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Financial Socialisation and Promotion of Financial Inclusion, among Women Self-Help Group Members: An analysis

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INTRODUCTION

India, a country of diversities has travelled a long way in the process of achieving inclusive growth through financial inclusion. The expedition has started from bank nationalisation in the year 1969 to flagship programs like SHG bank Linkage and PMDJY. Historically, women in India have faced various socio-economic challenges, including limited access to financial services and opportunities. To address these challenges and promote the financial inclusion of women, several initiatives and measures have been taken at the government, regulatory, and institutional levels. The PMJDY accounts have shown a remarkable growth in account openings. Around 50.09 Crore Jan Dhan accounts opened as of Aug 2023 where average deposits rise from Rs.1065 crore in 2015 to Rs.4087 Crore in 2023,nearly 3 times over Aug 2015. Around 56% of such accounts are owned by woman, whereas 67% of the accounts are owned by women in rural and semi urban areas (PIB 2023)[1]. But what is more discouraging is that India has the highest in inactive accounts which is 35% globally. In developing economies, women account owners are, on average, 5 percentage points more likely than men are inactive, in India the deviation is highest that is 12 %.Out of the women owned accounts, more than 32% are inactive. The usage of accounts also indicates a different saga as most of them is used for withdrawals of salary or wages, emergencies, or availing Govt. Benefits which leads to a lowering of financial inclusion among the women (Global Findex database 2021)[2].

It's important to note that despite many advancements achieved by the country with respect to the financial inclusion of women through initiations like PMJDY, introduction of a range of women-centric financial products, such as savings accounts, fixed deposits, and insurance policies, often with special features and incentives, SHGs movements, development of digital financial ecosystem for women in rural areas to access financial services through mobile banking and digital wallets, undertaking financial literacy programs and campaigns aimed at women for improving their financial knowledge and decision-making capabilities, legal reforms related to property rights and inheritance rights, support for Women Entrepreneurs including access to credit, training, and mentorship, and by allocating funds specifically for women's welfare and empowerment through gender budgeting, the challenges still prevailing. The gender gap in financial inclusion still exist, with women in rural and marginalized communities facing more significant barriers. Social and cultural factors, limited financial literacy, and the persistence of gender-based violence in some regions were among the ongoing challenges (Fletschner & Kenney, 2011[3]). The need for ongoing education and awareness programs, addressing gender biases, and expanding access to financial services in remote areas etc. remain the priorities of the policy makers. Achieving full financial inclusion for women in India requires a multi-faceted approach involving government policies, financial institutions, civil society organizations, and the active participation of women themselves. It is essential for both economic development and gender equality (Duflo, 2012[4]; Bucciol et.al, 2022[5]).

REVIEW OF LITERATURE

Financial Socialisation of Women: Financial socialization and financial inclusion are two related concepts that play a significant role in individuals' financial well-being and capabilities, and overall level of financial inclusion. They are closely intertwined, as the way individuals are introduced to financial concepts and services can influence their ability to access and effectively use financial resources. Effective financial socialization can promote financial literacy and awareness, which, in turn, can facilitate financial inclusion by encouraging individuals to access and use financial services (Gudmunson, et.al., 2007[6]; Beverly & Burkhalter, 2005[7]). Many research studies have found out a striking gender differences in respect to financial socialisation across the countries (Shim et.al., 2010[8]). Conversation between the parents and child during parenting (Hira & Loibl, 2005[9]), and the interactions and interrelationship among people in the social setup i.e., among the neighbours, social groups, economical groups etc. (Lusardi & Mitchell, 2007[10]) enable the financial socialisation but includes a gender difference. Many researchers have found different levels of financial socialisation across the gender (Agnew et al. 2018[11]; Braunstein & Welch, 2002[12]; Chen & Volpe, 2002[13]). Different financial socialisation process and progress across gender exist at home as well as in the social domains, which lead to variation in financial belief, financial behaviour, financial attitude, financial skill and knowledge, financial confidence, and ultimately the usages of financial products (Goldsmith & Heaney, 1997[14]; Fonseca et.al., 2012[15]; Volpe et.al 2002[16]; Worthington, 2006[17]; Agnew et.al., 2018[18]). In a nutshell, woman, as a second gender, lack in financial socialisation, so as slowly included financially.

