

# **Self Help Groups and Women Empowerment: A Study of two districts in Telangana**

To be submitted for the Degree of  
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**By**

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## Chapter 7 Conclusion

### 7.1 How Conclusive is the Evidence?

My dissertation explores the effect on “Women Empowerment” among women belonging Self Help Groups who have availed loans through Bank Linkages in Telangana. The main objective was to analyze the socioeconomic conditions and entrepreneurship skills of members of selected SHGs during their Pre SHG and Post SHG periods. The study draws on the quantitative and qualitative evidence from a unique dataset generated by a survey of 300 households selected for my field research work in the Miryalaguda Mandal from Nalgonda District and Khammam rural Mandal from Khammam district. The women chosen belonged to SHGs and had availed loans through Banks and engaged in some form of entrepreneurial activity. The motivation for the dissertation derives from evidence suggesting that access to finance is an important tool for reducing inequality and boosting confidence among women thereby making them feel empowered. The self help groups that were chosen are a bit matured ones and yet there were surprising results that some of the women interviewed still felt that they were not capable of making decisions. The question is whether there is a pattern and commonality in the variables that influence such capacity among women. Decision Making, and Asset Creation are chosen as variables to measure if the women felt empowered or not. While Decision Making measures empowerment as a social variable, Asset building measures empowerment as economic variable.

By applying different statistical models to the primary data, could get some empirical evidence and analyze the relationship between different variables that contributed in the

measurement of women empowerment across different SHGs in the two mandals. In the empirical part, Logistic Regression is used to understand the Decision making variable and Linear Regression to analyze the Income Generation variable and their contribution to the study of women empowerment. My dissertation contributes to the empirical literature on the impact of access to loans through Bank Linkages by SHGs on Women Empowerment and women welfare in general.

Having chosen the indicators to measure the strengths and limitations of women empowerment, what can be concluded about whether or not the empowerment of present study results in positive development outcome? As observed from my literature review, most studies capture some possible slice of empowerment and not the complete picture. The study conducted follows the same path. Factors such as education, employment, and healthy marriage or kinship conditions among the women in the chosen SHGs gave them more social empowerment in terms of Decision Making, choice, options, control, or power over their life conditions and economic empowerment in terms of Asset creation, Income Generation, increased purchasing power in household items etc. This in turn led to better outcomes for their families especially improved overall wellbeing of their children.

## **7.2 Do women feel empowered?**

### **7.2.1 General Observations**

The women that are in the sample set exhibited improvement in their

Financial situation that reflected in how well they invested the loan amount and managed their businesses in terms of managing cash flow, asset building and spending on lifestyle improvements.

Overall Personality improvement in terms of self-confidence, social recognition and self-sufficient.

Family wellbeing especially matters relating to their children.

### **7.2.2 Feeling Socially Empowered:**

Decision Making by women when belonging to a SHG and having access to loan through Bank Linkage Programs plays an important role in making her feel empowered. From my data and analysis, it can be concluded that factors such as Education, interaction with the other members in the SHG, taking loan to start an entrepreneurial activity makes her gain confidence in taking decisions for herself and her children in terms of immunization for the kids, choice of schools etc., and also to buy simple assets like TV, cows, fan etc. Hence leading to a social wellbeing and a general feeling of empowerment.

### **7.2.3 Feeling Economically Empowered:**

It can be concluded that in order to measure Economic Empowerment among women belonging to a SHG and having access to loan through Bank Linkage Programs, my choice of an asset over income generation is quite impressive. Factors like Husband's occupation, interaction with the other members in the SHG, amount repaid and balance amount of the loan to start an entrepreneurial activity and to acquire simple house hold assets like TV, fan, other assets such as poultry influence her decision in acquiring a bigger asset like land.

When women acquire an asset such as land with their own entrepreneurial activity, it is observed that she feels economically empowered and the analysis of the data collected also strengthens this argument.

#### **7.2.4 Policy recommendations for Stakeholders such as Government, NGOs and Banks**

- Create awareness about the functioning of Self Help Groups. Proper awareness about the functioning of an SHG and benefits of joining such groups has to be created among women especially less or uneducated women. This can be done by new government programs and/or strengthening the existing programs that are in place today. Awareness has to be created among the family members as well since they are the supporting structure for the women in the SHGs.
- The Government and NGOs need to provide training for any type of entrepreneurial activity that the members may choose.
- Government can support the linkages to these micro enterprises with medium and large scale industries for marketing purposes. Modi government has already begun doing this as e-marketplace. Nevertheless this has to be communicated with the SHGs and provide them training about how they can sell their products through the medium, thus eliminating middlemen.
- From my analysis, it is understood that the women need family support to become successful entrepreneurs. Therefore counseling programs should be arranged for the members of the woman's family members by government, NGOs, or even banks that these SHGs link up with.

- Apart from marketing, these entrepreneurs should be trained in basic accounting and banking so that they can keep track of their business transactions and P/L statements and plan the future growth.
- Another suggestion is that to actually allow the banks to finance the projects that are brought forward by the women in the SHGs to the fullest extent so that the business can grow much better.

#### **7.2.5 Scope for further research**

The present study is limited in scope. It has covered SHG members engaged in entrepreneurial activities in only two districts wherein the SHGs are a bit matured. Though it is appropriate to conduct Random Control Trials to study the women empowerment among the sample set chosen, but it can be extended to larger groups and also a study can be done on the same sample over intervals of time so that we can study the impact on the group.

There is a scope to conduct a similar study on SHGs that are new and have more youth in them whose entrepreneurial activities maybe different than the ones that I have studied for example opening an internet café in their village.

Another scope for further research that I see is that when women invest their earnings from entrepreneurial activities on their children, a study can be done on the effect of the human capital that is being developed in the future.

