

Impact of Self-Help Groups on Women

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Abstract

A democratic system can function meaningfully only when individuals are aware of their rights and possess the capacity to exercise them.

Women, especially in India lack the basic means to stand up for their rights. Even if they are given some political voice, most of it is actually exercised by their husbands or some other patriarchal figure. Giving a woman the mere right to vote or reserving seats is not enough.

Women will have their voices heard in politics only when they are empowered, not only politically but also economically and socially.

Self-Help Groups (SHGs), promoted by NABARD since the early 1990s, represent a significant institutional mechanism aimed at enhancing women's access to credit, savings, and collective organization. Operating largely on trust and without collateral, these groups have evolved into an important instrument of microfinance and grassroots mobilisation.

The paper examines the impact of SHGs on women's empowerment in Kolkata, focusing on economic, social, familial, and political dimensions leading to political empowerment. The study uses both primary and secondary data. Survey was conducted over 50 Self-Help Groups in Kolkata City. SHGs existing for at least three years were chosen for the study. Interview was taken with a framed questionnaire.

The findings indicate that while SHGs have contributed substantially to familial and economic empowerment, their impact on political participation remains limited. Nevertheless, they play a crucial role in fostering confidence, solidarity, and gradual transformation among lower class women living in Kolkata.

Keywords: *Women empowerment, Self-Help Groups, socio-economic empowerment, familial empowerment, political empowerment, measures to better the SHG initiative.*

Introduction.

Empowerment may be understood as the expansion of an individual's capacity to make choices and act upon them. The United Nations (2001) conceptualises it as a process through which individuals gain control over their lives by enlarging their opportunities and decision-making abilities.

A democratic system can function meaningfully only when individuals are aware of their rights and possess the capacity to exercise them.

Women historically especially in India have been ill-treated, ostracized and tortured, through various institutions like "sati", "dahej" (groom price) etc. Discrimination has plagued the Indian socio-economic and political landscape. Women have always been seen as liability to their fathers and property to their husbands. Many women even today are left with limited education because "why invest in someone whom the father has to give away". This leads to their poor employability, especially in the organized sector. Women are left at the mercy of their husbands or fathers as if they are the masters and the women have to adhere to their every whim and fancy.

When a woman is not free even to wear anything, she wants, or eat or has no say in family purchases and affairs how can she vote with a rational conscience and take intensively logical political choices. Women are allured to either dole politics or usually follow whatever their fathers or husbands do.

It is only when women are independent financially like teachers or even mid-day meal workers where they do not have to beg to their “masters” for every rupee they spend, can they have a clear political right. Asha Workers in West Bengal for example, in spite of being low waged workers, could stand up for their rights only because they were economically empowered. Contradicting such an achievement are countless women who have to slave away under their husbands, afraid of getting beaten or worse abandoned per chance they fail to obey the command of their masters.

Hence, better economic policies and prospects for women are quintessential to making women politically aware, independent and active.

NABARD introduced one such concept, SHGs and launched the Self-Help Group (SHGs) movement in 1996. NABARD, had initiated the pilot project in 1992 and set up a Credit and Financial Services Fund in 1996 for extensive capacity building to support the national implementation of SHG banking. The initiative was designed to improve the socio-economic condition of women belonging to both rural and urban areas. Over time, it has developed into one of the most extensive microfinance efforts globally, contributing to women’s empowerment and enhancing income opportunities through broader financial inclusion.

The present study seeks to examine the role of SHGs in empowering women, which is essential for ensuring their more meaningful and active participation in Indian

politics. To capture the actual conditions and experiences of participants, primary data has been collected and analysed.

Aims and Objectives:

- To examine the demographic and socio-economic profile of SHG members.
- To assess the level of empowerment among women participating in SHGs in Kolkata.
- To understand the challenges and limitations experienced by these women.
- To suggest possible measures to address these issues and strengthen the effectiveness of SHGs.