Purposive Financial Socialisation and Financial Inclusion: Financial Inclusion serves as a critical benchmark for fostering comprehensive economic growth within a nation. In the context of a developing nation such as India, it becomes imperative to ensure the financial empowerment of women to facilitate widespread financial inclusion. Previous research has underscored the significant correlation between family financial education and the development of financial knowledge and attitudes in children, ultimately shaping their financial behaviours (Shariff & Nagabhi, 2020[19]). However, the presence of gender biases and disparities in parental financial discussions between male and female children raises questions about the parental role in cultivating financial behaviours among girls. The Gudmunson and Danes (2011)[20] family financial socialization theory aptly emphasizes the family's pivotal role as a primary source of financial education. Additionally, peers and media within the family context also wield considerable influence as tools for financial socialization.

Group Dynamics and Purposive Financial Socialisation: Numerous studies, such as those by Gudmunson & Danes (2011) have underscored the importance of family financial socialization. However, none have specifically identified the primary source of financial socialization concerning females. This study aims to investigate how group behaviour influences the deliberate financial socialization process within the framework of the Self-Help Group (SHG) bank linkage program. Financial socialization is defined as the acquisition and cultivation of values, attitudes, standards, norms, knowledge, and behaviours that enhance financial capability and well-being (Shim et al. 2010[21]; Luhr, 2018[22]; Friedline & Rauktis 2014[23]; Kim et al. 2011[24]; Moschis, 1985[25]; Le baron & Kelly, 2021)[26]

Financial Capabilities and Well-being: The study conducted by Anthony et al. (2022)[27] highlights the significance of gender in influencing financial behavior and its subsequent impact on financial well-being, particularly among female respondents. Parental financial socialization emerges as a critical factor in shaping the financial behaviors of young adults, with long-lasting positive effects. This underscores the potential for developmental interventions aimed at enhancing financial behavior among this demographic. Anthony et. al.'s (2022)[28] research hypothesis posits that gender moderates the relationship between financial behavior and the financial well-being of young adults, with women's financial literacy and money management skills being areas of concern (Lusardi & Mitchell, 2011[29]; Mottola, 2013[30]; Hung et al., 2012[31]). Additionally, Borden et al. (2008)[32] noted a negative attitude toward money among women.

Further exploration, as defined by Ward (1974)[33], sheds light on the differential conditioning of women in terms of financial socialization within the home environment. Hilgert et al. (2003) delve into the relationship between financial knowledge, financial behaviour, and the role of women in household financial management. They find a significant correlation between financial knowledge and practices, highlighting the importance of experiential learning from personal encounters, friends, and family (Churchill & Moschis 1979[34]; Moschis & Churchill 1978[35]). The linkage between financial literacy and behaviour extends beyond developed economies, with implications for emerging markets (Cole et al., 2011[36]). Enhanced financial literacy can lead to improved savings habits and better risk management, thereby contributing to economic stability and growth. Socio-demographic characteristics and family financial socialization also play crucial roles in shaping financial behaviour (Pitt et al., 2006[37]; Lusardi et al., 2010). Gurtoo (2007)[38] analyses supply-side interventions such as microfinance and financial literacy programs in the context of women's economic empowerment. While microfinance programs show promise in empowering women, legal barriers and limited access hinder progress. Mayoux (2003)[39] stresses the need for women's empowerment to be central to microfinance policies, calling for greater integration of empowerment initiatives within microfinance programs. Lusardi and Tufano (2015)[40] emphasize the importance of financial knowledge and skills in decision-making, highlighting the costly consequences of inadequate financial literacy. Against this backdrop, the current study aims to examine the individual and group characteristics influencing financial socialization among women members of Self-Help Groups (SHGs). It seeks to ascertain whether community-based SHGs serve as primary sources of financial knowledge and awareness for their members, and whether participation in these groups refines or alters financial attitudes and behaviours. Mediating variables such as financial capability are explored in relation to financial well-being, underscoring the multidimensional nature of financial empowerment (Sherraden, 2013).

Group Characteristics and Purposive Financial Socialisation: Manski (1993) [41] offers insight into the influence of peer dynamics on social behaviour, encompassing factors such as social norms, reactions, identity considerations, and strategic implementations. Benjamin et. al. (2010)[42] underscore the significance of peer effects within group settings, particularly in shaping financial behaviour, as members tend to emulate each other. Bernheim (1994)[43] further emphasizes the role of social capital and interaction in fostering favourable financial behaviour. Malhotra & Baag (2021)[44] also highlight the role of social learning in promoting sound financial decisions within groups. Their study demonstrates that when individuals gather in a social context, they exchange information, discuss financial matters, and collectively make decisions conducive to financial well-being. Consequently, peer effects facilitate social learning and cultivate positive financial.

