

Evaluating The Socio-Economic and Political Empowerment of Women Through Self-Help Groups

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ABSTRACT

Women's empowerment is a crucial component of inclusive development. Self-Help Groups (SHGs) have emerged as an effective strategy for enhancing women's socio-economic and political status, particularly in rural areas. This study evaluates the impact of SHGs on women's empowerment using primary data collected from 95 respondents. A paired sample t-test was applied to measure differences in empowerment indicators before and after joining SHGs. The results reveal statistically significant improvement in income levels, savings habits, decision-making power, and political participation. The study concludes that SHGs play a transformative role in empowering women and promoting grassroots democracy.

Keywords: *Women; Socio Economic; Self-Help Group; Empowerment; Employment.*

1. Introduction

Women's empowerment has emerged as a central theme in contemporary development discourse, reflecting a global recognition that sustainable progress cannot be achieved without ensuring gender equality and inclusive participation. Across developing nations, women have historically faced structural barriers that limit their access to education, employment, property ownership, financial services, and political representation. These constraints not only undermine individual potential but also hinder broader economic growth and social development. Empowerment, therefore, is not merely a social objective but an economic and political necessity. It involves enhancing women's capacity to make strategic life choices, control productive resources, participate in decision-making processes, and influence institutions that shape their lives. In the context of developing economies such as India, where a significant proportion of women reside in rural areas and informal sectors, innovative grassroots mechanisms have been introduced to address gender disparities. Among these, Self-Help Groups (SHGs) have emerged as a transformative instrument for fostering socio-economic and political empowerment.

Self-Help Groups are small, voluntary associations of women, typically comprising 10 to 20 members, who come together to promote savings, access microcredit, and undertake collective income-generating activities. The SHG model is built on the principles of mutual trust, collective responsibility, participatory decision-making, and financial discipline. Members contribute small amounts of savings on a regular basis, which are pooled into a common fund and used to provide loans to members for productive or emergency purposes. Over time, these groups develop linkages with banks and financial institutions, thereby integrating marginalized women into the formal financial system. In India, the SHG movement gained momentum through institutional support from organizations such as National Bank

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for Agriculture and Rural Development and government initiatives like the National Rural Livelihoods Mission. These initiatives have significantly expanded the reach of SHGs, covering millions of women across rural and semi-urban areas. The widespread adoption of the SHG model reflects its perceived effectiveness in addressing poverty, unemployment, and social exclusion among women.

The concept of empowerment in the context of SHGs extends beyond economic gains. Socio-economic empowerment encompasses increased income levels, improved savings habits, enhanced access to credit, asset creation, skill development, and greater participation in household decision-making. When women gain financial independence through SHG activities, they often experience improved bargaining power within their families and communities. Economic participation also contributes to self-confidence and social recognition, enabling women to challenge traditional gender norms. Furthermore, SHGs function as platforms for knowledge sharing, peer support, and collective problem-solving, thereby strengthening social capital. Regular group meetings facilitate discussions on health, education, sanitation, legal rights, and government welfare schemes, which contribute to broader social awareness. Thus, SHGs operate not only as financial intermediaries but also as catalysts for social transformation.

Political empowerment represents another critical dimension of women's development. It refers to the ability of women to participate actively in political processes, exercise voting rights independently, contest elections, engage in public deliberations, and influence policy decisions. In many rural contexts, women's political participation has historically been constrained by patriarchal norms, limited mobility, and lack of awareness. However, SHGs have been found to encourage collective action and leadership development among members. Through group discussions and exposure to training programs, women become more aware of their constitutional rights and responsibilities. Participation in local governance institutions, such as Panchayati Raj bodies, often increases among SHG members. The collective strength of SHGs provides women with a supportive environment to voice concerns, demand accountability, and advocate for community development initiatives. Consequently, SHGs contribute to strengthening grassroots democracy and inclusive governance.

