



Unveiling the Dynamics of Women's Self-Help Groups: Exploring Socio-Economic and Socio-Psychological Factors in Debre Birhan, Ethiopia

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Abstract: The study aimed to address the critical research gap in understanding the effectiveness of Group Dynamics (GD) within Self-Help Groups (SHGs) in the Ethiopian context. Specifically, it sought to examine the extent to which socioeconomic and sociopsychological variables predicted group dynamics and how well these dynamics predicted attitudes among SHG members. A correlational design was employed to investigate the relationships between various variables. A sample of 372 SHG members was selected using simple random sampling. Data analysis included correlation and multiple regression techniques. Assumptions of normality, outliers, and multicollinearity were assessed and met. The results revealed several significant findings. Firstly, attitude, extension contact, socioeconomic profile, and social participation of SHG members were found to have statistically significant positive relationships with Group Dynamics Effectiveness (GDE). Secondly, the regression model including these predictors significantly explained 59.3% of the variance in GDE. Attitude emerged as the strongest predictor, contributing 18.5% uniquely to explaining GDE. Lastly, the socioeconomic profile of SHG members was identified as the weakest predictor, explaining only 0.5% of the unique variance in GDE. The study concluded that there is a significant relationship between various factors such as attitude, extension contact, socioeconomic status, and social participation with the effectiveness of group dynamics within SHGs in Ethiopia. Attitude was highlighted as the most influential factor contributing to GDE, while socioeconomic status had a relatively minimal impact. These findings have important implications for the design and implementation of SHG programs in Ethiopia. Specifically, efforts to enhance attitude and extension contact among SHG members may lead to more effective group dynamics, ultimately improving the overall success and impact of SHG initiatives on socioeconomic development in the region.

Keywords: Self Help Group, Group Dynamics Effectiveness, Attitude, Extension Contact, Socio-Economic, and Social Participation.

1. Introduction

Self Help Group (SHG) is a global phenomenon practiced for more than four decades in different countries (Saravanan, 2016). It is a small voluntary mutual support group formed by people related by an affinity for a specific purpose who provide support for each other (Brody et al., 2016). Characterized by voluntary membership and collective action, it empowers group members to address shared concerns and navigate a path towards improved well-being (CoSAP, 2016). The SHG approach emphasizes self-reliance by mobilizing the internal resources of the group or the community (Chandrashekar & Lokesh, 2009).

The SHG approach as a women's economic institution was introduced by Mohammed Yunus in 1975 (Ganguly, 2005; Vipinkumar, 1998). In Ethiopia, according to the Consortium of Self-Help Approach Promoters (COSAP), the SHG model was introduced in 2002 in Debre Birhan town by Non-Governmental Organizations (NGOs). Since then, many NGOs in Ethiopia have considered this approach the core part of their development programs (COSAP, 2013). The number of SHGs in the country is 15,171 SHGs, with 276,512 women members who have accumulated over 5.3 million USD capital (COSAP, 2022). According to the COSAP guideline, the group size of SHGs in Ethiopia should be between 15-20 members (COSAP, 2013; Kindernothilfe, 2014).

SHG as a group approach for development, the internal nature of the group and the significant forces that contribute to its performance can be studied by analyzing the dynamics of the group. Many previous studies have pointed out that the effectiveness of group dynamics contributes to the success of SHGs (Ganguly, 2005; Vipinkumar, 1998; Sujata et al., 2016). Theoretical frameworks like System Theory and Social Identity Theory (SIT) offer valuable lenses through which to understand the SHG dynamics. The input, process, and output of the system theory model provide a model for understanding group processes (Forsyth, 2010). In the context of SHGs, for example, inputs would include factors such as the profile of the SHG members (socioeconomic, extension contact, social participation, and attitude) and group-level factors including sub-dimensions of group dynamics (participation, teamwork, group

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atmosphere, cohesiveness, decision making, communication, interpersonal trust, empathy). These processes combine to transform inputs into outputs, which include aspects of the group's performance or GDE. Social Identity Theory (SIT), by Tajfel & Turner, offers a valuable lens to explore and understand group dynamics. This theory posits that individuals derive a part of their self-identity from their membership in social groups and strive to keep a positive social identity by associating with groups and influencing the group's characteristics (Tajfel & Turner, 1979). By viewing SHG membership as a source of social identity, it can influence individual behaviour within the group. A strong belief in the SHG's purpose can lead to active participation, resulting in improved group cohesion and goal achievement while negative attitudes can generate distrust, conflict, and decreased participation, hindering group dynamics.

The internal nature of the group dynamic between the members of any SHG significantly contributes to its effectiveness; in other words, members' behaviour in a group directly or indirectly affects SHG's dynamic effectiveness (Sujata et al., 2015). Literature and past studies in Asian countries also pointed out that a range of factors were responsible for the effectiveness of group dynamics. These studies also examined the relationship between the socioeconomic, and socio-psychological characteristics with SHG dynamic effectiveness.

