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Self Help Groups (SHGs) and Their Role in Promoting Women's Empowerment in India

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ABSTRACT :

This research explores the crucial area of *women's empowerment*, which plays a central role in achieving the United Nations' Sustainable Development Goal 5. In recent years, *Self Help Groups (SHGs)* have become one of the most widely adopted approaches to promote women's empowerment, offering both economic and social benefits. This study brings together existing research to provide a clearer and more complete understanding of how SHGs contribute to empowering women and improving their livelihoods.

To achieve this, a total of *101 publications* from the *Scopus database* (covering the years 1998 to 2023) were carefully reviewed. The *PRISMA 2020 framework* was used to identify publication patterns and major sources, while the *ADO* and *TCM frameworks* of systematic literature review were applied to integrate and analyse the findings. The study highlights key trends in publications, theoretical foundations, research contexts, and methodologies used in previous studies.

Additionally, it identifies *six major dimensions* of women's empowerment and their related indicators, along with *21 significant factors and outcomes* linked to empowerment through SHGs. These findings offer meaningful insights for future research and policymaking, helping to strengthen the role of SHGs as effective instruments for women's empowerment and sustainable development.

Keywords: Women Empowerment, Self Help Groups (SHGs). Social Change, Framework-based Review, Systematic Literature Review, TCM-ADO Framework.

Introduction

Sustainability of Self-Help Groups (SHGs).

The concept of *women's empowerment* has gained major attention in the field of development since the 1980s. The United Nations recognizes women's empowerment as a key factor in achieving gender equality and sustainable development across the world (Baqutayan, 2020; Hepp et al., 2019). However, addressing this challenge requires overcoming deep-rooted social and structural barriers that limit women's access to education, employment, healthcare, and political participation (Koggel, 2003).

Women in rural areas face even greater difficulties due to limited access to financial resources, education, and healthcare, which further widens the gap between rural and urban communities (Mathur & Agarwal, 2017). Therefore, it is essential to adopt strategies that promote social inclusion and sustainable development (De Hoop et al., 2014). One such effective strategy is the formation of *Self-Help Groups (SHGs)*, which have proven to positively impact women's empowerment (Deininger & Liu, 2013).

SHGs act as supportive and inclusive platforms that allow women to share knowledge, develop skills, and solve common problems collectively. These groups help women enhance their economic status, confidence, and participation in decision-making within their families and communities (Nyathi, 2017). By promoting entrepreneurship and leadership, SHGs also strengthen financial inclusion, reduce poverty, and foster overall community development (Kumar et al., 2021).

Despite the growing interest in this field, only a few review-based studies exist in the public domain (Brody et al., 2017; Mahato et al., 2022). This study aims to fill that gap by addressing the areas that earlier research has overlooked — including theories, contexts, methodologies, antecedents, decisions, and outcomes. A *systematic literature review* approach is used to collect and analyze existing research to identify gaps and suggest future directions for study.

REVIEW OF LITERATURE

2.1 Women empowerment and - self help groups (SHGs):

Women make up about 50% of the global population, yet nearly 70% of them still live-in poverty due to financial constraints, social exclusion, and the lack of proper skills, education, and opportunities (Mahato et al., 2023). To overcome this major challenge that continues to affect women's empowerment and gender equality, it is essential to develop strong and inclusive strategies that promote social equality and sustainable development across the world (De Hoop et al., 2014).

One effective approach that has shown positive results is the formation of *Self-Help Groups (SHGs)* (Aggarwal et al., 2021). These groups are small, community-based collectives consisting of around 10–15 members who usually share similar social and economic backgrounds (Basak & Chowdhury, 2023). Members come together to address common challenges by pooling their resources, exchanging knowledge, and offering mutual support (Khan et al., 2023).

SHGs mainly focus on saving, credit, skill development, and small-scale entrepreneurship to enhance the economic independence of their members. They have also proven to strengthen social connections and empower women by improving their confidence, decision-making, and participation in community development (Deininger & Liu, 2013).

Review of Studies on Women Empowerment through Self Help Groups

Only two major review-based studies have been conducted on this topic so far. The first, by *Mahato et al. (2022)*, used a *systematic review and bibliometric analysis* to examine the existing research on women's empowerment through participation in Self Help Groups (SHGs). Their study concluded that SHGs play a vital role in empowering rural women across multiple dimensions, including economic, social, and political aspects — although the impact on legal and cultural empowerment was found to be limited.

