

Research Article

Impact of Self-Help Groups on Regional Advancement: A Study in Bastar District

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Abstract: The present study explores the role of Self-Help Groups (SHGs) in driving socio-economic development in the Bastar district of Chhattisgarh. By assessing the participation, income generation, and empowerment outcomes associated with SHG activities, the research highlights their contribution to regional advancement. Primary data from SHG members and local stakeholders provide insights into grassroots transformation. This study is carried on with two research objectives and two hypotheses. The population for this study constitutes the women who are members of SHGs located in 7 blocks of Bastar district. Total 393 respondents (calculated using Cochran's formula) answered on 16 questions on 5-point likert scale questionnaire. The questions were related to impact of SHGs on financial benefits and self-fulfilment of members working in SHGs. The validity is done using factor analysis while reliability test was carried on calculating Cronbach's formula. Later, hypothesis was tested using ANOVA. The findings suggest

Keywords: Self Help Group, Bastar, Financial Benefits, Self-Fulfilment.

INTRODUCTION

Rural women in India, particularly in underdeveloped regions like Chhattisgarh, face numerous challenges, including poverty, unemployment, limited access to education, and lack of financial independence. These socio-economic constraints often hinder their ability to participate in meaningful income-generating activities, perpetuating cycles of poverty and gender inequality. Self-Help Groups (SHGs) have been recognized as a tool for empowering women, their potential to transform lives is significantly enhanced when combined with Entrepreneurship Development Programmes (EDPs). Despite the growing focus on SHG-based EDPs, their effectiveness in improving the standard of living of rural women remains uneven. Key issues include inadequate training, poor market linkages, limited access to credit and lack of sustained support for entrepreneurial ventures.

This study addresses the critical gap in understanding the real and perceived impact of EDPs implemented through SHGs on the standard of living of rural women in selected districts of Chhattisgarh and thus regional advancement in Bastar district.

The findings aim to provide actionable insights for policymakers, practitioners, and development organizations to improve the effectiveness and sustainability of such initiatives.

The scope of the current study covers three aspects i.e. the geographical location, population and the factors on which there is impact. This study was conducted in self-help groups located in seven blocks of Bastar in Chhattisgarh.

These blocks are Bakawand, Bastanar, Bastar, Darbha, Jagdalpur, Lohandiguda and Tokapal. The subject of study i.e. population for current study includes all the staff working in SHGs located in selected blocks of Bastar in Chhattisgarh. The study has taken two impacts of SHGs on the working women. These impacts are financial benefits (FB) gained and self-fulfillment (SF) felt.

LITERATURE REVIEW:

Entrepreneurial Development Programmes (EDPs) have been widely studied for their impact on fostering entrepreneurship, economic growth, and empowerment. This review examines key studies and contributions to the field, highlighting the objectives, outcomes, challenges, and best practices associated with EDPs.

EDPs are particularly relevant in developing economies where entrepreneurship can serve as a catalyst for economic growth and employment generation (Hisrich et al., 2017). Kumar and Yadav (2012) found that EDPs significantly contribute to microenterprise development, leading to increased income and employment in rural areas. Similarly, a study by Naudé (2011) emphasized the role of EDPs in addressing unemployment and promoting inclusive economic development of the particular region. Sharma and Dhameja (2002) argue that EDPs targeting women not only enhance their economic independence but also improve their social standing and decision-making abilities.

Despite their potential, EDPs face challenges such as lack of access to credit, inadequate follow-up support, and skill mismatches. According to Ghosh and Ghosh (2014), many

participants of EDPs struggle to sustain their businesses due to limited market linkages and mentorship. As per Rajasekaran and Sindhuja (2014), integrating financial support, technological training, and market access is crucial for long-term success. Monique Cohen (1996) has prepared a household economic portfolio model (HHEP) to analyze that help in analyzing the impact of microenterprise services at three levels like (i) at individual level, (ii) at enterprise level and (iii) at household level.

