

EVALUATION OF MAJOR PROBLEMS FACED BY THE MEMBERS OF SELF HELP GROUPS: A STUDY OF MYSORE DISTRICT

SAVITHA V¹ & H. RAJASHEKAR²

¹Research Scholar, DOS in Commerce, University of Mysore, Mysore, Karnataka, India

²Professor, DOS in Commerce, University of Mysore, Mysore, Karnataka, India

ABSTRACT

Microfinance is one of the practical development strategies and approaches that has been discovered and implemented for sustainable development and has been used as a means to foster inclusive growth in the Indian economy. Self Help Group are playing a very important role in the process of financial inclusion and women empowerment. Empowerment of women has been recognized as a central issue in determining countries like India, women have been discriminated by the society. But now SHGs have provided a forum to express her views, participation in decision making and interaction with each other with the help of micro credit. In spite of these women members of SHGs are still facing some of the major problems. So the present study mainly focus on evaluating the major problems faced by SHGs in selected areas of Mysore District. The present study is based on primary data. The primary data were collected through interview method. 50 SHGs were randomly selected and then out of 50 SHGs, 100 members were selected through stratified random sampling method for the field survey. The study concludes that there is lot more to improve in this regard.

KEYWORDS: Microfinance, Strategies, Participation, Evaluating, Empowerment

INTRODUCTION

Microfinance is one of the practical development strategies and approaches that has been discovered and implemented for sustainable development and has been used as a means to foster inclusive growth in the Indian economy. It has been found as a means for fulfilling the small financial needs of the poor section of the society. It is seen as an outreach activity in providing adequate and trouble free finance to the needy and filling the gap existed in the formal institutional network of providing small finance. Self Help Group are playing a very important role in the process of financial inclusion and women empowerment. Self Help Groups is a small group of poor people 15-20, who voluntarily come together to address their poverty and other social issues. It is formed voluntarily and democratically without any political intervention and affiliation. It can be all women group or all men group or even mixed group. However, over 95% of these SHGs have only women members. The core activity is mobilization of small savings from group members and group lending from accumulated savings as well as bank loans. A great majority of the poor are women due to socio-economic factors, rigidity of gender role, illiteracy, etc. Micro credit has played a catalyst role in organizing these women into Self Help Groups. Empowerment of women has been recognized as a central issue in determining countries like India, women have been discriminated by the society. But now SHGs have provided a forum to express her views, participation in decision making and interaction with each other with the help of micro credit. In spite of these women members of SHGs are still facing some of the major problems.

OBJECTIVES OF THE STUDY

The overall objectives of this study is to evaluate the major problems faced by the members of SHGs.

SCOPE OF THE STUDY

The study is restricted to the Mysore District in the state of Karnataka. The sample is selected as random from SHGs in the study area. Since study is for generally evaluation of the major problems faced by the members of SHGs, only aspect related to members were collected.

METHODOLOGY

For the purpose of this study the primary data were collected through well structured interview schedule containing questions relating to major problems faced by members of SHGs like personal problems, marketing problems, financial problems, product oriented problems by discussion with the two members of each SHG. The field survey has been carried out only in Mysore city. It covers 50 SHGs both registered and unregistered in the study area. Simple Random Sampling was used to select the respondents. Out of 50 SHGs two members from each SHGs were selected for the study.

In order to probe the major problems faced by the women members the following were identified and included in the questionnaire

- Personal Problems
- Financial Problems
- Marketing Problems
- Production Oriented Problems

LIMITATIONS OF THE STUDY

- This study is limited only to Mysore District
- Many members are not ready to give actual information
- Time is one of the constraint to meet more respondents

