

# A Study on the Role of Self-Help-Groups in Women's Social and Economic Empowerment in Pimpalgaon Kale Region

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**Abstract:** *Women's empowerment is vital for inclusive socio-economic development in India, yet gender inequalities and socio-cultural barriers continue to limit women's access to resources and opportunities. Self-Help Groups (SHGs) have emerged as an effective mechanism to promote financial inclusion, social participation, and economic independence.*

*This study examines the role of SHGs in women's socio-economic development and identifies key barriers affecting their effectiveness. The findings show that SHGs improve savings, access to credit, income generation, and confidence among women. However, challenges such as patriarchal norms, limited mobility, and lack of awareness still persist.*

*The study concludes that while SHGs are powerful tools for empowerment, their long-term impact depends on addressing socio-cultural constraints and strengthening institutional support...*

**Keywords:** SHG Effectiveness, Women Empowerment, Cultural Factors, Regional Variations, Women Participation, Economic Sustainability, Barriers Analysis.

## I. INTRODUCTION

### 1.1 Overview and background of the study

Women's empowerment is a key driver of inclusive socio-economic development, particularly in a country like India, where women constitute a significant share of the population but continue to face socio-cultural and economic constraints. Despite their crucial role in economic and social progress, many women remain excluded from access to education, financial resources, and decision-making due to deeply rooted patriarchal norms.

In response to these challenges, Self-Help Groups (SHGs) have emerged as an effective grassroots mechanism for promoting women's empowerment. These groups provide a platform for savings, access to credit, skill development, and income-generating activities, thereby enhancing financial inclusion and economic independence. Beyond economic benefits, SHGs also contribute to improving women's confidence, social participation, and leadership abilities.

This study examines the role of SHGs in fostering women's socio-economic development while also identifying the barriers that limit their effectiveness. It further explores how cultural and regional factors influence the functioning and outcomes of SHGs. Although SHGs have shown significant positive impacts, issues such as restricted mobility, unequal decision-making power, and social norms continue to hinder their full potential.

Therefore, the study aims to provide a comprehensive understanding of both the contributions and limitations of SHGs, emphasizing the need for a more inclusive and context-specific approach to ensure sustainable and holistic empowerment of women.



### 1.2 Research Problem

Despite the growth of Self-Help Groups (SHGs) in India, their impact on women's empowerment remains uneven. While SHGs improve access to finance and income opportunities, many women still face barriers such as patriarchal norms, restricted mobility, and unequal decision-making.

The study focuses on examining the extent of SHGs' contribution to women's socio-economic empowerment and identifying key socio-cultural and regional factors that limit their effectiveness and long-term impact.

### 1.3 Objectives of the Study

- To study the role of Self-Help Group in women's social and economical development.
- To identify the barriers faced by SHGs members.
- To study how cultural and regional factors affect the effectiveness of SHGs
- To explore the specific difficulties faced by SHG members in maintaining economic independence.

### 1.4 Hypothesis Statements

Hypothesis 1: Perceived Social and Economic Impact

Null Hypothesis ( $H_0$ ): SHGs do not have a significant positive impact on development

Alternative Hypothesis ( $H_1$ ): SHGs have a significant positive impact on development.

Hypothesis 2: Influence of Cultural and Regional Barriers

Null Hypothesis ( $H_0$ ): Cultural and regional factors are not perceived as significant barriers (Mean > 3).

Alternative Hypothesis ( $H_1$ ): Cultural and regional factors are perceived as significant barriers

Hypothesis 3: Challenges to Economic Independence

Null Hypothesis ( $H_0$ ): Difficulties in training/skills are not major challenges.

Alternative Hypothesis ( $H_1$ ): Difficulties in training/skills are significant challenges.

### 1.5 Scope of the Study

This study examines the role of Self-Help Groups (SHGs) in promoting women's socio-economic empowerment in India. It focuses on key aspects such as financial inclusion, income generation, decision-making, and social participation.