Methodology

Kolkata has been chosen as the study area due to its complex socio-economic structure, which makes it suitable for examining the functioning of SHGs in an urban setting. The SHGs included in the study were selected from officially listed groups under Urban Local Bodies (ULBs), specifically those promoted under the DAY-NULM scheme, based on data provided by SUDA, West Bengal.

Groups with at least three years of continuous existence were selected for the research. This study is based on primary data collected through a field survey conducted in Kolkata, covering 50 Self-Help Groups. A retrospective approach has been adopted, where respondents were asked to recall their situation before joining SHGs and compare it with the changes they experienced afterwards. In order to analyse these experiences more systematically, qualitative responses were converted into measurable indicators. Participants were asked to identify positive changes across different aspects of their lives after joining SHGs. Each response was recorded in binary form, where '1' indicates a positive change and '0' indicates no change. These responses were used to understand

the influence of microfinance on different dimensions of empowerment. The study considers multiple dimensions, including economic, social, familial, legal, political, and psychological aspects.

Hypothesis

SHG meetings create a space where women can interact, share their experiences, and reflect on their social conditions, enabling them to collectively express concerns against inequality and injustice. Regular savings practices help develop financial discipline, while access to microcredit opens up opportunities for small income-generating activities. As a result, SHGs have contributed positively to improving the living conditions of poor women in urban areas of West Bengal.

Self-Help Group and Women Empowerment:

Self-Help Groups are generally small, relatively homogeneous groups, usually consisting of up to 20 members, who come together voluntarily for the purpose of savings and accessing credit. These groups typically operate without the requirement of collateral and allow flexibility in the use of loans. They function through agreed rules and procedures, conduct regular meetings, maintain records of transactions, follow financial discipline, and are expected to operate in a democratic manner (NABARD, 1996).

In the context of Self-Help Group (SHG) members, empowerment may be understood through several key dimensions:

- a. Greater control over family resources and active involvement in economic decisions, such as the use of loans, household improvements, major purchases, occupational choices, and handling of assets.

b. The ability to participate in decisions concerning one's work, education, and overall personal development.

c. Involvement in local governance and socio-political processes, including participation in SHG activities, meetings, and institutions like Panchayats and local elections.

d. Influence over broader family-related decisions, including those affecting general welfare and matters concerning children.

e. Enhanced interaction and engagement with other members within the group and the wider community.

f. Development of technical, organisational, and managerial skills among members (MYRADA, 2002).

Among these, the first, second, and fourth dimensions relate primarily to decision-making within the household, while the third reflects participation in the public and political sphere. Improvement in any of these aspects contributes to a higher level of empowerment among women.

Analysis:

The indicators of empowerment have been drawn from various researches by eminent scholars and compiled in the study.

Indicators of Economic Empowerment include:

- Control over personal income
- Ability to handle financial crises within the family
- Capacity to carry out banking transactions
- Ownership of assets

Indicators of Social Empowerment include:

- Ability to access medical facilities independently

- Freedom to visit parental home
- Confidence to move beyond the immediate place of residence
- Willingness to speak out against social issues such as dowry

Indicators of Familial Empowerment include:

- Participation in decisions regarding major household purchases
- Involvement in decisions related to daily food and grocery needs
- Say in matters related to contraceptive use
- Experience of reduced or no domestic violence

Indicators of Political Empowerment include:

- Ability to vote independently
- Awareness of current political developments
- Participation in political activities
- Representation in local governing institutions

The respondents were asked whether they experienced any positive changes across the sixteen indicators of empowerment discussed above. Each positive response was assigned a value of '1', while a negative response was marked as '0'. For each dimension of empowerment, an average score was calculated, and these averages were then compared to identify the area in which women showed the highest level of improvement. The individual scores were further combined to estimate the overall empowerment level of each respondent. Based on these total scores, the women were grouped into three categories low, medium, and high levels of empowerment.

