

Role of Self-Help Groups in Women Empowerment: An Economic and Social Analysis of Thiruvananthapuram District, Kerala

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ABSTRACT

Women empowerment has appeared as a key element of inclusive and sustainable development, especially for the developing economies that face intrinsic inequalities hampering the involvement and engagement of women. SHGs significantly enhance women’s financial inclusion and empowerment. Using secondary data (2015–2024) and supported by empowerment, social capital, and microfinance-led development theories, findings indicate SHG participation improves access to microcredit, savings, income activities, entrepreneurship, decision-making, leadership, self-confidence, and community engagement, though limited credit, weak markets, variable group performance, and socio-cultural constraints hinder sustainability and scalability.

Keywords: *Self-Help Groups; Women Empowerment; Kudumbashree Mission; Microfinance; Social Capital; Economic Empowerment; Kerala*

INTRODUCTION

Early development planning treated women as welfare recipients rather than active agents, focusing on health and family welfare and ignoring structural inequalities (Yoganandham et al., 2024). This reinforced subordination and persistent gender gaps in income, education, health, and resources, with poverty seen as having “a woman’s face” (UNDP, 1995; Sambo, 2020). By the 1970s, WID strategies promoted women’s economic inclusion through equity, anti-poverty, and efficiency interventions, increasing employment and income but with limited long-term empowerment (Bazbauers & Madkour, 2024). Indeed, women’s productive roles were often enhanced without, in return, any increase in their autonomy or power to make decisions, as indicated by Amartya Sen (1999) regarding the real need to advance women as leaders within the economic, social, and political realms, as compared to labor markets (Gugan et al., 2024).

The shift toward an empowerment-based development paradigm emphasized self-reliance, collective action, and grassroots mobilization, positioning SHGs as a key institutional innovation for women’s empowerment (Mahato et al., 2023). Inspired by Yunus’s microcredit model, SHGs demonstrated that poor women can effectively save, access credit, and invest productively with high repayment rates (Aberle, 2020). Group-based lending reduced dependence on moneylenders, increased formal credit use, and strengthened unity, monitoring, and social capital, linking economic participation with social transformation (Sethi & Mhlanga, 2024). In India, particularly Kerala, SHGs are institutionalized through women-centric initiatives like the Kudumbashree Mission.



Figure 1. Profile and Functional Characteristics of Self-Help Groups in Thiruvananthapuram District.

In the Thiruvananthapuram district, Kudumbashree SHGs have assisted women in establishing micro-enterprises in the area of catering, tailoring, agriculture, waste management, and community services, in addition to encouraging their involvement in

local governance and decision-making (Vinodan & Meera, 2022). There is no district-level empirical study in Thiruvananthapuram that comprehensively examines the joint effects of SHGs on economic empowerment (income, credit, entrepreneurship) and social empowerment (decision-making, self-esteem, community participation) (Vinodan & Meera, 2022). Accordingly, this work undertakes an interdisciplinary analysis of SHG impacts and the structural bottlenecks limiting benefit maximization in Thiruvananthapuram district.

REVIEW OF LITERATURE

Existing literature—particularly in the Indian context—extensively documents SHGs as effective instruments of women empowerment and poverty alleviation. Studies in Kerala show that SHGs enhance women’s economic independence, social awareness, and participation inside household and community decision-making, indicating impacts beyond income generation (Minimol and Makesh, 2012). The Kudumbashree model is highlighted as especially effective in promoting women entrepreneurship through institutional support, capacity building, and collective enterprise development (Kumar and Rakhin, 2016), and as an integrated strategy combining microfinance with social development to reduce poverty and improve women’s social status (Prasad, 2023). Beyond Kerala, SHGs in Tamil Nadu were identified as catalysts of socio-economic development by improving credit access, entrepreneurial skills, and social cohesion (Varalakshmi and Yoganandham, 2024). Collectively, these studies affirm positive economic and social outcomes of SHGs while underscoring the need for localized and integrated analyses to capture contextual variations in empowerment outcomes.

