A STUDY ON BENEFITS DERIVED FROM THE SELP HELP GROUPS BY MEMBERS IN TIRUPUR DISTRICT

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Abstract
The SHG method is used by the government, NGOs and others worldwide. Thousands of the poor and the marginalized population in India are building their lives, their families and their society through Self-help groups. The breakthrough in the development process has been the establishment of SHGs. The socio economic study carried out in Tirupur indicates that the influence of demographic variables on any decision making variable is immense. The majority of SHGs in Tirupur do not have the ideal membership and one yet to reach their optimum size to achieve operational efficiency. Emergence of SHGs in Tirupur has been a revolution. The SHGs movement has open up economic opportunities for many. This has not only, helped the educated youth to venture into entrepreneurial activities but also serve as a powerful tool for poverty alleviation, By joining SHGs, women do have opportunity to improve their status not only economically but also in social and political life. The SHGs has been instrumental for women empowerment.

1. INTRODUCTION
Self-help group is a method of organizing the poor people and the marginalized to come together to solve their individual problem. The SHG method is used by the government, NGOs and others worldwide. The poor collect their savings and save it in banks. In return they receive easy access to loans with a small rate of interest to start their micro unit enterprise. Thousands of the poor and the marginalized population in India are building their lives, their families and their society through Self help groups. The 9th five year plan of the government of India had given due recognition on the importance and the relevance of the Self-help group method to implement developmental schemes at the grassroots level.

Self Help Group(SHGs)Bank Linkage Programme is emerging as a cost effective mechanism for providing financial services to the "Unreached Poor" which has been successful not only in meeting financial needs of the rural poor women but also strengthen collective self help capacities of the poor ,leading to their empowerment. The main aim of this paper is to examine the benefits derived from the Self-help Group in Tirupur District.

In Tirupur District a total of 14322 SHGs have been formed. In Urban areas, 5319 SHGs have been formed covering 7 Muni - cipalities and 16 Town Panchayats. In Rural area, 8009 SHGs have been formed covering (994 SHGs in TVPVP) 13 Blocks viz. Avinashi, Dharapuram, Gudimangalam, Kundadam, Madathukulam, Mulanur, Palladam, Pongalur, Tirupur,Udumalpet, Uthukuli and Vellakovil.

2. STATEMENT OF THE PROBLEM
The women in the family are trying to generate income to the family for supporting their spouse in managing the family expenditure. Self Help Group is one of the sources for the uneducated and rural women to get some short of income to the family for which they involved in some kind of activities in SHG. But some of the self help group uses the fund in business activities by which they can derive more benefits rather than other group. In such cases the members in SHGs get regular income from the business apart from the loan borrowed from the bank. But in most of the SHGs they use the money borrowed from the bank for some other family expenses after consulting with their family members where they cannot derive more benefits like other those involve in business activities. Simply they borrow money from the bank and repay along with some interest. Here there is a necessity for comparing the benefits derived by the SHG members from the Group.

3. SIGNIFICANC OF THE STUDY
The study is to focus the various areas of activities where the SHG members can properly use the fund and generate regular income from the SHGs by all the members of the group. Hence the study is inevitable in nature. Further this paper identify various activities of the business which will help the members to derive more outcome and benefits in the study area.

4. OBJECTIVES OF THE STUDY
The prime objectives of this research study are as follows.
1. To study the demographic profile of sample SHGs in Tirupur District.
2. To analyze the benefits derived from the Self-Help Group on the bases of the   respondent's opinion.

3. To identify the issues faced by the self Help Group members in deriving the benefits
4. To know the causes for the issues faced by the respondents
5. To find out remedial measures to solve the problems of SHGs members

5. METHODOLOGY
This study is an analytical one based on primary data. Since no secondary data are available on this aspect, it was felt pertinent to collect primary data from the members of SHGs. The first step in the data collection was the identification of the number of Blocks in which SHGs are operating. It is noticed that SHGs are formed in the 13 Blocks in Tirupur district. But the number of SHGs was found to be uneven across the district.

