

SELF HELP GROUPS – DEVELOPMENT, STRATEGY AND BEST PRACTICE TO PROMOTE WOMEN EMPOWERMENT

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ABSTRACT

Self Help Groups (SHGs) are community-based organizations that consist of small groups of people, usually from similar socio-economic backgrounds, who pool their resources to form a savings fund. These groups are an essential part of microfinance and community development initiatives. SHGs have played a significant role in empowering women in many parts of the world. SHGs provide a platform for women to come together, learn, support each other, and collectively work towards their economic, social and political empowerment, by enhancing their skills, providing financial resources, and creating a supportive environment, SHGs empower women to take charge of their lives, families and communities, leading to positive and sustainable social change. The formation of SHGs and the strategies employed in their establishment are crucial components for their success and effectiveness in empowering communities, particularly women.

Keywords: SHGs; Women Empowerment; Development Model; SHGs formation; SHGs strategies

INTRODUCTION

Promoting Women's empowerment through Self-Help Groups involves a combination of development initiatives, strategic planning, and best practices. A SHG is a group of about 10 to 20 people, usually women, from a similar class and region, who come together to form savings and credit organization. They pooled financial resources to make small interest bearing loans to their members. This process creates an ethic that focuses on savings first. The setting of terms and conditions and accounting of the loan are done in the group by designated members. The socioeconomic improvement of any country is not possible without the progress of women. For the sustainable development of any economy, it is essential women has equal participation in its progress. Any economy which neglects the equal role of women can move forward with its strategy for growth. India is passing through the worst crisis after independence; the growth rate is increasing combined with the increased debt burden. The investments have

decreased and the consumption has reduced. It is going through a phase of poverty, unemployment, retrenchment and misery. Today, more than ever before, we badly require fundamental changes so that stable development and harmony are ensured

DEVELOPMENT MODEL OF SHGs:

Powerful savings and credit groups run and run by the community itself need talented and dedicated development facilitators, a strong team of leaders, and members who are enlightened and warned. Therefore the governance of Self-Help Groups that promote democratic culture is critical to their success.

The emergence of policies or rules and regulations of self-governance, participatory decision-making, diligence and self-discipline among team members coupled with a strong law enforcement system are sufficient conditions to demonstrate transparency in party operations.

These rules are regulations that are not just statements but show an understanding of the group's practices by members in their conduct in the activities of the group. Group rules and regulations,

therefore, need to capture the nature of the conflict in the day-to-day operations of the group and provide appropriate solutions.