Bonia (2019) concluded that in Narayanpur Block self-help groups are playing a major role among the rural people. Through formation of SHGs they have economically become stronger than before. Nimisha and Arumugam (2019) analyzed the self and social awareness among women entrepreneurs after being a part of self-help groups. SHGs play a major role in eradicating poverty and women empowerment in both urban and rural areas. Meean and Prasad (2021) examined the performance of Self-Help Groups (SHGs) in Tribal Sub Plan Region of Rajasthan state of India. Significant improvement in livelihood indicators such as participation in family decision making, easiness in accessing loan from money lenders, respect from family members, ability to bear children school expenses and able to pay medical bills, enhancement of household assets like purchase of land and building home, ability to market produce and easiness in accessing new information were recorded from the study. Arunkumar and Mahalaxmi (2022) opined that the core SHG philosophy is in women empowerment through increasing employability, self-sufficiency and inculcating a habit of saving among the rural women and found that these programs have uplifted the rural woman economically and socially in the society leading to regional development.

Sarda and Palwe (2023) highlighted numerous problems associated with SHGs which are poor marketing strategies, unprofessional behavior of the members, lack of product;

quality issues, lack of knowledge in handling finance, repayment of the loan, the non-availability of working capital, interference from mediator / external agency, complicated bank procedures, risk-averse nature of women, lack of incentives, interference of local leaders, caste dominance, poor decision-making skills, language barrier, lack of guidance and motivation, responsibility of dual and suggested that only government alone cannot eradicate illiteracy among the rural SHG members. NGOs, educational institutions should also take part actively.

Sultania (2024) has done a comprehensive analysis of Self-Help Groups (SHGs) in India, focusing on their non-financial and indirect impacts that eventually lead to significant financial gains over the long term and opined that these factors contribute to the independence and autonomy of women in rural India, which is the ultimate precedent for holistic empowerment.

Women in SHGs in Chhattisgarh have benefited from microfinance and credit facilities under the SHG-Bank Linkage Programme. These loans have enabled women to start small businesses in areas like agriculture, animal husbandry, handicrafts, and food processing (BIHAN, 2021). However, irregular income and limited market linkages remain challenges that restrict the scale and profitability of these activities in Chhattisgarh (Sharma & Rani, 2019). Poor infrastructure in rural and tribal areas, including transportation and communication networks, hampers the operational efficiency of SHG-led enterprises (Verma & Sahu, 2017).

Research Objectives:

- 1) To determine the impact of SHGs on financial benefits of members of SHGs.
- 2) To determine the impact of SHGs on self-fulfillment of members of SHGs.

RESEARCH METHODOLOGY

Hypotheses

FH₀: As per block, there is no significant difference among the perception of SHGs' members on their increased financial benefits after joining SHG.

SH₀: As per block, there is no significant difference among the perception of SHGs' members on their increased self-fulfillment after joining SHG.

The study adopts a combination of descriptive and causal research designs. For present study, convenience sampling technique is selected to draw the representative sample. All the members of SHGs located in seven blocks of Bastar districts of Chhattisgarh as mentioned above constitutes population for current study. The total members in SHGs is Bakawand is 23,648; in Bastanar is 8,555; in Bastar is 23,934; in Darbha is 9,634; in Jagdalpur is 19,645; in Lohandiguda is 11,459 and in Tokapal is 12,410.

