

The Process of Forming Successful Self-Help Groups (SHGs) in the SAT Village of Dokur

Report Submitted to
Markets, Institutions and Policies and the Learning Systems Unit
Hyderabad, India

By
Precious Listana

International Crops Research Institute for the Semi-Arid Tropics
Patancheru, 502 324
Andhra Pradesh, India
icrisat@cgiar.org



August 2015

Declaration

I do hereby declare that the dissertation entitled “**The Process of Forming Successful Self-Help Groups (SHGs) in the SAT Village of Dokur**” is an original and independent record of project work undertaken by me under the supervision of **Dr. MCS Bantilan** and **Dr. R Padmaja** at the **International Crops Research Institute for the Semi-Arid Tropics (ICRISAT), Patancheru, India**, during the period of my study as a World Food Prize Borlaug-Ruan International Intern.

Patancheru, Hyderabad
Date: August 12, 2015

By
Precious Listana

Dr. MCS Bantilan
Research Programme Director
Markets, Institutions and Policies
ICRISAT, Patancheru
Telangana, India

Dr. R Padmaja
Scientist (Gender Research)
Markets, Institutions and Policies
ICRISAT, Patancheru
Telangana, India

Acknowledgements

When I applied for the Borlaug-Ruan internship during mid-November, I never expected to spend two months in India. I never even thought what it meant to be more than 8,000 miles away from my family and friends.

When I stepped foot in the airplane to India on June 16th, I had a lot of mixed emotions. I became apprehensive whenever I thought about living on my own. I felt nostalgic whenever I thought about my home. But, I knew that I was determined to make the most out of my internship despite these emotions.

When my first work day ended, I knew that I was in the right place at the right time. I was surrounded by intelligent, passionate and driven people. This was the perfect environment to develop my experiences, my interests and my passions. I had a lot to learn from the scientists, the PhD students and the other interns about my respective role in addressing global poverty.

None of this personal growth would have been possible without the help of the **World Food Prize**. They are invested in providing motivated young people with hands-on research opportunities in the most prestigious science centers. The WFP has planted a seed in me that I am capable of following the footsteps of **Dr. Norman Borlaug**.

I want to personally thank **Lisa Fleming** for her undeniable support for all of the Borlaug-Ruan interns. Your passion for empowering the youth never ceases to amaze me.

My time in India has been my most life-changing experience, thanks to the **International Crops Research Institute of the Semi-Arid Tropics**. I came into ICRISAT without any idea of my work. Now, I leave ICRISAT with an in-depth understanding of the true meaning of research. I have a few people to thank for that.

Dr. MCS Bantilan, thank you accepting me as your intern. Your extra hours in the office showed me your dedication for your work. Your credentials inspire me to pursue a PhD.

Dr. Rosana Mula, thank you for welcoming me to ICRISAT with open arms. Your kindness and hospitality made me feel right at home.

Dr. R Padmaja and **K Kavitha**, thank you for always having your door opened for me. You have showed me the true meaning of the numbers behind the data. You have inspired me with your words that have given me confidence to write this report. You have been the perfect mentors. Because of your examples, I hope to one day, become the perfect mentor for someone.

Swathi and Pallavi, thank you for being the best translators and my wonderful friends. You have guided and supported me throughout this whole process. Your daily encouragements motivated me to persevere and achieve my goals for the day.

Dokur villagers, thank you for welcoming me and accepting me into your houses. All of your trust and hospitality opened my eyes to appreciate the things that I am given.

ICRISAT interns and staff, thank you for all of the interesting and educational conversations. These conversations developed me to become a global thinker. Now, I am more prepared for college because of all of you.

I am extremely grateful for the support that I received back home. Thank you to my **family- Ana Balgemino, Rica Paraiso, Olney & Nancy Fortier, Enrique & Ruby Listana, Lorenzo & Cecil Listana, Paolo Listana, Nicu Listana, and Gabrielle Listana-** for being my biggest fans. All of you never failed to check-in with me, and remind me how proud you are of me. Thank you to my **friends**, especially **Mara Liwag** and my **Tenderloin Boys & Girls Club family**, for telling me to step back and breathe when needed.

Most importantly, I want to thank my **teachers** from **Sacred Heart Cathedral** and **mentors**. I have received abundant support from the SHC community that made the transition to India easier. **Ms. Basch**, thank you for always giving me the time of your day. You have not only guided me through the Borlaug-Ruan internship process, but you always reminded me that I am destined for greatness. Last, but not least, **Ms. Kavass**, thank you for exposing me to the World Food Prize and always offering your support in every possible way. This report is dedicated to you.

Abstract

Title	: The Process of Forming Successful Self-Help Groups (SHGs) in the SAT Village of Dokur
Name	: Precious Listana
Institute	: The World Food Prize Foundation, Des Moines, IA, USA
Supervisors	: Dr. MCS Bantilan and Dr. R Padmaja
Submitted on	: 12th August 2015

The application of microfinance through Self-Help Groups (SHGs) in rural India continues to financially empower women and develop their confidence in the decision-making process. While there are various conducted research on the positive impacts of SHGs in both the micro and macro levels, there is limited research on the **process of forming successful SHGs**.

This case study analyzes the effects of environmental, social-cultural and economic problems on the semi-arid tropic (SAT) village of Dokur. The analysis of the present barriers provides a deeper understanding of the formation of active and inactive SHGs. This report aims to examine the procedural methods of SHGs to overcome the overarching problems that hinder successful group formation. Through the **qualitative analysis of the interviews conducted on the SHG leaders and focus group discussions**, the report attempts to determine the factors that form successful SHGs.

The results found in this report convey that **successful SHGs require an organized body of local officials** (Gram Panchayat and Gram Sangham) that efficiently communicates government updates with the local SHGs, **a responsible group of leaders** that can effectively cope with recurring and emerging problems, **a group of committed members** that works toward collective action, and **overall support** from families, friends and community members. Due to the historical impacts of SHGs in rural India, it is evident to research the procedural methods of forming SHGs to create more successful groups that elevate poor people from poverty and into prosperity.

Keywords: Microfinance, Dokur, Self-Help Groups, women, Village Level Studies

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Acronyms

ICRISAT	International Crops Research Institute for Semi-Arid Tropics
SHGs	Self-Help Groups
SAT	Semi-arid Tropics
IMOD	Inclusive Market Oriented Development
MIP	Market, Institutions and Policies
VLS	Village Level Studies
VDSA	Village Dynamics in South Asia
FC	Forward Caste
SC	Scheduled Caste
BC	Backward Caste
MDGs	Millenium Development Goals
SHG-BLP	Self-Help Group Bank Linkage Programme
NABARD	National Bank for Agriculture and Rural Development
IFAD	International Fund for Agricultural Development
MFI	Microfinance Institution
GoI	Government of India
Rs.	Rupees
MMS	Mahila Mandal Sangham
FGD	Focus Group Discussion
VRA	Village Revenue Assistant
IGAs	Income Generated Activities

Chapter 1: Introduction and Background

“Food is the moral right of all who are born into this world.”

Norman Borlaug, father of the Green Revolution

1.1 Personal Remarks

The process of eradicating global poverty combines many factors. One must keep in mind the environmental, social-cultural and economic barriers that prevent poor people from food security. One must keep in mind the means of communicating the scientific research and effective innovations to those living in impoverished communities. My two-month Borlaug-Ruan internship in the International Crops Research Institute for Semi-Arid Tropics (ICRISAT) opened my eyes to realize that I am a single droplet of rain in an existing big puddle of rain in eradicating global poverty. For example, everyone in ICRISAT: the scientists, policy makers and students, are all dedicated to end global poverty through different approaches. Individually, we have our own designated roles and responsibilities. Together, our work equips poor people with the necessary tools to make them prosperous and resilient in the dryland tropics.

1.2 International Crops Research Institute for Semi-Arid Tropics (ICRISAT)



The dryland or semi-arid tropics (SAT) are home to 2 billion people across 55 countries, and 32.2% of that population (644 million people) is the poorest of the poor (“ICRISAT”). Due to the

growing population, semi-arid dwellers face the negative consequences of limited agricultural productivity caused by poor soil quality and unpredictable rainfall output. Founded in 1972, ICRISAT, a non-profit, non-political-affiliated organization and CGIAR Consortium¹ member, partners with institutions like: the World Vegetable Center (AVRDC), the International Livestock Research Institute (ILRI) and the International Water Management Institute (IWMI), to uplift these poor people from poverty through agricultural innovations, techniques and practices.

ICRISAT's diverse partnership with other research centers has led to an increase in crop productivity through agricultural innovations and adequate policy recommendations. The goal of ICRISAT is to reduce poverty, hunger, malnutrition and environmental degradation in the dryland tropics through the implementation of a socio-economic process called inclusive market oriented development (IMOD).

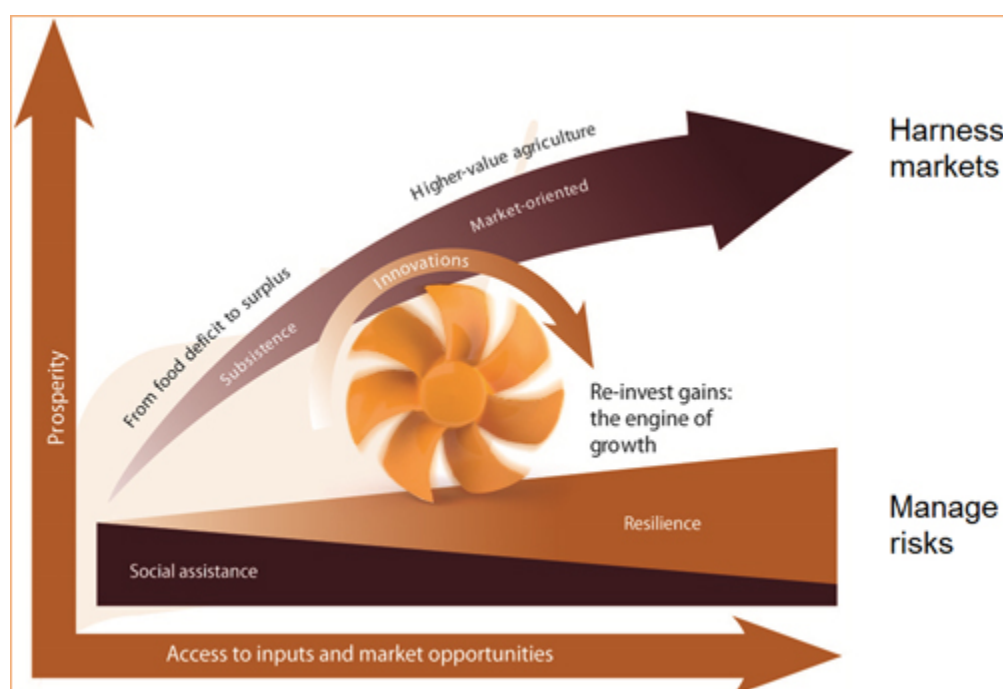


Figure 1 IMOD does not only help farmers have higher crop yield, but ensures that their crops are sold in the markets.

In order to achieve such a lofty goal, ICRISAT conducts its research through four global research programs: 1) Resilient Dryland Systems, 2) Markets, Institutions, and Policies, 3) Grain Legumes and 4) Dryland Cereals. All programs intend to uplift SAT smallholder farmers and families through agricultural innovations on ICRISAT's mandate crops of: chickpea, pigeonpea, groundnut, pearl millet and sorghum. Increasing farm production is one thing, but the four programs also aim to provide farmers access to markets to improve their income, and lead them one step closer to prosperity.

¹ CGIAR Consortium is an international agricultural organization partnering with 15 research centers to achieve global food security.

1.2.1 Market, Institutions and Policies (MIP) Program



Left to right: Padmaja, Precious & Dr. Bantilan after the seminar presentation.

Out of ICRISAT's four research programs, I worked under the MIP Program led by Dr. MCS Bantilan. The MIP Program uses the IMOD approach to enable the poor, especially women, to have access to markets and generate more income. The MIP also conducts research on the Village Dynamics in South Asia (VDSA) data to better understand the causes and effects of dryland rural poverty. Through the research found on the VDSA data, the MIP creates development pathways and policies to improve the lives of those in the semi-arid tropics.

1.2.2 Village Dynamics in South Asia (VDSA) Data

In May 1975, the MIP initiated the longitudinal village level study (VLS) to better understand the economic and social changes in the SAT. The SAT are often characterized by scanty and uncertain rainfall due to infertile soils, poor infrastructure, extreme poverty and rapid population growth (Walker and Ryan 32-54). According to the United Nation's Food and Agriculture Organization (FAO), the VLS has provided substantial information on the socioeconomics of the SAT. The VLS data has been used to generate new technologies to improve the farmer's quality of life and their communities.

In 2009, RP-MIP at ICRISAT implemented a five-year research project on the Village Dynamics in South Asia (VDSA) to gain more understanding on the dynamics of rural poverty. Unlike the VLS, the VDSA gathers data on a bigger scale with a focus on farming activities and household economy. Through the support of the Bill & Melinda Gates Foundation, the VDSA aims:

1. to track changes in the livelihood options of the rural poor,
2. to understand farmers' response to changing markets,

3. to understand farmer's perceptions on climate change and their coping mechanisms,
4. to provide socio-economic field laboratory for teaching and training students,
5. to provide feedback for designing policy interventions, and
6. to understand the dynamics of agricultural transformation.

Because of the VDSA data, more people are gaining a stronger understanding of the SAT, and creating creative methods to uplift farmers to prosperity.

1.3 Project Objectives

This study is focused on the SAT village of Dokur, therefore the objectives are focused on a micro-level. The main objectives of this research project are:

1. To examine the process of forming successful SHGs,
2. To differentiate between successful and failed SHGs through the evaluation of their personal leadership and group dynamics,
3. To analyze the effects of environmental, social-cultural and economic problems on the creation and maintenance of SHGs, and
4. To investigate the empowerment and exposure of women through SHGs.

1.4 Project Limitations

The biggest limitation for this project was the lack of time. Since I only had two months to conduct my research, I needed to quickly find a realistic project. Due to the time-constraint, I needed to narrow my interests of gender equality and microfinance into a reasonable topic of SHGs. Unfortunately, my project was only limited to Dokur. If permitted more time, I would have developed a more comprehensive report that included another village and VDSA data to correlate my findings.

Another obvious limitation was the language barrier. Although I had two very intelligent and well-spoken translators, there were still words lost in translation between the respondents, the translators and myself. In some interviews, other villagers would speak on behalf of the respondent. As a result, their answers were impacted by other people's comments.

Since I was a recent high school graduate during this internship, my lack of knowledge on SAT and SHGs served as a minor barrier in this project. I had never learned about the SAT nor heard about SHGs until I stepped foot on the MIP Program. Although I did not have primary knowledge, I was properly mentored by Dr. Bantilan, Padmaja and Kavitha. After an intensive first week of researching and learning, I finally came up with my research project.

1.5 Report Presentation



This report is broken up into four chapters. The first chapter provides the audience essential information about the work of ICRISAT, particularly the MIP Program, and an overview of the project. The second chapter is a literature review of Dokur and SHGs. The third chapter explains the methodology of the entire project. The fourth chapter, the most important chapter, summarizes the project results. Then, the appendix and bibliography are found at the end.

Chapter 2: Literature Review

“If we are looking for one single action which will enable the poor to overcome their poverty, I would focus on credit.”

Muhammad Yunus, father of microfinance

The SAT are deeply affected by droughts, especially rural villages that are focused on agriculture. Villages can have irrigation systems such as borewells and tanks. However, due to droughts, these irrigation systems are becoming more and more depleted. As a result, rural villagers are unable to work and increase their income.

The presence of droughts have a huge impact in the creation and maintenance of SHGs in Dokur. Most of the group problems are caused by the member’s inability to pay their monthly fees, especially during drought season. Even though SHGs are used to enable the poor to overcome their poverty through credit, many members struggle to find money to pay their fees.

2.1 Dokur Village Profile



Dokur woman farmer transplanting on the paddy fields.

In May 1975, the ICRISAT MIP Program began the VLS in the Mahbubnagar District, the largest district in Telangana (Rao, Babu, and Bantilan). Two villages, Aurapalle and Dokur, were chosen in this drought-prone district.

Dokur, a rural village with a total population of roughly 3,300 people, is a perfect VLS village that is affected by the SAT region and focused on growing ICRISAT's mandate crops (Walker and Ryan 32-54).