Despite the widespread recognition of SHGs as instruments of empowerment, systematic empirical evaluation remains essential to assess their actual impact. While anecdotal evidence and qualitative studies suggest positive outcomes, quantitative analysis provides stronger validation of these claims. Measuring empowerment poses methodological challenges because it is multidimensional and involves both tangible and intangible indicators. Income growth and savings accumulation can be measured numerically, whereas changes in self-confidence, autonomy, and political awareness require carefully designed scales and indices. Therefore, rigorous statistical tools are necessary to determine whether observed changes are statistically significant rather than incidental. In this regard, the present study employs a paired sample t-test to examine differences in socio-economic and political empowerment indicators before and after women joined SHGs. By analyzing data collected from a sample of 95 respondents, the study aims to provide empirical evidence on the effectiveness of SHGs as a development intervention.

The selection of a sample size of 95 respondents ensures adequate representation while maintaining feasibility for detailed analysis. Primary data collection through structured questionnaires allows for capturing individual experiences and measurable indicators of empowerment. The application of the t-test enables comparison of mean scores across different dimensions, thereby establishing whether participation in SHGs has led to significant improvements. Such analytical approaches contribute to bridging the gap between policy assumptions and field realities. Moreover, empirical evaluation supports evidence-based policymaking, ensuring that resources allocated to SHG programs yield measurable benefits for women.

In recent decades, globalization, technological advancement, and policy reforms have reshaped economic opportunities, yet gender disparities persist in many regions. Women often remain concentrated in low-paying informal occupations and face barriers in accessing institutional credit. SHGs address these challenges by fostering financial inclusion and entrepreneurship at the grassroots level. Additionally, collective solidarity within SHGs enhances resilience during economic shocks, health crises, or social conflicts. The community-based nature of SHGs strengthens networks of mutual support, which are crucial for sustainable development. As governments and

development agencies prioritize inclusive growth, evaluating the outcomes of SHG initiatives becomes increasingly relevant.

Women's empowerment through Self-Help Groups represents a dynamic intersection of economic advancement, social transformation, and political participation. By facilitating savings, credit access, skill development, and leadership opportunities, SHGs contribute to multidimensional empowerment. However, systematic research is necessary to validate these impacts through statistical analysis. The present study, based on a sample of 95 respondents and employing a paired sample t-test, seeks to assess the extent to which SHGs have enhanced socio-economic and political empowerment among women. Through this empirical investigation, the research aims to contribute to academic discourse, inform policy interventions, and reinforce the role of SHGs as engines of gender-inclusive development.

2. Review of Literature

Mepo, Apili et al., (2025) the economic and social independence of women, especially in rural India, is greatly enhanced by Self-Help Groups (SHGs). This research delves into the monetary effects of the Inala SHG, which was established in 2021 in the hamlet of Jerald in the Indian state of Arunachal Pradesh as part of the NRLM. The study examines the economic activities of SHG members using a qualitative technique, which includes field surveys, interviews, and participant observation. According to the results, everyone is self-employed, working mostly in agriculture and catering on a smaller scale. Members' economic situations have been greatly improved by skill development programs and financial assistance from government initiatives like the Arunachal Pradesh Livelihood Mission (Asm) and the Community Investment Fund (CIF). Members of Inala SHG take part in training and awareness programs on important topics including drug prevention, cleanliness, and environmental sustainability, which the research emphasises as a social contribution. Uneven access to training opportunities and an overemphasis on commercial activity rather than social empowerment are two of the problems highlighted by the research. Concerns about loan repayment, social dynamics inside the organization, and financial hardships also need more research.

Basak, Debanjan & Roy Chowdhury, Indrajit. (2024) the impact of self-help groups (SHGs) on rural women's socioeconomic development in India's Cooch Behar District and their involvement in reaching the UN's Sustainable Development Goals (SDGs) are the subjects of this research. By focusing on SDGs including ending poverty, ending hunger, improving health and well-being, providing excellent education, and achieving gender equality, this research aimed to understand how SHGs impact rural women. In light of this problem, it would be helpful to compare rural women's awareness levels and socioeconomic growth before and after they joined SHGs using a cross-sectional survey. Each of the three parts of the survey used for this research—demographics, socioeconomic status, and awareness level—focused on a distinct facet of the subject.

