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From Isolation to Empowerment: A Critical Review of the Impact of Self-Help Groups

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Abstract: ***This study synthesizes the existing literature on the impact of women's participation in self-help groups (SHGs) on their empowerment. The findings of the study suggest that participation in SHGs has a positive impact on women's economic, social, and psychological empowerment. SHGs provide women with access to financial resources, build their confidence and leadership skills, and create a sense of solidarity and collective action. The paper concludes that SHGs are an effective strategy for promoting women's empowerment, but also identifies the need for greater attention to the diversity of experiences of women across different contexts and the need for more rigorous evaluations of the impact of SHGs.***

Keywords: Women empowerment, Self-help goups, Economic Empowerment, Social Empowerment, Psychological Empowerment

I. INTRODUCTION

Women's empowerment is a crucial aspect of sustainable development and social justice. Empowered women are more likely to participate in decision-making processes, access education and healthcare services, and advocate for their rights. However, women continue to face numerous barriers to their empowerment, including poverty, social exclusion, mobility, education and gender-based discrimination (Arunkumar et al., 2016). In response, self-help groups (SHGs) have emerged as a popular tool for poverty alleviation and women's empowerment (Singh, 2014; Khan et al., 2020). SHGs are community-based organizations that bring together women from similar socio-economic backgrounds to engage in collective savings and credit activities (Kumar et al., 2019). SHGs provide women with a platform to voice their opinions, access financial resources, and develop leadership skills. SHGs also create a sense of solidarity and collective action among women, which is essential for advancing their rights and interests. The effectiveness of SHGs in promoting women's empowerment has been widely debated, with some studies suggesting positive impacts. The purpose of the study is to examine the impact of SHGs on women's empowerment. We conducted a systematic review of the extant literature. We searched for studies that examined the impact of SHGs on women's empowerment. We included studies that used qualitative, quantitative, or mixed-methods approaches. We excluded studies that focused exclusively on men, children, or the elderly. The present study is organized into five sections. The first section comprises the introduction of the paper, followed by a comprehensive conceptual framework of SHGs in the second section. The third section critically analyzes the existing literature on the topic of women's empowerment, its diverse dimensions, and the impact of SHGs on the empowerment of participating members. In the fourth section, the study discusses the policy implications of the research findings. Finally, the fifth section concludes the paper by summarizing the main findings and their significance for policymakers and practitioners.

II. CONCEPTUAL FRAMEWORK OF SELF-HELP GROUP

Self-help groups, according to Nair (2014), are "small, informal collectives, consisting mostly of women—from a homogeneous class but self-selected and unrelated—who regularly attend meetings, save, rotate savings among themselves as loans, borrow from formal banks, and are willing to put pressure on peers to enforce repayment." 'Saving first and credit afterwards' is the self-help group's guiding premise since it instils a disciplined saving habit in its members. Through SHGs programmes, members are protected from financial abuse since in the past, informal lenders would charge the poor higher interest rates.

Self-Help Groups (SHGs) are popular form of community-based organization that has gained significant attention in development programs as a means to empower marginalized communities, particularly women. SHGs are small groups of individuals who come together voluntarily to save small amounts of money, access credit, and engage in income-generating activities. The members of SHGs typically belong to the same community or share common socio-economic backgrounds and interests (Kumar et al., 2019). SHGs are usually formed by non-governmental organizations (NGOs), government agencies, or other local stakeholders. They provide a platform for members to access credit and financial services, build their entrepreneurial skills, and engage in income-generating activities. SHGs also offer a space for members to discuss social and political issues affecting their lives, share knowledge, and collectively address common challenges (Alemu et al., 2018).

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III. ROLE OF SELF-HELP GROUPS ON WOMEN'S EMPOWERMENT

Women's empowerment is a concept that has gained increasing attention in recent years. It involves promoting the social, economic, and psychological status of women, and is essential for achieving gender equality and sustainable development. According to Swain & Wallentin, 2009, women's empowerment is a multi-dimensional process that involves increasing women's access to resources, enhancing their agency, and challenging existing power relations. This process includes various components such as education, health, employment, and political participation. Women's empowerment is essential for achieving sustainable development goals and requires a comprehensive approach that addresses all aspects of women's lives.

One of the critical dimensions of women's empowerment is economic empowerment. In their study on the impact of microfinance on women's economic empowerment (Murshid & Ball, 2018) found that access to microfinance increased women's income and participation in economic activities, and enhanced their decision-making power and Mobility. Through group participation they build social network, group solidarity and enhances their decision making capability (Hoffman et al., 2021).

