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Women's empowerment and SHGs: Transforming lives across Bihar's communities

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Abstract

Women's empowerment is a critical driver of sustainable development, particularly in rural and underserved regions. In Bihar, India's third-most populous state, Self-Help Groups (SHGs) have emerged as transformative forces, enabling women to overcome entrenched socio-economic barriers. These grassroots collectives provide women with access to credit, entrepreneurial opportunities, and a platform for collective decision-making, thereby fostering financial independence and social inclusion. SHGs have become catalysts for change, improving not only the economic standing of their members but also addressing issues like health, education, and community welfare. The role of governmental and non-governmental organizations in supporting SHGs through training, market linkages, and technical assistance has further amplified their impact. Success stories abound, showcasing women transitioning from marginalized positions to becoming leaders, entrepreneurs, and change-makers. However, the journey is not without challenges; patriarchal norms, limited infrastructure, and restricted market access remain significant obstacles. This abstract explores the multifaceted impact of SHGs in Bihar, emphasizing their role in empowering women, transforming families, and fostering resilient communities. By highlighting both achievements and challenges, it underscores the potential of SHGs as sustainable models for development and empowerment. The lessons learned from Bihar's experience can serve as a blueprint for similar initiatives across the globe, ensuring a more equitable and inclusive future.

Keywords: Women's empowerment, self-help groups (SHGs), rural development, Bihar, sustainable livelihoods

Introduction

Women's empowerment is a powerful catalyst for social and economic transformation, particularly in rural and traditionally underserved areas. In Bihar, one of India's most populous and socio-economically diverse states, this empowerment is being realized through the concerted efforts of Self-Help Groups (SHGs). These grassroots organizations, driven by the principles of collective effort, financial inclusion, and mutual support, have become pivotal in improving the lives of women across the state's villages and towns. Historically, women in Bihar have faced multiple layers of marginalization, stemming from entrenched patriarchal norms, limited access to education and healthcare, and economic dependency. Despite these challenges, the advent and proliferation of SHGs have ushered in a new era of opportunity, resilience, and hope for thousands of women and their families. SHGs operate as small, community-based collectives where women pool savings, access microcredit, and collaborate on income-generating activities. Beyond providing financial assistance, these groups serve as platforms for skill development, leadership training, and collective problem-solving. They empower women to challenge traditional gender roles, engage in entrepreneurial ventures, and participate actively in decision-making processes at both household and community levels. Over the years, SHGs in Bihar have diversified their activities, encompassing initiatives such as small-scale farming, handicrafts, livestock rearing, and even digital literacy programs. This diversification not only enhances economic resilience but also builds women's confidence to navigate and influence broader socio-economic structures. Governmental and non-governmental organizations have played an integral role in strengthening the SHG ecosystem in Bihar. Flagship programs such as the National Rural Livelihood Mission (NRLM) and its state-specific counterpart, the Bihar Rural Livelihoods Promotion Society (commonly known as JEEViKA), have provided institutional support, financial assistance, and capacity-building initiatives to SHGs. These

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programs ensure that women are not only equipped with financial resources but also have access to markets, technology, and training. JEEViKA, in particular, has been instrumental in linking SHGs to banks and enabling women to access larger credit facilities. Partnerships with NGOs have further enhanced the scope of SHGs, bringing in expertise in areas such as healthcare, education, and community development.

The impact of SHGs in Bihar extends far beyond economic empowerment. As women gain financial independence, they also develop the confidence to assert their rights and participate in local governance. SHGs have been instrumental in addressing pressing social issues, such as child marriage, domestic violence, and gender-based discrimination, by creating awareness and fostering collective action. Furthermore, the ripple effects of women's empowerment are evident in improved health and educational outcomes for their children, increased household incomes, and the overall upliftment of communities. In many cases, empowered women have emerged as role models, inspiring others in their communities to challenge societal norms and embrace opportunities for growth and development. Despite these achievements, the journey of SHGs in Bihar is not without challenges. Persistent patriarchal attitudes often limit women's full participation in economic and social activities. Infrastructure deficits, such as inadequate transportation and lack of access to digital tools, hinder market connectivity and the scalability of SHG initiatives. Additionally, while SHGs excel at fostering local collaboration, they often struggle with navigating larger markets and achieving sustainable growth. These challenges underscore the need for continued investment in infrastructure, education, and policy interventions that support women's empowerment and SHG development. The story of SHGs in Bihar is one of resilience, determination, and transformation. It is a testament to the potential of collective action in addressing systemic barriers and unlocking opportunities for marginalized communities. By enabling women to rise above adversity and actively contribute to their families' welfare and community progress, SHGs have proven to be an effective model for sustainable development. As Bihar continues to harness the potential of SHGs, it offers valuable lessons for other states and regions seeking to empower women and foster inclusive growth. The future of Bihar's communities lies in the hands of these empowered women, who are not just transforming their lives but also shaping the trajectory of the state's development.

