

CHAPTER – 6

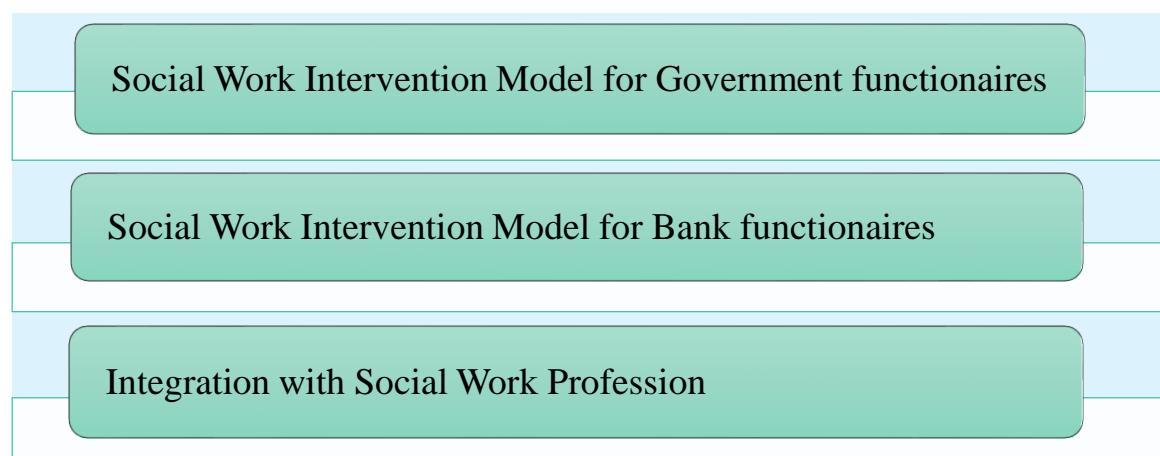
SUGGESTIONS AND FUTURE DIRECTIONS

In view of the findings in the previous chapter 5, the following suggestions are offered to improve the overall functioning of the Self-help groups and in turn to confer its fruits to each and every poor woman in the country. This chapter discusses implication of the study findings, suggestions and future directions for social work practice. In India, economic reforms with a human face have been accepted as the guiding principle of sustainable development. Keeping the poor at centre stage, the policies need to be reoriented so as to develop and optimize the potential of such a large segment of the population.

Social Work Implications and Guidelines for Social Workers:

Empowering women in social, economic and political field can be challenging and demanding tasks. Microfinance programme is the potential source to empower and institutionalize participatory leadership among rural and tribal women through developmental activities. The small groups also helped women to establish a common participatory platform to voice and solve their problems. Women are organized through SHG to understand and confront the violence against women; a violence based on gender, caste, community, political corruption and a failure of governance, their participation in the SHGs provided them opportunity to enable and enhance them to raise questions against social issues and evils. The research in the current study titled “Women empowerment through microfinance: A study of need, practices and future trends” has made an attempt to propose Social Work Implications in broad domains:

Figure No. 6.1



1.1 Proposed Social Work Intervention Model for Government functionaries

In this section, an attempt has been made to develop an Intervention Model for Social Work Practice. The number of women inclined towards SHG is increasing which implied that women are aspiring for equality, self- confidence and self-respect. This programme is mainly meant for the rural poor who are living below poverty line or under vicious cycles of poverty. Its main aim is to alleviate poverty among the poor. Microcredit is an effective tool in this endeavour, which leads to peaceful development. Microfinance helps poor people meet their needs for easy credits and financial services. The following areas need to be taken care by Government functionaries for empowering women through microfinance. For empowering rural and tribal women Government initiated National Rural Livelihood Mission (NRLM) and National Urban Livelihood Mission (NULM).

