UNIT 7 LEADERSHIP IN MICROFINANCE

STRUCTURE

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7.1 INTRODUCTION

Her wings are clipped and it is found deplorable she does not fly.
Simone de Beauvoir

There are many sayings on leadership. Among these are:

Leadership is contextual
Leadership is different than power
Leadership requires followers
Leadership emerges in all organized groups
Leadership can be learned (though not always mastered)
Good judgement is the key to good leadership
Leadership is aspirational and goal oriented (usually group goals)

(Genovese and steckenrider, 2013)

The present complex, challenged and globalized environment require women leadership with unique qualities. Women leaders may develop qualities which include weighing options in challenging environment, navigate boundaries, manage multiple relationships and responsibilities, self-awareness, understand their capabilities and juggle professional responsibilities while trying to maintain a personal life. Leaders face the paradox of being a colleague and a boss, a team member and the decision maker. Within this balance, they live a life with loneliness of the leadership role. Self-role merger, managing the boundary between herself as an individual and herself in the role of a leader, is a facet of leadership. A leader is challenged to mesh her perception of herself as a leader with information she receives from her environment, while observing and controlling how she presents herself to others. The motivation to lead can come at a personal cost on the leader as well as her family. Buffeted by conflicting demands requiring continuing negotiation and choices, she is trying to find enough time in the day to do it all.

The theme of the 2000 Microcredit Summit Campaign spelled this out very clearly:
The success of microcredit is best summarized by Noeleen Heyzer, Executive Director of the United Nations Development Fund for Women (UNIFEM): “Microcredit is about much more than access to money. It is about women gaining control over the means to make a living. It is about women lifting themselves out of poverty and vulnerability. It is about women achieving
Based on the above discussion, the present Unit discusses women leadership in micro finance institutions.

### 7.2 OBJECTIVES

After studying this, you would be able to

- Discuss significance of women leadership in micro finance;
- Explain the contribution of micro finance institutions to build women leadership; and
- Examine the women leadership in micro finance institutions.

### 7.3 LEADERSHIP THROUGH MICROFINANCE

The opening up of our economy and the structural adjustment programme in 1990s in India brought challenges to both urban and rural poor women as women were rapidly losing their livelihood base due to structural adjustment programmes and macroeconomic stabilization policies. Reduction in budgetary allocation for social sectors (privatization of education and health as well as dismantling of public distribution system) and privatization of essential survival needs made lives of poor women unbearable. Drought in several parts of India and liberalization of agrarian market added fuel to fire. This led to the increasing numbers of farmer’s suicides and starvation deaths. It was in this backdrop, women’s leadership in micro finance through Self Help Groups (SHGs) came to the fore to provide safety net to the poorest of the poor women initially in the four Southern States- Karnataka, Andhra Pradesh, Kerala and Tamil Nadu and during the 21st century all over the country. The UN Commission on Status of Women in 2007 advised the leaders of the member countries to maximize the role of micro finance institutions, as well as ensure access to microfinance tools, including microcredit for poverty eradication, generation of employment and especially for the empowerment of women, encourage the strengthening of existing and emerging microcredit institutions and their capacities, including through the support of international financial institutions, and ensure that best practices are widely disseminated. Microfinance is also perceived as an effective strategy to reach the Millennium Development Goals (Elizabeth et. Al 2007 and Patel, Vibhuti, 2008).
India is the home to the biggest microfinance movement in the world. The microfinance in India has seen nearly full repayment, to the tune of 99%. There is 30-lakh SHGs now that account for a total of Rs 80,000-crore bank credit. About 90 per cent of the SHG members are women and the average loan availed by a SHG is Rs 61,000 (Kamdar, 2007). Self Help Groups are organisations of women from the downtrodden section of the society that empower the women to be self reliant through capacity and confidence building and by making micro-credit available and accessible to women. The SHG movement has taught women the value of saving and the strength of working as a group (Parveen, 2007).