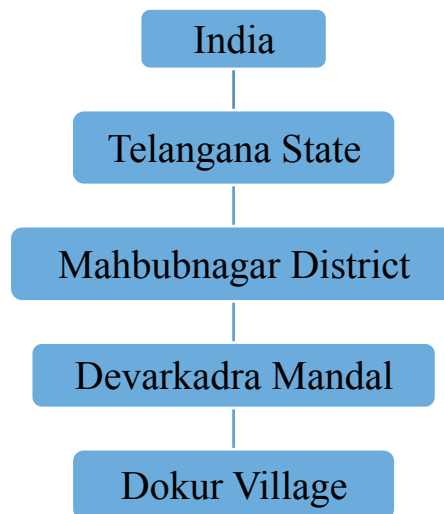
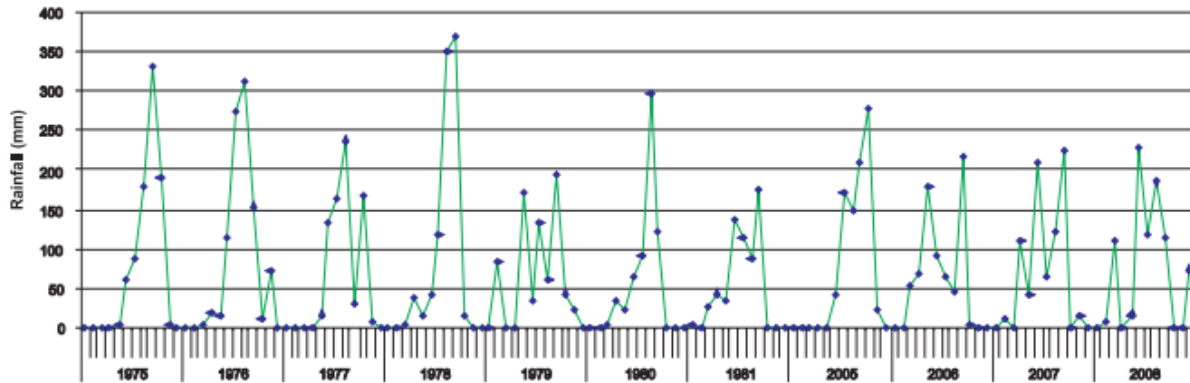


Figure 2 Location of Dokur

2.1.1 Agriculture and Presence of Droughts

The environment in Dokur epitomizes the semi-arid tropics. During the hot season (February-June), the temperature regularly reaches 40°C (Rao, Babu, and Bantilan). In the winter season (November-January), the daytime temperatures range between 20°C to 30°C. With this weather pattern, the average rainfall is 780 mm/year. This amount of rainfall is not enough to suffice for everyone's agricultural needs.

Figure 3 Monthly rainfall at Dokur



Source: Mandal Revenue Office, Devarkadra, 2008

Droughts occur three times out of every five years. These droughts deeply affect the village because their main source of livelihood is agriculture. All the crops depend on groundwater and surface water from borewells and community irrigation tanks. Due to scanty rainfall, the borewells and irrigation tanks are not replenished, therefore the crops are not provided adequate water. In 2007-08, 26% of the cropped areas received irrigation support. One major consequence of the droughts is the increase of total dry area (ha), and a decrease of irrigated area (ha) from the past 30 years in Dokur (Figure 4).

Figure 4 Dokur village 30 year comparison

Description	1975-76	2007-08
Total geographical area (ha)	1358	1358
Total cultivable area (ha)	1192	1303
Total non-cultivable area (ha)	166	55
Total irrigated area (ha)	381	84
Total dry area (ha)	811	1219

Source: Ashokan et al. 1991 for 1975-76 and Focus Group Meetings, 2007-08 for 2007-08



Cultivated vs. fallow land in Dokur (July 2015)

2.1.2 Impact of Environmental Changes

These environmental changes caused by droughts have led to an increase in non-farm labor especially migration. According to the 2007-08 focus group discussion, the migration out of Dokur into Gujarat, Maharashtra and Hyderabad increased by 50 times (from 20 people to 1000 people) since 1975-76 (Rao, Babu, and Bantilan). The drought years influenced Dokur villagers to find other sources of income and livelihood aside from agriculture.

Figure 5 Major drought years in Dokur



Source: Gandhi and Bantilan 2009

2.2 Caste System

In 2007, there were 24 present sub-castes in Dokur (Rao, Babu, and Bantilan). The Forward Caste (FC) members are the dominant ones with more money and influence. The Backward Caste (BC) members make up 66.47%. The Scheduled Caste (SC) and Muslim members are the minorities in Dokur, constituting 13.68%, and 1.35% of the population, respectively. Because of this caste hierarchy, the FC villagers have more educational and employment opportunities since they have higher income levels. This stratification system greatly contributes to gender inequality, income inequality and educational disparities as further explained in this report (Dunn).

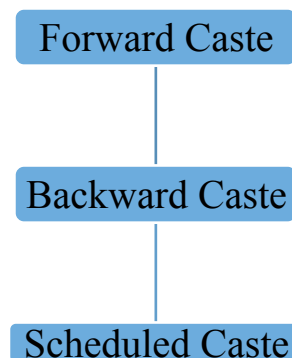


Figure 6 Caste hierarchy

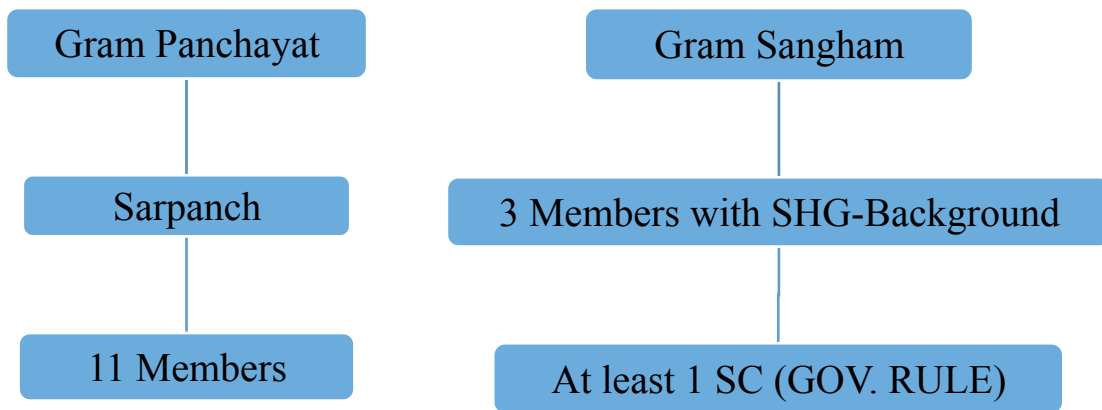
2.3 Local Village Leadership



Local village leaders (Village Revenue Assistant and Sarpanch)

In Dokur, the villagers are governed by the Gram Panchayat. The office was established by 1993 (Rao, Babu, and Bantilan). As the local village government, the Gram Panchayat intervenes and solves any Self-Help Group (SHG) problems, communicates the government programs with the villagers and implements water management innovations. The 12 members of the Gram Panchayat, led by the Sarpanch, are responsible for colonies comprised of about 220 villagers above the age of 18. Apparently, the Sarpanch in Dokur is a woman, but her husband is acting on her behalf for the past two years. The Sarpanch is chosen by the villagers every 5 years.

Figure 7 Local village hierarchy



Source: Bookkeeper, 2015

While the Gram Panchayat works on a holistic approach towards village development, the Gram Sangham focuses on the management of the SHGs. The Gram Sangham is comprised of 3 members with SHG-backgrounds, which are chosen every 2 years by the villagers. The government rule to include one SC member in a leadership position is one of the many ways that targets caste inequality.

In Dokur, the Gram Sangham overlooks 29 active SHGs and ensures that they all pay their monthly fees. On the 11th of every month, the Gram Sangham meets with the 2 leaders of every SHG to collect their payment and discuss any updates.

The Gram Panchayat and Gram Sangham collaborate to guarantee the maintenance of SHGs in Dokur by intervening and solving group fights, properly communicating necessary government information and guiding them with the loan process.

2.4 SHG Background

SHGs are praised for their contribution to equipping the poorest of the poor with credit, a very recent and rare concept. Its growing impacts continue to address the Millenium Development Goals (MDGs) set by the United Nations.

2.4.1 History

In 1983, the institution of the Grameen Bank in Bangladesh through Muhammad Yunus, began the practice of microfinance (Chan and Birajdar). Fundamentally, microfinance is the act of providing tiny loans to the “unbankable” with a focus on social collateral. According to the World Bank, 2.5 billion people do not have formal accounts at financial institutions. Many mainstream banks do not provide poor people with credit because they are considered un-trustable, uneducated and incapable of paying their loans. Traditionally, poor people, especially women, do not have access to credit. However, Grameen Bank bridges the gap between people without collateral and the bank (Kota).

The practice of microfinance has rapidly influenced other countries to implement such change. By 1992, the Self-Help Group-Bank Linkage Programme (SHG-BLP) in India began to equip the poorest of the poor with credit (Fernandez). The National Bank for Agriculture and Rural Development (NABARD) partnered with the International Fund for Agricultural Development (IFAD), local non-government organizations (NGOs), other banks, and central and state governments, to oversee the creation and maintenance of SHGs.

Prior to the SHG-BLP, one of the NGOs tied to the Millennium Development Goals, MYARDA, piloted the SHG project. MYARDA founded a microfinance institution (MFI) to directly lend loans to SHGs (Fernandez). Through the funds granted by NABARD, the pilot program had 500 SHGs linked with banks by the early 1990s. The groups that formed were connected by their economic and occupational homogeneities. Since many of the members were uneducated and illiterate, they were unaware of the process of taking loans, savings and budgeting, and paying interest. Microfinance does not only provide credit for the poor, but it also provides financial literacy. MYARDA took the initiative to train the members to organize meetings, set agendas, and keep track of minutes to ensure the success of the groups.

By 2000, the Government of India (GoI), implemented the SHG strategies in their annual plan. Through the avid work of NABARD, MYARDA, IFAD, other NGOs, central and state governments, there are now 7.4 million present and active groups that represent 97 million rural households (Satish).

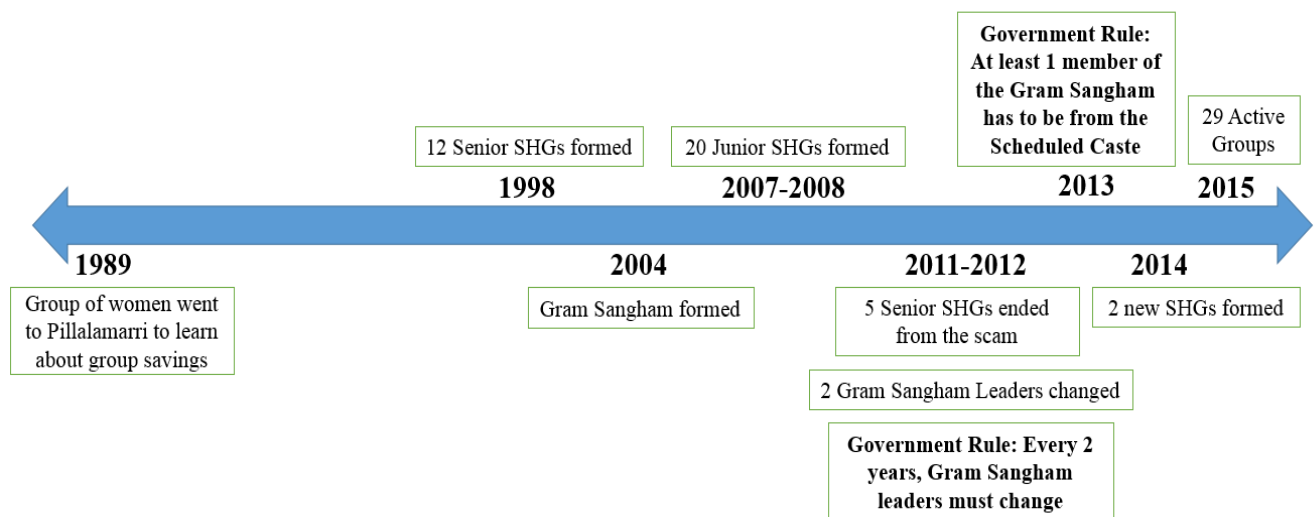
2.4.2 Formation

The main focus of the SHG movement is the management of savings and credit, rather than the provision of credit (Fernandez). SHGs focus on group thrift, then credit. One of the primary goals of SHGs is to link the unbankable, especially women, to a formal banking system through savings (Satish). Now, 84% of the SHGs are comprised of women groups.

Since SHGs focus on building social collateral, all the work is done through group collaboration. A SHG is comprised of 10-15 married women. In Dokur, the SHGs are classified into two different groups: senior and junior groups.

The main difference between senior and junior groups is experience. Senior groups have existed for 8+ years, while junior years have existed for less than 8 years. The presence of SHGs in

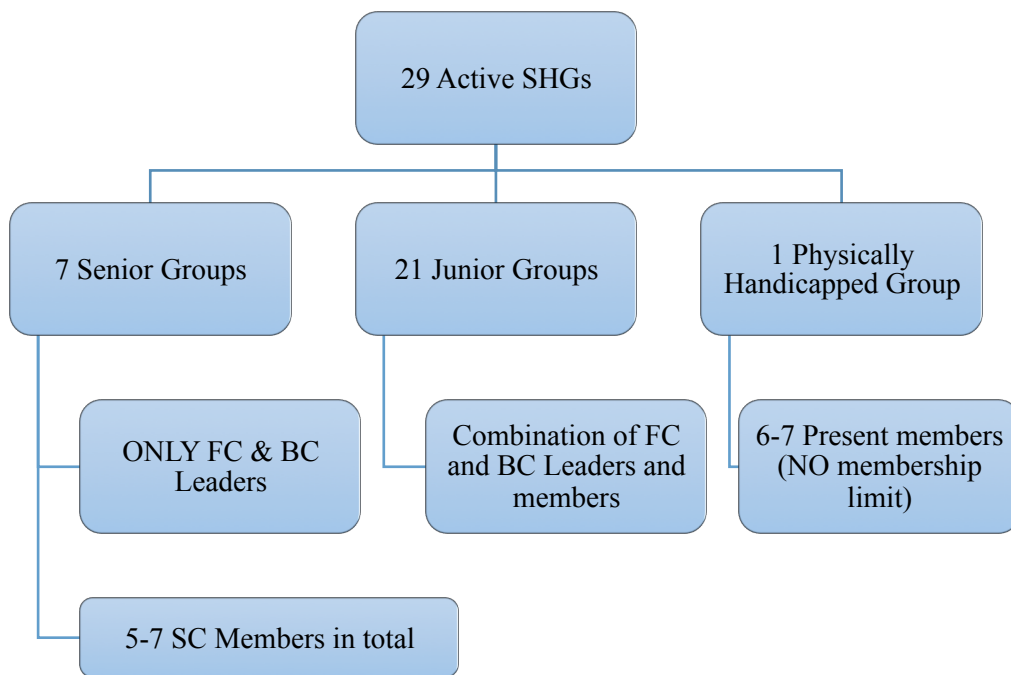
Figure 8 Dokur SHGs timeline



Source: Bookkeeper, 2015

Dokur started by 1989. From 1989-1998, there were not any established SHGs. At that time, groups of women were taught to save Rs. 10/month. Through thrift, their annual group savings increased to the point that they were able to attain a bank loan. During the beginning of SHG-BLP, many women faced obstacles regarding their inability to pay their monthly bank fees, and lack of support from their husbands (further mentioned in **Chapter 4: Results**). Despite those obstacles, there are now 29 active SHGs.

Figure 9 Present status of SHGs in Dokur



Source: Bookkeeper, 2015

2.4.3 Rules

The government and SHGs created their own sets of rules as shown in **Table 1**, to ensure that the formation and maintenance of SHGs are successful. One interesting rule that is slowly challenging the caste disparity is that “at least one of the Gram Sangham members must be an SC leader”. Through this rule, SC members are gaining more leadership opportunities which is changing the mentality that SC members are the lowest and less influential caste. A more detailed application of these rules are found in 4.3.5 *Group Problems*.

