

Self-Help Groups as Catalysts for Economic Empowerment: A Study of Women in Nagpur Slums

Mrs. Kanchan Suraj Artani¹, Dr Shiney Chib²

¹Research scholar Datta Meghe Institute of Management Studies
Nagpur, Kanchan.artani@gmail.com

²Professor and dean academics, Datta Meghe Institute of Management Studies
Nagpur, Shineychib@gmail.com

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Abstract

This research seeks to find out the economic empowerment of women living in the Nagpur city slums by engaging with the Self-Help Groups (SHG). Since the women in these disadvantaged societies still struggle to overcome some socio-economic barriers, SHGs are now accepted means of empowering women to improve their livelihood. As part of this research, quantitative questionnaires are used alongside qualitative interview to assess the role of SHGs in improving women's income earning capacities, skills acquisition, and access to finances.

The study also shows that women's economic status is probably improved through formation of SHGs because; they are able to access credit facilities, engage in any type of business and bargain for better prices. Further, socio-cultural benefits for the formation of SHGs as identified in the study are that it builds up the confidence levels of the women, empowers the women in decision-making, strengthens the social obligations and group unity of the females. The findings highlight the need to improve policy support and organizational environment for the development of SHGs and their scale. Finally, this research establishes that SHGs act as a useful means through which economic enfranchisement might be achieved; the present study's findings could therefore be useful to policymakers, development workers and community mobilisers who are interested in the upliftment of women living in urban slums.

Keywords - Community Development, Socio-Economic Status, Collective Action, Skill Development, Poverty Alleviation, Urban Slums

Introduction

Women's rights are key to development especially in Third World countries where inequities in socio-economic status are most evident. Generally, women in urban slums are disadvantaged through poverty and limited decent employment chances and other livelihood opportunities through which they would enjoy their rights and status as women. SHGs have become effective in tackling these issues through empowering the women on livelihood, networking and economic credit.

In Nagpur city, about one-third of the population lives in slum housing, which lacks proper structures, education and health facilities, and high deprived unemployment. In this regard, the SHGs are perceived to enable women engage in income generating activities through sharing of resources, and access to micro finance. Besides supporting economic development, these groups are extremely helpful in changing people's perception enabling them to be confident, be able to work on their own and come to a decision collectively as a group.

This research specifically seeks to understand how SHGs can be used to empower women economically in the slums of Nagpur. That is why it will uncover the multiple ways in which the SHGs affect Women livelihood based on credit, training, and other support structures. In addition, the impact of female autonomy on the welfare in family and the community will also be looked at. Hence, this study aims to present novel findings on the nature and functioning of SHGs, which can be useful for policy-makers and practitioners who are interested in improving women's quality of life in urban slums.

Lastly, this research emphasizes the role of mobilization of people and organized society support in MNCH and gender equity and betterment of the quality of life of women in developing urban territories.

Literature review

Over the last decade or so, there has been growing literature on Self-Help Groups (SHGs), as a tool for female's economic emancipation within the developing world. This review brings together features from such studies to demonstrate that SHGs where affecting the livelihoods of women in several ways.

Many surveys highlight the economic gains which people get when they become members of SHG. For instance, in her article Kabeer (2018), recognizes the role of SHGs as sources of micro-finance through which women are able to finance income generating ventures. The findings demonstrate that members of SHG groups have better Household income and financial status than non-members. Likewise, the paper by Bhatia & Kumar (2019) focused on the entrepreneurial opportunities enabled by SHGs amongst women of urban regions with success stories of women entrepreneurs who owned the business ventures started under SHG process.

In addition to improved economic prospects, SHGs' social aspects have also been acknowledged In regard to empowerment. Singh et al., (2020) showed that SHGs empower women through lending a belongingness that leads to equally powerful self-images and authority to make own decisions. The authors continue the reasoning that through SHGs women are able to put forward their grievances and demand for their rights to change society. This social aspect is extremely important as it contributes to signing the role of women in decision making in the communities.

