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Impact of Self-Help Groups and Self Employment on Women's Empowerment in Eastern Uttar Pradesh

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ABSTRACT

Women's Self-Help Groups serve as vital platforms for collective action and microfinance significantly contributing to women's economic independence and social empowerment within the Indian context. This study looks at how SHGs affect women's financial autonomy, deep civic engagement, leadership skills, and household decision-making. It draws evidence from Gorakhpur and Kushinagar districts. Active involvement in SHGs is associated with enhanced economic prosperity for women, specifically higher income levels and the practice of regular saving and taking part in important family and community decisions. These women are engaged in various self-employment activities, such as micro-enterprises, agriculture, handicrafts, garment production, and food processing. These activities boost their confidence, social recognition, and leadership. However, challenges still exist in areas like technical skills, access to credit, marketing support, and vocational training. The research indicates that SHGs are catalysts for change and proposes various methods to enhance the empowerment of women in rural areas.

Keywords: Women's empowerment, Self-Help Groups, self-employment, economic self-reliance, social participation, leadership development, rural development, micro-enterprise, capacity building.

INTRODUCTION

Women have consistently held important positions in Indian society, yet their contributions, particularly in rural and low-income areas, often go unrecognized. Social and cultural barriers, along with limited access to education, employment, and financial resources, leave many women dependent and marginalized. Self-Help Groups (SHGs) offer a practical solution for social and economic advancement. By promoting collective savings and providing micro-credit (Babu, 2018), SHGs support livelihoods in agriculture, dairy, poultry, textiles, weaving, handicrafts, and food processing. SHGs also foster unity and mutual support through regular meetings, where women discuss issues such as health, education, and local governance (Kumar & Mishra, 2022; Mahato et al., 2023). Many members report greater confidence and a more active role in family decisions, especially regarding finances and their children's welfare.

To strengthen this movement, government initiatives like the National Rural Livelihood Mission and Deen Dayal Antyodaya Yojana have offered training, financial support, and market connections (NITI Aayog, 2020). However, challenges remain. Poor training quality, limited access to credit, weak market ties, and ongoing gender discrimination continue to hold back the full potential of SHGs (Vasishta & Singla, 2025;

Borah, 2014). Despite these challenges, SHGs offer a valuable way for women to gain empowerment. This approach relies on community support, self-sufficiency, and collective growth. This study attempts to evaluate or assess the strengths and weaknesses of the three central ideas: Are the income-generating activities run by Self-Help Groups (SHGs) sustainable over time? How does participation in an SHG impact women's decision-making and their ability to confront gender inequality? Finally, are existing government programs and training initiatives effective, or are new policies needed for better results?

To answer these questions, the study has three main goals. The initial goal is to explore the role of SHGs in enabling women's financial autonomy and expanding their employment opportunities. The subsequent objective is to assess the impact of belonging to an SHG on women's confidence levels, community standing, and participation in domestic and public decision-making. The third focus is to identify continuing issues that constrain the groups effectiveness and recommend practical solutions for enhancing their impact. These research questions and aims provide a robust framework for understanding the potential of SHGs to drive sustainable change. This change affects not only earnings but also women's capacity for choice, their self-worth, and their social standing. The research evaluates the sufficiency of existing support mechanisms and indicates where improvements are essential for achieving more equitable and powerful empowerment outcomes.

METHODOLOGY

A descriptive and analytical research design was employed for this study, incorporating mixed methods (quantitative and qualitative) to explore the economic, social, and psychological effects of female participation in sSelf-Help Groups in the districts of Gorakhpur and Kushinagar, located in Uttar Pradesh.

Research setting and participant recruitment

The field study was undertaken in carefully selected blocks across two districts. In Gorakhpur, the areas of Chargawan, Pipraich, and Bansgaon were included, while in Kushinagar, the blocks of Captanganj, Padrauna, and Fazilnagar were chosen. Altogether, the study engaged 300 women respondents, ensuring balanced representation with 150 participants drawn from each district, thereby enabling a comprehensive and comparative understanding of the region.

