

**IMPACT OF MICROFINANCE ON RURAL
WOMEN EMPOWERMENT-A COMPARATIVE
STUDY OF SELECT SELF HELP GROUP OF
KERALA AND KARNATAKA**

A THESIS

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CHAPTER VI

FINDING, SUGGESTION AND CONCLUSION

In the light of the analysis of data, personal interviews, case studies and personal observation and through secondary source, the following findings were revealed. Based on the findings, suggestions were laid down for bringing effectiveness in the functioning of the group activities in the study area.

6.1. Findings

1. The study clearly reflects that more number of youngsters is working in NHG which is promoted by Kudumbasree when compared to SHG members of SKDRDP.
2. The results clearly specifies that majority (96%) of members of Kudumbasree NHG are highly educated when compared to SHG members of SKDRDP. This is due to high level of literacy rate in Kerala state.
3. Majority of the respondents in SKDRDP (76%) and Kudumbashree (70.7%) belongs to Hindu religion. In Case of Caste of the respondents, majority of the respondents of SKDRDP (65%) belongs to OBC whereas in case of Kudumbashree majority (46.7) of the respondents belongs to OC.
4. Study shows that, in SKDRDP and Kudumbashree groups, majority (58.2%) husband is considered as head of the family.
5. The data regarding type of the family indicate that,majority of respondent are living in nuclear family in both SKDRDP (86.7%) and Kudumbashree (81.3%) groups.
6. In SKDRDP (31%) and Kudumbashree (26.7%) group, most of the respondents had a monthly income of more than Rs.7000.
7. The study depict that in both the institution majority (76.8%) of the respondent are married.

8. The result of the study clears that, Majority (93 %) of the respondent belongs to rural area in both SKDRDP and Kudumbashree groups.
9. A great majority of the respondents of SKDRDP (59%) had been members of the SHGs for more than four years whereas in case of Kudumbashree most (47.7%) of the respondents had been members of the SHGs for more than six years.
10. Most (28%) of the respondents of SKDRDP and Kudumbashree groups joined SHG for the purpose of getting loan.
11. Majority (71%) of the respondents of SKDRDP and Kudumbashree groups reveals that their income has increased after becoming the member of SHG.
12. Majority (53.5%) of the respondents of SKDRDP and Kudumbashree groups indicate that they had savings less than Rs.500 before becoming the member of SHG. But whereas after joining the group majority (75.7%) of the respondents of SKDRDP and Kudumbashree groups reveals that their savings has increased after becoming the members of the group.
13. Most (29.3%) of the respondents of SKDRDP and Kudumbashree groups' availed loan for agricultural purpose.
14. Majority of (70%) of the SKDRDP respondent are highly satisfied with SHG performance whereas in Kudumbashree majority (49%) respondent are satisfied.
15. Majority (76.2%) of the respondents of SKDRDP and Kudumbashree groups' members' conduct weekly meeting and the groups maintains a proper records of the group activities.
16. Most (36%) members of SKDRDP and (29%) members of Kudumbashree are highly satisfied towards co-ordination and co-operation of the group member.
17. Most (36%) members of SKDRDP and (38.3%) members of Kudumbashree are highly satisfied towards training and awareness programme conducted by their institution.
18. Most (30.3%) members of SKDRDP and (28.3%) members of Kudumbashree are highly satisfied towards level of economic empowerment after becoming the members of the group.

