

**SAVING PATTERN AMONG WOMEN WORKING IN MAHATMA GANDHI
NATIONAL RURAL EMPLOYMENT GUARANTEE SCHEME (NATIONAL
RURAL EMPLOYMENT SCHEME – GOVERNMENT OF INDIA)**

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Abstract

Economic development is the enhancement of the standard of living of the people in a nation. A country's economic development is related to its human development. Money is considered as one of the basic factor which contributes to the development. Keeping in view to increase the enhancement of livelihood security of the households in the rural areas the Government of India have passed the National Rural Employment Guarantee Act (NREGA) in September 2005. Hence the researcher has mainly focused and studied the saving pattern among the Women Working in Mahatma Gandhi National Rural Employment Guarantee Scheme. The Mahatma Gandhi NREGA was initiated with the objective of "enhancing livelihood security" in rural areas. They study and the analysis indicates working in MGNREGA helps the respondents to enhance their livelihood and make them to enhance their income and savings pattern. The savings pattern can be further enhanced if the respondents are provided awareness and there is impact of CDS chairperson in enhancing their savings.

Key Words: Mahatma Gandhi National Rural Employment Guarantee Scheme, Income Pattern and Saving Pattern

Introduction

Economic development is the enhancement of the standard of living of the people in a nation. A country's economic development is related to its human development. Money is considered as one of the basic factor which contributes to the development. Monetary factors which determine the human development are their income and savings pattern. Income refers to individual's total earnings from wages and other sources such as capital, land, rent, or any other form of economic activity. It is the sum total of all the incomes received by the individuals during a given period from all the sources.

While savings refers to an activity of keeping money for future use. Saving money for future use will act as an emergency cushion and avoid going into debt to pay for necessities and will give each individual a social security. Keeping in view to increase the enhancement of livelihood security of the households in the rural areas

the Government of India have passed the National Rural Employment Guarantee Act (NREGA) in September 2005. Hence the researcher has mainly focused and studied the saving pattern among the Women Working in Mahatma Gandhi National Rural Employment Guarantee Scheme.

1.1. Saving - Overview

Savings, according to Keynesian economics, are what a person has left over when the cost of his or her consumer expenditure is subtracted from the amount of disposable income earned in a given period of time. In this study, savings is referred to money that the individual or household keep as savings from the wages received under Mahatma Gandhi NREGS either in unorganised or organised financial institutions, using to buy any type of assets such as agriculture equipment, gold/silver jewellery, household and electronic items, motor cycle or using for further revenue generation activities such as investment into livestock, utilization for education of children etc.

1.2. Mahatma Gandhi National Rural Employment Guarantee Scheme – Overview – Kerala Perspective

In Kerala, the scheme was implemented in Palakkad and Waynad districts initially on 5 February 2006 and it was extended to all the 14 districts in the State on 1 April 2008. To enhance women participation, the Act stipulates that priority shall be given to women. In terms of implementation, it mandates that a minimum of one-third of the beneficiaries are to be women who have registered and have requested for work (Schedule II, Section 6 of MGNREGA).

The state is obliged to ensure certain worksite facilities to enhance women workers' participation and stipulates payment of equal wages to male and female workers. Wage earnings of workers are paid directly to the person concerned either through bank or post office savings account. Women like Mahatma Gandhi NREGA work for various reasons such as, it is locally available, chance of exploitation is less, there is regularity and predictability of working hours and work is limited to eight hours a day.

Mahatma Gandhi NREGS has been reported to have made perceptible impact on the livelihood options of rural poor. The Act empowers ordinary people to play an active role in the implementation of employment guarantee schemes through Grama Sabhas, social audits, participatory planning and other means. It is very important to make sure that the disadvantaged groups, low status groups, minority groups and poorer groups are not left out in consultation process and participation process.

