

**PERFORMANCE OF WOMEN SELF HELP GROUPS:  
A STUDY IN GOBICHETTIPALAYAM TALUK,  
ERODE DISTRICT**

A Thesis submitted to the Bharathiar University, Coimbatore in  
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*A Summary of Findings, Suggestions  
and Conclusion*

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## **CHAPTER VII**

### **A SUMMARY OF FINDINGS, SUGGESTIONS AND CONCLUSION**

#### **7.1 INTRODUCTION**

In the past decades of development efforts, the existence of people in a state of socio-economic, political and knowledge disempowerment is considered as a major threat to the overall development of rural masses. Self help promotion has become one of the major developmental strategies in the country today. Women Self Help Group was developed for social, economic, political and psychological empowerment. Based on WSHGs development, the Government has decided that women should be given priority in all sectors. As a result, Government provides 33% to the women quota in all sectors. However in recent years, groups have been emerging as a major strategy for the promotion of informal credit to the poor. Studies have shown that WSHGs exhibit greater interest in savings through thrift and credit management which has been one of the important activities of such groups. Empowerment through WSHGs is considered as agents of socio-economic transformation in rural areas. This chapter highlights the overall summary of the present study, important suggestions and conclusion.

#### **7.2 OBJECTIVES OF THE STUDY**

Though the main objective of the present study is to measure the performance of WSHGs, the following are the specific objectives of the present study:

- 1) To know the conceptual framework of the Women Self-Help Groups.
- 2) To study the level of awareness of WSHG members about the functioning of WSHGs.
- 3) To analyse the utility of loans by the WSHG members.

- 4) To trace out the problems faced by the WSHG members.
- 5) To know the level of satisfaction of WSHG members about empowerment.
- 6) To recapitulate the key findings of the study and to offer suggestions to improve the effectiveness of WSHGs in Erode district.

### **7.3 HYPOTHESES OF THE STUDY**

By considering the objectives of the present study, theoretical knowledge of the researcher, discussion with experts and from other research studies, the following null hypotheses have been framed:

#### **Hypotheses relating to awareness of respondents**

- H<sub>0</sub>1: There is no significant association between the personal variables of respondents (such as age, marital status, educational qualification, occupation, annual income, type of family, size of family, number of years in WSHG, source to join and position held) and their awareness on various functions of women SHGS.
- H<sub>0</sub>2: The average awareness score of different groups of sample respondents (such as age, marital status, educational qualification, occupation, annual income, type of family, size of family, number of years in WSHG, source to join and position held) is the same.

#### **Hypotheses relating to satisfaction of respondents**

- H<sub>0</sub>1: There is no significant association between the personal variables of respondents (such as age, marital status, educational qualification, occupation, annual income, type of family, size of family, number of years in WSHGs, source to join and position held) and their satisfaction of WSHGs.
- H<sub>0</sub>2: The average satisfaction score of different groups of sample respondents (such as age, marital status, educational qualification, occupation, annual income, type of family, size of family, number of years in WSHGs, source to join and position held) is the same.

## **7.4 METHODOLOGY**

The present study attempts to examine the performance of women Self-Help Groups in Gobichettipalayam taluk of Erode district. By using Multi Stage Stratified Random Sampling Technique, the required primary data have been collected.

In the first stage, by considering significant contribution of WSHGs towards women empowerment, the Erode district has been selected purposively. In Erode district, there are 9 taluks viz., Anthiyur, Bhavani, Erode, Gobichettipalayam, Kodumudi, Modakurichi, Perundurai, Sathyamangalam and Thalavadi of them Gobichettipalayam taluk has been selected in the second stage by considering the number of WSHGs.

In Gobichettipalayam taluk, there are three blocks viz., Gobichettipalayam (21 Panchayat villages), Thookkanaickenpalayam (10 Panchayat villages) and Nambiyur(15 Panchayat villages). All these three blocks have been selected in the third stage. From the selected three blocks, topmost (number- wise) 10 villages from each block was selected. In the fourth stage, village- wise WSHGs details were collected with the help of community facilitator. From these lists, those WSHGs are having minimum experience of 10 years have been considered for the data collection. From the selected 10 villages, top most 10 WSHGs were selected. This constituted as 100 groups.

In the fifth stage, by using snowball sampling technique, it is decided to collect the data from 10 members of each group. This constituted as 1000 members. These 1000 members have been decided as sample size for the present study.

Hence, the primary data have been collected from this 1000 sample members. Owing to contradictory information, non-response and non co-operation of the respondents, data collected from 250 WSHG members have been ignored. Finally, the data collected from 750 respondents have been used for all analysis purpose.

