

SOCIAL CAPITAL AS A BRIDGE: ANALYZING WOMEN'S EMPOWERMENT VIA MICRO-ENTERPRISE PARTICIPATION USING STRUCTURAL EQUATION MODELING

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Abstract

This study examines the impact of women's participation in micro-enterprise activities on empowerment. Researchers have conducted an extensive examination of the literature on women's empowerment, self-help groups, social capital, and microenterprises. The researchers collected primary data through a self-administered, pre-tested questionnaire. The researchers used a multi-stage sampling strategy to get the necessary data from participants who had at least three years of experience in microenterprise activities. The proposed conceptual framework for evaluating women's empowerment through micro-enterprise activities includes three variables in this area of research. Researchers generated and assessed research inquiries and hypotheses. Exploratory factor analysis (EFA) and confirmatory factor analysis (CFA) have been employed by researchers to effectively identify and verify each of these constructs. To assess the significance of the proposed association between the variables under investigation, the researchers developed a structural equation model. The results indicate that by improving social capital, women can gain more control and independence in the decision-making processes of these businesses. This underscores the importance of fostering and promoting social networks to facilitate the economic empowerment of women in India. The study has theoretically contributed to our understanding of how social capital assists women linked to Kudumbashree in achieving financial autonomy and the ability to make social and economic choices.

Keywords: Participation, Micro-Enterprise Activities, Women Empowerment, Social Capital.

INTRODUCTION

India has the second largest population globally with a population of 1.31 billion which includes 17% of the entire world's combined population and by 2028, India's population is expected to surpass China's, according to the United Nations Population Division (Mathur & Agarwal, 2017). According to the census of 2011, there were 121.06 billion people in India, 48.5% of whom were female. In 2011 India had a 943-gender ratio (count

of females per 1000 males), with 949 and 929, correspondingly, in rural and urban areas. Age groups 0 to 19 and 60 and older had a sex ratio of 908 and 1033, respectively (*Population Census 2011*, n.d.). The age group (15-59 years) with the highest level of economic activity had a 944:1 gender ratio (Mathur & Agarwal, 2017). India has 943 females for every 1000 males, according to the 2011 Census. In rural regions, there are 949 women for every 1000 men, compared to 929 women for every 1000 men in metropolitan areas (*Population Census 2011*, n.d.). In rural areas, the number of males exceeds that of females by 21,813,264, while in urban India, it is 13,872,275. The Gender Ratio of India increased by 10 places from 933 in 2001 to 943 in 2011. The gender ratio has increased by 3 and 29, correspondingly, in rural and urban India. India had the greatest gender ratio (972) in 1901 (Duppati et al., 2020).

Findings from the Periodic Labour Force Survey (PLFS) show that in 2017–18, the proportion of workers in rural areas was 51.7 for men and 17.5 for women. 14.2 females to 53.0 males are the proportion in the urban areas. Female WPRs were much shorter than male WPRs in both rural and urban locations. According to the PLFS report (2017–18), the rate of unemployment for women in rural regions was 3.8 compared to 5.7 for men, but in urban areas, it was 10.8 compared to 6.9 for both genders in the age range of 15 and above (*OECD Labour Force Statistics 2018*, 2018).

The first to offer a thorough and coherent description, (Anheier et al., 1995), expanded the economic term of "capital" that included social, cultural, representational, and financial conditions. According to Bourdieu (1971), "the total of the real or potential resources that are connected to the ownership of a lasting structure of more or less formalized connections of common acquaintance or acknowledgment". Women in a community can boost their economic capital and access to loans by consistently contributing to a joint account. Additionally, women are empowered, which boosts their self-assurance, self-worth, ability to participate in decision-making at the family and community groups, and capacity to take on leadership roles (Moyle et al., 2006).

The social capital nexus for women's empowerment is a crucial aspect that has gained increasing attention in academic research and policy discussions. Social capital, which encompasses the networks, relationships, and norms that facilitate collective action, plays a significant role in empowering women and promoting gender equality. By leveraging social connections, women can access resources, information, and support that are essential for their advancement in various spheres of life.

Additionally, social capital has emerged as a key determinant of women's empowerment, influencing their access to resources, information, and support networks. By examining the nexus between social capital, micro-enterprise participation, and women's empowerment, this study contributes to a deeper understanding of the mechanisms through which women can achieve greater empowerment in entrepreneurial endeavors. The concept of women's empowerment has garnered significant attention in academic literature and development discourse. Studies have highlighted the importance of economic opportunities, such as participation in micro-enterprises, in enhancing women's agency and autonomy.