OBJECTIVE OF THE STUDY

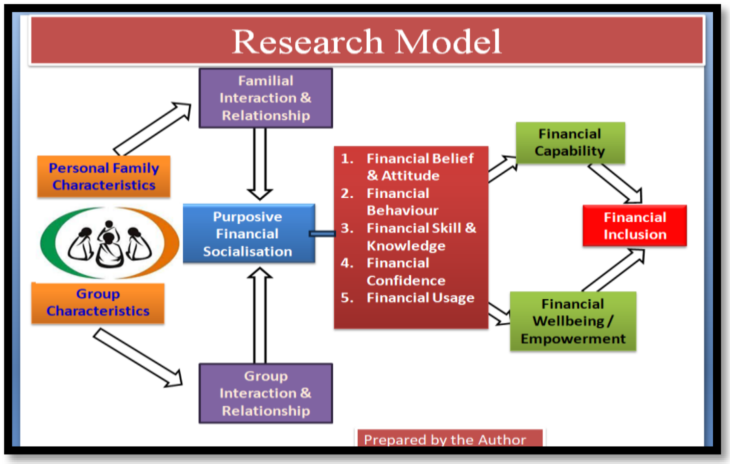
The objective of the study is to investigate the intricate relationship between financial socialization, financial inclusion, and the catalytic role of Women Self-Help Groups (SHGs) in advancing women's empowerment and socio-economic progress.

HYPOTHESIS

H_0: Financial Socialisation has no significant impact on financial capability, wellbeing and financial inclusion of Woman SHG members.

RESEARCH DESIGN

The present study adopts a correlational research design to explore the intricate relationships among Self-Help Group (SHG) membership, financial socialization, and individuals' financial well-being and capabilities. This design enables the examination of the strength and direction of associations between these variables across individual, familial, group, and social dimensions. The Figure illustrates the proposed research model, which seeks to uncover the connections between purposive financial socialization, individuals' financial capability, and their overall well-being. It hypothesizes that an individual's exposure to purposive financial socialization within SHGs contributes positively to their financial capability and well-being, subsequently facilitating their inclusion in financial systems. Women participating in SHGs are subjected to a diverse array of influences, including both familial factors—such as upbringing, family dynamics, and cultural norms—and group dynamics within the SHG setting. These factors collectively shape their financial attitudes, behaviours, skills, knowledge, confidence, and usage patterns.

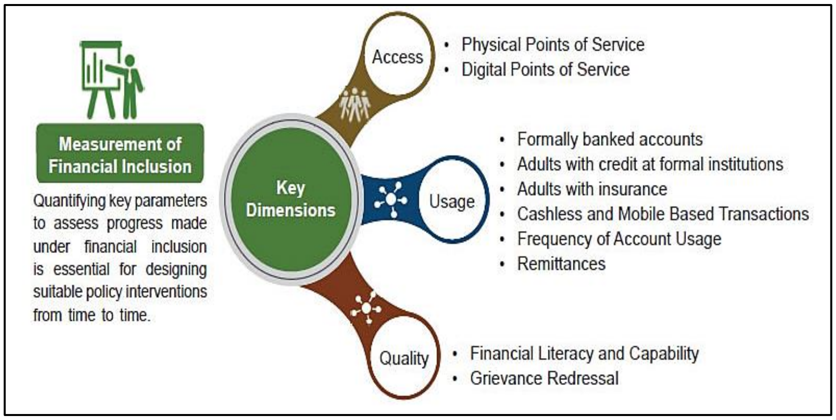


The model posits that strengthening the process of purposive financial socialization—defined as deliberate efforts to instil financial knowledge, skills, and attitudes—can lead to enhanced financial capability and empowerment among SHG members. Ultimately, this empowerment is expected to promote their inclusion in financial systems, facilitating access to financial services and resources. In essence, the research model elucidates the multifaceted pathways through which financial capability, nurtured through purposive financial socialization, contributes to individuals' empowerment and eventual inclusion in financial systems, particularly within the context of SHGs.

The measurement of the level of financial inclusion of the sample respondents for the current study has been based on the model outlined in the RBI Report on National Strategy for Financial Inclusion (NSFI) for the period 2019-2024 (RBI, 2018[45]), which typically encompasses several key indicators. These indicators are designed to assess the extent to which individuals and businesses have access to and actively use a range of financial services and products. Some common metrics used to measure financial inclusion include:

1. Access to Financial Services: This involves measuring the availability of formal financial institutions, such as banks, credit unions, and microfinance institutions, as well as access points like branches, ATMs, and mobile banking agents in different geographic areas.
2. Usage of Financial Services: This indicator evaluates the extent to which individuals and businesses utilize various financial services, such as savings accounts, loans, insurance, and electronic payment systems. It includes metrics like the percentage of adults with bank accounts, the frequency of transactions, and the diversity of financial products used.
3. Affordability of Financial Services: This metric assesses the costs associated with accessing financial services, including fees, interest rates, and transaction charges. It examines whether financial services are affordable for different segments of the population, particularly low-income and marginalized groups.
4. Quality of Financial Services: This indicator evaluates the quality and reliability of financial services provided, including factors such as customer service, ease of account opening, transparency of fees, and availability of financial education and consumer protection measures.
5. Financial Literacy and Awareness: This metric measures the level of financial knowledge and awareness among individuals and businesses, including their understanding of financial products, services, rights, and responsibilities.
6. Inclusion of Underserved and Vulnerable Groups: This indicator assesses whether financial services reach underserved and vulnerable populations, such as women, rural communities, youth, elderly individuals, persons with disabilities, and ethnic minorities.
7. Digital Financial Inclusion: This metric evaluates the extent to which individuals and businesses have access to and use digital financial services, including mobile money, internet banking, and digital payment platforms.

Overall, the measurement of financial inclusion involves a comprehensive assessment of access, usage, affordability, quality, literacy, and inclusion across different demographic groups and geographic areas. These indicators help policymakers and stakeholders monitor progress, identify gaps, and design targeted interventions to promote greater financial inclusion and economic empowerment.



Drawing upon the model outlined above and employing a triangulation approach, which integrates findings from literature reviews, expert insights, and focused group discussions (FGDs) involving stakeholders such as beneficiaries, banking professionals, and researchers, a meticulous analysis of diverse perspectives was conducted. Subsequently, a robust Financial Inclusion Index (Table – 1) was meticulously crafted, incorporating the requisite construction and distribution of weightage, informed by the insights gleaned from this comprehensive study.

Table-1: Financial Inclusion Index –Construction and Distribution of Weightage

Indicator	Sub components (Source of finance)	Weight	Sub-total
Inclusion Indicators			
Access	Accessibility to bank or any financial institution	10	30
	Accessibility to ATMs	5	
	Accessibility to PoS Machines	2	
	Accessibility to Mobile Banking	3	
	Accessibility to Application based services like GPay, etc.	5	
	Accessibility to the BCs	3	
	Accessibility to Insurance Products / Services	2	
Usages	Frequency of Usages of accounts (savings, RD, FD etc.)	5	50
	Frequency of Usages of Cheques	5	
	Frequency of Banking Transactions	5	
	Frequency of Usages of ATM	5	
	Frequency of Usages of Mobile Banking	5	
	Frequency of Usages of Application based services like GPay etc.	5	
	Frequency of Usages of Credit products	5	
	Frequency of Usages of Life Insurance products	5	
	Frequency of Usages of General Insurance products	5	
	Frequency of Usages of Investment Products	5	
Quality	Financial Literacy and capabilities	10	20

	Financial Knowledge about credit, inflation, interest (simple & compound), Risk, insurance etc. and Specific Financial knowledge about financial products and service	5	
	Knowledge about Calculation and uses for financial decision	5	
	Grievance Redressal	10	
	No of complaints made	5	
	No of Complains resolved and escalated	5	
Total Score			100

RESEARCH METHODOLOGY

This empirical study is based on primary data collected from a sample of 250 women Self-Help Group (SHG) members in Dhenkanal district of Odisha. Dhenkanal district in Odisha holds a pivotal role in the Women Self-Help Group (SHG) movement due to its pioneering initiatives and strong institutional support. The district boasts a vibrant ecosystem of SHGs, engaging in diverse activities that empower women from marginalized communities. Through access to financial services, skills training, and income-generating activities, SHGs in Dhenkanal have catalysed significant socio-economic transformation, enhancing women's agency and well-being. Their success has not only influenced replication and scaling-up efforts within Odisha but has also served as a model for SHG movements nationwide. Dhenkanal's SHG movement stands as a beacon of innovation and impact, driving positive change and empowerment for women across the region and beyond.

Sampling Process: The sampling process involved a multi-staged randomly selected sample, with 200 observed respondents and 50 in the control group. The questionnaire/schedule used for data collection was pilot-tested to ensure reliability and validity before statistical analysis. A meticulous multi-stage random sampling method was employed to ensure representativeness. All blocks within the district were included, with an equal allocation of samples from each block. Sample respondents were chosen from each block using a lottery method, utilizing a list of SHG members. Final selection was contingent upon the respondents' willingness to participate.