Table 1 SHG Rules

	Government Rules	SHG Rules
Gram Sangham	<ol style="list-style-type: none"> 1. At least 1 of the 3 members must be an SC leader 2. Must have a monthly meeting with the SHG leaders 3. Collect the money from the SHGs 	<ol style="list-style-type: none"> 1. Made up of SHG leaders 2. Meets with the leaders on the 11th of every month
Group	<ol style="list-style-type: none"> 1. 10-15 members with ID proofs 2. Own a passbook with a group photo 3. Monthly meetings 4. Collect the group fees by the 1st-10th of every month 	<ol style="list-style-type: none"> 1. Determine when to have monthly meetings and when to pay the monthly loans 2. Every member should rotate to go to the banks to pay the fees 3. Decide if penalty rules should be applicable to the group
Members	<ol style="list-style-type: none"> 1. Citizen of the village 2. Married woman before the age of 65 3. Learn how to use signatures 	<ol style="list-style-type: none"> 1. Pay the loans on time 2. Participate in the monthly meetings
Leaders	<ol style="list-style-type: none"> 1. 2 leaders/group 2. Leaders must change every 2 years 	
Financial	<ol style="list-style-type: none"> 1. Bank loan must be fully repaid in 30-36 months 	<ol style="list-style-type: none"> 1. Leaders can enforce late penalty fees

Source: Bookkeeper, 2015

Generally used abbreviations

a/c	= Account	dep	= Deposit	Pr	= Principal
Adj	= Adjustment	Dft	= Draft	Proc	= Processing Charge
Amt	= Amount	Dish/dsh	= Dishonour	rd	= Recurring Deposit
Ar	= Arrear	DR	= Debit	Ret/Rtn	= Return
bal	= Balance	DoB	= Date of Birth	Rnd	= Round of
Capn	= Capitalization	eft	= Electronic Fund Transfer	SB	= Savings Bank
chg/ch	= Charge	Inop	= Inoperative	SC	= Short Credit
Chq	= Cheque	Ins	= Insurance	SI/So/SORD	= Standing Instruction
Clos	= Closure	int/in	= Interest	S/D/W/H/o	= Son/Daughter/Wife/Husband of
Coll	= Collection	lon/ln	= Loan	tr/trf/xfer	= Transfer
Comm	= Commission	min	= Minimum	TT	= Telegraphic Transfer
CDR/CORR	= Correction	os	= Outstanding	txn	= Transaction
CR	= Credit	P&T	= Postage & Telegram	Wdl	= Withdrawal
cash	= Cash	Pos	= Point of Sale		



SHG passbook and group photo



పాదుపు మరియు పోజు పుస్తకము

క్ర. సం.	వ్యూహ పేరు	వేరిఫికేషన్					పోజు పుస్తకము										మొత్తం (16 + 17)							
		జూన్	జూలై	ఆగస్టు	సెప్టెంబర్	అక్టోబర్	1	2	3	4	5	6	7	8	9	10		11	12	13	14	15	16	17
1	బి - డిపాజిట్						100																	100
2	బి - మిజిస్ట్రీ							100																100
3	బి - లాన్								100															100
4	బి - లాన్									100														100
5	బి - డిపాజిట్										100													100
6	బి - మిజిస్ట్రీ											100												100
7	బి - లాన్												100											100
8	బి - లాన్													100										100
9	బి - డిపాజిట్														100									100
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12	బి - లాన్																	100						100
13	బి - డిపాజిట్																		100					100
14	బి - మిజిస్ట్రీ																			100				100
15	బి - లాన్																				100			100
16	బి - లాన్																					100		100
17	బి - డిపాజిట్																						100	100
18	బి - మిజిస్ట్రీ																						100	100
19	బి - లాన్																						100	100
20	బి - లాన్																						100	100

SHG bank loans, savings and attendance books

2.4.4 Benefits

SHGs have four distinct benefits that are explicitly described in **Table 2**. The most common

Table 2 SHG benefits

Type of Benefit	Description
SHG Loans	Each group member pays the monthly bank fee & interest rate² to the Gram Sangham
Savings	<p><u>SHG Savings</u> Each group member saves Rs. X³ to put on their group savings. After 6 months, the money is distributed to anyone from the group, and they must pay the loan & the interest rate</p>
	<p><u>Gram Sangham Savings</u> Every month, the SHG pays the Gram Sangham Rs. 165</p> <ul style="list-style-type: none"> ❖ Rs. 150 for Gram Sangham ❖ Rs. 15 for bookkeeper <p>After 6 months, any SHG-member can take money from the Gram Sangham savings and they must pay the monthly loan & interest rate</p>
Insurance Policy (Amadmi Abaya Hastham Janeshre)	Every year, each member pays Rs. 365 to the bank to receive children scholarship and life insurance
	<p><u>Children Scholarship</u></p> <ul style="list-style-type: none"> ❖ Children enrolled in government school from 9th-12th grades, can receive Rs. 1200/year from the bank
	<p><u>Life Insurance</u></p> <ul style="list-style-type: none"> ❖ If anyone expires from the group, their family can receive Rs. 25,000-30,000 <ul style="list-style-type: none"> ○ Rs. 5,000 for funeral ○ Rs 25,000 for family expenditures <p>**Pension: After the age of 60, they no longer have to pay the Rs. 365 for insurance policy. Instead, they pay Rs. 20/month and the government will give them Rs. 1000/month**</p>
Physically-Handicapped	Receives pension depending on the condition of the group

Source: Bookkeeper, 2015

² **SHG interest rate:** Rs. 1.10p for every Rs 100

³ The group savings completely vary from group to group

SHG benefits are the loans and group savings. However, the SHG-BLP also provide more financial services such as insurance policies and pensions. Through SHGs, women are gaining more exposure to the bank system which builds their credit through group savings and loans.

2.4.5 Loan History

Figure 3 illustrates the difference of the loans taken by the two different groups through history. Every bank loan depends on the status of the group. For example, a senior group obtains more bank loan than a junior group because they have proven to banks that as a group, they can save money and pay their monthly fees on time.

Table 3 Loan history (senior vs. junior groups)

Senior Groups		
Years	No. of groups	Loan Amount (Rs.)
1998	12	30,000
2001	12	50,000
2004	12	75,000
2007	12	1 lakh ⁴
2009	12	1.50/2 lakhs
2011	7	2 lakhs
2013	7	3 lakhs
2015	7	5 lakhs
Junior Groups		
Years	No. of groups	Loan Amount (Rs.)
2008	20	50,000
2010	20	1 lakh
2012	20	2 lakhs
2014	22	3 lakhs

Source: Gram Sangham, 2015

⁴ 1 lakh = Rs. 100,000

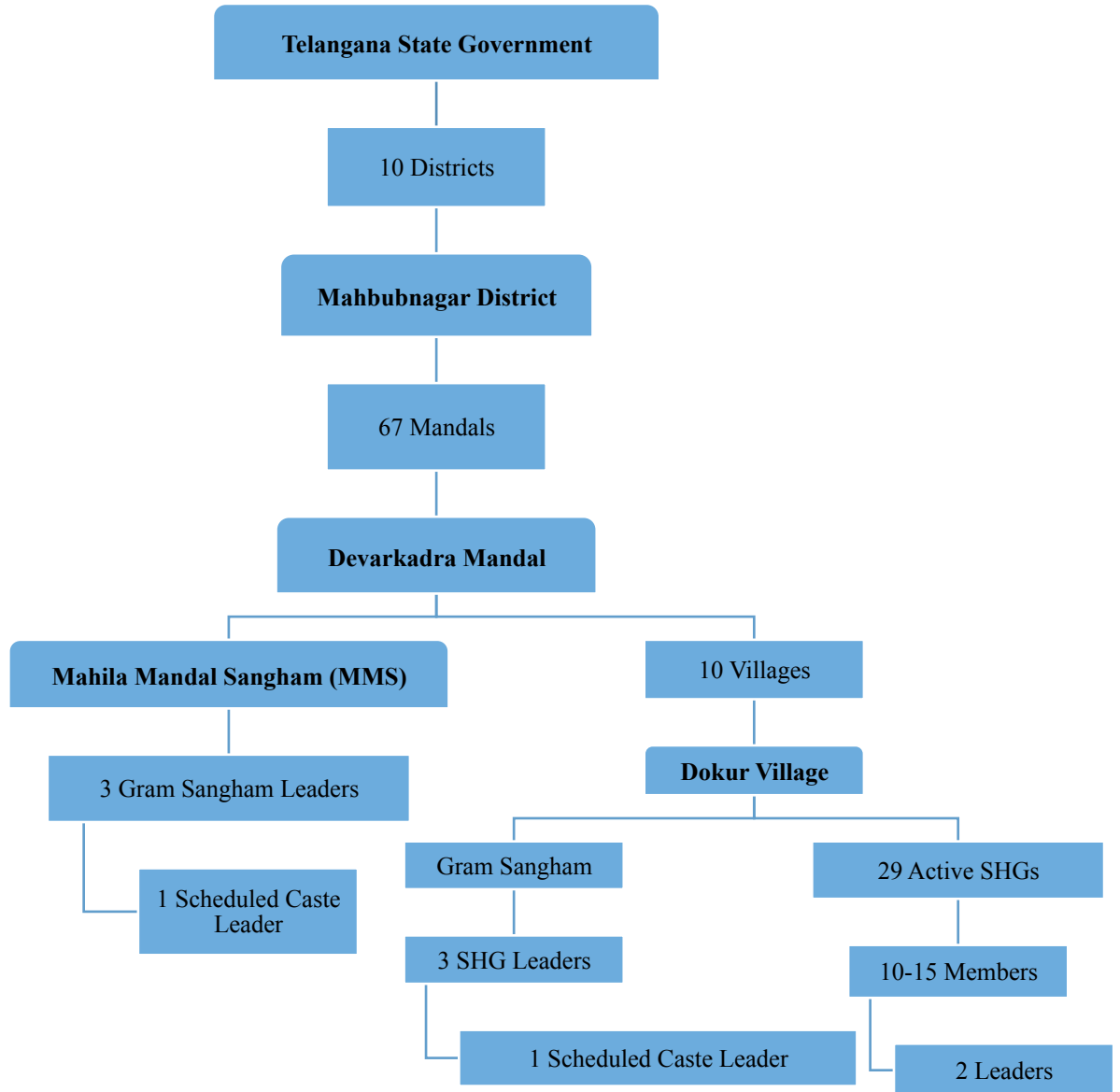
As noted in **Table 1**, every group should pay their bank loan in 30-36 months. However, most groups pay their loans in 24 months. The faster the group pays their bank loan, the larger loan they borrow the next time.

DATE	PARTICULAR	CHEQUE	AMT. DR	AMT. CR	BALANCE
			Brought Forward	2672.00Cr	
10/03/15	User Id 1297; Uncleared Amount		0.00	Clear Balance	2672.00 Cr
20/04/15	1297 7134 1068444259				
23/03/15	MAINTENANCE CHG		50.00		2622.00Cr
13/04/15	By Cash			13000.00	15622.00Cr
20/04/15	TRF TO LOAN ACCT		11500.00		4122.00Cr
	TRF TO 073069418722				
20/04/15	User Id 1297; Uncleared Amount		0.00	Clear Balance	4122.00 Cr
11/05/15	1297 7134 1068444259				
11/05/15	By Cash			1500.00	5622.00Cr
11/05/15	User Id 1297; Uncleared Amount		0.00	Clear Balance	5622.00 Cr
01/06/15	3580 7134 1068444259				
30/05/15	NEFT SBHY0020263 SBH		0.00	50000.00	55622.00Cr
	TRF FRM 099509999225				
01/06/15	To Cash		50000.00		5622.00Cr
01/06/15	User Id 3580; Uncleared Amount		0.00	Clear Balance	5622.00 Cr
10/06/15	By Cash			1500.00	7122.00Cr
10/06/15	User Id 3580; Uncleared Amount		0.00	Clear Balance	7122.00 Cr
09/07/15	3580 7134 1068444259				
09/07/15	By Cash			1500.00	8622.00Cr
09/07/15	User Id 3580; Uncleared Amount		0.00	Clear Balance	8622.00 Cr

SHG bank statement

2.4.6 Connections

An indirect benefit of SHGs is the exposure of SHG members, particularly the SHG leaders, to government officials. **Figure 10** depicts a detailed hierarchical relationship between SHG members and the Telangana state government. The Mahila Mandal Sangham (MMS) meetings



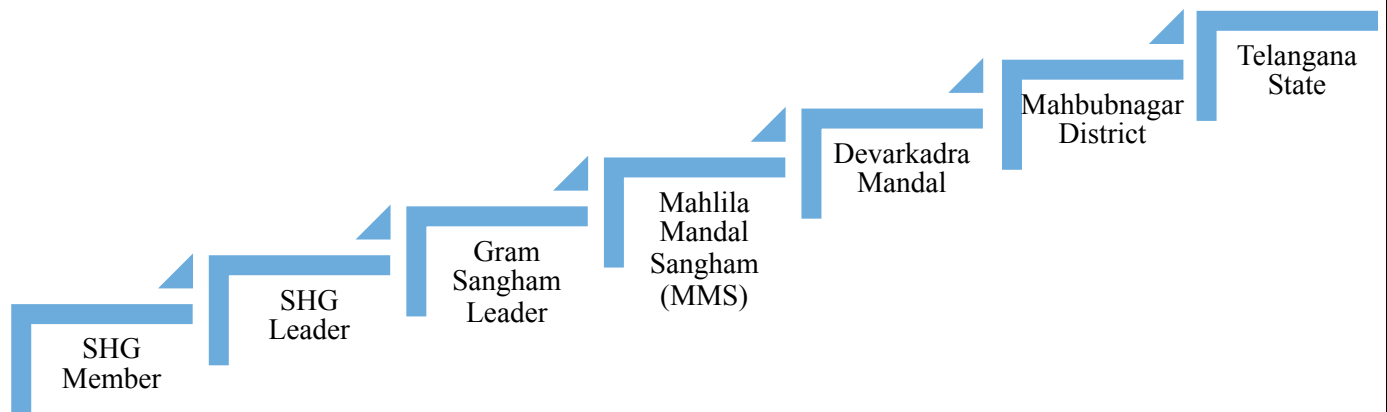


Figure 10 SHG relationship with Telangana state government

unite 3 Gram Sangham leaders from all the villages of the Mandal to discuss new government SHG rules. These monthly MMS meetings also educate the Gram Sangham leaders new motivational techniques to inspire others to join SHGs (“Gram Sangham”). Then, they communicate any updates to their respective villages.

The MMS meetings outside of the villages expose the Gram Sangham leaders to other leaders who might have connections with government officials. The impact of this network connection is further discussed in *4.6.2 Empowerment and Exposure of Women through SHGs*.

2.5 Conclusion



Transplanting paddy crops

Dokur is an agricultural village that heavily relies on rain to cultivate crops. Although Dokur is an irrigated village, the borewells and canals are slowly drying up. There is not enough rainwater to feed these water systems. As a result, many villagers seek migration jobs.

Aside from farming, many women also participate in SHGs. Since the inception of SHGs in 1998, the presence of SHGs has been extremely strong in Dokur. The Gram Panchayat and Gram Sangham encourage women to participate in SHGs. Their participation has provided them with more financial stability that is necessary to cope with the droughts. They also benefit from insurance policies, children scholarships and pensions. Participating in SHGs is one of the many ways that rural villagers, especially women, have done to contribute more to their income-generated activities.

Chapter 3: Methodology

“The future of India lies in its villages.”

Mahatma Gandhi, father of the nation

The stimulating development of Self-Help Groups in India has led to numerous research on its impact on the women, their families and their communities. In the early 1990s, NABARD established the SHG-Bank Linkage Program (SHG-BLP) which piloted 500 SHGs from rural villages (Suran). By 2012, there were 8 million present and active SHGs throughout India, an average of 363,636 SHGs/year. Due to its rapid growth and significant impacts, it is essential to conduct research on the process of forming successful SHGs to equip more women with financial tools and government benefits to uplift them from poverty and into prosperity.

3.1 Location of the Project

This qualitative study solely focuses on Dokur for three reasons:

1. Numerous available research since Dokur is one of the six first generation VLS villages of 1974,
2. Proximity from ICRISAT research center (roughly 150 km away), and
3. Familiarity of the area by the two translators.



Figure 11 Dokur location in the Mahabubnagar District

3.2 Sample Selection

The respondents used for this research were influenced by my day visits to Dokur and Aurapalle. In both of the villages, I interviewed one SHG leader that provided me an overview of the groups. Based on our conversations, I developed questionnaires for active/inactive SHG leaders and key informants. Active SHG leaders are married women that are currently in a SHG, while inactive SHG leaders are married women that were once in a SHG, but no longer in one. In total, I conducted 16 personal interviews and 2 focus group discussions.

3.2.1 Personal Interviews



Individual interview with a failed SHG Leader

According to the Sarpanch, there are 29 active SHGs in Dokur. For my 3 and ½ field days visit, I interviewed 9 active leaders, almost 1/3 of the total present SHGs in the village. **Figure 12** depicts the different respondents of my sample. Each interview approximately lasted for 45 minutes to 1.5 hours.

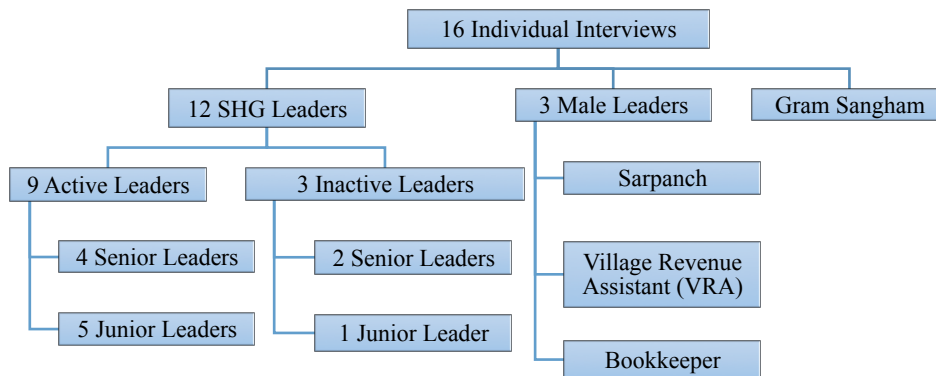


Figure 12 Tree diagram of the respondents

The 3 male leaders and Gram Sangham served as key informants that enriched my knowledge of SHGs. For the purpose of this report, I analyzed the responses of the 12 SHG leaders. The leaders were not randomly selected, but rather chosen based on their caste structure and SHG status. Each group leader faced different problems due to their caste and group's status (junior or senior). These two variables provided diverse perspectives that are further explained in **Chapter 4**. There were no distinct conclusions made for active and inactive leaders because of the limited sample.