1.3. Aim of the Study

The predominant area of study is to analyse whether the income from Mahatma Gandhi NREGS is making any changes in saving pattern of women labourers. Financial inclusion has become a focus of attention for development policy makers seeking to alleviate poverty around the world. The nature of poverty and deprivation, the livelihood, and the financial needs of the poor varies widely across and an in-depth understanding of the savings pattern of the rural poor is essential. As Mahatma Gandhi NREGA has the potential to enhance women's economic independence through cash earnings, the present study tries to explore the saving pattern of women workers, through intensive field investigations in selected grama panchayat of two districts in Kerala, Alappuzha and Kollam.

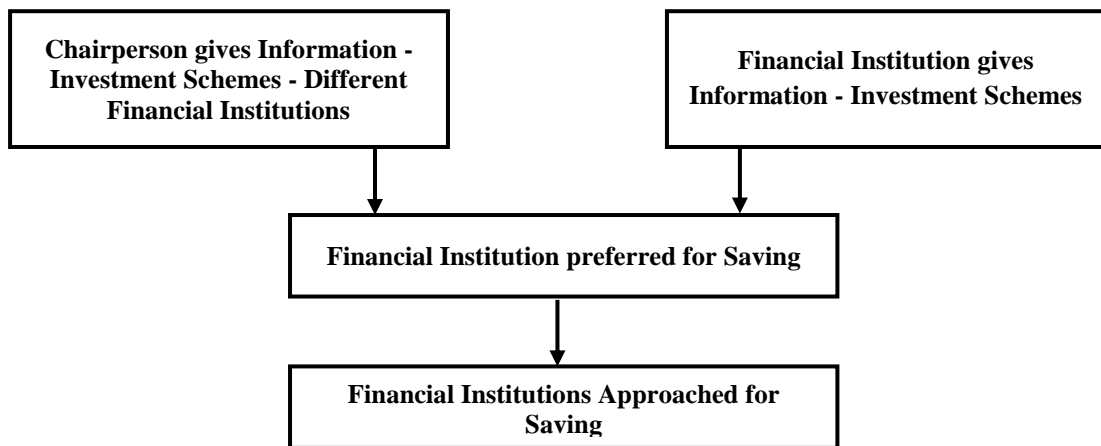
1.4. Statement of the Problem

Income and Savings serve as the most reliable and convenient way to cushion against economic shocks while providing a way for women to accumulate the means to purchase productive assets. A woman with her own savings will be financially empowered which may enable her to exercise more bargaining power, decision-making capabilities within the household, and allow her to accumulate individual wealth, invest in children's education and nutrition, family and health and also in economic activity. As women workers of Mahatma Gandhi NREGS are involved in economic development, they should be enabled to transform their income into economically productive ways which helps to reach the ultimate goal of women empowerment. But sometimes people are not inclined towards saving behaviour and utilizing their income into productive resources due to lack of awareness.

1.5. Objectives of the Study

- To analyze the saving pattern of Mahatma Gandhi NREGS women workers.
- To analyze the factors influencing saving pattern.

1.6. Conceptual Model



1.7. Literature Review

Kumari, Satya and Kritika (2018), studied about the saving and investment behaviour is influenced by several factors such as Income, Education, Wealth, Employment Status, and Stages in life cycle, Pension, Insurance and Banking infrastructure. The study reveals that the 85 per cent of the high school teachers and 80 per cent of college teachers were highly influenced by income as saving and high school teachers were influenced as education (77.5 per cent), wealth (47.5 per cent), pension (32.5 per cent), stages in life cycle (30 per cent), banking infrastructure (25 per cent) and employment status (10 per cent) respectively whereas college teachers were influenced as education (77.5 per cent), stages in life cycle (37.5 per cent), wealth and pension (35 per cent), banking infrastructure (27.5 per cent) and employment status (20 per cent) respectively.

Geethu, Priyanka and Preetha (2018), studied about the investment is an activity confined to specific financial aims of investors. It's the path through which smart money are transferred from the surplus area to the deficit. The money is deposited by the investor with the diverse intention such as appreciation, return and safety. This study attempts to understand the investment preference of salaried group

of people working in Private sector of shipping industries in Ernakulam District. The major findings of the study suggested most of the employee's savings are directed to their personal expenses such as child's education, marriage etc. They are tending to risk adverse investors.

