



## Assessing the Activities of Self-help Groups in Social Protection in Southeast Nigeria

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### Author's contribution

The sole author designed, analyzed and interpreted and prepared the manuscript.

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### ABSTRACT

**Aim:** This paper assessed the activities of self-help groups (SHGs) in social protection.

**Study Design:** Members of registered and non-registered SHGs were randomly selected and interviewed based on the activities of the groups in the study area.

**Place:** Southeast Nigeria at Latitude 5°N and 7°30' and Longitude 5°E and 10°E.

**Methodology:** The study was conducted in the South-eastern states of Nigeria. Three states were eventually chosen for the study namely Abia, Anambra and Imo. A total of 108 registered SHGs were randomly selected and 540 members were interviewed; a total of 108 non-registered SHGs were also selected with; 540 members of the groups were interviewed. Descriptive statistics were used in the analysis of data.

**Results:** The results show that the identified SHGs were mainly made up of people operating in the informal sector and were predominantly engaged in agricultural activities. Majority of the respondents represented by 82% stated that the services obtained from the SHGs were inadequate while 18% stated that they were adequate for their purposes. This adequacy can be described as restricted adequacy as the services extended to the beneficiaries were tailored to the slim resources of the SHGs. All the social protection services provided by the SHGs were mainly based on social insurance services complemented by social assistance. The services were sufficiently deficient in labour market interventions. There was no form of interaction among the SHGs as they

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operated as stand alone. This lack of interaction tends to limit the possibility of the largely informal groups to be connected to a more sustainable formal social protection services.

**Conclusion:** The activities of the SHGs are inadequate for social protection services and to that extent cannot on their own engender inclusive growth. It is recommended that state-sponsored social protection services should be institutionalized, less ad hoc in delivery and should not be elevated to the level of handouts from the power holders to the core poor.

*Keywords: Social protection; micro-entrepreneurs; self help groups.*

## 1. INTRODUCTION

### 1.1 Background

Self-Help Groups are membership-based organizations that aim to promote social cohesion through a mixture of education, access to finance, and linkages to wider development programmes [1]. A Self-Help Group (SHG) typically comprises a group of micro entrepreneurs having homogenous social and economic backgrounds, all voluntarily coming together to regularly save small sums of money, mutually agreeing to contribute to a common fund and to meet their emergency needs on the basis of mutual help. It is a group of 10-20 people who work for the mutual benefit of themselves [2]. SHG enhances livelihood opportunities for those engaged in it. For instance it can be a channel through which commercial banks deliver micro-credit to deserving recipients.

One of the objectives of a typical SHG is to enable the poor and marginalized have access to micro-credit with bank linkages [2]. By transferring the loan source from friends and moneylenders to an identified SHG, the cumulative saving pattern of SHG members is enhanced [3]. Other objectives include advising and training members in a variety of on- and off-farm income-generating activities aimed at improving the overall status of members in terms of income, empowerment and welfare; developing members' social skills, communication and interactions with others in the community; caring for members and their children with confidence; accessing opportunities for learning, advancement and commerce; using social and health services with knowledge and confidence; and contributing to the social and support systems in the community.

Different SHGs tend to have different objectives. However, these objectives are characterized by enabling the members mutually mobilize resources and also forge linkages with

institutional sources of microcredit. For instance the Self-Help Group Linkage programme of the Agricultural Credit Guarantee Scheme (ACGS) under the auspices of the Central Bank of Nigeria, farmers are encouraged to form themselves into groups of between 5 and 15 on the basis of common purpose. The SHGs are further encouraged to undertake regular savings with a partner bank of their choice for the purpose of securing loans. According to [4]. SHGs represent a unique approach to financial intermediation.

Social protection is a coherent, rights-based approach to social policy, ensuring people's access to basic services and social guarantees [5]. It is not simply safety nets provided to people in the times of crisis; rather it is a comprehensive and sustainable system based on rights. Furthermore, it is not a network of individual service providers, accessible only to the elite. It is the role of governments to ensure affordable, equitable and inclusive access to all essential social services. While some schemes can include private service providers, strong and effective public institutions should be at the foundation of the system. Social protection is not merely economic calculation aimed at boosting consumption and reducing costs. Social protection is actually a good investment that returns increase in human capital, boosts aggregate demand in the economy, enhances economic productivity, stimulates domestic consumption and energizes economic growth.

Social protection refers to the set of public and private policies and programmes aimed at preventing, reducing and eliminating economic and social vulnerabilities to poverty and deprivation [6]. Social protection describes all public and private initiatives that provide income or consumption transfers to the poor; protect the vulnerable against livelihood risks; maintain and build productive assets and livelihoods activities; and enhance the social status and rights of the marginalized, with the overall objective of reducing the economic and social vulnerability of

poor, vulnerable and marginalized groups [7]. This definition helps to understand wider impacts of social protection beyond meeting basic consumption needs. Additionally, it allows us to recognize a broad range of objectives which combine social protection with livelihood activities.