Sample Size: For this study, a total sample of 300 women Self-Help Group (SHG) members from Dhenkanal district of Odisha was selected. Among them, 200 were observed respondents, while 100 constituted the control group. The Criteria for participant selection included and exclusion, as adopted are:

a. Inclusion Criteria:
   i. Women respondents aged between 18 and 65 years.
   ii. Women SHG members with at least 7 years of continuous membership in the observed group, contrasting with less than 2 years in the control group, reflecting varied degrees of exposure to financial socialization, activities, and experiences.
   iii. Women SHG members from both nuclear and joint families, encompassing urban and rural settings.

b. Exclusion Criteria:
   i. Non-WSHG members were excluded from both groups.
   ii. WSHG members with less than 2 years of uninterrupted membership.

Tools (questionnaire / schedule): A robust questionnaire / schedule was developed based on the following standardised tools, developed by the following researchers, had been utilized for data collection.

1. *Financial Well-Being*: Financial Wellbeing Scale (Dew & Xiao, 2012; [46])
2. *Financial Well-Being and Capabilities:* Financial Wellbeing and Capabilities Scale *(*Bhatia & Singh, 2023[47]; Porter & Garman, 1993[48]; Kempson et al., 2017a[49]; 2017b[50]).
3. *Individual/ Household, and Familial Socialisation*: Gudmunson & Danes, 2011[51]
4. *Individual/ Household, and Familial Socialisation*: Self-administered questionnaire
5. *Demographic Profile Sheet*: Self-administered questionnaire

The present empirical study is grounded in primary data collected through a rigorous sampling process and validated tools, ensuring reliability and validity. Finally, appropriate statistical tools were used to analyse the data collected from the survey.

ANALYSIS, INTERPRETATION, AND FINDINGS

The table-2 provides demographic information for both the observation and control groups, including age group, social group, marital status, educational qualification, and economic status of the household (HH).

Table -2: Demographic Profile of the Respondent

Demographic factors	Sub Factors	Observation group		Control group	
		N (200)	%age	N (100)	%age
Age group	50-65 years	58	29.00	20	20.00
	35-50 Years	130	65.00	71	71.00
	20-35 years	12	6.00	9	9.00
Social group	SC	50	25.00	29	29.00
	ST	44	22.00	31	31.00
	OBC	72	36.00	24	24.00
	General	34	17.00	16	16.00
Marital Status	Married	174	87.00	78	78.00
	Unmarried	8	4.00	12	12.00
	Widows	18	9.00	10	10.00
	Separated	0	0	0	0
Educational Qualification	Below 10^{th}	162	81.00	62	62.00
	Intermediate	31	15.50	31	31.00
	Graduate	7	3.50	7	7.00
Economic Status of the HH	BPL	52	26.00	44	44.00
	APL	148	74.00	56	56.00

The table presents a comprehensive analysis of demographic factors among observed and control groups of women Self-Help Group (SHG) members. In terms of age distribution, the majority of participants in both groups fall within the 35-50 years age group, with 65.00% in the observed group and 71.00% in the control group. Interestingly, while there is a higher percentage of participants aged 50-65 years in the observed group (29.00%) compared to the control group (20.00%), the observed group has fewer participants in the 20-35 years age group (6.00%) compared to the control group (9.00%). Regarding social group representation, the observed and control groups exhibit similar distributions across Scheduled Caste (SC), Scheduled Tribe (ST), Other Backward Classes (OBC), and General categories. Marital status shows a higher proportion of married participants in both groups, with 87.00% in the observed group and 78.00% in the control group. Educational qualification reveals a higher percentage of participants with educational attainment below 10th grade in both groups, with 81.00% in the observed group and 62.00% in the control group. Finally, in terms of economic status, a larger percentage of participants from both groups belong to Above Poverty Line (APL) households, with 74.00% in the observed group and 56.00% in the control group. Overall, the table highlights notable similarities and differences in demographic characteristics between the observed and control groups, providing valuable insights for further analysis and interpretation.

Table - 3: Familial and Group Behaviour affecting Financial Socialisation- Descriptive Analysis

Personal & Familial and Group Behaviour affecting Financial Socialisation		Observation Group		Control Group		F Score	p
		Mean	SD	Mean	SD		
Familial	Imitative behaviour	3.03	.529	3.07	.602	2.289	.621

	Knowledge sharing & dissemination	3.22	.767	3.11	.629	2.901	.572
	Participation in economic decisions	3.13	.579	3.32	.679	3.330	.411
	Independent economic action	3.32	.812	3.41	.648	2.175	.487
	Independent mobility	3.11	.634	3.16	.701	1.801	.501
	Ownership of assets	2.76	.229	3.16	.854	1.927	.552
Group	Group Interaction & sharing of knowledge	4.32	.501	3.19	.807	8.803	.003*
	Peer influence	4.31	.117	3.12	.911	10.112	.000*
	Group decision making	4.30	.521	3.43	.997	10.005	.000*
	Group cohesion & dependency	4.11	.725	3.06	.798	9.934	.002*
Familial Factors		3.095	.439	3.205	.934	3.398	.529
Group Factors		4.26	.674	3.20	.874	10.001	.000*