The principle of equal pay for equal work was also recognized by the Constitution which does not prevent the government from passing separate Acts or making special provisions in the Acts for protecting the interests of women and children. Article 39 (a) of the constitution also provides for right to an adequate means of livelihood for men and women equally. The 73rd and 74th Constitutional Amendments ensure 1/3rd of total seats for women in all elected offices including local bodies in both rural and urban areas for the advancement of women. Besides this, 33 per cent reservation for women in legislature is provided by the government.

After implementation of first five 5 year plans, it is realized that even after the implementation of five plans the status of women remained backward and the goal of gender equality was far away and also the share of women in the benefits of planned development was very meagre. Hence, focus is shifted from welfare to development in the Sixth Five-Year Plan. Thus, from sixth five-year plan onwards the main objective of the Five Year Plans is economic prosperity for empowering the women for bringing them into national activity as equal partners along with men. In accordance with this objective, the subsequent Plans focused on the empowerment of the women, both politically and economically.

In the year 2017, the theme for International Women's Day - 8th March, focused on "Women in the Changing World of Work: Planet 50-50 by 2030" by NITI (National

Institute for Transforming India) Ayog. This advances the Government of India's commitment to ensure Gender Parity in India, with special focus on women's economic empowerment. India has taken bold steps towards creating new opportunities of job creation, entrepreneurship, skill building and access to new industries particularly ICT, through its national initiatives like Beti Bachao Beti Padhao, Skill India, Make in India and Digital India.

Women's economic empowerment in the changing world of work implies not only empowering female entrepreneurs and business owners, but also recognizing women's unpaid care, domestic work and the overwhelming majority of women in the informal economy. This year, NITI Aayog, along with the UN in India and MyGov, launches the campaign to award inspiring women from across India through entries in two categories:

- Short video and photo contest on Women Breaking Gender Stereotypes
- Written entries of women in the workforce, across sectors, irrespective of their educational qualifications

In 2016, NITI Aayog, in partnership with the United Nations, India and MyGov, launched the first-ever Women Transforming India, an online contest to crowd source stories of women making a difference, in form of essays. This year again, NITI Aayog is launching the Women Transforming India campaign to recognize powerful women of India's workforce, who are influencing positive change in their communities and furthering the Government of India's mission of inclusive economic growth.

Among the policies related to poverty reduction, microfinance and micro credit programmes occupy a central position. There is need to give attention on how microfinance can be an effective intervention/strategy of poverty alleviation. There is need to identify key areas from central to grassroots level that can help to enhance the effectiveness of microfinance both in rural and tribal areas. The empowerment potential and significance of the larger social matrix indicate that microfinance needs to be designed not as an economic problem but as a holistic approach to development in which the role of social indicators become very important.

Figure No. 6.2 Proposed Model for Government Functionaries



- **Leadership & Accountability:** It is important to note that strong, active and consistent leadership among Government initiatives, programmes and policies are very much needed and therefore it is important for the Government to depute or hire specialist, sensitive and accountable personnel at different stages of developmental process of microfinance programme. The Government functionaries working at grass root level should emphasize on sensitize the Group to choose an effective leader and leader must see that all his group members know their rights, rules and bye-laws of the SHGs. Only when the members have known the rules and bye-laws, they are in a position to verify any of the accounts book or record.
- **Staff competence & Specialist Support:** Availability of information from staff, advise, referral, financial literacy with effective skills and potential for handling microfinance portfolio are considered to be the most effective techniques for successful implementation of SHGs-Bank linkages. While competencies are not new to most Government organizations, what is new is their increased application across varied functions like recruitment/selection of manpower for development sector; learning and development, performance management, career development and succession planning are very important aspect for holistic development of women beneficiaries through microfinance programme.

SHGs are being promoted by multiple agencies, but around the concept of ‘self -help’. most of them undertake savings and inter lending and conduct regular meetings. The promoting agencies should provide them capacity building nurturing support as well as book keeping support in the initial phase. There is no mechanism to coordinate SHGs promoted by different agencies. Government should also give attention to look into the matter of developing mechanism to coordinate with different agencies.