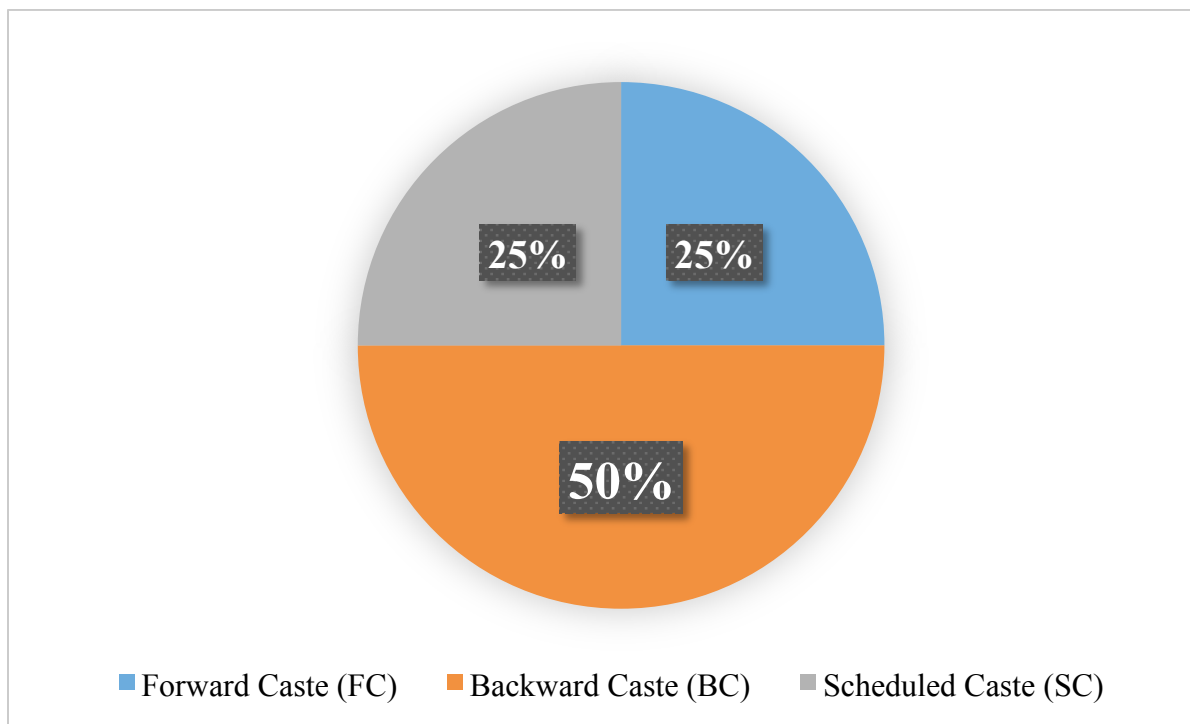


Figure 13 Caste structures of the 12 SHG leaders

3.2.2 Focus Group Discussions



Focus group discussion with members and leaders from active SHGs

The two conducted focus group discussions (FGD) of active and inactive SHGs followed the Sage and VDSA publication methodologies:

1. There should be at least 8-15 present members,
2. Every respondent should share social and cultural experiences, and
3. The FGD should be conducted in a comfortable space for the group (Liamputtong 1-5).

All of the respondents were either SHG members or leaders. The first FGD was held on one of the leader's houses, and the other one was in our landlady's house. All of their perspectives provided a holistic understanding of common problems shared by various members and leaders, the evolution of SHGs in Dokur and its impact on the individual and the community.

Active SHGs	
No. of different groups	8
Members	8
Leaders	5
Total	13
Inactive SHGs	
No. of different groups	5
Members	8
Leaders	4
Total	12

Table 4 FGD respondents

3.3 Tool Selection

There were 4 different questionnaires (found in the **Appendix**) used for the:

1. Active and inactive SHG-leaders,
2. Sarpanch and Village Revenue Assistant,
3. Gram Sangham, and
4. Successful and failed focus group discussions

The interview with the bookkeeper did not have a fixed questionnaire. Instead, he clarified any complicated SHG topics like its history in the village, group financial transactions, group rules and benefits.

All of the 16 individual interviews and 2 focus group discussions have four similar forms of questions:

1. Did you have to face any problems regarding the SHGs? If yes, what are they and how did you overcome those problems?
 - If the problem is not specified, use the probes of environmental, social-cultural and economic problems.
2. What qualities make a SHG successful and unsuccessful?
3. How have the SHGs in Dokur changed throughout time?
 - Is it acceptable by society for women to join SHGS? Or, are there still barriers that women must overcome to join SHGs? If yes, what are those barriers?
4. In what ways has SHGs impacted you/the village?

These four forms of questions aimed to examine:

1. The respondent's process of overcoming obstacles regarding the SHGs with a primary focus on the environmental, social-cultural and economic problems,
2. The different perspectives that differentiate between successful and failed groups,
3. The evolution of SHGs in Dokur, and
4. The positive or negative effects of SHGs on the respondent.

All of the research tools provided a qualitative analysis that accomplished the four objectives listed in **Chapter 1**.

3.3.1 Tool Organization

I gave all of my respondents an ID to organize my data. **Figure 14** shows an example of the respondent IDs.

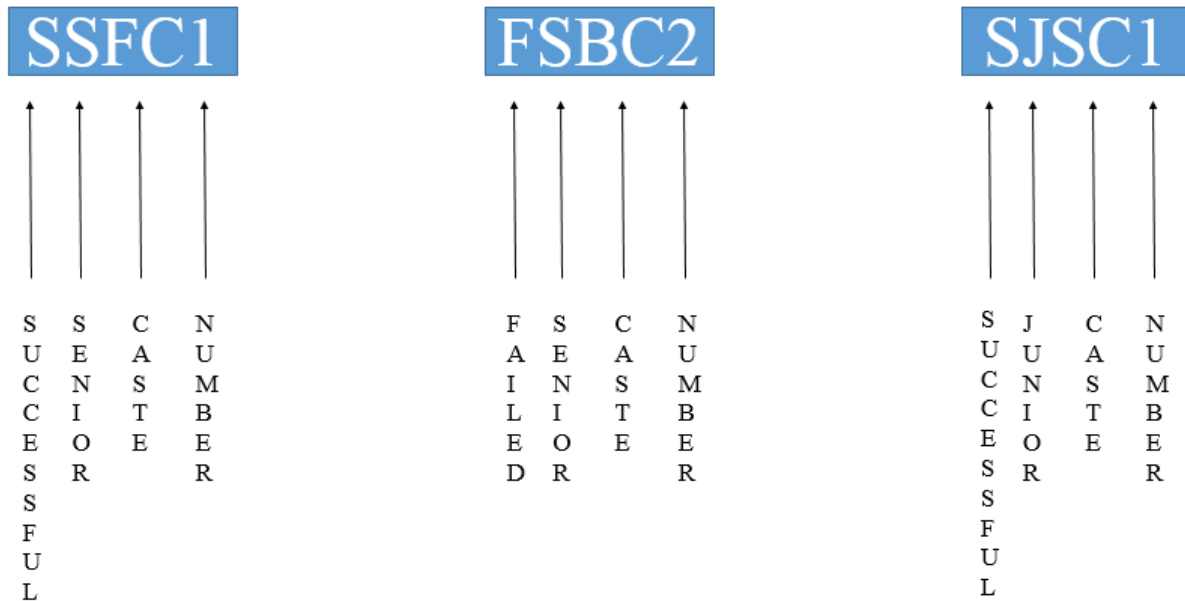


Figure 14 Respondent IDs

3.4 Variables to Keep in Mind

One of the biggest constraint from the field visit is the limited time (3 and ½ days). Originally, I wanted to conduct 19 individual interviews of:

- 10 active SHG leaders,
- 5 inactive SHG leaders,
- 2 male leaders, and
- 2 Gram Sangham members.

However, that was an unrealistic goal for two reasons: 1) not everyone was available, and 2) we spent the first day obtaining the list of our respondents with different caste structures and SHG statuses. During the field visit, we had to adjust our goal based on our respondents' availabilities.

The questionnaires also only targeted **SHG leaders** and the **key informants** from the village government. If permitted more time, this project would have gotten more perspectives from the SHG members to prevent skewed results. However, the focus group discussions provided an

integrated discussion between various members and leaders regarding the process of forming successful SHGs.

3.5 Conclusion



FGD with members and leaders from inactive SHGs

This qualitative project is focused on the rural village of Dokur, a place where SHGs have made numerous positive impacts. There were 16 individual interviews and 2 FGDs that used a fixed research tool. All of the results in the next chapter analyze the responses of the 12 SHG leaders. The 12 leaders were randomly chosen based on their caste structure and SHG status. These two factors gave various results that target the four main objectives of the project.

My time in Dokur provided me a better understanding of the dynamics of rural villagers. These villagers are resilient people, and they maximize their resources to cope with the droughts. Collectively, SHGs contribute to the overall development of the village, and provide women the opportunities to participate in this village growth. As Mahatma Gandhi said, “The future of India lies in its villages,” because the villagers are invested in elevating their entire community from poverty.

Chapter 4: Results

“If women are developed, the village is developed.”

Nadimenti Narendar Reddy, Dokur Sarpanch

All of the results and conclusions listed in this chapter aim to achieve these four objectives:

1. To examine the process of forming successful SHGs,
2. To differentiate between successful and failed SHGs through the evaluation of their personal leadership and group dynamics,
3. To analyze the effects of environmental, social-cultural and economic problems on the creation and maintenance of SHGs, and
4. To investigate the empowerment and exposure of women through SHGs.

This qualitative report focuses on the 12 individual interviews of the SHG leaders in Dokur. The graphs, charts and diagrams are divided by their **caste structures** (Forward Caste, Backward Caste and Scheduled Caste) and **SHG statuses** (junior or senior groups). These empirical comparisons are split up into six subsections.

4.1 Background information of the 12 SHG Leaders

4.2 Socioeconomic Analysis on the 12 SHG Leaders

4.3 Process of Forming Successful SHGs

4.4 Problems and Group Dynamics

4.5 Financial Transactions

4.6 Impact

4.7 Final Conclusions

4.1 Background information of the 12 SHG Leaders

All of the 12 SHG leaders were chosen by their caste structures and SHG statuses. A recent government rule required all groups to change leaders annually or biannually. Subsequently, for this report, there was not an equal number of Forward Caste, Backward Caste and Scheduled Caste respondents. Out of the 12 SHG leaders, there are 3 FC, 6 BC and 3 SC interviewees. As shown in **Figure 15**, the senior groups do not have any SC leaders. During the late 1990s in

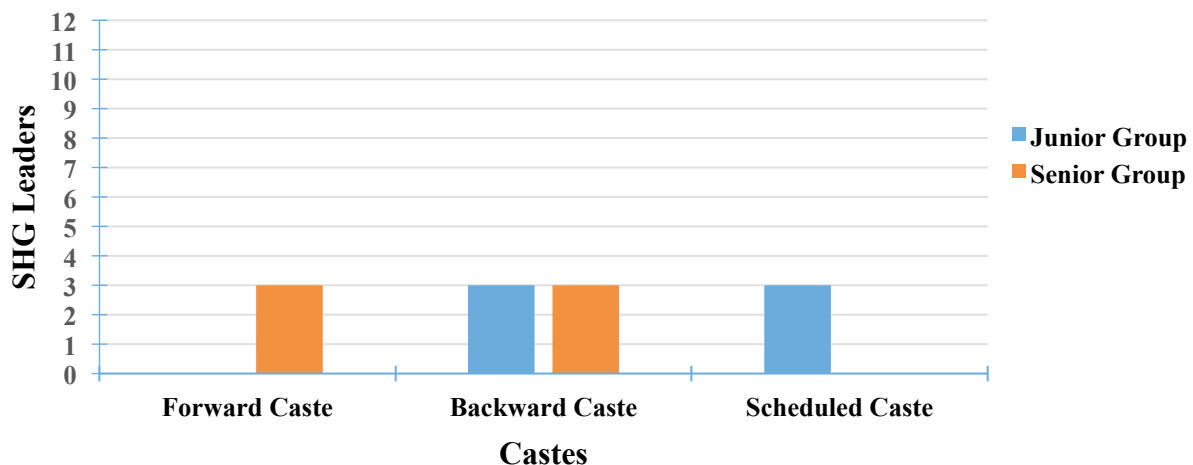


Figure 15 Caste structures by group status

Dokur, only FC members created SHGs with a few BC members. By 2007, more SHGs formed with BC and SC leaders (**Figure 8**). Now, it is a government rule to rotate leaders to ensure that SC members have the opportunity to become leaders. Before the creation of SHGs, FC members would not affiliate with SC members, also known as the untouchables ("Untouchable Hindu Social Class"). By providing SC members the leadership opportunities through SHGs, the established caste disparity and hierarchy mentality are slowly deteriorating.

4.1.1 Age

Most of the leaders are 30-40 year old women. The senior groups have leaders from all age groups since they were created earlier than the junior groups. Other than these two observations, there is no clear relationship between the age and the status of the leaders because of the recent government rule to rotate leaders.

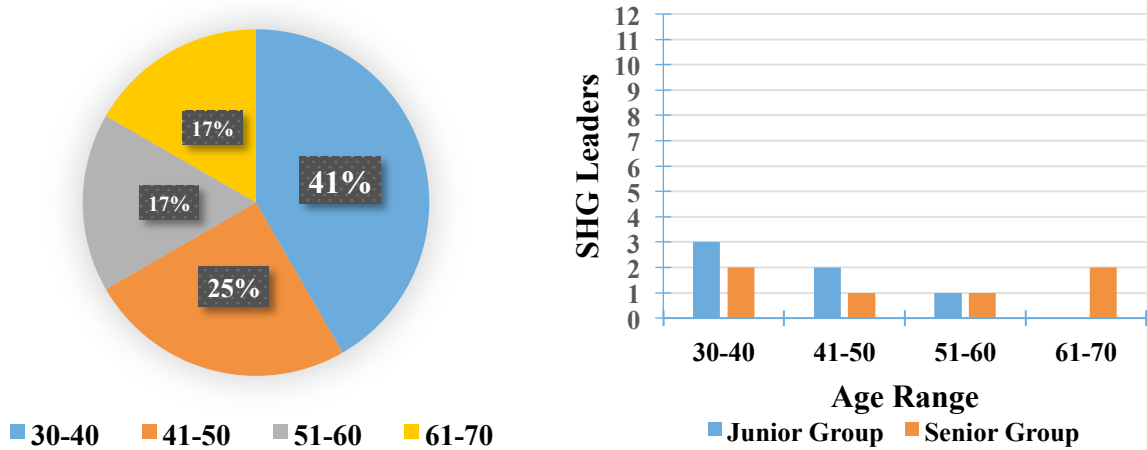


Figure 16 Age range

4.1.2 Educational Levels

Figure 17 illustrates the educational levels of the respondents. Notably, there is no educational requirement to join SHGs, thus 75% of the respondents are uneducated. The educated members

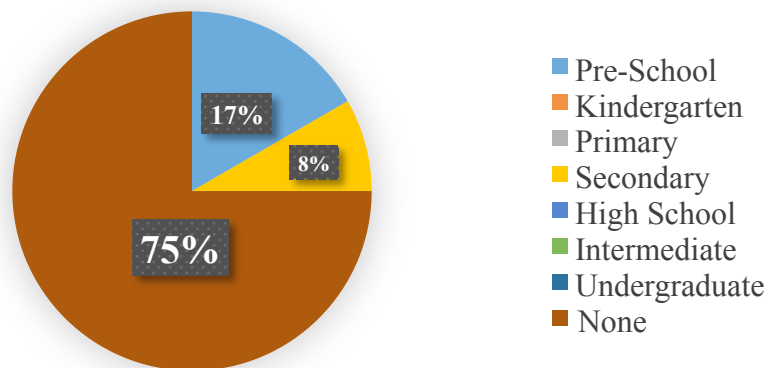


Figure 17 Educational levels

are from the senior groups. In the two FGDs, the respondents mentioned that an educated member in the group is helpful, but not essential. For example, at the inception of the SHGs, many uneducated members struggled with the financial transactions especially with their signatures. By having a literate member, some SHGs do not have to face an educational barrier regarding financial transactions.

4.1.3 Primary Occupations

Almost all of the respondents work in the agricultural or farm-labor sectors since the main

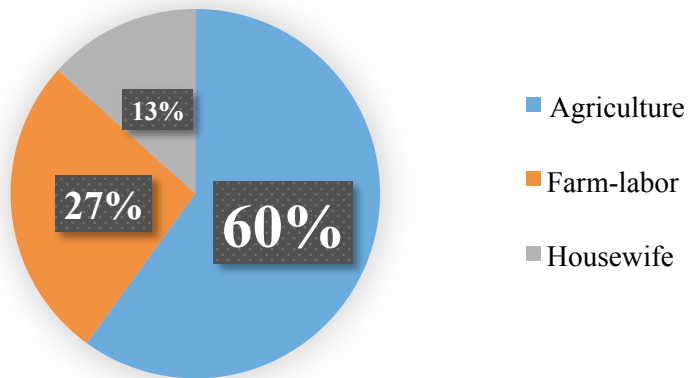


Figure 18 Primary occupations

source of income in the village is agriculture. The small percentage of housewives are all active FC leaders. During droughts, many of the SHG leaders struggle to gain profits with agriculture. Therefore, their SHG loans on agriculture leave them in more debt as explained in [4.4 Problems and Group Dynamics](#).

