

The Transformative Power of Bihar Self Help Groups in Women and Economic Empowerment

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Abstract:

Self-Help Groups (SHGs) in Bihar have given women a stronger voice by providing a platform to connect, share stories, and support one another. Consequently, women's confidence, social status, and ability to advocate for themselves have all increased due to the collective power of their groups. Additionally, the financial independence and reduced reliance on male family members have enabled women in SHGs to engage in more income generating activities.

Keywords: self help groups, development, empowerment, livelihood, women, capacity building , planning

INTRODUCTION

The Self-Help Groups (SHGs) in Bihar were established under the Bihar Urban Livelihood Mission. The primary goal was to increase the social and economic participation of rural and urban women in the state. These SHGs, collectively known as JEEVIKA, strive to empower underprivileged and marginalized women, helping them achieve economic and social empowerment .

The National Rural Livelihood Mission (NRLM) scheme provided a significant boost to the SHG movement in Bihar in 2009. The NRLM began providing 65% of the funding to the state government to support the development of SHGs for rural and urban underprivileged women.

Subsequently, the Bihar Rural Livelihoods Promotion Society and the State Rural Livelihood Mission launched the Jeevika platform to further strengthen the SHG ecosystem. The key objectives of this program include:

1. Individual empowerment of women in the livelihood sector
2. Formation and management of self-help groups
3. Promoting financial participation
4. Facilitating social development and conflict resolution

Importantly, the 2006 Panchayati Raj elections in Bihar reserved 60% of positions in Gram Panchayats for women, which further bolstered the government's SHG initiatives and earned nationwide recognition. The establishment of SHGs in Bihar involves three key phases: Initiation, Planning, and Implementation. The Initiation phase focuses on identifying target groups, creating awareness, and forming Village Organizations to oversee the process. The Planning phase involves needs assessment, strategy development, and capacity building. Finally, the Implementation phase encompasses SHG formation, regular meetings, credit linkages, and ongoing monitoring and support.

OBJECTIVES:

Objectives are as follows :

1. The first objective is to understand the importance of self-health groups in the rural as well as urban society
2. The second objective is to analyze the participation and importance of women in the self help groups of Bihar especially at block as well as Panchayat level
3. Third objective is to analyze and record the various data related to self help groups in Bihar available at secondary sources ,the first one is the government websites especially Bihar government and the second one is the NGO websites involved in the study as well as assistance of self help groups
4. The fourth objective is to find out the various supportive as well as suggestive outcomes which can be interpreted from the data collected from the government websites as well as NGO websites
5. The fifth objective is to have overall view of the various hardship which the self help groups go through during their daily functioning in the administrative levels .
6. Sixth as well as the most important objective is to analyze the benefits of self-health groups in the economic as well as social spheres along with this suggesting store terms as well as long term measures to improve self help groups in Bihar.

METHODS OF DATA COLLECTION

To collect data we fully focused on the secondary sources of data collection typically we plundered through the various websites related to two major platforms firstly the government websites which are managed and maintained by the government of Bihar secondly we visited various NGO websites which were functional in the self help groups as well as development sectors since or before 2006 below we would be giving our sources of data collection through which we gathered data and analyzed it.

Government website-

- A. Bihar rural livelihood Promotion Society(BRLPS)
[Bihar Rural Livelihoods Promotion Society \(brlps.in\)](http://brlps.in)
- B. Rural development department government of Bihar
Rural Development Department, Govt. of Bihar
- C. Panchayati raj department government of Bihar
[Panchayati Raj Department \(bihar.gov.in\)](http://Panchayati Raj Department (bihar.gov.in))
- D. Urban development Department of Bihar
[Urban Development and Housing Department \(bihar.gov.in\)](http://Urban Development and Housing Department (bihar.gov.in))
- E. Bihar Udyami mission government of Bihar [CMSCST | MMUY | BLUY \(bihar.gov.in\)](http://CMSCST | MMUY | BLUY (bihar.gov.in))

NGO'S WEBSITE:

- a. Kotak Mahindra Corporate Social Responsibility
Corporate Responsibility - Kotak Mahindra Bank
- b. Better world foundation
[Better World Foundation \(bwf.org.in\)](http://Better World Foundation (bwf.org.in))
- c. Tata sustainability and developmental group support
Tata Sustainability Group
- d. Agha khan rural support program
[Aga Khan Rural Support Programme \(India\) - Home \(akrspindia.org.in\)](http://Aga Khan Rural Support Programme (India) - Home (akrspindia.org.in))

e. Srijan foundation rural development agency

Srijan Foundation , A Leading NGO in Ranchi, Jharkhand, (srijanjhk.org)

DATA FINDINGS:

1. that more The data showed that young women made up 46.67% of the selected area, with 96.67% of the members being literate and the remaining 3.33% being illiterate.
2. The majority (58.34%) of the Women Self Help Group (WSHG) members belonged to the Other Backward Class (OBC) caste group, 67.50% were engaged in farming as their main occupation, and 61.67% of WSHG members possessed semi-cemented houses.
3. The majority of respondents (55.83%) had less than 1 hectare of land, and 55.00% of respondents had an annual income ranging from Rs. 1.0 lac to 2.0 lac per annum from all sources. This was likely due to a lack of awareness and interest in agriculture.
4. Most respondents joined SHGs to meet their family expenses and unexpected expenditures. Monthly savings increased significantly after joining SHGs compared to before. Over 20.83% of respondents reported increased family income and improved living standards.
5. The data regarding the utilization level of respondents in women empowerment programs showed that half of the respondents (63.33%) had a medium level of utilization.

DISCUSSIONS:

Social Benefits:

1. Empowerment of Women:

Self-Help Groups (SHGs) in Bihar have given women a stronger voice by providing a platform to connect, share stories, and support one another. Consequently, women's confidence, social status, and ability to advocate for themselves have all increased due to the collective power of their groups. Additionally, the financial independence and reduced reliance on male family members have enabled women in SHGs to engage in more income generating activities.

2. Social Unity:

SHGs bring together people from diverse backgrounds, fostering social bonds and collaborative problem-solving. By tackling local issues as a group, the members promote mutual benefit and teamwork, which helps to maintain peace in society and reduce conflicts between communities.

3. Awareness and Education:

SHGs often serve as a channel for disseminating knowledge on various social issues, such as education, sanitation, and health, thereby raising awareness and improving the quality of life for rural residents. Notably, SHG members are more likely to ensure that their children, especially girls, attend school, leading to increased literacy rates in the region.

Advantages for the Government:

1. Well-Conducted Programs:

The government collaborates with Self-Help Groups (SHGs) to effectively implement programs targeting women's empowerment, rural development, and poverty reduction. This partnership ensures that benefits, such as loans, subsidies, and other resources, are distributed efficiently to the intended beneficiaries.

2. Self-organized Governance:

SHGs aid in the decentralization of governance by involving local communities in decisionmaking processes. This participatory approach facilitates better planning and implementation of development

projects, while also improving the trust and communication between rural people and the government.

3. **Cut Down on Red Tape and Paperwork:**

By using SHGs as intermediaries, the government can reduce bureaucracy and corruption, ensuring that resources and benefits are provided more swiftly and transparently.

Economic Benefits:

1. **Income Generation and Poverty Alleviation:**

SHGs encourage members to save money and access microcredit to start small businesses or engage in income-generating activities like agriculture, handicrafts, or livestock rearing. This leads to increased household incomes and a reduction in poverty. Furthermore, the collective bargaining power of SHGs enables members to access better prices for their products and services, further boosting their economic status.

2. **Inclusion of Finances:**

In Bihar, SHGs have been instrumental in enhancing financial inclusion. Members who were previously unable to access formal financial services can now apply for credit, open bank accounts, and manage their finances more effectively. The group's savings culture has also instilled a disciplined financial mind set, improving members' financial planning and management.