Social protection should be understood as a set of policies and programs designed to reduce poverty and vulnerability by promoting efficient labor markets, diminishing people's exposure to risks, and enhancing their capacity to protect themselves against hazards and interruption/loss of income. It refers to policy-backed systems of social protection which provide a basic minimum response to crises through managing risks and reducing vulnerabilities of the affected group. The social protection policies and programmes also promote efficient labour markets and enhance the capacity of vulnerable groups to manage economic and social risks in all their ramifications.

Social protection measures typically include labour market interventions, social insurance and targeted transfers such as income support (social assurance) [8]. Labor market interventions include policies and programmes designed to promote employment, the efficient operation of labor markets and the protection of workers. Social insurance reduces risks associated with unemployment, work-related injury and old age. Social assistance involves either cash or in-kind resources being transferred to vulnerable individuals or households with no visible means of adequate support. Other social protection instruments include micro-and area-based schemes, and child protection [9]. However, the [10] included child welfare under the social assistance category.

Social protection instruments tend to help sustain and consolidate gains and form a basis for achieving the Millennium Development Goals (MDGs). With greater equity social protection can be channeled through the state, market, civil society and households, or a combination of these agencies, to the vulnerable individual/households to reduce multi-dimensional deprivation. SHG to the extent that it provides multi-dimensional deprivation-reducing benefits to members is an important instrument for achieving the objectives of the MDGs.

Social protection has been defined as consisting of public actions taken in response to levels of

vulnerability, risk and deprivation which are deemed socially unacceptable within a given policy or society [11]. However, in low-income countries –especially in sub-Saharan Africa –less than 20% of the poorest quintile are covered by social safety nets [12]. The inadequacy of the state sponsored social protection measures has necessitated the emergence of self-help groups with a view to mobilizing a wide range of self-support services. Majority of SHGs are associated with financial intermediation for financing such social services as education, health and such economic activities as microenterprise investment and expansion. In southeast Nigeria, the presence of SHGs is widespread.

## 1.2 Problem Statement

As safety net, social protection is aimed at cushioning the poor against production and consumption shocks. Research and policy attention has been given to social protection in Africa [8,13-17]. Primarily, the focus is on functions and services provided by the state, and those policies advocated by donors [18-20] as well as regional intergovernmental bodies such as the African Union.

In many countries including Nigeria, the activities of SHGs in social service provisioning tend to be popular. To all intents and purposes, these SHGs are characteristically non-state actors in social service provisioning. There is a renewed interrogation on the activities of SHGs as non-state actors in social protection; their relevance to sustainable economic development and their adequacy as comprehensive response to poverty and capability deprivations. In the views of [21], the largest number of loans given by SHGs to members is for agriculture and on-farm related activities. However, nothing is documented about the adequacy of such loans to the needs of the loan beneficiaries as determined by the amount applied for and the amount eventually obtained.

There is the need to interrogate the activities of the SHGs especially how they promote social protection to ensure that they engender inclusive human development and pro poor economic growth in the African social and economic context [22] and in Nigeria in particular. This need becomes cogent to the extent that whereas the existence of SHGs is popular, empirical knowledge of their activities in terms of sources and sizes of funds mobilized, numbers reached, and features of governance in Southeast Nigeria

are not well documented. [4] Studied the operational procedure of the traditional savings credit associations. The research did not specifically focus on their interactions among the savings and credit associations on one hand and between the associations and the government on the other. It did not address governance, accountability, and sustainability issues attendant to their activities and operations; hence this study is undertaken. It is against this background that the study addresses the following research questions:

1. What are the funding sources and the features of accountability and governance of the SHGs?
2. What do the SHGs provide functionally in terms of social protection services in southeast Nigeria?
3. Who are the intended (and actual) beneficiaries and their respective characteristics (age, gender, cultural group, income, family size. etc.) in southeast Nigeria?
4. What is the scale of services provided by the SHGs in terms of numbers of people assisted and the adequacy of such assistance?
5. In what ways do self help groups interact with other non-state actors and interact with the state in southeast Nigeria?
6. What kind of sustainability strategies are employed by self help groups in southeast Nigeria?

### 1.3 Objectives of the Study

The general objective of the study is to assess the activities of self-help groups in providing social protection in Southeast Nigeria. The specific objectives are to:

- i. identify funding sources and the features of accountability and governance of the SHGs in southeast Nigeria;
- ii. describe the social protection services provided by the self-help groups in southeast Nigeria;
- iii. Describe the socioeconomic characteristics of the beneficiaries of the social protection services provided by self-help groups in southeast Nigeria;
- iv. Determine the scale of services of the self-help groups in terms of numbers of people assisted and the adequacy of such assistance;

- v. Investigate the ways the self-help groups interact with other non-state actors and interact with the state in southeast Nigeria; and
- vi. Investigate the sustainability strategies employed by self-help groups in southeast Nigeria.

