

# Tools for Participatory Self-Monitoring of Self-Help Groups

**W**omen in India are still under-represented in their country's political institutions despite laws that seek to address this imbalance. Through their membership in Self-Help Groups (SHGs) however Indian women may have found a good start at empowering themselves not just politically but economically, as they generally comprise a significant percentage of the membership. Unfortunately, women continue to defer to the men or to outsiders in regard to taking leadership of their organizations because of their lack of education.

Two participatory self-assessment tools may help women members of SHGs to take greater control of the running of their groups. These tools were the subject of an e-discussion on RPO sustainability that was supported by the International Fund for Agricultural Development (IFAD) through its Knowledge Networking for Rural Development for Asia

and the Pacific Region (ENRAP) Program, and convened and moderated by ANGOC from 26 February to 16 April 2007<sup>1</sup>.

## **PARTICIPATORY ASSESSMENT OF SELF-HELP GROUPS**

Mahila Arthik Vikas Mahamandal (MAVIM), a project being implemented in India by the IFAD, has developed a training module to teach self-help groups (SHGs), typically composed of 12-13 members, to conduct participatory self-assessment. This assessment method grades the performance of SHGs as “good”, “average”, or “poor” by counting the number of months in a year that the SHG was observed to have complied with predetermined performance indicators.

These indicators are as follows:

- i. Regularity in putting away savings;

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<sup>1</sup> Over 300 members of ENRAP, representing a variety of IFAD partners and institutions involved in IFAD projects, along with international and local government and non-government organizations, signed up for this e-discussion. A record of this e-discussion may be found at <http://www.enrap.org>.

- ii. Regularity in attendance of members;
- iii. Regularity in holding meetings;
- iv. Equitability in holding meetings (not always in one member's house but changing the venue);
- v. Regularity in repayment of loans by members (this includes loans taken out of the group's funds as well as loans from banks);
- vi. Maintenance of accounts of the SHG;
- vii. Rotation of leadership;
- viii. Initiatives taken in addressing problems of group members;
- ix. Initiatives taken in addressing problems of the village;
- x. Improvement in status of women in the village as seen from –
  - Participation in decision making in village matters, women sit in the meeting on equal footing with men;
  - Participation in the village government;
  - Participation in flag hoisting and other village level functions;
  - Active participation of women panchayat members in the village panchayat;
  - Improvement in attendance of girls in schools and increase in number of girls going on to higher grades;

- Access to trained doctors for child birth, reduction in maternal mortality;
- Improvement in nutritional levels of women and girls;
- Reduced tendency to insist on having only male children.

The SHG members jointly grade themselves, i.e., their group, by ticking the box below the months of the year (as shown on the following chart) to indicate the frequency with which they have complied with EACH of the above-listed indicators. (The tool does not indicate what constitutes “regularity,” i.e., whether perfect compliance is required or whether mere preponderance of “hits” versus “misses” is adequate.) Tick marks on eight or more months mean that the SHG has performed “well” on the particular indicator. Five to seven tick marks indicate “average” performance. While one to four tick marks show “poor” performance.

To help the SHG keep track of its performance, indicators on which they performed well are marked by a green dot; indicators where they turned in average performance are marked by a yellow dot; and indicators where they did badly are marked by a red dot.

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec

## TOOL FOR MONTHLY AND ANNUAL SELF-MONITORING OF SHGs

Under the SHG-Bank Linkage Program of the National Bank for Agricultural and Rural Development in India (NABARD), SHGs are being promoted by a large number of promoting institutions like Government departments, NGOs, banks, Farmers' Clubs. Each one of them has evolved and adopted – based on NABARD's guidelines – SHG

assessment tools that are suited to local conditions and practices.