- **Institutional procedures & updating methodology:**

Government should take steps to provide more credit facilities through institutional sources in all the Villages of the State and arrange to give training through education and awareness programmes for rural and tribal women of the state. Government should put focus on counselling to the bank officials and other staff associated with institutional credit to change their attitude positively towards these poor women and inculcate them to provide loans to these women with the procedures that are apparently simple to the poor women. Stern action should be taken against such bank officials who would discourage women to join into SHGs.

- **Training, Monitoring & its impact:**

The Government should look after the agenda of training, monitoring and its impact on functioning of SHGs. This provides a Management Information System (MIS) for the SHG-Bank linkage. Other than this, there are MIS for SHG level transactions managed at the State level or project level but updating of the data is a main issue for MIS. Despite the vast network of bank branches, rural poor, especially women were deprived of access to such services. In this background, NABARD conceived the idea of reaching out to the poor in their own locations in group mode instead of individually but again there should be some mechanisms to monitor this initiative.

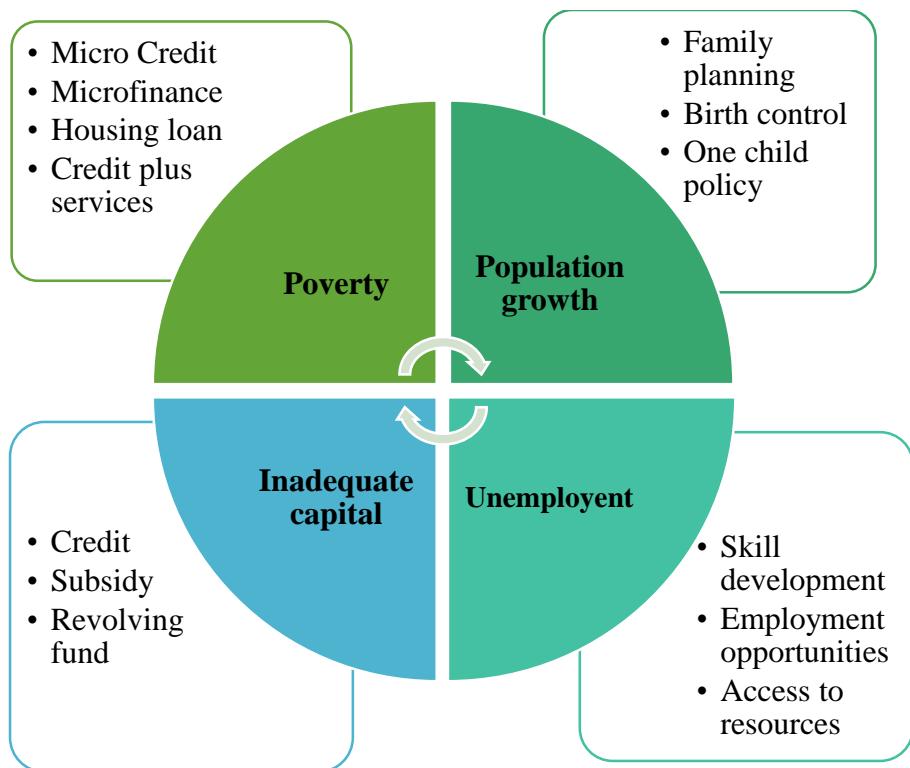
Education is an important variable of women empowerment. Therefore, the first and foremost step for empowering women is the removal of illiteracy among them. Adult Literacy Programmes should be implemented strictly in order to make the adult female illiterates as literates so that empowering women is easy. The Group leader must see that all his group members know their rights, rules and bye-laws of the SHGs. Only when the members have known the rules and bye-laws, they are in a position to verify any of the accounts book or record.

The Social Science Research Institutions, NGOs and academic institutions could be engaged as facilitators in the process of self-help group formation so that every rural habitation has at least one self-help group.