### 1.4 Hypothesis of the Study

The following null hypothesis was tested:

There is no significant difference between the amount applied for by the respondents and the amount eventually obtained from the self-help groups.

## 2. CONCEPTUAL FRAMEWORK

This section is presented under two headings: economic development in relation to social protection and self-help groups; and social risk management framework.

### 2.1 Economic Development in Relation to Social Protection and Self-Help Groups

Economic development takes place when a country achieves long-term, high rates of economic growth and when this growth is accompanied by a wider economic transformation that benefits the poor and shares prosperity broadly [23]. Economic development enhances poverty reduction and also increases prosperity by creating jobs and increasing incomes through the promotion of high, sustainable and inclusive growth. Over the last two years, the World Bank Group seeks to accomplish the twin goals of ending extreme poverty by 2030; and boost shared prosperity among the poorest 40 percent in developing countries [24].

According to [24], tremendous progress has been made over the last quarter century in the fight against poverty. In 1990, 36 % of the world's population, or 1.9 billion people, earned less than \$1.25 a day. By next year, it is estimated that that rate would have declined to 12 % – a two-thirds reduction in 25 years. This means that, by next year, one billion fewer people will be living in extreme poverty than in 1990. However, helping the next billion escape poverty will be far more difficult. Much work is to be done, especially in sub-Saharan Africa, where an estimated 450

million people wake up in poverty each day. According to [25] social protection plays a crucial role in mitigating the socio-economic impact of disaster on peoples' lives. Poverty, vulnerability and inequality are among the disasters.

In terms of boosting shared prosperity, [24] stated that the World Bank Group is working to ensure that the growth of the global economy will improve the lives of all members of society, not only a fortunate few. To accomplish this, the World Bank Group aims to achieve specific income-related and social goals through raising the income of the lowest 40 percent of earners in developing countries, and improving their access to life's essentials, including food, shelter, health care, education and jobs. The social goals of raising the income of the lowest 40 percent of earners in developing countries and improving their access to life's essentials are clearly compatible with the objectives of social protection.

According to [10], achieving the objectives of social protection contributes to the strategic agenda of promoting inclusive growth. [26], drawing on [27-31] presented the potential ways in which social protection can contribute to economic development. At household level, social protection directly prevents loss of productive capital, accumulates productive assets and improves labour force participation and increases innovation and risk-taking. At the community level, it has multiplier effects on consumption and production, aids in accumulation of productive community assets and impacts on labour markets. At national level, social protection directly contributes to cumulative increases in household productivity and labour force participation, stimulates aggregate demand, increases capital markets and affects taxation and borrowing. The indirect effects at the national level include facilitating economic reforms, enhancing social cohesion and reduction in inequality, and enhancing human capital.

It should be noted that social protection can have short, medium and long-term effects on growth. In the short-term this is usually in connection with increasing physical and financial capital in households to help them enhance their productivity; in the long term, it is in relation to changes in human capital (through education, nutrition and health) that have positive impacts on growth. According to [7], social protection can have positive impacts on household productivity.

It can enable poor households to accumulate productive assets and improve labour market participation by overcoming the savings and credit constraints that prevent them from investing more in livelihoods or seeking employment. In the views of [32] households enrolled in Mexico's *Oportunidades* invested about 26% of their transfers, leading to an increase in agricultural income of almost 10% after 18 months of benefits. Regular transfers to poor households can also increase their credit worthiness and thus their access to credit for investment [33,34] and provide resources for job seeking. Brazil's *Bolsa Familia* increased beneficiaries' labour-market participation by 2.6% compared with non-beneficiaries, with greater impacts for women [35].

While economic development has to do with the process of a country's real per capita gross national product or income increase over a period of time through sustained increase in productivity, the wealth created has to be shared equitably. It is often argued that an economic system's legitimacy is also tied to its ability to make two things accessible to all: The riches it generates and the social benefits that arise from that wealth. Social benefits, which are encapsulated in social protection programmes and policies, ensure that economic system's gains are distributed in a fashion that creates opportunity and respects human dignity.

In achieving the primary aim of social protection — addressing poverty, vulnerability and inequality — boosting shared prosperity is a necessity. While increasing individual incomes is important, it is only a part of the equation for boosting shared prosperity. There is also the need for economic growth to deliver benefits and enhance low income people's access to food, shelter, clean water, sanitation health care, education and jobs. However, national income gains from growth tend to be shared among a population in anything but close to equal measure. This tends to account for the emergence of self-help groups especially in low income countries.