4.1.4 Land Holdings

Most of the leaders own land because they work on the agricultural sectors. Based on the data below, the junior leaders own small and medium sized lands, while the senior leaders own all types of land. Due to the limited number of respondents, there are no conclusions that can be

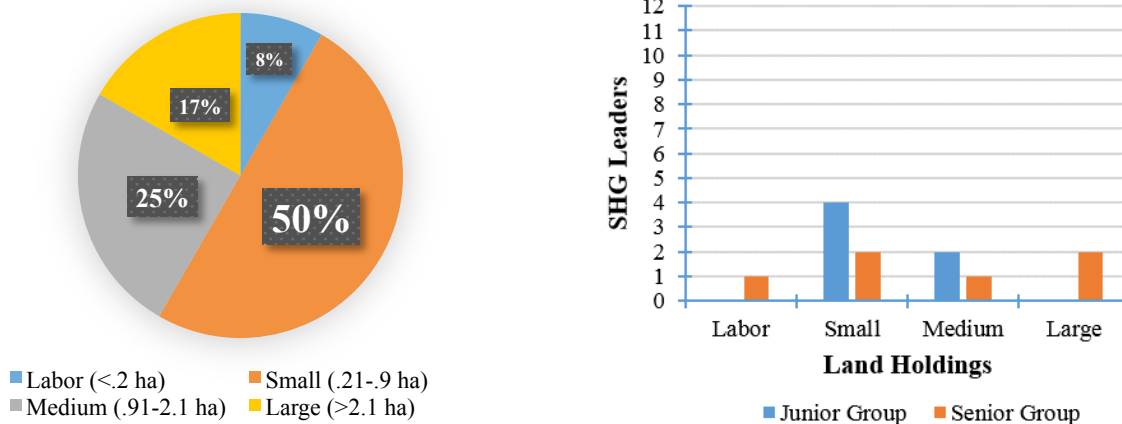


Figure 19 Hectares of land owned

made regarding SHG leaders' caste structures and hectares of land owned.

4.1.5 Marriage

One of the main requirements to join a SHG is to be a married resident of the village. In a patriarchal society, the husband is the head of the household. However, three of the respondents were widowed, therefore they became the heads of their households, and freely spent their SHG

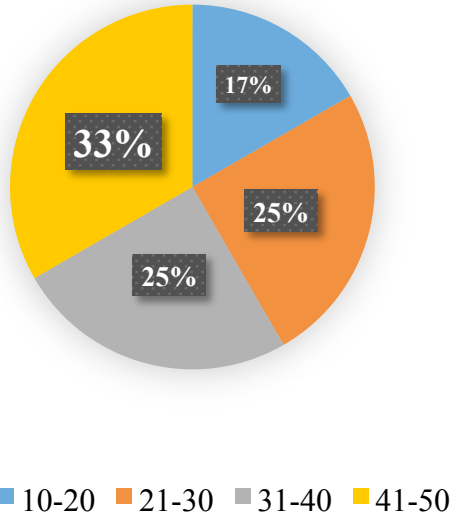


Figure 20 Years married

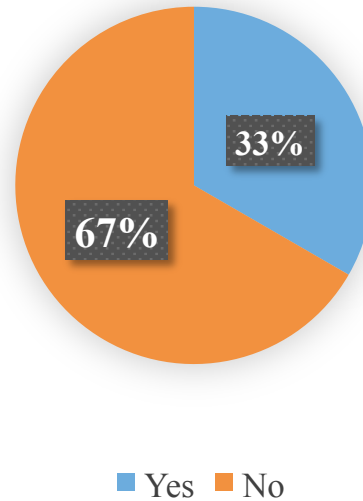


Figure 21 Head of the household

loans. Another one became the household owner because of her credibility and initiative to handle family problems. The duration of the marriage does not have any correlation with one's caste structure or SHG status.

4.1.6 Conclusion



First individual interview conducted on an inactive SHG leader

At the start of the interview, I asked each respondent for their age, caste, educational level, primary occupation, acres of land owned, duration of marriage and head of the household questions. Because of the new government rule to change SHG leaders annually or biannually, there was not a clear relationship on these variables with caste structures and SHG statuses. However, there are still very important observations derived from the data:

1. **Age:** The junior group leaders tend to have younger leaders and the senior groups have leaders from all age range because they were created earlier,
2. **Educational Levels:** Since many of the SHG members (even the leaders) are uneducated, having a literate member in the group is helpful for financial transactions,
3. **Primary Occupations:** Agriculture is the main source of income in Dokur village which influences the loan expenditures of the SHG leaders,
4. **Land:** Senior group leaders own all types of land while junior leaders only own small and medium sized lands, and

5. **Marriage:** If the woman is the head of the household (after becoming a widow), then she has the right to freely spend her SHG loan

These qualitative observations are not concrete conclusions due to the limited number of respondents and newly formed government rules. Instead, this empirical analysis should provide the readers a holistic understanding of the 12 SHG leaders.

4.2 Socioeconomic Analysis on the SHG Leaders

One of the objectives of this report is to evaluate the respondent's leadership qualities to answer these questions through a qualitative approach:

1. What constitutes a successful SHG leader?
2. How does leadership play a role in the formation of successful SHGs?

This subsection analyzes one's leadership experiences, motives and family support to answer the questions.

4.2.1 Leadership Background Information

The 12 respondents are equally divided into junior and senior groups. **Figure 22** shows how junior groups have more inexperienced leaders. Many of the senior groups do not change leaders because their groups are properly functioning with their existing leaders.

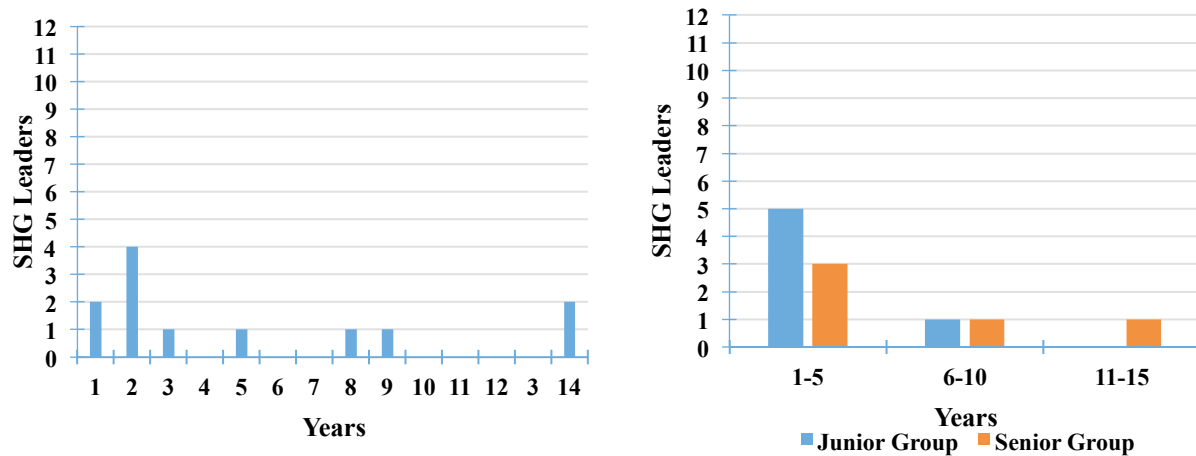


Figure 22 Years as a SHG leader

Leadership experience is one of the key factors that create a successful SHG leader. For example, an experienced leader had more opportunities to develop essential qualities such as:

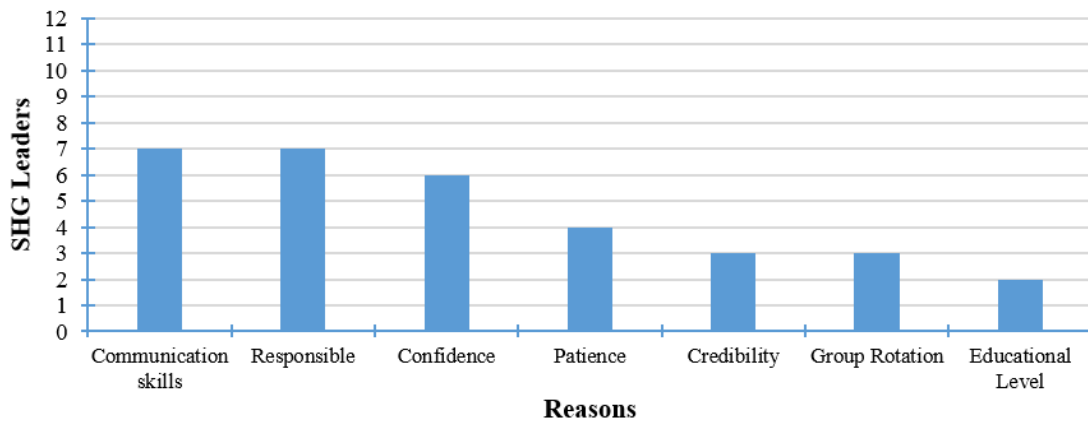


Figure 23 Reasons for becoming a SHG leader

effective communication skills, responsibility (enforcing the group rules and collecting the financial transactions), confidence and patience. **Figure 23** portrays the importance of these qualities in a leader according to the respondents. One does not have to be educated nor have strong credentials to be a successful SHG leader. Instead, a successful leader is someone that carries the mentioned characteristics.

Prior to creating the group, many of the leaders have been encouraged by others to unite and form a SHG. For example, the SHG junior leaders noted that they saw the benefits of SHGs

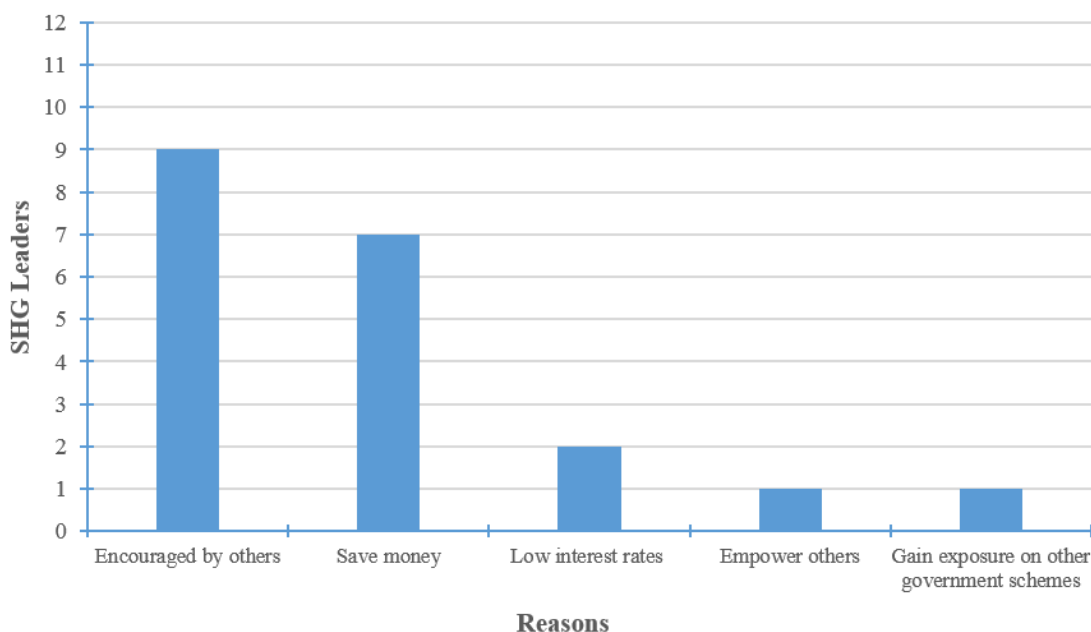


Figure 24 Reasons for creating a SHG

through the senior groups, and the advocacy of their village government. SHGs have existed in Dokur for the past two decades, therefore all of the adult villagers are aware of their impacts on the woman, the family and the village. Because of the historical and positive presence of SHGs in Dokur, it has been easier for leaders to create a group with their family and friends.

Figure 24 also highlights other reasons for group formation. Even though only one respondent mentioned “empowering others”, all of the reasons directly relate to that response. For example, saving money correlates with empowerment. Through SHGs, women are able to have access to money, a form of financial empowerment. With that money, they consult with their husbands about their loan expenditures. The two FGDs also indicated that women involvement in the groups is slowly breaking the mentality that only men should have access to money. Participation in SHGs continues to empower women financially, as further mentioned on **4.6 Impact**.

Another important factor in developing successful SHG leaders is the family support. During the inception of the groups in the late 1990s, the husbands of the SHG leaders would not allow them to participate in any of the meetings (“Sarpanch”). Now, the male adult villagers are informed of the financial benefits of the SHGs, especially the extra income-generated activities that these loans are bringing to their families.

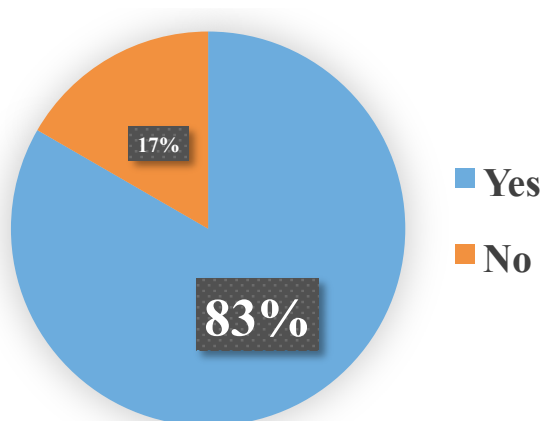


Figure 25 Does your family support your participation in the SHGs?

In rare cases, some women did not receive support from their husbands. For instance, a SSBC leader indicated that her husband abused and left her because of her participation in SHGs. Apparently, her husband was skeptical of the group formation, and completely unaware of its benefits. Despite his opposition, she continued to form the group to pay for her female children’s education and add onto her income-generated activities (IGAs).

When asked about family support, the respondents mentioned that their young children do not know about SHGs. Once their children reach intermediate schools, then they will learn the formation of SHGs and its impacts. Their educated children even offer support by helping them with the financial transactions. However, before intermediate school, the leaders do not want their children to worry about the loan process.

Based on the responses, family support strengthens the leader’s confidence in her abilities. For example, the leaders can freely participate in meetings and organize their group due to the family support. Husband approval is also very essential to easily obtain bank loans since both signatures are required. Because of the evident positive effects of SHGs in Dokur, many husbands encourage their wives to participate in the groups.

4.2.2 Conclusion



Individual interview with the oldest and most experienced active SHG senior leader

Successful SHGs cannot exist without great leaders. Great leaders are not defined by their age, caste structures, educational levels, primary occupations, land owned or marriage statuses. Instead, they are defined by their ambition, motivation, communication skills, confidence and patience. Now, every SHG member has the opportunity to develop these qualities despite their lack of experience.

Senior group leaders serve as mentors for the younger leaders to help them overcome barriers. The presence of senior groups in Dokur continues to influence the success of junior groups. Now, more families support their wives' participation in SHGs. Through such a strong support system, more of the leaders feel empowered and confident to serve their groups.

4.3 Process of Forming Successful SHGs

This qualitative analysis on the process of forming successful SHGs in Dokur Village focused on the caste structures and SHG statuses of the 12 SHG leaders. There was not a huge sample size to make factual conclusions, therefore some of the results were inferences based on the collected data. So, how do women exactly form successful SHGs?

There are no correlation between one's **age, educational level, primary occupation, land holding, and marriage status** with successful leadership. Now, everyone has the opportunity to become a SHG leader with the new government rule to rotate leaders annually or biannually. An elderly woman with no educational experience, an agricultural-worker, small land owner, and head of the household can be as successful as a young woman with an intermediate level education, a house-wife, medium land owner and not the head of the household. These five characteristics are not the determinants in creating successful leaders.

4.3.1 Leadership Ripple Effect

Successful SHG leaders are determined by their communication skills, responsibility, confidence and patience. Education helps develop these qualities, but education does not define these qualities. Most importantly, these leadership characteristics have a rippling effect on the members. If the leaders possess the mentioned qualities, then their members will look up to

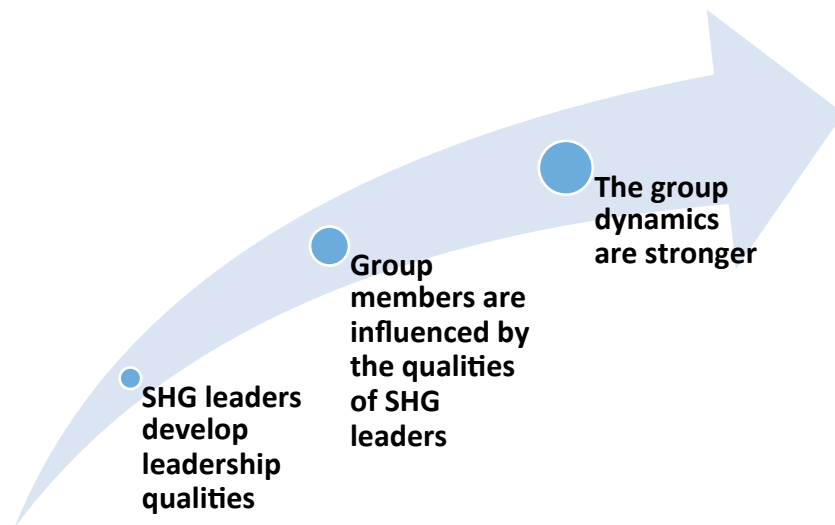


Figure 26 Leadership ripple effect

their examples. Slowly, the group members will be influenced by the leader's qualities, then their whole group dynamics will be stronger. Successful SHGs need strong leaders that are invested in the achievements of the group.

