

Southern Economist Vol. 51 No. 24 April 2013

51st Year of Publication

Social Security for women and Microfinance An empirical study of Shivamogga District

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Microfinance is the provision of financial services to low-income clients or solidarity lending groups including consumers and the self-employed, who traditionally lack access to banking and related services. More broadly, it is a movement whose object is "a world in which as many poor and near-poor households as possible have permanent access to an appropriate range of high quality financial services, including not just credit but also savings, insurance, and fund transfers." Those who promote microfinance generally believe that such access will help poor people out of poverty.

Social Security refer to the action programs of government intended to promote the welfare of the population through assistance measures, guaranteeing access to sufficient resources for food and shelter and to provide health and wellbeing for the population at large and potentially vulnerable segments such as children, the elderly, the sick and the unemployed. Everyone, as a member of society, has the right to social security and is entitled to realization, through national effort and international co-operation and in

accordance with the organization and resources of each State, of the economic, social and cultural rights indispensable for his dignity and the free development of his personality. In simple term, this means that the signatories agree that society in which a person lives should help

Government and non-government organisation try hard to provide social security to their citizens with different schemes. In India MFIs took initiative to provide this to the people through SHGs linkage programme. In the study area awareness level about education increased among the SHG members this has become the reason for their children education. MFIs should take initiatives for the education of women through tie up with NGOs, Universities and it should make compulsory for the SHGs members. MFIs individually providing loan for the needy people (like education loan, health loan), the size of the credit is too small that if the women accessed for any one she is not supposed to access other loans. This becomes great constraint for the women.

them to develop and to make the most of all the advantages (culture, work, social welfare) which are offered to them in the country.

Statement of the Problem:
Everyone as a member of society

has a right to dig up social security. In every country government and non-government institutions determined to provide social security to the people by different schemes and programmes. MFIs are working in this way to uplift the economic, social, political status of the people by providing social securities. Hence, the present study is undertaken to enquire into the relationship between microfinance and social security factors.

Objectives

The study objectives are as follows: I. To assess the outline of microfinance and social security issues. II. To evaluate the relation between microfinance and social security factors. III. To analyze the role of microfinance in providing social security for women in the study area.

Hypothesis of the Study

I. Ho: There is no significant relation between microfinance and social security factors.

H1: There is a significant relation between microfinance and social security factors.

I. Ho: There is no significant relationship between microfinance and Housing Facility (social security factor).

II. Ho: There is no significant relationship between microfinance and Education issues (social security factor).

III. Ho: There is no significant relationship between microfinance and Health issues (social security factor).

IV. Ho: There is no significant relationship between microfinance and Employment issues (social security factor).

V. Ho: There is no significant relationship between microfinance and Financial issue (social security factor).

VI. Ho: There is no significant relationship between microfinance and Social issue (social security factor).

Research Design

The study is based on the primary data. Primary data has been collected through structured questionnaire and interview with microfinance beneficiaries. The scope of the study is restricted to Shivamogga city, Karnataka State and to study social security factors such as housing, education, health, employment, financial issue and social issues relation with microfinance. The total sample constitutes 25 members from different SHGs in Shivamogga city and a simple random sampling technique was employed to involve respondents in the study. Likert five point scale has been used to get the response. In order to test the hypothesis simple one way T test was applied.

Discussion of the Study

Table-1 presents the basic particulars of the respondents over 70% of the respondents (72%) are of 25 to 35 years. 36% of the respondents stated to have secondary education qualification & above 60% of the respondents stated to be below poverty line. 58% stated to be in a nuclear family of the respondents stated to have 1-3 children. An income classification of households of the respondents revealed the predominant income range to be Rs.8001-10,000 (25%)

28

April 15, 2013

51st Year of Publication

Table-1 – Demographic Profile of the Respondents

Particulars	Responses	No of Respondents	Percentage
Age(Years)	25 to 30	9	36.0
	30 to 35	9	36.0
	35 to 40	7	28.0
Total		25	100
Education Status	Illiterate	7	28.0
	Primary	6	24.0
	Middle	3	12.0
	Secondary & above	9	36.0
Total		25	100
Poverty Status	BPL	15	57.5
	APL	10	42.5
Total		25	100
Family Status	Joint family	11	44.0
	Nuclear family	14	56.0
Total		25	100
No of dependents of Respondents	1 to 3	18	45.0
	3 to 6	14	35.0
	6 to 9	6	15.0
	9 & above	2	5.0
Total		25	100
No of Children	1 to 3	14	56.0
	3 to 6	5	20.0
	6 to 9	6	24.0
	Total	25	100
Monthly Income of Husband	Below 2000	4	16.0
	200 to 4000	6	24.0
	400 to 6000	2	8.0
	600 to 8000	5	20.0
	800 to 10000	7	28.0
	1000 & above	4	16.0
Total		25	100.0