The second study, by *Brody et al. (2017)*, adopted a *meta-analysis approach* to evaluate data from various research papers. This study focused on the effects of SHGs on women's economic, social, psychological, and political empowerment. The results showed that SHGs have a strong positive influence on women's *economic* and *political* empowerment. However, there was no consistent evidence supporting a significant impact on *psychological empowerment*.

Models and Theories Supporting the Study

This review draws upon several key theories that provide a foundation and theoretical lens for the study. *Empowerment Theory* plays a central role in understanding how participation in Self Help Groups (SHGs) enhances women's ability to make choices and convert those choices into meaningful actions and desired outcomes (Perkins & Zimmerman, 1995).

The *Social Capital Theory* is equally important in examining the significance of social networks within SHGs. It helps explain how these groups act as a form of social capital, allowing women to access resources, share information, and receive emotional and financial support through their network connections (Bourdieu, 1986).

Finally, the *Capability Approach* provides insight into how SHGs expand women's real opportunities and freedoms — helping them build capabilities that enable them to make valuable life choices and pursue their goals effectively (Sen, 1985).

Together, these theories offer a comprehensive understanding of how SHGs function as catalysts for women's empowerment by strengthening their decision-making power, social relationships, and overall quality of life.

Research Design and Methodology

After going through several research papers on literature reviews, we found that there are many different types of systematic reviews used by researchers. These include domain-based reviews, structured reviews, framework-based reviews, bibliometric reviews, theory-based reviews, meta-analyses, and hybrid reviews (Lim et al., 2021). Structured reviews mainly focus on summarizing key theories, concepts, and research methods used in earlier studies, while framework-based reviews organize existing research in a structured way. Hybrid reviews mix narrative explanations with frameworks to guide future research, and theory-based reviews highlight important theories that support the topic. Similarly, theme-based reviews, bibliometric analyses, and meta-analyses combine data from different studies to draw overall conclusions (Paul et al., 2023).

For this study, we used the **PRISMA 2020 framework** to conduct a proper systematic review of the available literature. This helped us make the process transparent, detailed, and easy for readers to understand (Donthu et al., 2021).

We collected all relevant research papers from **Elsevier's Scopus database** because it has strict publication standards and includes more high-quality journals compared to other databases like the Web of Science (Paul et al., 2023). The search was done on **March 22, 2024**, using keywords such as: "self-help group" OR "self-help groups" OR "SHG" AND "women empowerment" OR "female empowerment."

The year **1998** was taken as the starting point for two main reasons. First, Linda Mayoux's paper on SHGs, published that year, is considered one of the most influential studies in this field. Second, this timeline gave us enough data to review. The search covered paper titles, abstracts, and keywords, which initially resulted in **239 papers**.

After applying filters for subject areas, languages, document types, and publication years, we shortlisted **145 papers**. We then manually checked and selected studies that were most relevant to the topic. The focus was mainly on subjects like *Social Sciences*, *Arts and Humanities*, *Business, Management and Accounting*, and *Economics and Finance*, as these directly relate to women's empowerment and SHGs.

We included only papers written in **English**, since it's the primary language for our analysis. Also, only **journal articles and review papers** were chosen because they go through strict peer-review processes. We avoided sources like editorials, trade journals, book chapters, and conference papers, since they often don't provide deep or verified research insights.

The review covered a **25-year period (1998–2023)**. After removing irrelevant or inaccessible papers, a total of **101 studies** were finalized for our detailed analysis.

Primary Source of Data The data was collected using a structured schedule which was given to members of the self-help groups in the districts of Hassan and Davangere in Karnataka. Interview method was also applied to gather required information regarding this study.