STUDY OBJECTIVES

- To evaluate the impact of varying levels of micro-enterprise participation on economic, social, familial, and political empowerment among women.
- To analyze the role of social networks and community resources in mediating the relationship between micro-enterprise participation and the multifaceted empowerment of women.

KUDUMBASHREE PROJECT IN KERALA STATE

The State Poverty Eradication Mission (SPEM) was established by the Kerala state administration in 1998 to implement the anti-poverty program, Kudumbashree, known as the "Kerala model for development," Kerala is the sole Indian state to have achieved this extraordinary status by satisfying all the criteria for varying social well-being in comparison to some of the world's most sophisticated economies.

Women's educational standards, compensation structures in the workplace, the availability of professional and technical solutions, and the parity of genders with men all represent this accomplishment. This state's social and political context supports efforts to reframe perceptions of poverty.

Each of those multifaceted strategies convinced the government to establish "Kudumbashree," a program aimed at reducing poverty in the state and including the female population. The self-help group (SHG) concept of female empowerment has been established to support a variety of female business endeavors. Kudumbashree is currently one of Asia's biggest women's organizations. By promoting women entrepreneurs, the neighborhood-based organization system Kudumbashree collaborates with local self-governments to end hunger and empower women. In Malayalam, the state's native tongue, Kudumbashree signifies the "wealth of the household."

The aim is linked to a self-help group (SHG) model of female empowerment to encourage their wide variety of entrepreneurial activities to ensure that they are not passive recipients of state assistance but instead are active leaders in women's inclusion in expansion plans. The goal of Kudumbashree is to change the microfinance comparative security concept into a more integrated set of regional economic growth. In this context, the present study is an attempt to evaluate the impact of participation in micro-enterprise activities on women's empowerment through the self-help groups (SHG) of Kudumbashree units in Kerala state, India and the role of social capital in women's empowerment.

LITERATURE REVIEW

Women's empowerment through participation in micro-enterprises has gained significant attention in recent research. The literature review reveals that social capital plays a crucial role in enhancing women's empowerment by improving their socioeconomic well-being

(Agyapong et al., 2017); (Kumar et al., 2019). Studies have shown that social capital positively influences micro-enterprise performance among women entrepreneurs, leading to competitive advantages and better financial inclusion (Prakasa, 2018); (Devika & Thampi, 2007). Furthermore, research indicates that microfinance institutions, through social capital and training, contribute to women's empowerment (Jetti, 2006); (Haque et al., 2019). The findings suggest that building social capital through microfinance programs can significantly empower women (Mayoux, 2001). Additionally, the study explores how cognitive and relational social capital impact micro-enterprise performance, emphasizing the importance of understanding these dimensions for women entrepreneurs (Zainol et al., 2017). The research also highlights the effect of social capital components such as trust, networks, and norms (Mayoux, 2001) on the performance of small micro-enterprises (Hoq et al., 2017). Social capital serves as a bridge that strengthens the connection between micro-enterprise participation and women's empowerment. It facilitates access to resources, information, and support networks that are crucial for the success and sustainability of micro-enterprises. The trust and reciprocity inherent in social networks enable women to navigate the challenges of running a business more effectively, thereby enhancing their empowerment outcomes (Putnam, 1993). Moreover, social capital can mitigate the risks associated with entrepreneurship by providing a safety net through community support and collective action, ensuring that the benefits of micro-enterprise activities are maximized. Overall, the synthesis of these studies underscores the critical role of social capital in fostering women's empowerment through micro-enterprise participation.

Women's Empowerment and Its Distinct Grounds

Women's empowerment is a multifaceted concept involving control over financial resources, access to knowledge, and belief systems, leading to the strength to act, collaborate with others, and develop internal power. Empowerment is defined as a process of awareness and conscientization that increases capabilities, enabling greater involvement, leadership, and transformative actions. This includes the ability to influence others and secure necessary resources. Empowerment affects all areas of women's lives, from family and community to broader society, including mental potential for assertiveness, which is evolving in India. It provides women the freedom to live as they wish, determine their expertise, and enhance decision-making capacity, significantly contributing to societal economic growth (Vyas, 2018); (Mathur & Agarwal, 2017); (Sihag & Vermani, 2017); (Tayde & Chole, 2016).