NABARD has declared that human development, if not engendered is endangered and found microfinance with Core Banking, ICTs and region specific flexibility in lending norms the most effective to attain enhanced level of human development (NABARD, 2005). While there is a need for some all India organization both for SHGs and MFIs, for sharing experiences, learning lessons and for advocating on policy related issues with the governments and other authorities, it should certainly not be government Sponsored organisation. This is considered necessary to avoid hijacking the whole movement by the politicians and the bureaucrats. Such organizations at national, state and district levels have to be need based, evolving and emerging from out of the movement itself and not super-imposed by the governmental authorities. Thus with the focus on women development in the MF industry, we can see substantial growth and empowerment of the gender in the coming years.

Operational efficiency, innovative practices, branding of products and enterprise development are given highest premium in the microfinance movement. Many SHGs in several states of India have joined right to food and right to health campaigns. They have transcended the stage of money circulation and moved towards enterprise development.

Micro finance through Self-Help Groups (SHGs) has proved to be a strategic measure for organizing women in groups and promoting savings and thrift habits to gain access to institutional credit for their socio-economic development and empowerment. (DWCD, 2005). It empowers women since it instils a perception of strength, self reliance and confidence when the poverty trap is broken. “The entire process of forming a group, of functioning in a sustained manner, of regulating finances, and being mutually accountable, is in itself projected as empowering. Rays of hope are coming from micro credit institutions which are combining economic agenda along with nurturance of women’s leadership for agenda of social justice, gender justice and women’s rights to dignified and secure life (Kazi, 2007). In India, such efforts
are made by Self Employed Women’s Association (SEWA), Parisar Vikas of Stree Mukti Sangathana (Mumbai), MASUM (Pune), Shakti (Banglore), Mann Deshi Mahila Sahakari Bank (Maharashtra) and DHAN foundation in Madurai, in the voluntary sector. In the government sector, MAHILA SAMAKHYA programmes in Andhra Pradesh, Uttarakhal, Karnataka, Gujarat, MAVIM in Maharashtra and Kerala’s famous KUDUMBSHREE, Pudhu Vazhvu in Tamil Nadu and SERP in Andhra Pradesh have been responsible for women’s leadership in micro finance (Jose, 2005). In Kerala, SHG movement has ensured new leadership among poor women. The state sponsored Kudumbashree mobilization has made collectives of women from the marginalized strata into very proactive in contrast to relative passivity of women of the new elite (Devika, 2007). Founded in 1995 with support of district administration and funded by UNDP, Network of Voluntary Organizations of Kurnool (NOVOK), a collective of 13 non-governmental organizations (NGOs) working in Kurnool District of Andhra Pradesh (AP) has facilitated the process of formation and strengthening of people’s institutions locally called ‘Dalit Samakhyas’ (Dalit Collective) in 347 villages covering 17 Mandals and 50,000 Women Self-Help Groups. These processes of forming a collective provided an opportunity for women to emerge as leaders. The government of Tamil Nadu Pudhu Vaazhvu Project is an empowerment and poverty alleviation project implemented by the Rural Development and Panchayat Raj department of Government of Tamil Nadu with The World Bank assistance. The project is implemented over a 6 year period extended upto September 2014 at an outlay of Rs 717 crores. The Project covers 2509 village panchayats in 70 Backward Blocks in 16 districts. The target population of this Project are the poor households, the most vulnerable sections including the physically challenged and the marginalized communities. The project follows the Community Driven Development approach wherein village communities identify their own needs, design and plan interventions and implement and monitor them by adopting key non-negotiable principles of the project. There is a strong sense of ownership of the project among the community members. The implementation process of the project itself helping the women to develop their leadership skill.

We will further discuss women leadership in micro finance institutions with suitable case studies.

