

SELF-HELP GROUPS AS ENGINES OF CHANGE: PATHWAYS TO WOMEN'S EMPOWERMENT AND SUSTAINABLE LIVELIHOOD IN MURSHIDABAD

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Abstract: *Self-Help Groups (SHGs) have emerged as an important method for empowering women and promoting sustainable livelihood development in rural India. This study investigates the mechanisms by which self-help groups (SHGs) stimulate socio-economic transformation in Murshidabad district, a place characterised by gendered limitations and livelihood instability. Using a mixed-methods methodology, the study surveyed 30 self-help group members and 150 households. The study found that joining a self-help group (SHG) improves women's financial literacy, savings habits, and access to formal loans. Collective effort generates social capital, which strengthens confidence and community participation. Livelihood benefits were visible but variable, with better results tied to practical training and market connections. To ensure that self-help groups (SHGs) support long-term empowerment and sustainable livelihoods, the study recommends targeted capacity-building, greater value-chain integration, and gender-sensitization activities.*

Keywords: Self-Help Group, Livelihood, Financial literacy, Empowerment, Rural Finance.

Introduction

Women's empowerment has emerged as a central pillar of inclusive and sustainable development, especially in countries like India, where structural inequalities have historically limited women's access to resources, opportunities, and decision-making power. In this context, Self-Help Groups (SHGs) - small, voluntary, community-based collectives predominantly rural. Women have evolved into one of the most influential grassroots strategies for socio-economic transformation. Rooted in principles of mutual aid, collective responsibility, and participatory development, self-help groups (SHGs) offer women a platform to mobilize savings, access microcredit, develop entrepreneurial capabilities, and build social capital. Over the past three decades, self-help groups (SHGs)-centred initiatives under programmes such as the National Rural Livelihoods Mission have redefined the contours of women's agency in rural India.

The Murshidabad district of West Bengal presents a particularly compelling context for examining the transformative potential of self-help groups (SHGs). Characterised by a predominantly rural population, a history of socio-economic backwardness, fluctuating livelihood opportunities, and gender-based disparities, Murshidabad reflects many of the developmental challenges faced across eastern India. The district's economy traditionally hinges on agriculture, silk production, bidi manufacturing, and informal labour-sectors where women's participation is numerically significant but economically undervalued. In such a setting, self-help groups (SHGs) serve as vital engines for expanding women's access to financial resources, enhancing livelihood security, and fostering social emancipation. At the micro level, self-help groups (SHGs) in Murshidabad have played a substantial role in reshaping household dynamics, enabling women to contribute directly to income generation and financial management. These shifts often translate into improved decision-making power, greater mobility, and heightened confidence among women. At the macro level, SHGs function as catalysts for collective bargaining, community leadership, and grassroots governance, linking rural women to institutional structures such as banks, panchayats, and development agencies. By bridging the gap between the state and marginalised communities, SHGs strengthen local resilience and stimulate inclusive growth.

The concept of self-help groups (SHGs) as "engines of change" underscores their multifaceted contribution not only as financial intermediaries but also as platforms for social learning, political participation, and capacity building. Their impact extends beyond immediate economic gains, influencing broader processes of gender justice, social cohesion, and democratic participation. However, the extent of empowerment and livelihood enhancement varies across different socio-economic environments, highlighting the need for region-specific analysis. Murshidabad's unique socio-cultural fabric, high population density, and entrenched gender norms create both opportunities and constraints that shape the outcomes of self-help group (SHG) initiatives.

This study, therefore, seeks to explore the pathways through which self-help groups (SHGs) foster women's empowerment and sustainable livelihood transformation in Murshidabad district. By examining financial inclusion mechanisms, the development of micro-enterprises, participation in community institutions, and changes in gender relations, it aims to uncover how self-help groups (SHGs) contribute to long-term socio-economic resilience. The analysis also considers the challenges that limit the effectiveness of self-help groups (SHGs)-ranging from inadequate training and market access to patriarchal resistance and institutional bottlenecks.

