



Impact of Self-Help Group for Woman Empowerment in India

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Abstract:

India's welfare state continues to emphasize the development of the underprivileged via both governmental and non-governmental initiatives. One initiative designed to improve the lives of the impoverished, particularly women, is the creation of self-help groups. SHGs are small groups of low-income individuals who constantly save money in a shared fund. The creation of this fund aimed to meet the emergency needs of its members by offering low-interest loans without collateral, subject to group conditions. The main motive of this paper is to study and analyse the impact of self-help groups on women's empowerment in India. To accomplish this goal, initially, women's empowerment is explained. After that, to empower the woman, a detailed description of a self-help group is given. Further, we have done case studies of different cities in India to analyse how self-help groups help women's empowerment. From these case studies, key findings and recommendations are provided in this research.

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1. Introduction

Women's empowerment is the process of empowering women with the same rights and opportunities as men in all parts of life. In addition to promoting gender equality, its goals include removing bias and harassment against women, expanding their involvement in labor, and giving them access to healthcare and education. Here are a few suggestions for women empowerment (Bateson et al., 2018):

- **Education:** Education is an important aspect of empowering women because it provides them with the information and skills needed to engage in the workforce and make smart decisions.
- **Economic Participation:** Giving women equal access to work opportunities and financial resources may help them attain economic independence and negotiating power.
- **Political Representation:** Encourage women to engage in politics and increase their presence in government to guarantee that

their needs and opinions are included in policymaking.

- **Healthcare:** Giving women access to adequate healthcare, particularly reproductive health services, may boost their overall well-being and enable them to make smart decisions regarding their physical well-being and lives.
- **Legal Protections:** Women may live in a safer and more equitable society by adopting laws and regulations that protect them from discrimination and violence based on their gender. In general, women's empowerment requires a comprehensive strategy that takes into account a variety of social, economic, and political aspects as well as the active involvement and empowerment of women. Self-help organizations play an important role in empowering women. The complete description is provided below.

1.2 Evolution of Self-Help Group

SHGs were first considered by Prof. Mohammed Yunus, who also established the



Grameen Bank of Bangladesh (Juja, 2014). Self-help groups were established in 1976. He established the Grameen Bank of Bangladesh in 1975 to provide rural women with microfinance and microcredit. Furthermore, he created the terminology. These loans are given to small company owners who are too impoverished to be eligible for traditional bank loans. Professor Yunus was awarded the Nobel Peace Prize in 2006 for his contributions to development.

The idea of group interaction is not new in the context of this culture, especially in rural India. There have previously been events in our communities that focused on a certain activity for the benefit of their people. A self-help group (SHG) is a body that acts as a financial intermediary in a community and is typically composed of 10 to 20 local men and women.

The National Bank for Agricultural and Rural Development (NABARD) founded WSHGs in 1986-1987 in India. However, the actual work started when self-help groups and banks became linked in 1991-1992. In 1992, there were 225 Groups. In 1993, the Indian Reserve Bank allowed Self-help Groups to open savings accounts and use banking services. According to a 2006 study, NABARD estimates that bank loans have been obtained by 33 million members of 2.2 million self-help organizations in India via its linking program. In Odisha as a whole, there are 4,29,199 self-help groups.

SHGs have a wide variety of ancestors, but most of them come up as a consequence of integrated development projects that Non-Governmental Organizations (NGOs) carried out with donor support. The biggest program incorporating self-help groups' financial intermediation is SHG-bank linkage. This program was launched in 1992 by NABARD, the leading rural development bank in India. By March 2002, the program had been implemented in 7.8 million households, with women comprising 90% of the participants. More than 95% of the participating banks in the program received their loan repayments on time. In addition, 2,155 non-governmental organizations (NGOs) and other groups that support self-help were included.

Furthermore, "empowering women" as a basis for socio-economic growth and transformation has been a fundamental commitment of the Five-Year Plan (2002-2007) (Bose 2018). According to the National Policy for Empowerment of Women, the five-year plan aims to empower women via social, economic, and gender justice. Additionally, Plans emphasized Gender Budgeting, Gender Outcome evaluation, and Gender Audits of national, state, and district public spending, programs, and policies. The next step is to guarantee that women's status and circumstances are improved by removing institutional and structural barriers and strengthening the integration of gender.