Research has shown that SHGs can have a positive impact on the economic, social, political well-being of their members (Brody et al., 2017; Nayak et al., 2019). A study by Swain & Wallentin, 2009 found that women who participated in SHGs had increased economic empowerment, including improved income and savings, as well as increased access to credit and financial services. Another study by Aggarwal et al., 2020 found that SHGs played a crucial role in promoting women's social empowerment, including increased self-esteem and confidence, as well as greater participation in decision-making processes at the household and community levels. A study found that participation in SHGs led to improved mental health outcomes for women, including reduced depression and anxiety, as well as increased self-esteem and social support. According to a study by Alemu et al., 2018 the SHG model has been successful in promoting women's participation in economic activities and improving their socio-economic status. Another factor that has contributed to the success of the SHG mode is the emphasis on capacity building and skill development. This has helped to increase the effectiveness and sustainability of SHGs, and has enabled members to take on more active roles in their communities. Mohanty, 2013 opined that self-help groups working as change agent results in improved livelihood, social security, literacy, and empowerment of the members. The group liability, solidarity, participation and peer pressure plays a vital role in the self-help group (Patil & Kakote, 2017).

Studies reveal that long-term involvement with SHGs has a favourable impact on asset development through the federation of many SHGs and aids members in diversifying their sources of income from just agricultural sources to other industries like livestock farming (Swain & Varghese, 2009). After joining organisations, women borrow money from the bank and launch their own small businesses. According to Bhingardive et al. (2015), they handle their cash and other financial resources well. According to a study of Brody et al., 2017, SHGs have been effective in promoting women's social empowerment by providing opportunities for networking, building social capital, and promoting collective action. The study found that SHGs have helped women to overcome social isolation, build social networks, and gain social support (Vinodhini & Vaijayanthi, 2016). Participation in SHGs has been shown to promote psychological empowerment among women. SHGs provide a supportive environment for women to share their experiences, gain confidence, and develop new skills. According to a study by (Neogi et al., 2018), SHGs have been effective in promoting women's psychological empowerment by providing opportunities for skill development, building social networks, and enhancing self-esteem. SHGs have also been effective in promoting women's mental health and well-being. Women have improved their ability to work towards income-generating activities. This not only lessens poverty but also raises their social standing and sense of empowerment (Das, 2012). Due to the members' low socioeconomic status, the group's capacity to sustain itself rests on its ability to successfully convert to a microbusiness (Suprabha, 2014). This broadens rural underprivileged women's horizons towards useful pursuits that inspire confidence and foster community.

This mechanism encourages social connection and connectedness by providing possibilities to the marginalised women in disadvantaged communities. This is done through emotional, social, and material exchange outside of their family group. This significantly lessened the outdated traditions of traditional India, where patriarchal norms prevent women from speaking up and taking part in household decision-making (Davidson & Sanyal, 2017). Social ills including racial discrimination, mobility limitations, the dowry system, educational inequality for girls and boys, and domestic violence have all been significantly decreased thanks to this self-help group. In general, this empowers women both personally and socially (Aggarwal et al., 2020).

The overall findings suggest that, SHGs are an effective means of promoting the economic, social, and psychological empowerment of marginalized communities, particularly women. They provide a platform for members to access credit and financial services, build their entrepreneurial skills, and engage in income-generating activities, while also offering a space for members to discuss social and political issues affecting their lives. Research has shown that SHGs can have significant positive impacts on the well-being of their members, highlighting their potential as a tool for community development and empowerment.

Overall, the evolution of the SHG concept reflects a dynamic and adaptive process, driven by the changing needs and aspirations of local communities. While the concept has faced challenges, it has also demonstrated remarkable resilience and impact, and remains a powerful tool for promoting socio-economic development and women's empowerment.

IV. POLICY IMPLICATION AND SUGGESTIONS

The findings of the paper highlight several policy implications for promoting women's empowerment through SHGs in rural India. Firstly, there is a need for policymakers to prioritize the expansion of SHGs and ensure their accessibility to all women in rural areas. This can be achieved through a range of measures such as strengthening SHG federations, promoting women's participation in SHGs through financial incentives and offering subsidies for the establishment of SHGs in remote areas. Secondly, the government should focus on enhancing the financial and economic empowerment of women through SHGs. This can be done by providing access to credit and other financial services, developing women's entrepreneurial skills, and promoting the marketing of women's products. It is also important to encourage the formation of women-led enterprises and support their growth through targeted policies such as tax incentives, technical support, and training programs.

Thirdly, promoting women's social and political empowerment through SHGs requires the implementation of policies that address gender-based violence, discrimination, and other social norms that hinder women's participation in decision-making processes. The government should prioritize the implementation of gender-responsive policies and ensure that women's voices are represented in decision-making processes at all levels. Fourthly, policymakers should prioritize the promotion of women's psychological empowerment through SHGs by addressing their mental health needs, providing psychosocial support, and promoting self-esteem and confidence-building. This can be achieved through targeted interventions such as counselling and awareness-raising programs that address issues related to mental health, gender-based violence, and discrimination. Finally, it is important to promote the integration of SHGs with wider development programs such as health, education, and agriculture. This can be achieved through targeted interventions that promote the integration of SHGs with these programs and facilitate their participation in decision-making processes related to these areas.