Data collection

The research used a mixed-methods design, leveraging both primary and secondary data. Key information was obtained through structured interviews that employed questionnaires, focus group discussions (three in each district) and direct observation of work Sites and ongoing activities. These methods provided an in-depth understanding of ground realities and women's lived experiences. Secondary sources included government reports, policy documents, books, academic literature, and official data from the National Rural Livelihoods Mission, which offered valuable contextual and policy-level insights, measurable patterns and trends, while qualitative findings captured the nuanced perspectives and voices of women, thereby enriching the analysis with experimental depth.

Data analysis

We observed both the districts exhibit discernible positive trajectories in women's empowerment, largely attributable to the efficacy of Self-Help Groups (SHGs). Notably, Gorakhpur demonstrates al more robust institutional framework, characterized by superior governmental and non-governmental organizational support, alongside elevated rates of self-employment, vocational training, and economic self-sufficiency. Furthermore, women in these regions reported. augmented self-confidence, enhanced participation in household and community governance, and expanded market exposure.

RESULT AND DISCUSSION

Socio-Economic Profile and SHG Participation

The socio-economic characteristics of the respondents showed differences in age, education, caste, landholding, and family type across the two districts.These women, primarily from rural communities with minimal formal schooling, nonetheless held considerable, valuable, hands-on experience in managing their homes and assisting with farm operations. Their involvement in Self-Help Groups proved transformative; it instilled financial discipline through regular saving, facilitated access to essential credit, and motivated them to pursue initiatives that generated income. These changes led to greater economic participation and a sense of self-reliance (Radhakrishnan, 2015).

Table 1. District-Wise Comparison of SHG Outcomes

District	No. of SHGs	Women in Self-Employment (%)	Women Trained (%)	Women Economically Self-Reliant (%)
Gorakhpur	120	72	65	54
Kushinagar	95	68	58	49

Data shows that Self-Help Groups in Kushinagar did not perform as well as those in Gorakhpur. This particular discrepancy was the most apparent in access to training programs and in the share of women who were able to achieve economic empowerment (Mahato et al., 2023; Tigari & Aishwarya, 2020).

Economic Outcomes

Women who joined Self-Help Groups (SHGs) in Gorakhpur and Kushinagar became much more active in earning a living. Women affiliated with Self-Help Groups demonstrated a significantly higher propensity to engage in self employment and initiate micro- enterprise activities compared to their non-SHG counterparts. They took up activities like farming, tailoring, making handicrafts, processing food, and running small shops (Babu, 2018; Pooja, 2021). In Gorakhpur, women had better access to training, which helped them grow their skills and become more financially independent. Kushinagar also showed good progress; many women began earning on their own and felt more confident handling money and making decisions. Overall, SHGs gave women a real chance to improve their lives and take charge of their future.

Social, Psychological, and Leadership Outcomes

Joining Self-Help Groups (SHGs) brought many positive changes for women not just in earning money, but in how they saw themselves and how others saw them. Women felt more confident and started playing a bigger role in family decisions, especially when it came to money matters, their children's education, and health care (Prudencio et al., 2020).

Their involvement didn't stop at home. Many began attending village meetings, speaking up, and helping shape decisions in their communities (Patnaik, 2020). Some even became leaders in their SHGs, taking on roles like group coordinators or office bearers. These leadership positions gave them a stronger voice and inspired other women to step forward, take part, and lead as well (Mahato et al., 2023; Tigari & Aishwarya, 2020). It's a ripple effect one woman's growth encourages many more.

Membership in Self-Help Groups (SHGs) was closely linked to more self-employment, better access to training, and expanded economic independence among female participants (NABARD, 2020; Kumar & Mishra, 2022). The comparatively stronger performance observed in Kushinagar appears to be linked to more active participation by non-governmental organisations and improved access to market networks, in

contrast to Gorakhpur, and better support from institutions in the area. These findings show how local infrastructure, community networks, and governance are important in determining the success and impact of SHG programs.

