

Women Empowerment Through SHGs in West Bengal: A SWOT Analysis

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Abstract:

The study investigates that experienced knowledge (truth generated from human encounters with reality) is introduced as a new analytical paradigm that distinguishes self-help groups from other types of organizations. We look at the differences and similarities between experiential and professional knowledge. This unique concept can be used to both theoretical and practical considerations regarding the relationship between self-help groups and professionals, and it is described in detail below. A large number of studies have demonstrated that SHGs have a positive impact on job creation, savings, income, poverty reduction, and women's empowerment, among other outcomes. The current study, which is based on secondary data collected from women members of SHGs in the state of Goa, intends to gain a better understanding of the impact of group membership on its members, specifically women. It has also been attempted to focus light on the vital function that Self Help Group Promoting Agencies (SHGPAs) play in the process of gaining women's empowerment. Additionally, the study investigates women's autonomy in making decisions, whether they are economic or political in nature.

Keywords:

Socioeconomic; micro-finance; women empowerment; poverty alleviation; SWOT.

INTRODUCTION

A collaborative approach to poverty alleviation is proposed. Following the underperformance of cooperative credit institutions, the nationalization of banks in 1969 had a positive impact on rural credit availability and availability. The number of rural bank branches has increased at an alarming rate in recent years. At the same time, the Indian government has developed a number of poverty-reduction programs with the support of bank branches around the country. With the International Poverty Reduction Program (IRDP), the world's largest poverty reduction program, only a small number of people were able to rise beyond the poverty line. This project had a high rate of default, and the banks were overloaded with non-performing assets as a result of this. As a result, banks were unwilling to lend, despite the fact that large sums of money were available for investment. Women's Economic Development and Reconstruction Act (DWCRA) was designed as a sub scheme of IRDP in 1982-83 to strengthen the economic basis of disadvantaged women through group approaches, collective action, and the convergence of basic services. Because of a variety of factors, the DWCRA may also be unable to have a large impact on the lives of the poor, but it may highlight the possibility of collective organizing.

Rural credit requirements: While bank profit margins increased as a result of the 1990s reforms, loan access to the rural poor was curtailed as a result. It is vital for the country's socioeconomic development that vulnerable groups have access to timely and adequate credit and financial services at an affordable cost. The vulnerability of rural Indians has been worse in the post-WTO era. Credit to rural households serves as one of the shock absorbers in such situations. Credit is required in rural areas because of the seasonal nature of wages, which makes it difficult to smooth out the asymmetry between the flow of earnings and cyclical expenditure. The demand for credit for rural livelihoods is fuelled by a variety of factors, including operating capital and long-term investment requirements. Each of the four core needs of health, education, food, and social security generates a large amount of demand for credit. There are 85336 bank branches in the country of India.

Only 25231 of them are located in rural areas, with 1,937 of them being private institutions. This has resulted in a severe misalignment between the demand for and supply of institutional loans in the marketplace. While the formal banking system can cover part of the country's productive credit needs, it is unable to meet the country's consumption needs, and a significant portion of the rural population is excluded from the banking system due to a lack of adequate collateral. Exorbitant interest rates on loans from rural money lenders are used to take advantage of the situation. Rural credit is not simply a commodity that must be distributed to the poor in order to free them from the clutches of usurious money lenders; it can also be viewed as a critical public good for the development of a backward agrarian economy like India, where private investments by wealthy farmers also necessitate a significant amount of financial assistance. Credit is required in order to take advantage of all of the possibilities offered by current technologies. It is both possible and likely that the destitute will demonstrate to the world that they are capable of being good citizens if given the opportunity for economic advancement. They are occasionally passive recipients of foreign and domestic help, but the impoverished do not seek assistance; instead, they seek opportunities to improve their situation. The underprivileged are continually perceived as unreliable, and as a result, they are deemed bankrupt. Poor households grow increasingly reliant on informal financial services as a result of their institutional exclusion from formal financial support, which can send them spiralling into a vicious cycle of poverty if they do not take action.