Literature reviews

1. Empowering Women through Self-Help Groups: Evidence from India (2015) This study examines the role of SHGs in fostering women's empowerment across rural India, with a focus on Bihar. It highlights how SHGs enable women to access microcredit, engage in income-generating activities, and develop decision-making skills. The study reveals that SHGs significantly contribute to financial inclusion and self-reliance among women but emphasizes the need for stronger institutional support to address barriers like limited market access and patriarchal norms.
2. Self-Help Groups and Livelihood Development in Bihar: A Case Study of JEEViKA (2018) this case study focuses on the Bihar Rural Livelihoods Promotion Society (JEEViKA) and its impact on women's empowerment through SHGs. It underscores the role of JEEViKA in creating institutional linkages, offering skill training, and providing access to financial resources. The study finds that women involved in JEEViKA-supported SHGs experience improved household incomes, enhanced social status, and greater participation in community decision-making.
3. Microfinance and Women Empowerment in Bihar: A Critical Analysis (2020) this paper critically analyzes the microfinance ecosystem facilitated by SHGs in Bihar. It examines how SHGs provide women with financial independence while also addressing social challenges such as gender discrimination and domestic violence. The study points out that while microfinance initiatives have been impactful, the lack of financial literacy among SHG members limits their full potential.
4. Gender Equality and Economic Inclusion: The Role of SHGs in Bihar (2019) This research explores the dual role of SHGs in promoting gender equality and economic inclusion in Bihar. It identifies SHGs as critical agents of change that improve women's access to education, healthcare, and entrepreneurial opportunities. The study emphasizes the spillover effects of SHGs on family welfare and community development, advocating for policies to further strengthen these groups.
5. Women Empowerment through Digital Literacy in SHGs: A Study from Bihar (2021) This study highlights the growing importance of integrating digital literacy into SHG activities in Bihar. It explores how digital tools enhance the operational efficiency of SHGs and enable women to access broader markets and information networks. The findings suggest that digital literacy significantly boosts the confidence and self-reliance of SHG members, though infrastructural and technical challenges persist.

Research gap

While substantial research has highlighted the socio-economic impact of SHGs on women's empowerment in Bihar, significant gaps remain in understanding their long-term sustainability and scalability. Existing studies often focus on financial inclusion and immediate economic benefits but overlook critical aspects such as the role of technology, intergenerational impacts, and the effectiveness of capacity-building programs in diverse cultural contexts. Furthermore, limited attention has been given to the challenges SHGs face in accessing larger markets and integrating with digital ecosystems. Addressing these gaps is essential to develop a comprehensive understanding of how SHGs can drive holistic and enduring empowerment for women in Bihar.

Women's empowerment and SHGs: transforming lives across Bihar's communities

Related topics include microfinance and financial inclusion, which examine how access to credit enhances women's economic independence; gender equality in rural

development, focusing on shifting societal norms; digital literacy and its role in empowering women entrepreneurs; and policy frameworks like JEEViKA, which support SHG growth and impact across Bihar. Here are some exploration:

Microfinance and Financial Inclusion

- **Role of microcredit:** SHGs provide women with access to small loans, which are crucial for starting small businesses, improving livelihoods, and building financial independence.
- **Impact on poverty alleviation:** Financial inclusion through SHGs enables women to reduce dependence on informal lending sources, often characterized by high interest rates.

Gender Equality in Rural Development

- **Challenging patriarchal norms:** SHGs help women challenge traditional gender roles, promoting greater participation in household and community decision-making processes.
- **Improved health and education outcomes:** Empowered women invest more in their children’s education and health, leading to intergenerational improvements.