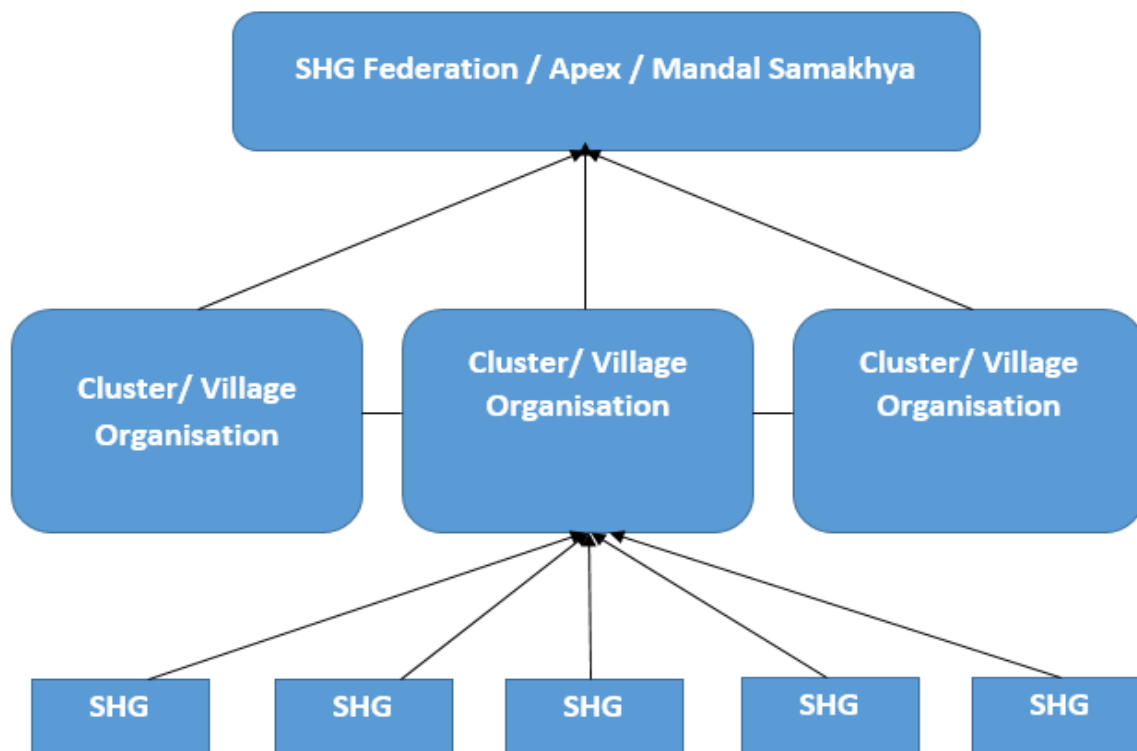


Figure: Formation of SHGs

Relationship management and service agencies - Banks, SHPI / DRDA etc.

While the stability of group membership is strongly encouraged, it is possible that a few members may be included in the groups to gain the advantage of group size, other rebellious members may be fired, in which case the parties may make a case analysis and make the right decision. However, the key objectives of the party and the rule of law should not be overlooked by leadership responsibilities.

Group meetings include a time when members meet periodically or briefly to discuss group activities and decide on their future actions. All activities in the Self-Help Group focus on meetings where members have access to savings and credit services, share

experiences, learn from each other and receive education and training.

A meeting is a forum for grouping and facilitates the sharing of information between members.

Meetings should be convened from time to time according to the will of the members.

Although meetings are usually facilitated by members, it is clear that the most important members are able to fulfill the financial responsibility of the group. In other words, savings, debt and record keeping functions must meet at a meeting at least once a month Meetings should be held at a jointly determined time, date and time. In other words, the meetings are held in the same location, on the same day, and at the same time.

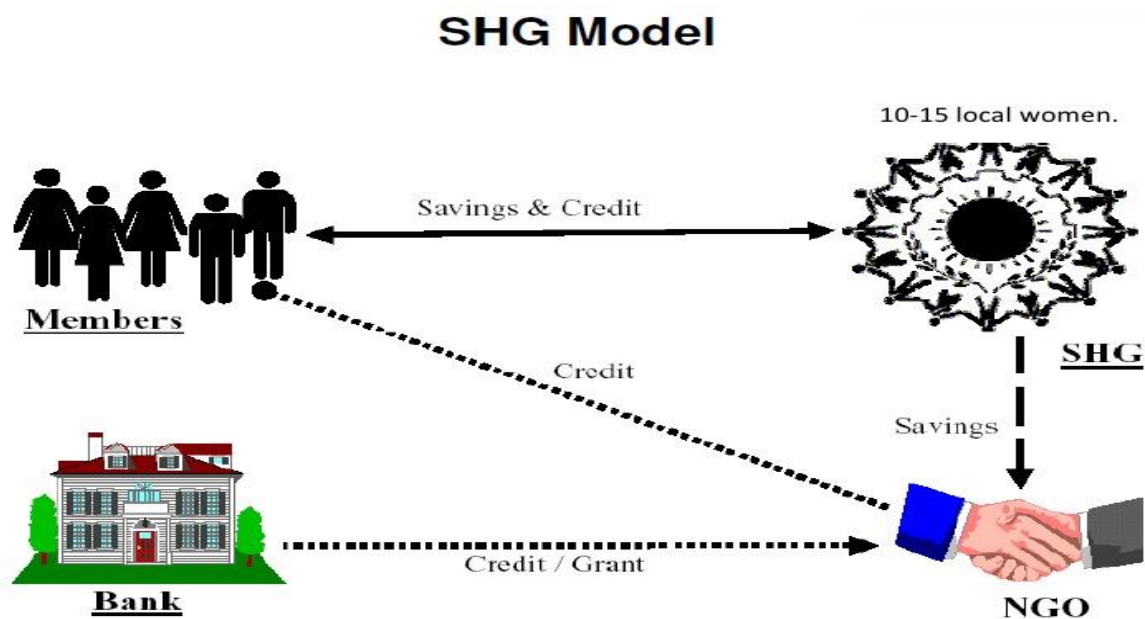


Figure: SHGs Model

Where there is no regular meeting place, meetings may be held in each member's home.

Participatory participation in discussions with all members should be encouraged to express open and frank ideas. However, the involvement of non-members in the decision-making process should be strictly prohibited.

