

UGC SPONSORED MINOR RESEARCH PROJECT ON

**A Comparative Study on Women Empowerment through Self-Help Groups  
with Special Reference to Rural Districts of Karnataka**

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**EXECUTIVE SUMMARY**

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### **Introduction**

“Millions of women in our hamlets know what unemployment means. Give them access to economic activities and they will have access to power and self-confidence to which they hitherto have been strangers” - Mahatma Gandhi.

The relationship between women's empowerment and social development has been a major theme in studies of any nation's overall development. The United Nation (UN) claims that improving women's status is not only beneficial to themselves but also for overall social economic development of the nation.

Women comprise of half of the country's population, yet, they have limited control over income. Most women remain confined to a narrow range of female low-income activities resulting in gender discrimination. Poverty and unemployment are the major problems of any under-developed countries, to which India is no exception. In India, at the end of Ninth Five Year Plan, 26.1 per cent of the population was living below poverty line.

In the rural areas, 27.1 per cent of the population was living under poverty. The overall unemployment rate was estimated to be 7.32 per cent while the female unemployment rate was 8.5 per cent. Unemployment amongst women in the rural areas was 9.8 per cent. This was because of the low growth of new and productive employment. In the end of the Ninth Five Year Plan, the Government implemented various schemes to reduce poverty and to promote gainful employment. But the most effective scheme with less stress on financial expenditure was the concept of “Self-Help Group”. It is a tool to remove poverty and improve the rural development (Sabyasachi Das, 2003).

When we study the various studies, suggest that the existing policies, systems and procedures as well as the savings and loan products often are not matching the needs of the poor. “Whatever you do, be different- that was the advice my mother gave me, and I can't think of better advice for an entrepreneur. If you're different, you will stand out.” and “Nobody talks about entrepreneurship as a survival, but that's exactly what it is and what nurtures creative thinking.

Running the first shop taught me business is not financial science; it's about trading: buying and selling.” – By Anita Roddick, founder of The Body Shop.

So empowerment of women involves many things- economic opportunity, social equality and personal rights. Women are deprived of these human rights, often as a matter of tradition. In rural areas, women are generally not perceived to have any meaningful income generation capacity, and hence, they are relegated mainly to household duties and cheap labour. Without the power to work and earn a good income, their voices are silenced.

A Self-Help Group (SHG) is a village-based financial intermediary comprising of ten to twenty local women. There are over 1,95,585 self-help groups (SHGs) in Karnataka under various departmental programmes, majority of which are WSHGs or women's self-help groups. In the recent times, the woman has contributed to a great extent towards the development of the economy but not many are aware of this that they have the potential. The recent development has been in the entrepreneurial activities undertaken by them. In the light of the above observation, the study focuses on the awareness of functioning of registered Self-Help Groups among women in rural areas of Karnataka and such programmes being Stree Shakti and Swashakti Programme funded by the State Government of Karnataka.

Why are we interested in investigating the disaggregated economic and noneconomic impact of microfinance on women's empowerment? As researchers note, empowering women is a multi-dimensional process (Malhotra and Mather 1997; Johnson 2005; Kabeer 1999). Some suggest that the economic impact of microfinance empowers a woman through an increase in her income, which raises her bargaining power to allocate resources within the household. Others emphasise the social impact of microfinance on greater autonomy, awareness and political and social inclusion as being more effective in women's empowerment.

## **Research Methodology**

### **Objectives:**

1. To find the level of awareness of functioning of registered Self-Help Groups among women in rural areas of Karnataka.

2. To find out the rate of employment generated through registered Self-Help Groups in the rural areas of Karnataka.
3. To find out the contribution of the women entrepreneurs towards the growth of the rural areas of Karnataka.

**Review of Literature:** The study reviewed 50 related literatures from national and international levels published research articles from printed journals and online journals and various reports from Department of Women and Child Development, Karnataka.

**Methodology:** The study is descriptive in nature. The data was collected using a structured schedule which was given to members of the self-help groups in the districts of Hassan and Davangere in Karnataka. Interview method was also applied to gather required information regarding this study. The present study also used secondary data. The required data was collected from the published annual reports of the State Planning Commission Board of Karnataka, Municipal Offices, websites of NABARD and RBI and other related books and journals for relevant articles related to the study. For the purpose of this study, the schedules were given to three hundred members of self-help groups in the three districts of Karnataka. Out of these ten questionnaires was rejected by the researchers since they were incomplete. Thus, the total sample size for the study was from two hundred and ninety respondents. Convenience sampling technique was used in collection of data using structured schedules which was sent to the members of the self-help groups' functioning in Hassan, Davangere and Udupi districts of Karnataka. The data was tabulated using percentages and the data was presented in the form of simple analytical tables for ease of analysis. In order to get a visual and clear understanding of certain data they were represented in the form of figures. MS excel and SPSS was used for tabulations and conducting the various tests. Paired T test, ANOVA and Correlation were used to test the hypothesis.

### **Organization of Chapters**

**The study reports consists of the following chapters schemes:**

**Chapters-I- Introduction**

**Chapters-II-Review of literature**

### **Chapters-III-Research design**

### **Chapters-IV- Analysis and Interpretation**

### **Chapters-V- Findings, Suggestions and Conclusion**

**Outcome of the study:** The study offers the following recommends:

- As majority of the members of the self -help groups are illiterate, these SHGs can take up the initiative to give minimum education to uplift their state.
- In order to increase employment government and NGOs should come up with self-help group programs to inculcate entrepreneurship among the rural women of Karnataka.
- As per the analysis SHGs have led to increase in employment as well as income among the rural women. These programs have to be expanded to cover illiterate women in the urban areas.
- Only fifty-three respondents stated that financial assistance was taken for educating their children. The financial schemes should be made easier so that many rural women can take it up for educating their children. This way illiteracy can be eradicated.
- Self-help groups should take up the initiative to educate the rural family members as to how women contribute equally to the family income and they should not be confined to the house.
- Based on the analysis the members of the self-help groups have contributed towards the rural development. Therefore, the level of the awareness of the working of self-groups should be increased among the rural population.
- SHGs should also promote the products manufactured by its members by conducting exhibitions in rural and urban areas. This initiative will increase the awareness level as well as give the rural women member a wider exposure
- This in turn will increase the employment, income and economic development of the rural areas thereby reducing the regional imbalance of income and wealth in the country.

### **Conclusion**

The core SHG philosophy is in women empowerment through increasing employability, self-sufficiency and inculcating a habit of saving among the rural women. Empowerment in

micro-credit will inevitably involve a significant change in attitude, change in work practices and challenging vested interests. For women's empowerment to be addressed, women need to be enabled to define their priorities and demand their rights. Micro finance can be an effective strategic instrument for poverty alleviation only if it used for income generating microenterprise development. Self Help groups as per the research is successful in rural areas, especially among women. These programs have uplifted the rural woman economically and socially in the society. Women are an integral part of the economic development of the country, therefore the government should give equal importance to the women contributors and their well-being in the society.