1.2 Social Work Intervention Model for Bank functionaries

The SHGs can avail bank loan up to 1 to 4 times of their savings. However, if the savings are less, SHGs are not able to obtain adequate loan from banks. This inadequate bank loans pose difficulties to the SHGs in extending sufficient amount of loans to their members to engage in economic activities. Delay in financing/repeat financing is the major difficulty being faced by SHGs. Many of the SHGs which have a good credit history have not received adequate credit. Besides arranging training, exposure visits and sensitization programmes for bankers, NABARD should conduct action based field studies, tries to identify the bottlenecks issues faced by both bankers and SHGs members. Bank functionaries should have monitoring mechanisms and special experts for grassroots level to check regular meetings, regular savings, regular internal lending, regular recoveries and maintenance of proper books of accounts. Each bank should aware the SHG members and leaders for financial literacy. Individual Banks undertake appropriate actions as per their credit policy in case of default of loan extended to SHGs. However, in order to address the issue of utilization of bank credit and default in bank loan, there is increased focus on demand side through adequate capacity building initiatives and increased bank interface. NABARD may support training and capacity building of bankers, NGOs, government agencies, SHG members and trainers.

Figure No. 6.3 Proposed Model for Bank Functionaries



There is need to accept that women's needs are not only for self-employment. The programmes should be designed on the basis of needs of women at the micro level. Planning for self-employment for women needs a multi-pronged strategy. The microfinance programme specially, for women should be organized to disseminate the information of various Government schemes and financial needs of women. Survey finds out those maximum number respondents of SHGs not availing facilities provided by government in a proper way due to lack of education and awareness.

Women participated in political activities. Now there is a growing participation of women in the political activities in rural areas. In such situation, there is a growing need to develop leadership qualities in the women. Also, they should be educated on how their participation could be useful to achieve some concrete results.

All record keeping has been done manually and that is very time consuming. There is also a need to make SHG members and leaders aware about financial literacy. Thus, a computer and computer-assisted programmes along with financial literacy would go a long way in maintenance of records, accounts, correspondence and updating the same

periodically. Government functionaries working at grassroots level and NGO can come forward and help beneficiaries of microfinance programme in this context.

There should be timely release of loans, funds and its channelization to the concerned departments and agencies. The delays in allotment of funds and their release should be discouraged and taken seriously by the high authorities, when it happens in any state. There is also a need for timely and quick approval of activities proposed. Marketing centres and marketing linkages may be provided within the village or nearby locality to ensure better selling of SHGs products. Quality control of product is necessary. There should be more budgetary allocation on market development in order to provide an effective platform for marketing of SHG products.

The SHG members should be inculcated the feeling of collective development, mutual trust and help, social harmony and active role in development process and governance. The members should be mentally prepared for starting income generating activities, its promotion and their sustainability. The study shows that majority of the members of SHGs are studied up to school level. So there is an urgent need to provide education to all members, at least to impart functional literacy. NGOs and SHG leaders should take initiative in this regards and for attending adult education programmes provided by government to upgrade their education status.

It is suggested that motivational campaign may be conducted for inculcating saving habit in the minds of the members. The campaign should give exposure to savings for future benefits, how the savings of members are utilized for rotation among the members, how the amount of groups savings forms a base for getting government sponsored scheme for income generating activities and the benefits to the individual member. The SHGs faced the problem of administrating the affairs of its business. It is suggested that suitable administrative training, orientation visit to successful SHGs to all the members of the SHGs should be given or at least the administrators and representatives of the groups may be given administrative training initially, the same may be given to the other member gradually. Further, extension participation programme may be arranged with extension agencies for the SHG to visit their business houses to know the functions and its administration. And also this extension participation programme will create awareness and skills of the business.