The table-3 presents a comparative analysis of personal, familial, and group behaviours affecting financial socialization among observed and control groups of women Self-Help Group (SHG) members. Across familial factors, the observed group demonstrates slightly lower mean scores compared to the control group, albeit with negligible differences. Specifically, in imitative behaviour, knowledge sharing and dissemination, participation in economic decisions, independent economic action, independent mobility, and ownership of assets, the observed group exhibits marginally lower mean scores. However, these differences are not statistically significant, as indicated by the F scores and p-values. Conversely, regarding group factors, the observed group substantially outperforms the control group across all variables. Notably, in group interaction and sharing of knowledge, peer influence, group decision making, and group cohesion and dependency, the observed group records significantly higher mean scores, resulting in notably higher F scores and statistically significant p-values. This indicates a strong influence of group dynamics on financial socialization, with the observed group exhibiting greater engagement, cohesion, and influence within the SHG setting.

Findings: The analysis reveals that while there are minor differences in familial factors between the observed and control groups of women Self-Help Group (SHG) members, the real differentiator lies in group dynamics. The observed group exhibits significantly higher levels of engagement, cohesion, and influence within the SHG setting compared to the control group. This suggests that group interaction, sharing of knowledge, peer influence, group decision-making, and cohesion play pivotal roles in shaping financial socialization among SHG members (Singh et al., 2024[52]; Champatiray et al., 2023[53]). These findings underscore the crucial importance of fostering supportive group environments within SHGs to enhance financial literacy, decision-making, and empowerment among women participants (Mohanty et al., 2023[54]; Bhalerao et al., 2022[55]).

Table-4: Personal & Familial and Group Behaviour affecting Financial Socialisation: Regression Analysis

Model Summary

Model	**R**	**R Square**	**Adjusted R Square**	**Std. Error of the Estimate**	**Change Statistics**				
					R Square Change	**F Change**	**df_1**	**df_2**	**Sig. F Change**
1	.816[a]	.666	.581	.688	.207	7.774	13	386	.000

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	47.788	8	5.9735	6.248	.000b
	Residual	182.522	191	.956		

Total	230.310			199							

Coefficients[a]

Model 1	Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.	95.0% Confidence Interval for B Lower Bound	95.0% Confidence Interval for B Upper Bound	Correlations Zero-order	Correlations Partial	Correlations Part	Collinearity Statistics Tolerance	Collinearity Statistics VIF
(Constant)	4.289	.874		4.906	.000	2.570	6.008					
Imitative Behaviour	.058	.060	.051	.967	.034	.060	.177	.167	.049	.044	.745	1.342
Knowledge sharing & dissemination	.066	.054	.071	1.224	.022	.040	.171	.161	.062	.055	.611	1.636
Participation in economic decisions	.103	.110	.073	.938	.049	.320	.113	.146	.048	.042	.342	2.921
Independent economic action	.123	.044	.147	2.778	.006	.036	.210	.278	.140	.126	.738	1.356
Independent Mobility	.056	.075	.037	.739	.060	.092	.203	.088	.038	.034	.804	1.243
Ownership of assets	.010	.101	.007	.095	.024	.188	.207	.146	.005	.004	.389	2.570
Group Interaction & sharing of Knowledge	.387	.170	.109	2.272	.024	.052	.722	.036	.115	.103	.897	1.115
Peer Influence	.311	.095	.181	3.288	.001	.497	.125	.284	.165	.149	.677	1.477
Group Decision Making	.201	.050	.197	4.007	.000	.300	.102	.235	.200	.182	.853	1.173
Group Cohesion & Dependency	.102	.117	.042	.870	.005	.332	.128	.011	.044	.039	.873	1.145

The results of the regression analysis (table -4) reveal several key insights into the factors influencing financial socialization among women Self-Help Group (SHG) members. Firstly, the model summary indicates a strong relationship between the independent variables (familial and group behaviour factors) and financial socialization, with approximately 66.6% of the variance in financial socialization being explained by these factors. This suggests that familial and group dynamics significantly contribute to shaping financial attitudes and behaviours among SHG members. From the coefficients table, it becomes evident that certain factors exert a more pronounced influence on financial socialization than others. Specifically, variables such as "Peer Influence" and "Group Decision Making" exhibit strong positive relationships with financial socialization, indicating that higher levels of peer influence and participatory decision-making within the group context are associated with greater financial literacy and empowerment among SHG members. These findings underscore the importance of social networks and collaborative decision-making processes in fostering financial knowledge sharing and adoption of sound financial practices within SHGs. Conversely, variables like "Imitative Behaviour" and "Independent Mobility" demonstrate weaker or non-significant relationships with financial socialization. While these factors may still play a role in shaping financial behaviours to some extent, their impact appears to be overshadowed by the collective influence of peer networks and group decision-making dynamics within the SHG setting.