Ramesh, Dr. (2023) an analysis of the impact of Self-Help Groups (SHGs) on Indian women's empowerment is presented in this article. Women's Self-Help Groups (SHGs) have grown into influential grassroots organisations that bridge the gender gap in economic empowerment, education, and collective decision-making. The research compiles previous work on how SHGs have helped women gain economic and social independence. Here we look at how SHGs have changed the lives of Indian women, the obstacles they've faced, and the policy implications of these experiences. Finally, the paper stresses that SHGs and the long-term empowerment of women in the nation can only be achieved by persistent funding and creative strategies.

Maheshwari, Meenu & Goyal, Shobhna (2014) Some have suggested microfinance as a way to help the rural poor, particularly women, marginalised farmers, and those without land, by reaching out to them on a smaller scale and providing them with modest loans. With 135 million individuals, India ranks fourth globally for financial exclusion. In 1992, NABARD initiated a program to help the economically disadvantaged form groups of ten to twenty individuals and connect them with financial institutions. Bangladesh Grameen Bank served as a model for the plan. Participating banks were eligible for concessional refinancing under NABARD's plan, which primarily targets disadvantaged women who have banded together in self-help groups (SHGs) with the support of banks, NGOs, and

panchayat members. Research on the effects of self-help groups on women's economic and social empowerment has been mixed, and this article will draw from a variety of sources in an effort to synthesise the findings.

3. Research Methodology

This study explains the research design, sampling procedure, data collection methods, variables selected, tools of analysis, and statistical techniques used to evaluate the socio-economic and political empowerment of women through Self-Help Groups (SHGs). The methodology has been structured to ensure scientific validity, reliability, and objectivity in examining the impact of SHGs on women's empowerment.

Research Design

The study adopts a descriptive and analytical research design. The descriptive component is used to understand the socio-economic and political profile of women before and after joining SHGs, while the analytical component evaluates the extent of empowerment using statistical tools. The study primarily follows a before-and-after comparative approach, enabling measurement of changes in empowerment indicators after participation in SHGs.

The research is empirical in nature, relying on primary data collected directly from SHG members. Quantitative techniques are applied to analyze measurable variables such as income, savings, decision-making power, and political participation.

Area of the Study

The study was conducted among women who are active members of Self-Help Groups functioning under rural development initiatives in India. The SHGs selected for the study are linked with government-supported livelihood programs such as the National Rural Livelihoods Mission.

The selected area represents a typical rural setting where SHGs operate as financial and social institutions aimed at women's development.

Population and Sample Size

The target population for the study consists of women who are members of Self-Help Groups.

- Sample Size (n) = 95 respondents
- Sampling Technique: Simple Random Sampling

From the list of active SHG members, 95 respondents were randomly selected to ensure equal probability of selection. The sample size was considered adequate for statistical testing using a paired sample t-test, as it provides sufficient degrees of freedom for meaningful inference.

Sources of Data

The study is based on both primary and secondary data.

Primary Data

Primary data were collected through a structured questionnaire administered directly to SHG members. The questionnaire included both closed-ended and scaled questions to measure empowerment indicators before and after joining SHGs.

Secondary Data

Secondary data were obtained from:

- Government reports on SHGs
- Annual reports of National Bank for Agriculture and Rural Development
- Reports and documents of National Rural Livelihoods Mission
- Research articles, journals, and books related to women empowerment and microfinance

4. Data Analysis and Interpretation**Table 1: Age of the respondents**

Age Group (Years)	Number of Respondents	Percentage (%)
20 – 30	18	18.9%
31 – 40	32	33.7%
41 – 50	27	28.4%
Above 50	18	18.9%
Total	95	100%