A series of studies have highlighted the significant impact of women's participation in micro-enterprise activities on empowerment in India. Programs like Kudumbashree in Kerala (Sebastian & P.K, 2020); (Harkal, 2010); (Kiefhaber & Spraul, 2015) and micro-finance through Self Help Groups (Aradhana Chouksey, 2018) have promoted women's empowerment. The importance of technical knowledge, skill training, and marketing techniques in enhancing women's economic empowerment through micro-enterprises has been emphasized (Arul Paramanandam & Packirisamy, 2015). Further, research by (Jain J.M. & Shanmugam Munuswamy, 2022); (Prashant Dev, 2015) underscored the

positive impacts of micro-credit programs on women's economic and socio-cultural empowerment, while (Sreedhar, 2016) highlighted overall empowerment across economic, social, and psychological dimensions. These findings indicate that micro-enterprises play a crucial role in fostering women's empowerment in various dimensions.

Factors Affecting Women's Empowerment

Research on women's empowerment indicates that households benefit significantly when women play a larger role in decision-making. Empowerment in rural communities is influenced by various factors such as age, education, accessibility to infrastructure, and the type of agricultural production. Older women and those with higher academic qualifications tend to have greater autonomy, with education equity between couples playing a crucial role (Sell & Minot, 2018). However, rural settings and a focus on commercial agricultural production often correlate with lower levels of female empowerment, possibly due to men's dominance in cash-crop activities. Studies emphasize the need for education to engage both boys and girls, particularly in rural areas, to enhance women's participation in high-value activities (Shingla & Singh, 2015); (MS, 2018).

Various researchers have identified key elements that predict or affect women's empowerment, including age, marital status, citizenship, social standing, and economic participation (Malhotra & Mather, 1997); (Blankson et al., 2006). Economic participation, although not a guarantee, can act as a motivator for empowerment, with asset control being crucial (John & Chathukulam, 2002). Socio-cultural factors, such as caste, household composition, and proximity to the household head, also significantly impact empowerment levels. Women from lower castes and nuclear families tend to have more decision-making power compared to those from higher castes and extended families (Chakrabarti & Biswas, 2012). Studies on Self-Help Groups (SHGs) reveal that economic empowerment through SHGs is highly effective, with increased independence and social perspectives contributing to empowerment (Swain & Wallentin, 2009); (Rajagopal, 2020). These findings highlight the multifaceted nature of women's empowerment and the various socio-economic and cultural factors that influence it.

Women's Labour Force Participation in India

The female labour force participation rate (LFPR) in India has shown fluctuating trends in recent years. According to the PLFS report for July 2020–June 2021, the all-Indian female LFPR increased to 25.1% in 2021 from 22.8% the previous year, reflecting a 2.3% growth (Saha & Roychowdhury, 2021). However, by 2022, the participation rate had dropped again to just over 33%, down from about 36% in 2021 (Statista, 2022). This decline is significant as women's employment is a critical indicator of economic empowerment and their contribution to economic growth (Shingla & Singh, 2015). Over the years, female work participation rates (WPR) have been decreasing, with a notable drop from 29.6% in 1983 to 21.9% in 2011-2012, and further to 16.5% according to the PLFS 2017-2018. This trend highlights a shrinking labour population of women in India, despite growing educational attainment and GDP.

Several factors influence women's labour force participation in India, including education, personal and household attributes, and socio-cultural barriers. Unlike some BRICs and OECD countries, in India, higher levels of schooling and earnings are inversely related to female labour force participation (Sorsa et al., 2015).

Societal and cultural norms remain significant barriers, although their impact is diminishing with time and increased education. Economic participation and financial independence, such as having bank accounts, positively affect women's engagement in the labour market (Sorsa et al., 2015). However, regional differences persist, with cultural and religious influences more prominent in the North, while socioeconomic factors are more influential in the South and West (Lahoti & Swaminathan, 2016).

Despite economic advancements, women's employment has not improved significantly in terms of quantity or quality, with many women still engaged in low-paying, informal agricultural jobs, indicating the need for more inclusive economic policies (Commission, 2008); (Chatterjee et al., 2018).