Check Your Progress Exercise 1

Note: i. Use this space given below to answer the question.

ii. Compare your answer with the one given at the end of this unit

1. Discuss women leadership in Microfinance.
7.4 CASE STUDIES

The following case studies bring the role of women leadership in micro finance institutions. The SHGs, Village Organizations (VOs) and Mahila Mandal Samakyas (MMS) have provided platform for women as well as expanded opportunity for them to assume leadership positions. In practice, SHG women assume leadership position as well as assume responsibilities without designation. Each group member gets an opportunity to assume as president, vice-president or treasurer in rotation. In practice this system is institutionalized in 66 percent of SHGs. (Burra, ranadive and murthy, 2005). Selection of leadership in SHG is based on two criteria. i.e. ability to function democratically as well as leadership quality. In SHG, leadership position can be assumed by anyone who has capacity to function democratically. Most of the leaders in SHG are from economically marginalized section. Dalit and Muslims are formed SHG groups and assumed leadership position.

Case 1 Poornima : The trouble shooter of Bahadur Bandi

Poornima belonged to the Bahadur Bandi village in Koppal, a backward district in Karnataka. She was married at the age of 14 and suffered her marital home. A school dropout she completed her 7th standard exams in 2008, after gap of 18 years. She joined a self help group in her village and carried out savings and credit facilities, but had no knowledge about women’s issues.

The sahayogini from Mahila Samkhya Karnataka began give information on banks, loans, women’s rights and other issues. Soon Poornima became an active member of the group and a Nari Adalat member due to her leadership qualities and courageous attitude.

The training and exposure visits to many places organized by Mahila Samakhya has helped her evolve as a strong and independent sangha women. The exposure visit to Gulbarga Nari Adalat was particularly inspirational to poornima.

Soon many women from neighbouring villages came to Nari Adalat in Koppal seeking her help. The want justice and support to enforce their rights as women. Most of the women who came were poor, illiterate and were from villages with little or no knowledge about their rights. They did not have the time or resources to go to courts and were fearful of going to the
police station. So they found Nari Adalats as accessible forum which speaks their language and views the problem of women from their perspective.
With monthly meetings, Poornima as a member of the Nari Adalat has been able to resolve cases relating to domestic violence, child marriages, harassment and discrimination. Any cases involving criminal acts such as rape, dowry or murder are forwarded to police stations or courts.
Today, Poornima is contented woman. Just like Mahila Samakhya supported her to overcome her troubles, she is glad she can support other women with similar predicaments with assistance from Mahila Samkhya. She says Mahila Samkhya has provided a platform for her to emerge as a confident and strong woman.

Case 2 From homeless tribal to GP chief
From being a homeless, landless and rightless tribal, Janakamma has gone on to fight for the rights of her people and has managed to get a residential school up to class seven for the children of Abbalati. She plans to get a hospital and a high school sanctioned for her village. When Stree Shakti Sangha activities began in her village 20 years, she started attending Sangha meetings and sometimes travelled to ‘big cities’ like Mysore and Bangalore. “I had not even seen Periyapatna, seven kilometres away from Abbalati, let alone other cities,” she says.
Janakamma learnt the ropes pretty fast, with support from Mahila Samakhya, was GP President-elect from her Gram Panchayat when elections took place in 2000. Needless to say, she swept the polls. When a residential school was sanctioned to their village it was ‘snatched’ by a nearby village. Till then, an anganwadi was being run under the tree in the village.
“We then went to Vidhana Soudha and returned with records to say that the school and hostel belonged to us. They had no option but to help us build it,” she says. Eventually, the school started functioning, four teachers and three cooks were recruited and aashraya houses were built too. She preserves a photo with the then prime minister A B Vajpayee and the meeting she attended in Parliament, where a discussion pertaining to the significance of the Panchayat Raj system was held. “It gave me a great sense of conviction. I felt whatever I was doing was indeed important,” she says.
They have now launched a campaign to get small shares of land for people of her community to lead a life with dignity. “We tasted success when we campaigned for ration cards. We waylaid the MLA, MP, and ministers and even met the CM to get things done for our village. This time too, we are asking for an acre or two each for families which are dependent on
labour for a livelihood,” she says. During her tenure, Janakamma got a lot of work done including laying of roads, installation of street lights and construction of houses worth over Rs 1.20 crore. Her Sangha members have driven out the arrack vendor who had a roaring business in the village. There are hardly any cases that reach the police station because people respect the Panchayat and its verdict. The above two case studies are adopted from Mahila Samkhya website:  http://www.mahilasamakhyakarnataka.org/stories.html