In a broader sense, the research contributes to ongoing debates surrounding the role of grassroots collectives in promoting gender-responsive development. It highlights how localised initiatives, when adequately supported by policy frameworks and community participation, can create enduring structures of empowerment. In the specific context of Murshidabad, self-help groups (SHGs) represent not merely financial groups but transformative social spaces that enable women to negotiate identity, autonomy, and sustainable livelihood pathways.

Literature Review

At present, livelihood has become essential for analysing and predicting sustainable development. At the root of sustainable livelihood lies the concept of empowerment. The livelihood approach was first introduced by Chambers in 1983 (Chambers & Conway, 1992; Bernstein et al., 1996). Later, many adopted it and became common in academic research and practice over the past two decades (Rakodi & Lloyd Jones, 2002; Schafer, 2002). According to Ellis (2000), livelihoods may be defined as 'the assets (natural, physical, human, financial and social capital), the activities (strategies of use), and the access to these (mediated by institutions and social relations) that together determine the living gained by the individual or household' (Ann M. Oberhauser et al., 2004). The Sustainable Livelihoods framework provides a basis for analysing the complexity of livelihoods (Carney, 1998) and the 'diverse ways people make a living and build their worlds' (Bebbington, 1999, p. 2021; Beall, 2002).

In livelihood studies, the ability of individual household members to command resources was often overlooked, particularly for women (Beall, 2002). Recent studies by feminist researchers have provided a clear understanding of the constraints and barriers women face (e.g., Masika & Joeques, 1996; Whitehead & Kabeer, 2001). They have begun considering their role in household chores (Francis, 2000). A sustainable livelihood is when people can focus on the individual poor people. It is the women who have always been neglected in society. More empirical research is required on the strategies women and men use to secure their livelihoods (De Haan et al., 2002). Microfinance through self-help groups (SHGs) empowers women to achieve sustainable livelihoods. Because it provides a means to link macro-level processes to micro-level outcomes and responses, a livelihoods approach offers a view into how people cope with or adapt to economic restructuring in all its complexity (Ann M. Oberhauser et al., 2004).

Objective

The objectives of the paper are:

1. To identify the women engaged in self-help groups (SHGs).
2. To examine the influence of self-help groups (SHGs) on their livelihoods.
3. To analyse the livelihood assets and level of food security amongst the women.

Database and Methodology

Sampling Design

Murshidabad district comprises five administrative subdivisions: Berhampore, Kandi, Lalbagh, Domkal, and Jangipur. To ensure spatial representation, a purposive multistage sampling design was used.

1. Stage I – Subdivision Selection: All five subdivisions were included to capture inter-regional variability.
2. Stage II – SHG Selection: Three self-help groups (SHGs) were selected from each subdivision, for a total of 15.
3. Stage III – Member Selection: From each self-help group (SHG), two women members who had availed loans for micro-enterprises were purposively selected.

4. Stage IV – Household Survey: A total of 150 households were surveyed across the district using a proportionate sampling method.

Sources of Data

Secondary data for the study has been collected from the Murshidabad District Statistical Handbook and official records maintained by the District Self-Help Group (SHG) Office. These documents provided essential background information on demographic characteristics, socio-economic conditions, Self-Help Groups (SGHs) formation patterns, credit disbursement trends, and livelihood initiatives across the district.

Primary Data

To supplement the secondary data, an extensive primary household survey was conducted in 2024, covering 150 households distributed proportionately across the five subdivisions. A well-structured questionnaire was designed to collect detailed information on socio-economic status, livelihood practices, participation in self-help group (SHG) activities, levels of autonomy, mobility, decision-making power, access to financial services, and exposure to training programmes. The questionnaire incorporated both closed-ended and semi-structured items, enabling a balance between quantitative measurement and contextual understanding.