Theoretical Framework

The theoretical framework utilized in this work was anchored by Empowerment Theory, Social Capital Theory, and the Microfinance-Led Development Model, explaining the connection between Self-Help Group formation and women empowerment. Empowerment Theory used empowerment as a process by which women amplified their power over economic resources, decision-making, and self-esteem. Social Capital Theory used solidarity of the group, norms of intended trust, actions, or social associations produced by membership in Self-Help Group formation, thereby helping women upgrade their social status. The Microfinance-Led Development Model highlighted how women members of Self-Help Groups increased their use of savings, credit, and entrepreneurship services, leading to income generation, financial empowerment, or livelihood protection. Integrating these themes, it may be inferred that Self-Help Group formation is the pivotal institutional channel in shaping economic empowerment, such as income, savings, credit, entrepreneurship, social empowerment, such as power over decision-making, leadership, social participation, self-confidence, contributing towards comprehensive women empowerment in the district of Thiruvananthapuram.

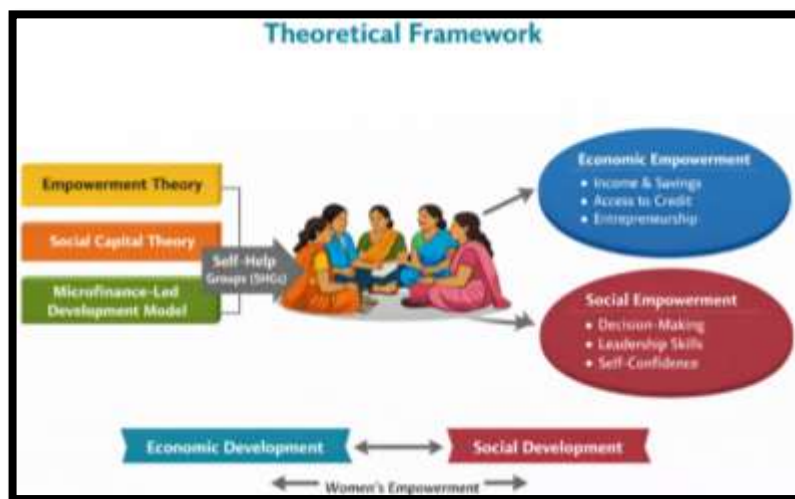


Figure 2. Theoretical Framework.

Objectives of the Study

Primary Objective

To analyze the role of Self-Help Groups in promoting women empowerment in the Thiruvananthapuram district of Kerala.

Secondary Objectives:

1. To examine the contribution of SHGs towards women’s economic empowerment through microcredit and entrepreneurship
2. To assess the impact of SHG participation on women’s social status and decision-making ability
3. To critically evaluate the challenges and limitations faced by SHGs
4. To suggest policy and institutional measures for strengthening SHG-led women empowerment

RESEARCH METHODOLOGY

For the study, the research design utilized was descriptive and analytical to address the connotation of SHGs in the promotion of women's empowerment in the Thiruvananthapuram district of Kerala. The study used a qualitative design supported by secondary quantitative indicators, drawing on data from NABARD, NRLM, Kudumbashree Mission, Ministry of Rural Development, Census of India, district statistical handbooks, Kerala Economic Surveys, and Scopus- and Web of Science-indexed journals, along with research-based books. Robustness was enhanced through open-source FGDs, case studies, and documentation on SHGs, especially Kudumbashree. Covering 2015–2024, the study focused on Thiruvananthapuram district due to its extensive SHG presence. Content, thematic, and comparative analyses assessed economic and social dimensions of women empowerment and district–national convergence. Despite heterogeneous secondary data and subjectivity in social indicators, the study presents an integrated economic–social framework of SHG-led women empowerment.

Profile of SHGs in Thiruvananthapuram District

The Thiruvananthapuram district has observed a considerable increase in the count of Self-Help Groups, largely under the Kudumbashree Mission, which serves as a flagship program pertaining to poverty alleviation and women's empowerment under the Government of Kerala. District SHGs show high female participation, strong links with local bodies, banks, and development agencies, and multi-sectoral engagement across urban, semi-urban, and rural areas. Activities include micro-enterprises, savings/credit, services, and grassroots initiatives, supported by social awareness and literacy enabling efficient functioning and financial access.

Economic Empowerment through SHGs

SHGs in Thiruvananthapuram have boosted women's economic empowerment by promoting savings, providing credit, and generating income opportunities. Membership enables small businesses, self-employment, income supplementation, and reduced financial dependency. Bank and government linkages improve credit access, while training enhances entrepreneurial and financial skills, increasing women's financial security and control.