The above table presents the age-wise distribution of the 95 respondents selected for the study. It is evident that the largest proportion of respondents (33.7%) falls within the age group of 31–40 years, indicating that women in their early middle age constitute the most active participants in Self-Help Groups (SHGs). This age group is generally characterized by greater economic responsibility, active involvement in household management, and a stronger need for income-generating opportunities, which may explain their higher participation rate. The age group of 41–50 years accounts for 28.4% of the respondents, showing that mature women also significantly engage in SHG activities, possibly seeking financial stability and social support. Meanwhile, 18.9% of respondents belong to the 20–30 years category, suggesting moderate involvement of younger women who may be newly married or beginning to contribute economically to their families. Similarly, 18.9% of the respondents are above 50 years, reflecting the inclusion of older women who may participate for financial security and social interaction. Overall, the data indicate that SHGs attract women across different age groups, with a higher concentration in the economically active and socially responsible age bracket of 31–40 years.

Table 2: Educational Level of the respondents

Educational Level	Number of Respondents	Percentage (%)
Illiterate	20	21.1%
Primary Education	28	29.5%
Secondary Education	30	31.6%
Higher Secondary & Above	17	17.8%

Total	95	100%
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The above table shows the educational level of the 95 respondents included in the study. It is observed that the highest proportion of respondents (31.6%) have completed secondary education, indicating that a significant number of women participating in Self-Help Groups (SHGs) possess basic formal education, which may enhance their ability to manage financial activities and participate effectively in group decision-making. About 29.5% of the respondents have completed primary education, showing that SHGs are accessible to women with minimal schooling. A notable 21.1% of the respondents are illiterate, which highlights the inclusive nature of SHGs in providing opportunities for economically and socially disadvantaged women. Despite the lack of formal education, these women are able to engage in savings, credit activities, and group discussions, thereby improving their socio-economic conditions. Meanwhile, 17.8% of the respondents have completed higher secondary education and above, indicating the participation of relatively more educated women as well. Overall, the table suggests that SHGs attract women from diverse educational backgrounds, including those with low literacy levels, thereby playing a crucial role in promoting empowerment across different sections of society.

Table 3: Paired Sample t-Test Showing Impact of SHGs on Composite Empowerment Score

Particulars	Before Joining SHG	After Joining SHG
Mean Score	2.25	4.10
Standard Deviation	1.05	0.98
Mean Difference (d)	-	1.85
Standard Deviation of Difference	-	1.20
Sample Size (n)	95	95
Calculated t-value	-	14.99
Table t-value (5% level, df = 94)	-	1.986

Table 3 presents the results of the paired sample t-test conducted to examine the impact of Self-Help Groups (SHGs) on the composite empowerment score of the respondents. The mean empowerment score before joining SHGs was 2.25, which increased substantially to 4.10 after joining SHGs. This indicates a considerable improvement in the socio-economic and political empowerment levels of women following their participation in SHG activities. The standard deviation before joining SHGs was 1.05 and slightly reduced to 0.98 after joining, suggesting that not only did empowerment levels increase, but the variation among respondents also decreased marginally, indicating more uniform improvement.

The mean difference between the before and after scores is 1.85, with a standard deviation of difference of 1.20. Using a sample size of 95 respondents, the calculated t-value is 14.99. When compared with the table t-value of 1.986 at the 5% significance level (df = 94), the calculated value is significantly higher. Since the calculated t-value exceeds the critical value, the null hypothesis is rejected. This confirms that there is a statistically significant difference in empowerment levels before and after joining SHGs. Therefore, the analysis clearly demonstrates that participation in SHGs has had a positive and significant impact on the socio-economic and political empowerment of women.

5. Conclusion

The research methodology adopted in this study combines descriptive and inferential statistical techniques to evaluate the impact of Self-Help Groups on women's socio-economic and political empowerment. By using a sample size of 95 respondents and applying a paired sample t-test, the study ensures objective measurement of empowerment

changes. The methodology provides a systematic framework for testing whether SHGs significantly contribute to enhancing women's economic independence, social status, and political participation.

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