Analytical Framework

The initial stage of data analysis employed descriptive statistical techniques, including simple percentage distributions and cross-tabulations, to identify broad trends, associations, and category-wise differences among key variables. To examine overall well-being, the Human Development Index (HDI) was computed using the UNDP Composite Index technique, which standardises indicators across the dimensions of education, health, and income. This index facilitated a comparative assessment of human development conditions among surveyed households and self-help group (SHG) members. Furthermore, all indicators related to women's empowerment were used to construct an index and rank them based on their computed values. This procedure allowed the study to identify the most influential determinants driving empowerment outcomes and to assess inter-indicator disparities. The complete dataset-comprising both primary and secondary information-was systematically coded and analysed using SPSS version 16, enabling robust statistical processing, index generation, correlational assessment, and interpretation.

Study Area

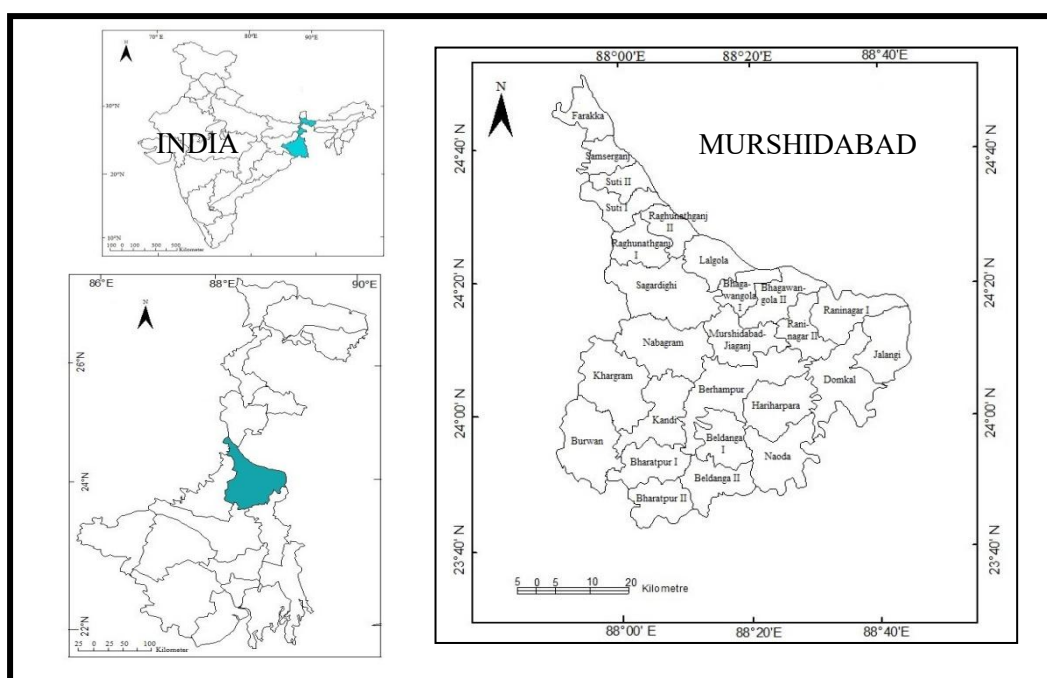
The study was conducted in Murshidabad district, West Bengal, home to 7.78 percent of the state's population. Before the British arrived, Murshidabad was the capital of West Bengal. However, it is now one of West Bengal's most backwards, minority-dominated, densely populated districts. According to the 2011 census, 64 percent of the population is Muslim, 12 percent are SC, and 1 percent are ST. It is home to 1.47 percent of India's poorest people. Almost 80 percent of the population lives in rural areas, with agriculture and allied activities providing the majority of their income.

Concept of Self-Help Groups (SHGs)

A self-help group (SHGs) is a group of 15-20 people from a similar socio-economic background. Their common economic problems are addressed by offering low-interest loans. They can also put their small savings into the self-help groups (SHGs). A responsible person in the group keeps track of the accounts. Self-help groups (SHGs) are created and supported by an NGO, bank branch, or government agency known as a Self-Help Promoting Institution (SHPI). The group members are encouraged to collect regular savings on a weekly, fortnightly,

or monthly basis and use the pooled resources to give small interest-bearing loans to their members. A savings bank account is opened at a bank branch, and members develop financial discipline through systematic savings and lending.

