

Skill Development through Self Help Groups (Shgs): A Study of Women SHG Inaizawl District

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ABSTRACT: Self-Help Group consist of a group of homogenous people who come together to address their common problems. Participation in SHGs have proven to be both socially and economically empowering for the poor. Skills are imparted to the SHG members through various trainings by the facilitating NGOs. Skill development of SHG members is critical for the empowerment of the SHG members. To impart skills, various trainings are conducted by SHPIs under the initiative of NABARD. A multistage sample design was adopted for selecting the sample SHGs. The primary data was collected through structured interview schedule among the sample SHGs. For the purpose of impact assessment, the perceived social and economic skills of women before joining SHG was compared with that of after joining the group. The study tries to identify whether there was an increase in the economic and social skills of the women SHG members after joining SHGs. The study shows that skill development through SHGs had a positive impact on the social and economic empowerment of the women members. However, more training programmes should be encouraged.

KEY WORDS: SHG, Skill Development, NABARD

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I. INTRODUCTION

Self-Help Group consist of a group of homogenous people who come together to address their common problems. Participation in SHGs have proven to be both socially and economically empowering for the poor. All the members are required to undertake certain responsibilities. Skills are imparted to the SHG members through various trainings by the facilitating NGOs. Skill development of SHG members is critical for the empowerment of the SHG members. To impart skills, various trainings are conducted by SHPIs under the initiative of NABARD. During 2010-11, skill development programme were conducted on Flower making, tailoring, handlooms, handicrafts, carpentry, bag making, mobile making etc. resulting in developing skills of 540 beneficiaries. (State Focus Paper, 2012-2013, Mizoram State).

II. STATEMENT OF THE PROBLEM

Women workforce participation is immense in Mizoram. Mizoram also have a large network of women association. They could be mobilized to undertake the SHG programme for capacity building and skill development of poor women. Therefore, there is a need to study the impact of microfinance especially among the women SHG members.

III. OBJECTIVES OF THE STUDY

To examine the extent of skill development through SHG among the women SHG members in Aizawl District.

HYPOTHESIS

The main hypothesis of the study is:

“Participation in SHGs leads to skill development of the Women SHG members”

SAMPLE SIZE

The total number of savings linked Self Help Groups as on 31.03.2011 in Aizawl District was 2,854 as recorded by State Focus Paper (2011-12). The average members in Self Help Group were found to be 10 members; therefore, the population of the study was taken at 28,540 individual SHG members. With the help of Sample Size determination software, the calculated sample size was found to be 380 SHG members at 95% confidence level and confidence interval of 5.

SAMPLING METHOD

A multistage sample design was adopted for selecting the sample SHGs. The primary data was collected through structured interview schedule among the sample SHGs. The process of multi-stage random sampling adopted are as follows:

First Stage: Identifying the area of SHGs operating in all the 5 Rural Development Block in Aizawl District viz. Tlangnuam block, Thingsul block, Phullen block, Darlawn block and Aibawk block. List of SHGs were obtained from NGOs facilitating the groups.

Second stage: 38 SHGs were selected from each of the 5 Rural Development blocks of Aizawl District by using simple random sampling with replacement under probability sampling method. Thus, in all 190 SHGs were selected.

Third stage: From the selected 190 SHGs, 2 individual members were again selected by using simple random sampling. Thus, 380 SHG members were covered under the study.

SOURCES OF DATA AND DATA COLLECTION METHOD

Both primary and secondary data were used for the study. The primary data were collected through interview schedule from SHG members. The secondary data were collected from various Government departments, NGOs and Banks. Relevant data were collected through pre-structured questionnaire schedule, covering both qualitative and quantitative aspects of SHGs and their members before and after participation in microfinance programme.

SCOPE OF THE STUDY

The impact of microfinance in the lives of the poor can be economic, socio-cultural and psychological. The study is concentrated only on the impact of skill development for enhancing the economic and social skills of the women members.

For the purpose of impact assessment, the perceived social and economic skills of women before joining SHG was compared with that of after joining the group. The study tries to identify whether there was an increase in the economic and social skills of the women SHG members after joining SHGs. The parameters taken for measuring economic skills were

The study is confined only to the women SHGs functioning in Aizawl District. The study covers the 5 Rural Development Block in Aizawl District viz. Tlangnuam block, Thingsul block, Phullen block, Darlawn block and Aibawk block. List of SHGs were obtained from NGOs facilitating the groups.

IV. DATA ANALYSIS

Excel and SPSS, a standard statistical software tool were used for analyzing the data collected. Correlation Analysis and z-test for 2 sample means were employed for analyzing the data.

Empirical findings of the study:

Skill Development for Economic Empowerment of SHG Members

The type of training conducted for economic empowerment of members include training on book keeping, financial management, marketing skills, business skills etc.

Training Attended by SHG Members

70.8% of the sample SHGs have participated in training and 29.2 % have not attended any kind of training. The reason being no training was organised by the SHPIs for the SHG members.

