders with potential challenges to future generation. Women contribution for developing the socioeconomic nation cannot be overlooked. Legal, social, political and economic empowerment has become necessary in today's era for conversion of the idle society into self-sustainable one. There are various ways to achieve women empowerment – political power, education, employment and SHGs.

## **Literature Review**

Women Empowerment implies giving emphasis on women's decision over judicial utilization of available assets and resources and active involvement in the process of decision making thereby resulting in enhancement of socio-economic status (Meenu, et al, 2011).

(V.P. Sriraman, 2008) in his study shows that the progress towards poverty mitigation of Millennium Development Goals is hindered by the gender inequalities. In rural areas particularly, women are deprived of assets and thus are not able to get involved in productive work. Because of the inequality, women are more susceptible to poverty than men. Women have been the most deprived and underprivileged on the basis of discrimination not only in India but the world over. Although there are many Government and Non-Government initiatives working towards empowering women, still they have been ignorant clients of the financial sector. Microfinance has been playing an important role in women empowerment particularly rural women.

The status of women is a complex; multi-dimensional concept. Everett J. stresses on the

complexity and multi-dimensionality of the status of women in society particularly in terms of political, economic and social dimensions (Everett, J.,1991, p.349). Women get a political status when she has an access to power and representation in the political matters. Women get representation for enhancing economic status when she is involved in activities and institutions working constructively around the production, distribution and consumption of goods and services. Social status includes providing women with good education and equal role in society.

(Al-Kubati & Selvaratnam, 2021) in their study stressed on self-help groups as an effective tool for facilitating the government plans towards achievement of sustainable development goals. Self-Help Bank Linkage Program has been used as an effective development strategy for empowering women and removing them from the distress of poverty.

(Anbalagan et al., 2005) mentioned that failure of several government schemes towards women upliftment has given evolution to micro credit which has been serving as a boon for improving the status of rural women and thereby leading to women entrepreneurship development.

(Chosh et al., 2023) in their study have evaluated the impact of intervention of SHGs and the entrepreneurial traits of SHG members on the economic, social and cultural empowerment of women. It was found that the SHG interventions have a positive impact on the socio-cultural and economic empowerment of rural women.

(Rawat, 2014) in her paper compared the socio-economic status of women with that of political status by evaluating the impact of SHGs on women empowerment at Derabassi district of Punjab. The study concluded that there was a positive impact of SHGs on enhancing the women empowerment.

(Sahoo, 2013) in his study mentioned the role of SHGs in women empowerment in the Cuttack district of Orissa by evaluating the government schemes introduced over the last decade. The study concluded that present government schemes are not sufficient to meet the needs of poor SHGs and introduction of relevant programmes and initiatives will lead to successful women empowerment.

Empowerment of women therefore is an important approach adopted in the Niti Aayog for the development of women. In order to address the issues related to social and economic development of women, the Department of Women and Child Development under the Ministry of HRD, has implemented various schemes like Swavamsidha, Swashakti, Training and Employment Programme for Women, Swalamban, Swadhar and Rastriya Mahila Kosh (Women Transforming India, 2021).

## **RESEARCH METHODOLOGY**

The study is a descriptive study design. This conceptual framework is to explain the role of SHGs and women Cooperatives in women empowerment with the help of success stories about the development and growth of SHGs in Jharkhand. Both Primary and secondary source of data has been used. Success stories of SHGs has been collected through direct interview with the women members of SHGs. Secondary sources like journal, article, newspapers, texts, magazines etc. used for collecting the information.

## **Women Empowerment through SHGs in Jharkhand**

### **Genesis of SHGs**

The Government of Jharkhand intends to support the Women Self Help Groups to inculcate the habit of thrift and saving and provides viable opportunities on sustainable basis with financial assistance by suitable linkages with Government and Non government development agencies.

In Jharkhand, Self Help Groups which started on an experiential basis in 1989 came up as a revolutionary change as local institutions in villages, under the International Fund for Agricultural Development for the assistance of Women's development project. NGOs act as important external catalysts in improvement of social, economic and political status thereby leading to economic and social mobilization, creation and fostering of SHGs through Government financial and administrative initiatives and support.

This paper attempts to show the success stories of various SHGs and Women Cooperative Society in

Jharkhand, which leads to economic empowerment of women.