## **7.5 COLLECTION OF DATA**

### **Primary data**

Multi Stage Stratified Random sampling method is employed to collect the data from the WSHGs members. This study is based on both primary and secondary data. Well designed questionnaire is framed to collect the required primary data from the selected respondents with the help of a comprehensive, pre-tested enquiry schedule through personal interview method. The data were collected over a period of 10 months (January 2017 to October 2017). The interview schedule included questions related to general information about income, expenditure, credit utilization and repayment, uses of loans, empowerment through WSHGs, problem in WSHGs etc. Similarly first hand information has been collected through interaction with members of women self help groups about their working and difficulties faced by them through observation. The sample population for the field survey comprises a total of 750 respondents from Gobichettipalayam taluk of Erode district.

### **Secondary data**

The required secondary data have been collected from the various annual reports of NABARD, TNCDW annual reports and Mahalir Thittam.

## **7.6 FRAMEWORK OF ANALYSIS**

The collected primary and secondary data have been analysed with various statistical tools viz., Chi-square test, ANOVA, Multiple Regression Analysis, SEM, Factor analysis and Garrett's ranking technique were used.

## **7.7 FINDINGS**

### **Age and Level of Awareness**

In age-wise analysis, it is found that 41.2 % of the sample members are middle aged. Further, 48.7% of the middle aged, 30.4% of the young and 20.9% of the old sample members are having high awareness about functioning of WSHGs.

The average score (43.70) of the middle aged sample members is higher than that of others.

### **Marital Status and Level of Awareness**

Regarding marital status, 59.7% of members are married. Further, 69.6% of the married and 30.4% of the unmarried are having high level of awareness about functioning of WSHGs.

It is found that the average score (43.57) of the married sample members is higher than unmarried members.

### **Educational Qualification and Level of Awareness**

While considering the educational level, it is found that 44.0% of the members are illiterate. Further, 50.1% of illiterate, 23.6% of primary level educated, 12.7% of middle level educated, 12.1% of degree holders and 4.1% of HSC educated are having high level of awareness about functioning of WSHGs.

It is found that the average score (43.70) of the illiterate sample members is higher than that of other groups.

### **Occupation and Level of Awareness**

In occupation-wise, it is found that 41.2% of the members are self-employed. Further, 35.1% of self-employed, 27.4% of labour, 23.6% of housewife and 13.9% of private employee are having high level of awareness about functioning of WSHGs.

It indicates that the average score (46.57) of the self-employed sample members is higher than that of other groups.

### **Annual Income and Level of Awareness**

Regarding annual income, it is found that 53.1% of sample members are belonging to Group B. Further, 47.8% of Group B, 43.1% of Group A and 9.1% of Group C are having high level of awareness about functioning of WSHGs.

It is found that the average score (43.89) of the Group B sample members is higher than that of other groups.

### **Family Type and Level of Awareness**

While considering the family type, it is found that 74.9% of members are belonging to nuclear family. Further, 75.5% of nuclear family and 24.5% of joint family are having high level awareness about functioning of WSHGs.

It is found that the average score (42.86) of the nuclear family sample members is higher than joint family members.

### **Size of the Family and Level of Awareness**

Regarding size of the family, it is found that 44.8% of members are in Group B. Further, 44.5% of Group B, 20.9% of Group C, 19.2% of Group D, 33% of Group E and 5.6% of Group A are having high level awareness about functioning of WSHGs.

It is found that the average score of the Group B sample members (44.98) is higher than that of other groups.

### **Number of years in WSHGs and Level of Awareness**

Regarding number of years in WSHGs, it is found that 39.5% of members are in Group C category. Further, 35.1% of Group C, 28.6% of Group D, 23.0% of Group B and 13.3% of Group A are having high level awareness about functioning of WSHGs.

It is found that the average score (46.42) of the Group C sample members is higher than that of other groups.

### **Motivating sources and Level of Awareness**

Regarding motivating source, it is found that 42.9% of members are motivated by friends and relatives. Further, 41.9% are motivated by friends and relatives, 27.1% by neighbours, 15.9% by self and 15.0% by NGO's are having high level awareness about functioning of WSHGs.

It is found that the average score (46.67) of the friends and relatives sample members is higher than that of other groups.

### **Position Held and Level of Awareness**

While considering the position, it is found that 47.3% of sample members positions are member in the group. Further, 54.9% position held as member, 21.8% of Representative II, 19.2% of Animator, 4.1% of Representative I are having high level awareness about functioning of WSHGs.

It is found that the average score (43.90) of the sample members whose position is a member is higher than that of other groups.

### **Age and level of satisfaction**

In age-wise, it is found that 41.2 % of the sample members are middle aged. Further, 43.4% of the middle aged, 39.5% of the young and 17.2% of the old sample members are having high satisfaction about empowerment.

The average score (64.97) of the middle aged sample members is higher than that of others.

### **Marital status and level of satisfaction**

Regarding marital status, it is found that 59.7% of members are married. Further, 54.7% of the married and 45.3% of the unmarried are having high level of satisfaction about empowerment.