Case 3
Mahila Bank: Collective intervention in the financial market

The Mahila Bank was born because women members of SHGs in Kurnool district realized that despite the four years of saving they could not avail loans larger than Rs.4,000- Rs.5,000. Commercial banks are not ready to lend large amount to women for productive purposes as most of the women do not have any kind of collateral like land, house and buildings. If such need arises, they need to depend on money lenders. The purpose of forming a SHG is to make them free from money lenders and empower them financially to stand on their own. Also the objective of forming a SHG is to bring women out of poverty by making them self reliant to sometime of economic activities. If they are not able to do, the basic purpose of forming a group itself questionable. In this scenario, The Village Organization (VOs) placed the proposal to Mahila Mandal Samakya(MMS) and they approached project officer of SAPAP. All of them informed the District Collector. The district collector mooted the idea of Mahila Bank like Srilanka where mahila bank is already operational. The Village Organization again came to village and organized brainstorming session to discuss the idea of Mahila Bank and the structure of the bank. Within a week, a large MMS meeting held. SAPAP officials, District Collector and other government official invited. Various options were discussed. Finally VOs decided to collect Rs.5000 from every group and to the bank funds. Totally Rs.550,000 collected. With the grant of DRDA the total amount came to Rs. 2.45 million. All VOs presidents were made board members of the bank and concrete rules and conditions for transactions were framed. The Mahila Bank is working successfully. In contrast to nationalized and other commercial banks, the Mahila Bank does not ask for collateral.

Source SERP, 2003:40-41

Check Your Progress Exercise 2

Note: i. Use this space given below to answer the question.

ii. Compare your answer with the one given at the end of this unit
1. Discuss Women leadership in Micro Finance through case study.

7.5 BUILDING THE BUSINESS CASE FOR GENDER DIVERSITY

Women’s World Bank (WWB) has been working with institutions on gender diversity in 2008 both in response to a declining number of women at senior levels in the industry and in recognition of the strong business case for gender diversity. Borrowing a concept from corporate marketing strategy, the business case would hold that microfinance institutions (MFIs) targeting women customers will be more successful at understanding and responding to customers’ needs if they mirror their market. This is not to say that men cannot or do not grasp the needs of a female client base, but rather that having women’s voices at the tables where decisions are made about which products to offer, and how, will lead to decisions that are more responsive to women clients. Differentiation in the market as a gender diverse organization attracts not only top female talent but can have corresponding benefits in attracting new women clients. These concepts seem even more relevant today as the microfinance industry, particularly in South Asia, is being forced to look inward and explore what it means to focus on customers and re-examine its commitment to the mission of poverty alleviation.

The concern in the industry is that such changes compromise the effectiveness of leadership and ongoing focus on the mission of helping poor women. In 2009, WWB founded the Center for Microfinance Leadership to engage diverse leaders with the skills and values to both understand microfinance’s dual objectives of financial stability and poverty alleviation, and set the vision, principles and practices of the sector. Founded in partnership with the Wharton School of the University of Pennsylvania and executive development firm Creative Métier Limited, the Centre offers individual leadership programs, coaching, and practitioner exchanges, as well as institutional programs designed to improve gender diversity and develop managerial talent.
7.6 WHY IS GENDER DIVERSITY GOOD FOR MFI BOTTOM LINES?