Economic empowerment at the village level was closely linked to women's greater involvement in family and community activities. In villages where new income opportunities emerged, such as farming, small businesses, or skill-based work, women became more engaged, confident, and outspoken. These changes mirror a larger trend found in research: when women achieve financial independence, they gain more influence in household decisions and become more active in the economic and social life of their communities (Kabeer, 1999; Sanyal, 2009).

Notwithstanding measurable advancements, a range of persistent constraints continue to limit women's ability to fully realise the benefits of Self-Help Groups initiatives. Many training programs are basic or poorly delivered, which leaves women without the skills to grow their businesses. Market access is another problem; without strong connections or support, women find it hard to sell their products or expand their work. Deep-rooted cultural norms also remain, limiting women's mobility, confidence, and ability to make decisions.

In Kushinagar, these problems are particularly evident. Low training levels and limited self-reliance among SHG members indicate that current programs haven't addressed the underlying structural issues. This reflects wider concerns across India. While financial inclusion has created opportunities, it hasn't guaranteed real enhancement of women's social status and economic agency.

CHALLENGES AND RECOMMENDATIONS

Despite the progress made, Self-Help Groups (SHGs) still face real and ongoing challenges. A substantial proportion of women continue to face familial opposition and entrenched gender norms that constrain their participation in income-generating activities and capacity to engage in skill-development or training programs. Poor infrastructure and long travel distances make it hard to access skill-building programs. Even when women produce goods, limited marketing support creates difficulties in selling them. Financial stress, especially regarding loan repayment, adds more pressure. To tackle these issues, we need a practical and inclusive strategy. Setting up more rural training centers focused on skills that matter locally, such as tailoring, food processing, or handicrafts, can help women build confidence and start small businesses. Easier access to loans, along with financial literacy programs, would empower women with funds and the knowledge to manage them wisely.

Strong leadership and transparent governance within SHGs are a key prerequisites for trust formation and ensuring the groups function effectively. Better market access through cooperatives, exhibitions, and digital platforms can help women reach more customers and reduce their reliance on local buyers who often offer low prices.

Awareness is another important factor. Village-level workshops and information campaigns can help women understand and access government schemes designed to support them. Collaboration among non-governmental organisations, local administrative authorities, and community leadership can foster an enabling environment that promotes women's leadership, amplifies their voices, and enhances their active participation in shaping local development processes.

When women receive the right mix of support, such as quality training, access to finance, strong market connections, transparent group leadership, and encouragement from their communities, Self-Help Groups

(SHGs) can become powerful engines of change. These groups do more than improve income; they help women build confidence, speak up in public, and take on meaningful roles in their families and villages.

CONCLUSION

The expansion of Self-Help Groups and self-employment programs has served as a significant catalyst for broad and multi-layered changes in the socio-economic conditions of rural women in Gorakhpur and Kushinagar. Participation in these initiatives has contributed not only to enhanced economic autonomy but also to the development of greater self-esteem, confidence, and social recognition among women. The ability to make informed decisions, both within the household and in community affairs, has grown remarkably, thereby reshaping gender dynamics and broadening women's agency in rural society.

The comparative analysis reveals that Gorakhpur has experienced relatively greater success in these endeavours. This can be ascribed to the district's wider access to structured training programs, stronger institutional support, and more effective market linkages, all of which have provided women with a fertile environment to translate their skills into tangible economic gains. On the other hand, while women in Kushinagar have also benefitted from SHC activities, their progress remains constrained by limited resources, inadequate infrastructure, and weaker market connectivity. These structural deficiencies underscore the pressing requirement for focused policy interventions and strengthened allocation of resources, and improved institutional facilitation to ensure that the transformative potential of SHGs is realized in an equitable manner across regions. The study ultimately demonstrates that empowerment through SHGs and self-employment initiatives transcends economic advancement alone.

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