The average score (64.50) of the married sample members is higher than unmarried members.

### **Educational qualification and level of satisfaction**

While considering educational qualification, it is found that 44.0% of the members are illiterate. Further, 35.5% of illiterate, 23.0% of primary level educated, 21.5% of middle level educated, 10.5% of HSC educated and 9.4% of degree holders are having high level of satisfaction about empowerment.

The average score (66.92) of the illiterate sample members is higher than that of others.

### **Occupation and level of satisfaction**

Regarding occupation, it is found that 41.2% of the members are self-employed. Further, 41.0% of self-employed, 24.2% of labour, 22.7% of housewife and 12.1% of private employee are having high level of satisfaction about empowerment.

The average score (63.72) of the self-employed sample members is higher than that of others.

### **Annual Income and level of satisfaction**

While considering annual income, it is found that 53.0% of sample members are belonging to Group B. Further, 55.1% of Group B, 37.9% of Group A and 7.0% of Group C are having high level of satisfaction about empowerment.

The average score (44.23) of the Group B sample members is higher than that of others.

### **Family Type and level of satisfaction**

Regarding family type, it is found that 74.9% of members are belonging to nuclear family. Further, 76.6% of nuclear family and 23.4% of joint family are having high level satisfaction about empowerment.

The average score (62.91) of the nuclear family sample members is higher than joint family members.

### **Size of the Family and level of satisfaction**

While considering the size of the family, it is found that 44.8% of members are in Group B. Further, 36.7% of Group B, 32.4% of Group D, 17.6% of Group C, 11.7% of Group E and 1.6% of Group A are having high level of satisfaction about empowerment.

The average score (69.64) of the Group B sample members is higher than that of others.

### **Number of years in WSHG and level of satisfaction**

Regarding number of years in WSHG, it is found that 39.5% of members are in Group C category. 32.4% of Group C, 31.3% of Group B, 24.2% of Group D and 12.1% of Group A are having high level satisfaction about empowerment.

The average score (65.70) of the Group C sample members is higher than that of other groups.

### **Motivating sources and level of satisfaction**

In view of motivating sources, it is found that 42.9% of members are motivated by friends and relatives. Further, 45.3% are motivated by friends and relatives, 23.0% by neighbours, 19.9% by NGO's and 12.5% by self join are having high level satisfaction about empowerment.

The average score (63.40) of the friends and relatives sample members is higher than that of others.

### **Position Held and level of satisfaction**

Regarding position held, it is found that 47.3% of sample members position as member in the group. Further, 37.9% position held as member, 30.5% of representative II, 21.1% of animator, 10.5% of representative I are having high level of satisfaction about empowerment.

The average score (68.21) of the sample members position as member is higher than that of others.

### **Multiple Regression Analysis**

Multiple Regression analysis is used to examine the relationship between satisfaction of the sample members and independent variables such as age, marital

status, educational qualification, occupation, family type, size of the family, annual income, number of years in WSHG, motivating sources and position held of WSHG members.

In this study, the regressions are estimated using cross- section data of 750 sample members. The results of a regression model were tested to examine its significance include the R<sup>2</sup>, the model F statistic, the regression coefficients for each independent variable; their 't' statistics; and the individual beta coefficients.

The multiple linear regression component (Dependent Variable) is found statistically a good fit as R<sup>2</sup> is 0.514 which shows that the impact of level of satisfaction and the selected independent variables contribute about 51 per cent of variation in the level of satisfaction is explained by all independent variables taken together and this is statistically significant at 1% and 5% level.

It is found that the co-efficient of sample members age, marital status, occupation, annual income, size of the family, family type, position held are positively associated with level of satisfaction of WSHGs. Further, it indicates that these variables contribute to the level of satisfaction are proved statistically a good fit. The variables such as educational qualification, number of years in WSHG and motivating sources were insignificant at 1% and 5% level which implies that their influence is not stronger than the other variables.

The rate of increasing the level of satisfaction of WSHGs shows their contribution with the results of the independent variables such as age with 0.635, marital status with 2.079 unit change, with 0.408 unit change in occupation, with 2.495 unit change in family type, with 6.675 unit change in size of the family, with 0.074 unit change in annual income with 3.744 unit change in position held in WSHGs. Thus from the analysis, the following observations could be made. The level of satisfaction of WSHGs showed positively associated with age, marital status, occupation, family type, size of the family, annual income, motivating

sources and position held in WSHGs. On the other hand, educational qualification, number of years in WSHGs and motivating sources were showed negative association with the level of satisfaction of WSHGs.

### **Factor Analysis**

In Factor Analysis, 20 statements used to examine the satisfaction level of the sample members of their Satisfaction level on empowerment have been grouped into 8 factors viz., Status, Self-motivation, Self-development, Welfare, Income, Motivation, Public relationship and Administration.

