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Savings Habit Among Women in Self Help Groups with Reference to Chennai

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Abstract

This research paper is attempted to analyse the savings habit among women self Help groups operating in Chennai. The major aim for establishing women SHGs is to empower the women in various aspects and which mainly helped them to be independent financially or economically in the society. Basically, SHGs motivating people to save and contribute money for their group business and empower them in all dimensions. savings habit is one of the variables which helps to measure financial independence or financial empowerment of women through SHGs. The major objective of this paper is to analyse savings habit among SHG members before & after joining SHGs and how savings habit made them to empower financially. The samples were collected among 20 SHGs randomly of which 5 members from each SHGs were selected and total of 100 members were chosen for data collection purpose. Structured questionnaires were distributed among the selected SHG members to draw their views and facts about their savings habit before & after joining SHGs. Paired sample t test was adopted to measure their savings habit before and after joining SHGS and to find financial empowerment of women through SHGs.

Key words: Savings habit, Self Help Groups, Financial empowerment, group business etc

I. Introduction:

The concept of Self-Help Group was initiated by Prof. Mohamed Yunus and it is one of the most successful tools for women empowerment which was implemented by many nations especially developing nations around the world. This paper tries to analyse the most important variable which determine financial empowerment of women through SHGs called savings habit. Naturally women are better in taking care of family members and saving money to their family even men are income earners to their family. SHGs motivate women to contribute money to their group business and working mutually towards their group business which ultimately generate income to them. Once they started to generate revenue from their business in what way they are saving their money and what are their savings plan that helps to identify and ensure savings habit among women SHGs. This study also covers to analyse savings habit before and after joining SHGs by women.

II. Objectives of the Study:

To know the demographic profile of the respondents

To analyse savings habit among SHG members before & after joining SHGs

To analyse saving habit made them to empower financially

III. Review of Literature:

Shikha Singh (2012) conducted research among 150 women SHGs in two district of Punjab state through interview method to analyse functions and problems faced by women SHGs. Results shows improvement in savings habit and achieved higher level of empowerment among women SHGs. Study undertaken by John & Christu (2016) among SHGs women lives in Chennai slum to know their level of savings credit programme with the intention of pre & post loan status and their household before & after joining SHGs. 200 samples were gathered especially who have taken loan in 10 slums area. Their study shows that women in these areas were able to contribute financially to their family and their status in society has been proved increased. Prof. Lakshmi Kumar et al, Published report in Institute for Financial Management &

Research (IFMR), Role of voluntary savings in SHGs: An analysis in Tamil Nadu & Karnataka. 4 districts in Tamil Nadu & 2 districts from Karnataka were taken for analysing savings habit of these two states SHG members. The Researchers were adopted Focussed Group Discussion (FGD) method among 900 SHG members and their study revealed Insurance policies & fixed deposits to be major savings part among SHGs in these two states.

IV. Research Methodology:

This empirical study covers 100 samples from 20 SHGs running in Chennai region and samples were chosen based on convenient of the respondents. The gathered data were analysed with various statistical tools like percentage analysis, Chi square and paired t test through IBM SPSS statistics 20. Percentage analysis used to analyse demographic profile of the women SHGs, Chi square test helps to measure the level of association between demographic profile and saving habit variables and Paired t test helps to find savings habit of women before & after joining SHGs which ultimately assist to find financial empowerment of women through SHGs.

V. Analysis & Interpretation:

a). Percentage Analysis:

Table 5.1 showing Age of Respondents

Age of Respondents	Frequency	Percent
Below 25 Years	3	3.0
25-30 Years	7	7.0
35-40 Years	18	18.0
Above 40 Years	72	72.0
Total	**100**	**100.0**

From the above table it is depicted that 72% of respondents were in the age of above 40 years, 18% of respondents were in the age group of 35-40 years, 7% of respondent were in the age of 25-30 years and only 3% of respondents below 25 years.