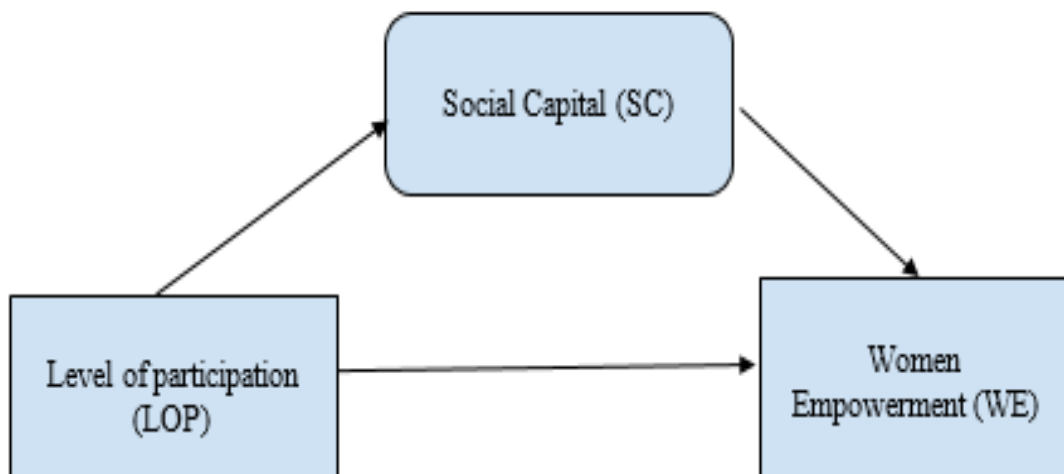
Nexus Between Social Capital

Social capital is a crucial factor in entrepreneurial development, particularly for rural women, as it can significantly reduce poverty by enhancing business performance. It helps establish credibility, foster trust, and facilitate collaboration, which is essential for the success of women-owned businesses (Mozumdar et al., 2020). Higher social capital provides better access to various financing options, emphasizing the importance of microfinance organizations and regulatory support in promoting women's entrepreneurship in emerging economies like Bangladesh (Orso & Fabrizi, 2013). Women in developing nations often face severe socio-economic challenges and live in extreme poverty more frequently than men. Building social capital to support women's commercial activities offers a sustainable solution to break the poverty cycle, enhancing their income, respect, and quality of life (Chaudhry Akhtar, Kamariah Ismail, 2014); (Kumar et al., 2019). The relationship between social capital and business is both favorable and significant. Social capital fosters trust, confidence, and effective management principles, which are vital for cultivating an innovative culture and stimulating creativity (Alrefaei et al., 2023); (Imran, M. and Aiman, 2019). It is an intangible yet essential resource for entrepreneurship, influencing business performance and development. For female entrepreneurs, strong social networks and connections are crucial as they enhance the chances of business success (Imran, M. and Aiman, 2019); (Chaudhry Akhtar, Kamariah Ismail, 2014). Initiatives like the Grameen Bank's development of social capital through effective networking within women's Self-Help Groups (SHGs) demonstrate high repayment rates for microloans, boosting credibility with commercial banks and facilitating access to further financing (Arunkumar et al., 2016). Strong family ties can sometimes hinder initial business development while bridging ties provide the human capital necessary for expanding entrepreneurial ventures (Prasad et al., 2013). The research gap identified for the study is the lack of comprehensive understanding of the multi-dimensional impact of micro-enterprises on women's empowerment in India, particularly concerning the nexus between determinants of micro-enterprises and social capital.

Theoretical Framework

The theory of Social Capital emphasizes the significance of social networks and the resources derived from these relationships. The theory of social capital emphasizes the importance of social networks and the resources gained through these relationships in empowering rural women entrepreneurs. Social capital provides access to critical resources such as information, mentorship, and funding opportunities, which are essential for the success of their ventures (Al Mamun & Fazal, 2018). By leveraging social capital, women can build a supportive community that facilitates the sharing of experiences and strategies, helping to mitigate the isolation often faced by rural entrepreneurs. The theory highlights how social norms, interpersonal social capital, and social welfare significantly affect entrepreneurship (Bennet & Richardson, 2005); (Hoq et al., 2017); (Menzies et al., 2003); (Robert D & Putnam, 2001). These social networks empower women by offering guidance, support, and access to market opportunities, enabling them to overcome challenges and achieve their business objectives. The Resource-Based View (RBV) Theory is particularly relevant for rural women's entrepreneurship, emphasizing the importance of critical resources such as financial capital, human capital, and organizational capabilities. The RBV framework suggests that by effectively managing and deploying these resources, entrepreneurs can create value and achieve a competitive advantage (Masakure et al., 2009). For rural women, this involves investing in skills development and training to enhance human capital, thereby increasing their capacity to innovate and adapt to changing market conditions. Additionally, establishing robust financial management practices ensures the efficient use of financial resources, enabling them to invest in growth opportunities and mitigate risks. By optimizing their resources, rural women can enhance their business performance and sustainability, aligning with the RBV's emphasis on creating and nurturing valuable resources to suit the unique demands of their business environment (Al Mamun & Fazal, 2018).

