



## Women Empowerment through Self-Help Groups

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### ABSTRACT

According to Dr. APJ Abdul Kalam, empowering women is a crucial step towards building a stable and prosperous society. In developing economies, empowering rural women, especially those belonging to marginalized communities, is a critical component of economic development. Self-help groups have emerged as a vital tool for empowering rural women, enabling them to become financially, socially, and politically independent. This research paper examines the impact of self-help groups on women's empowerment, including the reasons for joining, functions, performance, and challenges faced by group members. Using secondary data from published literature, the study shows that self-help groups have a positive impact on the economic empowerment of women, by building their confidence, developing their skills, and enhancing their socio-economic status. The primary reasons for joining self-help groups were to meet household expenses, gain access to loans, increase family income, and improve the standard of living and social status. To overcome the challenges faced by self-help groups, it is essential to undertake effective measures to make them self-reliant. This study highlights the crucial role of self-help groups in promoting women's economic development and social empowerment.

**Keywords:** Economic Development, Women Empowerment, Self-help groups, Impact, Socio-economic status.

### I. INTRODUCTION:

Women's empowerment and economic development are inextricably linked: in one direction, development alone can play a significant role in reducing gender disparity; in the other, empowering women may boost development [1]. By the end of the Ninth Five Year Plan, 26.1 percent of India's population was living below the poverty level. Women make about half of the country's population, yet women have little influence over their earnings.

Most women are restricted to a small range of low-income feminine activities, resulting in gender inequality [2].

Considering such a grim environment, where women's position in rural regions is even worse due to low levels of literacy and other development indicators, the notion of self-help groups as a method for poverty reduction and women's empowerment is appealing [3].

A Self Help Group (SHG) is a small group of rural impoverished people who are financially homogenous and willing to raise a common money to be borrowed by all members after a group decision [4]. The self-help group is not a static organisation; it evolves based on its members' resources and management abilities, as well as their growing confidence to participate in issues and programmes that demand their engagement in both the public and private spheres [5]. Self-help organisations promote women's equality as participants and decision-makers in the democratic, economic, social, and cultural realms of life. Group approach, mutual trust, organisation of small and manageable groups, group cohesion, spirit of thrift, demand-based lending, collateral free loan, peer group pressure, skill training, capacity building, and empowerment are the core concepts of SHGs [6].

Women's self-help groups in India are an intriguing and real example of an intervention that is both well linked with theoretical conceptions about development as a process of competence growth and adds to policy goals of female empowerment such as the SDGs [7]. Several thorough studies on women empowerment via self-help groups have been undertaken; this study provides evidence of women empowerment through SHGs.

### II. OBJECTIVES OF THE STUDY:

- 1) to assess the effect of SHGs on women's empowerment



- 2) to evaluate the capabilities and efficiency of SHGs
- 3) to study the benefits of joining SHG.
- 4) to investigate the difficulties that SHGs participants experience

### III. METHODOLOGY :

In order to conduct thorough, evidence-based research on women's empowerment through self-help groups, this study used secondary sources to provide a descriptive analysis. Content analysis is based on observations from credible journal articles, reliable websites, renowned books, well-liked reports, official publications, and newspaper pieces.

### IV. REVIEW OF LITERATURE:

According to the findings of a study titled "Women Self-Help Groups and Women Empowerment: A Case Study of Mahila Arthik vikas Mahamandal," poor women who joined SHGs had a positive impact by actively engaging in social-political issues, expanding their business activities, and achieving remarkable growth in savings, employment opportunities, social security, and member personality development. The main issues facing SHG members were poor product promotion, decreased revenue, and a lack of adequate training and mentoring. The author recommended setting up a vocational training programme and expanding the financial, marketing, and promotional services available to women's SHGs. She also emphasised how grassroots socioeconomic activities may support women's empowerment. (Lokhande, M. A. 2010)[8].