The following is an example of a tool designed to help SHGs to do their self-monitoring monthly and annually. Rather than accounting for the frequency of compliance, SHGs rate their performance on set parameters as “good” (marked green), “average” (marked yellow), or “bad” (marked red) according to concrete indicators provided by NABARD, as follows:

MONTHLY SELF MONITORING PARAMETERS			
Parameters	Good (Green)	Average (Yellow)	Bad (Red)
Preparation for meeting	All necessary arrangements made	More than half the arrangements made	No preparations at all for the meeting
Holding meetings regularly	Meetings held as per pre-determined dates	Meetings held on day other than pre-determined dates	No meeting was held
Meetings on scheduled time	Meetings start on scheduled time	Meeting starts late	Meeting starts late by more than two hours
Attendance in meetings	All members attend the meeting	More than 75% attendance	Less than 75% attendance
Proceedings (minutes) of meetings	Proceedings are recorded and read in the next meeting	Proceedings are recorded but not read in the next meeting	Proceedings are not recorded
Savings	All members deposit their savings on a fixed date	More than 90% members deposit their savings on a fixed date	Less than 90% members deposit their savings on a fixed date
Account keeping	Recording of all accounts completed at the meeting itself	Accounts are completed after the meeting	Accounts are incomplete or not kept at all
Collective decision making	Collective decisions are made	Only a few members participate in the discussion and decision making	Decisions are made without discussion

### MONTHLY SELF MONITORING PARAMETERS (contiued)

Parameters	Good (Green)	Average (Yellow)	Bad (Red)
Repayment	All members repay loans on time	95% pay on time	Less than 95% pay on time
Lending	Loan disbursements up to 95% of available resources	Loan disbursements less than 95% of available resources	No loan disbursements at all
Petty cash	No cash is kept more than the fixed limit	More cash kept than the fixed limit	Entire amount of the saving is kept in cash
Insurance	Insurance of members and assets acquired by them through group loan and its renewal	Insurance of some members and assets	No insurance
Communities: discussion and action	Community development activities are discussed and undertaken	Community development activities are discussed	No discussion and no action on community development
Sharing of responsibilities	More than 50% of members share responsibilities	Up to 50% of members share responsibilities	No sharing of responsibilities
Common Fund	Common fund is created	No Common fund	-
Lending	More than 60% of members' loan needs met	Loan needs of 30 to 60% of members met	Less than 30% of members loan needs met
Income generation	More than 50% increase in income of members who have taken loan	25 to 50% increase in income in case of members who have taken loan	Less than 25% increase in income in case of members who have taken loan
Outside financial assistance	Outside financial assistance taken	No outside financial assistance taken	-
Insurance	Insurance of members and assets acquired by them through group loan and its renewal	Insurance of some members and assets	-

<b>MONTHLY SELF MONITORING PARAMETERS (continued)</b>			
<b>Parameters</b>	<b>Good (Green)</b>	<b>Average (Yellow)</b>	<b>Bad (Red)</b>
Training	As decided by Group, 4 or more trainings in a year	As decided by group, 2 to 3 or more trainings in a year	No training
Inter Group lending	Inter group lending is resorted to	No inter-group lending is resorted to	-

*Source: Meenai Z (2003) Empowering Rural Women, An Approach to Empowering women through credit based, self help groups.*

<b>ANNUAL SELF MONITORING PARAMETERS</b>			
<b>Parameters</b>	<b>Good (Green)</b>	<b>Average (Yellow)</b>	<b>Bad (Red)</b>
Audit	Accounts of group audited	-	Accounts of group not audited
Formation of new groups	Help is extended for formation of new groups	No help is extended for formation of new groups	-
Appointment of record keeper	-	Record keeper appointed	Record keeper is not appointed
Repayment	100% repayment as scheduled	95 to 99% repayment as scheduled	Less than 95% repayment
Formation of clusters	Participation in cluster	No participation in cluster	-
Representation on local bodies	Members of group elected on local bodies	No members of group elected on local bodies	-
Community development	4 or more community development programs undertaken	1-3 community development programs undertaken	No community development programs undertaken
Annual meeting	Annual meeting is held	No annual meeting is held	-