Women's vulnerability: It is often considered that women account for a disproportionately large proportion of the world's poorest individuals. According to the United Nations Development Programme's 1995 Human Development Report, women account for 70% of the 1.3 billion people who live on less than \$1 a day. According to the World Bank's gender statistics data source, women experience a higher percentage of unemployment than men in virtually every country. In addition, women account for the vast majority of workers in the low-wage, unorganized informal sector in the vast majority of countries. Because of this, women must be provided priority access to financial services based on the fact that they are at a disadvantage in comparison to males. See the next section for other characteristics of women in general. In order to achieve not only Millennium Development Goal 3, which is gender equity or poverty reduction, but also other Millennium Development Goals such as health care, microfinance for women has been highlighted as a vital technique.

Women and development: According to research conducted by the UNDP (United Nations Development Program), UNIFEM (United Nations Development Fund for Women), and the World Bank, among other organizations, gender inequalities in emerging societies act as a stumbling block to economic growth and development in developing countries. According to a World Bank study, countries that discriminate on the basis of gender suffer from higher levels of poverty, slower economic growth, poorer governance, and a lower overall standard of living for their population. A key role in the country's socioeconomic development is played by females, who are known to spend a bigger proportion of their money on their families. Consequently, if women can boost their earnings, the well-being of the entire family improves, and society as a whole may prosper. Concerns about women's access to credit and their contributions to women's empowerment are not new topics of discussion. Since the early 1970s, women's movements in a number of nations have taken an increasing interest in the fact that women account for 70% of those living below the poverty line. Women perform more work and work for longer hours than men, accounting for more than two-thirds of all work hours worldwide, yet their wages remain between 50 percent and 75 percent of men's earnings, according to the International Labour Organization.

Women constitute 40 percent to 70 percent of the informal sector; they constitute the vast majority of agricultural laborers; and they are primarily responsible for the majority of post-harvest and processing chores in the agricultural sector. They are actively interested in animal husbandry, with a special emphasis on the care of small animals. In Africa, women produce 80 percent of the food, 60 percent in Asia, and 40 percent in Latin America, according to FAO. Women have influence over approximately one-tenth of the world's resources. Women are almost universally denied access to credit and funding. Globally, according to the Inter-Parliamentary Union, women represent only 15.6 percent of the combined Houses of Parliament on an annual basis. In the United States, 585,00 women die per year, or more than 1,600 a day, as a result of complications related to pregnancy and childbirth. Women still account for two-thirds of the

world's illiterate population, according to the World Bank. Increasing the number of women who have access to poverty-focused lending programs and credit cooperatives. During the first International Women's Conference, held in Mexico in 1975, the topic of women's credit access was raised as part of a rising appreciation for the essential role played by women's productive work in national economies and the advancement of women's rights worldwide. There was a direct effect of this: the establishment of a network of women's world banks, as well as the printing of manuals on the distribution of credit to women. As a result of the 1985 Nairobi Women's Conference, there was a rise in the number of donor-, government-, and non-governmental organization-sponsored loan programs starting in the mid-1980s.