In this article, the authors investigated the problems faced by SHGs in Karur District and concluded that problems related to marketing, finance, quality product, infrastructure, and facilitator support can be resolved by providing adequate and timely finance, adequate infrastructure, capacity building and skill up-gradation, creation of adequate marketing facilities, effective supervision and monitoring of investment activities, strong political will, and inspection of end products. (Prabhu, M. B. H., & Vinayagamurthy, P. 2019)[9]

### 1. WOMEN EMPOWERMENT AND SELF-HELP GROUPS CONCEPT :

#### Women empowerment:

Several fields define empowerment as a person's independence in social, political, and economic affairs [10]. Giving women more authority is part of empowering them. Women's empowerment may be characterised as boosting women's self-esteem,

ability to make their own decisions, and right to influence societal change for themselves and others. Allowing them to move from the fringes to the centre stage[11].

Five factors make up the empowering process: cognitive, psychological, economic, political, and physical.

- The cognitive dimension relates to women's awareness of the micro- and macro-level situations and factors that contribute to their subordination. It entails making decisions that may go against cultural expectations and norms;

- The psychological aspect includes the conviction that women can take action at the individual and societal levels to enhance their living conditions; and

- The economic aspect necessitates that women have access to and control over productive resources in order to ensure some level of financial independence.

- The physical aspect of empowerment involves obtaining control over one's body and sexuality and the ability to defend oneself against sexual abuse.

- The political element requires that women have the capacity to analyse, organise, and mobilise for social change.

Women's empowerment is the process through which women question prevailing conventions and culture in order to successfully promote their well-being [12].

#### Self-help groups :

Self Help Groups (SHGs) are the brainchild of Grameen Bank of Bangladesh, which was created in 1975 by Prof. Muhammed Yunus, who tried out a fresh approach to rural financing in Bangladesh. Grameen made loans without requiring applicants to produce collateral or fill out paperwork. NABARD launched SHGs in India in 1986-87. However, the major effort was taken from 1991-92 from the linking of SHGs with the banks (Alam, P., & Nizamuddin, S. 2012)[13].

A SHG is a group of 10 to 20 persons, mainly women, from a similar class and location who create a savings and credit organisation. They combine their financial resources to give low-interest loans to its members. This method fosters a culture that prioritizes saving. The group's chosen members determine the loan's terms and conditions and account for it[14]. The goal of SHGs is to encourage and expedite the process of self-empowerment by overcoming social isolation and enhancing their