1.8. Research Methodology

The research design used in this study is descriptive research design, since it describes clearly the characteristics of the sample as expressed by the respondents. Based on the review of literatures, a questionnaire was constructed to collect data regarding the factors relating to the income and saving pattern among women workers of MGNREGS are formulated. The Pilot study was conducted in Mavelikkara - Thekekkara Grama panchayat in Mavelikkara Block Panchayat of Alappuzha District. The pilot study revealed that the instrument has adequate stimulus value to gather authentic responses from respondents. The population of the study comprises of women workers working under Mahatma Gandhi NREGS. In Kerala there are 14 districts and to represent the population stratified sampling technique is adopted, two districts (strata) have been selected for the study (**Alappuzha and Kollam Districts**). The sample size selected for the study is 840 women workers under Mahatma Gandhi NREGS and respondents are selected from the above specified 24 grama panchayats through random sampling. The data was collected by interview schedule using structured questionnaire. For analyzing the data various statistical tools like frequency distribution, Correlation and SEM Modelling are used.

1.9. Analysis an Interpretation

In this study frequency distribution is used to analyze the income and savings pattern response of the mates and women workers of MGNREGS.

Table. 1. Prevailing Bank Account Wise Classification of the Respondents

Labels	Alappuzha District		Kollam District	
	Frequency	Percent	Frequency	Percent
Bank	357	85.0	360	85.7
Bank and Post Office	27	6.4	47	11.2
Bank and Chit Funds	4	1.0	0	0
Bank Post Office & Chits	1	0.2	0	0
Bank and Society	30	7.1	13	3.1
Post Office	1	0.2	0	0
Total	420	100.0	420	100.0

In both district all the women workers have bank account and considerable number of women workers have account in post office and society also along with bank account.

Table. 2. Time of Opening Bank Account Wise Classification of the Respondents

Labels	Alappuzha District		Kollam District	
	Frequency	Percent	Frequency	Percent
Less than 1 Year	10	2.4	1	.2
1 Years - 2 Years	55	13.1	32	7.6
2 Year - 3 Year	117	27.9	109	26.0
3 Years - 4 Years	95	22.6	120	28.6
More than 4 Years	142	33.8	158	37.6
Not Applicable	1	.2	NA	Na
Total	420	100.0	420	100.0

The majority (more than 85 per cent) of the women workers have bank account from more than two years.

Table. 3. Reason for Opening Account Wise Classification of the Respondents

Labels	Alappuzha District		Kollam District	
	Frequency	Percent	Frequency	Percent
To Credit Wages of MGNREGS	385	91.7	399	95.0
General Purpose	31	7.4	21	5.0
Not Applicable	1	.2		
Credit Wages of MGNREGS and General Purpose	1	.2	0	0
Credit Wages of MGNREGS and Enrol as Kudumba Shree Member	2	.5	0	0
Total	420	100.0	420	100.0

Both districts more than 90 per cent of the women workers had opened bank account in order to credit the income from Mahatma Gandhi NREGS.

Table. 4. Purpose of Saving Wise Classification of the Respondents

Labels	Alappuzha District		Kollam District	
	Frequency	Percent	Frequency	Percent
Family Care	166	39.5	168	40.0
Education	76	18.1	121	28.8
Buy Assets	1	.2	0	0
Future Purpose	11	2.6	12	2.9
Family Care and Education	56	13.3	23	5.5
Family and Medical Care	81	19.3	96	22.9
Education and Medical Care	1	.2	0	0
No Opinion	26	6.2	0	0
Medical Care	2	.5	0	0
Total	420	100.0	420	100.0

Both district, all the women workers of Mahatma Gandhi NREGS are saving for usage of family care and education.

