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An analysis of the problems faced by tribal women members in self-help groups (SHGs) in Dahod district of Gujarat

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Abstract

Women empowerment is a process in which women challenge the existing norms and culture, to effectively promote their well-being. The participation of women in Self Help Groups (SHGs) made a significant impact on their empowerment both in social and economic aspects. But at the moment they participate in such activities they face some problems of varied nature. This study addresses women empowerment through SHGs in Dahod district of Gujarat. The information required for the study has been collected from both the primary and secondary sources. A random sampling method has been followed. Garret ranking technique used to help in deciding the most important constraints faced by the members in the order of priority. This paper attempts to analyse the nature of problems faced by the tribal women members of SHGs while participating in the income generating activities through SHGs. The study identifies some special types of problems generally faced by the poor tribal women of the study area.

Keywords: Self-help Group, Garret ranking technique, constrained faced

Introduction

In recent years the Self-Help Group (SHG) approach to poverty alleviation is getting recognition in the Asian countries. Mostly women are mobilised into groups for undertaking mutually beneficial social and economic activities. The group provides a base for self-employment and empowerment through group dynamics. In India, these mutual help based groups are known as Self Help Groups. Women are important partners in the development process from local to global levels. So, for the overall development of the nation development of the women is also important. Self Help Groups (SHGs), in this regard, are playing a vital role especially in developing micro entrepreneurs from among the masses particularly from women at the grassroots level in underdeveloped rural areas. Self Help Groups (SHGs) help them to get involved in various income generating activities. Providing financial services individually to the poor people in the underdeveloped rural area is not viable for the bank as this will lead to high operating cost. These problems are solved through the formation of Self Help Groups (SHGs) so that a number of beneficiaries who are engaged in the similar business can collectively enjoy their services and hence a reduction in the operating cost as well as reduction of harassment of the members of the groups while availing banking services. They have an extreme urge to come out of poverty. Along with other activities, they also participate in the income generating activities through Self Help Groups (SHGs). But the socio-economic environment, in which they live in, forces them to face some problems from the early stage of their joining the SHGs to the entire process of their involvement in such activities.

Review of literature

Bera (2011) [2] conducted a study on SHG-Microfinance initiative in Purbo Midnapore district of West Bengal they reported about 67 % members pointed that they need more information for exploring profitable avenues. Training for marketing and technical skills is lacking. Knowledge in financial management and book keeping is found to be inadequate and weak. Sarmah and Das (2012) [3] studied the role of Micro-finance for rural development with special reference to the Lakhimpur district of Assam. They reported that 68.4 per cent respondents faced the problem of improper recording of accounts, 36.8 per cent of the respondents felt that there was an inequality in issuing the loans.

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20.4 percent of the respondents had a problem of poor output from the selected economic activity due to lack of raw materials, lack of required skill in the particular activity and problems relating to marketing of the output produced.

Bortamuly and Khuhly (2013) [4] studied the various constraints faced by the SHGs while taking up the various income generating activities in Assam. They found that the complex procedure of getting loan (90.83 %), lack of proper information about the sources of fund (81.67 %) and high rate of interest (71.67 %) was the major problem faced.

Nirmala and Yephthomi (2014) [5] conducted study on impact of SHGs micro-financing on poverty alleviation and well-being of the rural poor women in Nagaland. Using Garret ranking technique they reported that in most of the SHGs members, market distance as the major problem, Low price is quoted as the second problem, Loan not received in time, insufficient loan amount and high rate of interest are assigned the 3rd, 4th and 5th ranks, respectively.

Methodology

The study was carried out in Dahod district of Gujarat during year 2015-2016. Two talukas were selected purposively on the basis of higher number of SHGs and from each talukas five villages were selected purposively where at least five year old two women SHGs were functioning investigation thus making a total of 10 villages and 20 SHGs for the study. 3 members were randomly selected from each selected SHGs. Again, similar types of 3 non-members who have same socio-economic status were also selected from the same villages to compare the socio-economic profile, income and employment level of SHG members' vis-à-vis non-members. Thus, total 120 respondents (60 members and 60 non-members) were selected. The primary data were collected from sample households on various parameters regarding economic constraints, technical constraints and social constraints through well-structured and pre-tested questionnaire.

1. Economic Constraints: The constraints considered in the study were lack of finance, lack of availability of inputs and raw material, lack of marketing facility, high cost of credit, high transaction cost, delay in repayment, poor fund rotation *etc.*

2. Technical Constraints: The constraints like lack of training, lack of awareness, lack of direction and encouragement, lack of technical person for supervision, lack of knowledge about loan procedure, lack of infrastructure facility, lack of regular meetings *etc.*

3. Social Constraints: The constraints like lack of motivation, lack of support from family members, lack of education, lack of mutual understanding among members, poor attendance in the meeting *etc.*

Garret ranking technique

To prioritize the major constraints faced by SHG members, Garret Ranking Technique (GRT) was used. This technique helps in deciding the most important constraints faced by the respondents in the order of priority. GRT was used to rank the choice of factors or reasons. According to this, the respondent was asked to assign rank to different problems. The order of merit thus given by the respondents was converted into ranks by using the following formula.

$$\text{Percent Position} = \frac{[100 (R_{ij} - 0.50)]}{N_j}$$

R_{ij} = Rank allotted for i^{th} problem by the j^{th} individual
 N_j = Number of problems ranked by the j^{th} individual

The per cent position of each rank was thus converted into scores by referring to the table given by Garret. Thereafter for each problem, the score of individual respondents was added and divided by the total number of respondents. The mean score for all the problems was arranged in descending order and thereafter ranks were assigned to the problems.