CONCEPTUAL MODEL



The theoretical framework for this study posits that the level of participation of women in enterprise-related activities acts as the independent variable. This participation encompasses women's independence in contributing financially, economically, and socially to their enterprises. Women empowerment, the dependent variable, measures the extent of women's power to make decisions across economic, social, familial, and political dimensions.

Social capital serves as the mediating variable, reflecting the opportunities women receive in terms of financial and human capital. This framework suggests that social capital significantly influences the empowerment of women entrepreneurs by enhancing their access to necessary resources and networks, thereby facilitating greater autonomy and decision-making power in various aspects of their lives. The interaction between these variables underscores the critical role of social capital in bridging participation in micro-enterprise activities and women's overall empowerment.

METHODOLOGY

The study utilized data from a survey conducted among members of micro-enterprises operating under the Kudumbashree Mission in Kerala, India. A sample size of 460 individuals was selected to evaluate the impact of micro-enterprises on women's empowerment. The multistage random sampling method was employed to ensure the validity and reliability of the research results.

This method allowed for the inclusion of participants from diverse demographic backgrounds and geographic locations, ensuring representation at every stage. The increased generalizability of the findings is thus achieved, incorporating varied viewpoints and contextual factors into the research. To collect the data, a survey-based quantitative questionnaire instrument was developed, featuring a Likert scale where respondents selected statements based on their level of agreeableness.

The primary criterion for sample selection was that individuals must have engaged in enterprise activities for at least three years, based on the assumption that the impact can be successfully researched due to the members' sustained involvement and the firms' likely achievement of a stable state during this period. The sample size determination followed Cochran's formula (Cochran G, 1977), designed for quantitative data in a finite population.

The research instrument used was a self-administered semi-structured questionnaire, developed following a systematic literature review. The constructs measuring key variables were adapted from previously developed scales and modified to fit the context of the study, ensuring the instrument's relevance and comprehensiveness.

The study employed four indicators- economic empowerment factors, social empowerment factors, family empowerment factors, and political empowerment factors- to quantify women's empowerment as the dependent variable, with the level of participation (LOP) identified as the independent variable and social capital as a mediating variable.

To examine the relationships among these variables, hypotheses were framed and tested. Data for all indicators were collected at a single point in time, with constructs measured using a five-point Likert scale (Allen & Seaman, 2007) and validated through exploratory factor analysis (EFA) and confirmatory factor analysis (CFA).

The normality, communalities, linearity, reliability, and validity of the constructs were established before analysis. Statistical techniques were applied using IBM SPSS 24.0 and AMOS 24.0 software packages, and path analysis was performed to estimate the significance of the hypothesized relationships between variables under study.

This path analysis primarily focuses on addressing the three major hypotheses listed below:

Hypothesis 1: There is a significant positive relationship between the level of participation in micro-enterprise activities and women's overall empowerment.

Hypothesis 2: Social capital mediates the relationship between the level of participation in micro-enterprise activities and women's overall empowerment.

Hypothesis 3: The combined effect of social capital and the level of participation in micro-enterprise activities significantly influences overall women empowerment.

The structural equation modelling technique was employed to test all three hypotheses pertaining the relationship between the level of participation and the social capital and attributes of women empowerment.

ANALYSIS, RESULTS AND DISCUSSIONS

Data analysis is the process by which the researcher examines the data they have gathered to separate and group them into manageable sets that can be read and understood by regular people (Flick, 2013).

These data that have been gathered and divided into smaller groupings can be used to make and infer meaningful interpretations. The current study has used SPSS software and its tools for data analysis of the collected data.

For the descriptive statistics, the study has used the mean, standard deviation, skewness, and Kurtosis tools of SPSS. Whereas Chronbach's Alpha (Bayissa et al., 2017) has been used for the reliability test through SPSS for measuring internal consistency. For Factor analysis, The KMO measures were utilized.

Further, Bartlett's test is also used to test the strength of the relationship among variables and communalities along with eigenvalues. Furthermore, the study has included SEM analysis, to quantify and examine the relationships between observable and latent variables.