Table. 5. Constraints Facing for saving

Labels	Alappuzha District		Kollam District	
	Frequency	Percent	Frequency	Percent
No regular Income	201	47.9	225	53.6
Lack of Accessibility	22	5.2	22	5.2
Family Resistance	79	18.8	22	5.2
Loan Repayment	38	9.0	44	10.5
Unaware	45	10.7	67	16.0
No Regular Income and Medical Care	2	.5	3	.7
No Regular Income and Family Resistance	1	.2	37	8.8
No Regular Income and Loan Repayment	10	2.4	0	0
Family Resistance and Loan Repayment	3	.7	0	0
No opinion	19	4.5	0	0
Total	420	100.0	420	100.0

Both districts no regular income and family resistance are the major constraint the respondents face for saving followed by loan repayment, unawareness and lack of accessibility.

Table. 6. Decision for Saving Wise Classification of the Respondents

Labels	Alappuzha District		Kollam District	
	Frequency	Percent	Frequency	Percent
Myself	113	26.9	80	19.0
Partner	152	36.2	220	52.4
Jointly	119	28.3	23	5.5
Not Applicable	36	8.6	97	23.1
Total	420	100.0	420	100.0

From the table it can be analysed that in both the district majority of respondent's opines that the decision for savings are taken by their partners.

Table. 7. Mate Gives any Information regarding Saving Schemes Wise Classification of the Respondents

Labels	Alappuzha District		Kollam District	
	Frequency	Percent	Frequency	Percent
Yes	320	76.2	0	0
No	97	23.1	84	20.0
Not Aware	3	.7	336	80.0
Total	420	100.0	420	100.0

In Alappuzha district majority of the women workers opines that mates give information regarding saving schemes while in Kollam district they opines that mates don't give information regarding saving schemes.

Table. 8. Share of Income from MGNREGS saved in Financial Institution Wise Classification of the Respondents

Labels	Alappuzha District		Kollam District	
	Frequency	Percent	Frequency	Percent
25 Percent	416	99.0	420	100.0
100 Percent	3	.7	0	0
No criteria	1	.2	0	0
Total	420	100.0	420	100.0

Both districts almost 100 per cent of the women workers save 25 per cent of the income from Mahatma Gandhi NREGS in financial institution.

Table. 9. H₀: There is no significance correlation between the variables of savings pattern of Alappuzha District.

Variables		CIISFI	FIIS	FIPS	SFIS
CIISFI	PC	1			
	Sig.				
	N	420			
FIIS	PC	.119*	1		
	Sig.	.015			
	N	420	420		
FIPS	PC	.089	.014	1	
	Sig.	.069	.768		
	N	420	420	420	
SFIS	PC	.141**	.070	.577**	1
	Sig.	.004	.153	.000	
	N	420	420	420	420
** Correlation is significant at 0.01 level (2-tailed)					
* Correlation is significant at 0.05 level (2- tailed)					
<i>CIISFI - Chairperson gives Information - Investment Schemes - Different Financial Institutions</i>					
<i>FIIS - Financial Institution gives Information - Investment Schemes</i>					
<i>FIPS - Financial Institution preferred for Saving</i>					
<i>SFIS - Financial Institutions Approached for Saving</i>					

Positive Correlation - The positive correlation exist between factors such as “Chairperson giving information about investment schemes of financial institutions in Alappuzha district” and “financial institution give information about investment schemes – Alappuzha District” (.119), “opinion regarding services of financial institutions while approaching for saving – Alappuzha District” (.141); “financial institution preference for saving – Alappuzha District” and “opinion regarding the services of financial institutions while approach for saving – Alappuzha District” (.577).

No Correlation - There is no correlation between variables such as “Chairperson give information about investment schemes of financial institutions in Alappuzha district” and “preference of financial institution for saving – Alappuzha District”; “financial institution give information about investment schemes – Alappuzha District” and

“financial institution preference for saving – Alappuzha District”, “opinion regarding the services of financial institutions while approach for saving – Alappuzha District”.

Table. 10. H₀: There is no significance correlation between the variables of savings pattern of Kollam District.