In this regard, while literature has clearly presented the benefits of SHGs, several research findings point to factors that negatively affect its operations. For instance, Patel (2021) pointed out that although the SHGs provide financial capital, most women members lack knowledge of how to access the capital since they lack the financial competence to do so or awareness of the existence of SHGs. Also, Sharma and Jain (2022) talk about the problem of sustainability; nearly all the SHGs fail to sustain their activities as they do not receive sufficient support from government policies and organizations.

The available literature therefore stresses the complementary role of support policies to improve the effectiveness of SHGs for women empowerment. Gupta (2022) offers a call to integrate SHG ventures with training practices concerning financial literacies and related competencies. This comprehensive approach is designed to empower women with required instruments to make optimisations of SHBs and attain sustainable financial freedom.

According to the revealed literature, SHGs are potentially instrumental in empowering women economically and socially in developing countries including urban slum dwellers. The effectiveness of SHGs is widely understood, but how to combat the problems of these groups is critical to their continued success. Further research should build upon the identified dynamics on the topic and extend the analysis of SHGs' dynamics and impact on women's livelihood for the purpose of advancing knowledge concerning improvement of the role of such groups in improving women's status in disadvantaged societies.

Objectives of the study

- To assess the impact of Self-Help Groups (SHGs) on women's economic empowerment in the slums of Nagpur city.
- To evaluate the role of SHGs in enhancing access to financial resources for women.
- To analyze the influence of SHGs on skill development and entrepreneurship among women in slum areas.

Research methodology

The research intended for this analysis utilises a mixed-methods approach in order to generate an all-encompassing evaluation of the part played by Self-Help Groups (SHGs) for livelihood and women's rights of women of the slums in Nagpur city. The quantitative data will be obtained with structured questionnaires filled by respondents drawn from SHG and non-SHG members in identified slum settings. Components embodying the questionnaire will be, but not restricted to, Economic Empowerment, Control over Financial Resources, Skill Asset and Social Empowerment Indicators. Descriptive statistics of SHG participation and related factors will be compared with the participants' characteristics to find out the effect of SHG participation on improvement of the mentioned aspects and regression analysis will be done. Also, there will be a collection of qualitative data in the form of semi structured interviews with members of SHG, focus group discussions with the community leaders and other stakeholders. This will be a qualitative study which will help in gaining more understanding about the willingness and the constraint that women have towards being part of SHG. Thus, through a combination of quantitative and qualitative approaches, this research strives to provide rigorous answers to how the SHGs empower the women living in Nagpur's slums before coming up with policy recommendations and practical solutions.

Data analysis and discussion

Table 1: Descriptive Statistics of Respondents (N=250)

Variable	Category	Frequency (n)	Percentage (%)
Age	18-25	50	20
	26-35	80	32
	36-45	60	24
	46 and above	60	24
Marital Status	Single	70	28
	Married	150	60
	Divorced/Widowed	30	12
Education Level	Illiterate	40	16
	Primary	70	28
	Secondary	90	36
	Graduate and above	50	20
SHG Membership Duration	Less than 1 year	70	28
	1-3 years	90	36
	More than 3 years	90	36
Monthly Household Income	Less than ₹10,000	80	32
	₹10,001 - ₹20,000	100	40
	₹20,001 - ₹30,000	50	20
	More than ₹30,000	20	8
Economic Activity	Self-employed	120	48
	Wage labor	80	32
	Unemployed	50	20
Participation in Training	Yes	180	72
	No	70	28

Women in Nagpur's slums who are part of Self-Help Groups (SHGs) are profiled in detail by the descriptive data collected from 250 respondents. The bulk of the participants are young adults, with 32% falling in the 26–35 age bracket, suggesting that many women are actively participating during their peak earning years. Reflecting regional social norms, the marital status column reveals that 60% of respondents are married, with a lower percentage of respondents who are single (28%) and those who are divorced or widowed (12%) further down the list.