Inter Action’s Commission on the Advancement of Women (CAW) which was created to give enhanced visibility and priority to gender equality carried out a groundbreaking case study on the impact of gender mainstreaming. Inter Action’s study asked: Does gender mainstreaming work? Does it make a difference for clients, their families, and their communities? Does it bring any benefits for men as well as for women? Does the effort of gender mainstreaming distract an organization from its mission or does it enhance the organization’s performance? After in-depth research on five international NGOs in four African countries and interviews with nearly 900 people in 16 communities, the Inter Action study concluded that gender mainstreaming can “impact the bottom line of development by catalyzing profound changes in people’s lives.”

Just as microfinance organizations have known and acted on the link between women and poverty in the design of programmes and targeting of clients, the InterAction study also pointed to the success of gender mainstreaming when it was linked to “the improvement of programme quality and, specifically, to the eradication of poverty. Initial skeptics were won over by the visible, tangible benefits that accrued not only to women, but to men, their families and their communities.”

One specific case was that of CARE Niger, which implemented a women’s savings and credit program called Mata Masu Dubara (MMD)—“Women on the Move.” In addition to a gender audit, CARE Niger carried out a number of gender-related activities to ensure that it had the political will, technical capacity, accountability systems, and organizational culture necessary to bring about positive change related to gender. To pick just a few of many steps, CARE Niger increased women in its senior management, created a Young Professional Programme to recruit and train young women and men, and enlisted support from women elders and religious leaders.

Clients reported increases in personal and family income and gains in purchasing power and ownership. For instance, women were now able to pay for weddings, naming ceremonies, and funerals, giving them increased status in their communities. Their ability to contribute economically also gave them more input into such decisions as when and whom their
children marry. Not only did women benefit, but the community benefited as well. For example, women used their earnings to buy a donkey, a cart, and large barrels to supply their drought ridden village with water.

**Check Your Progress Exercise 3**

**Note:** i. Use this space given below to answer the question.

ii. Compare your answer with the one given at the end of this unit

1. Why is gender diversity good for MFI bottom lines?

7.7 MAINTAINING A COMMITMENT TO GENDER DIVERSITY

During last two decades, the SHG Movement has successfully dealt with male opposition. Many SHG leaders who have made judicious use of micro finance have been elected in panchayati raj institutions. In Karnataka, Varija of Kaveri Mahila Sangh in Manchanbelle village said,” Initially when we started going out to attend meetings, men were criticizing us. Even though I was a member of School Development Management Committee, I was not allowed to sit with them in the meeting. After success of our SHG, they started giving us respect. They asked their wives to take interest in the SHGs. We also selected one of our members to contest PRI election and actively canvassed for her. Even on the previous night of the election, we did door-to-door campaign for her. She got elected.”

Diverse Economic Activities of SHGs: In Magadi and Nelamangala SHG members are doing varied economic activities- vegetable and flower selling, onion and garlic selling, coconut and tamarind selling, petticoat business, animal husbandry-cows, goats, buffaloes, brick making. Kempamma owned a bangle shop. Puttamma owned a provision store. Kittur Rani Chennama SHG has taken flower garden on lease and all 14 members share the profit. They also prepare sweetmeat and snacks and boys sell them in nearby villages.

7.8 SETTING THE VISION, BUILDING THE POLICIES

*The vision*
The vision is to create more empowered women as entrepreneurs from the under privileged group.

*The Policies*

Building Policies such that the less fortunate women are given more empowerment and opportunities from the various SHGs so that the calibre is brought out and more importantly, the economic status of the women in the society is uplifted

*Some of the recommendations*

- Showcase successful women within the institution;
- Create an in-house mentoring programme;
- Develop a fast-track program for high-potential women;
- Offer on-site or facilitated childcare;
- Grant flexible work schedules and responsive leave packages;
- Establish gender diversity targets; and
- Use process mapping as a tool for improving staff experiences.