Variables		CIISFI	FIIS	FIPS	SFIS
CIISFI	PC	1			
	Sig.				
	N	420			
FIIS	PC	.415**	1		
	Sig.	.000			
	N	420	420		
FIPS	PC	.068	.029	1	
	Sig.	.164	.558		
	N	420	420	420	
SFIS	PC	.013	.019	.392**	1
	Sig.	.796	.693	.000	
	N	420	420	420	420
** Correlation is significant at 0.01 level (2-tailed)					
* Correlation is significant at 0.05 level (2-tailed)					
CIISFI - Chairperson gives Information - Investment Schemes - Different Financial Institutions					
FIIS - Financial Institution gives Information - Investment Schemes					
FIPS - Financial Institution preferred for Saving					
SFIS - Financial Institutions Approached for Saving					

Positive Correlation - The positive correlation exist between variables such as “chairperson give information about investment schemes of financial institutions – Kollam District” and “financial institution give information about investment schemes – Kollam District” (.415), “financial institution preference for saving – Kollam District” and “opinion regarding the services of financial institutions while approach for saving – Kollam District” (.392).

No Correlation - There is no correlation between variables such as “Chairperson give information about investment schemes of financial institutions – Kollam District” and “financial institution preference for saving – Kollam District”, “opinion regarding the services of financial institutions while approach for saving – Kollam District”; “financial institution give information about investment schemes – Kollam District” and “financial institution preference for saving – Kollam District”, “opinion regarding the services of financial institutions while approach for saving – Kollam District”.

Table. 11. Model Fit - Impact of Chairperson and Financial Institution Information on Investment Schemes over the Preferred Saving Institution and Approached for Saving - Alappuzha District

Test for Model Fit	Values
GFI (Goodness of Fit)	0.995
AGFI(Adjusted Goodness of Fit)	0.973

The **GFI (Goodness of Fit)** and **AGFI (Adjusted Goodness of Fit Index)** should be nearing to one or one indicates that the model is a good fit. In this model the GFI value is 0.995 and AGFI value is 0.973. This clearly implies that the model is a good fit.

Figure. 1. Impact of Chairperson and Financial Institution Information on Investment Schemes over the Preferred Saving Institution and Approached for Saving - Alappuzha District