A well-organized agenda for a group meeting in the exact sequence of tasks to be followed (i.e., attendance, review of previous meeting decisions, savings, payments, loans and social problems) will make the meetings a success.

To discuss other social and social issues and financial mechanisms available to consolidate the group's strengths.

Sharing of various responsibilities between members during the meeting process.

Visits by members taken before the start of discussions at the meeting enable members to participate effectively.

Meetings should be held almost entirely by members; any absence of members should be taken seriously.

Penalty provisions such as fines, penalties, etc.

Absenteeism is often encouraged by holding or delaying other members' benefits.

SHGs best practices:

The duration and quantity of the reservations determined by the members of the group themselves retain the power of the poorest member among them to pay the agreed amount at the pre-determined intervals.

Minimum compulsory contributions should be made by all members.

Withdrawals of compulsory contributions are not permitted unless the member withdraws from the basic membership.

Teams should insist on timely donation of members.

The parties must collect a cash advance in the presence of all members only during the meetings.

The set-up fundraiser should be used for lending to team members and should not be kept idle.

Conditional terms such as fines, penalties, etc. It should be enforced for late payment or failure to pay.

Persistent non-payment of contributions made by members is often discouraged by holding or delaying other members' benefits. Occasionally late

payment / non-payment fees include payments, higher loan rejection or longer waiting periods. Delayed thrift contributions must not be received outside meetings.

Group formation (formation, development and strengthening of groups that have transformed into self-governing bodies at the grassroots level): In our society, members are connected with various responsibilities such as society, blood relationships, place of birth, employment, economic status, etc. Facilitators should identify these natural groups called „Affinity Groups“. Identifying that Participation Group is critical to the sustainability and success of the Self-Help Group. This may require spending time with people to form a proper understanding and to build relationships with them. Therefore, while forming Groups, facilitators must recognize the natural and institutional obligations that exist in the community.

Strengthen the group through fundraising and credit work among members and building their Group Corpus. The group takes loans from within the members of their Group Corpus. Parties should always save and start lending to members. This gives members the opportunity to acquire the skills to prioritize scarce resources, assess each member's strengths, apply for a loan and a payment system and adjust interest rates. This group includes the need to impose sanctions on misconduct, which may include delays in payment of payments, late arrival or absenteeism, etc.

Micro finance, Group Corpus is supplemented by a Revolving Fund approved as a cash limit by banks or a group can also obtain loans under the Self-Help Group-Bank Linkage Program NABARD.

With the development of small businesses, the Group takes over the Economic Activity, in their view to make money. This phase will include

business development and skills training for team members to be able to successfully carry out selected tasks. All Groups, especially Groups made up of low, poor, poor and impoverished members may not graduate from the Micro business sector within the allotted time. Such teams can stay in the Micro-Finance sector for a long time and may need intensive training and empowerment to achieve higher income levels.

SELF HELP GROUPS (SHGs): DEVELOPMENTAL PARADIGM:

Villages face problems related to illiteracy, lack of health skills etc. These are problems that cannot be solved on their own but that can best be solved by team efforts. Today these so-called Self help groups have become a vehicle for change for the poor and discriminated against.

A self-help group is a way to organize poor and marginalized people to come together to solve their individual problems. The SHG method is used by governments, NGOs and others around the world. The poor collect the money they have saved and keep it in banks. With their acquisition they gain easy access to loans with a small amount of interest to start their own small unit business.

A dignified life is the right of all citizens. Poverty is an obstacle to a dignified life. Self-employment is an important step in having more money and removing the chains of poverty. The self-employment program for the poor has become an integral part of the anti-reduction programs spent on government programs in rural India. The government has introduced an effective self-employment program 'Swarnajayanti Gram Swarozgar', or SGSY. The SGSY will be funded by the institution and the provinces at a rate of 75:25. With the intervention of SGSY, the previous plans of the IRDP, TRYSEM, DWCRA, SITRA, GKY and MWS are no longer applicable.

Self Help Groups (SHGs): formation & strategies

Features of SHGs	
A. Strategy	<ul style="list-style-type: none"> ▪ Conceived as a holistic programme of self-employment. It covers all the aspects of self employment of the rural poor, viz. organizing them in SHGs, their capacity building selection of key activities, planning of activity clusters, infrastructure build-up, technology and marketing support.