19. Most (33.3%) members of SKDRDP and (31%) members of Kudumbashree are highly satisfied towards level of social empowerment after becoming the members of the group.
20. Most (29.3%) members of SKDRDP and (36.7%) members of Kudumbashree are highly satisfied towards level of overall empowerment after becoming the members of the group.
21. Most (27.7%) members of SKDRDP and Kudumbashree strongly agree that reduction in poverty resulted after becoming the member of the group.
22. Most (22.3%) members of SKDRDP and (21%) members of Kudumbashree strongly agree that self dependence has been achieved after becoming the member of the group.
23. Most (16.3%) members of SKDRDP and (25%) members of Kudumbashree strongly agree that living standard has increased after becoming the member of the group.
24. Most (31.3%) members of SKDRDP disagree and (35%) members of Kudumbashree agree that it is easy to pay debts after becoming the member of the group.
25. Most (31.3%) members of SKDRDP disagree and (35%) members of Kudumbashree agree that they are satisfied with the interest rate charged on the loan borrowed from the group.
26. Most (36%) members of SKDRDP disagree and (38.3%) members of Kudumbashree are highly satisfied towards institutional approach for development of the group activity.
27. The members of SKDRDP and Kudumbashree, said that membership in the group has helped in the significant reduction of poverty, have made them to feel more independent and has increased their standard of living.
28. Majority of the respondent agreed that time of association got significant impact on the benefit derived from groups. The longer the duration of membership in the group the better the benefit they receive from the group.

29. The respondent agreed that group programmes helped them to come forward to become self dependent and self employed which in turn ensures their well being and growth. They have also learned to take decision regarding socio-economic matters.
30. Majority (95%) members of SKDRDP and Kudumbashree marked income less 3000 before joining the SHG\NHG, but after becoming the member in the group they started earning reasonably. The awareness of opportunities created by the organization helped them to start their own ventures which help them to be economically independent and contribute to the household income. The increase in income also becomes a cause for increase in expenditure too, which shows improvement in standard of living of the respondents.
31. The member's respondent that after joining the group their well-being has been raised.
32. The members of SKDRDP and Kudumbashree opined that their confidence level, independence, self-respect, reduction in poverty, family acceptance, improvement in standard of living has been increased after joining the SHGs.
33. The members of SKDRDP and Kudumbashree reveals that their social skills such as organisation skill, group cohesiveness, interactive skills, public speaking, awareness on rights, awareness on social problems acceptance in the society and participation in social programmes has become high after becoming the members of SHGs. Social empowerment of rural women is experienced through free movement of women and free expression of their views.
34. The members of SKDRDP and Kudumbashree reveals that self-help group activities has brought greater economic empowerment among rural poor women through increase in income, change in savings pattern, expenditure patterns, income generating activities, providing financial security and through reduction in poverty.
35. “There is no significant difference between the various demographic factors of SHG members promoted by SKDRDP and Kudumbashree” is rejected as test chi-square shows that all most all the demographical factors shows highly significant difference except in case of monthly income and place of residence.
36. The Man Whitney test z value indicates that there is a significant difference between the levels of satisfaction towards the performance of the group among

the members of both the institution. Performance among SKDRDP members is significantly higher when compared to Kudumbashree as $p=0.008 < 0.01$.

37. The Wilcoxon signed rank test Z value shows that, the change in income before joining the group and after joining the group has significantly increased with $p=0.000 < 0.01$ and there is a high significant difference in the income of the respondents before and after joining the group of SKDRDP and Kudumbashree.
38. Mann Whitney test Z value test value shows that there is no significant difference in the level of overall empowerment among the members of SKDRDP and Kudumbashree, as $p = .317 > 0.5$.
39. Mann Whitney test Z value reflect that there is no significant difference in the level of personal empowerment among the members of SKDRDP and Kudumbashree, as $p = .076 > 0.5$.
40. Mann Whitney test Z value test value indicate that there is no significant difference in the level of social empowerment among the members of SKDRDP and Kudumbashree, as $p = .419 > 0.5$.

6.2. Suggestions

In order to make the reach of microfinance through self help group more viable and purposeful in nature and to bring women into the main stream of development through socio economic empowerment. The following few suggestion based on the finding of the study is pointed out below:

- ❖ Most of the members of SKDRDP self help groups are illiterate. Education is an important factor for empowerment. Hence, the prime objective for empowering rural poor women can be achieved through educating them. Effective measures should be taken to implement Adult literacy programmes through non-formal education centre to make the task of empowerment easier.
- ❖ It is observed that in SKDRDP group majority of member belongs to the age group of 41-50 whereas in Kudumbashree group 20-30 years. Both the institution should take necessary care to motivate the more and more poor rural women of all the age groups to become the member of SHG and enough the benefit of socio-economic empowerment.