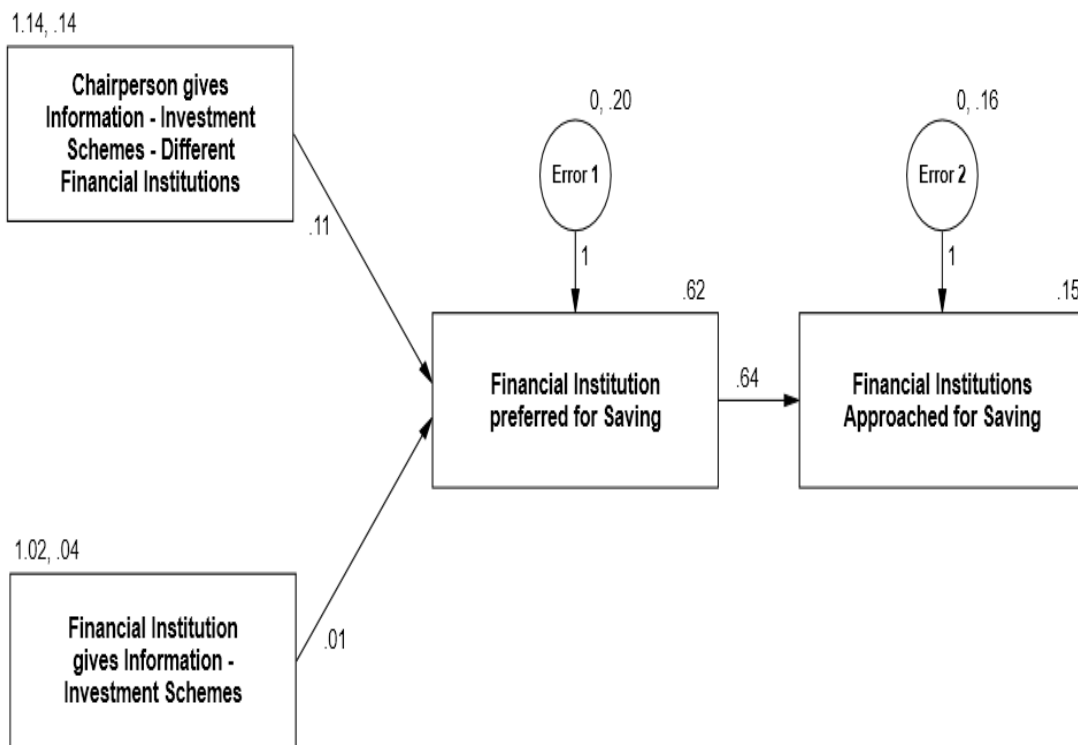


Table. 12. Regression Weights - Impact of Chairperson and Financial Institution Information on Investment Schemes over the Preferred Saving Institution and Approached for Saving - Alappuzha District

Variable	Inf.	Variable	UE	SE	S.E.	C.R.	P
Financial Institution preferred for Saving	←	Chairperson gives Information - Investment Schemes - Different Financial Institutions	0.106	0.088	0.059	1.816	0.069
Financial Institution preferred for Saving	←	Financial Institution gives Information -	0.009	0.004	0.112	0.082	0.935

Financial Institutions Approached for Saving	←	Investment Schemes Financial Institutions Approached for Saving	0.635	0.577	0.044	14.466	***
*** Significant at 0.001percentage Level			S.E – Standard Error				
** Significant at 0.05percentage Level			C.R – Critical Ration				
UE – Unstandardised Estimate			P – Probability Value				
SE – Standardised Estimate			Inf. – Influence				

- **Positive Influence** - If the independent variable financial institutions approached for saving raises to one degree in the positive direction, then it can be seen that 0.635 raise in the dependent variable financial institutions approached for saving.
- **No Influence** - The independent variable chairperson gives information - investment schemes - different financial institutions does not influence the dependent variable financial institution preferred for saving. Similarly the independent variable financial institutions approached for saving does not influence the dependent variable financial institution gives information - investment schemes.

Table. 13. Squared Multiple Correlations - Impact of Chairperson and Financial Institution Information on Investment Schemes over the Preferred Saving Institution and Approached for Saving - Alappuzha District

Variable	Estimate
Financial Institution preferred for Saving	0.008
Financial Institutions Approached for Saving	0.333

- The dependent variable financial institution preferred for saving shows only 0.8 percentage of its variance in when influence by the independent variable Chairperson gives Information - Investment Schemes - Different Financial Institutions and Financial Institution gives Information - Investment Schemes.
- The dependent variable financial institutions approached for saving shows 33.3 percentage of its variance in when influence by the independent variable financial institution preferred for saving.

Table. 14. Model Fit - Impact of Chairperson and Financial Institution Information on Investment Schemes over the Preferred Saving Institution and Approached for Saving - Kollam District

Test for Model fit	Values
GFI (Goodness of Fit)	0.921
AGFI(Adjusted Goodness of Fit)	0.938

The **GFI (Goodness of Fit)** and **AGFI (Adjusted Goodness of Fit Index)** should be nearing to one or one indicates that the model is a good fit. In this model

it's nearing one so it indicates that the model is a good fit. In this model the GFI value is 0.921 and AGFI value is 0.938.

Figure. 2. Impact of Chairperson and Financial Institution Information on Investment Schemes over the Preferred Saving Institution and Approached for Saving - Kollam District