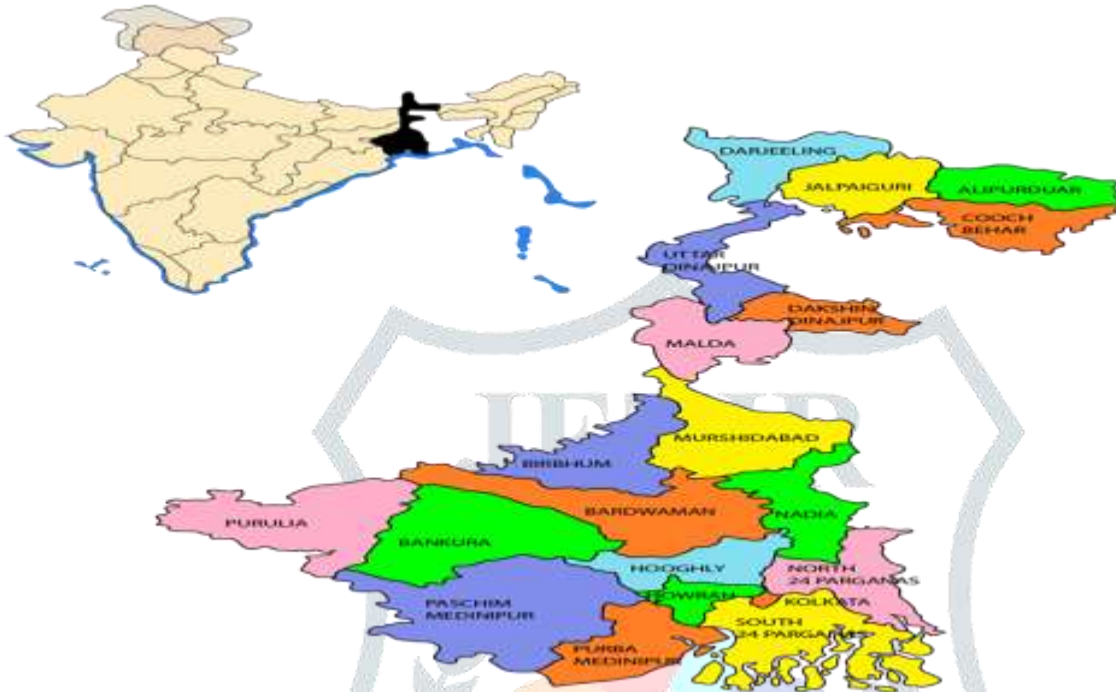


Fig-West Bengal Co-Operative Banks

Microfinance for Women: Microfinance was described as loans, savings, insurance, transfer services, and other financial products for those with little financial resources during the International Year of Microcredit in 2005. Recognizing the importance of women in society, ongoing efforts are being made to prepare them to be contributing members of society in both the social and cultural spheres. Since the sixth Five Year Plan, the Government of India has included the job of recognizing the rights and privileges of women as one of its scheduled tasks. Various social welfare programs for women, with an emphasis on economic advancement, had been incorporated in successive plans. While working together in the 1990s to develop a new financial delivery approach that combined the safety and dependability of formal finance with the convenience and flexibility typically associated with informal finance, the government, financial institutions, and non-governmental organizations (NGOs) made significant strides. Recent developments in microfinance, which are intended to provide financial services to the poor and are predominantly directed at female entrepreneurs, have gained widespread attention from policymakers and academics alike in a number of developing countries. In addition, the Micro Credit Summit Campaign, which began in 1997 and had as its primary goals poverty reduction and 'reaching and empowering women,' contributed to the development of this movement. The United Nations designated 2005 as the International Year of Microcredit to demonstrate its support for the belief that microfinance may be a significant tool in the battle against poverty. The Nobel Prize in economics was awarded to Muhammad Yunus, the creator of the Grameen Bank in Bangladesh, recently, which has heightened public awareness of microfinance. It is suggested that microfinance programs for women be implemented not just as a strategy for poverty reduction, but also as a strategy for women's empowerment. Gender equality and women's empowerment are the primary beneficiaries of microfinance, since policymakers know that achieving long-term development requires the participation of both men and women.

Small and Medium-sized Enterprises with Banks.

Generally speaking, a Self-Help Group (SHG) is a small autonomous, non-political group of roughly 10-20 persons from a homogeneous socioeconomic class who gather voluntarily to work together for their own personal, social, and economic advancement. First and foremost, they are urged to engage in voluntary thrift on a regular basis and to engage in internal loans from the pooled funds.

The first step is to instil the habit of being frugal and a respect for reusing the limited resources available. Banks are urged to give loans to SHGs in multiples of the collective funds, and without the need for any collateral, once the group has reached a satisfactory stage. The development of self-help groups is intended to aid in the fight against poverty. In accordance with Jones, Torat, and Williams (2007), there are three fundamental prerequisites for SHGs:

To meet the most basic of survival needs. To diversify revenue and/or to meet the working capital requirements of conventional activities.

Assistance with the establishment of certain firms or with the facilitation of entry into paid work.

The three prerequisites listed above are primarily pecuniary in nature. SHGs, on the other hand, play an important social role. It contributes to the development of social capital by facilitating recurrent interaction between individuals. According to Casini and Vandewalle (2011), intra-household interaction is vital in situations when women's social roles are restricted. The mutual cooperation of SHG members can extend beyond purely economic considerations. They organize collective actions to address issues that impact their villages, and sometimes their own families, in order to bring about change.



Fig-Source legacies

Small-scale housing groups (SHGs) approach: Among the most notable of the new microfinance approaches was the nationwide effort in the early 1990s, pioneered by NGOs and now supported by the governments, to establish links between commercial banks, non-governmental organizations, and informal local groups (SHGs). Better known as the 'SHG-Bank linkage,' this approach has seen significant growth in recent decades, and while its reach is still limited in terms of the proportion of poor households served, many believe it is on its way to becoming the country's dominant system of mass outreach banking for the poor in the near future.