- ❖ Majority of the respondent belong to the Hindu religion, cast and religion should not affect the functioning of the group activities. The formation of the group should be free from such bias and it should be purely based of the socio-economic background of the member.
- ❖ Majority of the respondent have taken initiative to become the member of the group to avail the loan facilities, so it is the responsibility of the officials of both the institution to create proper awareness about the main motive of microfinance and make the group members familiar about various products and services available under microfinance.
- ❖ When compare to social empowerment the satisfaction level toward economic empowerment is low among the members of Kudumbashree, the officials should step forward to motivate the members towards self employment to generate a regular source of income.
- ❖ Most of the respondents lack entrepreneurial skill; hence institution should promote more and more entrepreneurial activities to enhance the entrepreneurial skill by providing proper training and guidance related to entrepreneurial activities.
- ❖ For getting 100 per cent repayment of loan. The groups with effective repayment should be supported with special incentives which will motivate the other groups to repay the loan promptly.
- ❖ Among the sample 124 (20.70 per cent) of the respondents mark neutral for increase in saving after joining the group. Therefore, both the institution should take necessary steps to inculcate saving habit among the rural women and should create awareness about the future benefits of saving.

6.3. General suggestions

Women empowerment serves as a mantra of microfinance for attaining sustainable development especially in developing country like India. The aim of women empowerment through microfinance helps to identify the problems and issues that creates an impact on the growth and involved on women's in social economic activities. SHGs through microfinance ensure active participation of women in income generation, creation of savings, expenditure handling and improvement in standard of living.

- The institutions undertaking microfinance activities should give financial as well as moral support to poor women to use their entrepreneurial skill and start their own business enterprises, which serve as a best remedy for poverty eradication and for improvement in standard of living.
- The institution should take proper initiatives to promote the entrepreneurial activities by supporting them in promoting their product and services by arranging exhibitions and trade fairs.
- Government should take active participation in fulfilling the aim of microfinance, by providing liberal loan facilities to the SHGs members to promote self-employment and entrepreneurial activities.
- The institutions promoting microfinance activities should organize regular training programmes to improve the skill and knowledge of SHG members.
- More and more seminars and conference should be conducted in this filed to get updated with the changing need of rural and urban poor.
- Need of Strict regulatory frame work to avoid unethical practices in microfinance sectors.
- Group norms should be strictly evaluated and a proper group appraisal mechanism should be adopted to identify the effectiveness and efficiency of the group.
- The institutions should implement proper credit mechanism to reduce the various risk involved in microfinance sector.
- To problems in the area of women empowerment should be effectively address to bring women into the main stream of microfinance services.

6.4. Conclusion

Microfinance through SHGs brings a greater impact on the concept of women empowerment. It focus on lifting up the status of women in the society. It has become a stepping stone for the poor women, to bring social, economic, politically and educational empowerment. The study shows a greater impact of microfinance programme through SHG in both Kerala and Karnataka.

The overall results of the study reflect that microfinance through SHG has considered as an effective measure for rural poor women empowerment in the area taken for the research. The findings of the research justify the effect of SHG on rural poor women empowerment, by inculcating saving habit and by developing various skills to lead a standard life. The study found that overall empowerment is remarkable after joining the group. The conduct of regular meeting by SHG members helps them to develop social behavior, decision making skills, communication skill^, confidence level, awareness and so on and this skills help them to express their requirement, issues and problem with government officials and bank employees. Most of the respondents lack entrepreneurial skill so there is a need to create awareness regarding the overall goal of SHG. The officials of both the institution should take necessary care to see that the SHG members are using the acquired social, personal and various other skills in effective way to generate a regular source of income through micro entrepreneurial activities which helps for greater economic empowerment. In nutshell the empowerment level of SHG members of both SKDRDP and Kudumbashree has increased after becoming the member of SHG.

6.5. Scope for further research

- A comparative study between women and men SHG members can be undertaken.
- The future perspective and challenges of microfinance institution can be studied.
- Impact of technology on rural women empowerment can be undertaken.