Social Empowerment through SHGs

SHGs enhance women's social empowerment by boosting decision-making, self-confidence, and social interaction. Regular meetings enable expression, collective problem-solving, and leadership roles, increasing visibility and societal status. Awareness of health, education, rights, and welfare programs further strengthens empowerment.

Challenges and Critical Issues

SHGs in Thiruvananthapuram contribute significantly but face constraints: limited credit, weak markets, reliance on government, uneven performance, management inefficiencies, and low entrepreneurial skills; social/cultural barriers, household duties, and time limits further restrict participation, especially among marginalized women.

Findings and Discussion

Profile and Functional Characteristics of Self-Help Groups in Thiruvananthapuram District

The results showed that the SHGs in Thiruvananthapuram District of Kerala are, for the most part, women-focused and functioned in the Kudumbashree Mission model, which has the advantage of smooth linkage arrangements with the self-governments, banks, and development agencies. The SHGs are found to be functioning in urban, semi-urban, and rural settings with active membership in thrift, credit, and group saving and meetings. Functional features such as smaller group size, age-homogeneous membership, practice of regular saving, and member participation in decisions helped in developing cohesiveness and sustainability in the SHGs. The fairly high level of literacy in the district helped in maintaining proper records, increased familiarity with the schemes of the government, and ensured smooth coordination with the banking system.

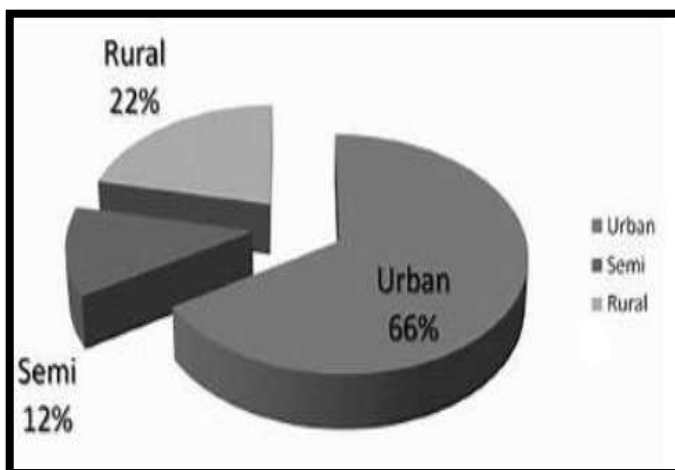


Figure 3. Distribution of Self-Help Groups Across Urban, Semi-Urban, and Rural Areas in Thiruvananthapuram District.
 (Source: https://www.researchgate.net/figure/Area-Urban-Rural-Semi-Urban_fig1_228822157)

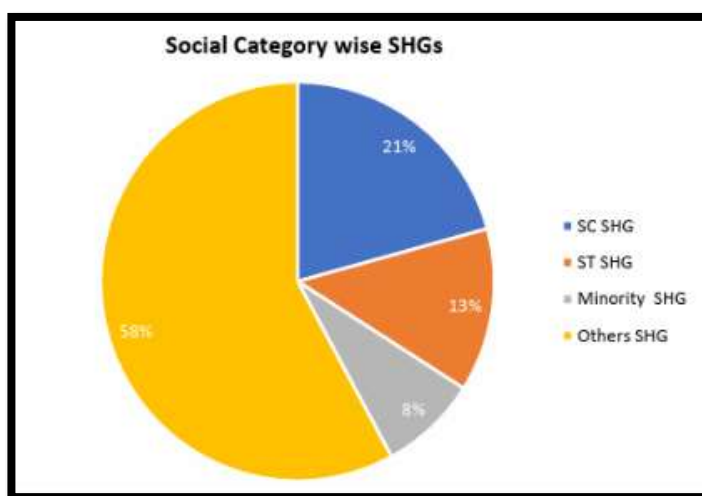
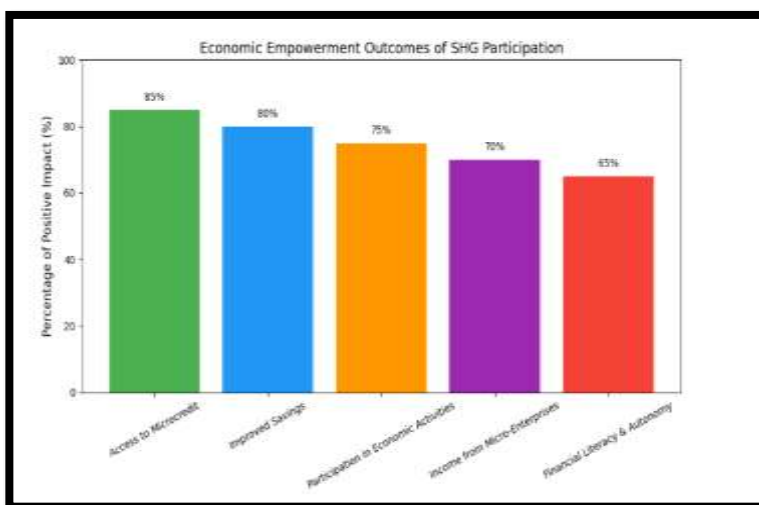