V. CONCLUSION

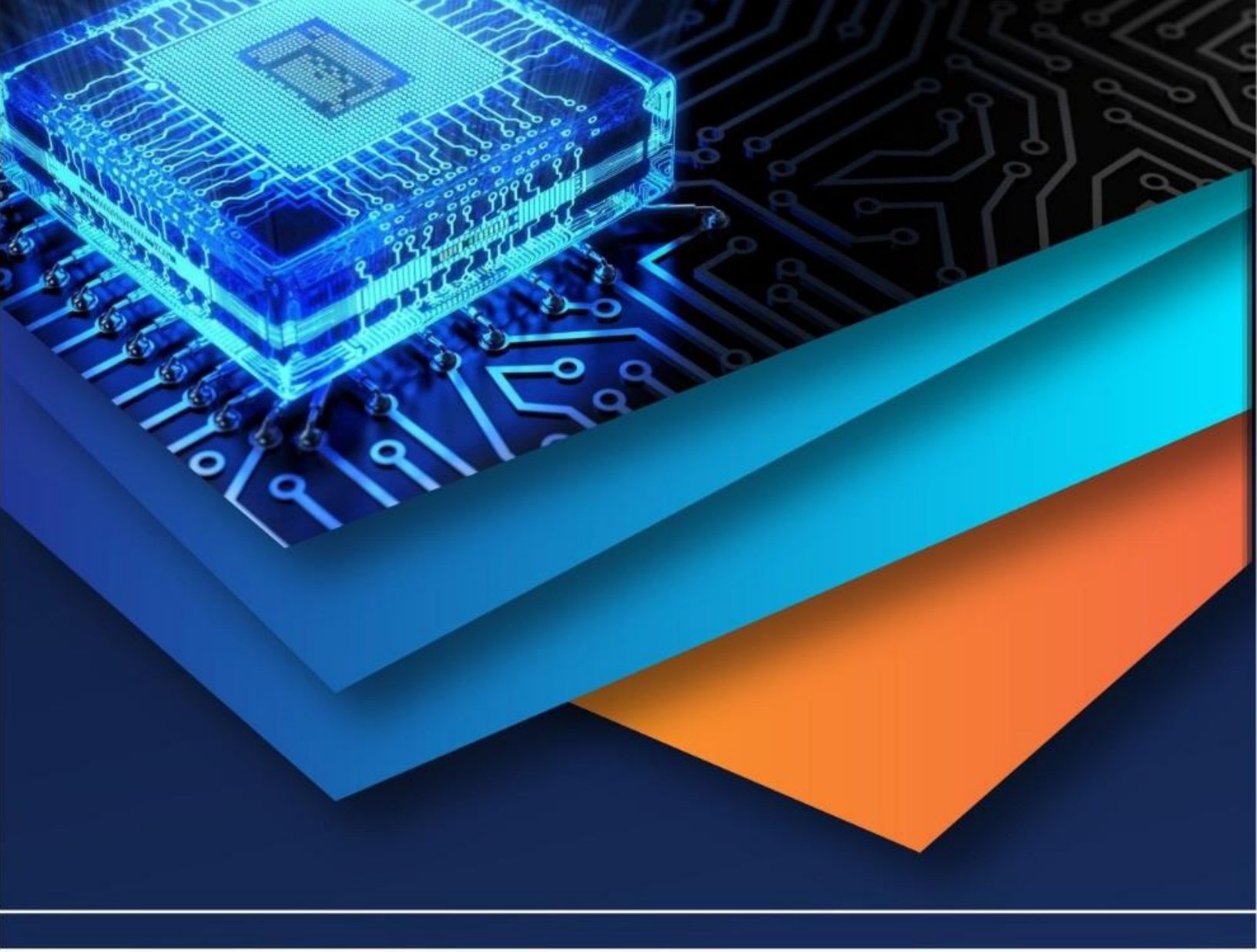
The findings of our review suggest that SHGs are a viable tool for promoting women's empowerment. However, the effectiveness of SHGs in promoting women's empowerment is contingent on several factors, including the quality of SHG leadership, the level of participation and engagement of women, and the socio-cultural context in which SHGs operate. Moreover, our review identifies the need for more rigorous evaluations of the impact of SHGs on women's empowerment. While the studies included in our review provide evidence for the positive impact of SHGs on women's empowerment, many of these studies are based on small sample sizes and lack robust evaluations of the impact of SHGs on women's empowerment. Future research should address these limitations by using more rigorous research designs, such as randomized controlled trials and quasi-experimental designs. Our review found that SHGs have a positive impact on women's empowerment, particularly in terms of their economic, social, and psychological empowerment. In terms of economic empowerment, SHGs provide women with access to financial resources and improve their financial management skills. SHGs also enhance women's social- psychological empowerment by providing them with a platform to voice their opinions, develop leadership skills, self-esteem, and access social networks. Finally, SHGs create a sense of collective action and solidarity among women, which is essential for advancing their overall empowerment.

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