Major Findings:

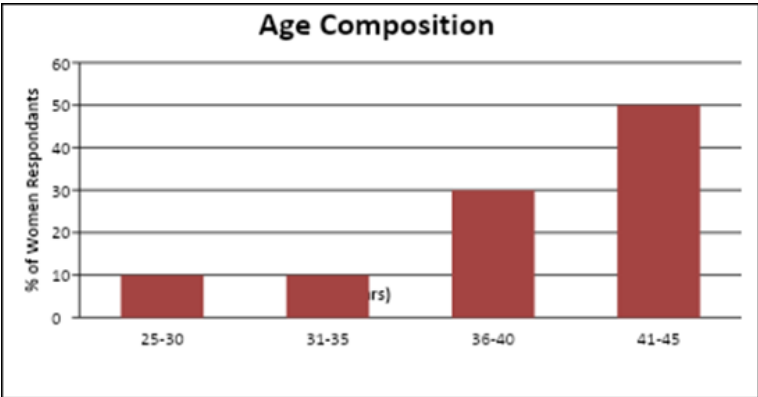
Demographic and socio-economic profile of women participating in SHGs.

Age:

It was found that most of the women respondents belong to 41-45 years age group followed by 36-40 years and 31-35 years age group (Fig.1). The mean age of the women respondents is 38.9 years.

Age Group	% of Women
25-30	10
31-35	10
36-40	30
41-45	50

Fig.1

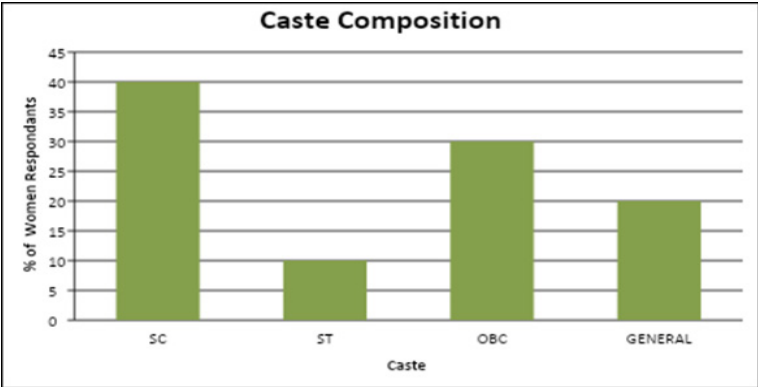


Caste:

The findings indicate that nearly 40% of the respondents belong to the Scheduled Caste category, followed by 30% from Other Backward Classes (OBC). Women from the general category constitute around 20%, while only 10% belong to Scheduled Tribes (Fig. 2). This distribution suggests that SHGs have a relatively inclusive character, bringing together women from diverse social backgrounds, particularly those from disadvantaged sections of society

CASTE	% of Women
SC	40
ST	10
OBC	30
GENERAL	20

Fig.2

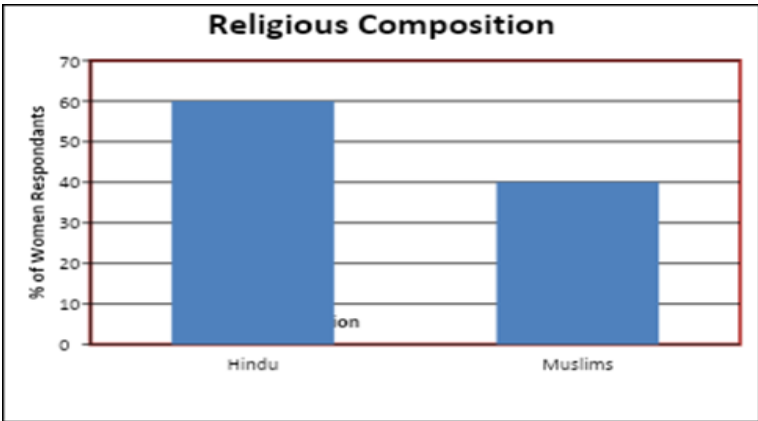


Religion:

The data indicates that a majority of the respondents are Hindu (60%), while the remaining 40% are Muslim. (Fig.3).