## 2.2 Social Risk Management Framework

Most poverty reduction in China and India in the last 20 to 30 years was due to economic growth combined with active social policies. Social protection has thus become increasingly important in poverty reduction efforts in developing countries over the last decade [26].

[26] examined the impacts of social protection on growth at macro (national), meso (community or local levels) and micro (individual or household) and through direct and indirect channels and concluded that: The evidence base is strong for positive growth impacts of social protection at micro level; evidence is growing on its potentially positive impacts at meso level; and at macro level evidence is somewhat inconclusive although there are some indications of net positive effects. In the views of [26], it is difficult to disentangle these effects from other policies and to identify the channels through which such impacts occur. However, in the views of [30] the relative weakness of evidence in support of the growth enhancing potential of social protection should not be overemphasized; what is missing is not so much the solid evidence on the impacts of social protection programs on income growth, particularly at the individual and household level, but clarity on practical steps to apply this perspective in practice. While social protection programmes can be assessed for their impacts on growth, it is important to remember that the primary aim of social protection is to address poverty, vulnerability and inequality.

There is a clear consensus among multilateral institutions about the need for developing countries to strengthen and develop social protection policies and programmes in response to economic crisis and rising vulnerability [36,37,38,39]. Some of the crises include financial, oil, food and climate change. Additionally, recurrent development deficits, new challenges of rapid urbanization, insurgency and widening economic and social disparities have led to increased vulnerability among the poor and marginalized in Nigeria, exacerbating the risk of social and political stability.

Over the years, the focus on social protection has moved from definition by instruments such as social insurance to definition by objectives, that is assisting in risk management; from a traditional focus on ex-post poverty (ex post management are responses that take place after the realization of a risky event) to ex-ante vulnerability reduction (ex ante actions are taken before a risky event takes place) [40]. The broad objectives of social protection include protecting people against livelihood downturns that might engender a slide into poverty or deprivation, and the guarantee of some basic level of security through social or public means. This approach to poverty brings the concepts of risk and risk management to the center of the policy dialogue.

The World Development Report (WDR) 2000/1 emphasized the nexus existing among empowerment, security, opportunity and poverty. The poverty component brings the concepts of risk, its management and vulnerability to the mainstream of the policy dialogue.

Vulnerability refers to the relationship existing among poverty, risk, and efforts to manage risk [41]. [41] decomposed vulnerability into several components of a risk chain: a) The risk, or risky events, b) The options for managing risk, or the risk responses, and c) The outcome in terms of welfare loss. Focusing on household vulnerability [41], argued that households are vulnerable to suffering an undesirable outcome, and this vulnerability comes from exposure to risk and posited that social actions can reduce risk or exposure to risk.

[42] coined the expression “social risk management”, SRM, to refer to the social management of risks, that is, how society manages risks. It includes the whole range of formal and informal proactive and reactive risk management strategies by individuals, communities, nations and communities of nations [41]. From a SRM perspective, social protection addresses how vulnerable households can be helped to better manage risks and become less susceptible to welfare losses.

There are three main categories of social risk management arrangements namely informal arrangements, market-based arrangements, and public arrangements. Informal arrangements refer to the way that individual, groups of individuals and households respond to risk by protecting themselves through informal or personal arrangements. Market-based arrangements refer to market-based institutions such as money, banks and insurance companies that lend to households without secured earnings. Microfinance is also an important instrument of social risk management. Public arrangements involve government-backed risk management arrangement to provide such social insurance programmes as unemployment, old age and social assistance, subsidies on basic goods and services and public works programmes.

The formal component of social protection in low income countries, including Nigeria, tend to be severely thin on the ground on account of the vast majority of the population being outside the formal sector of the economy. Informal

arrangements in which the SHGs belong are not particularly immune to the challenges of managing risks and reducing the susceptibility to welfare losses especially income security. The activities of SHGs as they relate to social risk management under the rubric of social protection are the focus of the study.

### **3. METHODOLOGY**

#### **3.1 The Study Area**

The study was conducted in the South-eastern states of Nigeria. Southeast Nigeria is located at Latitude 5°N and 7°30' and Longitude 5°E and 10°E. Southeast Nigeria is composed of five States, namely, Abia, Anambra, Ebonyi, Enugu and Imo. The population figures of these States as at 2006 are as follows: Abia (2, 833, 999), Anambra (4,182, 032), Ebonyi (2,173, 501), Enugu (3,257, 298), and Imo 3,934,899, with a total of 16,381,729 [43]. The principal occupation of the people of southeast Nigeria is agriculture. The region is in the rainforest agro-climate zone which is characterized by high minimum temperature, high precipitation and extreme weather condition. As a result, Southeast Nigeria is one of the erosion and flood prone regions with major shocks and hazards associated with the recurrence of erosion and flood which disrupt the livelihood of the population. Apart from crop failure and food shortages, the recurrence of erosion and flood often aggravate the vulnerability of household livelihood through the devastation of agricultural resources which is the major source of livelihood [44]. The region is also characterized by underdeveloped infrastructure and the lack of social services where the population has the least access to social services particularly education, health, water supply, etc.