B. SHG Formation	<ul style="list-style-type: none"> ▪ Specifically SHG members from BPL families with some exception for a few marginal APL families if acceptable to the BPL members of the group.
	<ul style="list-style-type: none"> ▪ Group size of 10-20 persons, with the exception of deserts, hills and disabled persons where the number of members may vary from 5 to 20.
	<ul style="list-style-type: none"> ▪ Special focus on the formation of exclusive women Self-Help Groups. 50% of the groups formed in each block should be exclusively for women.
	<ul style="list-style-type: none"> ▪ SHGs are normally formed by NGOs, CBOs, Animators, Network of Community-based Coordinators, or team of dedicated functionaries of the government.

MARKETING STRATEGIES:

In the small business sector, the costs of 'entry' and 'exit' were low. However, these costs were high for those poor earners who set their own goals for self-employment. That also explained their high risk. However, as small businesses grow in size they tend to explore even into areas with higher acquisition value and better revenue.

While leaving a low-key line, volume product lines / activities are potential first-generation entrepreneurs entering these areas. This was happening when existing markets were approved. If they are not allowed the competition is intense and no newcomers work under constant pressure.

Risk factors are minimal if one is able to access market intelligence or data. Only then can one enter the existing market. Two market strategies, namely, market penetration and market structure can be followed to identify self-sufficiency. In this case, market penetration should be discussed first.

Under this strategy, a new entrepreneur was trained to enter the market with an inexpensive look. Usually, the focus was on body placement in the market. New market design innovations, more self-rental methods, price competition, etc. Market construction has very high risk factors.

The use of this strategy requires a thorough market analysis. While large investments enable businesses to grow above local markets, the level of investment has always been a decisive factor in exploring non-domestic markets. Market acceptance of the product

/ service was important. However, many other factors such as the flexibility of machinery and equipment in competitive use, the level of professional development and management technology determine the speed at which these adapters can respond to opportunities. Rural SHGs can also reach the last urban markets and officials by telephone.

The program, these meetings, emphasizes the importance of groups, the formation of groups and their importance in initiating income-generating activities. Members are informed of the income-generating opportunities and credit facilities offered by various financial institutions to start such a business. The strength of a team and its resilience depend on the support that goes into building teams. Group flexibility actually reflects the type of motivation the group has achieved. Training is the most important way to successfully support self-help groups. The team members consist of rural women, who volunteer, who have enough time to relax and who are ready to do that business. They are also exposed to the Business Development Program as well. In this view SHGs operate in different stages.

RESULTS OF HELP SUPPORT GROUPS:

According to D'souza⁵ SHGs are actually small informal groups, characterized by voluntary membership, democratic and consultative governance structure, economic participation of members, independence, education and training and the concerns of the poor. Apart from many things, members act as a group, raising savings and lending to the group to meet the needs of creditors. The creation of a regular fund through the regular

provision of members and loan insurance with small documents and often without security, are actually essentials for SHGs. Fundraising in the early stages can be very low for these groups. Such funds, although small, will be funded by external sources in particular, bank loans or grants provided to NGOs, which they promote. SHGs provide the first member banking services characterized by cost efficiency, flexibility and automation. Assessment of members' credit needs is done periodically at group meetings. Debt claims are resolved within the agreement by mutual consent. If there is any surplus, the amount is deposited in the bank or post office. Perpetrators are given severe penalties but such incidents it is rare. There is always peer pressure from those who get loans that are very protective of failure. The influence of the group on members is very strong because it can put those who make a mistake and monitor the behavior of the members to prevent default.

CONCLUSION:

By integrating these strategies and best practices into the development process of SHGs, it is possible to create a supportive environment where women can thrive economically, socially and personally, leading to lasting empowerment and positive

community development. The strategy of empowering women will improve the welfare of society as a whole. Because women have two roles at once. In addition to the interests of himself also other family members. The networks that are formed need to be strengthened in order to provide a business foundation for women and their groups. The group with its members is expected to have the spirit to build to face a better future. Collaboration needs to be initiated and carried out with many parties, especially with non-governmental organizations at the regional level so as to enable a joint business network to be formed. Cooperation is carried out to give maximum role to the community in decision making. Empowerment of women is needed as an effort to increase and actualize their potential so that they are more able to be independent and work, alleviate them from limited education and skills, and oppression due to discriminatory treatment from various parties both in political, economic, socio-cultural and law. In addition, it is also necessary to increase the absorption and adoption of technology as a strategy for empowering women in all development processes through improved education, training and skills training, appropriate and innovative technology.

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