Religion	% of Women
Hindu	60
Muslims	40

Fig.3



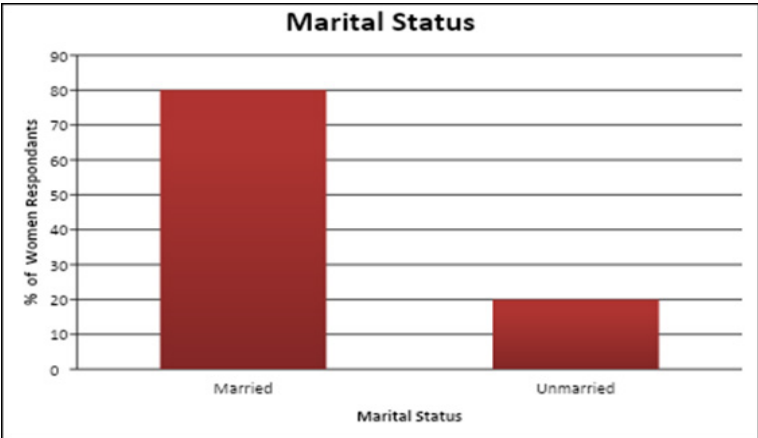
Marital status:

The study has found that most of the SHG members are married (80%) (Fig.4). Unmarried women are less in number. Many Self-Help Groups are generally reluctant to include unmarried women as members. The reason is that unmarried women will change their place of residence after marriage.

Very little number of SHGs include women irrespective of their marital status.

Marital Status	% of Women
Married	80
Unmarried	20

Fig.4



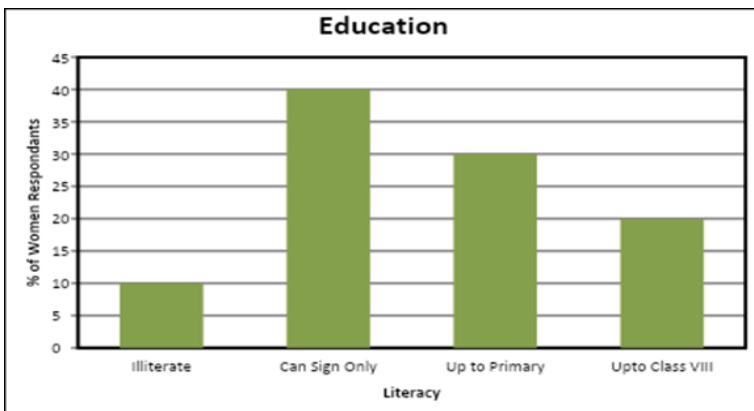
Education:

The educational level of the women members is generally low, with none of the respondents having completed the 10th standard. However, the proportion of completely illiterate women within SHGs is relatively small. This may be attributed to the exposure members receive through various training programmes (Fig. 5). After joining SHGs, many women learn

basic skills such as signing their names, and group meetings also provide opportunities for sharing ideas and experiences.

Literacy Level	% of Women
Illiterate	10
Can Sign Only	40
Up to Primary	30
Up to Class VIII	20