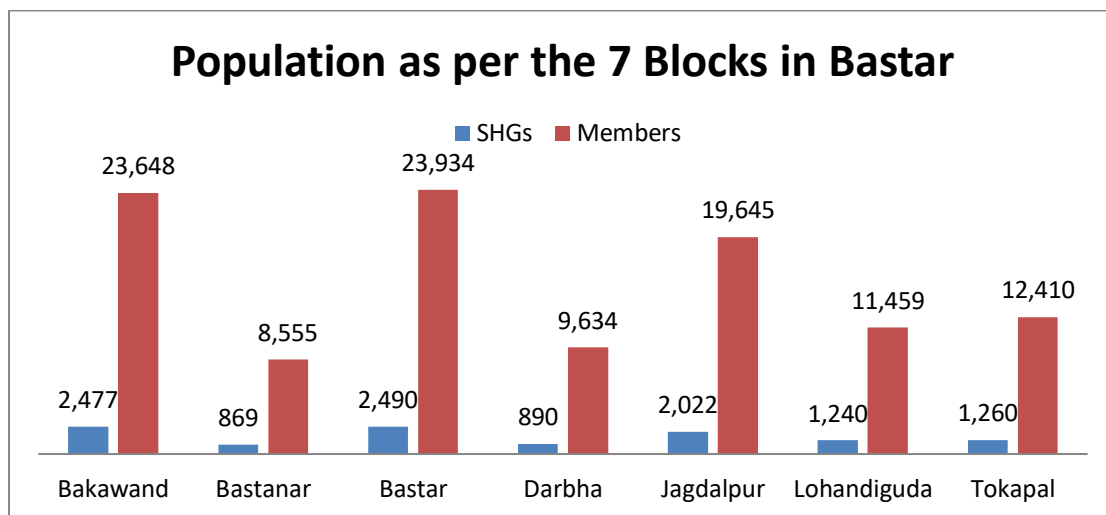


Figure 1: Population as per 7 Blocks in District

Using the Cochran formula the calculated sample size for the 7 blocks is 383. Taking the ratio of population of members, block wise sample size is as follows.

Table 1: Sample Size as per Block and Valid Filled Questionnaire Received:

Blocks	Sample Size	Questionnaire Distributed to	Valid Filled Questionnaire Received
Bakawand	83	85	83
Bastanar	30	30	30
Bastar	84	90	88
Darbha	34	40	40
Jagdalpur	69	70	67
Lohandiguda	40	40	40
Tokapal	43	45	45
Total	383	400	393

A well formulated close ended structured questionnaire i.e. Prashnawali was prepared to gather data from the members of SHGs located in 7 blocks of Bastar district. The scale used for gathering the answers to the questions in present questionnaire is the: agree-disagree 5-point Likert scale. The scale includes options as strongly agree, agree, neutral, disagree and strongly disagree.

Data Analysis:

Validity: Factor Analysis:

The instrument i.e. questionnaire is valid when the questions are measuring what they are meant to measure. For this factor analysis is carried on. Altogether 16 questions related to benefits of being a member of SHGs i.e. financial benefits, self-fulfillment are identified through various research articles and by researcher.

Table 2: Factor Loading: Rotated Component Matrix^a

Factor No.	Questions	Components		
		1	2	3
Factor I	Improvement in family monetary savings	.844		
	Improvement in expenses on self	.827		
	Improvement in financial independence	.807		
	Improvement in expenses towards society obligations	.795		
	Improvement in expenses on children	.783		
Factor II	Improvement in sense of self-worth		.838	
	Improvement in self respect		.824	
	Improvement in self confidence		.817	
	Improvement in feeling of accomplishment		.791	
	Improvement in belongingness in family		.785	
	Improvement in respect in family		.776	
	Improvement in belongingness in society		.764	
	Improvement in respect in society		.757	

	Improvement in feeling of gender equality		.751	
Factor	Improvement in general awareness			
III	Improvement in expressions			

As a rule of thumb, your variable should have a rotated factor loading of at least 0.4 (meaning $\geq +.4$ or $\leq -.4$) onto one of the factors in order to be considered important. From above table it can be concluded that out of 16 questions, 14 questions having values greater than 0.4 are acceptable. The factor scores greater than 0.4 are considered stable (Guadagnoli and Velicer, 1988). The first factor which can be named as “Financial Benefits” comprises of 5 statements/questions with lowest loading value as ‘0.783’. This means these statements/questions related to financial benefits are stable as the values are higher than 0.40. The second factor which can be named as “Self-Fulfillment” comprises of 9 statements/questions with lowest loading value as ‘0.751’. This means these statements/questions related to self-fulfillment are stable as the values are higher than 0.40. The highest loading value of fifth factor is 0.369 which is less than 0.40 thus, it can be said that these statements/questions are unstable. Unstable factors are not acceptable and thus are omitted and not considered for further analysis. This mean the statements/questions are not measuring what they are meant to or are very less related to the objective.