Table 1: Demographic Factor

Age of the Respondents			Educational Qualification of the Respondents			Marital Status of the Respondents			Type of Family			Family Income per Month		
Particular	Freq	%	Particular	Freq	%	Particular	Freq	%	Particular	Freq	%	Particular	Freq	%
Below 20	07	5.83	Illiterates	63	52.5	Married	72	60	Joint Family	26	21.67	Up to Rs 2000	22	18.33
21-30	19	15.83	Up to 4th std	31	25.83	Un-married	38	31.67	Nuclear Family	94	78.33	2001-4000	47	39.17
31-40	56	46.67	5 th to 10 th std	24	20	Widows	07	5.83	—	—	—	4001-5000	32	26.66
41-50	22	18.33	P.U.C	02	1.67	Divorcee	00	00	—	—	—	5001-6000	11	9.17
Above 50	16	13.33	Degree	00	00	Separated	03	2.5	—	—	—	Above 6000	08	6.67
Total	120	100	Total	120	100	Total	120	100	Total	120	100	Total	120	100

Table 1 reveals that 5.83 percent of the respondents are below 20 years of age. Those who are between 25 and 30 years of age, 31 and 40 years of age, and 41 and 50 years of age are 15.83 percent, 46.67 percent and 18.33 percent respectively. Women members who are above 50 years of age are 13.33 percent. Majority of the respondents are between 31 to 40 years of age.

Table also reveals that 52.5 percent of the respondents are illiterates. Those who have studied up to 4th std. and 5th to 10th std. are 25.83 and 20 percent respectively. Those who are possessed P.U.C qualification are 2. None of the respondents are graduate. Majority of the respondents are illiterates.

Table also depicts that 60 percent of the respondents are married and 31.67 percent are unmarried. Widows and separated are 5.83 and 2.5 respectively. There is not even a single divorcee respondent. (Here separated means not divorcee, but living not with their husbands)

The above table also depicts that 18.33 percent of the respondents family income per month is Rs.2000/-. Where as 39.17 percent and 26.66 percent of the respondents family income is between Rs.2001/--Rs.4000/- and Rs 4001/- to Rs.5000/-respectively. 9.17 percent of the respondents family income is between Rs.5001/- to Rs.6000/-. Where as above Rs.6000/- is 6.67 percent

DATA ANALYSIS AND INTERPRETATION

Table 2: Personal Problems of Members of SHGs

Sl. No.	Personal Problems	Number of Respondents	
		Frequency	Percentage
1.	Lack of formal Education	16	13.33
2.	Excessive Tension	33	27.5
3.	Lack of Family Support	18	15.0
4.	Family Responsibilities	41	34.17
5.	Health Problems	12	10.0
Total		120	100

Source: Field Survey

Table 2 reveals that 13.33 percent of the respondents personal problem is that they do not have formal education. Where as 27.5 percent and 15 percent of the respondents have excessive tension and lack of family support. Respondents having family responsibilities and health problems are 34.17 percent and 10 percent respectively. Majority of the respondents having the problem of family responsibilities.

Table 3: Financial Problems of Members of SHGs

Sl. No	Financial Problems	Number of Respondents	
		Frequency	Percentage
1.	Shortage of Capital	43	35.83
2.	Lack of collateral Security	08	6.67
3.	Heavy Interest Rate	11	9.17
4.	Insufficient Loan	21	17.5
5.	Fixed Capital Problems	37	30.83
Total		120	100

Source: Field Survey

Table 3 reveals that 35.83 percent of the respondents having the problem of Shortage of Capital for commencing their business. Where as 6.67 percent and 9.17 percent of the respondents having the problem of lack of collateral security and heavy interest rate respectively. Where as the respondents having the problem of insufficient loan and fixed capital problems are 17.5 percent and 30.83 percent respectively.

Table 4: Marketing Problems of Members of SHGs

Sl. No	Marketing Problems	Number of Respondents	
		Frequency	Percentage
1.	No Market for the Product	19	15.83
2.	Lack of Marketing Experience	38	31.67
3.	Heavy Competition	35	29.17
4.	Credit Collection & Bad Debts	13	10.83
5.	Lack of Training Programme on marketing the Product	15	12.5
Total		120	100

Source: Field Survey

Table 4 depicts that 15.83 percent of the respondents are no market for their product. 31.67 percent of the respondents opinion is that they do not have marketing experience. Where as 29.17 percent and 10.83 percent of the respondents are facing the problem of heavy competition and credit collection and bad debts. 12.5 percent of the respondents lack any training programme on marketing their product.