4.3.2 Collective Action

According to the respondents, there are many reasons that create successful groups. **Figure 27** shows that group unity is the main determinant for the success of the groups. The first five reasons are examples of collective action. Collective action is essential for successful group formation. For example, if a group leader strictly enforces the rules in the beginning, then

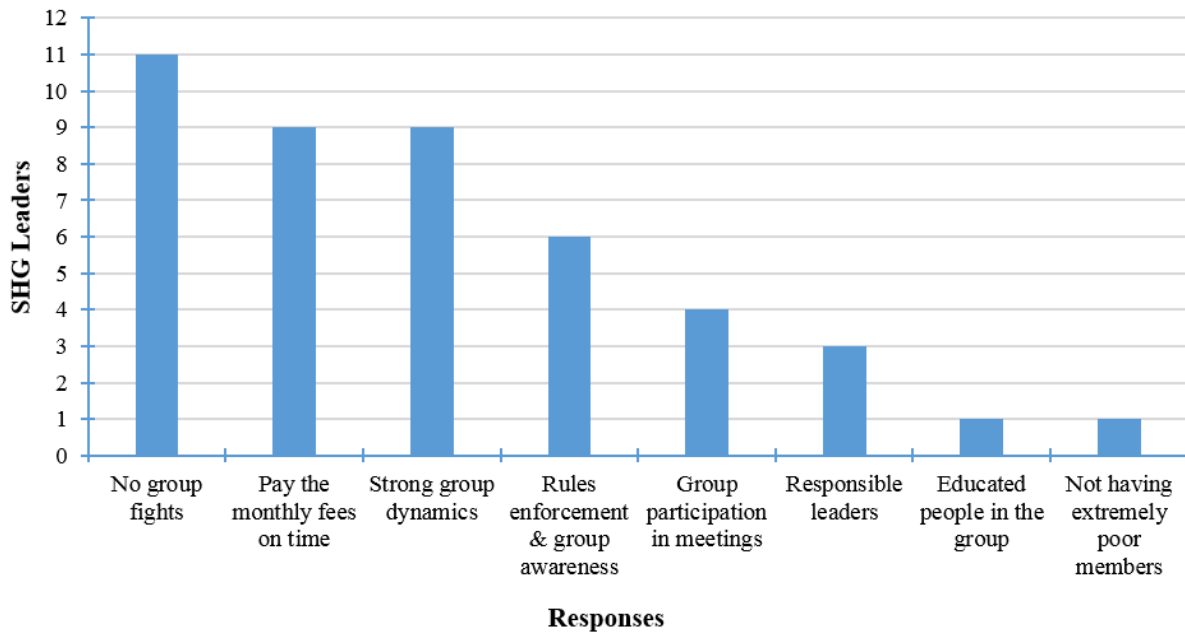


Figure 27 What makes a SHG successful?

more members will have a better understanding of the rules. Therefore, the meetings will become more stable because everyone knows their roles and responsibilities. Then, there will be stronger group dynamics that influence all the members to pay their monthly fees on time. And, when everyone pays their monthly fees, there are no group fights. This process of collective action is another determinant for successful SHGs.

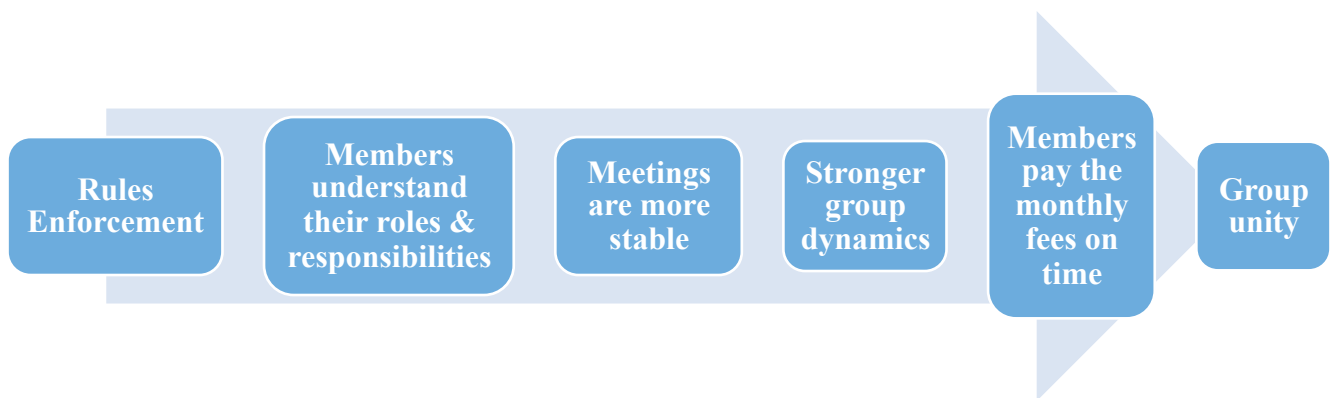


Figure 28 Collective Action

4.3.3 Conclusion



The active SHG leaders and members talk about the importance of group unity

In order to form successful SHGs that can overcome any barrier, there must be strong leaders that are invested in the positive growth of the group. Strong leaders develop effective communication skills, responsibility, confidence and patience. By their examples, the members are influenced to participate in the meetings and pay their fees on time. Through this process of collective action, group unity is achieved. Strong leaders and collective action are the two main factors that form successful SHGs.

4.4 Problems and Group Dynamics

The creation and maintenance of SHGs are deeply affected by the existing problems in Dokur. During the interviews, each leader was asked to identify any problem that prevented or hindered the creation of their group. Then, if applicable, they were asked to describe how they overcame the problem(s). Their answers were classified into four different categories: environmental, social-cultural, economic and other problems.

This subsection aims to analyze the effects of these problems on SHGs through the perspectives of the leaders. However, it is difficult to examine the problems individually because they are

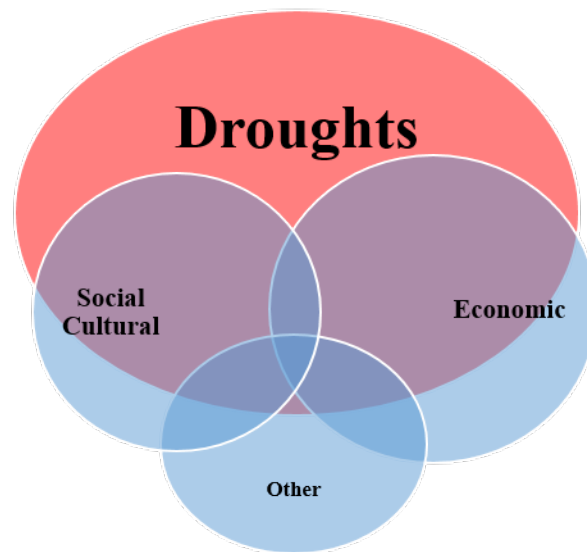


Figure 29 Interconnectedness of the four problems faced by SHGs in Dokur

all interconnected. For example, the environmental problems have a huge impact on the economic problems of the leaders which affect their group dynamics.

While reading this section, keep in mind the demographics of Dokur, particularly its location and agrarian economy, to fully understand the effects of the problems on the SHGs.

4.4.1 Environmental



The SSBC leader mentions the impact of the droughts in her life

On our second field day visit, we interviewed a SSBC leader at noon. She informed us that we could have our conversation until sunset due to the lack of available work caused by the absence of rainwater. Out of the 12 respondents, 10 of them work for the agricultural sectors. All of the respondents indicated the negative effects of droughts in the village.

Since 1972, Dokur has had three severe drought periods: 1994-96, 2001-02 and 2004-05 (Figure 5). The scanty rainfall is causing the village tank and borewells to dry up. This inaccessibility to reliable water continues to affect all the villagers, especially the SHG members.

Droughts affect all castes. However, each caste has their own coping mechanisms to droughts. The FC and BC respondents have more options to get money through non-agriculture work, unlike the SC respondents. One of the SC leaders explained that her caste serves as a challenge especially in times of droughts. During the late 1990s, SC members were unable to ask the FC and BC members for loans due to the caste disparity. Now, their participation in SHGs has developed their confidence to ask other caste members for loans.

All of the leaders mentioned taking loans from moneylenders with an interest rate of Rs. 3/Rs. 100. Since many SHG members want to stay in the groups for the benefits, they will borrow money with higher interest rates which leave them in more debt.

Investing in agriculture does not guarantee any of the SHG members any profits. In reality, the agricultural investments cause many Dokur women to be in more debt due to the droughts and high interest rates from the moneylenders.

4.4.2 Social-Cultural

The environmental problems have a ripple effect on the social-cultural problems of caste disparity and lack of education. For example, the SC leaders are unable to find any other work aside from agriculture. During droughts, they have no work and no money to pay for their monthly SHG fees. Therefore, they borrow from moneylenders with higher interest rates. Although the FC and BC members face the same problem with moneylenders, they are able to pay their debts back. They are more financially stable than SC members with more IGAs.

The educational disparity is a huge challenge at the start of the group formation. Lower castes are less educated than higher castes (Singh 129). In this report, there are no distinct correlation with education and caste structures due to the limited sample size. However, the BC and SC members indicated the effects of educational disparity. For example, new groups with educated and uneducated members often got into arguments. The educated SHG members thought that they were superior to the uneducated members. Failure to overcome this challenge led many groups to end. Since many SC members are uneducated, they are susceptible to face the problem of educational disparity in their SHGs. Even though education is not a requirement for SHGs, it is extremely helpful to prevent scams and future logistical problems with financial transactions (an example is mentioned in *4.4.5 Group Problems Timeline*).

4.4.3 Economic

Out of the 12 leaders, 10 of them mentioned that their biggest problem with SHGs is ensuring that all members pay their monthly fees at the correct time. During droughts, all of them, particularly the SC members, have a difficult time compensating for their SHG fees. The three inactive leaders indicated that their group failed because of the fights between the members about money. Some of the leaders would even scold their members for their inability to pay the fees. Because of this economic problem caused by the droughts, group members developed hostility amongst each other. Then, their group dynamics weakened, fights emerged and the groups ended.

4.4.4 Other

Aside from the environmental, social-cultural and economic problems, there are also group disputes due to the lack of group trust, miscommunication, and irresponsible leadership. A FSBC respondent mentioned that at the start of her group, the members did not believe in the benefits

of SHGs. They grew skeptical, but she ensured that her group members understood the process, the rules and the benefits. Although she overcame the lack of group trust in the beginning, she was unable to save her group from the scam.

A SSBC respondent mentioned that their group dynamics were unstable in the beginning. Her group had an irresponsible leader that did not possess the qualities of a successful SHG leader. As a group, they voted to change leaders.

Problems regarding group dynamics can be solved through proper communication. A SHG is nothing without its members, therefore SHG leaders must work with them to address such challenges.

Active SHGs		
Types of Problems	Description	Overcome
Environmental	❖ During droughts, it was extremely difficult for them to pay their monthly fees	❖ They would get loans from moneylenders (Rs. 3/Rs. 100) or other SHG members
Social-Cultural	❖ Many of them would invest in children's education, and they would have to struggle to pay for their fees (especially the lower caste members)	❖ Although education is a long-term investment, they realize its impacts and future benefits that they find other ways to get money
Economic	❖ The environmental problems cause all of them economic problems	❖ In order to stay in the group, they would need to find different means in getting money
Other	❖ The group and government rules keep changing	❖ The local government and group leaders make the effort to ensure that everyone know about the new rules
Inactive SHGs		
Types of Problems	Description	Overcome
Environmental	❖ In times of droughts and family health problems, everyone had trouble to repay their group monthly fees	❖ Each member and leader would have to borrow money from others
Social-Cultural	❖ Investing in children's education made it difficult for the SHG members to gain extra money ❖ Many of the SHG loans paid for family dowries	❖ Many of them would work for other jobs to guarantee that they get the SHG loans for their children's educational fees ❖ The SHG loans would cover part of the dowry, but many of them would be in debt afterwards
Economic	❖ Before, the bank interest rate was Rs ¼ for every Rs 100; now, the interest rate is Rs 1 for every Rs 100	❖ Everyone learned about the increase in the interest rate and the financial calculations
Other	❖ Before, rules were not strict ❖ The group fights caused many to develop skepticism on the effectiveness of SHGs	❖ The group leaders began to enforce the rules to ensure the success of the group ❖ All the FGD respondents were not able to overcome the group fights from the scam

Table 5 FGD notes on the SHG problems

4.4.5 Group Problems Timeline

In the research tool, the leaders were asked to identify their group problems from 0-5 years, 5-10 years, 10-15 years and 15+ years. **Figure 30** is a qualitative timeline of the general problems faced by both groups. Based on this timeline, they both faced the same types of problems from

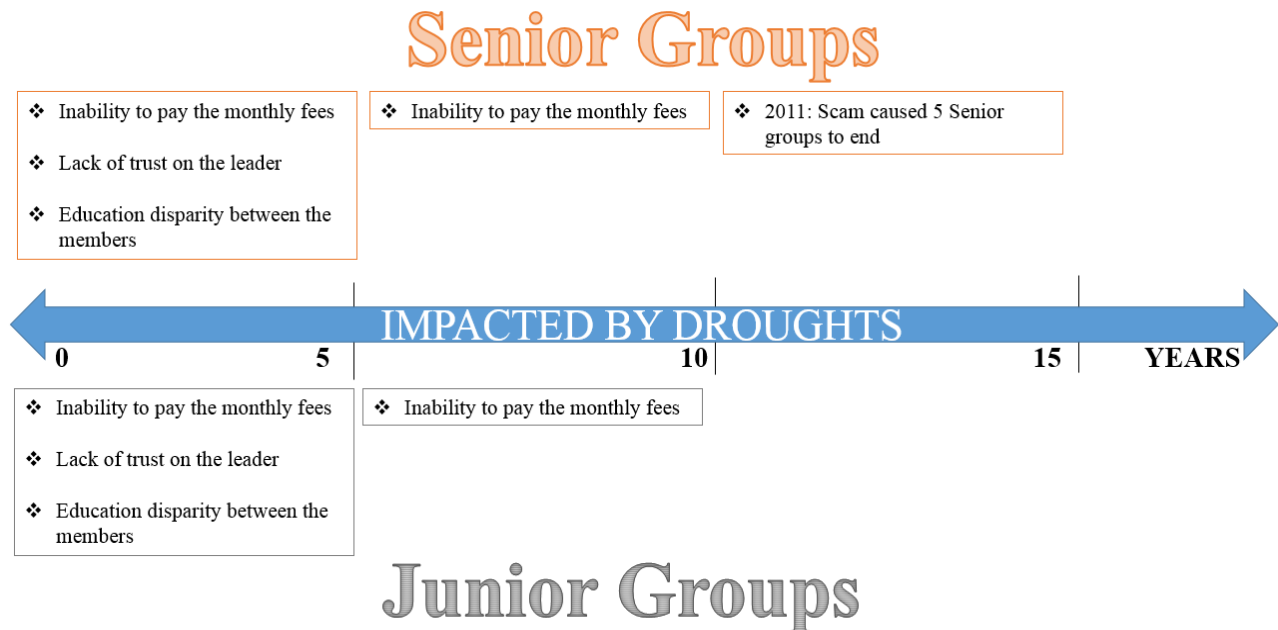


Figure 30 Timeline of group problems

start until present. Observational conclusions were made to determine the process of creating successful SHGs.

0-5 years

Successful SHGs have a strong foundation established in the beginning. The active leaders mentioned that their groups encountered the most problems at the start. However, the junior leaders had an easier transition in forming their groups because they saw the examples of the senior groups.

During the start of the group, the leaders must enforce and educate the members to fully understand the different sets of rules (Table 1). Many fights are caused by miscommunication and misunderstanding of the rules. For example, the SSFC respondent mentioned that her group faced minor challenges because everyone followed the rules. In her opinion, enforcing the rules was easy because the members of the group were her friends and family members.

Since the biggest requirement with SHGs is paying the monthly fees, many leaders apply late penalty fees to ensure that everyone pays at the correct time. **Figure 31** shows the number of

leaders that enforce the penalty fees to their groups. Each of the penalty fees depend on the group, and can range from Rs. 30 – Rs. 100.