Table 1 : Frequency distribution of training attended by SHG members

Training attended	Number of SHG members	No. of SHG members in percentage
Yes	269	70.8
No	111	29.2
Total	380	100

Source: Primary data

Number of Training Attended by SHG Members

The average number of training attended by SHG members was 2.05. NABARD, in Mizoram is taking active role in promoting and sponsoring different capacity building and skill formation activities through NGOs and other SHPIs. 20.3% of the members attended training once, 15% attended training twice, 10 % attended training thrice, 11% attended training four times and the rest of the members (14.2%) attended training more than 5 times. Table 4.13 reveals that the frequency of training conducted were few in number, therefore more training and capacity building activities should be encouraged by the SHPIs.

Table 2 : Frequency distribution of number of training attended by SHG members

Number of training attended	Number of SHG members	Number of SHG members in percentage
0	111	29.2
1	77	20.3
2	57	15.0
3	38	10.0
4	43	11.3
5	15	3.9
6	14	3.7
7	14	3.7
8	5	1.3
9	1	.3
10	5	1.3
Total	380	100.0

Source: Primary data

Type of Training Attended by SHG Members

The type of training attended for skill development which would promote the economic empowerment of the SHG members were book keeping and accounting, business skills and marketing skills. Book keeping and accounting were new to many members, financial literacy is low among members and very few have knowledge about marketing their products. SHPI also conduct training on how to dye clothes, make candles, make folders, etc.

Table 3 : Type of training attended by SHG members

Training	Book keeping and accounting	Business skills	Maketing skills
Yes	56.3	27.6	20.3
No	43.7	72.4	79.7
Total	100.0	100.0	100.0

Source: Primary data

Skill Development of SHG Members

There seems to be an improvement in the skill development of members after microfinance intervention for majority of members as shown in the Table .

Table 4 : Skill development for economic empowerment of SHG members

Skills	Book keeping and accounting		Marketing Skills		Business skills	
	Before	After	Before	After	Before	After
Extremely poor	27.3	6.0	1.0	9.4	6.0	3.4
Poor	40.7	41.7	50.7	41.9	46.5	37.5
Satisfactory	22.3	34.5	26.8	32.0	27.0	35.4
Good	9.4	16.8	10.8	15.7	19.7	22.4
Excellent	.3	1.0	.5	1.0	.8	1.3
Total	100	100	100	100	100	100

Source: Primary data

HYPOTHESIS TESTING

Null Hypothesis (Ho): There was no significant increase in skill development for economic empowerment of members after joining microfinance programme.

Alternative Hypothesis (Ha): There was significant increase in skill development for economic empowerment of members after joining microfinance programme.

Table 5: z- test on skill development for economic empowerment of SHG members

z-test	Book keeping (before joining SHG)	Book keeping (after joining SHG)	Marketing skills (before joining SHG)	Marketing skills (after joining SHG)	Business skills (before joining SHG)	Business skills (after joining SHG)
Mean	2.147368	2.65	2.389474	2.573684	2.628947	2.802632
Observations	380	380	380	380	380	380
Hypothesized Mean Difference	0		0		0	
Z	-6.9283		-2.53917		-2.39407	

Skill Development Through Self Help Groups (Shgs): A Study Of Women SHG Inaizawl District

P(Z<=z) two-tail	4.26E-12	0.011112	0.016662
z Critical two-tail	1.959964	1.959964	1.959964

Statistical tool used: Excel

The z value at 6.92, 2.53 and 2.39 for book keeping skills, marketing skills and business skills were greater than the critical value of 1.96 and the p value (4.26E-12)<0.05, (0.01)<0.05 and (0.016) < 0.05, Ho is rejected and Ha is accepted. Thus, it can be concluded that there was a significant improvement in the skill development for economic empowerment of SHG members post microfinance intervention.

SOCIAL SKILL DEVELOPMENT OF MEMBERS AFTER JOINING SHG

The parameters taken on training for development of social skills were trainings on leadership and motivation, communication and negotiation and lastly training on social awareness and awareness of governmental schemes.

Training Attended

The percentage of SHG members who have attended trainings on developing social skills was very low. This was mainly because training for developing social skills was not conducted regularly by SHPIs. Only 38.2% of members have attended training on leadership and motivation, 16.8% of members on government schemes and social awareness and 13.2 % of members on communication and negotiation. Only 7.9% of members have attended training on health and sanitation.