Secondary Source of Data The present study also used secondary data. The required data was collected from the published annual reports of the State Planning Commission Board of Karnataka, Municipal Offices, websites of NABARD and RBI and other related books and journals for relevant articles related to the study.
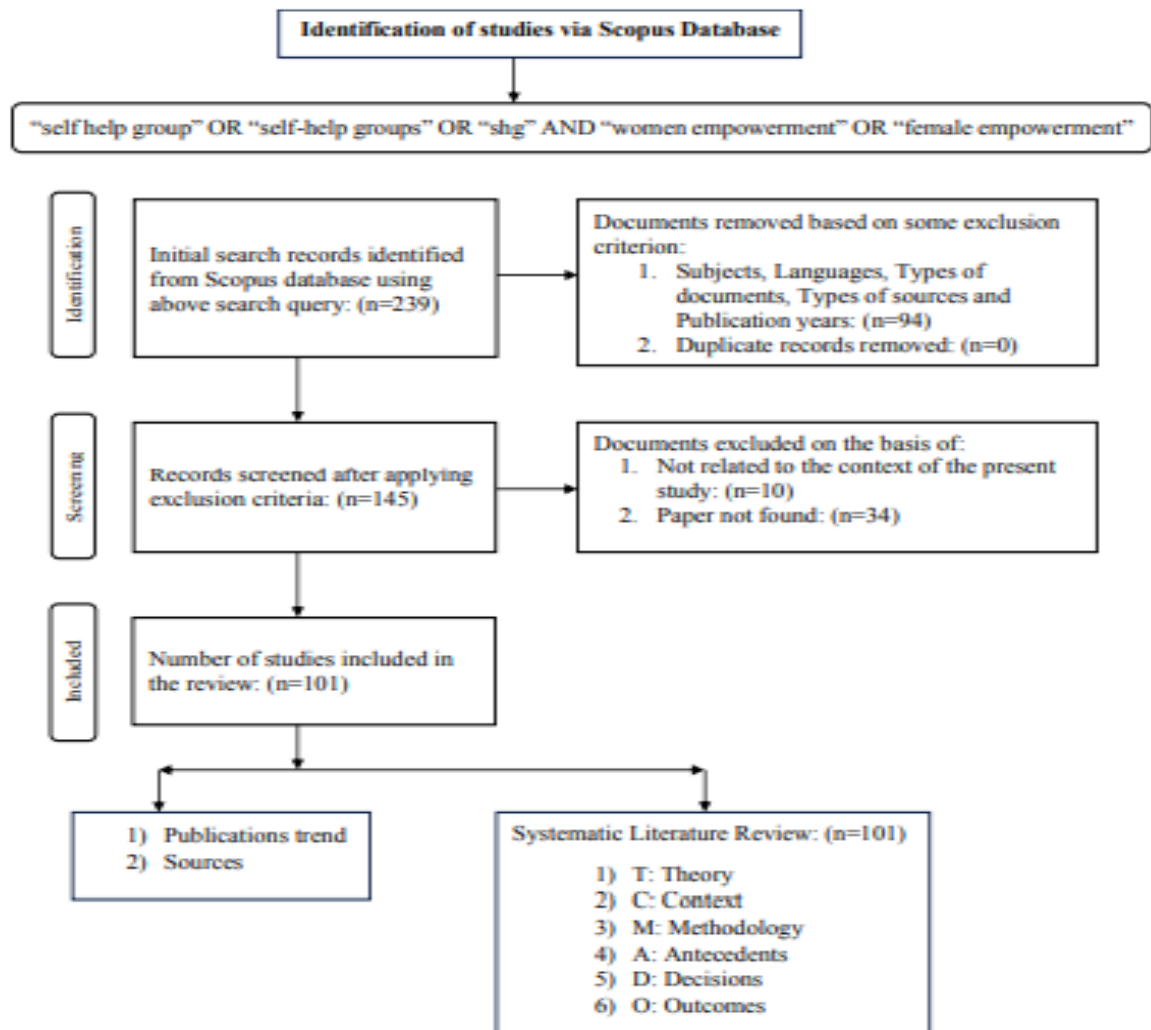

Figure 1 PRISMA Framework 2020

Problems Faced by Women in Getting Education

In recent years, India has shown significant progress in promoting girls' education. The overall literacy rate among women has improved steadily over the past few decades. In 1991, the literacy rate for girls was *39.3%*, which increased to *53.7%* in 2001 and further rose to *65.5%* by 2011. This steady growth reflects India's ongoing efforts to make education more accessible to girls across the country.

Along with the rise in literacy levels, India has also seen a remarkable increase in girls' enrolment at the *primary, upper primary, and higher education* levels. According to recent data from *DISE and U-DISE (2012–2015)*, there has been a consistent increase in the participation of girls across all stages of education—primary, secondary, and higher education. This improvement is largely due to higher enrolment rates and a noticeable decline in dropout rates in recent years.