#### **3.2 Sampling Procedure**

Three out of the five States of southeast Nigeria were randomly selected. The states are Abia, Anambra and Imo. In each state, the department of cooperatives was visited in which a list of the registered cooperatives and self help groups was obtained. Each state was stratified into the three senatorial zones. In each senatorial zone in the states, two Local Government Areas, (LGAs) were randomly selected. A total of 18 LGAs were

randomly selected. In the headquarters of each LGA, a list of the registered cooperatives and self help groups was obtained. In each LGA, two communities were randomly selected. A total of 36 communities were randomly selected. In each community and based on the lists of registered cooperatives and self help groups obtained from the state and LGA headquarters, three groups that were registered in both the state the LGA were selected. Thus a total of 108 registered self help groups were selected. In each registered self help group, the executive members were interviewed using the focus group discussion method. Five members of the self help group were randomly selected. Thus 540 members of the registered SHGs were randomly selected. The identified members of the registered groups aided in identifying self help groups which were not registered. Thus a total of 108 non-registered self help groups were randomly selected. In each of the self help group that was not registered, the executive members were interviewed using the focus group discussion method. Five members of the self help group were randomly selected. Thus 540 members of the non-registered SHGs were randomly selected.

Table 1 shows the selected States, LGAs, and communities.

#### **3.3 Data Collection**

A combination of qualitative and quantitative research methodology was employed for this study. Secondary data, published literature, focus group discussions, questionnaire, and in-depth interviews were used to collect data from key informants.

#### **3.4 Data Analysis**

For purposes of data analysis, the content were sorted and arranged according to the different research questions. Descriptive statistics were mainly used in the analysis. The t-test was used in testing the hypothesis.

### **4. RESULTS AND DISCUSSION**

This section dwells on the presentation and discussion of the findings.

**Table 1. Selected states, LGAs and communities**

<b>States</b>	<b>Senatorial Zones</b>	<b>LGAs</b>	<b>Communities</b>	
1.Imo	1.Orlu	1. IdeatoNorth	<u>Ideato North</u>	
		2. Idaeto South	1. Arondizuogu 2. Uruala	
			<u>Ideato South</u> 3. Isiekensi 4. Dikenafai	
	2.Owerri	3. Mbaitoli	4. Ikeduru	<u>Mbaitoli</u> 5. Mbieri 6. Ogwa
				<u>Ikeduru</u> 7. Amaimo 8. Atta
		3.Okigwe	5. Onuimo 6. Isiala Mbanu	<u>Onuimo</u> 9. Umuduruuegbeaguru 10. Okwe <u>Isiala Mbanu</u> 11. Obollo 12. Ibeme
	2.Abia	4.Abia Central	7. Ikwuano	<u>Ikwuano</u>
			8. Umuahia North	13. Umuosoro Nnono 14. Oruigwe <u>Umuahia North</u> 15. Afara 16. OhokobeNdume
		5.Abia South	9. Aba North	<u>Aba North</u>
10. Aba South			17. Ogbor Hill 18. Eziana <u>Aba South</u> 19. Eziukwu 1 20. Ohazu	
6.Abia North		11. Isuikwuato	12. Ohofia	<u>Isuikwuato</u> 21. Ahaba 22. Ovim <u>Ohofia</u> 23. Abiriba 24. Item
3.Anambra	7.Anambra Central	13.Awka North	<u>Awka North</u>	
		14. Awka South	25. Achalla 26. Ugbenu <u>Awka South</u> 27. Nibo 28. Nise	
	8.Anambra North	15. Ayamelum	<u>Ayamelum</u>	
		16. Anambra East	29. Ifite Ogwari 30. Omasi <u>Anambra East</u> 31. Igabariam 32. Awkuzu	
	9.Anamabra South	17.Ihiala	18.Aguata	<u>Ihiala</u> 33. Ihiala 34. Ihembosi <u>Aguata</u> 35. Igboukwu 36. Ekwulobia

Source: Field Survey, 2103

#### **4.1 The Self-Help Groups, their Funding Sources and Features of Accountability and Governance**

##### **4.1.1 The self-help groups**

Self-help groups are diffuse in the study area. The formation was typically based on occupational, religion, gender, marital status, culture/entertainment and neighbourhood considerations. A combination of more than one consideration also played a role in the formation. Self-help groups formed along occupational lines included farmers, traders of specific articles, artisans, mechanics etc. Religion-based self-help groups included those formed in churches and worship places. Gender-directed self-help groups included those formed by and made up of market women, hair dressers, palm wine tappers etc. Marital status based self-help groups were typified by associations of those who had lost their spouses. Culture/entertainment-linked self-help groups included masquerade and dance clubs. Neighbourhood associations typified the identified self-help groups that were formed based on neighbourhood considerations. The identified self-help groups were mainly made up of people engaged in the informal sector; those engaged in the agricultural sector were predominant. This is a pointer to the role of agriculture in the livelihood of the generality of the people.