Socio-Demographic Background of the Respondents

Table 1: outlines the sociodemographic characteristics of the women micro-entrepreneurs who took part in the survey.

Factors		N	%
Age	Up to 35	35	8
	36-40	131	28
	41-45	108	23
	46-50	58	13
	51-55	54	12
	56 & above	74	16
Marital status	Married	409	89
	Unmarried	10	2
	Others	41	9
Location	Rural	415	90
	Urban	45	10
Educational Qualification	Below SSLC	127	28
	SSLC	162	35
	HSE/ PDC	110	24
	Graduation & above	61	13
Total Monthly Household Income (Rs.)	Up to 20,000	58	13
	20,001 - 25, 000	101	22
	25,001 - 30, 000	125	27
	30, 001 - 35,000	55	12
	35,001 - 40,000	68	15
	Above 40,000	53	12
Duration of association of respondents with micro-enterprises	3- 4Yrs	66	14
	4 -6Yrs	201	44
	6-8Yrs	53	12
	8-10Yrs	101	22
	More than 10Yrs	39	8

Source: Primary Data

Table 1 presents the socio-demographic background of respondents, highlighting key factors such as age, marital status, location, educational qualification, household income, and duration of association with micro-enterprises.

The majority of respondents are aged 36-40 years (28%), married (89%), and reside in rural areas (90%). Educational qualifications vary, with 35% having completed SSLC and only 13% holding graduation degrees or higher. Household income distribution shows 27% earning between Rs. 25,001 - 30,000 monthly. Most respondents have been associated with micro-enterprises for 4-6 years (44%).

Reliability Statistics

Cronbach's Alpha, a reliability test conducted using SPSS, measures the internal consistency of a measuring instrument. The reliability statistics for a sample size of 460

indicate Cronbach's alpha of 0.873, demonstrating good internal consistency for our scale with this specific sample.

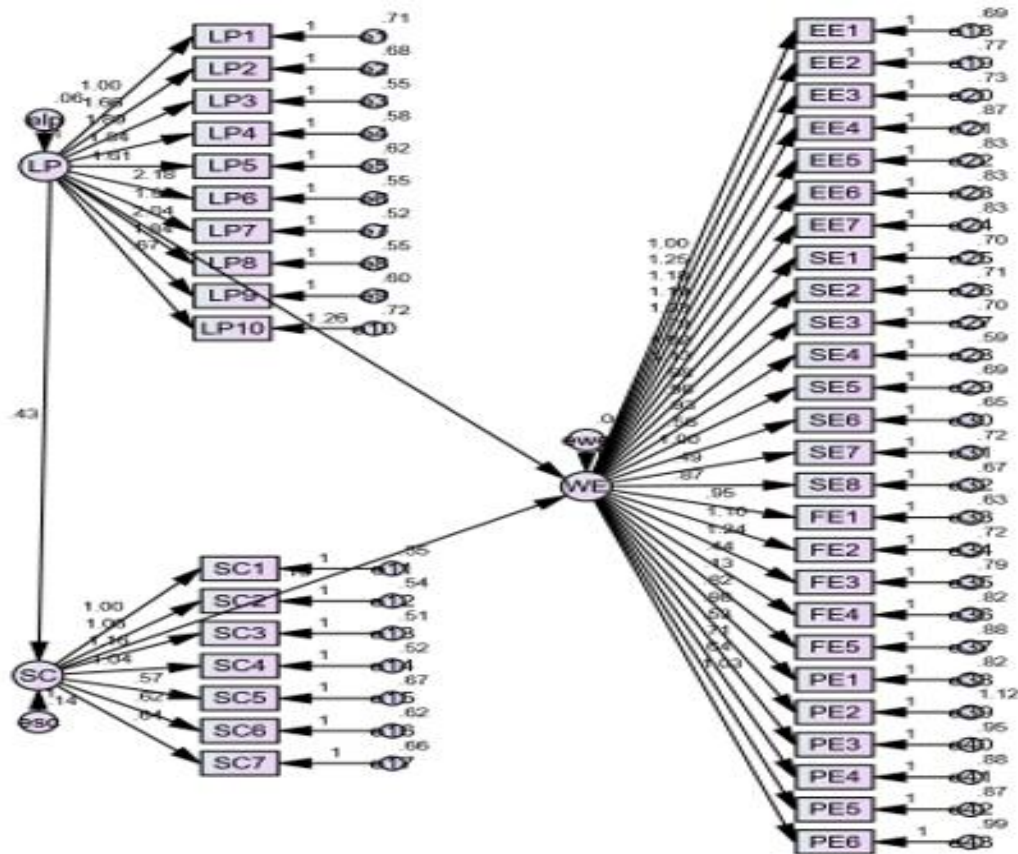
Reliability Statistics	
Cronbach's Alpha	N of Items
.873	43

The Kaiser-Meyer-Olkin (KMO) measure was 0.750, indicating adequate sampling for factor analysis, and Bartlett's Test of Sphericity was significant, confirming the suitability of the data.