Table 5.2 showing educational profile of respondents

Educational Profile	Frequency	Percent
Illiterate	0	0
Primary Schooling	5	5.0
Secondary Schooling	33	33.0
Intermediate	32	32.0
Graduates	30	30.0
Total	**100**	**100.0**

From the above table it shows that 33% of respondents were completed secondary schooling, 32% of respondents were having intermediate schooling, 30% of respondents were having graduate and 5% respondents were having primary schooling and none of the respondent is illiterate.

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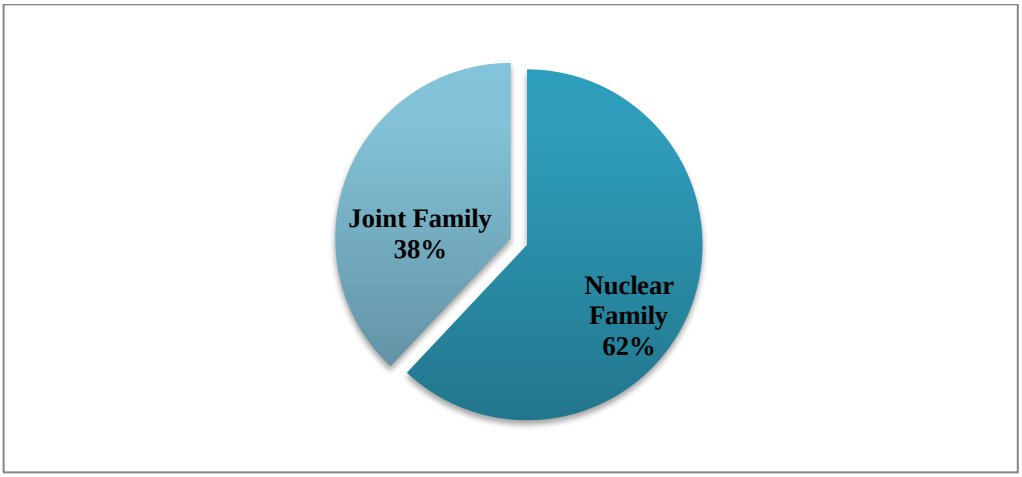
Chart 5.3 showing Type of Family



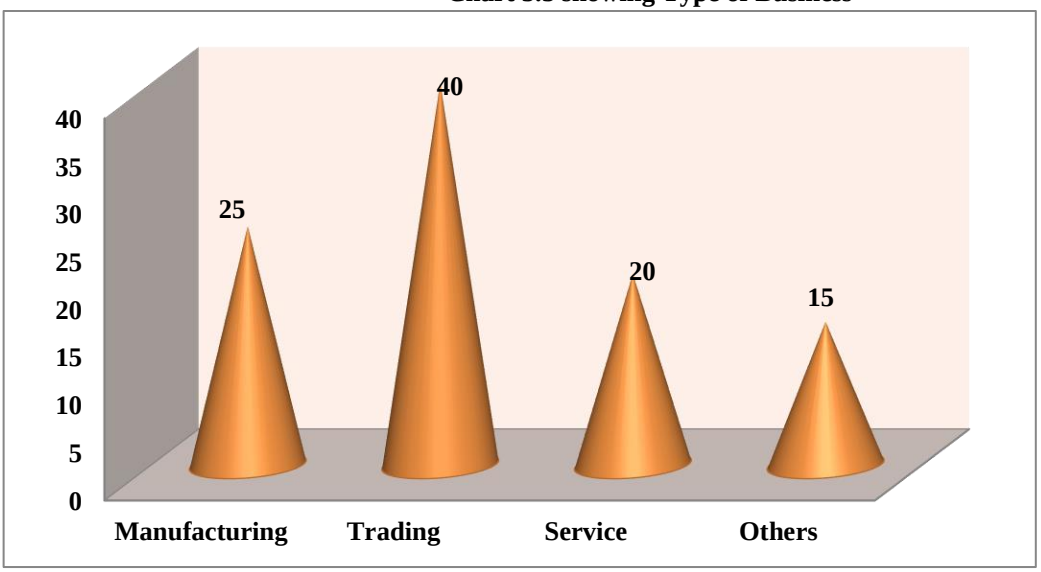
The above chart shows that 62% of respondents were from nuclear type of family and 38% of respondents were from joint family.