Table: 1 Year wise literacy rate between male and female literacy rate (1901- 2011)

YEAR	MALE	FEMAE
1901	9.8	0.7
1911	10.6	1.1
1921	12.2	1.8
1931	15.6	2.9

DEVELOPMENT, ENVIRONMENT, AND EDUCATION IN INDIA

YEAR	MALE	FEMAE
1941	24.9	7.3
1951	24.9	7.3
1961	34.3	13
1971	39. 5	18.7
1981	46.9	24.8
1991	63.9	39.2
2001	76.0	54
2011	82.14	65.46

Source: Census report of India 2011

From *Table 1*, it can be inferred that the literacy rate of both men and women in India has increased steadily over the past 110 years. The literacy rate among men has risen by *72.34%*, while that of women has increased by *63.76%* during the same period. Although this growth is encouraging, it still reflects a clear gender disparity in education.

According to the *2011 Census*, the literacy rate among women stands at *65.46%*, compared to *82.14%* among men. This indicates a *literacy gap of 16.68 percentage points* between the two genders, highlighting that gender inequality in education continues to persist in India despite overall improvements in literacy levels.

Table: 2 Level-wise Enrolment in School & Higher Education 2014-15 (in Thousands)

Level	Male	Female	Enrollment Gap
Elementary	102110	95556	6554
Secondary	20121	18180	1941
Senior secondary	12440	11061	1379
Higher Education	18488	15723	2765

Data Source: Educational statistics at a glance 2014-2015, MHRD, dept of school education and literacy.

Table No. 2 represents the enrolment rate of males and females (in thousands) during the academic year *2014–2015*. The data shows that female enrolment remains lower than that of males at every level of education. At the *elementary level*, women's enrolment is *6,554 thousand less* than that of men; at the *secondary level*, it is *1,941 thousand less*; and at the *higher secondary level*, the gap stands at *1,379 thousand*. Overall, the gender gap in enrolment remains considerably wide across all stages of education.

Women's education in India plays a crucial role in the overall development of the nation. It not only contributes to the progress of half of the country's human resources but also enhances the quality of life within homes and in society as a whole (Suguna, 2011). The Indian education system comprises two main structures — *formal education* and *non-formal education* — along with several initiatives such as *online and distance learning programmes* designed to encourage women's participation in education. The main objective of these programmes is to ensure that every girl child receives an education. However, the low literacy rate among women still has a negative impact not only on their personal growth but also on their families and the country's economic development. Therefore, improving the level of education among women is essential for national progress.

According to the *All India Survey on Higher Education (AISHE)* report by the *Ministry of Human Resource Development (2015)*, around *33.3 million students* were enrolled in higher education across India, of which *17.9 million were boys* and *15.4 million were girls* in 2014–2015.

Education is a *fundamental right* guaranteed to every woman, ensuring equality, freedom, and protection against exploitation. Raising the educational level of girls has a direct positive impact on their health, economic independence, and decision-making abilities, which ultimately benefits their families, communities, and the nation as a whole.

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Case Study Area: Nithari Village

1. Introduction

The village of *Nithari*, which forms the area of study, is located in *Sector-31, Noida*, in the *Gautam Buddha Nagar District of Uttar Pradesh*. The village has an approximate population of *40,000 residents*. Most houses in the area are *concrete structures*, reflecting a shift from traditional to modern housing patterns. Nithari is considered an *urban and developing village*, equipped with basic amenities such as electricity, water supply, and educational facilities. The village has a *Gram Panchayat* comprising *20 elected members*, with a *woman Pradhan* who is a *graduate of Delhi University*. Her leadership symbolizes the growing participation of women in local governance and decision-making, reflecting the impact of women's empowerment initiatives at the grassroots level.

2. Choice of the study area

The initial survey was conducted by the staff of the Janhit Foundation, an NGO dedicated to promoting sustainable livelihoods for women in rural areas. Nithari Village was purposively selected for this study, as there were very few economic activities being carried out by the residents, particularly among women. The choice of this village provided an opportunity to analyze the potential of Self-Help Groups (SHGs) as a tool to generate livelihood opportunities and empower women economically and socially.