It is assumed that the following things are true in the SHG approach:

The poor are bankable, as is the middle class.

It is more vital to have easy access to credit than to have low subsidized credit.

Poor people have the ability to save savings and loan is disbursed without the provision of any collateral.

Peer pressure within the group ensures that the debt is paid back.

Achieving not only economic but also social upliftment for the underprivileged is critical to their progress and development.

A problem can be solved more effectively by a group of people than by a single individual.

It is vital to receive not just credit but also instruction in skill development in order to make effective use of the credit.

Other forms of microfinance have also emerged in recent years, most notably specialized private microfinance institutions (MFIs) that are based on the Grameen model, which was pioneered in Bangladesh and is now being replicated throughout the world. However, with a few notable exceptions, the majority of Indian microfinance institutions (MFIs) are modest in size, focused on a single region, and have a limited collective reach. In this study, the researcher attempted to determine, among other things, the impact of SHG-Bank linkage in empowering women because a big number of women have recently become involved with the program.

CONSEQUENCES FOR EMPLOYMENT

Working women's economic status in society is a good indicator of their social status, particularly when it comes to equality in the workplace. It has been identified as a vital stepping stone in the process of integrating them into the mainstream of development.

Employment Level before and after Joining SHGs

Sl. No.	Employment Level	Before Joining the SHGs		After Joining the SHGs	
		Number of Respondents	% To Total	Number of Respondents	% To Total
1.	Up to 4 hours	220	73.33	11	3.67
2.	5 hours	33	11.00	41	13.67
3.	6 hours	9	3.00	44	14.67
4.	7 hours	13	4.33	62	20.67
5.	8 hours and above	25	8.33	142	47.33
	Total	300	100.0	300	100.0

Source: Secondary Data.

The level of employment held by women has a direct impact on the quality of their lives. Despite the fact that India has a limited supply of financial resources, the country has an abundance of human resources that have not yet been completely harnessed. Bank credit is a tool for ensuring that financial and human resources are utilized to their full potential. Women can benefit from having more flexible working hours thanks to self-employment. The influence of SHGs has resulted in an increase in the amount of employment among those who have responded. Following their membership in the SHG, roughly 220 respondents said that they had employment for up to 4 hours a day, with the number decreasing to 11 after joining the SHG. After becoming a member of SHG, the number of responders who worked for 8 hours a day jumped from 25 to 142, a significant increase. The percentage change in the respondents' level of employment likewise demonstrates an upward trend in percentage terms. The number of responders who worked less than 4 hours per week had decreased to a very low level of 11 individuals. In general, the number of hours worked by those who get benefits has increased. With the assistance of SHGs, many of the recipients who were previously unemployed have been able to establish their own businesses.

SHGs were subjected to a SWOT analysis.

SHGs are extremely beneficial to individuals, but they have some weaknesses, opportunities, and threats that have been discussed below. The most important elements to consider are strength and opportunity, regardless of whether we are aware of them.

STRENGTH	WEAKNESS
Income generation activities, Social needs like housing, education, marriage can be done easily Developed and supported Commercial banks, regional rural banks (RRBs), and cooperative banks. Debt swapping.	Deeply entrenched in patriarchy. family responsibilities, majority of the women members cannot give their attention. lack of support. Strong members try to earn a major share of the profit.
OPPORTUNITY	THREATS
Training programmes relating to management. Simplify the process of giving loans. Provide gender sensitization training. Adequate insurance coverage	Big competition for the same work. Lack of experience with companies. Gets demotivated when gets wrong. Lack of Emotional control when under pressure

The impact of self-help groups (SHGs) on poverty alleviation and women's empowerment is well acknowledged. However, one of the most significant challenges that SHGs in West Bengal are facing is long-term viability of their organizations. It has been discovered that the development of SHGs has the potential to aid women in rural regions in terms of socioeconomic empowerment and economic independence. In spite of this, female entrepreneurs still face difficulties in maintaining their business opportunities. It was also validated by the SWOT analysis carried out on the subject. In order for groups engaged in comparable activities to share facilities, it is recommended that they do so. Small and medium-sized enterprises (SHGs) should receive monetary incentives that are tied to the quality of their products or services.

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