### **Initiatives taken by Jharkhand State Livelihood Promotion Society to promote SHGs-UPAJ**

With a vision to alleviate ultra-poverty, the Jharkhand State Livelihoods Promotion Society (JSLPS) aims to implement a special project: Targeting "Ultra-Poor" through Graduation Approach (UPAJ) in four blocks of three districts integrated into community institutions promoted by DAY-NRLM.

The Graduation Approach will be adapted to Jharkhand's context. The focus will be on bottom-up interventions including giving grants, productive assets, and household level handholding and linking to markets before they can reach a minimum threshold to benefit from existing market opportunities and government schemes, gain greater voice and autonomy in their households and communities and be on an onward journey to improve their life.

Under the special project around 4000 ultra poor families from four blocks will be identified using specific criteria to be part of the project for a period of three years and graduate out of ultra poverty. The PVTG and Ultra Poor Development Domain of JSLPS will be the nodal domain to implement this project. In partnership with the/Nudge Institute (formerly known as the/Nudge Foundation).

### **Challenges**

Jharkhand experiences multiple vulnerabilities due to the presence of diversified social groups, regional disparities, unequal distribution of resources among various caste groups, frequent occurrence of natural calamities, geography and issues like left-wing extremism. The deprivation is particularly visible among single-women-headed households, those women who are widowed or destitute, elderly members of the community with no able-bodied members in their immediate family, people with disabilities, socially marginalized categories such as PVTG, ST and SC, landless households which are dependent on seasonal/distress migration for sustained income. Suffice to say, there are many pockets in Jharkhand where multiple deprivations



intersect to create ultra poor communities.

To make the ultra-poor self-reliant and resilient, facilitating social inclusion, social development, social protection (social security) and promotion of two diversified sustainable sources of income generation to enable them to graduate out of ultra-poverty.

To feed the learnings into the development of the National Strategy for targeting the ultra-poor through the Graduation Approach.

## **Success Stories of Women empowerment and growth**

There are various women SHGs working in and around the rural areas. In this paper an attempt has been made to reflect the role of SHGs on Women Empowerment through various examples of successful women SHGs and cooperative societies working in Jharkhand.

**Sarna Dharma Mahila Mandal** is a women SHG in Aambeda village of Beko, Jamshedpur, East Singhbhum. This SHG was formed and registered on 19 August, 2018. There are altogether 12 women members in this group. Mrs. Karmi Hansda is the president of the group, Mrs. Guruwari Sabar is the secretary and Mrs. Kalavati Hansda is the treasurer of the group. All women members of the group are related to the work of agriculture and cultivation. The group opened a savings bank Account in Mango branch of State Bank of India. The group members jointly do vegetable cultivation. The fresh vegetables of the SHG are sold in Jamshedpur market by the women members themselves. Due to vegetable cultivation, each women member earns Rs. 3000 to Rs. 4000 per month. All the members of the group are satisfied and lead a happy life.

**Mateshwari Mahila Vikas Sahkari Samiti** is cooperative society in Sidhgora, Jamshedpur which was registered in May, 2019. It presently employs 150 women members. The activity undertaken by the SHG is manufacturing of tussar silk thread from raw cocoons. Jharkhand Silk Textile and Handicraft Development Corporation Ltd., A Government of Jharkhand undertaking, helps this society by providing raw materials and machinery to produce the silk thread and also buys the thread from cooperative society.

**Shavangir Mahila Vikas Sahyog Samiti**, Jugslai, Jamshedpur is a women cooperative society which involves more than 500 women in the work of stitching, tie and dye, beautician work, painting of bed sheets, making of school dresses.

When enquired the women it was found out that there were significant changes in their life after joining these organizations. They accepted the habit of thrift and savings. The standard of living improved due to income generation. Women developed a feeling of cooperation and mutual self-help.

**Mali Mahila mandal, Dhobni, Musabani** has been formed by JSLPS. There are altogether fifteen members in this group out of which 13 members are from BPL category. The group members earlier used to collect and deposit Rs. 10 monthly. But later on, a change has been made in the structure of deposit. Now the members deposit Rs. 10 weekly and the total deposit of Rs. 40/person.