Figure 4. Distribution of Self-Help Groups in Thiruvananthapuram District.
 (Source: <https://www.drishitias.com/daily-updates/daily-news-analysis/sbi-study-on-empowering-women-through-shgs>)

Economic Empowerment Outcomes of SHGs

It was revealed in the analysis that there was a positive impact of SHG participation on women’s economic empowerment. This has been observed in terms of better microcredit access, improved savings habits, and increased participation in economic



activities. SHGs have empowered women to earn supplementary incomes through micro-enterprises, job schemes, and service-related ventures, making them less dependent on moneylenders. This has led to better understanding of financial literacy and connectivity with banks, making women more in control of financial assets, hence more financially secure, gradually becoming financially independent.

Figure 5. Economic Empowerment Outcomes of SHGs.

Social Empowerment Outcomes of SHG Participation

Apart from the gains in the economic field, there has been significant reinforcement among women in relation to their social empowerment, which has been triggered by their involvement in SHGs. Interaction among the group members has helped women develop confidence in themselves, group identity, and acquaintance regarding rights and issues. There has also been an enhancement in women’s participation in decision-making related to homes, organizations, alongside governance, while SHGs have created opportunities for women regarding leadership, which has helped in increasing their position in society.

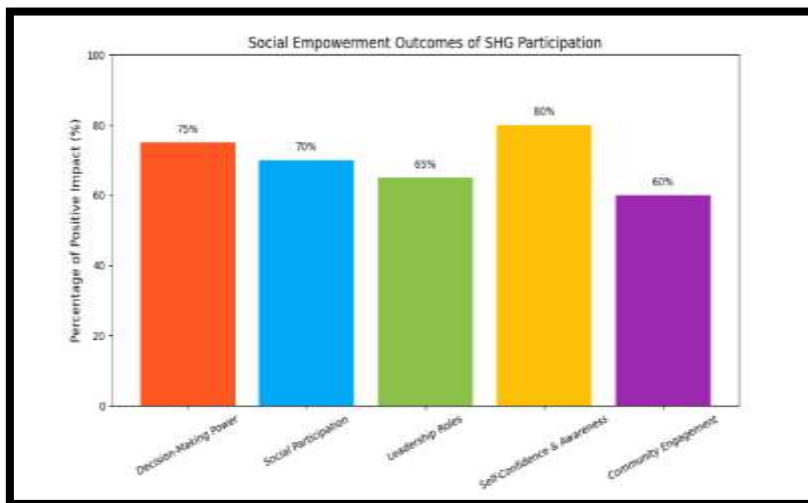


Figure 6. Social Empowerment Outcomes of SHG Participation in Thiruvananthapuram District.

Operational and Structural Challenges Affecting SHG Effectiveness

Although these are positive impacts, results also revealed certain challenges that limited the effectiveness of SHGs. The lack of access to bigger and timely credit, market linkage for the products of SHGs, and dependence on government support impacted the sustainability aspect. Also, differences in group performance, differences in advanced entrepreneurial and management acumen, issues in governance, and issues in coordination were also witnessed. Social and cultural issues, differences in domestic chores, and lack of time also hampered the direct participation of women, especially in the marginalized sector.