### **Structural Equation Model (SEM)**

The ability of SEM to produce a meaningful identification of the correlations between factors is a key strength. From the path diagram (SEM), it is noted that estimates of the measured variables which affect the usage of loan in SHGs are Education, Repayment of old loan, Marriage, Business, Medical expenses, Festival and ceremonies and Meet unexpected expenses, Purchase of equipments, Domestic expenses, Agricultural expenses, Purchase of cattle, Income generation and Purchase of land and building highly influenced for the usage of loan in WSHG. Further, the analysis indicated that all the variables are having positive relationship with the usage of loan in WSHG at 1% significant level.

### **Garrett's Ranking Technique**

It reveals that ranking for the problems faced by the members of WSHGs. “More formalities” was ranked first by the selected sample respondents with the total score of 41939 and mean score of 55.919. “Too much of record maintenance” was ranked second with total score of 38557 and mean score of 51.407. “Lack of proper training” was ranked third with total score of 36965 and mean score of 49.287. “Lack of co-operation among members” was ranked fourth with total score of 35599 and mean score of 47.465. “Location of Banks at distant places” was ranked fifth with total score of 35534 and mean score of 47.379. “Delay in

sanctioning the loan” was ranked sixth with total score of 33771 and mean score of 45.028. “Lack of clear information and guidance” was ranked seventh with total score of 33081 and mean score of 44.108. “Influence of Higher Officials” was ranked eighth with total score of 33053 and mean score of 44.071. “Inequality in issuing loans” was ranked ninth with total score of 37265 and mean score of 43.276. “High rate of interest” was ranked tenth with total score of 30527 and mean score of 40.703. “Improper utilisation of funds” was ranked eleventh with total score of 30407 and mean score of 40.543. “Non-cooperation of banks” was ranked twelfth with total score of 30066 and mean score of 40.088. “Restrictive Government Procedure” was ranked thirteenth with total score of 29282 and mean score of 39.043. “Delinquency in repayment” was ranked fourteenth with total score of 29148 and the mean score of 38.864. “Lack of support from family members” occupied last position with total score of 27281 and mean score of 37.095. It is evident that most of the respondents gave priority to “More formalities” as the first rank for the problems faced by WSHG members.

## **7.8 SUGGESTIONS**

- 1) In the present study, it is found that growth rate of WSHGs in India, Tamil Nadu and at study area is increasing in a significant manner. Hence, it is suggested that both Government of India and Government of Tamil Nadu should take all possible steps to increase the number of members in WSHGs. For which, both Governments can offer more subsidies and incentives to WSHGs.
- 2) In the present study, it is found that 54.8% (23.7% low and 33.1% medium) of the sample members’ awareness level is not in good signal. Hence, it is suggested that both Government of India and Government of Tamil Nadu should take all possible steps to increase the awareness level of the WSHGs.

- 3) In the present study, it is found that adopting more formalities to become members in WSHGs as an important problem. Hence, it is suggested that proper steps to be taken by both Government of India and Government of Tamil Nadu to reduce the formalities. By doing so, undoubtedly more number of women will come forward to join in the WSHGs.
- 4) In the present study, it is found that 65.9% (26.8% low and 39.1% medium) of the sample members' satisfaction level is not in good signal. Particularly, in the aspects of economic independence, better standard of living and leadership quality. Hence, it is suggested that both Government of India and Government of Tamil Nadu should take all possible steps to increase the satisfaction level of the WSHGs.
- 5) In the present study, it is found that there is a positive impact on members due to WSHGs. Hence, it is suggested that all possible efforts to be taken by the Governments at the state level and at the Regional level to avoid various problems, particularly in the aspect of loan sanctioning procedure , undue delay by the banks etc.

## **7.9 SUGGESTIONS FOR FURTHER STUDY**

The present study is an attempt to examine the performance of Women Self Help Groups in Gobichettipalayam taluk, Erode district. Yet, several areas have been identified for further research. Such areas are:

- The present study is confined to Gobichettipalayam taluk of Erode district only. Hence, further study could be undertaken with the same objectives by taking whole districts of Tamil Nadu or any one of other districts.
- The present study has been undertaken to identify the problem faced by the WSHG members only. Hence, further study may be undertaken problems faced by the banks and other financial institutions towards WSHGs.

## **7.10 CONCLUSION**

By realizing the significance of WSHGs, the present study has been undertaken to identify the level of awareness of WSHGs, problem faced by them and level of satisfaction of WSHGs. To achieve these objectives, the required primary data have been collected by using Multi Stage Stratified Random Sampling. Such a collected data have been analysed with various statistical tools. On the basis of findings of the present study, viable suggestions have been offered. If all the suggestive measurements have been seriously viewed with mercy eyes, it is hope that WSHG members' life style will be good.