Fig.5



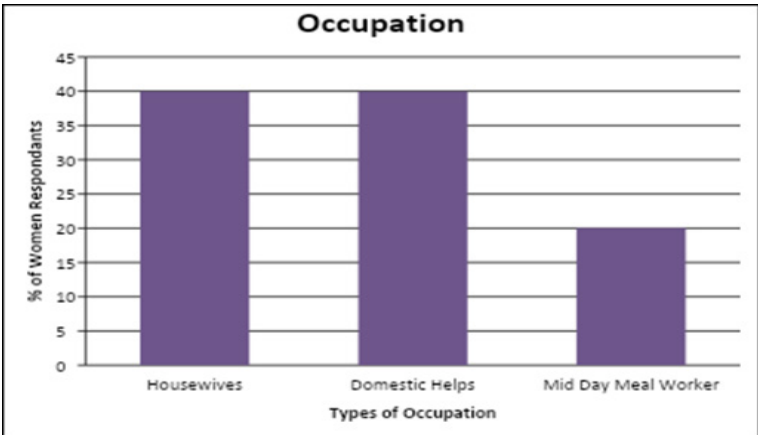
Occupational structure:

The occupational distribution of the respondents shows that 40% are housewives, another 40% are engaged in domestic work, and the remaining 20% work as mid-day meal workers (Fig. 6).

Occupation	% of Women
Housewives	40

Domestic Helps	40
Mid-Day Meal Worker	20

Fig.6

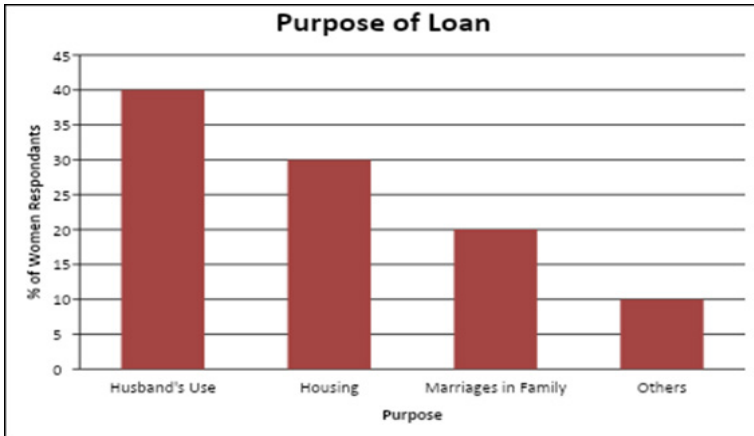


Purpose of loan:

The findings indicate that 40% of the women took loans for their husbands’ use, while 30% used the loans for construction and repair of their homes. Another 20% borrowed to meet expenses related to family marriages. (Fig.7).

Purpose of Loan	% of Women
Husband's Use	40
Housing	30
Marriages in Family	20
Others	10

Fig.7



SHG members are offered different types of training programmes. Among the respondents, 50% have received training in tailoring, while 20% have undergone courses in beauty treatment. The remaining 30% have not participated in any training (Fig. 8). It was also observed that the timing of these training sessions is often not commensurate for many women.

Types of Training	% of Women
Tailoring	50
Beautician Course	20
No Training	30

Fig.8



Empowerment After Joining Self-Help Groups

Economic empowerment index:

Four indicators have been used (mentioned earlier) to measure economic empowerment.

About 50% of the respondents reported a positive change in their ability to handle financial crises within the family. However, the results for the other three indicators are comparatively less satisfactory (Fig. 9).

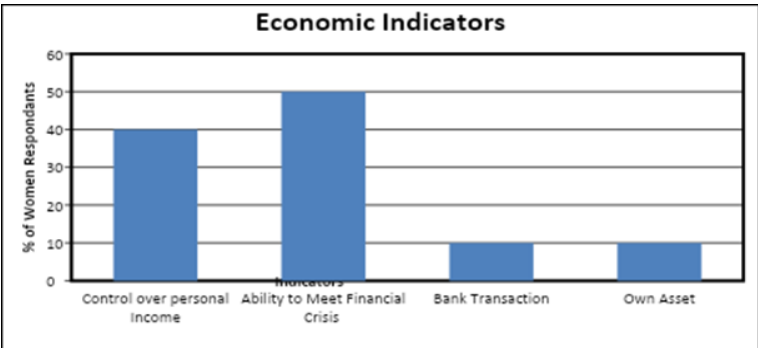


Fig.9

Social empowerment index:

Participation in group meetings has enabled women to step outside their homes more frequently. Over time, this has helped them gain confidence to visit places based on their needs and preferences. However, collective resistance against social issues such as dowry and alcohol consumption remains relatively limited (see Fig. 10).