Reliability Test: Cronbach’s Alpha:

The Cronbach’s Alpha Value is calculated collectively taking all questions of one factor. It is calculated for two factors. The Cronbach’s Alpha Values for all four factors are provided below.

Table 3: Cronbach’s Alpha Value (CAV) (Reliability Statistics):

Factors	Calculated CAV	No. of Items
Factor I: Financial Benefits	0.846	5
Factor II: Self Fulfilment	0.827	9

The CAV 0.7 is considered reliable (Nunnally, 1978). All the values are higher than 0.70 which indicates that the data is reliable which mean the data is filled seriously and are correct. Singh et al. (2017) used the same measure for this.

Establishing Perception for Two Factors:

Using SPSS, category-wise average mean values for the statements related to four factors are given as under.

Table 4: Block-wise Average Mean Value for All Four Factors:

Group Statistics		
Division	Mean Values	
Blocks	Financial Benefits	Self-Fulfillment
Bakawand	3.98	3.96
Bastanar	3.94	3.90
Bastar	4.28	4.24
Darbha	4.06	4.04
Jagdulpur	4.34	4.30
Lohandiguda	4.16	4.12
Tokapal	4.18	4.16
Average Mean Value	4.13	4.10

Zaidatol & Bagheri (2009) suggested that the mean value of responses given in five point likert scale with strongly agree=5, agree=4, neutral=3, disagree=2 and strongly agree=1 if comes under 3.39 then it is taken as low, from 3.40 to 3.79 as moderate and more than 3.8 as high.

For Financial Benefits

The lowest mean value of responses against all the questions/statements related to Financial Benefits among 7 blocks is 3.94. The mean value on likert scale above 2.5 is positive value. Thus, perception of SHGs’ members on their increased financial benefits after joining SHG is **positive** and level is **high** (above 3.79). This also mean that overall the perception of SHGs’ members on their increased financial benefits after joining SHG is positive (average mean value = 4.13) and level is high.

For Self-Fulfillment

The lowest mean value of responses against all the questions/statements related to Self-Fulfillment among 7 blocks is 3.90. Thus, perception of SHGs’ members on their increased self-fulfilment after joining SHG is **positive** and level is **high** (above 3.79). This also mean that overall the perception of SHGs’ members on their increased self fulfilment after joining SHG is positive (average mean value = 4.10) and level is high.

Hypothesis Testing for Two Factors

For Financial Benefits

Table 5: One Way ANOVA Table for Financial Benefits:

Source	Sum of Squares	df	Mean Square	F	p-value
Between Groups	5.72	6	0.953	0.09	0.987
Within Groups	4043.10	386	10.47	—	—
Total	4048.82	392	—	—	—

Referring the table above, the calculated p value is 0.987 which is greater than $\alpha = 0.05$ ($p > 0.05$) thus, the hypothesis '**FH₀**: As per block, there is no significant difference among the perception of SHGs' members on their increased financial benefits after joining SHG' is accepted.

For Self-Fulfillment

Table 6: One Way ANOVA Table for Self-Fulfillment:

Source	Sum of Squares	df	Mean Square	F	p-value
Between Groups	52.34	6	8.72	0.89	0.432
Within Groups	3790.00	386	9.82	—	—
Total	3842.34	392	—	—	—

Referring the table above, the calculated p value is 0.432 which is greater than $\alpha = 0.05$ ($p > 0.05$) thus, the hypothesis '**SH₀**: As per block, there is no significant difference among the perception of SHGs' members on their increased self-fulfillment after joining SHG' is accepted.

Findings for Two Factors

Findings are derived from interpretation of data provided below.