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Findings: The findings suggest a strong relationship between familial and group behaviour factors and financial socialization among women Self-Help Group (SHG) members. Specifically, variables such as "Peer Influence" and "Group Decision Making" show significant positive associations with financial socialization, indicating the importance of peer networks and participatory decision-making processes within SHGs in shaping financial literacy and empowerment. Conversely, factors like "Imitative Behaviour" and "Independent Mobility" exhibit weaker or non-significant relationships with financial socialization. These results underscore the critical role of social dynamics within SHGs in fostering financial knowledge sharing and adoption of sound financial practices among women participants (Panda et al., 2023[56]). Overall, the findings highlight the need for interventions aimed at strengthening group cohesion, facilitating knowledge exchange, and promoting participatory decision-making to enhance the financial well-being of women SHG members.

Table- 5: Financial Inclusion Index – Observed and Control Group

<table>
<tr><th rowspan="2">Financial Inclusion Index</th><th colspan="5">Observation Group</th><th colspan="3">Control Group</th></tr>
<tr><th colspan="3">Number</th><th colspan="2">Percentage</th><th colspan="2">Number</th><th>Percentage</th></tr>
<tr><td>Poor (0-30)</td><td colspan="3">5</td><td colspan="2">2.50%</td><td colspan="2">38</td><td>76.00%</td></tr>
<tr><td>Medium (30-60)</td><td colspan="3">79</td><td colspan="2">39.50%</td><td colspan="2">12</td><td>24.00%</td></tr>
<tr><td>High (60-90)</td><td colspan="3">116</td><td colspan="2">58.00%</td><td colspan="2">0</td><td>-</td></tr>
<tr><td>Fully Inclusion (90-100)</td><td colspan="3">0</td><td colspan="2">-</td><td colspan="2">0</td><td>-</td></tr>
<tr><td>Mean Score</td><td colspan="5">61.65%</td><td colspan="3">22.20%</td></tr>
<tr><td>F- Score</td><td>79.886</td><td>p</td><td colspan="2">.000*</td><td colspan="2">Significance</td><td colspan="2">Sign. at 5% level of significance</td></tr>
</table>

The Financial Inclusion Index (Table – 5) provides valuable insights into the level of financial inclusion among the observed and control groups of women Self-Help Group (SHG) members. The analysis reveals stark disparities between the two groups, with the observation group demonstrating significantly higher levels of financial inclusion compared to the control group. Specifically, among the observation group, 58.00% of participants fall into the "High" category, indicating a robust level of financial inclusion, while none of the control group members reach this level. Conversely, a staggering 76.00% of the control group participants are categorized as "Poor," indicating a concerning lack of financial inclusion among this group. These findings suggest that participation in SHGs plays a crucial role in enhancing financial inclusion among women, as evidenced by the substantially higher mean score of 61.65% in the observation group compared to 22.20% in the control group. The high F-score of 79.886 and a significant p-value of <0.0001 further validate the significant difference in financial inclusion levels between the two groups. Overall, these results underscore the effectiveness of SHGs in promoting financial inclusion and highlight the importance of targeted interventions to address financial exclusion among marginalized women.

Findings: The findings reveal a notable discrepancy in the level of financial inclusion between the observed and control groups of women Self-Help Group (SHG) members. Specifically, the observation group exhibits significantly higher levels of financial inclusion compared to the control group. This is evidenced by the distribution of participants across different categories of the Financial Inclusion Index, where a substantial proportion of the observation group falls into the "High" category (58.00%), while none of the control group members achieve this level. Conversely, a large majority of the control group participants are classified as "Poor" (76.00%), indicating a concerning lack of financial inclusion among this group. The mean scores further emphasize this difference, with the observation group scoring substantially higher (61.65%) compared to the control group (22.20%). These findings underscore the positive impact of participation in SHGs on enhancing financial inclusion among women, highlighting the need for targeted interventions to address financial exclusion among marginalized groups.