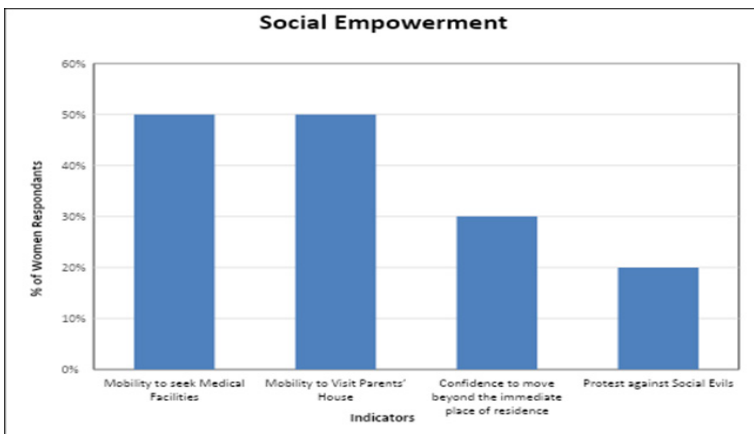
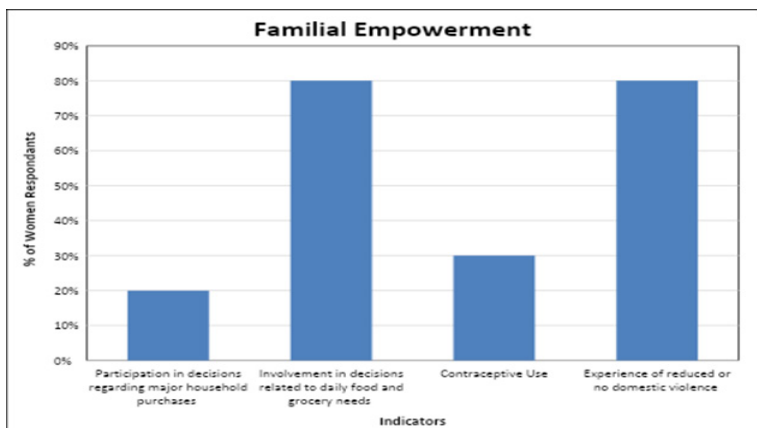


Fig.10

Familial empowerment:

Around 80% of the women reported an improvement in their decision-making ability in everyday household matters. A similar trend is observed in the case of reduced domestic violence. However, only a small proportion of women indicated any positive change in decisions related to major household purchases and contraceptive use (refer Fig. 11).

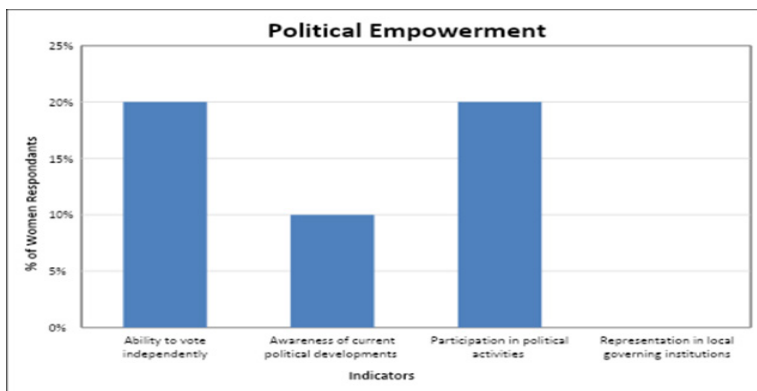
Fig.11



Political empowerment:

The majority of women reported no noticeable improvement across the four indicators of political empowerment. Additionally, none of the respondents have representation in local governing bodies.