7.9 REDEFINING THE CULTURE, CHANGING THE MINDSETS, MAINTAINING FAIRNESS: GLOBAL EXPERIENCES OF MULTIFACETED DEVELOPMENT OF WOMEN

Globally also, empowering impact of micro finance has been documented by many researchers. Making a strong case for microfinance activities, Hashmi (2004) cites the following empirical evidence in support of micro credit:

- In Zimbabwe clients were able to maintain consumption levels in the face of rising food costs. Experience shows that this impact on poverty alleviation intensifies the longer clients stay with a given programme, thus reinforcing the benefits of continuing in the programme.
- CRECER (Credito Con Educacion Rural) in Bolivia found that incomes of two-thirds of its clients had increased after joining the programme.
- Clients of BRAC (Bangladesh Rural Advancement Committee) who stayed in the programme for more than four years increased household expenses by 28 percent and assets by 112 percent.
•SHARE (Society for Helping Awakening Rural Poor through Education) in India documented that 75 percent of its clients who participated for longer periods saw significant improvements in their economic well-being.

•One of the first things poor people do with their new income from microenterprise is invest in their children’s education. BRAC, SEWA (Self-Employed Women’s Association, India) and Save the Children (Honduras) saw that clients’ children were more likely to go to school, stay in school longer and have lower drop-out rates. Families with access to microfinance services have better health than those who do not.

7.10 SUCCESSFUL WOMEN WITHIN THE INSTITUTION- ROLE MODELS

Showcasing a particular example as role model for the rest of the women community within the Organization is a highly effective way to inspire women. Similar to a mentoring programme, showcasing the stories of successful women that other women staff members can relate to is a powerful way for an organization to convey the message: you can do this too. It is important that these success stories reflect a range of experiences to ensure that they will resonate with as broad a group as possible. Of course these kinds of motivational efforts must be made in parallel to structural changes that break the old ways of working that may be the most significant barriers for women’s advancement.

7.11 CREATING WOMEN ROLE MODELS BY CREATING AN IN-HOUSE MENTORING PROGRAMME FOR HIGH-POTENTIAL WOMEN

Envisioning the possible is one of the most powerful gifts a mentor can give to a mentee. MFIs can design mentoring programmes for both women and men as a means to identify and encourage the advancement of high potential staff. A recent publication on mentoring explains such a programme “acts as an organizational catalyst for learning, personal and professional growth, and positive change.” The challenge is to set up a programme that has senior management’s explicit support and that is well defined, with clear guidelines and instructions for both mentors and mentees. The most successful mentoring programmes are those in which the mentee is empowered to drive the relationship, but is also responsible for having explicit goals at its outset. In many institutions, there are few examples of women’s success in the higher ranks of management.
In many MFIs, women are crowded into the more traditional “female” roles, such as HR, and are unable to envision career paths for themselves in other departments. An inherent cost of this kind of gender segregation is that highly talented women are unable to achieve their full potential within the organization.

The goal of any of these programs is to create a truly meritocratic organization. In many cases, this means levelling what has to date been an unfair playing field.

7.12 ANALYSING THE IMPACT OF BELIEF AND ASSUMPTIONS
Assumptions and beliefs individuals have of themselves and others, particularly as they relate to gender. Through a facilitated workshop using group exercises, role-playing scenarios and discussions, staff can begin to understand issues of gender and how they may impact the performance of the organization. When the mind is willing to change and adapt to the new culture of the nation, new beliefs will start floating. This kind of culture should set in the entire society to welcome the leadership of women across the community.

7.12.1 Gender Equality and Empowerment of Women
SHGs established by Stree Mukti Sangathana (SMS) consciously focus on women’s liberation from cruel patriarchal forces operating among poorest of the poor women doing stigmatized work of recycling of garbage in the lowest rung of economic hierarchy in the metropolitan centres such as Mumbai and Pune.