Table- 6: Correlation: Financial Socialisation, Financial Empowerment, Financial wellbeing & Financial Inclusion

Factors	Parameters	FS	FE	FW	FI
Financial Socialisation (FS)	Personal and Familial factors, and Group factors	1	.487*	.428*	.531*
Financial Empowerment (FE)	Income, Diversified Income, Expenditure, Savings, Asset Acquisition, Handling Future Shock		1	.401*	.439*
Financial Well Being (FW)	Financial outcomes in which they meet their financial obligations, financial freedom to make choices that allow them to enjoy life, control of their finances, and financial security			1	.501*
Financial Inclusion (FI)	Access, Usages, and Quality				1

The table-6 presents the correlation coefficients (Pearson's r) between different factors: Financial Socialisation (FS), Financial Empowerment (FE), Financial Well Being (FW), and Financial Inclusion (FI). Financial Socialisation (FS) positively correlates with Financial Empowerment (FE) ($r = 0.487$, $p < 0.05$), Financial Well Being (FW) ($r = 0.428$, $p < 0.05$), and Financial Inclusion (FI) ($r = 0.531$, $p < 0.05$). This indicates that individuals who have higher levels of financial socialisation tend to experience greater financial empowerment, well-being, and inclusion. Financial Empowerment (FE) demonstrates a positive correlation with Financial Well Being (FW) ($r = 0.401$, $p < 0.05$), indicating that individuals with higher levels of financial empowerment are more likely to experience positive financial outcomes and a sense of control over their finances. Financial Well Being (FW) is positively correlated with Financial Inclusion (FI) ($r = 0.501$, $p < 0.05$), suggesting that individuals who perceive themselves as financially secure and in control are more likely to have access to financial services and opportunities for financial participation.

Findings: Overall, these correlations suggest that there is a strong relationship between financial socialisation, empowerment, well-being, and inclusion. Improving financial socialisation practices may contribute to enhanced financial empowerment, well-being, and inclusion among individuals, ultimately leading to greater financial resilience and security (Sahu et al., 2023[57]). The findings suggest significant correlations between various factors related to financial well-being and inclusion among women Self-Help Group (SHG) members. Firstly, there is a positive relationship between financial socialisation and financial outcomes, with higher levels of financial socialisation associated with greater financial empowerment, well-being, and inclusion. This underscores the importance of familial and group dynamics in shaping individuals' financial attitudes and behaviors, ultimately leading to improved financial outcomes. Secondly, financial empowerment shows a positive correlation with financial well-being, indicating that individuals who feel financially empowered are more likely to experience positive financial outcomes and a sense of control over their finances. This highlights the importance of factors such as income diversification, savings, and asset acquisition in enhancing individuals' financial resilience and security. Furthermore, financial well-being is positively associated with financial inclusion, suggesting that individuals who perceive themselves as financially secure and in control are more likely to have access to financial services and opportunities for financial participation. This underscores the interconnectedness between financial well-being and access to financial resources and opportunities. Overall, these findings underscore the importance of fostering supportive familial and group environments, promoting financial empowerment, and improving access to financial services and opportunities for women SHG members to enhance their financial well-being and inclusion.

CONCLUSION

Self-Help Groups (SHGs) play a pivotal role in empowering women through the facilitation of financial inclusion and literacy. The collaborative ethos inherent in SHGs offers women a platform to aggregate resources, access credit, and acquire financial management skills. Through shared experiences and mutual encouragement, these groups not only bolster financial socialization but also instill a positive financial mindset and behaviors among their participants. The ramifications are extensive; as women garner increased confidence and expertise within these collectives, they become more proficient in navigating financial intricacies. This may encompass adeptness in budgeting, saving, investing, and engaging with diverse financial services and products. The reverberations of such empowerment extend beyond individual members, positively impacting their families and communities at large. SHGs serve as catalysts for fostering economic autonomy, driving social progress, and fostering a more inclusive financial ecosystem for women.

In conclusion, the findings highlight the intricate interplay between various factors influencing financial well-being and inclusion among women within Self-Help Groups (SHGs). They emphasize the pivotal role of familial and group dynamics in shaping individuals' financial attitudes and behaviors, leading to improved financial outcomes. Furthermore, the positive correlation between financial empowerment and well-being underscores the importance of income diversification, savings, and asset acquisition in bolstering financial resilience. Additionally, the link between financial well-being and inclusion underscores the significance of access to financial services and opportunities for participation in enhancing overall financial health. Overall, the findings underscore the need for targeted interventions to foster supportive familial and group environments, promote financial empowerment, and enhance access to financial resources for women in SHGs. Addressing these factors can empower women and foster inclusive economic development within communities, benefiting policymakers, practitioners, and stakeholders alike.

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