##### **4.1.2 Aims and objectives of the self-help groups**

The common aims and objectives of the self-help groups included helping members in their livelihood activities, fostering mutual cordial relationship among members, ensuring unity among members and giving assistance of any kind to members who may be in need of such, advancing loans to members, mutual aid to members in carrying out the activities in their chosen area of earning a living, encourage thrift among members, and mobilising credit facilities for the members. The not so common aims and objectives of the self-help groups included maintaining law and order in the community, and fostering cultural growth. Essentially, they aimed at providing a basic minimum response by way of reducing risks and vulnerabilities encountered by members. Such basic minimum response is further extended to non-members who may qualify for assistance. It is interesting to note that registered cooperative societies have self-help groups operating within them.

##### **4.1.3 Sources of funding for the self-help groups**

The sources of funding for the self help groups are presented in Table 2.

**Table 2. Frequency distribution of respondents according to the sources of funding for the self-help groups**

<b>Source</b>	<b>Frequency</b>	<b>%</b>
Grants	486	45
Loans	400	37
Savings	1080	100
Shares	475	44
Fines	1080	100
Fees	1080	100

*Source: Field Survey, 2013*

Table 2 shows that the major and common sources of fund for the self-help groups were savings, fines and fees. These are applicable to both registered and non- registered self-help groups. Issuing of shares as a source of funds was listed by 44% of the respondents. In actual practice however, the registered self-help groups did not have all the resources required to sell shares to the investing public. Grants as a source of funds was applicable to 45% of the respondents. Grants usually flow from governments and Non-Governmental Organisations to the registered and recognised self-help groups.

##### **4.1.4 Features of accountability and governance**

This section looks at whether or not the resources available to the self-help groups were put to the benefit of the larger population of members as opposed to being usurped by a few individuals within the group. It additionally looks at how the groups were accountable to their members. Table 3 presents features of accountability and governance in the self-help groups.

Table 3 shows that all the self-help groups had all the stated features of accountability and good governance except restriction on the number of shares for members. This feature was only applicable to groups that offered shares to the investing public. The self-help groups were honest and transparent in their dealings with their members and also with money. Regular meetings were held in which periodic reports including financial reports were presented to

members. Furthermore, the groups adhered to the rule of law by, for instance, ensuring that succession in office was through free and fair elections.

**Table 3. Frequency distribution of respondents according to the features of accountability and governance in the self-help groups**

Features	Frequency	%
Transparency	1080	100
Rendering of periodic reports	1080	100
Adherence to the Rule of law	1080	100
Restriction on the number of shares for members	475	44

Source: Field Survey, 2103

#### 4.2 Social Protection Services in Southeast Nigeria

The range of social protection services as provided by the self-help groups are presented in Table 4.

**Table 4. Social protection services offered by the self-help groups**

Social protection services	Frequency	%
Granting of loans	1080	100
Work gangs	486	45
Mutual aids	572	53
Aids to widows, less privileged	119	11
Others (scholarship to indigent students)	65	6

Source: Field Survey, 2013

Table 4 shows the range of services provided by the self-help groups to mitigate risks, and enhance the capacity of members to manage economic and social risks. All the self-help groups mobilized loans for members. The loans were particularly short-term low-interest loans. The self-help groups especially the agricultural cooperative society groups combined the loan services with the provision of business counseling and skill acquisition training to equip members for self-employment. Mutual aid as a social protection service involved mobilizing material and financial resources for members who were bereaved or were celebrating any specified ceremonies. Aids to widows and other vulnerable members of the communities represented 11% of the services while other services such as scholarship grants to indigent students were carried out by 6% of the self-help groups.

All the social protection services provided by the self-help groups can be described as being mainly based on social insurance services complemented by social assistance. The services were sufficiently deficient on labour market interventions. This deficiency tends to be on account of the diffuse and informal characteristics of the self-help groups. This finding is in line with the views of International Labour Organization which stated that most informal workers were not covered by social security schemes, occupational safety and health measures, working conditions regulations and have limited access to health services and work-related measures of social protection [45].

#### 4.3 The Beneficiaries of the Services of the Self-Help Groups and their Socioeconomic Characteristics

##### 4.3.1 Beneficiaries of the services of the self-help groups

The services rendered by the self-help groups were not available to all who may need them. Table 5 shows the frequency distribution of the respondents according to the categorisation of those who could access them.