Figure 01: Location Map of Study Area



Source: Survey of India

Activities of the Self-Help Group (SHGs)

Table 1 shows that the women in the sampled households have been engaged in various activities. They have all taken small loans from the SHG and started working to benefit themselves and their family members. The beedi material has been provided to them free of cost by the beedi businessman. After rolling beedis, they receive 190 rupees per thousand beedis.

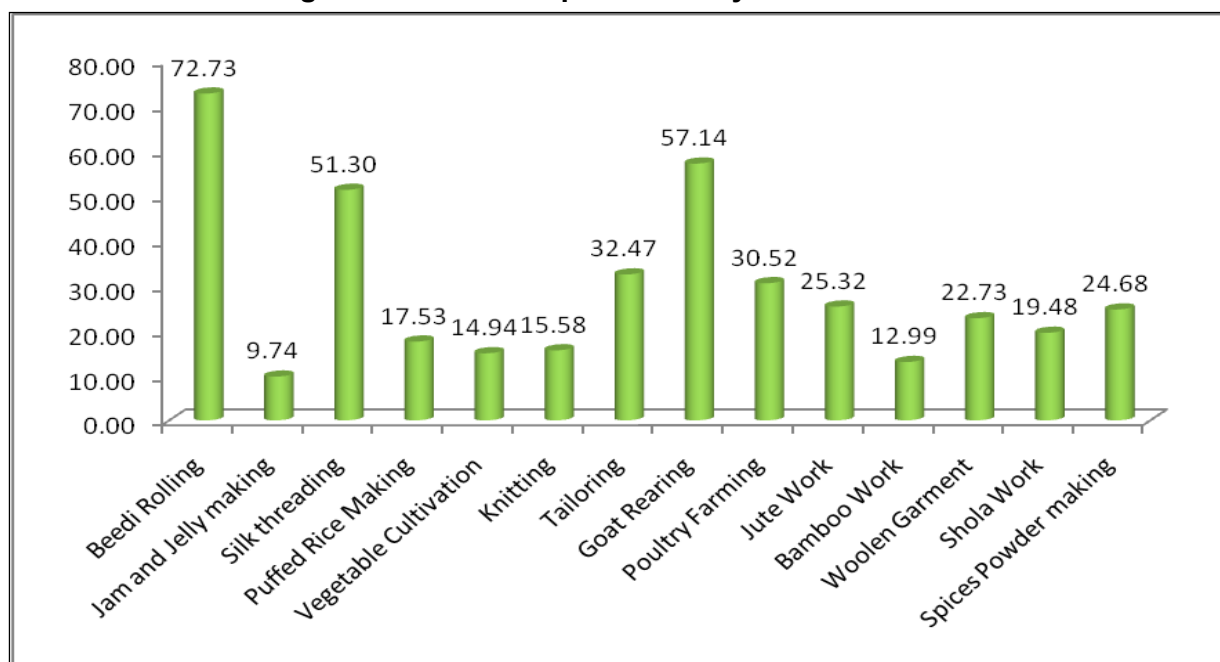
Table 01: Percentage of Households engaged in different activities through SHGs

Activities	Households engaged		Activities	Households engaged	
	Number	Percentage		Number	Percentage
Beedi Rolling	112	72.73	Goat Rearing	88	57.14
Jam and Jelly Making	15	9.74	Poultry Farming	47	30.52
Silk threading	79	51.30	Jute Work	39	25.32
Puffed Rice Making	27	17.53	Bamboo Work	20	12.99
Vegetable Cultivation	23	14.94	Woollen Garment	35	22.73
Knitting	24	15.58	Thermokol Work	30	19.48
Tailoring	50	32.47	Spices Powder Making	38	24.68