Table 7: Hypotheses Acceptance or Rejection:

Hypotheses	Hypotheses Accepted/Rejected
FH₀ : As per blocks, there is no significant difference among the perception of SHGs' members on their increased financial benefits after joining SHG	Accepted
SH₀ : As per blocks, there is no significant difference among the perception of SHGs' members on their increased self-fulfilment after joining SHG	Accepted

Conclusion, Limitations, Recommendations, and Scope of Future Study:

The aim of this chapter is to offer the conclusion of the empirical study conducted. The purpose of this research was to find the impact of self-help groups on regional advancement in Bastar. The impact parameters taken for study are financial benefits and self-fulfillment of members of SHGs located in 7 blocks of Bastar district.

CONCLUSION:

After testing of hypotheses, conclusions are drawn related to the 2 objectives. These conclusions are presented below.

First Objective: To determine the impact of SHGs on financial benefits of members of SHGs.

Perception: Overall block-wise, all the members of SHGs are having positive and high level perception on their increased financial benefits after joining SHG.

Hypothesis Result: After hypotheses testing, it can be confirmed that overall block-wise there is no difference in the perception of members of SHGs.

Thus, it can be concluded that block-wise the perception of the member of SHGs is same and all perceive that there is increased financial benefits after joining SHG and the perception is of high level.

Second Objective: To determine the impact of SHGs on self-fulfillment of members of SHGs.

Perception: Overall block-wise, all the members of SHGs are having positive and high-level perception on their increased self-fulfilment after joining SHG.

Hypothesis Result: After hypotheses testing, it can be confirmed that overall block-wise there is no difference in the perception of members of SHGs.

Thus, it can be concluded that block-wise the perception of the member of SHGs is same and all perceive that there is increased self-fulfilment after joining SHG and the perception is of high level.

Overall, it can be said that on two factors (FB and SF) the members of SHGs have positive perception and the perception is of high level. This means that there is high level positive impact of Self-Help Groups on Regional Advancement in Bastar. The regional advancement in Bastar district is due to SHGs by means of the two factors/benefits i.e. financial benefits of SHGs' members and self fulfillment of SHGs' members. There is

advancement in these factors/benefits and thus leading to regional advancement in Bastar.

Limitations of the Study:

The limitations faced by researcher during the studies are as follows.

- The current study is cross-sectional study due to which any trends or changes can't be identified.
- Cross-sectional data may mask differences between SHG members at different stages of membership (e.g., new vs. long-term members).
- It does not account for variations in outcomes based demographic variables of members like age, gender, education, income group etc.
- Only four factors/benefits (FB, SF) are taken for the current study. More benefits/factors can be taken for better analysis.

Recommendations:

The perception of members of SHGs located in 7 blocks of Bastar districts is substantially positive towards the four benefits namely increased financial benefits, increased self-fulfilment, increased personal development and enhanced decision making. There is still scope of betterment on these four factors.

- As the members are having positive perception towards financial benefits to them so the next phase can be the financial awareness of and training to the members to manage their finance in short and long term including their expenses, savings and investment.
- Planning and implementing the programme to deal with the aspects related to their personal development from benefit to SHGs point of view which will assist them in better job performance.
- Arranging structured programmes to develop their decision-making capabilities from benefit to SHGs point of view which will help them in developing enhanced planning capabilities.

If these recommendations are fulfilled then there will be better and sustainable regional advancement in Bastar district as a result of contribution of SHGs.

Future Scope of Research:

Referring the current study, many related studies can be carried on by any researchers.

- The same study can be carried on in other districts of Chhattisgarh.
- Longitudinal study of same type can be conducted in future some kind of trends.
- Study based on the members' year of joining can also be carried to overcome the mask difference between/among SHG members at different stages of membership.
- Study can be conducted based on demographic variables of members like age, gender, education, income group etc.

Only four factors/benefits (FB and SF) are taken for the current study. More benefits/factors can be taken for better analysis.

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