Social Empowerment
SMS has dedicated itself to the Women’s Cause. It has developed lot of material using various audio visual forms over the years such as theatre (its famous play Mulagi Zali Ho or Beti AayiHai), songs, CDs. Poster exhibitions etc. on various issues pertaining to women and children. All this was extensively used while conducting various awareness programs in the communities, SMS also used the material developed by other organizations like Pratham, Tathapi, Institute of Health Management, Pachod etc. for this purpose. SMS regularly organizes awareness and leadership development camps (36 Sessions) for the SHG group leaders with many inputs such as Equality, Solid Waste Management, Health, Importance of Education, Work Culture, P.D.S., Atrocities, Effective Parenting etc.

Gender Sensitive and Environment Friendly Economic Empowerment of Women
SMS Established two training centres in M-ward (Chembur), for training Parisar Bhaginis (Environment Sisters) in bio composting, vermin culture and gardening. 300 women have been trained in manure and gardening techniques so far. As a result of this 250 women have gained meaningful employment.

7.12.2 Women’s Leadership in Directing and Influencing Microfinance Policy

To give new direction and to influence microfinance policy, SHGs have formed state and national level federations. Federations are formed because Individual SHGs can’t be effective. Three members of each SHGs are selected for mandal level organizations. From each mandala a federation leader (FL) is selected. The FLs are not supposed to handle money. They have supervisory role and pass on information about new schemes, sources of funds, etc to the mandalas. The federation acts as are source centre for information and knowledge dissemination on bank, corporation, Zilla Panchayat, Taluk Panchayat, Gram Panchayat, Small manufacturing Enterprises, Public Health Centres, government programmes, schemes, food and civil supply officer, Women and Child Development Department’s initiatives and activities of 23 mandalas and other federations. Not only in Karnataka, the states like Tamil Nadu and Andhra Pradesh also encourage Self Help groups to form as federation at Taluk /block level for exposure, sharing of information and inculcating leadership quality.

Women’s federations’ network encourages for policy advocacy. The federation members regularly interact with state and district level officials and elected representatives for policy advocacy. During the last one decade, from collective wisdom of the micro finance movement, various policy recommendations for strengthening the SHGs have emerged.

Check Your Progress Exercise 4

Note: i. Use this space given below to answer the question.
   ii. Compare your answer with the one given at the end of this unit

1. Discuss Women’s Leadership in Microenterprise, Livelihoods, Employment, Agriculture and Land Facilitating Land leasing to the SHG Federation.
2. Give examples of social empowerment

___________________________________________________________________________

7. 13 SUMMING UP

The promise of microfinance is one of empowerment—empowering low-income women through access to credit to invest and grow their businesses, provide for their families, and support their communities. There is another aspect to that promise of empowerment: empowering women staff members and managers through the removal of organizational and cultural barriers to perform, excel and lead. Women will continue to play a critical role in the leadership and delivery of financial services for low-income entrepreneurs, but organizational efforts must be made to ensure that equal opportunity exists for all qualified staff.

7.14 GLOSSARY

**Human Resources**: Human resources is the set of individuals who make up the workforce of an organization, business sector, or economy. "Human capital" is sometimes used synonymously with human resources, although human capital typically refers to a more narrow view (i.e., the knowledge the individuals embody and can contribute to an organization). Likewise, other terms sometimes used include "manpower", "talent", "labour", or simply "people".