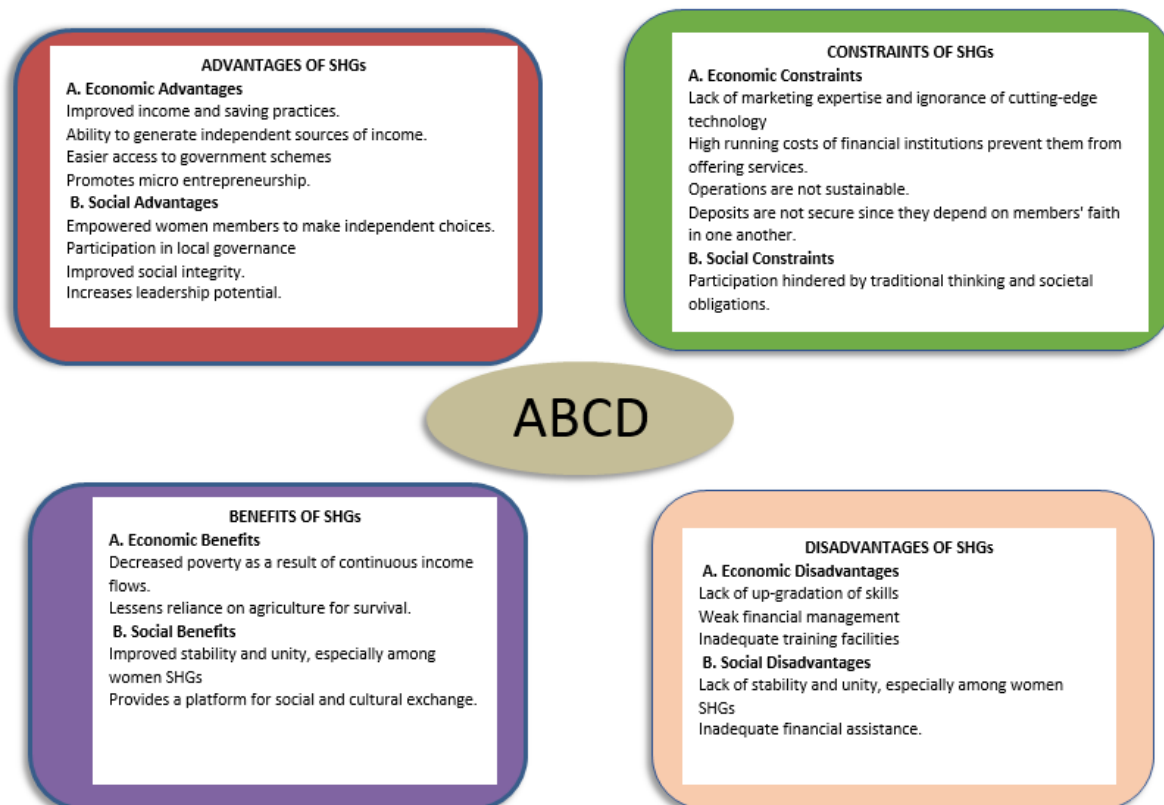


quality of life via decision-making. The SHG's distinguishing elements include regular savings, frequent meetings, mandatory attendance, correct payback, and methodical training[15].

## 2. ABCD LISTING ANALYSIS :

ABCD analysis requires methodically finding advantages, benefits, limitations, and

drawbacks as well as connecting those elements to the key determinants affecting them[16]. This study aims to undertake an ABCD listing of women's empowerments through SHGs by identifying, analysing, and judging the usefulness of a business model, strategy, idea, or system.



## V. FINDINGS:

- i. SHGs have a substantial impact on several aspects of women's empowerment, including economic, social, and political empowerment[17].
- ii. Self-Help Groups have enabled women to gain greater control over resources such as material possession, intellectual resources such as knowledge, information, ideas, and decision making in the home, community, society, and nation, according to [18] .
- iii. SHGs provide a useful forum for women to exchange information and promote awareness about their rights [19].
- iv. The bottom-up approach to rural development has offered significant economic and non-economic externalities to low-income families through the SHG strategy [20].
- v. Members had a greater level of socio-psychological empowerment than non-members[21].
- vi. The government and non-governmental organisations (NGOs) have encouraged women in SHGs to start their own businesses using locally accessible resources [22].
- vii. The government of India's Self Help Group-Bank Linkage Project (SBLP) is intended to reduce poverty and empower women in the country [23] .
- viii. Nevertheless, the key difficulties faced by SHGs were their reluctance to pursue creative schemes, difficulty in playing dual roles by women, lack of confidence, team spirit, effective leadership,



management abilities, working capital, and transportation[24].

- ix. Despite the fact that the SHG movement has had an influence on the lives of many individuals and communities, there are numerous sectors of society that have not been involved in the movement[25].

#### VI. SUGGESTIONS :

- SHGs may play an essential role in raising awareness about health concerns by organising group meetings with women, providing particular capacity-building trainings for women on health issues, exposing them to bigger issues, and so on[26].
- Many microfinance firms should regularly monitor the utilisation of credit by members and encourage them to utilise it for constructive reasons for long-term income, which may allow them to open their own bank account for savings[27].
- SHGs must use current marketing, branding, packaging, and distribution tactics in order to maintain demand and compete with established market competitors[28].
- Empowerment is not only economic one alone; it is a process comprising individual, economical, and political, as well as social aspects with personal empowerment being the basis of the empowerment process [29]

#### VII. CONCLUSIONS :

The empowerment of women is essential to achieving all other international development objectives. In order to help women discover their identity and authority in all areas of life, empowerment is an active, multifaceted process[30]. Real women's empowerment occurs when the society's downtrodden, disadvantaged, poorest of the poor, and rural women receive their fair share of resources and improvements to their standard of living. SHGs must address their limitations and drawbacks in order to reach their full potential.

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