Table 5 shows that majority of the self-help groups represented by 60% extended their services to both members and non-members of the group while 40% made their services available to members only. The services that can be accessed in a particular group by both members and non-members included loans at an agreed interest rate. However, such services as grants-in-aid and donations to qualified members who were celebrating an agreed activity such as wedding, churching ceremony etc were available to members only.

**Table 5. Frequency distribution of the self-help groups according to the category of those who could access their services**

Category	Frequency	%
Members only	432	40
Members and non-members	648	60
Total	1080	100

Source: Field Survey, 2013

##### 4.3.2 Socioeconomic characteristics of the beneficiaries of the self-help group services

The socioeconomic characteristics of the beneficiaries are presented in Table 6.

**Table 6. Frequency distribution of the respondents according to socioeconomic characteristics**

Socioeconomic characteristics		Frequency	%
Marital status:	Married	626	58
	Single	227	21
Age:	20-30	313	29
	31-40	151	14
	>40	616	57
Sex:	Male	572	53
	Female	508	47
Household size:	<2	119	11
	2-4	475	44
	>4	432	40
Occupation:	Teaching	119	11
	Farming	400	37
	Trading	228	22
	Artisan	194	18
	Civil Service	108	10
	Unemployed	54	5
Years of educational attainment:	1-6	400	37
	7-14	540	50
	>14	140	13

Source: Field Survey, 2013

Table 6 shows that majority of the respondents represented by 58% were married while more widows represented by 14% than widowers (7%) benefited from the services of the self-help groups. In terms of age, majority of the respondents represented by 57% were above 40 years of age. This tends to point to the fact that demand for social protection services is related to age. Most of the respondents (11%) had farming as their primary occupation.

#### 4.4 Number of People Assisted and Adequacy of Services Received by Beneficiaries

This section focuses on the scale of services rendered by the self-help groups in terms of number of people assisted and the adequacy of such assistance.

##### 4.4.1 Number of people assisted by the self-help groups

The members of the different self-help groups to all intents and purposes received some form of assistance in line with the aims and objectives of the groups. This is a pointer to the relevance of self-help groups in managing risks and reducing the susceptibility to welfare losses of those who belong to them. Non-member applicants to self-help groups for assistance usually requested for such assistance through an active member of the group. The request was typically made for loan.

The active member of the group through whom the request was made either served as a guarantor or, under a more personal arrangement, obtained the loan in his or her name and handed it over to the needy non-member. All the non-member applicants for loans received loan assistance from the self-help groups.

##### 4.4.2 Adequacy of services received by beneficiaries

This section focuses on the adequacy of the social protection services obtained from the self-help groups.

The responses of the beneficiaries in terms of the adequacy of the social protection services obtained are presented in Table 7.

Table 7 shows that majority of the respondents represented by 82% stated that the social protection services obtained from the self-help groups were not adequate for their purposes. They explained that they managed what was received and that they got additional assistance from other groups. The respondents further explained that they also looked up to the government for assistance as it occasionally and selectively doled out transfer payment to people. On the other hand, 18% of the respondents stated that the services were adequate for their needs. This adequacy should be interpreted with caution. It can at best be described as restricted adequacy. The services extended by the self-help groups to the beneficiaries were tailored to the slim resources of the self-help groups. This realisation tends to inform the applicant-beneficiaries to align their expectations to the scope of the operations of the groups.

**Table 7. Frequency distribution of respondents according to adequacy of services provided by self-help groups**

Response	Frequency	%
Yes	94	18
No	886	82
Total	1080	100

Source: Field Survey, 2013

In terms loan services, the study determined the adequacy by comparing the amount applied for and the amount eventually obtained. Table 8 shows the range and the mean of the amounts applied for and the mean and amounts eventually received.

**Table 8. Adequacy of loans provided by the self-help groups in terms of amount applied for and amount obtained**

	Amount applied for (N)	Amount obtained (N)	Obtained as % of applied
Average	916,019	75,296	8.22
Range	100,000-300,000	50,000-120,000	

Source: Field Survey, 2013

Table 8 shows that only 8.22% of the amount applied for as loan by the average respondent was actually obtained. This is a pointer to the inherent inadequacies of the self-help groups in serving the loan need of the respondents. It can be argued that this inadequacy of loan in particular and social protection services in general contributed to vulnerability and susceptibility to social risks of the respondents. In the views of [46], lack of access to social protection constitutes a major obstacle to economic and social development to the extent that inadequate or absent social protection coverage is associated with high and persistent levels of poverty and economic insecurity, growing levels of inequality, insufficient investments in human capital and human capabilities, and weak aggregate demand in a time of recession and slow growth.