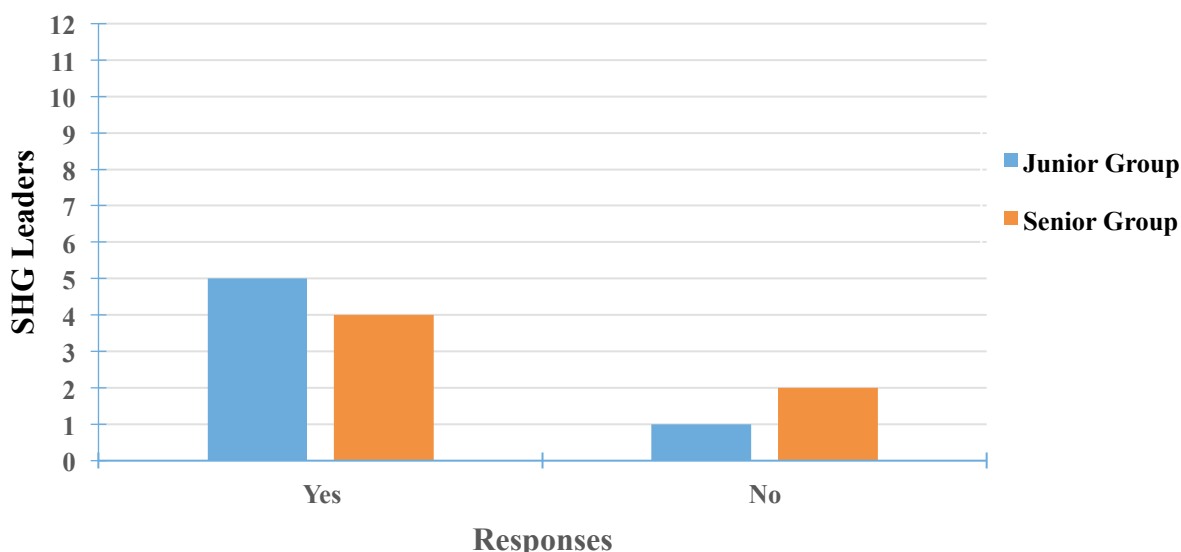


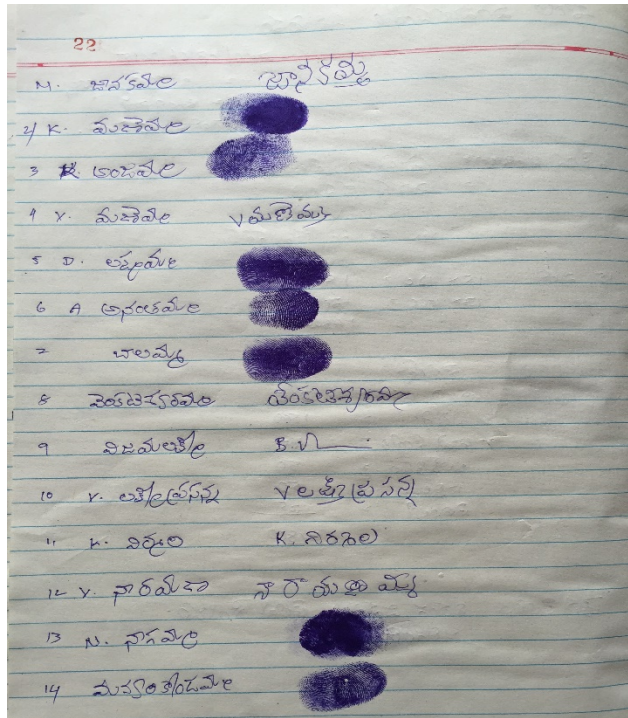
Figure 31 Do you enforce late fees?

Monthly meetings are also another important rule that every member must follow for the success of the group. Each group decides when and where to meet. In Dokur, every group meets on any of the first ten days of the month. Sometimes the leaders would remind their members the night before or the day of the meeting. During the beginning of the group formation, the reminders are essential. Then, after having consistent meetings for a year, they become a monthly routine for the members. Some leaders even enforce penalty fees if members do not attend the meetings.

Active group participation is an essential aspect of the group meetings. All of the leaders mentioned that their members actively participate by sharing their thoughts, asking about government schemes and notifying their groups if they are facing financial problems. One way that leaders develop group participation is by engaging in conversations other than loans. A SJSC leader indicated that she would require her group to sing songs before the meetings to get everyone involved. Methods like that develop group dynamics. If the members know each other on a personal level, then they are more prone to financially help others in their group. If one member cannot pay the monthly loan, then the entire group suffers. However, if the members are willing to help each other, then financial barriers can easily be solved.

The presence of senior groups has led to the success of many junior groups. For example, group formation is easier for the junior groups because they learned from the examples of the senior groups.

Throughout the first five years, it is essential to have strong group foundation to create successful groups. Leaders must build the trust of the group and alleviate any skepticism regarding SHGs. The leaders also need to enforce the rules so that the members pay at the correct time, and prevent any future economic problems. Any SHG is prone to overcome any future obstacles if they have strong group dynamics.



Some SHGs take the thumbprints of their members for attendance

5-10 years

When the senior leaders were asked to describe their group from the 5th-10th years of formation, many of them did not elaborate on any problem. At this point, the leaders have strictly enforced the rules, therefore every member is aware of the SHG requirements.

The junior groups had more experience to share since they formed more recently than senior groups. At this time period, many of them struggled to pay their monthly fees. For example, during the summer of a drought year, they have to find non-agricultural work. If they cannot find work, they resort to borrowing money with high interest rates. Although the groups have been established for at least five years, they still have to consistently face economic problems brought upon by droughts.

10-15 years



The inactive FGD respondents mentioned the impact of the scam in their groups

By 2011, 5 of the senior groups ended because of the scam (Figure 8). One of the senior leaders convinced all members of the 5 senior groups to sign a bank loan contract. None of the members knew how to read, so they easily agreed to sign the contract. Then, the deceiving senior leader took the contract to the bank, and kept the loan for herself. The other 5 senior leaders found out about the scam when the bank charged them extra money. Since the other group members did not want to pay for a loan that they did not benefit from, they argued until the groups finally ended. Now, the deceiving woman is paying for the bank loan.

Even though some of the groups have existed for 10-15 years, they can end from miscommunication, lack of trust and group fights. Some of the leaders tried to prevent the fights caused by the scam, but many of the members already developed skepticism. A successful SHG requires strong group dynamics built by trust, and this scam led many to mistrust SHGs.

The scam caused 5 of the 12 senior groups to end. The remaining 7 groups overcame this disastrous problem because they were not directly affected. Although they heard about the scam, they did not have to face group fights. The leaders could no longer bring the group together once they reached a consensus of breaking up.

15+ years

The remaining senior groups did not elaborate on any present problems. Since they have existed for more than 15 years, the groups knew how to cope with financial problems. The group dynamics were also stronger because all the members knew each other, and were more inclined to help pay for those without money. Many of them followed the rules, and adapted to any newly formed government SHG rules.

4.4.6 Conclusion

The success of both junior and senior groups are greatly impacted by the problems that they encounter. Environmental problems such as droughts always serve as obstacles for SHGs since Dokur is an agrarian environment. Many of the SC leaders are heavily affected by droughts since they do not have a variety of employment options compared to BC and FC leaders. If they are unable to pay their monthly SHG fees, then many members take loans from moneylenders, with higher interest rates. As a result, the droughts cause SHG members to lose work and end up in more debt.

As mentioned in the introduction of this subsection, all of the problems are interconnected. Many of the senior groups know how to cope with the problems compared to junior groups because of experience. Essentially, the presence of senior groups is a helpful aspect for the success of junior SHGs to overcome any obstacle.

Group experience does not necessarily define a successful group. For example, the scam caused strong senior groups to end because they were unable to overcome the group fights caused by the skepticism of the members. Even though the inactive leaders tried to prevent the fights from occurring, they were unable to stop the inevitable.

Every group is going to face problems with mistrust, miscommunication and inability to pay the monthly fees. However, successful groups learn to cope with the problems by focusing on the solutions.

4.5 Financial Transactions

This subsection explores the financial aspects on the group and individual levels. According to the individual interviews, one of the main reasons that women formed SHGs is to save money. These groups cannot properly function if there are members that do not pay the monthly fees; everyone has to do their part. Although some of the members are economically-challenged, they all understand the importance of paying their fees on time.

4.5.1 Group Monthly Repayment

The growth of SHGs in Dokur from 12 groups to 29 groups has influenced the villagers to see its impacts. These positive impacts develop group expectations. A SSFC leader mentioned that all her members paid the fees because they did not want to be removed from the group. The fear of getting removed is one of the two reasons that motivate SHG members to pay their fees.

The second reason is the late penalty fees. Out of the 12 interviewees, 9 of them enforced penalty fees (Figure 31). These penalty fees convince the SHG members to pay their fees on time because no one wants to pay extra money. The implementation of these rules make the members more aware of their roles and responsibilities, thus improving group dynamics.

4.5.2 Individual Financial Transactions

One of the biggest benefits of SHGs is its financial empowerment on the woman. **Figure 32** shows how half of the respondents spend their loans on their own, while the other half discusses their financial transactions with their husbands. Based on the interview responses, if the woman

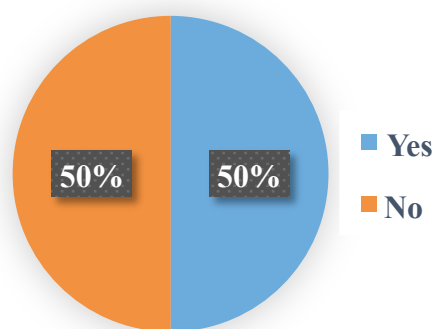


Figure 32 Are you the one that spends your loans?

is the head of the household, then she has the right to freely spend her SHG loans. If they are not the owner, then they consult with their husbands. In both scenarios, the bank requires the signature of the husband to obtain the loan.

According to a 2013 study conducted by NABARD, if women have access to money, then they spend it on income-generated activities and their family's education. Poor women are invested in uplifting their entire family out of poverty, not just themselves.

Figure 33 shows the different items that the SHG leaders spent their loans from the past five years. This data supports NABARD's study. Many of the leaders in both FGDs mentioned that

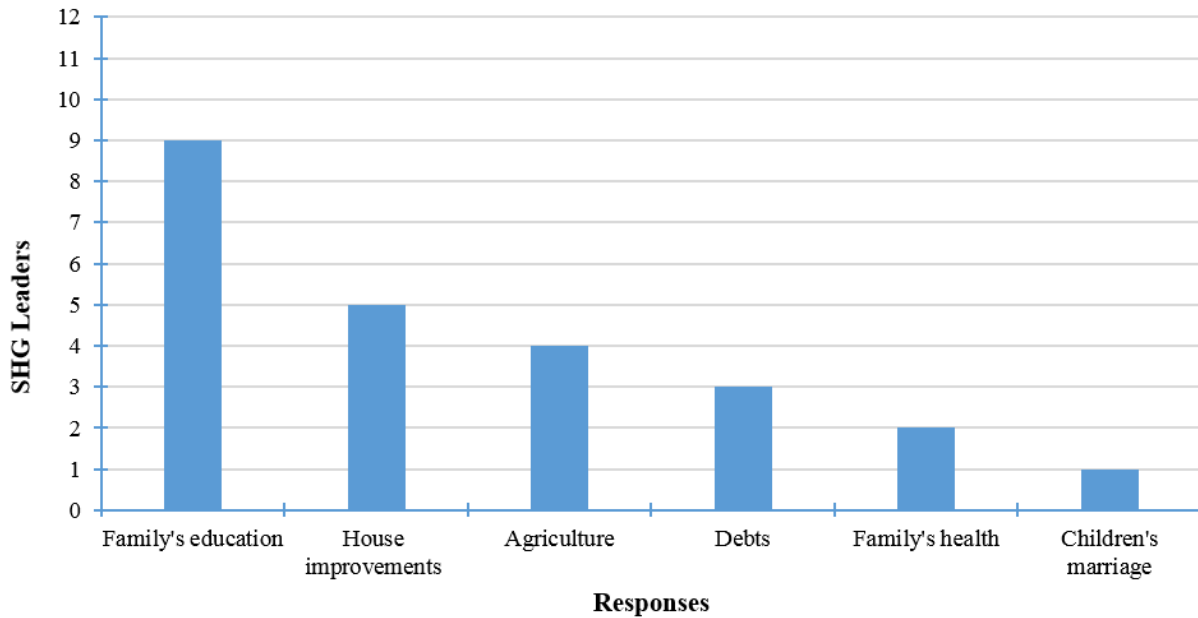


Figure 33 In the past five years, what did you spend your SHG loans on?

their investment in their family's education has led them into more debt. Education is not an immediate solution to poverty, but rather a long-term investment. On the other hand, investment in agriculture is another means for IGAs, but it does not guarantee profits due to droughts.

4.5.3 Children's Education



There are not enough respondents to determine if there is a direct relationship between castes and loan expenditures on children's education. However, all of the FC and SC leaders spent their loans on their family's education.

Most of the respondents spent their loans on their female and male children. Again, there is not

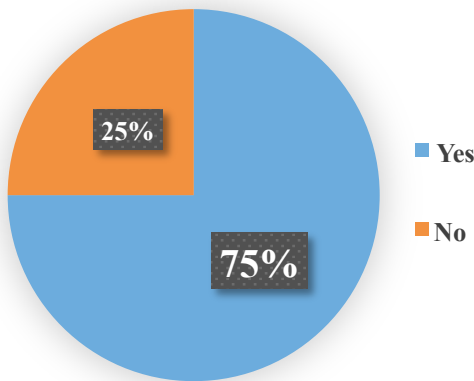


Figure 34 Do you spend your SHG loans on your children?

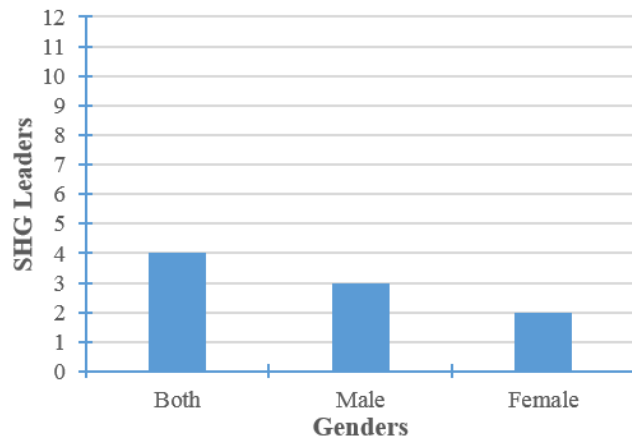


Figure 35 SHG loans on children by gender

enough data to conclude if families invest more in their male or female children. However, families tend to spend their money on the education of their male children because of the patriarchal society (Walker and Ryan 29-31).

4.5.4 Conclusion

Financial empowerment is a direct result of microfinance through SHGs. More and more women are gaining access to money which is slowly deteriorating gender inequality in developing countries. The historical presence of SHGs in Dokur has positively impacted the mentality of women. There are certain expectations for every member to pay their fees on time which contribute to the success of the group. If one does not pay, then the whole group suffers.

Many of the leaders also enforce late penalty fees. Once the group obtains their bank loan, then they decide how to spend their money. In most cases, they consult with their husbands since the government requires both signatures. If a woman is the head of the household, or is a widow, then she freely spends her loans.

Through the conducted study of NABARD, SHG members spend their loans on income generated activities like agriculture and their family's education. Investing in agriculture is a risky decision because it is not guaranteed to provide any surplus especially in drought-prone areas. Investing in the family's education does not result in any immediate profits. Regardless of the results of these investments, women are becoming more empowered to have access to money, and to decide how it is spent, an impact that is explored in the next subsection.

4.6 Impact

Since the creation of SHGs in Dokur in 1998, the impacts of SHGs have had a rippling effect on the woman, the families and the village. This subsection analyzes those impacts with a focus on Dokur.

4.6.1 Evolution of SHGs in Dokur



Interview with the Sarpanch

According to the Sarpanch, the SHGs in Dokur have evolved from an intricate government program to a beneficial program for all. At first, many of the male villagers were hesitant to allow the women to participate in SHGs. They were unaware of its benefits, and believed that SHGs were harmful to their families. For example, women had to attend monthly meetings. As a result, their husbands developed suspicion because they did not understand the purpose of the meetings. Instead, they thought that their wives were forming unnecessary groups, when they should attend to their roles as house-wives and mothers.

Through the historical presence of SHGs, there is now a clear village understanding on its benefits. The mentality that women should not form groups almost ceases to exist. Now, the villagers, especially the husbands of the SHG members, are encouraging their wives to participate in their monthly SHG meetings to provide more profit for the family.

On the financial aspect, the Gram Sangham leader mentioned that many women were unable to pay their monthly fees during the start of the groups. Many of them were unaware of their available resources, so they faced multiple economic problems. However, the growth of SHGs in Dokur has taught the women to pay their fees on time, and to ask for help if necessary. The growth in experience of the local village leadership has also been an important factor in the success of the SHGs. The Gram Panchayat and the Gram Sangham continue to offer their help to the SHG members. The leaders mentioned that they often discuss their financial problems and group inquiries with the Gram Panchayat and Gram Sangham. This strong connection between the three parties has influenced the SHG members to ask for help if they are unable to pay their monthly fees, an essential impact on the confidence of the woman.

The FGD respondents mentioned that there are no more present barriers that prevent women from joining SHGs. The monthly meetings and government benefits changed their doubtful mentalities. Now, it is highly encouraged that women participate in the groups.