SHGs faced the problem of inadequate loan amount. Adequate loan amount is one of the basic components to start an activity and also women can be financially sound when loan amount is given sufficiently. Loan amount should be increased to the extent that they can take up an income generating activity. There is need of allocation of large amount for generation of employment.

SHGs help to promote the microfinance with the organized form of small savings and credit plus services. Hence the promotion of SHGs indirectly promotes the savings, economic growth and poverty alleviation. Some of the SHGs function only to receive the grants and aids from the government. So, the district authorities should make serious attempts to strengthen the SHGs.

Integration with Social Work profession:

UN's Development Agenda for 2016-2030 i.e. "Transforming our World: The 2030 Agenda for Sustainable Development" comprising 17 Sustainable Development Goals (SDGs) and 169 related Targets have been adopted and signed by the Government of India in Sept 2015. World Bank sources indicate more than 1 billion people live on less than a dollar a day worldwide. The overall function of all social workers in dealing with self-help groups are to help its members accomplish group goal. While doing this the group worker performs various roles.

Methods of Social Work like Social Case Work, Social Group Work, Community Organization and Social Work Research are applicable for strengthening microfinance initiatives by various stakeholders.

Social Case work

"Social Case work is the method employed by social workers to help individuals find solution to problems of social adjustment which they are unable to handle in a satisfactory way by their own efforts. Hollis (1954)." Basic purpose of microfinance programme is to enable the women client to enjoy with some degree of permanence. More satisfying, effective and acceptable experiences in the social situation in which they find themselves. This field is directly associated with women beneficiaries of microfinance programme.

A PERSON with a PROBLEM comes to a PLACE where social worker helps him through a well-defined PROCESS." – Perlman

PERSON: Woman with social, economic, political low status with emotional living.

PROBLEM: Women suffering from poverty, illiteracy, lack of financial literacy, hunger, poor standard of living arises from obstacles of lack of capital in her hands

PLACE: Government agency & financial institution like Banks

PROCESS: progressive transaction between social worker and client for uplifting standard of living of women through microfinance programme

Social Case Work values:

1. Every man has inherent worth and dignity.
2. Every individual has the right to self-determination.
3. Every individual is the primary concern of society, has potential for and the right to growth.
4. Every individual, in turn, has to contribute to the society's development by assuming his social responsibility.
5. The individual and society in which one lives are interdependent.
6. Basic human needs have to be met by services which are not dependent upon in accord either to moral behaviour or to race, nationality, caste, etc.

Any individual, organization or stakeholder working for microfinance sector need to keep in mind above values by assuming moral and social responsibility.

Social Group Work

Social group work is a method of social work which develops the ability of establishing constructive relationship in individuals through group activities. The functioning of self-help group is directly linked to stages of group development.

Forming Stages: The first stage for self-help group is an orientation stage. This stage is marked by a great deal of caution, confusion, courtesy and uncertainty about the group's purpose, structure, and leadership. The SHG leader exerts a great influence in structuring the group and shaping SHG member's expectations. This stage is complete when members of the group have begun to think of themselves as part of a group.

Storming Stage: This stage of SHG is characterised by conflict, confrontation, concern and criticism. Struggles for individual power and influences are common. In case, the conflict becomes extremely intense and dysfunctional; the group may dissolve or continue as an ineffective group that advances to higher levels of group maturity.