Due to practical in convenience, it was not possible to conduct the field survey in all blocks. However, attempt was made to cover at least the major blocks in order to make the data representative. Accordingly, 500 sample SHGs, were selected by convenience sampling from 10 Blocks viz Avinashi, Dharapuram, Kangeyam, Madathukulam, Mulanur, Palladam, Tirupur, Udumalapet, Uthukuli, Vellakovil. The head of all the selected SHGs have been met and the required data was collected using a pre tested questionnaire.

6. ANALYSIS AND INTERPRETATION
The collected data has been analysed and interpreted as per the requirement of the study by using appropriate statistical tools in the ensuring text.

6.1 Demographic Profile of SHGs
The success of any group programme depends on the collective support of the members. However, the members are said to be varied among themselves in terms of their demographic characters. The socio economic studies carried out indicate that the influence of these variables on any decision making variable is immense.

Table I, Profile of Sample SHGs

YEARS OF MEMBERSHIP IN SHG

MEMBERSHIP IN SHG	RESPONDENTS	PERCENTAGE
Less than 3 years	190	38.0
3-4 years	135	27.0
4-5 years	60	12.0
More than 5 years	115	23.0
Total	**500**	**100.0**

Source: Primary Data.

Interpretation
It can be seen in Table I that among the 500 SHGs selected as samples. there are 38% SHGs which are in operation between 1-3 years. While 27% of the SHGs membership is between 3-4 years and the 12% of the SHGs membership between 4-5 years and only 23% of the SHGs in operation for more than 5 years.

TABLE II

AGE OF THE RESPONDENTS

AGE	RESPONDENTS	PERCENTAGE
Below 20Years	5	1.0
20-30 Years	100	20.0
30-40 Years	250	50.0
40-50 Years	125	25.0
50-60 Years	20	4.0
Above 60 Years	-	-
Total	**500**	**100.0**

Source: Primary Data.

Interpretation
Table II gives an account of the distribution of age of the members in selected SHGs. Age of the members determines whether groups are formed with young people or by comparatively older people. It is observed that the highest proportions of members (50%) are forming the age groups of 30-40 years, while 25% and 20% of the members are in the age groups of 40-50 and 20-30 years respectively. Only 4% of the members are above 50-60 years of age. This indicates that most of the SHGs members in Tirupur are in the middle age group and young people.

TABLE III

MARITAL STATUS

MARITAL STATUS	RESPONDENTS	PERCENTAGE
Un married	25	5.0
Married	460	92.0
Divorced	-	
Widow	15	3.0
Total	**500**	**100.0**

Source: Primary Data.

Majority of SHGs members in Tirupur are women as depicted in Table III. It is interesting to know that out of 500 SHGs members, 92% are married members, of which 5% are Unmarried and only 3% are widow. Thus the study showed that the majority of the respondents are married.

It can therefore, be concluded that SHGs in Tirupur are instrumental for women empowerment. By joining SHGs women do have opportunity to improve their status not only economically both also in social and political life. As a result of which women are encouraged to join SHGs.

TABLE IV

EDUCATIONAL STATUS

EDUCATIONAL STATUS	RESPONDENTS	PERCENTAGE
Primary school	310	62.0
Higher secondary school	85	17.0
Graduate	10	2.0
Illiterate	95	19.0
Total	500	100.0

Source: Primary Data.

Level of education is another factor that contributes to the growth of SHGs. Generally, persons with higher education search for job and seldom pursuer self-employed activities. SHG by nature is self-employed. It is evident from Table IV that majority of the SHG members do not have higher education. About 62% of them studied up to primary school, 17% studied up to higher secondary school level, 2% of them are graduates and the rest 19% of them are illiterates. Thus the study showed that majority of the respondents studied up to primary school level.

Thus, it is clear from the above analysis that emergence of SHGs in Tirupur has been a revolution. The SHGs Movement has open up economic opportunities for many. This has not only, helped the educated youth to venture into entrepreneurial activities but also serve as a powerful tool for the illiterate and poorly educated.

BENEFITS DERIVED FROM THE SHG
Joining SHGs helps its members economically as well as in enhancing knowledge about group behaviour, shouldering responsibility, social cohesion, saving habits etc. The impact of SHG is considered favourable, if it benefits the members to

develop Habit of saving, Economic independence, Self-confidence, Social cohesion, Status, Increase the sources of income, Cost of borrowing, Timely information and access to government's beneficiary schemes, Participation in administration.