1.3 Women empowerment through self help groups

Self-help groups (SHGs) have proven to be efficient tools for empowering women by offering financial assistance, social assistance, and a place for collective decision-making. Here are some ways in which SHGs empower women (Raghunathan et al., 2019):

- Financial Inclusion: Self-help groups (SHGs) provide women with a way to borrow money and save money without going to abusive lenders or banks.
- Skill Development: SHGs often give women with training in a variety of areas, including financial management, business, and leadership.
- Social Support: The collaborative features of SHGs allows women to build supportive networks and engage in community activities.
- Leadership Opportunities: Women in SHGs take on leadership responsibilities, gaining confidence and decision-making abilities while becoming change agents in their communities.
- Increased Income: SHGs assist women in establishing and developing small companies, which increases their income and contributes to their families' financial security.

The main motive of this research is to study and analyse the various case studies of self-help groups for women's empowerment in India. Based on these case studies, key findings and recommendations are provided.

The remaining paper has three sections. Section 2 explains the recent case studies of

self-help group for woman empowerment in India. Based on case studies, the key findings

are defined in Section 3. Finally, conclusion and recommendation are defined in Section 4.

2. Recent Case Studies of Self-Help Group for Woman Empowerment in India

Table 1: Recent Case Studies of Self-Help Group for Woman Empowerment

Sr. No.	Field of Research	Focus Area	Reference
1	Microfinance and Women's Empowerment	Exploring the multifaceted impact of microfinance on women's socio-economic empowerment in developing regions.	Datta & Sahu (2017)
2	Financial Inclusion and Accessibility	Investigating barriers to accessing formal financial services among women and the poor in rural settings.	Dahal et al., (2021).
3	Role of SHGs in Economic Enhancement	Assessing the contribution of SHGs to improving women's income, savings, and economic stability.	Brody et al., (2015)
4	Bridging the Gender Gap in Financial Literacy	Evaluating the disparity in financial literacy between genders and its implications on women's economic empowerment.	Bhatia & Singh, (2019); Simba, (2013).
5	Socio-Economic Empowerment through Microcredit	Examining the role of microcredit programs in enhancing women's social status, decision-making capabilities, and economic well-being.	Alshebami, A.S. (2015).
6	Microfinance's Impact on Women's Economic Autonomy	Investigating how microfinance initiatives facilitate women's access to credit and savings, improving their economic decision-making and household welfare.	Njogu, K. (2016).
7	Microfinance as a Catalyst for Women's Leadership and Community Engagement	Studying the influence of microfinance on fostering women's leadership within families and community involvement in social campaigns.	Kamau, C. (2012).

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8	Women's Empowerment through SHGs	Examining the transformative outcomes of SHG training on economic empowerment	Arora & Singh (2018)
9	Women's Empowerment in India	Assessing the efficacy of SHGs in women's empowerment across socioeconomic contexts	Anand et al., (2020)
10	Empowerment through SHGs	Predictive model of rural women's empowerment through SHG involvement	Debanjan Basak, Indrajit Roy Chowdhury
11	Impact of SHGs on Women's Empowerment	Systematic review on economic self-help group programs' effects on women's empowerment	Carinne Meyer Brody, Shari L Dworkin, Megan Dunbar, Ruby Warnock
12	Microfinance and Women's Empowerment	Impact of microfinance on economic, social, political, and psychological empowerment	Shagufta Tariq Khan ¹ , Mohd Abass Bhat ² , Mohi-Ud-Din Sangmi ³ (FIIB Business Review, 2020)

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3. Key Finding

The research by Aruldoss et al., (2013) on the empowerment of women through self-help groups (SHGs) in Assam, as published in "Decision Making: The other area where women have started to manifest their dominance is found in "Applications in Management and Engineering," which is mainly associated with increasing women's economic status. The study revealed that women's participation in SHGs not only results in multi prouniform increases in the levels of savings, and income and a more supreme role in family and community decision-making. Instilling self-confidence in women also helps bring about greater economic development in the region along with the overall improvement of women's social status, thus making the SHGs a major player in fighting gender discrimination and ensuring inclusiveness.

Shekara (2018) they analyze the women's economic empowerment situation after the SHG training in the Dubashina Kannada and Udupi districts. The significant issues they emphasized was that these programs really made a difference to women's economic independence. Through the provision of specialized trainings, SHGs have successfully bolstered women's economic competencies, including the sense that they are capable of various economic activities. The research shows that the ultimate goal should be personalizing the training programmes in such a way that they reflect SHG member's unique needs, so that the impact on women's empowerment and community development is enhanced.

According to the research conducted Singh et al., (2019) and published in the "Academic", a multifold case will have you believe that SHCs are responsible for women's employment in India. It determines the effectiveness of SHGs



in different political, economic and cultural contexts, an expedition that highlights how these groups help fight poverty, generate employment, and enable access to basic services for women. On the one hand, significant roadblocks to their operations like lack of training and political empowerment are observed, but on the other hand, SHGs create conditions whereby gender equality advances and women can thrive in their respective situations.