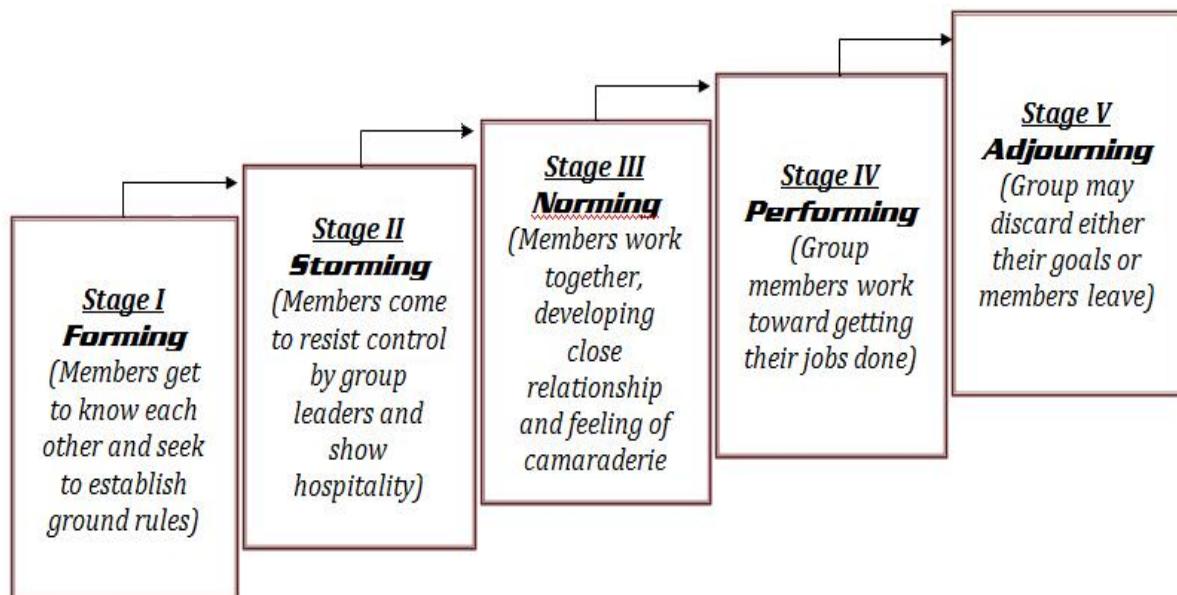
Norming Stage: This is the stage of self-help groups in which close relationship among the members develops. The group evinces cohesiveness. The group now assumes to certain identify, companionship and friendship.

Performing Stage: This is the highest level of group maturity. This stage is marked teamwork, role clarity, and task accomplishment. Conflict is identified and resolved through group discussion. The members of the group are aware of group's processes and the extent of their own involvement in the group.

Performing stage: This stage is not reached by all groups. If group members are able to evolve to stage four, their capacity, range, and depth of personal relations expand to true interdependence. In this stage, people can work independently, in subgroups, or as a total unit with equal facility. Their roles and authorities dynamically adjust to the changing needs of the group and individuals. Stage four of self-help group development is marked by interdependence in personal relations and problem solving in the realm of task functions.

Adjourning Stage: This stage is recognized as end of group i.e. completing every task and the group will be automatically adjourned. Groups are adjourned for two reasons. First the group has completed its task. Second, the members decide to disband and close the group with sentimental feeling.

Stages of Group Development:



The main role of a worker can be broker, group facilitator, mediator, educator, initiator, resource mobiliser, communicator as well as interpreter while working with self-help groups.

The primary objectives of social group worker in rural and tribal community setting include: social integration of the community on a local neighbourhood basis through participation in self-help and mutual-aid programmes; motivating people to improve their living conditions especially those adversely affecting their physical and social development; creation of opportunities for undertaking programmes of economic betterment based on the maximum use of community resources and local initiative; identification and development of local leaders with emphasis on providing them organisational skills and enabling them to locate and fully utilize various technical, social and welfare services; and development of a sense of belonging to the community. Promoting self-help groups in community setting is the best example of social integration of women through microfinance.

Community Organization and Community Development

In this field, development of community resources should be the main attention of the worker. Spread awareness through various programmes, special facilities, educating community women for skill development activities should be taken up by the worker. Following role can be performed while working with SHGs-Bank linkage programmes.



As a facilitator, social workers are involved in gathering groups of community people together for a variety of purposes including community development, self-advocacy, political organisations and policy change. Social workers are involved as community therapists and task leaders.