Fig.12



The impact of SHGs appears to be mixed in nature. They have been particularly effective in strengthening women's

empowerment within the familial sphere. Improved access to financial resources has enhanced women's role in household decision-making. In addition, the collective support and mutual accountability within SHGs have contributed to a reduction in domestic violence in many cases. However, their influence in the public sphere remains limited. Women have not shown significant improvement in their awareness of political affairs or government programmes. Full control over family resources and assets is also yet to be achieved by many members. Despite these limitations, it is evident that collective cooperation and mutual support among women can play a crucial role in breaking the cycle of oppression and marginalisation in society.

Mean level of empowerment:

The present analysis measures empowerment across four dimensions, with an average score calculated for each. The four means were then compared. The result showed that women are most successful in attaining familial empowerment in comparing to the other three dimensions. In political dimension, women have failed to achieve much empowerment (see Fig.13).

Economic Empowerment	Social Empowerment	Familial Empowerment	Political Empowerment
1.1	1.5	2.1	0.5

Fig.13

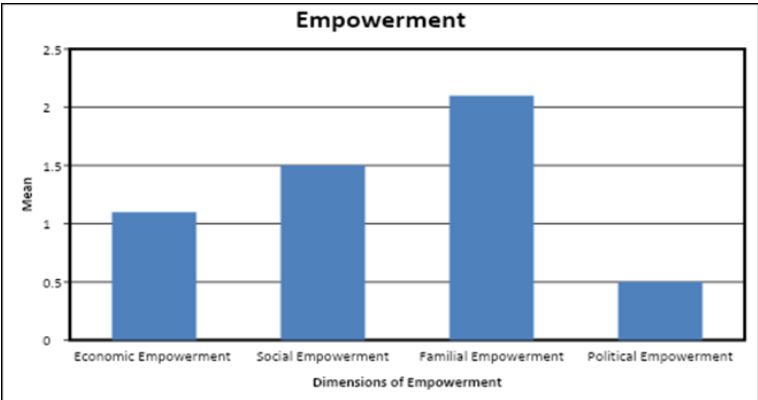


Fig. 13

Levels of empowerment:

The individual scores of each respondent were combined to assess overall empowerment across the four dimensions. The scores ranged from a minimum of ‘0’ to a maximum of ‘15’. Based on their total scores, the women were classified into three categories—low, medium, and high levels of empowerment.

The results indicate that only 10% of the respondents fall into the high empowerment category, while 30% are moderately empowered. A majority, exceeding 60%, remain in the low empowerment group (Fig. 14).

Levels of Empowerment	Score	% of Women
Low	0 - 5	60
Moderate	6-10	30
High	11-15	10

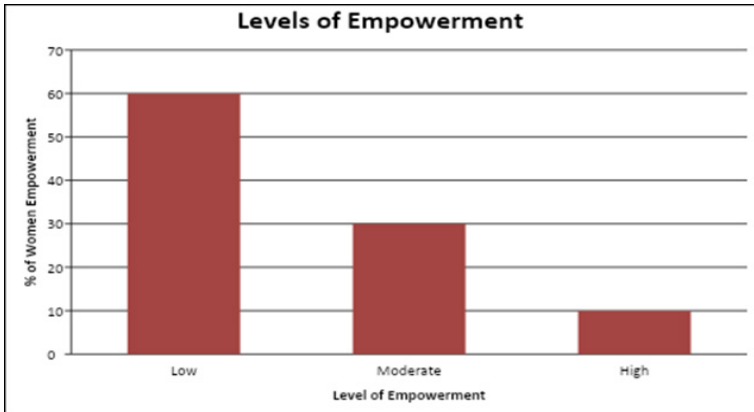


Fig.14

Limitations:

This study has found that women members have to face the following problems:

- Inadequate Capital
- Inadequate Knowledge in Marketing
- Paucity of common work shed
- Lack of Coordination among the SHG members
- Competitions with other SHGs
- Lack of adequate training
- Problems of understanding Government Orders

Suggestions:

Immediate Suggestions for SHGs to overcome their problems.