The study also explores the impact of cultural and regional factors on SHG effectiveness and identifies major barriers faced by women, including socio-cultural restrictions and unequal power dynamics. It is limited to SHGs as a tool for empowerment and provides an analytical understanding of their contribution to women's development.

## II. REVIEW OF LITERATURE

The literature on Self-Help Groups (SHGs) highlights their role in promoting women's socio-economic empowerment in India. Studies show that SHGs improve financial inclusion, decision-making, and social status, while also identifying barriers such as socio-cultural constraints and regional disparities affecting their effectiveness.

### Objective 1: To study the role of Self-Help Group in women's social and economical development.

Participation in Economic Self-Help Groups (SHGs) significantly enhances women's empowerment by improving financial confidence, decision-making power, and social support. Studies show that SHG members experience greater mobility, political awareness, and control over household decisions. Additionally, SHGs strengthen women's socioeconomic status by promoting confidence, equality, and active participation in economic and community development (Singh, 2022; Raj & Vaish, 2023).



**Objective-2. To identify the barriers faced by SHGs members.**

A major challenge faced by SHGs is inadequate training and capacity-building, which limits members' confidence and ability to engage in income-generating activities. Poor guidance and irregular monitoring further affect record-keeping, meeting management, and group functioning (Kapoor, 2019; Yadav&Sagar, 2016; Murry et al., 2020; Shilpa et al., 2021). Additionally, cultural and societal barriers—such as restricted mobility, low confidence, lack of family support, and limited awareness of government schemes—hinder women's active participation and access to broader benefits (Shilpa et al., 2021; Murry et al., 2020).

**Objective-3. To study how cultural and regional factors affect the effectiveness of SHGs**

Cultural factors significantly influence the effectiveness of SHGs and the level of women's empowerment. Studies show that SHGs improve confidence, decision-making, mobility, and community participation, but outcomes depend on family and societal acceptance, leadership, and financial independence. Strong cultural support enhances SHG success in driving social and economic change (Basak& Chowdhury, 2024). However, existing research often lacks robust tools to measure cultural norms, relying mainly on descriptive analysis. This highlights the need for improved methodologies and longitudinal studies to better understand the impact of cultural and regional factors on SHG outcomes (Systematic Review, 2025).

**Objective-4. To explore the specific difficulties faced by SHG members in maintaining economic independence.**

A key issue in SHGs is limited access to adequate financial resources beyond savings and small internal loans. The credit provided is often short-term and low-value, restricting members from pursuing entrepreneurial activities and achieving economic independence (Kumar, 2021; Sharma, 2021).

Additionally, small loan sizes and institutional barriers—such as complex procedures, limited financial access, and lack of tailored services—hinder business growth. This is further aggravated by inadequate financial literacy and business training, limiting members' ability to effectively utilize credit and expand beyond subsistence activities (Desai & Joshi, 2018; Basak& Chowdhury, 2024).

Overall, the literature highlights that SHGs play a vital role in promoting women's empowerment and socioeconomic development. However, challenges related to training, financial access, and cultural constraints persist. Addressing these gaps through stronger institutional support and improved methodologies can enhance the effectiveness and long-term impact of SHGs.

### **III. RESEARCH METHODOLOGY**

#### **3.1 Research Design**

The study adopts a **descriptive research design** to analyze the functioning of Self-Help Groups (SHGs) and their impact on women's empowerment. This design helps in understanding participation levels, financial involvement, and challenges faced by SHG members.

#### **3.2 Target Population**

The target population consists of **women members of SHGs in Pimpalgaon Kale region.**

##### **Justification:**

This group is selected because SHG women are directly involved in group activities and are the primary beneficiaries, making them the most suitable for studying empowerment outcomes and challenges.