Communalities showed that most variables had a variance explanation above 0.5. Principal Component Analysis (PCA) identified three factors explaining 60.80% of the variance, with key variables loading significantly on these components. The component matrix highlighted strong correlations between the variables and the extracted factors, clarifying the underlying structure of the data.

THE ESTIMATED PATH MODEL

The path diagram for the preliminary model which is used for confirmatory factor analysis was as follows:



Indices for checking the fitness of the model:

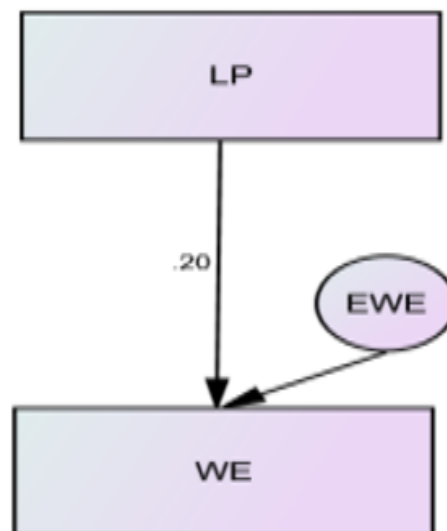
	Model fit
Chi – Square	1598.543
Degrees of Freedom	857
CMIN/DF	1.865
CFI	0.564
RMSEA	0.043
NFI	0.386

The above table channelizes the desired indices for gauging the fitness of the model. From the table, it can be delineated that the chi-square value acquired was 1598.543 and the degree of freedom was 857.

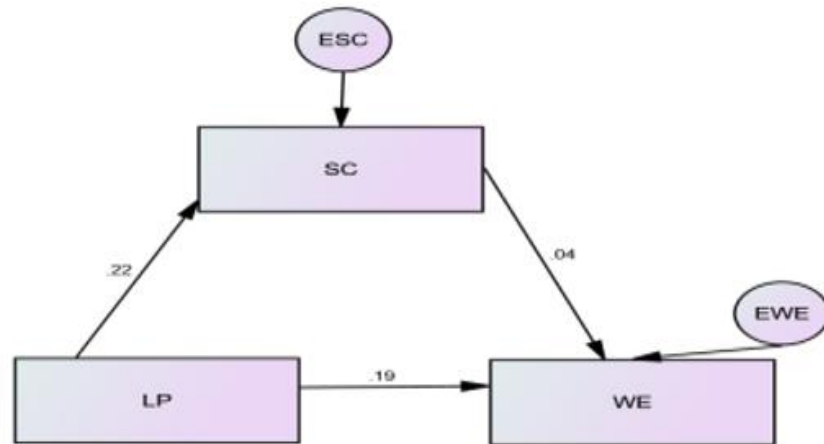
This does not possess any requisite score for outlining the model fit. Moving on, the CMIN/DF value acquired was 1.865 which accentuates good fit based on the desired score criteria. In alignment with this, the CFI value gained was 0.564 which is lesser than the 0.90 requisite score. Hence, it illustrates that the model is not a good fit. Subsequently, the RMSEA value acquired was 0.043 which is less than but close to the 0.10 desired score. Therefore, it also channelizes that the model is a good fit. Lastly, the NFI value acquired is 0.386, which is less than 0.90. Thereby, it also outlines that the model is a good fit. As the majority of the indices depict that the model is a moderate to good fit, it was appropriate to conduct further analysis.

Mediating Effect Model

Effects of Independent variable on Dependent Variable without the effect of Mediation variable.



Effects of Independent variable on Dependent Variable with the effect of Mediation variable.