Table 5: Socio-Cultural Problems of Members of SHGs

Sl. No	Socio-Cultural Problems	Number of Respondents	
		Frequency	Percentage
1	Lack of Social Mobility	29	24.17
2.	Male Domination	61	50.83
3.	Lack of Motivation from Family Members	07	5.83
4.	Traditional and Social Norms	14	11.67
5.	Lack of Co-operation among the Members	09	7.5
Total		120	100

Source: Field Survey

Table 5 depicts that 24.17 percent of the respondents facing the problem of social mobility. 50.83 percent of the respondents opinion is that they could not uplift because of domination of male. Where as 5.83 percent and 11.67 percent of the respondents states that they lack motivation from family members and traditional and social norms. 7.5 percent of the respondents lack co-operation among the members.

Table 6: Production Related Problems of Members of SHGs

Sl. No	Production Related Problems	Number of Respondents	
		Frequency	Percentage
1	Non-availability of raw-material	20	16.67
2.	Lack of Specialised Skill	53	44.17
3.	Interruption and power failure	09	7.5
4.	Non-availability of Equipment	12	10
5.	Lack of Technical Know-how	26	21.66
Total		120	100

Source: Field Survey

Table 6 reveals that 16.67 percent of the respondents are facing the problem of non-availability of raw-material. Where as 44.17 percent and 7.5 percent of the respondents opinion is that they do not have specialized skill for marketing their product and interruption and power failure problem for production. Non-availability of equipment and Lack of Technical Know-how are another problems faced by 14.17 percent and 25.83 percent respectively.

FINDINGS

- Due to family responsibilities majority of the respondents are not giving concentration to their enterprises.
- Due to shortage of capital, majority of the respondents could not start their own business.
- 30.83 percent of the respondents opinion is that they could not continue their enterprise because of fixed capital problems.
- 31.67 percent of the respondents opinion is that due to lack of marketing experience they could not market their product properly followed by heavy competition.
- 50.8367 percent of the respondents opinion is that as our society is a male dominated, they could not uplift their business followed by lack of social mobility.

SUGGESTIONS

- All SHG women members should be given basic knowledge about SHGs and it's importance
- Problems faced by SHG members should be regularly attended to and given solutions
- Adequate insurance coverage should be provided to the business units promoted by SHG against the financial losses to safeguard the interest of the entrepreneurs
- Training programmes relating to management of finances, maintaining accounts, production and marketing activities etc. should be given
- There should be a continuous flow of funds to Self Help Groups
- Loan amount should be increased
- Follow up should be increased and unity should be improved
- Information on banking and marketing aspects should be given

CONCLUSIONS

Women as a significant human resource can play their role effectively if they are provided equal opportunities and status as those of the men. They need to be enabled to use improved technology in their daily activities for which relevant education and training are to be imparted to them in the same measures as they are available to men.

The success of SHGs depends upon efficiency and effectiveness of groups. The government need to focus on major problems faced by SHGs as to make their resource mobilization meaningful and economic upliftment of members of SHGs.

REFERENCES

1. Chandrashekar, H.M. & Lokesh, M.U. (2009). Role of SHGs in socio-economic change of vulnerable poor. International NGO Journal. 4 (4), 127-131.

2. Dasgupta, R. (2001). Working and Impact of Rural Self-Help Groups and other Forms of Micro Financing: An Informal Journey through Self-Help Groups. *Indian Journal of Agricultural Economics*. 56(3), 370-386.
3. Dhavamani, P. (2010). Empowerment of Rural Women through Self Help Groups in Sattur Taluk of Virudhunagar District. *Journal for Bloomers of Research*. 2(2), 191-195.
4. MYRADA, 2002: Impact of Self Help Groups (Group Processes) on the Social Empowerment Status of Women Members in Southern India, paper presented at the Seminar on SHG Bank Linkage Programme, New Delhi
5. Raheem A (2006), "Role of SHGs", *Yojana*, Vol. 50, No.12, P.58.
6. Rajendra N (2003), "Problems and prospects of women entrepreneurs", *SEDME*, Vol.30, No.4, December, P.40.
7. S. G. Hundekar & N. M. Makandar (2010) "Performance Evaluation of Self Help Groups"