Source: Primary Field Survey

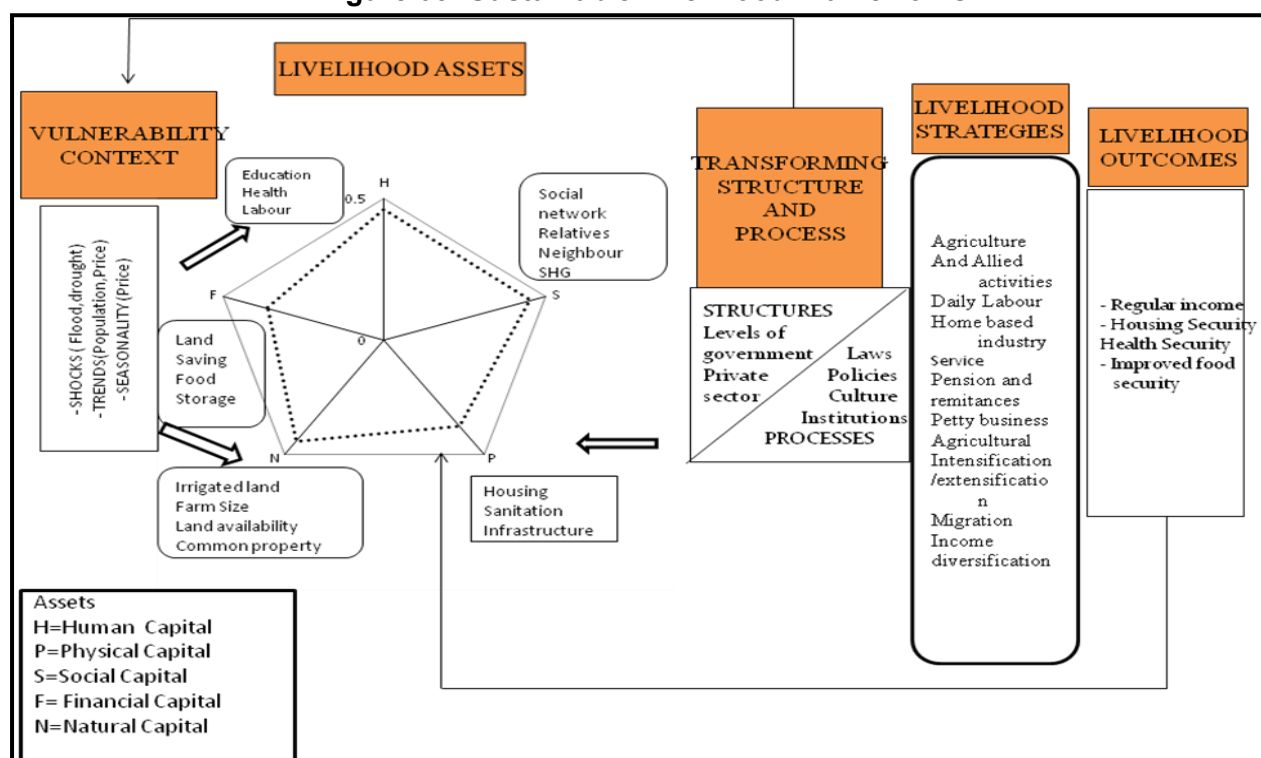
Homemakers in the northern part of the district are engaged in beedi-rolling. Approximately 72.73 percent of group members are involved in this activity. It is clear from Figure 1 that goat rearing is the second most crucial activity, with 57.14 per cent of household women engaged in it. It is followed by 51 per cent silk threading, 32 per cent tailoring, and 30 per cent poultry farming. The lowest proportions of women are engaged in Jam and Jelly Making.

Figure 02: Activities performed by SHG Members



Source: Primary Field Survey

Figure 03: Sustainable Livelihood Frameworks



Source: Adapted and modified from DFID Guidance Sheet, 2002

The Sustainable Livelihood Framework has been adopted by the Department for International Development. It has five essential contexts, i.e., vulnerability, livelihood assets, structure and process, and livelihood strategies. The most important among them are the livelihood assets and livelihood outcomes. This paper discusses the livelihood assets and outcomes of different occupational groups within SHGs.