Table 5.4 showing number of Dependents

Number of dependents	Frequency	Percent
No	0	0
More than two	9	9.0
Two	76	76.0
One	15	15.0
Total	**100**	**100.0**

From the above table it is clear that 76% of respondents were having two dependents,15% of respondents were having one dependent and 9% of respondents were having more than two respondents and none of the respondents were having no dependents.

Chart 5.5 showing Type of Business



From the above chart it shows 40% of respondents were doing trading type of business,25% of respondents were doing manufacturing business,20% of respondents were doing service-related business and 15% of respondents were doing other type of business.

b). Chi-Square Test:

Table 5.6 Cross tabulation between Education of Respondents and Money contribution to any insurance plan after joining SHGs

Null hypothesis (H_0): There is no association between Education and money contribution to insurance plan after joining SHGs.

Education of the Respondents						Total	Chi-Square value	P value
	Strongly Disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree			
Primary Schooling	0	0	0	0	5	5		
Secondary Schooling	0	0	14	0	19	33		
Intermediate	0	10	1	0	16	27	77.328	<0.01**
Graduates	10	0	0	3	22	35		
Total	**10**	**10**	**15**	**3**	**62**	**100**		

Note: ** Indicate 1% level of significance

From the above table it is depicted that the chi-square value is 77.328 with p value less than 0.01. Since the null hypothesis is rejected at 1% level of significance and it is concluded that there is an association between education & money contribution for insurance plan after joining SHGs.

Table 5.7 Cross tabulation between Age of Respondents and Savings has helped in providing education for children after joining SHGs

Null Hypothesis (H_0): There is no association between age & savings made for educations for children's

Age of Respondents	Savings has helped in providing education for children after joining SHGs			Total	Chi-Square value	P value
	Disagree	Agree	Strongly agree			
Below 25 Years	0	0	3	3		
25-30 Years	5	0	2	7	90.219	<0.01**
35-40 Years	0	0	18	18		
Above 40 Years	0	38	34	72		
Total	5	38	57	100		

Note: ** Indicate 1% level of significance

From the above table it is inferred that the calculated chi-square value is 90.219 with p value of less than 0.01. Hence the null hypothesis is rejected at 1% level of significance and it is concluded that there is an association between age and savings made for children's education.

Paired t test:

Hypothesis:

H_0 - There is no significant difference between savings habit among SHG members before & after joining SHGs.

Paired Samples Statistics

Factors contributing savings habit before & after joining SHGs	**Joining SHGs**	**Mean**	**N**	**Std. Deviation**	**Std. Error Mean**

Pair 1	Money contribution to insurance	Before	2.50	100	0.870	0.087
		After	3.97	100	1.446	0.145
Pair 2	Savings made to meet Hospital expenses	Before	3.90	100	1.307	0.131
		After	4.39	100	0.815	0.082
Pair 3	Saving made for children Education / Marriage	Before	2.50	100	0.870	0.087
		After	3.40	100	0.865	0.086
Pair 4	Savings made in group financing (Chits)	Before	2.90	100	1.000	0.100
		After	3.76	100	1.207	0.121
Pair 5	Your savings contribution in post office	Before	2.30	100	0.718	0.072
		After	2.70	100	0.40	0.124
Pair 6	Your savings on investing gold	Before	2.70	100	0.959	0.096
		After	3.90	100	1.049	0.105
Pair 7	Savings for your Business plan / growth	Before	2.00	100	0.000	0.000
		After	3.15	100	1.201	0.120
Pair 8	Savings made for purchasing of properties	Before	1.85	100	0.857	0.086
		After	3.17	100	1.223	0.122
Pair 9	Savings made for repayment of credit	Before	2.60	100	0.921	0.092
		After	4.30	100	0.461	0.046
Pair 10	Any savings made at bank	Before	2.90	100	1.142	0.114
		After	3.87	100	1.292	0.129
Pair 11	Savings has been made for Tourism /entertainment	Before	2.00	100	0.000	0.000
		After	3.55	100	0.925	0.093