2. Background of the Study

The study was conducted in Nithari Village, Sector 31, Tehsil Bisrakh, District Gautam Budh Nagar (U.P.), focusing on the role of Self Help Groups (SHGs) in promoting women's empowerment and livelihood generation. A total of 145 women from 16 SHGs were surveyed, with each group having an average of 10–12 members.

The members saved between ₹100–₹500 per month, and the groups collectively received ₹3,00,000 as Revolving Fund Assistance (RFA). The Shivalik Mercantile Cooperative Bank (SMCB) provided microcredit of ₹3,00,000 at 18% annual interest, with almost 100% repayment reported. Around 60% of SHGs were engaged in income-generating activities such as dairy farming, small shops, and vegetable vending.

Most respondents were married (97.93%), aged between 18–40 years (85%), and had basic education (60.33%). The SHG movement in Nithari has helped women gain financial independence, participate in local governance, and raise awareness about health, education, and sanitation.

Age group of the SHG women

AGE	NO	%
18-30	51	35.17
30-40	72	49.65
40-50	22	15.17
Total	145	100

Marital status

Women	No	%
Unmarried	2	1.37
Married	142362	97.93
Widow	1	0.68
TOTAL	145725	100

Educational status of the women

Education level	Number	%
Primary(Up to 8 Class)	113	60.33
High school	22	15.17
Illiterate	10	14.5
Total	145	100

Occupational Distribution of SHG Members in Nithari Village

Before the formation of Self-Help Groups (SHGs), most women in Nithari village were primarily engaged as housewives. After the SHG formation, significant changes were observed in their occupational patterns. Out of the 145 women surveyed, about 96 women (66.20%) began working as domestic helpers, doing activities such as washing, cooking, and cleaning in nearby colonies. Around 45 women (31.03%) continued as housewives, while 4 women (2.75%) started new income-generating activities such as bulb repair and stitching after joining SHGs.

Overall, nearly 100 women became directly involved in various economic activities, and 45 members reported improvements in their education, awareness, and saving habits after joining the groups

Entrepreneurial Development among SHG Members

Within a period of four months, the study observed a noticeable improvement in the entrepreneurial skills of women in Nithari village, leading to diversification in business activities. The number of women engaged in animal husbandry increased from **7** in March to 15 in June 2018, indicating growing interest and confidence in this livelihood option. Correspondingly, the investment amount in this activity rose from ₹0.49 lakh to ₹0.59 lakh during the same period.

However, no significant increase was recorded in the agriculture sector, as most women and their families did not own agricultural land and lived in rented houses. In contrast, other livelihood improvement ventures—particularly those related to health, education, and asset creation—showed a positive upward trend. The number of women involved in these activities rose from **20 to 28**, while the investment levels increased from ₹1 lakh to ₹2.52 lakh, reflecting growing financial participation and economic empowerment among the SHG members

Barriers that Prevent Women from Getting Educated

It is widely accepted that schooling brings countless benefits to a child's overall development. However, the irony remains that even after more than six decades of India's independence, a large number of children—especially girls—are still deprived of these opportunities. In many families, girls are often withdrawn from school to take on domestic responsibilities such as caring for younger siblings or helping with household work (Das, 2010; Sivakumar, 2012).

Despite various government initiatives and social reforms, several barriers continue to restrict the growth of women's education in India. Some of the major challenges are outlined below:

- *Negative Parental Attitude:* Many parents still believe that investing in a daughter's education has less value compared to a son's. This mindset limits girls' access to schooling and remains one of the major challenges in promoting girls' education (Hickey & Stratton, 2007; Kumar & Sangeeta, 2013).

- *Lack of Female Teachers:* The shortage of female teachers discourages many girls from attending school, especially in rural areas. Studies have shown that girls perform better and feel more comfortable when taught by female teachers. However, women currently account for only *47.7%* of teachers at the elementary level (U-DISE, 2014–2015; Latha, 2014).

- *Poor Infrastructure:* Inadequate infrastructure, particularly the absence of separate toilets for girls, is one of the leading causes of high dropout rates among adolescent girls. The *Annual Status of Education Report (2014)* noted that lack of basic facilities has contributed significantly to the increase in dropout rates at both elementary and secondary levels (Sivakumar, 2012).

- *Lack of Hostel Facilities:* Many girls who wish to continue their education beyond the middle level are unable to do so because there are no hostel facilities near schools or colleges (Worah, 2014).