Results

An attempt was made to identify constraints in the study area on the basis of observations and discussions with the respondents. Data on economic, technical and social constraints were collected from the SHG members on the well-structured schedule. Garret's Ranking Technique (GRT) was used to rank the constraints/problems faced by SHG members in the order of merit according to the opinion of the respondents.

Table 1: Constraints faced by the SHG-members in functioning of SHGs

Sr. No	Particulars	Average score	Rank
A. Social constraints			
1.	Lack of education	64.25	I
2.	Lack of support from family members	48.96	VI
3.	Lack of mutual understanding among members	51.00	V
4.	Poor attendance in the meeting	45.51	VII
5.	Members working irregular	56.33	III
6.	Lack of motivation	57.46	II
7.	Poor response of authorities	56.11	IV
8.	Others (if any)	21.00	VIII

The constraints faced by SHG members were ranked and the results of the same are presented in Table. It could be observed from the table that among the social constraints of members, the lack of education ranked first over all the problems. It was reported by 64.25 per cent of total respondents. The next major constraints in the order of priority were lack of motivation, members working irregular which were given the second and third ranks, respectively. These constraints were reported by 57.46 per cent and 56.33 per cent of the respondents, respectively. The other constraints like poor response of authorities (56.11 %), lack of mutual understanding among members (51.00 %), lack of support from family members (48.96 %) and the poor attendance in the meeting was observed by only 45.51 per cent respondents.

Table 2

B. Economic constraints			
Sr. No	Particulars	Average score	Rank
1.	Loan not received in time	43.48	IX
2.	High transaction cost	74.01	I
3.	Non-availability of finance	50.88	VI
4.	Non-availability of inputs and raw Material	55.21	IV
5.	Low price of products	59.96	III
6.	Lack of marketing facility	60.53	II
7.	High rate of interest	48.00	VII
8.	Delay in repayment	51.25	V
9.	Insufficient loan amount	46.63	VIII
10.	Delay in sanctioning the loans	32.20	X
11.	Others	17.00	XI

Among the economic constraints faced by SHG members, high transaction cost was considered to be the major one as reported by 74.01 per cent of respondent. It can be easily observed from the table that the next major constraints in order of priority were lack of marketing facility observed by 60.53 per cent of respondent followed by low price of products observed by 59.96 per cent of respondent. The other constraints ranked in the order of priority were non-availability of inputs and raw material (55.21 %), delay in repayment (51.25 %) and non-availability of finance (50.88 %).

Table 3

C. Technical constraints			
Sr. No	Particulars	Average score	Rank
1.	Lack of knowledge about loan procedure	49.03	VI
2.	Lack of awareness	63.61	I
3.	Lack of training	58.05	II
4.	Lack of regular meetings	48.46	VII
5.	Lack of technical person for supervision	52.13	IV
6.	Lack of infrastructure facility	50.51	V
7.	Long distance markets	37.13	IX
8.	Difficulty in getting raw materials	37.41	VIII
9.	Lack of direction and encouragement	53.53	III

Similarly, the technical constraints faced by SHG members were also ranked. It was found that lack of awareness was considered to be the major constraint as observed by 63.61 per cent of respondents. The other constraints ranked in the order of merit were lack of training (58.01 %), lack of direction and encouragement (53.53 %) and lack of technical person for supervision (52.13 %), lack of knowledge about loan procedure, lack of regular meetings, lack of regular meetings observed in the present study were in conformity with the findings of Bortamuly and Khuhly (2013)^[4], Sarmah and Das (2012)^[3] and Archana and Singh (2002)^[1].

Suggestions

- On the basis of the above study, the following suggestion/implications seem to be useful for policy measures.
- Steps should be taken to bring greater SHG network by making them aware about the benefits of the finance made available through SHGs.
- In order to ensure proper utilization of credit, there is an urgent and to introduce availability of consumption credit in SHG.
- The role and contribution of NGOs in the formation and functioning of SHGs is noteworthy. Therefore, these NGOs should concentrate in providing training and awareness programme for the benefit of members of SHG.
- In many cases the SHGs are enthusiastic to take up economic activities but they found to be lack of ideas. The line departments may design micro enterprise, diversification of activities, value addition in locally available resources/raw materials, market networks for produce, *etc.* for the SHGs.
- More number of entrepreneurship development training programme may be arranged for the SHGs members.
- The factors responsible for poor performance of micro-finance and functioning of SHGs should be investigated, examined and analyzed scientifically and systematically

to resolve the emerging problems, difficulties and challenges being faced.

Conclusion

The study concluded that the problem of lack of education (64.25 %) and lack of motivation (57.46 %) is one the major problems of respondents in social constraints category and high transaction cost (74.01 %) and lack of marketing facility (60.53 %) is also found as one of the problems for majority of the members in economic constraints. As regards technical constraints category most of the members reported that and lack of awareness (63.61 %) and lack of training (58.05 %) among the members are the two major technical problems.

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