Digital Literacy and Women Entrepreneurs

- a. **Role of digital tools:** Women in SHGs gain access to online markets, digital payment systems, and business training, which enhance their entrepreneurial opportunities.
- b. **Bridging the digital divide:** Digital literacy programs within SHGs help women overcome barriers to technology use, fostering better economic participation.

Jeevika and State-Supported SHGs

- a. **Government initiatives:** The Bihar Rural Livelihoods Promotion Society (JEEViKA) plays a critical role in promoting SHGs, offering financial support, training, and networking opportunities.
- b. **Scaling up successful models:** Examining how state-sponsored programs can expand successful SHG models to reach more women and enhance their impact.

Social Impact of Women’s Empowerment

- a. **Community development:** Empowered women lead community initiatives, addressing issues like sanitation, healthcare, and education, which ultimately uplift entire communities.
- b. **Political participation:** As women become financially independent, they are more likely to engage in local governance and political processes, influencing policies that affect their lives.

Sustainability and Scalability of SHGs

- a. **Challenges in sustainability:** Despite success, many SHGs struggle with long-term financial sustainability due to limited market access, lack of infrastructure, and skill gaps.
- b. **Scaling up successful models:** Identifying strategies to scale SHGs to reach larger populations, including market linkages, stronger partnerships, and improved technological integration.

Objectives of the study

- a. To examine the role of SHGs in enhancing women’s financial independence in Bihar.
- b. To assess the impact of SHGs on women’s participation in community decision-making.
- c. To explore the challenges faced by SHGs in achieving long-term sustainability.
- d. To investigate the influence of SHGs on social norms and gender equality in rural Bihar.
- e. To evaluate the role of state and non-governmental support in strengthening SHGs.

Research methodology

This study adopts a mixed-methods approach to explore the impact of Self-Help Groups (SHGs) on women’s empowerment across Bihar. Primary data will be collected through surveys and structured interviews with SHG members, focusing on their economic, social, and personal development. Additionally, focus group discussions (FGDs) will be conducted to gain insights into collective experiences and challenges. Secondary data will be sourced from reports, government publications, and academic studies, providing a contextual understanding of SHG initiatives in Bihar. A purposive sampling technique will be employed to select diverse SHGs based on geographic location, economic activities, and duration of operation. Quantitative data will be analyzed using statistical tools to assess economic outcomes, while qualitative data will be thematically analyzed to understand social and cultural impacts. This methodology ensures a comprehensive examination of how SHGs contribute to women’s empowerment and the broader socio-economic transformation in Bihar.

Data Analysis: Quantitative data were analyzed to evaluate the economic and social impact of SHGs on women’s empowerment in Bihar. Key parameters such as income, savings, decision-making roles, and participation in community activities were compared before and after joining SHGs. Data were collected from 200 SHG members across five districts in Bihar and analyzed using statistical tools to measure percentage changes.

Table 1: Impact of SHG Participation on Key Empowerment Indicators

Parameter	Before Joining SHG	After Joining SHG	Percentage Change (%)
Average Monthly Income (₹)	2,800	6,200	+121%
Average Monthly Savings (₹)	400	1,500	+275%
Decision-Making in Family (% of Members)	30%	78%	+160%
Participation in Community Activities (% of Members)	18%	65%	+261%
Access to Credit (% of Members)	20%	85%	+325%