- *Safety and Security Concerns:* Parents often fear for their daughters' safety due to incidents of harassment, abduction, and violence. These safety concerns discourage them from allowing girls to pursue higher education (Kumar & Sangeeta, 2013).

- *Economic Constraints:* Although education is meant to be free, indirect costs such as uniforms, textbooks, and transport make it unaffordable for poor families. As a result, many parents prioritize boys' education over girls' (Latha, 2014).

- *Distance to Schools:* In several rural and remote areas, schools are located far from villages — sometimes requiring girls to walk for hours, which exposes them to potential risks. Consequently, many parents prefer to keep their daughters at home (Latha, 2014).

- *Household Responsibilities:* Girls are often expected to help with domestic work, fetch water, take care of siblings, and assist their mothers with cooking and cleaning. These responsibilities leave little time for schooling (Sivakumar, 2012).

- *Health and Nutrition Issues:* Poor nutrition, lack of clean drinking water, and inadequate healthcare prevent many girls from attending school regularly, particularly in economically weaker sections.

- *Early Marriage:* In many parts of India, girls are forced to marry at a young age, leading to school dropouts. Early marriage prevents them from completing secondary education, which is crucial for skill development and economic independence (King & Winthrop, 2015).

- *Administrative Negligence:* Lack of commitment and motivation among education officials often delays or weakens the implementation of schemes aimed at promoting girls' education.

- *Lack of Awareness:* Insufficient awareness among community members and implementing agencies about educational schemes for girls further limits their effectiveness at the grassroots level.

RESULTS/ FINDINGS

1. The results indicate that 'To raise status in society' is the prime reason for respondents joining the SHG, followed by 'To promote income generating activities'.

2. Majority of the respondents were experienced. 47% belonged to the groups which were established five years ago.

3. It is inferred that 31.5% of the respondents are members in the group for 3-5 years. Similarly respondents who are members in the group for 2-3 years are also 31.5%.

4. Majority of the respondents, 68.3% have taken 2-4 loans. The respondents who taken the highest number of loans i.e. more than 6 times are 11.3%

5. Majority, 60.83% of the respondents have repaid loan 2-4 times. The comparison between loans availed and repaid shows that the respondents are prompt in repaying their loans.

6. Regarding the latest loan taken by the respondents majority of them, 37.7% have taken loan above Rs.20,000.

7. From the mean scores among the respondents a null hypothesis is established and the result shows no significant difference in the mean scores on factors of empowerment after joining the group among respondents.

8. The factor analysis condensed and simplified the 8 statements on indicators of empowerment and was grouped into factors explaining 57.105% of the variability of all the 8 statements.

Overall analysis confirms that SHGs are a vital and effective mechanism for poverty alleviation and women's empowerment. By integrating financial services with social and capacity-building efforts, they provide women with the tools and confidence to take control of their lives and become active agents of change within their families and communities. Continued policy support, improved training, and better market linkages are essential to maximize their impact.

CONCLIUSION

Self-Help Groups (SHGs) have greatly contributed to women's empowerment by enhancing economic independence, social confidence, and decision-making abilities among women, especially in rural areas. These impacts manifest through greater control over income, increased participation in leadership roles, and improved access to financial and social resources.

Empowerment Achievements

- SHGs significantly increase women's aggregate empowerment scores and reduce the gap between men's and women's empowerment within households.
- Membership enhances women's autonomy in financial, health, education, and property-related decisions.
- SHGs foster improved financial literacy and access to credit, leading to greater social participation and self-confidence.
- Economic independence gained through SHGs allows women to create and sustain entrepreneurial ventures, participate in community leadership, and advocate for policies that benefit their interests.

Positive Social Impact

- SHGs have been transformative in shifting gender dynamics, allowing women to have a greater say in family matters and community development.
- Increased political participation and leadership opportunities for women have been noted, with many SHG members becoming elected local leaders and advocates for gender justice.
- SHGs serve as platforms for solidarity, promoting awareness of health, nutrition, and rights among members.

Remaining Challenges

- Despite substantial advancements, SHGs face persistent barriers such as patriarchal norms and unequal resource allocation, indicating that more targeted interventions are needed to achieve comprehensive gender equality.
- Some forms of empowerment, such as changing deeply rooted attitudes toward domestic violence or household respect, are less impacted by SHG participation and require broader cultural shifts.

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