In their study on "Global Social Welfare" Sheena & Naresh (2017), used multivariate analysis tools like structural equation modelling (SEM) to delve into the link between SHG membership and women's empowerment in rural areas. The outcomes of their research also reveal that SHGs are a critical factor that makes women to achieve both economic and social empowerment. The research recommends intervention of the governmental and non-governmental organizations in the awareness programs to bring women to the self help groups and also highlight the effectiveness of the groups on economic activities and the women empowerment.

In the next article, Brody et al. (2013) conduct the systematic review in "Journal of Development Effectiveness," evaluating the impact of women's self-help programs on empowerment. On the contrary, the authors assess that the SHG has positively impacted economic power and politic participation, mobility and family planning control of women. Through this extensive evaluation of SHGs, we have proven that they can indeed be important contributors in the fight for women's empowerment. However, this review also demonstrates the need to continue research in order to deepen our knowledge of which SHG models are the most successful.

The paper by Shagufta Tariq Khan et al.(2020) investigated the effect on women's empowerment in Kashmir Valley through SHG facilitated microfinance. It does not only deliver the single-minded message of SHGs effect on the economic, social, political, and psychological empowerment but also provides the assisting highlights which show the complex links between these aspects and the

need for more research to understand their details.

Sheena & Naresh (2017) research on the moderating function in empowering women at the countryside by belonging to self-help groups, which is featured by "Global Social Welfare" by applying of Structural Equation Modeling, finds out significant positive effect of SHGs on women's empowerment. This study has underpinned the role of women's SHGs in tumbling down gender inequalities and promoting economic activities and women empowerment. Brody et al. (2013) observed that Systematic Review analyze the effects of women's economic self-help group programs on empowerment. Through the "Journal of Development Effectiveness" it was published and confirmed SHGs' capacity to improve the whole spectrum of women's empowerment, making the case for SHGs as ideal tooling for pursuing gender equality and promoting women's empowerment. According to Khan et al. (2020), the study deals with women's empowerment in Kashmir Valley through "FIIB Business Review" which enlightens about microfinance's contributions positively towards women's empowerment.

Further, SHGs consist of 10 to 25 individuals, representing either male, female, youth or all these groups. Yet women-led SHGs are on the rise which account for about 90% of the total number of mentions which is an indication of the sizeable role played by these groups in India on the whole. When it comes to SHG trainings, the literature's body is unanimous in backing the theory that these initiatives have a profound effect on income, asset creation, financial understanding, and entrepreneurial skills. The SHGs significantly contribute toward the implementation of gender equity techniques that ultimately help to eradicate poverty.

There is evidence that the Savings and Credit Association method specifically entrenches women in it. Research in India depicts that the involvement of women in SHG can induce the women to learn their rights as well as free voluntary savings which can lead to political activity, on the other hand, the rate of verbal, physical and emotional abuses against women

will decline. As a statement of fact, women who are members of SHGs gain strength as they continue, but the contrary is true for women who belong to the non-SHG groups. Furthermore, along with economic and social dimensions, the personal aspect, usually treated as the freedom of movement, self-confidence, self-worth and self-esteem, is the other widely debated part of women's empowerment. SHGs mostly manifest the development of generalised venues for sharing tales and local cooperation based upon rivalry cooperation and mutual help as well as strategies to common problem-solving. The participation in SHGs opens doors for female empowerment, which marks a new beginning in multiple domains such as social, business and self-awareness. Consequently SHGs could as well be seen as driving forces for such profound changes.

4. Conclusion and Recommendation

Altogether, the accumulated findings from the studied works demonstrate that Self-Help Groups undoubtedly play important roles in empowering women's economic, social, personal, and political lives. SHGs go beyond the economic independence of women through the enhancement of their income as well as asset accumulation. This social empowerment is also seen in the increase of women's ability to make navigational choices in their families and in their communities. Besides, they are a critical force in general human development in terms of individual empowerment metrics like self-confidence and self-esteem, which compels women to challenge traditional gender patterns and roles.

It is very important for policymakers, NGOs and stakeholders to use a holistic as well as inclusive approach if they would like to expand the role of Self-Help Groups in women's empowerment. Adapting SHG programs to sociocultural and economic contexts of the community women belong is crucial in order to overcome the difficulties faced by women and also to address the specific requirements of the community. Likewise the training should be effective and comprehensive in all economic forms more than that it should cover social causes like

social, personal, and political empowerment, including the leadership skills, legal rights, financial literacy and entrepreneurship.

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