*Source: Meenai Z (2003) Empowering Rural Women, An Approach to Empowering women through credit based, self help groups.*

NABARD also helps SHGs monitor their progress as organizations by listing the capacities and/or accomplishments which are generally expected of SHGs at particular

stages of development, and by providing both quantitative and qualitative indicators for compliance with or attainment of such capacities/accomplishments, as follows:

Stage of the Group/Age of SHG	Characteristics/ Inputs/Activities	MONITORABLE OUTPUTS	
		Quantitative	Qualitative or Empowerment Indicators
<b>Group Formation – 6 months</b>	Formation of group Start of savings - members start to save regularly Opening of bank account Start of inter-lending Establishment of identity of group Selection of group's representatives Decision on date, time and place of meetings Meetings held according to schedule Records like attendance register, minutes book, etc., maintained	Number of groups with defined and stable membership Number of groups that have started savings Number of groups that have started inter-lending Number of groups that have given themselves a name Number of groups that have decided on regular meetings, on fixed dates, time and place Number of groups that have started to maintain records	Process of group formation Issues discussed in the meetings Mutual trust among members Problem identification skills Analysis and arriving at solutions Democratic, free and fair selection process Involvement of weaker members in decision making process Transparency and smooth information flow
<b>Group Stabilization – 7 to 12 months</b>	Regular savings and inter-lending Decisions on rate of savings, timing of loans, schedule of payments, etc., crystallize Attendance is over 80% in regular meetings Repayments average 90%	Number of groups, members saving regularly Number of groups inter-lending regularly Average attendance per meeting Rate of repayments	Process followed by groups that have decided on rate of savings, selection of loan applicants, timing of loans, schedule of payments etc. Sanctions for default and deviance imposed, accepted and the process followed

Stage of the Group/Age of SHG	Characteristics/ Inputs/Activities	MONITORABLE OUTPUTS	
		Quantitative	Qualitative or Empowerment Indicators
<b>Group Stabilization –</b> 7 to 12 months	Sanctions for default and deviance imposed and accepted  Issues concerning women raised and discussed  Literacy classes started  Training of group members and representatives  Linking of group to lending institution	Loans given to members and its distribution-consumption, on- and off-farm  Records concerning loans, etc., being maintained  Increase in group's line of credit  Proportion of loans to savings  Number of groups with defined and stable membership  Number of groups that have started savings  Number of groups that have started inter-lending  Number of groups that have given themselves a name  Number of groups that have decided on regular meetings, on fixed dates, time and place	Issues discussed in the meetings  Members' confidence to act in public life  Group's commitment to mutual support  Members' ability to relate with other institutions and government as a group  Group's involvement in community actions  Small and significant actions taken by members at home and in public  Acquisition of literacy and numeracy skills
<b>Self reliance –</b> 13 months to 18 months	Groups are able to handle their routine activities, savings and lending operations without external assistance  Regular recovery  Improved linkages with banks  Initiation of micro-enterprise activities  Formation of new groups without project assistance	Number of groups that have started to maintain records  Recovery rate on loans  Access to credit from banks and MFIs  Number of members involved in micro-enterprise activities, number of other schemes accessed  Number of activities initiated by SHGs	Freedom from exploitation, moneylenders and landlords  Role in other bodies like PRI  Awareness of basic legal rights  Awareness of own problems and options  Critical consciousness of the electoral process, societal analysis and gender issues





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## **REFERENCES:**

E-discussion on RPO sustainability convened and moderated by ANGO from 26 February to 16 April 2007 and supported by IFAD through its ENRAP Program ([www.enrap.org](http://www.enrap.org)).

E-mail correspondence with Ms. Thanksy Francis Thekkekara, MAVIM Managing Director, July 4, 5 and 9, 2007.

E-mail correspondence with Mr. K. Muralidhara Rao, General Manager, NABARD Microcredit Innovations Department, July 10, 11, and 13, 2007.

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