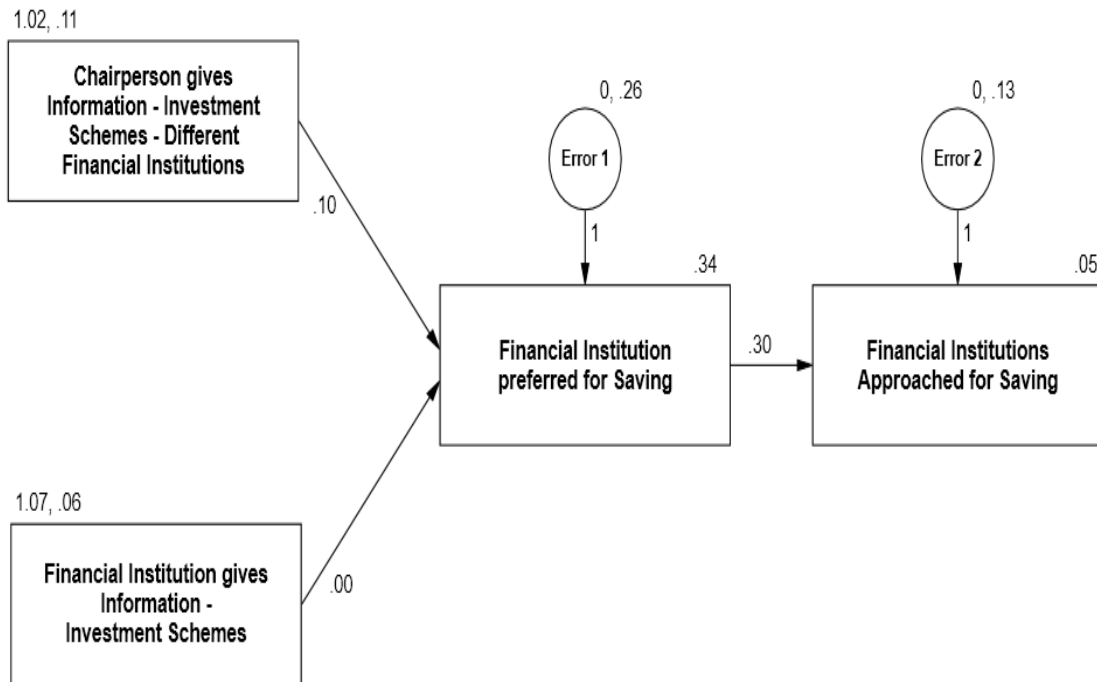


Table. 15. Regression Weights - Impact of Chairperson and Financial Institution Information on Investment Schemes over the Preferred Saving Institution and Approached for Saving - Kollam District

Variable	Inf.	Variable	UE	SE	S.E.	C.R.	P
Financial Institution preferred for Saving	←	Chairperson gives Information - Investment Schemes - Different Financial Institutions	0.104	0.068	0.075	1.393	0.164
Financial Institution preferred for Saving	←	Financial Institution gives Information - Investment Schemes	0.001	0.000	0.1	0.009	0.993
Financial Institutions Approached for Saving	←	Financial Institutions Approached for Saving	0.303	0.392	0.035	8.732	***
*** Significant at 0.001percentage Level			S.E – Standard Error				
** Significant at 0.05percentage Level			C.R – Critical Ration				
UE – Unstandardised Estimate			P – Probability Value				
SE – Standardised Estimate			Inf. – Influence				

- **Positive Influence** - If the independent variable financial institutions approached for saving raises to one degree in the positive direction, then it can be seen that 0.303 raise in the dependent variable financial institutions approached for saving.

- **No Influence** - The independent variable chairperson gives information - investment schemes - different financial institutions does not influence the dependent variable financial institution preferred for saving. Similarly the independent variable financial institutions approached for saving does not influence the dependent variable financial institution gives information - investment schemes.

Table. 16. Squared Multiple Correlations - Impact of Chairperson and Financial Institution Information on Investment Schemes over the Preferred Saving Institution and Approached for Saving - Kollam District

Variable	Estimate
Financial Institution preferred for Saving	0.005
Financial Institutions Approached for Saving	0.154

- The dependent variable financial institution preferred for saving shows only 0.5 percentage of its variance in when influence by the independent variable Chairperson gives Information - Investment Schemes - Different Financial Institutions and Financial Institution gives Information - Investment Schemes.
- The dependent variable financial institutions approached for saving shows 15.4 percentage of its variance in when influence by the independent variable financial institution preferred for saving.

1.10. Conclusion

The Mahatma Gandhi NREGA was initiated with the objective of “enhancing livelihood security” in rural areas. They study and the analysis indicates working in MGNREGA helps the respondents to enhance their livelihood and make them to enhance their income and savings pattern. The savings pattern can be further enhanced if the respondents are provided awareness and there is impact of CDS chairperson in enhancing their savings.

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