3. **Job Availability:**

SHGs create employment opportunities not only for their members but also for nonmembers who can be employed in the small businesses started by SHG members. This has helped to reduce rural-to-urban migration, as the locally generated jobs provide incomeearning opportunities within the community.

4. **Growth in the Economy and Sustainability:**

SHGs promote local entrepreneurship and business ownership, leading to sustained economic growth. This local economic activity ensures that the generated wealth remains within the community, reducing dependence on external markets. As a result, the standard of living has improved in many of Bihar's rural districts due to the cumulative economic impact of SHGs.

CONCLUSION

The self-help group (SHG) initiative in Bihar has significantly transformed the landscape of women's access to affordable credit, empowering them economically and socially. This article delves into the initiative's impact on risk-sharing among households by examining variations in consumption growth at the village level.

The analysis reveals that improvements in risk-sharing were predominantly noted in blocks where there was a robust presence of established SHGs. This finding underscores the importance of the program's administrative strength and the effectiveness of its implementation. A key component of this administrative strength is the 'community cadre,' which consists of existing SHG members who are entrusted with the responsibility of forming new groups.

These community cadres play a pivotal role in fostering trust and collaboration among women, facilitating the sharing of resources and information, and ultimately enhancing the overall resilience of households against economic shocks. By leveraging their experiences and networks, these members are able to guide new SHGs in navigating the challenges of accessing credit and managing financial risks.

Moreover, the presence of established SHGs creates a supportive environment that encourages collective action and mutual assistance among women. This not only leads to improved financial stability for

individual members but also contributes to the overall economic development of the community. As women gain access to affordable credit, they are better positioned to invest in income-generating activities, education, and health, thereby improving their families' quality of life.

In conclusion, the SHG initiative in Bihar serves as a powerful example of how targeted programs can enhance women's access to financial resources and promote risk-sharing within communities. The findings of this study highlight the necessity of strong administrative frameworks and the involvement of community members in ensuring the sustainability and effectiveness of such initiatives. By continuing to support and expand the SHG model, policymakers can further empower women and foster economic resilience in rural areas.

SUGGESTIONS

Short-Term Measures:

1. **Capacity Building and Training:** Provide immediate training in financial literacy, leadership, and vocational skills to enhance SHG operations.
2. **Simplify Access to Credit:** Streamline loan processes, offer low-interest loans, and provide short-term interest subsidies to support income-generating activities.
3. **Enhance Market Linkages:** Facilitate access to local and regional markets and support marketing and branding efforts for SHG products.
4. **Regular Monitoring and Support:** Implement frequent audits, feedback mechanisms, and provide timely guidance to address challenges.
5. **Promote Digital Literacy:** Offer basic digital training and introduce SHGs to e-commerce platforms to expand their market reach.
6. **NGO Collaboration:** Partner with NGOs for technical support, resources, and knowledge sharing to strengthen SHG activities.
7. **Government Incentives:** Provide small grants, seed funding, and recognition programs to motivate and support SHGs.

Long-Term Measures:

1. **Sustainable Capacity Development:** Establish ongoing training programs and create a network of resource center to ensure continuous skill enhancement and leadership development.
2. **Financial Inclusion and Independence:** Develop long-term financial strategies, including creating SHG-owned financial institutions or cooperatives, to provide sustainable credit access.
3. **Market Diversification and Expansion:** Promote the development of value chains, create export opportunities, and establish long-term contracts with large buyers for SHG products.
4. **Strengthening SHG Governance:** Foster strong internal governance structures within SHGs, including regular elections and transparent decision-making processes.
5. **Digital Transformation:** Invest in advanced digital tools, such as mobile apps for financial management and digital marketing, to modernize SHG operations.
6. **Policy and Legislative Support:** Advocate for policies that provide legal recognition and protection for SHGs, ensuring their long-term sustainability and growth.
7. **Long-term Partnerships:** Establish lasting partnerships with NGOs, private sector players, and academic institutions for continuous support, innovation, and research on SHG development.

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