Paired Samples Test

Factors contributing savings habit before & after joining SHGs		**Paired Differences**					**t**	**Df**	**Sig. (2-tailed)**
		Mean	**Std. Deviation**	**Std. Error Mean**	**95% Confidence Interval of the Difference**				
					Lower	**Upper**			
Pair 1	Money contribution to insurance before & after joining SHGs	-1.470	1.654	.165	-1.798	-1.142	-8.886	99	.000
Pair 2	Savings made to meet Hospital expenses before & after joining SHGs	-.490	1.691	.169	-.825	-.155	-2.898	99	.005
Pair 3	Saving made for children Education / Marriage before & after joining SHGs	-.900	.948	.095	-1.088	-.712	-9.492	99	.000
Pair 4	Savings made in group financing (Chits) before & after joining SHGs	-.860	1.407	.141	-1.139	-.581	-6.111	99	.000
Pair 5	Your savings contribution in post office before & after joining SHGs	-.400	.921	.092	-.583	-.217	-4.342	99	.000
Pair 6	Your savings on investing gold before & after joining SHGs	-1.200	1.576	.158	-1.513	-.887	-7.613	99	.000

Pair 7	Savings for your Business plan / growth before & after joining SHGs	-1.150	1.201	.120	-1.388	-.912	-9.577	99	.000
Pair 8	Savings made for purchasing of properties before & after joining SHGs	-1.320	1.576	.158	-1.633	-1.007	-8.378	99	.000
Pair 9	Savings made for repayment of credit before & after joining	-1.700	1.106	.111	-1.919	-1.481	-15.377	99	.000
Pair 10	Any savings made at bank before & after joining SHGs	-.970	1.396	.140	-1.247	-.693	-6.949	99	.000
Pair 11	Savings has been made for Tourism / entertainment before & after joining SHGs	-1.550	.925	.093	-1.734	-1.366	-16.752	99	.000

From the above table it is inferred that the paired t test two tailed value is less than 0.01 in all factors contributing savings habit before and after joining SHGs. Hence the null hypothesis is rejected at 1% level of significance and it can be concluded that there is significant difference between savings habit among SHG members before & after joining SHGs. Savings made to meet Hospital expenses shows & post office savings has shown low level of difference between before and after joining SHGs

Findings:

Statistical tools taken for this research helps to identify many findings which are i). percentage analysis helps to finds demographic profile of the respondents and the major findings are majority of people were in the age of above 40 years, most of the respondents were completed secondary schooling. majority of respondents were living in nuclear family; majority of respondents were having two dependents and majority of the respondents were engaged in trade related business.

ii). Chi-square test helps to identify association between demographic profile and savings habit of SHGs and results shows educational background of the respondents is associating factor for money contribution for insurance plans likewise age of the respondents is associating factor for money contribution for educations of the dependents. iii). Paired t test helps to identify various factors contribute savings habit among women before & after joining SHGs and result shows significance difference between before & after joining SHGs.

Suggestions & Conclusion:

Result shows low level of changes in savings made in post office before & after joining SHGs and it can be suggested that need more awareness among women SHG in post office schemes and also, they need to save money for hospital expenses. savings habit always helps people to protect from many contingencies and managing their family & business in a comfortable way and it is ultimately concluded that SHGs helps women to empower financially and there are some significance changes on their savings habit after joining SHGs.

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