**Women’s World Banking**: Women’s World Banking is the global non-profit devoted to giving more low-income women access to the financial tools and resources they require to build security and prosperity. For more than 35 years we have worked with financial institutions to show them the benefit of investing in women as customers, and as leaders. We continue to equip these institutions with in-depth market research, with sustainable financial products and consumer education to meet women’s needs. Women are typically good clients and reinvest in their families and communities. Yet women remain an underserved market—so we equip financial institutions around the world to serve them. We perform market research to learn what financial products and information low-income women need, and develop innovative, practical ways for institutions to do business with women.
Check Your Progress Exercise 1

1. Micro finance through Self-Help Groups (SHGs) has proved to be a strategic measure for organizing women in groups and promoting savings and thrift habits to gain access to institutional credit for their socio-economic development and empowerment. (DWCD, 2005). It empowers women since it instils a perception of strength, self-reliance and confidence when the poverty trap is broken. “The entire process of forming a group, of functioning in a sustained manner, of regulating finances, and being mutually accountable, is in itself projected as empowering.

Check Your Progress Exercise 2

1. Poornima belonged to the Bahadur Bandi village in Koppal, a backward district in Karnataka. She was married at the age of 14 and suffered her marital home. A school dropout she completed her 7th standard exams in 2008, after gap of 18 years. She joined a self help group in her village and carried out savings and credit facilities, but had no knowledge about women’s issues. The sahayogini from Mahila Samakhya Karnataka began give information on banks, loans, women’s rights and other issues. Soon Poornima became an active member of the group and a Nari Adalat member due to her leadership qualities and courageous attitude. The training and exposure visits to many places organized by Mahila Samakhya has helped her evolve as a strong and independent sangha women. The exposure visit to Gulbarga Nari Adalat was particularly inspirational to poornima. Soon many women from neighbouring villages came to Nari Adalat in Koppal seeking her help. The want justice and support to enforce their rights as women. Most of the women who came were poor, illiterate and were from villages with little or no knowledge about their rights. They did not have the time or resources to go to courts and were fearful of going to the police station. So they found Nari Adalats as accessible forum which speaks their language and views the problem of women from their perspective. With monthly meetings, Poornima as a member of the Nari Adalat has been able to resolve cases relating to domestic violence, child marriages, harassment and discrimination. Any cases involving criminal acts such as rape, dowry or murder are forwarded to police stations or courts.
Today, Poornima is a contented woman. Just like Mahila Samakhya supported her to overcome her troubles, she is glad she can support other women with similar predicaments with assistance from Mahila Samkhya. She says Mahila Samkhya has provided a platform for her to emerge as a confident and strong woman.

Check Your Progress Exercise 3

1. Just as microfinance organizations have known and acted on the link between women and poverty in the design of programs and targeting of clients, the InterAction study also pointed to the success of gender mainstreaming when it was linked to “the improvement of program quality and, specifically, to the eradication of poverty. Initial skeptics were won over by the visible, tangible benefits that accrued not only to women, but to men, their families and their communities.”

Check Your Progress Exercise 4

1. Eleventh Plan Subgroup on Gender and Agriculture, Planning Commission, GOI has recommended that SHGs should be allocated land for agricultural activities after identification of land from the open market and its quality must be assured by the committee of SHG federation. Land Leasing of SHG federation with land owners must be ensured by entering into a formal tenancy arrangement for fixed term. Identification of beneficiary and appraisal through a committee of SHG federation should be respected by the authorities.

2. SMS has dedicated itself to the Women’s Cause. It has developed lot of material using various audio visual forms over the years such as theatre (its famous play Mulagi Zali Ho or Beti AayiHai), songs, CDs. Poster exhibitions etc. on various issues pertaining to women and children. All this was extensively used while conducting various awareness programs in the communities, SMS also used the material developed by other organizations like Pratham, Tathapi, Institute of Health Management, Pachod etc. for this purpose. SMS regularly organizes awareness and leadership development camps (36 Sessions) for the SHG group leaders with many inputs such as Equality, Solid Waste Management, Health, Importance of Education, Work Culture, P.D.S., Atrocities, Effective Parenting etc.

7.16 REFERENCES


7.17 QUESTIONS FOR REFLECTION AND PRACTICE

1. Examine the role of micro finance in building leadership with suitable national and international examples.