TABLE-V

MEMBERS OPINION

Rank	1	2	3	4	5	6	7	8	9	Total
Habit of saving	**141**	98	88	51	9	37	22	12	42	**500**
Economic independence	96	**163**	63	40	37	27	32	30	12	**500**
Self confidence	89	65	**183**	57	28	27	24	18	9	**500**
Social cohesion	53	51	49	**206**	7	41	46	15	32	**500**
Status	40	32	28	32	**212**	51	55	14	30	**500**
Increase the sources of income	37	40	27	20	52	10	20	70	**224**	**500**
Cost of borrowing	24	17	25	64	70	18	14	**220**	48	**500**
Timely information and access to government's beneficiary schemes	11	19	20	25	30	70	**215**	41	69	**500**
Participation in administration	9	15	17	5	55	**213**	72	80	34	**500**
Total	**500**	**500**	**500**	**500**	**500**	**500**	**500**	**500**	**500**	**500** **500**

Interpretation

The major benefits of SHG is availing easy loans and utilizing them in some form of activity and earning a return out of it. of the various benefits of SHGs the major benefits according to the respondents is the habit of saving a part of the income. The other benefits are, Economic independence, Self-confidence stood at third and social cohesion at four, and states at Rank five and participation in administration at six, followed by the Timely information & access to Governments beneficiary scheme at seven, and cost of borrowing at Eight, and finally the benefit derived increase source of income and reduced cost of borrowings.

TABLE VI

AGREEABILITY SCORE ON BENEFITS DERIVED

BENEFIT DERIVED	WEIGHTED AVERAGE SCORE	RANK
Habit of saving	3.54	1
Economic independence	3.06	2
Self confidence	2.73	3
Social cohesion	2.42	4
Status	2.35	5
Increase sources of income	2.23	9
Cost of borrowing	2.27	8

Timely information & access to Govt's beneficiary scheme	2.32	7
Participation in administration	2.34	6

Source: Primary data.

Interpretation
It is seen from the above table that among the attributes on loan, the satisfaction mean score ranges from 2.23 to 3.54 and the habit of saving has secured highest mean score and stood at top, followed by the Economic independence, Self confidence finally Increase sources of income has secured least mean score and stood at last.

BENEFITS DERIVED FROM THE SHG
Factor analysis is a multivariate statistical technique used to condense and simplify the set of large number of variables to smaller number of variables called factors. This technique is helpful to identify the underlying factors that determine the relationship between the observed variables and provides an empirical classification scheme of clustering of statements into groups called factors.

Test of KMO and Bartlett's test of sphericity
The use of KMO and Bartlett's test of sphericity is primarily essential to measure sample adequacy for using Factor Analysis. The small value of KMO statistics indicate that the correlations between pair of variables cannot be explained by other variables and the Factor analysis may not be appropriate.

TABLE-VII

KMO and Bartlett's Test

Kaiser-Meyer-Olkin	Measure of sample adequacy	0.785
Bartlett's test of Sphericity	Approx. Chi-square	3286.127
	DF	36.000
	Sig	0.000

TABLE-VIII
Reliability statistics

Cronbach's Alpha	N of items	N of variables
.8856	500	9

The reliability of scales used in this study was calculated by Cronbach's coefficient alpha and normally it ranges between 0 and 1. All constructs obtained an acceptable level of a coefficient alpha above .7, indicating the scales used in this study were reliable.

Using 9 agreeability statements on benefits derived from SHG namely S1, S2, S3…….,S9, Factor analysis is performed in order to group the agreeability statements on priority basis based on the strength of inter-correlation between them and cluster these statements in to the Factors extracted and the results are presented in the following tables.