Livelihood Assets

Livelihood assets comprise the abilities and resources households possess. There are five types of assets. Here, the terms "assets" and "capital" have been used interchangeably. Five asset types comprise human capital, Social Capital, Physical Capital, Financial Capital, and natural capital. Human capital, i.e., health, education, knowledge, and the capability to work, is the most important because it controls all other forms of wealth. Suppose an individual possesses knowledge of traditional skills, education, and good health. In that case, he can earn more, thereby increasing his financial and, eventually, physical, natural, and social assets.

Table 02: Fields of Women's Empowerment through Sustainable Livelihood

Major Indicators	Minor Indicators	Sub Components	Values (in per cent)	Maximum	Minimum	Indexed Value	
Livelihood Assets	Human Capital	Knowledge and Skill	37.66	57.14	14.29	0.56	0.43
		Education	57.26	81.86	45.66	0.32	
		Health	44.81	66.67	26.67	0.45	
		Normal BMI	70.08	83.62	63.19	0.34	
		Workers	38.93	47.67	30.86	0.48	
	Financial Capital	Land	40.91	82.76	10.00	0.42	0.48
		Livestock	65.58	86.21	42.86	0.52	
		Saving	48.05	71.43	25.00	0.50	
	Physical Capital	Safe drinking water	61.69	71.43	56.25	0.36	0.40
		Sanitation	60.39	71.43	56.25	0.27	
		Electricity	62.34	66.67	56.52	0.57	
	Social Capital	Social Work	63.64	75.00	50.00	0.55	0.43
		primary health care	53.90	73.33	44.83	0.32	
Livelihood Outcomes	Income Security	Sufficient income for the next day	70.78	95.56	58.34	0.33	0.44
	Food Security	Food Secure	75.32	96.00	50.00	0.55	

Source: Primary Field Survey

Role of Women in Human Capital

The results of women's empowerment have been observed in human capital indicators. On average, 57.26 per cent of females are literate, and 37.66 per cent possess knowledge of various traditional skills and earn a living from them. Health is an essential indicator of human capital and sustainable livelihood. Human health is usually represented by the Body Mass Index (BMI). The Body Mass Index (BMI) represents the ratio of an individual's weight to their height. The value ranging from 18.5 to 24 is considered normal by ICMR. The female BMI has been considered to assess the health status and empowerment of women concerning their food habits. Almost 70 per cent of female household members have a normal BMI. Disease-free households are households with substantial human capital. Nearly 44.81 per cent of households were not suffering from any chronic diseases. The percentage of working members to the total family members reveals the dependency ratio and the labour force's capability. On average, 38.93 per cent of households are engaged in work.

Role of Women in Social Capital

Women's empowerment has predominantly been found at the social and community levels. Women are actively participating in social relationships. On average, 63.64 per cent of the women actively participate in social problems like a protest against alcohol drinking, dowry, child marriage, and harassment. On the other hand, 53.90 per cent of women are well-informed about healthcare facilities and use them through primary healthcare centres.

Role of Women in Physical Capital

Physical capital refers to the basic infrastructural facilities necessary for a healthy life. Electricity connection, Safe drinking water, and sanitation facilities are significant indicators of Women's empowerment in physical capital. In the context of women's empowerment, health and hygiene are essential indicators. A sanitation facility is a basic need for women. Almost 60 per cent of the women enjoy sanitation facilities in their home yards. Nearly 61 per cent of women have access to safe drinking water, and 63 per cent of households have electricity connections.

Role of Women in Financial Capital

Financial Capital is the most important of all capital because financial assets help households maintain their financial stability in an emergency. Three indicators—land, livestock, and savings—have been considered essential to the economic empowerment of women and the financial assets of their livelihoods. On average, 40 per cent of women have a small proportion of land in their name. However, given maximum land accessibility, Table 2 shows that 86 per cent of household females own land in their name. Previously, women kept small amounts at home that their husbands and children often used. However, after joining the self-help group (SHG), they opened an account and deposited money. Nearly 48 per cent of females save at the SHG. Almost 70 per cent of households have livestock, including cows, goats, and poultry. With the help of the loan from the self-help group (SHG), they have commercialised their livestock at smaller markets.