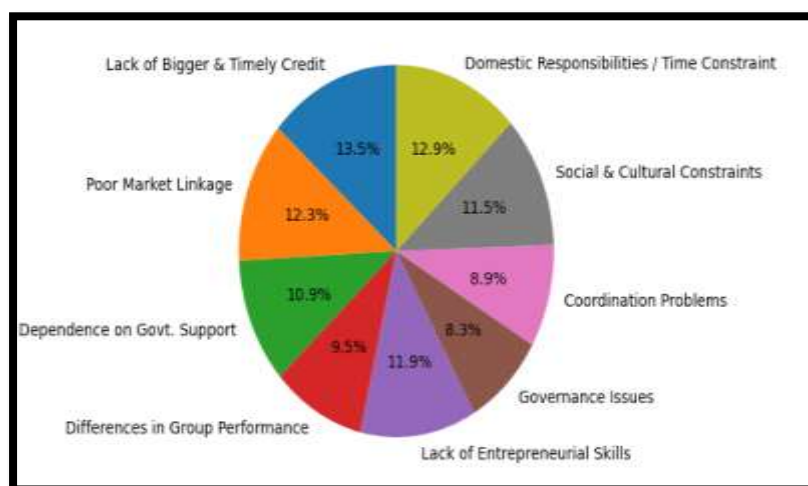


Figure 7. Distribution of Operational and Structural Challenges Affecting the Effectiveness of SHGs.

Policy Implications and Institutional Measures for Strengthening SHG-Led Women Empowerment

The study highlighted the need for focused policies and interventions to enhance SHG-led women empowerment. Enhancing credit linkage, development training, and facilitation for enhanced economic performance was the need of the hour. Governance, monitoring, and capacity-building support systems were imperative for better performance by the groups. Additionally, efforts necessary for building digital and financial literacy, development of women leaders, and overcoming socio-cultural factors were the need of the hour to ensure that SHGs develop as successful tools for sustainable economic and social empowerment.

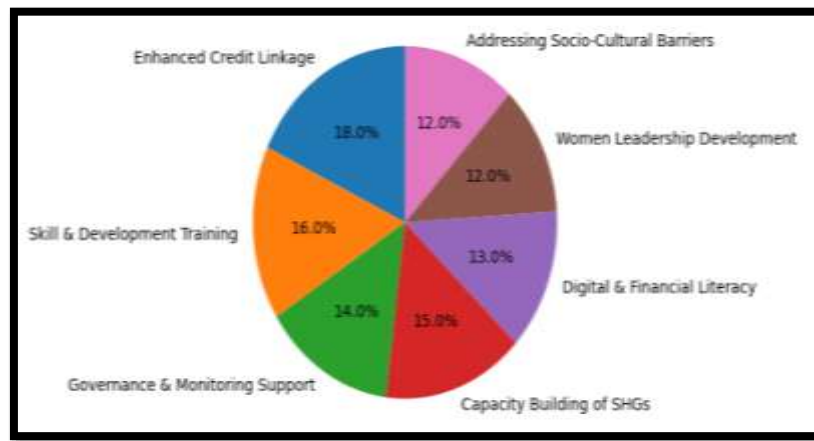


Figure 8. Policy Implications and Institutional Measures for Strengthening SHG-Led Women Empowerment.

Policy Recommendations

To make SHG-led women empowerment more effective, there is a need for more emphasis on credit depth, skill upgradation, and market induction. Improving bank and SHG interfaces, promoting digital inclusion, and providing specific training for entrepreneurship and marketing can help attain better outcomes. The existing institutional framework needs to be strengthened for better SHG governance, monitoring, and capacity development. Moreover, policies that mitigate societal restrictions, support women's empowerment as leaders, and align SHGs with local development activities can add value to SHGs' role for sustainable economic and social empowerment.

CONCLUSION

The study conclusively illustrates that the SHGs have been playing an integral role in woman empowerment in the Thiruvananthapuram District of Kerala in effectively blending the concept of economic participation and social change. The report illustrates that the SHGs have increased women's independence and secured their economic position in society, resulting in their increased esteem and bargaining power within and outside their families. In addition to this, the SHGs also act as effective platforms in the formation of social capital and are playing an integral role in imbuing leadership qualities within women by involving active participation in local governance for the Kudumbashree model. Nonetheless, the report also identifies that deficiencies in the depth of credits, absence of market integration, inefficiency in management, as well as socio-cultural factors are the impediments that are limiting the actualization of SHG capabilities, especially for marginalized women. Removal of such challenges in an effective manner by means of supportive policy frameworks, improvement in skill development and governance institutions, and better access to market is the need of the hour for such SHGs to develop as effective and sustainable agencies of inclusive and balanced development in Kerala and similar conditions.

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