Capacity Building of women both in rural and tribal areas:

Community capacity building is very important for developing and strengthening the skills, instincts, abilities, processes and resources that organizations and communities need

to survive, adapt, and thrive in the fast-changing world. It helps in promoting sustainable development both for rural and tribal women. Systematic awareness-building and training is needed for enhancing rural and tribal women's capacity to take up their new responsibilities as decision-makers at grass-root level.

Dunham gave fourteen methods for Community Development:

Programming & Co-ordination	Negotiation
Fact finding analysis	Organization
Evaluation	Education & Promotion
Planning	Legislative Promotion
Co-ordination & Integration	Non legislative aspect
Conference	Financing
Consultation	Joint budgeting

These above 14 methods are very important to identify issues of SHGs at grassroots level, to understand their basic needs and to make effective plans and strategies to overcome challenges faced by both SHGs members and community organisers. As a worker one should have sound knowledge of basic concepts, methods and tools of Social Work. Social welfare agencies and programmes must be responsive to the changing conditions, problems, and needs of community life. Community is a dynamic phenomenon, which constantly changes and thus the needs and problems also keep changing. Therefore, it is necessary that the programmes and services are flexible enough. Inclusion of the respected and accepted leaders with whom the major subgroups identify provides a major step in integrating the community. Again it becomes the responsibility of Community Organiser/Social Worker that SHGs should be formed and based upon mutual understanding, voluntary acceptance, and mutual agreement. If SHGs are formed with mutual understanding and co-operation they will definitely have harmony with democratic principles of operating for the common purpose and objectives.

Social Work Research

In the areas of microfinance and women empowerment, social scientists can conduct intervention studies, longitudinal, epidemiological and action based research. Both qualitative and quantitative research can bring insights in to greater need of women

empowerment through microfinance. Focus Group Discussion and Case studies can also be taken up by researcher.

Guidelines for Government functionaries to promote microfinance initiatives:

Women empowerment is the major goal of development in India Empowering poor rural and tribal women through micro credit has been well recognized and micro finance schemes for empowering poor women launched by Government and NGO. The following guidelines should be followed for better functioning of SHGs at grassroots level:

- Homogeneous, small economically affinity group of poor people
- Regular small thrift and extend microloan among themselves
- Come together for the purpose of solving their common problem
- Solve problem through self-help and mutual help
- Promote the female who do not have access to formal financial institutions
- Monthly meetings should be held on regular basis
- SHG maintain their account in banks, which should be operated jointly
- Members should able to maintain their attendance register, minute book, account Book and pass book.
- Regular monitoring, training, evaluation and follow-up after each training
- Promotion of education and financial literacy should be promoted
- Gender equality, gender sensitization should be the central theme to overcome poverty
- capacity for livelihood development, labour rights to women, enhanced social protection and overall increasing voice can be addressed
- Training for behavioural and attitudinal changes in the members should be conducted
- The implementation of NRLM requires a large number of community professionals

Guidelines for Bank functionaries to promote microfinance initiatives:

Inadequate outreach in many rural and tribal areas of Gujarat, delays in opening of SHG accounts and disbursement of loans, impounding of savings by banks as collateral, non-approval of repeat loans even when the first loans were repaid promptly, multiple membership and borrowings by SHG members within and outside SHGs and limited banker interface and monitoring are the issues concerning to implementation of microfinance programme.

The researcher has prepared following guidelines for Bank functionaries to improve functioning of SHGs at grassroots level:

- Allowing voluntary savings
- Modifications in credit product
- Enabling Joint Liability Groups (JLGs) within SHGs
- Building second tier institutions
- Strengthening the monitoring mechanism
- Addressing Training requirements
- Making institutions sustainable through capacity building
- Networking and advocacy (providing an enabling environment for effective microfinance delivery
- Banks would undertake lending to groups without physical collateral
- Banks would be allowed to lend to unregistered groups
- A large proportion of SHGs have been brought together in federations at village, village cluster, block and higher levels should be promoted by Banks
- Banks should cover marginalized communities, tribal and scheduled caste groups in microfinance programme
- Sensitization of Bank officials dealing with microfinance portfolio is very much needed
- Welfare scheme “Sukanya Shiksha” for the girl child with a view to linking education with banking habits.
- Strengthening the financial literacy centre (FLC) network and grievance redressal mechanism and devising a scheme based on transparent criteria that incentivises banks to expeditiously address customer grievances.
- Micro Units Development & Refinance Agency Limited (MUDRA) and Pradhan Mantri MUDRA Yojana (PMMY) were launched on 08 April 2015 by the Hon’ble Prime Minister, Shri Narendra Modi. The guidelines of PMMY issued by Department of Financial Services (DFS), GOI indicated that all banks are required to lend to microenterprises engaged in manufacturing, processing, trading and service sector activities for a loan upto `10 lakh. Further, it was also advised that the loan may be given in three categories, i.e. Loan upto Rs. 50,000 under Shishu; Rs. 50,000 to Rs. 5 lakh under Kishor; and Rs. 5 lakh to Rs. 10 lakh under Tarun. Also, it was envisaged that more focus will have to be given for the Shishu category. A target of Rs. 1,22,188

crore was set for F.Y. 2015-16. Banks should cover members of SHGs in such schemes.

Conclusion:

It is concluded from the study that more than subsidies and revolving funds poor need regular access to credit. Absence of formal employment and formal credit linkages make them non 'bankable'. This forces them to borrow from local moneylenders at exorbitant interest rates. Many innovative institutional mechanisms have been developed across the world to enhance credit to poor even in the absence of formal mortgage. Many studies have been conducted so far to evaluate the impact of the Self-help Groups on the empowerment of women. It may be found from those studies that limited progress has been made in the empowerment of women and that there is a long way to go to remove long-held male dominated practices, attitudes, values, traditions and social, political and economic systems. Although the government has started so many developmental programmes for the empowerment of women, yet they have not achieved total emancipation. Still they are not free from exploitation, sexual harassment, untouchables, etc. The discrepancy in the ideology and practice of the empowerment policy of women in India constitutes its continual social, economic and cultural backwardness. The policies and programmes of the Government of India to assert women's identity in social, economic and political scenario are not equally distributed in various parts of the country. There is a notable rural-urban-tribal disparity in the status of women. The educational, health and economic status of urban women in India is considerably better than that of their rural counterpart. Political participation also varies in modes and degrees between the rural, urban and tribal women. Rural and tribal women look enviously at urban women. It may not be distributed even in all the rural and tribal areas equally. There is a need to conduct a study to examine whether the impact of women empowerment is equally distributed in all the rural and tribal areas as there have been no studies specifically in this context so far. Thus, there is a gap in the earlier studies in this context.

It is evident from the present study that the Microfinance programme in Gujarat has been instrumental in the social, economic and political empowerment of members through direct model of financing SHGs. The thrift and credit activities of microfinance programme in Kheda and Narmada district have enhanced women's

saving habits and access to credit. SHG-Bank linkages has played a significant role in freeing them from the clutches of unscrupulous money lenders. Micro enterprises have also been able to open up avenues for the economic empowerment of women. In spite of the different constraints and challenges, the SHG-Bank linkage programme has the potential to transform the entire economy of the State. In order to achieve greater success in the empowerment of women and for the better functioning various suggestions made in the study may be effectively implemented.

‘Still I Rise’ by Maya Angelou

The incredibly prolific and inspiring American poet, author, actress, civil-rights activist, producer and director passed away in 2014, leaving behind a huge volume of work celebrating black beauty, the strength of women, and the human spirit. Few of the words Maya Angelou rightly said that:

*“You may shoot me with your words,
You may cut me with your eyes,
You may kill me with your hatefulness,
But still, like air, I'll rise !”*