Livelihood Outcomes: Food Security

The Livelihood Outcome of the Sustainable Livelihood Framework identifies the desired livelihood goals people aim to achieve. The primary goal in impoverished rural areas is to achieve food security and income stability. Food security has been measured using households' per capita calorie intake, adjusted for the adult equivalent ratio. Almost 75.38 per cent of households are food secure. The role of women in the home determines the level of food security. They are responsible for the child's health and hygiene, as well as the family members' caloric intake. Women are the sole providers of the household to prevent female child undernutrition by providing them with proper food and nutrition, as well as the male members. But due to a lack of assets in their hand, they cannot concentrate on the female child. Here, the self-help group (SHG) plays a significant role by providing loans to help them start small-scale businesses. They are also aware of nutritious food and its utilisation.

Ranking of the indicators

The abovementioned findings reveal that some factors are more influential than others. For a comparative analysis of the indicator, they have been ranked by composite index value. It has been observed that electricity connection has the highest rank, followed by knowledge and skills, Food Security, Social work, and livestock. On the other hand, when the composite value is considered, it is clear that financial capital has the highest value and is ranked first. It is the result of women's empowerment through SHGs that women are becoming financially stronger. The second rank is obtained by food security, and the third by Human capital.

Priority Region for Women's Empowerment

It is essential to look into and identify an empowerment scenario in the area of livelihood where women are underrepresented. Indicators with a value of 0.40 or higher are considered advanced, while those below 0.40 should be regularly monitored to ensure sustainable living. When the primary indicators are reviewed, each one has a value larger than 0.40.

Table 03: Rank of Indicators

Major Indicators	Minor Indicators	Sub Components	Indexed Value	Rank	Indexed Value	Rank
Livelihood Assets	Human Capital	Knowledge and Skill	0.56	2	0.43	3
		Education	0.32	11		
		Health	0.45	8		
		Normal BMI	0.34	12		
		Workers	0.48	7		
	Financial Capital	Land	0.42	9	0.48	1
		Livestock	0.52	5		
		saving	0.50	6		
	Physical Capital	Safe drinking water	0.36	10	0.4	5
		Sanitation	0.27	15		
		Electricity	0.57	1		
	Social Capital	Social Work	0.55	4	0.43	4
		primary health care	0.32	14		
Livelihood Outcomes	Income Security	No Anxiety about the next day's food	0.33	13	0.44	2
	Food Security	Food Secure	0.55	3		

Source: Primary Field Survey.

Table 04: Rank of Priority Indicators

Sub Components	Indexed Value	Rank
Sanitation	0.27	1
Primary healthcare facilities	0.32	2
Education	0.32	3
No Anxiety about the next day's food	0.33	4
Normal BMI	0.34	5
Safe drinking water	0.36	6

Source: Primary Field Survey

However, when we examine the sub-components closely, it becomes clear that six indicators need to be prioritised. Table 4 presents the indicators' ranks. The foremost priority should be given to sanitation facilities, as a lack of proper sanitation creates numerous gynaecological problems for women. The second priority indicator is the lack of healthcare facilities amongst the poorest sections of society. Third is the education of the female child. It is followed by anxiety about food for the next day, Female BMI, and safe drinking water facilities.

Conclusion

The poorest section of society has sustainably improved its livelihoods by obtaining a loan from a self-help group (SHG). Households engaged in a self-help group (SHG) can meet their basic needs. When considering the sustainability of women's empowerment, once women can engage with the outside world and solve problems independently, without relying on their husbands or children, they become more empowered. A self-help group (SHG) meets the needs of the hour for poor rural women. Emphasis should be placed on sanitation facilities, healthcare, drinking water, and the education of girls. Thus, with the support of self-help groups (SHGs), Women of rural India will reach the path of empowerment.

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