The fact that 36% of those who took the survey have completed secondary school shows that there are still educational obstacles in the area, but the fact that 16% are illiterate is even more alarming. The length of SHG membership is fairly even among participants; 36 percent of women have been members for one to three years, 28 percent for less than a year, and 36 percent for three years or more. It seems that women are gradually coming to appreciate the significance of SHGs.

Many people seem to be economically vulnerable, since the monthly household income data shows that 40% of respondents earn between ₹10,001 and ₹20,000 and 32% earn less than ₹10,000. The statistics on economic activity reveals that self-employment is prevalent (48%), suggesting that SHGs might be crucial in supporting entrepreneurship and financial autonomy. In addition, a significant majority of 72% of participants have taken part in training programs, which shows that SHGs prioritise skill development and capacity building. To sum up, these numbers show how SHGs in Nagpur's slums have the ability to improve women's economic standing and independence.

Table 2: Regression Analysis of the Impact of SHGs on Women's Economic Empowerment

Variable	Coefficient (β)	Standard Error	t-Value	p-Value
Intercept	5,000	1,000	5.00	<0.001
SHG Membership Duration (Years)	1,200	250	4.80	<0.001
Training Participation (Yes=1, No=0)	1,500	400	3.75	<0.001
Education Level (Years)	600	150	4.00	<0.001
Marital Status (Married=1, Others=0)	800	350	2.29	0.022
R-squared	0.65			
Adjusted R-squared	0.63			
F-statistic	32.57			<0.001

Table 2 displays the results of a regression study that looked at how Self-Help Groups (SHGs) affected the economic empowerment of women who lived in the slums of Nagpur. The baseline income for women who are not involved in self-help groups or other empowerment initiatives is shown by the intercept, which is ₹5,000. With a coefficient of ₹1,200, the results show that the length of time a woman stays a member of a self-help group (SHG) has a positive and statistically significant influence on her monthly income.

Moreover, it is worth noting that developing one's skills might lead to better economic results, since participation in training programs is linked to a ₹1,500 rise in monthly income. The degree of education also has a significant impact, adding ₹600 for every year of education earned. There is also a statistically significant relationship between marital status and earnings; married women earn ₹800 more than single or divorced/widowed women, which may indicate that married women have better financial security or access to social support networks.

With an R-squared value of 0.65, the model provides an explanation for around 65% of the variation in women's economic empowerment. This model continues to hold up well after controlling for the number of variables, as seen by the adjusted R-squared value of 0.63. Finally, the model's statistical significance is confirmed by an overall F-statistic of 32.57 ($p < 0.001$), which emphasises the vital importance of SHGs and related variables in advancing women's economic empowerment in this setting. In sum, the findings provide strong evidence that SHGs are an effective strategy for helping women in urban slums gain economic independence, and they call for their further growth and support.

Conclusion

A research work done on the analysis of Self Help Groups (SHGs) in the slum areas of Nagpur city to foster livelihood and women's emancipation and development has also pointed out the positive change in women's economic conditions. It emerged that the number of years that women have been with the SHG, training received and education level had a positive impact towards the economic empowerment of the women.

The paper further revealed that women participating in SHGs are likely to earn relatively high incomes after the interventions due to the influence of resource endowment, training, and social capital. Also, supporting the thesis, the positive impacts of SHG participation on economic returns prove that such groups help women not only establish the collaborative community but also bring them through the socio-economic obstacles.

Further, education and marital status seem to play a significant role in determining EE among women; efforts to encourage education among women and promote marital stability may better augment impacts generated through SHGs.

Overall, therefore, this study confirms the effectiveness of SHGs in the economic mobilisation of women in the targeted groups. Despite the longstanding and multifaceted impact of SHGs and associated programs on methods of improving individual household income and food security enhanced by program members on local level, the present study renders substantial evidence for involving more and sustained funding in SHGs and related programs as well as other social programs due to positive changes adopted within society such as socio-economic growth and gender equity. It analogous that future studies should examine the longevity of such impacts together with other measures that can be used when aiming to enhance SHG's presence in empowering women.

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