TABLE IX

ROTATED FACTOR LOADINGS

S.No	Benefits derived from SHG	FACTORS		COMMUNALITY
		I	II	
1	Habit of savings-S1	**0.642**	0.209	0.456
2	Economic independence-S2	**0.859**	0.024	0.738
3	Self confidence-S3	**0.876**	0.100	0.777
4	Social cohesion-S4	**0.812**	0.261	0.728
5	Status-S5	**0.659**	0.550	0.736
6	Increase the sources of income-S6	0.459	**0.724**	0.735
7	Cost of borrowing-S7	0.247	**0.869**	0.816

8	Timely information &access to Govt's beneficiary schemes-S8	0.173	**0.893**	0.827
9	Political participation-S9	-0.018	**0.832**	0.693
Eig.value 94		3.312	3.194	6.507
% of variance		36.804	35.491	72.295
Cum % of variance		36.804	72.295	

Table IX gives the rotated factor loadings, communalities, eigen values and the percentage of variance explained by the factors. Out of the 9 agreeability statements on benefit derived from SHG, 2 factors have been extracted and these 2 factors put together explain the total variance of these problems to the extent of 72.295 %. In order to reduce the number of factors and enhance the interpretability, the factors are rotated. The rotation increases the quality of interpretation of the factors. There are several methods of the initial factor matrix to attain simple structure of the data. The varimax rotation is one such method to obtain better result for interpretation is employed and the results are given in II.

TABLE X

CLUSTERING OF STATEMENTS INTO FACTORS

Factor	Agreeability Statements on benefits derived from SHG	Rotated factor loadings
I.(36.804%)	Habit of savings-S1	**0.642**
	Economic independence-S2	**0.859**
	Self-confidence-S3	**0.876**
	Social cohesion-S4	**0.812**
	Status-S5	**0.659**
II.(35.491%)	Increase the sources of income-S6	**0.724**
	Cost of borrowing-S7	**0.869**
	Timely information &access to Govt's beneficiary schemes-S8	**0.893**
	Political participation-S9	**0.832**

Two factors were identified as being maximum percentage variance accounted. The 5statements S1, S2, S3, S4 and S5 were grouped together as factor I and accounts 36.804% of the total variance. The 4 statements S6, S7, S8 and S9 constituted the factor II and accounts 35.491% of the total variance. Thus the factor analysis condensed and simplified the 9 statements and grouped into 2 factors explaining 72.295 % of the variability of all the 8 statements.

AGREEABILITY ON BENEFIT DERIVED FROM THE SHG
Discriminant analysis is a statistical technique which allows to study the differences between two or more groups with respect to several variables simultaneously and provide a means of classifying any object/individual into the group with which it is most closely associated and to infer the relative importance of each variable used to discriminate between different groups. A linear combination of predictor variables, weighted in such a way that it will best discriminate among groups with the least error is called a linear discriminant function and is given by:

$D = L_1.X_1 + L_2.X_2 + \ldots\ldots\ldots\ldots.+ L_K.X_K$, where Xi 's are predictor variables, Li's represents the discriminant coefficients, and D is the value of the discriminant function of a particular individuals/element such that if this value is greater than a certain critical value D*=(D1 BAR + D2 BAR)/2, the individual would be classified in group I ; otherwise the individual would be classified in Group II.

In the present study, there are three groups namely respondents with Lower agreeability on benefit derived from SHG (Group I: n1=165, respondents with Medium agreeability on benefit derived from SHG (Group II: n2= 165) and respondents with higher agreeability on benefit derived from SHG (group III: n3=170). The medium group of respondents is excluded for the analysis.

Four selected personal variables namely1. Years of membership in SHG, 2. Age of respondents, 3.Marital status, 4. Educational status, were included for the analysis and the results are furnished in the tables give above:

7. SUGGESTION
Government and NGOs should create awareness to the members of the SHGs regarding the various avenues where the SHG members can invest the borrowed money in the business like micro, small business and cottage industry business involving manufacture of dressing items, pickle manufacturing, handy crafts items etc. Further most of the SHG members informed that they do not have knowledge about the marketing channels for their products. Hence it is the responsibility of the government to identify and suggest the SHG members regarding the marketing opportunities for various types of products if they are manufactured by the SHG members. It will help them to generate and derive more benefits from the SHGs in the study area

8. CONCLUSION
The main aim of this paper is to examine the benefits derived from the Self Help Groups in Tirupur District. The major benefit of SHGs is availing easy loans and utilizing them in some form of activity and earning a return out of it of the various benefits of SHG the major benefits according to the respondents is the habit of saving a part of the income. The real change will come when women are treated at par with men and given equal opportunities. When that happens, Tirupur will be able to harness its women power. In this regard, Benefits derived from the SHGs in Tirupur is taking the lead and playing a pivotal role in Social transformation.

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