#### **3.3 Data Sources and Collection Techniques**

##### **Primary Data:**

**Structured Questionnaires** to collect quantitative data on socio-economic status, participation, and empowerment indicators.



**Personal Interviews** (only for clarification and support of responses).

**Secondary Data:**

- Research papers and dissertations
- Government reports
- NABARD and NRLM documents
- Books and academic journals

**3.4 Sampling Design**

**Sample Size:** 100 SHG women members

**Sampling Technique:** Simple Random Sampling

This ensures equal chance of selection, reduces bias, and improves reliability.

**3.5 Data Analysis Tools**

The study uses **quantitative tools**:

- Percentages
- Frequency distribution
- Measures of central tendency
- Cross-tabulation
- Graphical representation (charts and tables)
- t-test** to test significance and draw conclusions about the population

**3.6 Conclusion of Methodology**

The use of descriptive design, random sampling, and quantitative analysis ensures a systematic, objective, and reliable evaluation of SHG performance and women’s empowerment.

**IV. DATA ANALYSIS AND INTERPRETATION**

**4.1 Overview of Statistical Methodology**

The study utilizes a quantitative approach to test the perceived impact of Self-Help Groups (SHGs) on women members. Data was collected on a 5-point Likert Scale (1 = Strongly Disagree to 5 = Strongly Agree). To test the hypotheses, a One-Sample t-test was conducted against a test value of 3.0 (the neutral midpoint). A mean score significantly higher than 3.0 indicates a positive perception/impact.

**4.2 Hypothesis Testing and Results**

The following table summarizes the statistical results for the three formulated hypotheses:

Hypothesis	Variable (Question Source)	Mean ( $\bar{x}$ )	Std. Error (SE)	t-value	Result ( $p < 0.05$ )
H1: Impact	Job Involvement & Social Processions	3.85	0.081	10.49	Significant
H2: Barriers	Local & Cultural Constraints	2.65	0.105	-3.33	Not Significant
H3: Challenges	Training & Skill Restrictions	3.40	0.091	4.39	Significant

**4.3 Detailed Discussion**

Hypothesis 1: Perceived Social and Economic Impact

Null Hypothesis ( $H_0$ ): SHGs do not have a significant positive impact on development (Mean  $> 3$ ).

Alternative Hypothesis ( $H_1$ ): SHGs have a significant positive impact on development (Mean  $> 3$ ).

Findings: The calculated mean of 3.85 and a high t-value of 10.49 indicate that respondents strongly agree that SHGs have improved their social standing and economic involvement.



Decision: Reject Null Hypothesis.  $H_1$  is accepted.

Hypothesis 2: Influence of Cultural and Regional Barriers

Null Hypothesis ( $H_0$ ): Cultural and regional factors are not perceived as significant barriers (Mean > 3).

Alternative Hypothesis ( $H_1$ ): Cultural and regional factors are perceived as significant barriers (Mean > 3).

Findings: The mean score was 2.65, which is below the neutral point of 3.0. This suggests that members do not view their local culture or region as a primary hindrance to the group's success.

Decision: Fail to Reject Null Hypothesis.  $H_0$  is retained.

Hypothesis 3: Challenges to Economic Independence

Null Hypothesis ( $H_1$ ): Difficulties in training/skills are not major challenges (Mean).

Alternative Hypothesis ( $H_1$ ): Difficulties in training/skills are significant challenges (Mean > 3).

Findings: With a mean of 3.40 and a t-value of 4.39, the data confirms that women face genuine difficulties regarding skill acquisition and training protocols within the SHG framework.

Decision: Reject Null Hypothesis.  $H_1$  is accepted.

#### 4.4 Conclusion of Analysis

The analysis concludes that while SHGs are highly effective in empowering women socially and economically, their full potential is currently limited not by cultural "barriers," but by technical "challenges." The significant findings in Hypothesis 3 highlight a critical need for enhanced training programs and skill-building initiatives to bridge the gap between membership and true economic independence.

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