**Table 9. Computer printout of the results of the t test**

Group	N	Mean	Std. dev.	Std. error
EX_PECTED	1080	196018.5	41940	1276.2
OBSERVED	1080	75296.3	21155	643.74

Hypothesis Test  
Null hypothesis: Mean 1 - Mean 2 = 0  
Alternative: Mean 1 - Mean 2  $\neq$  0  
If Variances Are t statistic Df Pr > t  
-----  
Equal 84.460 2158 <.0001  
Not Equal 84.460 1594.7 <.0001  
95% Confidence Interval for the Difference between Two Means  
Lower Limit Upper Limit  
-----  
117919.2 123525.3

Source: Computer Printout of survey result

Test of Hypothesis: To test the hypothesis that there is no significant difference between the amount applied for and the amount eventually obtained by the respondents from the self-help groups, a two-sample t-test for the means of the amount applied for and the amount eventually obtained, was conducted. As shown in Table 9, with a t-statistic of 84.46 at 0.05 level of significance, the result shows that there is a

statistically significant difference between the amount applied for and that eventually obtained by the respondents from the self-help groups. The null hypothesis is hereby rejected.

#### 4.5 Interaction among the Self-Help Groups

The study found that there was no form of cooperation, collaboration or interaction among the self-help groups. The self-help groups operated as stand alone. They were mainly organized as mutual aids against risks and vulnerabilities. This finding is consistent with [4] who found out that there was no form of cooperation or collaboration among credit and savings associations. This lack of interaction tends to limit the possibility of the largely informal self-help groups to be connected to a more sustainable formal social protection services.

#### 4.6 Sustainability Strategies

The study found out that for the registered self-help groups, their sustainability strategies included strict and honest discharge of their obligations to their members, transparency and participatory governance in the way their activities were carried out and also being responsive to the demands of the members. However, the self-help groups that were not registered had no clear-cut sustainability strategies. A good number of the self-help groups that were not registered tended to be too transient to be sustainable. They were formed to mobilize financial and material resources for the immediate mutual benefit of members and may or may not have sustainability as a critical objective.

### 5. SUMMARY, CONCLUSION and RECOMMENDATIONS

#### 5.1 Summary

The study accessed the activities of self-help groups in social protection in Southeast Nigeria. Research and policy attention has been given to

social protection primarily focusing on functions and services provided by the state, and those policies advocated by donors as well as regional intergovernmental bodies. In many countries including Nigeria, the activities of SHGs in social service provisioning tend to be popular. To all intents and purposes, these SHGs are characteristically non-state actors in social service provisioning. This study interrogated the activities of SHGs as non-state actors in social protection in Southeast Nigeria. The study found that self-help groups were diffuse and widespread in the study area; their formation was typically based on occupational, religion, gender, marital status, culture/entertainment and neighbourhood considerations. Essentially, they aimed at providing a basic minimum response by way of reducing risks and vulnerabilities of those members and of course non-members who may qualify for assistance. The major and common sources of fund for the self-help groups were savings, fines and fees. All the self-help groups had such features of accountability as transparency, rendering of periodic reports, and adherence to the rule of law. All the social protection services provided by the self-help groups were mainly based on social insurance services complemented by social assistance. The services were sufficiently deficient on labour market interventions. The services rendered by the self-help groups were not available to all who may need them. The services extended by the self-help groups to the beneficiaries were tailored to the resources of the concerned self-help group. This realisation tends to inform the applicant- beneficiaries to align their expectations to the scope of the operations of the groups. The study found that there was no form of cooperation, collaboration or interaction among the self-help groups. The self-help groups operated as stand alone. The self-help groups had no clear-cut sustainability strategies. A good number of the self-help groups that were not registered tended to be too transient to be sustainable.

## 5.2 Conclusion

The activities and the presence of self-help groups are diffuse in Southeast Nigeria. All the social protection services provided by the self-help groups were mainly based on social insurance services complemented by social assistance. The services were sufficiently deficient on labour market interventions. The activities of the self-help groups for the purposes of social protection lacked adequacy and the

comprehensive response for poverty and capability deprivations alleviation.

## 5.3 Recommendations

Based on the findings of the study, the following recommendations are made:

- State sponsored social protection services should be institutionalised and less ad hoc in delivery and should not be elevated to the level of handouts from the power holders to the core poor. This will enable the vulnerable and those more likely to obtain social protection to know what to expect from the government as a matter of right. This is expected to lessen the pressure on the self-help groups in providing social protection.
- In the spirit of public-private partnership, governments should support the self-help groups especially those that are registered through targeted grants-in-aids to the members.
- Self-help groups that extend loans to members for investment purposes should combine such loans with instruction on sound financial management.

## COMPETING INTERESTS

Author has declared that no competing interests exist.

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