4.6.2 Empowerment and Exposure of Women through SHGs

There has been many conducted study on the empowerment and exposure of women through SHGs. But, what does women empowerment really mean? According to a discussion with Dr. R. Padmaja, an ICRISAT gender specialist staff, women empowerment is the ability to develop confidence in one's decision-making, and influence others to do the same. For example, at the start of SHGs, many of the male villagers were doubtful of the advantages of SHGs. However, the local village leaders and SHG members showed them its positive effects. Slowly, the members built confidence to explain the process to their husbands, and to convince them that their participation will financially uplift their families.

Another important impact of SHGs is its exposure of women on government schemes and outside connections. Dr. R. Padmaja's dissertation illustrates that women participation in SHGs expands their network connections. Her research tool asked the SHG leaders of Aurapalle for their current network system, and then she asked each of those people if they knew the leaders. One of the reasons for the increase in network connections is that many government schemes revolve around SHGs. Many of the SHG leaders also participate in the Mahila Mandal Sangham (MMS) meetings where they meet people from other villages. This exposure to other government programs and other SHG members is a huge impact in not just the woman, but in the village.

Through SHGs, more women know people from other villages which extends the network connection of the entire village.

4.6.3 Positive impacts of SHGs

At its core, the main purpose of SHGs is to financially empower women through savings and group collaboration. In the past two decades, the active 7.4 million active SHGs in India have saved over Rs 33000 crores (Satish). Prior to the development of microfinance through SHGs, rural women were considered as the “unbankable”. They did not have access to money or credit. However, SHGs are teaching rural women to save money through group collaboration as shown by NABARD’s statistic and **Figure 36**.

Out of the 12 respondents, 11 of them highlighted that SHGs positively influence them to save

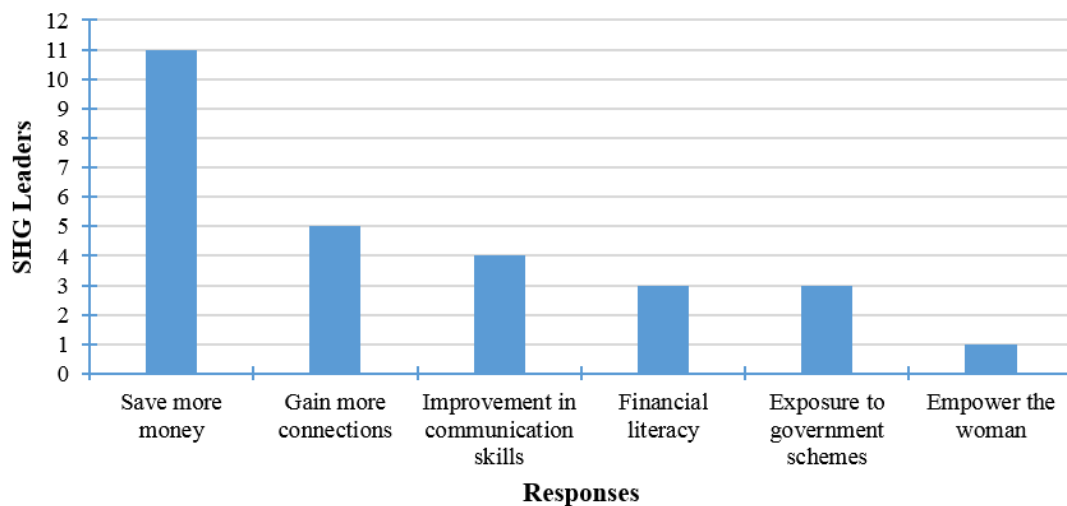


Figure 36 Positive impacts of SHGs

more money. Even though many of the respondents did not say “empower the woman”, all of these impacts directly empower the woman by building their confidence, exposing them to other schemes and people, and financially providing them access to money and credit.

4.6.4 Conclusion



FGD respondents raise their hands to show that they have been positively impacted by SHGs

During the beginning of the SHG formation in Dokur, many of the women faced problems with their husbands. Their husbands became blinded by the idea that women should stay home, and not participate in any group formation. As a result, their husbands were unaware of the SHG benefits. However, some women were able to form groups in 1998, and the success of those senior groups have influenced other women to form their own groups. Then, more of the husbands permitted and even urged their wives to join SHGs. Slowly, the village understood the financial benefits, and many of them wanted to have more income-generated activities.

When SHG leaders were asked about the positive effects of SHGs in their lives, many of them replied with its financial benefits on their families. But, financial empowerment is not the only benefit. Through the participation in SHGs, women are expanding their network connection which also widens the network connection of the entire village. The growth of SHGs continues to shift the paradigm of women as the “unbankable” to people with credit and connections.

4.7 Final Conclusions



We all raise our glasses for a toast

My field visit to Dokur did not only provide me comprehensive results for my project, but also a broader understanding of the dynamics of rural villagers that constitute about 70% of the Indian population (Chandramouli). The Dokur villagers are compassionate, resilient and hopeful people. They did not treat me as a foreigner or stranger. Instead, they welcomed me into their homes with respectful greetings and delicious chai. Their hospitality influenced me to dig deep with the results of my project.

The process of forming successful Self-Help Groups (SHGs) begin with strong leaders and dedicated members that are invested in the benefits of SHGs. Through collective action and the help of the local village government, any group can overcome any problem.

The main problem is droughts. However, many SHGs can overcome the effects of droughts through strong group dynamics. Successful groups focus on the solutions, rather than the problems. If a member fails to pay their monthly fees, successful groups have other members

that willingly help them pay their fees. If a group collaborates together, rather than individually, then there is a stronger support system. This support system is developed through proper leadership and dedicated members that consistently pay their monthly fees.

Senior groups have a particular role in shaping successful groups. Many junior groups look up to the examples of the senior groups in overcoming their problems. However, group experience does not define successful groups. The scam destroyed 5 senior groups because they were unable to unite. Instead, they focused on the group fights and developed hostility against each other. If every SHG member decides to end their group, then there are limited options for leaders to keep their group active. Any group is bound to fail, once mistrust and miscommunication overpowers the group dynamics.

According to a SSBC respondent, the benefits of SHGs outweigh the problems. Because of the historical presence of SHGs in Dokur, many of the villagers understand the group benefits. Now, every member is aware of paying their fees on time to attain the group benefits such as loans.

When women receive their bank loan, they invest in income-generated activities like their family's education or agriculture. These SHG loans are empowering women to have access to their money and deciding how to spend them. Aside from financial empowerment, many women also benefit from network connections. The SHG members are exposed to more people inside and outside of their villages through the Mahila Mandal monthly meetings. As a result, the network connections of the entire village also expands.

There are very clear benefits of SHGs that range from individual empowerment, to family growth, to village development. As the Sarpanch of the village said, *"If women are developed, the village is developed."* In a patriarchal society, it is essential to provide women financial opportunities. When they are provided the chance to build credit, then they invest in the financial growth of their families. And, the financial investments slowly uplift families from poverty into prosperity. If more women form successful groups, then more women will benefit from the impacts of SHGs, and overall contribute to village development.

Appendix

LIST OF **ACTIVE** SHG LEADERS (PERSONAL QUESTIONS)

Names of active SHG leaders	Age	Caste	Educational level	What is your primary occupation & hrs/day?	How many years have you been married?	How many acres of land do you own?	Are you the head of the household?
1.							
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							

LIST OF INACTIVE SHG LEADERS (PERSONAL QUESTIONS)

Names of inactive SHG leaders	Age	Caste	Educational level	What is your primary occupation & hrs/day	How many years have you been married?	How many acres of land do you own?	Are you the head of the household?
1.							
2.							
3.							
4.							
5.							

SHG LEADER QUESTIONNAIRE

Interviewee name: _____

Respondent ID: _____

VDS Respondent: Y | N

Active SHG: Y | N

Household Demographics:

Name(s) of Children	Age	Gender of children	Educational level of children	Have you used an SHG loan for your children's education? If yes, did you spend at least half of the loan? If yes, how much?	Additional Notes

SHG Questionnaire:

GROUP NAME (if applicable): _____

Duration (JR. or SR): _____

Number of Members: _____

PERSONAL/LEADERSHIP BACKGROUND:

- How long have **you** been an SHG-leader?

- How did **you** get to your position as an SHG-leader?

- Have **you** had previous leadership experiences? If yes, did those experiences help **you** become an SHG-leader?

- What reasons made **you** a leader?

- Did **your** family supported **your** decision of being a part of an SHG? Why or why not?
 - Do **your** children know about SHGs? If yes, do they know the benefits of SHGs? Do they support **your** participation in the SHGs? Why or why not?

- Why did **you** want to form an SHG?

- What was **your** process of forming an SHG?

- What are **your** personal accomplishments in creating the SHG?

- Did **you** have to face problems in creating the SHG? If yes, what are they and how did **you** overcome the problem?

Problems:	Overcoming the problem:
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- ****IF they do not specify the problem, ask them: did **you** have to face ____ problems in creating the SHG? If yes, how did **you** overcome the ____ problem ?****

Other Problems:	Description:	Overcome:
Environmental		
Social-Cultural		
Economic		
Other		

- In **your** opinion, what was the biggest problem in creating **your** SHG? Why?

- As an SHG leader, what barriers did **you** or the group face in the ____? How did **you** and **your** group overcome that barrier?

Years:	Barrier:	Overcome:
0-5 years		
5-10 years		
10-15 years		
15+ years		

FINANCIAL

- In the past five years....

How <u>many</u> SHG-loans did you take?	How <u>much</u> money did you get each time ? What did you spend your SHG-loans each time? (MAKE a list) Among the mentioned items, which ones did you spend at least half of the loan?	Additional Notes:
---	--	-------------------

- Are **you** the one that spends your loans? If not, why is that the case?

- **IF INACTIVE:** Do **you** ever need to borrow money, now that you are no longer part of an SHG?
 - If yes, how do **you** get a loan? Do they have an interest rate?

SHG DYNAMICS BACKGROUND:

- How often does **your** SHG meet?

- What time does **your** SHG meet?
- Where does **your** SHG meet?
- Who calls the SHG meetings?
- What are the responsibilities and roles of the members?
- How often do **you** go to the meetings with the Gram Sangham?
- In **your** SHG, is there an active participation between the members during the meetings?
 - Now, do they pay the loans back on time? If not, how do you ensure that they pay the loan back on time?
- In your opinion, what qualities make an SHG successful and unsuccessful?

Successful:	Unsuccessful:

- **IF ACTIVE SHG:** Why do **you** think **your** SHG is successful?

- **IF INACTIVE SHG:** Why do you think **your** SHG no longer works?

- How have the SHGs in Dokur changed throughout time?
 - Is it acceptable by society for women to join SHGs? Or, are there still barriers that women must overcome to join SHGs? If yes, what are those barriers?

SHG IMPACT

- Is the SHG useful for **you**? If yes, in what ways? (Priority-wise)

- SHG positively/negatively impacted **your** personal life?

Positive Impact:	Negative Impact:

SELF-HELPED Focus Group Discussion:

Type of SHG Discussion:

Active

Inactive

Background FOCUS GROUP Questions:

Number of PRESENT leaders: _____

Number of PRESENT members: _____

Number of different PRESENT groups: _____

PERSONAL/BACKGROUND:

- What motivated **all of you** to join an SHG?

- Did **your** family support **your** decision of being a part of an SHG? Why or why not?
 - Do **your** children know about SHGs? If yes, do they know the benefits of SHGs? Do they support **your** participation in the SHGs? Why or why not?

 - Raise your hand if **your** children are enrolled in schools.

- In **your** opinion, does the group's educational level have an impact in the success of the SHGs?

- Did **you** have to face problems in joining the SHG? If yes, what are they and how did **you** overcome the problem?

Problems:	Overcoming the problem:
------------------	--------------------------------

• ****IF they do not specify the problem, ask them: did **you** have to face ____ problems in joining the SHG? If yes, how did **you** overcome the ____ problem ?****

Other Problems:	Description:	Overcome:
Environmental		
Social-Cultural		
Economic		
Other		

- In **your** opinion(s), what was the biggest challenge in creating or joining an SHG?

SHG DYNAMICS:

- Raise your hand if your SHG meets/met on a ____ basis:

Daily	Weekly	Monthly
-------	--------	---------

- What barriers did your group face in the _____? How did your group overcome those barriers?

Years:	Barrier:	Overcome:
0-5 years		
5-10 years		
10-15 years		
15+ years		

- What qualities make an SHG successful and unsuccessful?

Successful:	Unsuccessful:

- What makes an SHG fail?

- How have the SHGs in Dokur changed throughout time?
 - Is it acceptable by society for women to join SHGs? Or, are there still barriers that women must overcome to join SHGs? If yes, what are those barriers?

FINANCIAL:

- What do you spend your SHG loans on? (MAKE A LIST)

- Raise your hand if you use at least 50% of your SHG loans on:

Personal Needs	Income-generated activities	Community needs	Other
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- Are **you** the one that spends your loans?

- **TO ASK INACTIVE SHG FGD:** Do **you** ever need to borrow money?
 - If yes, how do **you** get a loan if you are not part of an SHG? Does that loan provider have an interest rate?

SHG IMPACT:

- In what ways has SHGs impacted **you**?

- Raise your hand if being part of an SHG has made you more:

Impacts	Tally
Financially Stable	
Confident with your money	
Aware of your savings and spendings	
Aware of your community-needs	
Connected with members from and outside your community	

- Are there any other ways that SHGs have (positively or negatively) impacted **your** lives?

- **TO ASK INACTIVE SHGs FGDs:** Even-though you used to be SHG-members, do **you** think that SHGs were useful for **you**? If yes, in what ways? (Priority-wise)

GRAM PANCHAYAT KEY INFORMANTS Interview:

Interviewee:

****IF questions are not specified to a particular interviewee, the question must be asked to ALL****

SARPANCH

GRAM SANGHAM LEADER

VILLAGE REVENUE ASSISTANT

PERSONAL/BACKGROUND:

- How long have **you** been the _____?

- What was **your** previous position prior to being the _____?

- How did you get to **your** position?

- **TO THE SARPANCH:** How many members are in the Gram Panchayat?
 - Who are those members? And, what are their roles?

SHG BACKGROUND

- **TO THE SARPANCH:** How long has the SHGs been present/active in Dokur? And, how many active SHGs are present?

- **TO THE SARPANCH:** How many women (and percentage) from the village are members of SHGs?

- Do the children know about SHGs? Are they educated about SHGs in the school?

- As the _____, did you have to face any problems regarding the SHGs? If yes, what are those problems? And, how did you overcome those problems?

Problems:	Overcoming the problem:
------------------	--------------------------------

- ****IF they do not specify the problem, ask them: in **your** opinion, how has _____ problems impacted the SHGs in Dokur?*****

Other Problems:	Description:	Impact:
Environmental		
Social-Cultural		
Economic		
Other		

- **TO THE GRAM SANGHAM:** Do all of the SHGs pay you back on time?
 - If not, are there any consequences?

- **TO THE GRAM SANGHAM:** How often do **you** meet with the SHG leaders?
 - In **your** opinion, do those meetings help their leadership skills? If yes, how?

- **TO THE GRAM SANGHAM:** Which bank do **you** give the repayment for the SHG loans? Do they offer financial literacy?

- According to **you**, what qualities make an SHG successful and unsuccessful?

Successful:	Unsuccessful:
--------------------	----------------------

- How have the SHGs in Dokur changed throughout time?

- Is it acceptable by society for women to join SHGs? Or, are there still barriers that women must overcome to join SHGs? If yes, what are those barriers?

- In **your** opinion, did the Gram Panchayat play a role in the formation of SHGs and keeping them active? If yes, how?

- What have **you** done to ensure that SHGs are successful?

IMPACT

- In **your** opinion, how have the presence of SHGs impacted the village?

GRAM SANGHAM FINANCIAL Personal Interview:

PERSONAL/BACKGROUND:

- How long have **you** been the Financial leader?
- What was **your** previous position prior to being the Financial leader?
- How did **you** become the Financial leader?

SHG AND BANK BACKGROUND:

- Does the bank partner with any other organizations to help SHGs? If yes, what services do those other organizations provide to make SHGs successful?
- How does the bank communicate with the SHGs?
- Does the bank outreach (awareness programs) to local villages to raise awareness about SHGs? If yes, how?
- Does the bank offer any financial literacy to the SHG members?
 - If yes, how have these services helped the SHGs?

- As the Financial Officer, did **you** have to face any problems regarding the SHGs? If yes, what are those problems? And, how did **you** overcome those problems?

Problems:	Overcoming the problem:

- **IF they do not specify the problem, ask them: in **your** opinion, how has _____ problems impacted the SHGs in Dokur?***

Other Problems:	Description:	Impact:
Environmental		
Social-Cultural		
Economic		
Other		

- What qualities make an SHG successful and unsuccessful?

Successful:	Unsuccessful:
--------------------	----------------------

- How have the SHGs in Dokur changed throughout time?
 - Is it acceptable by society for women to join SHGs? Or, are there still barriers that women must overcome to join SHGs? If so, what are those barriers?

FINANCIAL (GET A PHOTOCOPY OF THE BANK LOANS):

- How much loans has the bank given to SHGs in Dokur?
 - Do these loans increase yearly? If so, why?
- How effective are the groups in managing their financial transactions?

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