Source: Field Survey

April 15, 2013

29

Written by Administrator

Thursday, 25 April 2013 00:00 - Last Updated Monday, 03 June 2013 07:12

51st Year of Publication

Table-2 – Housing Issues

Housing Factors	t	df	One-Sample Test Test Value = 0		95% Confidence Interval of the Difference		Result
			Sig. (2-tailed)	Mean Difference	Lower	Upper	
Construction of house	11.072	24	.000	2.240	1.82	2.66	Rejected
Water connection/access to clean water	11.476	24	.000	2.040	1.67	2.41	Rejected
Construction of toilet	12.730	24	.000	2.120	1.78	2.46	Rejected
Lighting facility	11.476	24	.000	2.040	1.67	2.41	Rejected

Table-3 – Education Issues

Education Issue	t	df	One-Sample Test Test Value = 0		95% Confidence Interval of the Difference		Result
			Sig. (2-tailed)	Mean Difference	Lower	Upper	
Access to further education	12.050	24	.000	2.520	2.09	2.95	Rejected
Children education	9.858	24	.000	1.800	1.42	2.18	Rejected
Participation in self development programme	9.656	24	.000	2.080	1.64	2.52	Rejected
Attending training programme	11.047	24	.000	2.480	2.02	2.94	Rejected

Table-5 – Employment Issues

Employment Issue	t	df	One-Sample Test Test Value = 0		95% Confidence Interval of the Difference		Result
			Sig. (2-tailed)	Mean Difference	Lower	Upper	
Agricultural/ Non Agricultural activities	11.619	24	.000	3.000	2.47	3.53	Rejected
Self employment	8.687	24	.000	2.760	2.10	3.42	Rejected
Added value to work	6.230	24	.000	1.880	1.26	2.50	Rejected

Source: Primary Source

30

April 15, 2013

51st Year of PublicationTable-4
Health Issues

Health Issue	t	df	One-Sample Test Test Value = 0		95% Confidence Interval of the Difference		Result
			Sig. (2-tailed)	Mean Difference	Lower	Upper	
Access to nutrition	9.939	24	.000	2.440	1.93	2.95	Rejected
Conscious about hygiene factors	10.914	24	.000	2.120	1.72	2.52	Rejected
Family planning awareness	10.445	24	.000	2.000	1.60	2.40	Rejected
Participation in health campaign	9.656	24	.000	2.080	1.64	2.52	Rejected
Arranging health camp	9.702	24	.000	2.760	2.17	3.35	Rejected
Access to health insurance	9.168	24	.000	2.360	1.83	2.89	Rejected

Table-6
Financial Issues

Financial Issue	t	df	One-Sample Test Test Value = 0		95% Confidence Interval of the Difference		Result
			Sig. (2-tailed)	Mean Difference	Lower	Upper	
Earning	6.743	24	.000	1.880	1.30	2.46	Rejected
Savings	6.743	24	.000	1.880	1.30	2.46	Rejected
Access to Credit	7.746	24	.000	2.000	1.47	2.53	Rejected
Knowledge about cash book, account maintenance	6.220	24	.000	2.240	1.68	2.80	Rejected
Financial asset purchase	12.338	24	.000	2.480	2.07	2.89	Rejected
Purchase of vehicles	10.559	24	.000	2.680	2.32	3.44	Rejected
Land purchase	19.468	24	.000	3.680	3.29	4.07	Rejected
Household purchase	8.375	24	.000	2.680	2.02	3.34	Rejected
Investment (Business Activities)	8.088	24	.000	2.520	1.88	3.16	Rejected

Source: Primary Source

April 15, 2013

31

51st Year of PublicationTable-7
Social Issues

Social Issue	t	df	One-Sample Test Test Value = 0		95% Confidence Interval of the Difference		Result
			Sig. (2-tailed)	Mean Difference	Lower	Upper	
Standard of Living	10.914	24	.000	2.120	1.72	2.52	Rejected
Recognition in Society	10.914	24	.000	2.120	1.72	2.52	Rejected
Increased decision making	10.002	24	.000	2.040	1.62	2.46	Rejected
Attending social programme	9.526	24	.000	2.200	1.72	2.68	Rejected
Confidence Level	9.632	24	.000	1.920	1.51	2.33	Rejected
Knowledge about social/legal/political	10.817	24	.000	1.840	1.49	2.19	Rejected
Urge for development	11.298	24	.000	1.760	1.44	2.08	Rejected

Source: Primary Source

followed by Rs.2001-4000 (24%) and
Rs.5001-8,000 (20%).

Microfinance & Social Security Factors**Microfinance and Housing Issue****Hypothesis Testing**

a. Ho: There is no significant
relationship between microfinance
and Housing Facility (social security
factor).

H1: There is a significant
relationship between microfinance
and Housing Facility (social security
factor).

