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## Effectiveness of Group Enterprises on Women Empowerment: A Case Study in Hambantota District

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### Abstract

In many aspects, women are more disadvantaged than men around the world. Particularly women in rural areas in developing countries suffer much from poverty, less access to opportunities and less participation in decision making. In Sri Lanka, with Tsunami in 2004, many women in coastal areas lost their residences and their livelihoods and at this time, many NGOs helped Sri Lankan women, especially by using group-based approach to empower them. This research was an attempt to find out whether these group enterprises are really effective on empowering rural and vulnerable women. For this case study, three group enterprises, viz; integrated fruit farming, a coir-based products and pottery, in Hambantota district, launched by Oxfam Australia were selected. After analyzing data, it was found that social factors such as recognition from husband, children, adults of the family and harmony among family members improved with group activities in different extent almost in all groups. When considering economies of scale, in banana cultivation, 168 kg of more production and around Rs.16 of more profit per head per month could be obtained by group activities than non-group production. In curd pot making, 142 more curd pots per head per month and Rs.2.12 of more profit per pot is obtained with group activities. Women have the decision making capacity in a considerable level in all the aspects studied, such as decision making on day-to-day expenditure, decision making on children's education, decision making on doing a job etc. Even though there are some aspects that should be improved further in group activities, it can be concluded that the group enterprises are effective on empowering women, both socially and economically.

**Keywords:** CBOs, group enterprise, women empowerment

### Introduction

Out of the 1.3 billion people who live in absolute poverty around the globe, 70 percent are women. For these women, poverty doesn't just mean scarcity and want. It means rights denied, opportunities curtailed and voices silenced (UN, 2010). Women suffer from different types of powerlessness in social and economic sphere of life. The lack of power or disempowerment reflects in their less education level, less income, less control over their own income, less bargaining power in selling their own produce and labor, less participation in decision making, less access to production inputs and resources and employment opportunity than men (Hossain and Jaim, 2011).

Gender equality and empowering women is the third of the eight areas of focus made by 189 world leaders at the United Nations Millennium Summit in 2000. The World Bank has also suggested that empowerment of women should be a key aspect of all social development programs.

Available records reveal that the Sri Lanka is in a lower position regarding women empowerment. Especially after the Tsunami tragedy in 2004, most of the Sri Lankan women in coastal areas became vulnerable due to the loss of their livelihoods. In this case, many rehabilitation programs were conducted by many NGO's and out of the various strategies they used to

help vulnerable parties to make them a better life style was launching group based enterprise activities. According to Vidyavathi (2012), Group Based Approach offers a better development strategy for utilizing under tapped rural resources into large number of income generating opportunities. It can be identified that group enterprises make better opportunities for the poorest and marginalized people who cannot start a business individually, to earn income.

Even though most of the NGO's use group based approach especially to empower women, there is a doubt whether these group enterprises really helpful to women on achieving them a better life. This case study was conducted to find out whether group enterprises have really effective on empowering women in both socially and economically. The specific objectives of this case study were (1) to find out the changes occurred on women and on production due to group enterprises, (2) to find out the economies of scale which have been achieved through group activities in selected enterprises and (3) to identify the decision making capacity of women with the improvement of income.

#### **Materials and Methods**

Out of the districts which Oxfam Australia launches projects to empower poorest among the poorest, especially the women, Hambantota district was selected as the study area for this research. Out of the many number of group enterprises launched in Hambantota District, an integrated fruit farming group, a coir-based products group and a pottery group were selected to conduct the study. Further, two non-group members in each enterprise were also interviewed during the study. A pre-tested questionnaire was the main method adopted for primary data collection. In addition to above questionnaire based sample survey, direct observations, informal and formal conversations with the group members and different stakeholders supplemented the

gaps of data gathered from secondary sources and personal interviews. The data were analyzed by employing descriptive statistical tools such as percentages, pie-charts, bar-charts etc. Further the Wilcoxon-Signed Rank Test was applied for analysis of inferences.

#### **Results and Discussion**

The study revealed that recognition from husband, harmony among family members, time spent with children and husband's contribution for household have remarkably increased in integrated fruit farming group and the acceptance percentages were 75%, 100%, 75% and 75%, respectively. Group activities have drastically reduced the group member's contribution for household activities in integrated fruit farming group. In coir-based group, considerable improvement is seen in recognition from husband, recognition from children, expenditure on household commodities and those percentages were 71% for each criteria and considerable reduction is seen in time spent with children and women's contribution for household needs with group activities. In pottery group, considerable improvement is seen in recognition from husband, recognition from children, recognition from adults of the family and expenditure on household commodities with group activities. According to women's perception, group activities have significantly reduced the cost of production and significantly increased the profit and access to services and training in all group enterprises.

When considering the results, regarding economies of scale, in banana cultivation, the yield differences per head per month is 168 kg of banana and the cost difference is Rs. 15.05 between group and non-group cultivators. In coir broom production, cost difference is Rs.9.95 per broom between group and non-group production. In pottery industry, the production

difference of curd pots per head per month is 142 and the cost difference is Rs. 2.12 per curd pot between group and non-group production.

The study revealed that the decision making ability of women has significantly increased with group activities in pottery group and in coir-group, while a slight improvement is seen in integrated fruit farming group. In all the groups, women have the highest authority on decision making on buying foods and on voting party selection.

### Conclusions

It can be concluded that group activities have increased social aspects of women as a whole, even though the amount of change differs from one group enterprise to another. When considering economic aspects, group activities have significantly reduced the cost of production and significantly increased the profit and access to services and training in all group enterprises.

When considering the economies of scale that has been achieved through group activities, banana cultivation and pot production are more profitable and effective with group. Coir broom production is more profitable and effective with regarding cost and profit with group.

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