- Provision of adult literacy
- Awareness programmes and management training workshops
- Regular Group Meetings

- Innovation of new livelihood activities
- Permanent centre of exhibition cum sale
- Coordination among SHG members and SHGs
- Government Orders and other instructions must be made in Vernacular languages
- Convenient timings of Training
- Motivational speech sessions:
- Tie up with Private Enterprise
- To Manage CSR (Corporate Social Responsibility) for SHGs

Conclusion:

The study revealed that women who felt attracted to SHGs were not only poor but also belonged to that social stratum that does not have access to other means of empowerment like social capital, education or specialized skills. They perceive that they have been empowered to a great extent after joining SHGs though often objective parameters may not substantiate their subjective perception. These women have developed a sense of self-esteem which will surely lead them to higher degree of empowerment in future.

In recent times, there has been a growing demand for justice, dignity, and safety for women. Events such as the Abhaya incident in Kolkata and its aftermath have exposed not only the violence women face but also the troubling tendency of society to engage in victim-blaming and insensitive commentary. Merely ensuring representation of women in politics is not sufficient. There is an urgent need to equip women with the social, economic, and psychological resources necessary to challenge deeply rooted inequalities. True empowerment must begin within the household, where many forms of control and oppression are first experienced,

and extend into the public sphere where women should be able to move freely without fear of violence or harassment. Political equality can only be realised when equality exists in both status and opportunity, not just in principle but in practice. Ensuring equal pay for equal work across all sectors is a crucial step in this direction, as it strengthens the material foundation required for genuine and meaningful participation of women in political life.

Politics is not merely limited to elections and votes but rather it is an integral part of life where every individual must navigate their means and opportunities in such manner as to gain the maximum amount of power in every aspect of their lives. Women are the most disadvantaged in such cases, as they are stuck in an archaic patriarchal system that works in favour of only the rich and neither man nor woman is advantaged by it. SHGs are an attempt to bolster the voice of women in cooperative societies where they can table a common demand and ask for it either from their family heads and eventually the political leaders who control the nation.

It is evident from the study that SHGs are yet to achieve that goal. Further, it must be kept in mind that success is not always absolute. The SHGs are a great leap forward in psychologically empowering the members. Many members have been freed from the horrors of domestic violence. The women have achieved a greater voice in at least trivial familial matters. SHGs are not pathbreaking improvements but gradual steps towards empowering women on an individual level. This, psychological support and co-operation is the creed of the SHGs. Microfinance loans and collective operation are the means to those ends.

Appendix.

Questionnaire:

Name:

Age:

Religion:

Caste:

Educational Status:

Marital Status:

Occupation:

Have you got training after joining SHG?

Do you perceive any positive change in the following:

1. Control over personal income: Yes/No
2. Ability to handle financial crises within the family: Yes/
No
3. Capacity to carry out banking transactions: Yes/No
4. Ownership of assets: Yes/No
5. Ability to access medical facilities independently: Yes/
No
6. Freedom to visit parental home: Yes/No
7. Confidence to move beyond the immediate place of
residence: Yes/No
8. Willingness to speak out against social issues such as
dowry, etc: Yes/No
9. Participation in decisions regarding major household
purchases: Yes/No

10. Involvement in decisions related to daily food and grocery needs: Yes/No
11. Say in matters related to contraceptive use: Yes/No
12. Experience of reduced or no domestic violence: Yes/No
13. Ability to vote independently: Yes/No
14. Awareness of current political developments: Yes/No
15. Participation in political activities: Yes/No
16. Representation in local governing institutions: Yes/No

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