Table 6: Training attended on developing social skills

Training	Leadership and motivation	Government schemes and social awareness	Communication and Negotiation	Health and sanitation
Yes	38.2	16.8	13.2	7.9
No	61.8	83.2	86.8	92.1
Total	100.0	100.0	100.0	100.0

Source: Primary data

Social Skill Development

Despite the fact that very little training were conducted for development of social skills of the SHG members, there was an improvement in the social skill development of SHG members as shown in the table 7

Table 7: Social skills development of SHG members

Social skills	Leadership		Communication/ Negotiation		Social awareness	
	% of members (Before joining group)	% of members (After joining group)	% of members (Before joining group)	% of members (After joining group)	% of members (Before joining group)	% of members (After joining group)
Extremely poor	20.3	11.8	10.0	3.2	18.2	15.0
Poor	42.4	33.9	37.4	24.7	58.7	51.3
Satisfactory	31.1	44.5	32.4	36.8	17.6	24.2
Good	6.2	9.7	19.7	33.4	5.5	9.2
Excellent	0	0.1	.5	1.8	0	.3
Total	100.0	100.0	100.0	100.0	100.0	100.0

Source: Primary data

To test the research hypothesis and validate the research finding that there was indeed a significant improvement in the social skill development of SHG members after microfinance intervention, z - test was employed at 95% level of significance.

HYPOTHESIS TESTING

Null hypothesis (Ho): There was no significant improvement in the development of social skills of SHG members after microfinance intervention.

Alternative hypothesis (Ha): There was significant improvement in the development of social skills of SHG members after microfinance intervention.

Table 8 : z-test on social skills of SHG members

z-test	Social awareness		Communication & Negotiation		Leadership and motivation	
	Before	After	Before	After	Before	After
Mean	2.105263	2.284211	2.634211	3.063158	2.223684	2.521053
Known Variance	0.925463	0.876904	0.860568	0.771726	0.946372	0.912045
Observations	380	380	380	380	380	380
Hypothesized Mean	0		0		0	

Difference					
Z	-2.46662		-6.5448		-4.09894
P(Z<=z) two-tail	0.01364		5.96E-11		4.15E-05
z Critical two-tail	1.959964		1.959964		1.959964

Statistical tool used: Excel

The z value at 2.46, 6.54, 4.09 for testing improvement in social awareness, communication/negotiation and leadership skills were respectively greater than the critical value of 1.96 and the p value at 0.013 < 0.05, 5.96E-11 < 0.05 and 4.15E-05 < 0.05 therefore, Ho is rejected and Ha is accepted. Thus, it can be concluded that there was a significant improvement in the social skills of SHG members post microfinance intervention.

Satisfaction Level on Training Programmes

The satisfaction level of SHG members with regard to training conducted by SHPIs/ Banks etc. was analyzed. The variables taken were training on book keeping, training on leadership, financial management, health & nutrition, marketing skills formation and social awareness training.

Satisfaction on Book Keeping, Leadership Training, Financial Management and Health Issues Training

The overall satisfaction level was high; 68.7% were satisfied with the training on book keeping, 70.3% of members were satisfied with the leadership training, 65% of members were satisfied with the training on financial management and 56.8% of members were satisfied with the training on health issues. On the other hand, 2.1%, 0.5%, 2.1% and 1.8 % of the members were dissatisfied with the training on book keeping, leadership, financial management and health issues respectively.

Table 9: Frequency distribution of satisfaction on book keeping, leadership training, financial management and health issues training

Satisfaction level	Book-keeping training	Leadership training	Financial management training	Health & Nutrition
	No. of Members in %	No. of Members in %	No. of Members in %	No. of Members in %
Very dissatisfied	.3	.5	.5	.3
Dissatisfied	2.1	.5	2.1	1.8
Neither	8.9	10.0	16.3	29.5
Satisfied	68.7	70.3	65.0	56.8
Very satisfied	20.0	18.7	16.1	11.6
Total	100.0	100.0	100.0	100.0

Source: Primary data

Satisfaction on Marketing Skills, Skills Formation and Social Awareness Training

The satisfaction level of SHG members with regard to training on marketing skills, training on product development and social awareness training is shown in table 9 . The overall satisfaction was high; 60% of members were satisfied with the training on marketing skills, 66.6% of members were satisfied with the training on development of products and 63.2 % were satisfied with the training on social awareness issues.

Table 10: Frequency distribution of satisfaction on marketing skills, skills formation and social awareness training

Satisfaction level	Marketing skills	Social issues & awareness	Skill formation
	No. of Members in %	No. of Members in %	No. of Members in %
Very dissatisfied	.3	.5	.5
Dissatisfied	3.4	1.8	3.4
Neither	25.5	22.6	21.6
Satisfied	60.0	66.6	63.2
Very satisfied	10.8	8.4	11.3
Total	100.0	100.0	100.0

Source: Primary data

V. SUGGESTIONS

- ⊙ The capacity –building of SHG members is a gigantic task. NABARD could collaborate with the NGOs functioning in the State.
- ⊙ More Income generating skill development trainings could be organised for the SHG members
- ⊙ Providing market linkages is essential for encouraging the SHG members to take up productive enterprises.

VI. CONCLUSION

The study shows that skill development through SHGs had a positive impact on the social and economic empowerment of the women members. However, more training programmes should be encouraged, especially income generating skill development should be given due importance. There is a need to graduate these SHGs to microenterprise groups.

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