Relationship		Direct Effect without Mediator	Effect with Mediator	Effect
Performance	Level of Participation	.190	.009	Full Mediation
Performance	Women Empowerment Factors	.042	.000	Partial Mediation

* Significant at 5% level

Standardized Total Effects (Group number 1 - Default model)

LP to SC = .199 SC to WE = .042

	LP	SC
SC	.222	.000
WE	.199	.042

Direct Effect without Mediator

LP to SC = .190 SC to WE = .042

	LP	SC
SC	.222	.000
WE	.190	.042

Effect with Mediator

Standardized Indirect Effects (Group number 1 - Default model)

LP to WE = .009 SC to WE = .000

	LP	SC
SC	.000	.000
WE	.009	.000

The significance levels have been changed by involving the Mediator variable. It was found that Social Capital affects both Levels of Participation and Women's Empowerment Factors. The impact of the Level of Participation without a Mediator is Insignificant and with Mediator is Significant. Whereas Woman Empowerment Factors are significant both without and with a Mediator.

DISCUSSIONS

The present study developed a questionnaire that covered various aspects of the study including the level of participation of the women, their take on social capital, and the empowerment they receive in the aspect of social, economic, and political empowerment. In the questionnaires when the respondents were asked what they like about the level of participation 61.3% of respondents agreed with the statement “Collective efforts to encourage others to take part in a micro-enterprise activity”. These findings of the current study are a new addition to this field of research because, in the previous study by (Economic Development and Women’s Labour Force Participation in India), it has been shown that the engagement of women in the labour market is positively impacted by financial participation and financial prosperity (Sorsa et al., 2015), but they have not reported on the participation in having a micro-enterprise (*OECD Labour Force Statistics 2018*, 2018). Further in the aspects of social capital when they were asked about what changes they have been noticing then 71.3% of respondents opted for a high-level of the statement “In my opinion, efforts are made to impart innovations or creativity in our business activity”. Though this is a new finding in this study when compared to the previous research, on a similar note a study conducted by (Kiefhaber & Spraul, 2015); (Saskara & Marhaeni, 2017) found that by fostering trust and confidence in beliefs and management principles, social capital is a powerful factor that is crucial in the development of approaches that can foster an inventive culture and spark creativity. Social capital is an intangible resource that is important to entrepreneurship development and whose presence or absence might affect corporate performance (Menzies et al., 2003); (Othman, Shahrina, Azahari Ramli, 2017).

Further, these respondents were asked about the factors of empowerment in the political, social, economic, and family aspects of their life. In response to this query, the respondents responded that in the aspect of economic empowerment, 67.4% of respondents agreed with the statement “I achieved the improved ability to make a judicious decision on purchases for household requirements”. These findings have already been proved by (Gangadhar CH, 2015); (Al-shami et al., 2018), where the researcher showed that as families transition from nuclear to blended families, women lose authority over judgment. Additionally, a woman's level of empowerment changes significantly and considerably depending on her household's economic situation, faith, media coverage, degree, profession, age, and type of income. Moreover, 63.3% of respondents agree with the statement “I have more freedom in adopting family planning measures” in the aspects of decision-making power within familial factors (Bayissa et al., 2017); (Ballon, 2018).

CONCLUSION

Women empowerment is a critical issue today, where every individual should have access to basic economic and social rights and the power to actively participate in these spheres. This study aimed to evaluate the impact of participation in micro-enterprise activities on women's empowerment, focusing on the Kudumbashree self-help groups in Kerala.

The survey-based questionnaire revealed significant political, social, financial, and economic benefits for the respondents since joining Kudumbashree. Key findings indicate that these self-help groups encourage women to engage in micro-enterprise activities and actively contribute to business growth through innovative strategies.

Additionally, the study found that women in these groups have achieved decision-making rights for household purchases and gained freedom in family planning measures, highlighting their enhanced role in economic, social, and political activities.

Theoretically, this study adds to the existing body of knowledge on the role of social capital in empowering women associated with Kudumbashree, helping them attain financial independence and freedom in social and economic decision-making.

Practically, the findings provide valuable insights for policymakers in other Indian states to develop similar models for women's empowerment. By fostering an environment where women can participate actively in micro-enterprises, these groups can drive broader social and economic development. The success of Kudumbashree in Kerala serves as a potential blueprint for other regions aiming to enhance women's empowerment through micro-enterprise activities.

However, this study is not without limitations. Conducted exclusively in Kerala, the findings are geographically limited and may not be generalizable to other states in India. Furthermore, the study employed a quantitative approach, which does not capture the personal experiences and nuanced perspectives of the women involved with Kudumbashree.

Future research should consider a more comprehensive approach, including qualitative methods, to explore the personal stories and deeper impacts of such self-help groups on women's lives across different regions.

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