Result: In the study, 44% of the
respondents agreed that after joining
SHGs they have constructed house,
24% of the respondents strongly
agreed, 4% of the respondents stated
that situation same as before.48% of
the respondents agreed that after
joining SHGs they got water

connection and to clean water, 28%
strongly agree and 16% said same
as before, 8% disagree for the same.
56% of the respondents they
constructed toilet for home after
joining SHGs, 20% strongly agreed
for the same, 16% same as before,
48% of the respondent got lighting
and power facility after joining, 28%
strongly agreed, 16% same as
before.

Microfinance playing promi-nent
role in providing social security for
the needy people in society. As
majority of the respondents fell below
poverty line and their income is low,
microfinance institutions providing
loan facility for the construction of
home, toilets and lighting facility
under different schemes, the
remaining percentage of respondents
lack access to this facility. In the
study area it was found that they

have availed the loan facility which
they have diverted for the other
purposes like daily consumption,
repaying of loan amount etc. The
study results reveal significant
relationship between micro finance
and housing facility.

Microfinance and Education**Hypothesis Testing**

b. Ho: There is no significant
relationship between microfinance
and Education (social security factor).

H1: There is a significant
relationship between microfinance
and Education (social security factor).

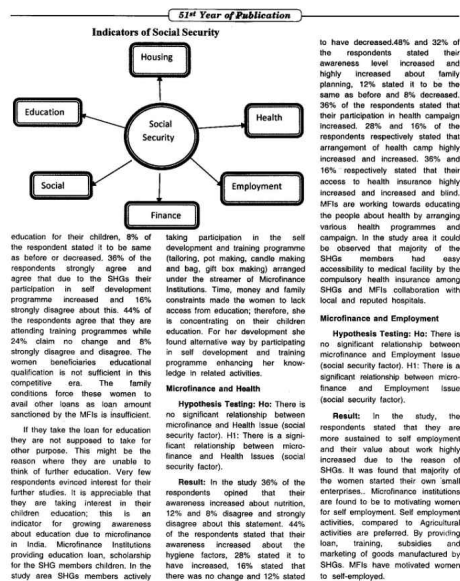
Result: In the study, 28% of the
respondents agreed that they had
access to further education.44% of
the respondents and 40% of the
respondents strongly agree and
agree for the statement of increased

32

April 15, 2013

Written by Administrator

Thursday, 25 April 2013 00:00 - Last Updated Monday, 03 June 2013 07:12



April 15, 2013

33

Microfinance and Financial

Hypothesis Testing: Ho: There is no significant relationship between microfinance and Financial issue (social security factor). H1: There is a significant relationship between microfinance and Financial issue (social security factor).

Result: In the study, 64% of the respondents stated that saving and saving highly increased, 44% and 36% respondents respectively stated that credit access highly increased and increased. 36% opined that their knowledge about cash book and account maintenance highly increased while 12% opined that highly decreased. 40% opined their financial asset purchase, vehicle purchase and land purchase increased while 20% stated a decrease. Earning and savings can give better live for the women. Because of MFIs women are able to be economically active. Various MFIs providing loan and other facility under different schemes made the respondents to access easily for their credit facility and to spend on the purchase of home appliance. Mixed response in the study about purchase of financial asset, land and investment indicate that they are spending their income in a way that where those asset cost high they are not able to investment at this stage as they are in the nascent stage.

Microfinance and Social Factor

Hypothesis Testing: Ho: There is no significant relationship between microfinance and Social issue (social security factor). H1: There is a significant relationship between microfinance and Social issue (social security factor).

Result: In the study, 44% stated that their standard of living and

recognition in society to have increased. 36% of respondents stated decision that making and attending social programme highly increased. 44% opine that confidence and knowledge about political/legal/social issues highly increased. 44% stated their urge for development highly increased and they are better aware. Initiatives of MFIs have increased. SHGs members Standard of living due to self employment opportunities, consistent income generation leading to better purchasing power. Recognition in society makes the one to lead happy and respectful life before joining to the SHGs respondents anguish from these factors. Active participation in the SHGs and discussion among the group member about current affairs made the increased knowledge about social/legal/political issues. MFIs according to these respondents has helped in striving to build up the confidence level of women by arranging meeting and workshops, financial helpings.

Conclusion

Government and non-government organisation try hard to provide social security to their citizens with different schemes. In India MFIs took initiative to provide this to the people through SHGs linkage programme. In the study area awareness level about education increased among the SHG members this has become the reason for their children education. Due to family constraint and other reasons they have neglected their own education. MFIs should take initiatives for the education of women through its up with NGOs, Universities and it should make compulsory for the SHGs members. MFIs individually providing loan for

the needy people (like education loan, health loan), the size of the credit is too small that if the women accessed for any one she is not supposed to seize other loans. This becomes great constraint for the women. This factor should be considered by MFIs by having alternative like making above social factors as a one and provide percentage of loan on the same and develop entrepreneurial activities among SHGs members. It can be concluded that there is a significant relationship with microfinance and social security factors, for the needy it has become real concrete at the same time it is necessary to develop proper regulatory framework to cover the neglected sections in the society.

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34

April 15, 2013