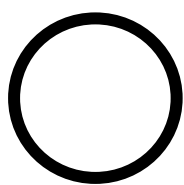


# What are Self Help Groups?

Self Help Groups are voluntary groups whose members meet every week to save, start small business activities, and create change both for themselves and their communities.



## Holistic

Rather than being sector-specific, the groups focus on holistic development – individual, social, economic and political empowerment.



## Relationship centered

They help restore relationships with oneself, others, the community and the environment.



## 10-25 members

Groups ideally include 10-25 members with one member per household.



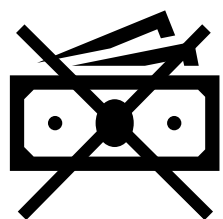
## Affinity

Members have commonalities with others in their group, such as gender or socioeconomic situation, which provides fertile ground for trust.



## Democratic

The group belongs to the members, and they democratically decide how they want to organise and operate.



## No initial financial incentives

Group formation and transformation depends heavily on group members finding and using their own savings. Financial incentive at the start of the process can fundamentally undermine self-efficacy and social transformation.



## Indefinite membership

Group members intend to meet indefinitely, and do not see their groups as having a distinct end point.



## Defined structure

Members have a clearly articulated purpose and vision for the group. This is supported by a defined structure that involves comprehensive and transparent record-keeping, by-laws, and regular and in-person meetings.



## No share-out of group capital

The groups do not have a pre-determined plan for sharing out the capital from their group savings fund. However, they do sometimes annually share out the profit from that fund or create a separate savings fund for annual share-out.

## Key features

### Social fund

Members save into a separate social fund on a regular basis in addition to their group fund. This capital is used either in emergencies or to accomplish projects within the community.

### Collective action

As groups mature, they often become advocates for change, transforming the lives of those around them. Members advocate for better access to services, and they work together to overcome the obstacles that lock them and their communities into poverty.

### Sustaining structure

As the groups replicate, they start to create [democratic federated structures](#). Members are elected to form meso and macro level structures that become formally recognized. This allows them to drive change at scale, from the bottom up.

### The speed of trust

It takes time for the groups to fully mature. As they go through the various stages of group formation, development and maturity, they will go through periods of conflict, norming, performing and solidarity, which can take multiple years.

## Self Help Group Impact

Self Help Groups are created with the underlying assumption that when individuals join forces to overcome obstacles and attain social change, the combination of individual agency, group solidarity and community action has a far-reaching impact.



**58:1**

Self Help Groups in Ethiopia deliver over \$58 in benefits for every \$1 spent.



**2x**

Women in Self Help Groups are twice as likely to participate in local politics.



**37%**

Women's groups are associated with a 37% reduction in maternal mortality.



**16%**

An SHG intervention in Nepal decreased rates of acute and chronic malnutrition in children by 16% and 11% respectively.

# The Power of Collective Action

Self Help Groups are most effective when they are layered with additional services and a specific curriculum. They encourage people to access what they need by increasing aspiration, self-efficacy and social capital, qualities which can drive member investment in themselves and their futures.



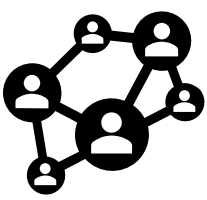
## Self-Efficacy

the belief in one's capability to act to achieve desired outcomes



## Aspirations

the presence of forward-looking goals or targets and a preference to attain them



## Social Capital

social networks and the norms of reciprocity and trustworthiness that arise from them

Our goals, aspirations and sense of control regulate what we do with the resources that we can access.

**When empowered to envision a better future for one's community (aspirations) with the belief that an individual can make a difference (self-efficacy) and a network of peers to strategize (social capital), transformative change can occur.**

# Moving at the Speed of Trust



## Group Formation

*Physically setting up the groups and setting rules of engagement*

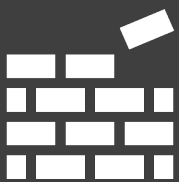
Year  
1



## Group Strengthening

*Start savings activities and go through the curriculum*

Year  
2



## Group Action

*Social capacities are built up and groups start to activate in their communities*

Year  
3



## Group Growth

*Groups begin seeding other groups and federated structures are formed*