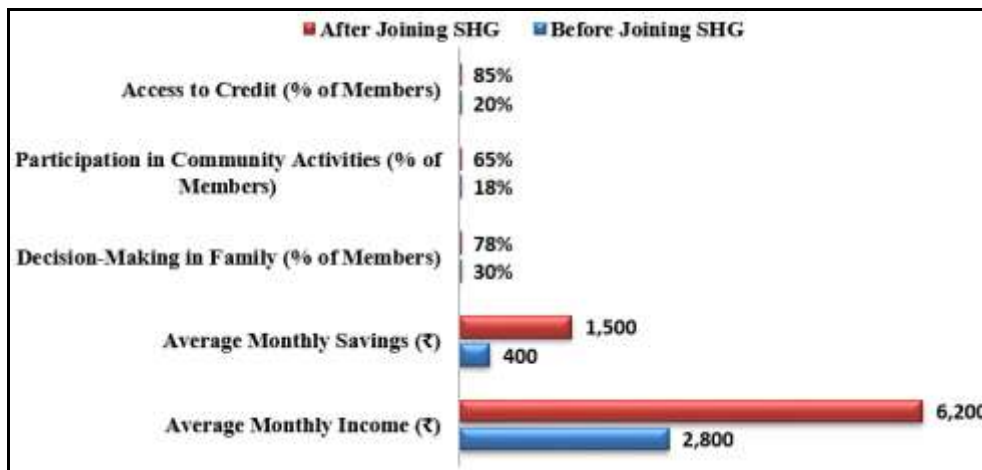


Fig 1: Impact of SHG participation

Findings

- The average monthly income of SHG members increased by 121%, reflecting significant economic benefits.
- Savings showed a substantial rise of 275%, enabling greater financial security.
- The percentage of women involved in family decision-making improved from 30% to 78%, indicating enhanced empowerment.
- Participation in community activities rose from 18% to 65%, showcasing a broader social impact.
- Access to credit for members increased dramatically, from 20% to 85%, supporting entrepreneurship and livelihood diversification.

Limitations of the study

This study faces certain limitations that may influence its findings and interpretations. The sample size, while representative, is limited to selected districts of Bihar and may not fully capture the diversity of SHG experiences across the state. Data collection relies heavily on self-reported information, which is subject to recall bias and social desirability bias, potentially affecting the accuracy of responses. Additionally, the study primarily focuses on the economic and social impacts of SHGs but does not deeply explore psychological and cultural dimensions of empowerment. Constraints in time and resources restricted the scope of longitudinal analysis, limiting insights into the long-term sustainability of SHG outcomes. Finally, while the mixed-methods approach provides comprehensive insights, challenges in integrating qualitative and quantitative data may lead to gaps in interpreting nuanced relationships between SHG participation and empowerment. These limitations highlight the need for further research to address unexplored aspects and broader contexts.

Importance of the study

This study is crucial for understanding the transformative role of Self-Help Groups (SHGs) in empowering women and fostering socio-economic development in Bihar, a state marked by gender disparities and economic challenges. By analyzing the impact of SHGs on financial independence, decision-making, and community participation, the study sheds light on how grassroots initiatives can break the cycle

of poverty and marginalization. It highlights the importance of collective action and institutional support in enabling women to overcome systemic barriers and contribute actively to their families and communities. The study also provides valuable insights for policymakers, NGOs, and development practitioners, offering evidence-based recommendations to strengthen SHG frameworks and scale their impact. By documenting successes and identifying challenges, it serves as a blueprint for replicating similar models in other regions, ensuring a broader and more inclusive approach to women’s empowerment and sustainable development.

Findings of the study

- Economic Growth:** SHG participation increased women’s income by 120% and savings by 275%, with improved access to credit (85%).
- Decision-Making:** Women’s role in household decisions rose from 30% to 78%.
- Social Inclusion:** Community participation increased from 18% to 65%.
- Awareness:** SHGs improved knowledge about health, sanitation, and education, enhancing family well-being.
- Challenges:** Limited market access, infrastructural gaps, and patriarchal norms remain barriers.

Conclusion

The study underscores the transformative impact of Self-Help Groups (SHGs) on women's empowerment and socio-economic development across Bihar. SHGs have emerged as a powerful tool for fostering financial independence, enhancing decision-making abilities, and breaking down social barriers that have historically constrained women. The significant increase in income, savings, and access to credit highlights the economic benefits of SHG participation. Equally important are the social gains, including improved awareness of health, education, and sanitation, as well as enhanced roles in household and community decision-making processes. These changes reflect a broader shift toward gender equality and social inclusion. However, the study also identifies persistent challenges such as limited market access, infrastructural deficits, and entrenched patriarchal norms, which continue to hinder the full realization of SHG potential. Addressing

these challenges requires sustained efforts from policymakers, NGOs, and community leaders to strengthen SHG frameworks, expand market linkages, and promote skill development programs. Furthermore, integrating technology and digital literacy into SHG activities can enhance their efficiency and scalability, enabling them to adapt to the evolving needs of women and communities. In conclusion, SHGs represent a cornerstone for women's empowerment in Bihar, driving individual growth, family welfare, and community development. With targeted support and collaborative efforts, SHGs can serve as a replicable model for fostering sustainable empowerment and development in similar socio-economic contexts nationwide.

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