Before forming the above groups, because of lack of information there were no fixed rules for weekly meeting, savings and mutual transactions. But gradually and slowly, by providing them training they have been made powerful and empowered and deposited fund in the SHG was used to start the business of rearing pigs, out of which they earned good revenue. Further, 10 pigs were purchased by the groups and proper care is taken for their rearing.

This way the enlightening, emboldening and training of the groups made the women totally independent and without outside debt each group members earn a monthly income of Rs. 3000.

**Laxmi Devi Mahila Samiti** belongs to Kankrishol village, situated 2 kms away from Chakuliya. The date of formation of this SHG is 21.07.2016. It was formed under the NRLM scheme of the Government of Jharkhand. There are altogether 13 women members in the group, out of which 7 belong to scheduled tribe, 1 belong to scheduled caste and 5 belong to other backward caste. The president of the SHG is Mrs. Lalita Das, Secretary is Mrs. Malti Mandi and the treasurer of the group is Mrs. Saraswati Behra. The meetings are conducted regularly by the members. The members are continuously trained by the JSPLS women members. The occupation of this group is goat rearing and farming, but the main stress is given to goat rearing. The women SHG recently got

a revolving fund of Rs. 25000 from Bank of Baroda, Chakuliya Branch. After repaying the debt amount of Rs. 25000 to bank, the WSHG got a large loan of Rs. 250000. This fund was used to purchase goats. Altogether 80 goats were purchased. Each women member got 5 goats. By purchase and sale of goats the women members brought about a change in their financial status. Their living standard changed. All women members are very happy by forming the group.

## **Impact of SHGs on Women Empowerment**

The following changes were observed after the organization of the self-help groups.

1. The members accepted the habit of thrift and saving.
2. The standard of living was improved due to increase in income.
3. There was an improvement in the education level. The children of the family are getting education in private schools.
4. The women became more aware about the government plans.
5. The members of the group were rid of the exorbitant money lenders for loan.
6. There was an increase in co-operative feeling and mutual self help.
7. The migration from the villages was reduced.
8. Quality production was achieved through the use of advanced seeds and fertilizers in agriculture.
9. Women are more informed now and they are more aware about infant vaccination and family planning.
10. Exploitation of the women is almost stopped and the thoughts of the women are getting priority by the men.

## **Recommendations and Suggestions**

A lot needs to be changed to make women truly empowered. If women empowerment is to be seen as serious objective by SHG programmes in particular and the larger microfinance committees, greater emphasis needs to be placed on training,

education and creating awareness in order to achieve a longer and more lasting empowerment. The major problem suffered by the women cooperatives and SHGs is that there is very limited direct access to institutional credit to rural women. There is an urgent need to have a well planned three tier strategy (viz., corporate, functional and operational level) for better performance of SHGs. Each commercial bank should set up a separate micro-finance (MF) cell under priority sector policy department.

Targets are essential otherwise we may lose their portfolio. Thus, the head office should give target to Zonal Offices about the member of SHGs to be linked. The Zonal Office in town gives minimum target to branches coming under this jurisdiction.

Women members of SHGs should be equipped with specialized skills through a proper development and training cell in order to help them to earn their livelihood and earnings. Frequent awareness camps should be organized by the Rural Development Authorities both Government and Non-Government Agencies (NGOs). MFIs including Commercial Banks, Regional Rural Banks and other micro-finance agencies to make the people aware specially women participants in the SHGs about the varied assistance schemes and programmes.

Sustainable development of SHGs, the members should be well equipped by not only the knowledge but also by providing proper marketing facilities by forming co-operative societies. Further, sales promotion activities for procurement of raw materials and sale of finished goods should be undertaken by the co-operative societies which would definitely benefit the women SHGs and its active members.

Finally, the MFIs should provide adequate financial assistance to the SHGs strictly on the basis of actual performance in that without any discrimination of caste, greed, gender, politics etc.

## **CONCLUSION**

Although there are Women SHGs and Cooperatives which are working successfully but there are some which are facing certain challenges like weak market linkages, capacity development of groups which





are in need of support in accounting, financial management and organization growth, gender focus in rural financial services, lack of decision-making powers. It is a high time now that these issues are addressed and it is imperative for the government, Banks, NGOs and Micro Finance Institutions to come up with a cohesive and an integrated approach.

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