GDE of SHG is relatively well explored in Asian countries such as India, Pakistan, and Bangladesh. Despite the increasing importance of self-help groups in Ethiopia and their potential to promote socio-economic development, there is a lack of research that examines the GDE of SHGs. In earlier research studies by Chandrashekar & Lokesh, 2009; Ganguly, 2005; Chandravadia et al., 2017; Vipinkumar & Asokan, 2014; and Patil, 2020, socio-economic status, extension contact, social participation, and attitude of group members were found to have a positive relationship with GDE. In Ethiopia, the available studies are qualitative in their approach and focused on describing the challenges of SHGs concerning women's empowerment. In the Ethiopian context, there exists a critical research gap in understanding the GDE of SHGs. To the best knowledge of the researchers, the relationship between socioeconomic and socio-psychological variables with GDE of SHGs has not been studied in Ethiopia. That is, whether there is a relationship between members' extension contact, social participation, attitude, and socio-economic profile with GDE and to what extent GDE is explained by these variables.

In this study, GDE is conceptualized as the function, interaction, and interpersonal relationships between members of SHG as measured by the sum of scores of nine GDE sub-dimensions. Higher GDE scores imply more effective group dynamics, characterized by greater participation, teamwork, empathy, and interpersonal trust among members, a positive group atmosphere, adherence to norms, cohesiveness, open communication, and decision-making procedures that guide the group's functioning and effectiveness. The socioeconomic profile of SHG members was one of the independent variables, which is the position a woman occupies in the community owing to her education, occupation, income, and savings. Literature indicates that enhancing the socioeconomic status of women ultimately results in a higher GDE of SHGs (Chandravadia et al., 2017). Research conducted in India showed that socioeconomic status had a significant direct effect on the GDE of SHGs (Vipinkumar, 1998). Among the components of members' socioeconomic profiles, for example, education and occupation were found to have a significant positive relationship with the GDE of SHGs (Sujata et al., 2016; Chandravadia et al., 2017).

Previous studies also indicate that socio-psychological characteristics of SHG members including the extent of extension contact, social participation, and attitude towards SHGs and its members have been associated with GDE while the extent of these variables' contribution and prediction of GDE has varied in some studies. For example, studies found that extension contact was significantly positively correlated with the GDE of SHGs (Ganguly, 2005; Vipinkumar, 1998; Vipinkumar & Asokan, 2014) and significantly predicted GDE (Vipinkumar, 1998), in contrast, other studies also showed that extension contact did non-significantly contribute to GDE (Ganguly, 2005). Extension contact, in this study, is operationalized as the extent of contact of the SHG members with community facilitators, SHG committee members, NGOs, Government office bearers, and their degree of participation in SHG-related training, experience sharing, etc. On the other hand, social participation is the extent of membership and involvement of a woman in any formal or informal traditional people's association within the community. For example, membership and frequency of participation in village committees, "Iddir" or traditional insurance, where members periodically meet and support members during tough times. "Equb" or periodic saving, and "Mahiber", which is formed by neighbours, friends, or persons who have similar interests who periodically meet to maintain and strengthen their social bonds. Past studies in India (Ganguly, 2005; Vipinkumar, 1998; Chandravadia et al., 2017) revealed a positive significant relationship between social participation and GDE. However, the contribution of social participation to GDE has been different in different studies. Ganguly (2005) found a non-significant effect on GDE, while Vipinkumar's (1998) finding indicated that it had a positive direct effect on GDE, and in another study, social participation had a significant direct effect on SHG dynamics effectiveness.

Attitude is also one of the predictor variables in this study which is conceptualized as the degree of a woman's positive or negative evaluation of SHG and other members within the SHG. According to STI theory, members with positive attitudes towards a group and its goals are more likely to identify strongly with the group and exhibit behaviour that contributes to its success (Tajfel, and Turner, 1979). Studies indicated that the attitudes of SHG members towards SHG, and its members were positively and significantly related to GDE (Ganguly, 2005;

Vipinkumar & Asokan, 2014; Parmar, & Jadeja, 2015; Chandravadia et al., 2017), and attitude towards SHG had a direct positive effect on the GDE of SHGs (Patil et al., 2020).

Taking the group dynamics as one of the factors to improve the effectiveness of SHGs in improving members' empowerment which in turn would be affected by members' socio-economic and socio-psychological profile, studying the GDE of SHGs has practical implications for SHGs, promoting organizations, and different group-based development approaches. Moreover, it is a step forward to fill the knowledge gap as to how the SHG dynamics are explained by different group dynamics factors.

As mentioned, while there are available study findings and literature on GDE in the Asian context, there are no research findings and literature on the GDE of SHGs in Ethiopia. Therefore, this study aimed to fill this critical research gap by exploring the relationship between extension contacts, social participation, attitude, and socio-economic profile of SHG members with GDE of SHGs and to what extent these variables predicted GDE in the Ethiopian context. Therefore, this study attempted to answer the following research questions:

- Is there a statistically significant relationship between socio-economic, extension contact, social participation, and attitude toward GDE?
- To what extent are the predictor variables (socio-economic, extension contact, social participation, and attitude) explained and associated with the GDE?
- How well does group dynamics predict the attitude of SHG members?

2. Methodology

2.1. Research Design

The overall approach of this study was quantitative and correlational design. This design was preferred over other designs as it allowed the researcher to describe the extent of socioeconomic status, extension contact, social participation, and attitude of SHG members associated with the GDE. According to Creswell, correlational design provides an opportunity to measure the relationship among variables (Creswell, 2012). It is helpful in yielding measures of association and the influence of one variable on another (Cohen, et al., 2005).

2.2. Population And Sampling Techniques Of The Study

The geographical scope of the study was limited to women SHGs in Debre Birhan, Ethiopia. Debre Birhan is a city in central Ethiopia, located in the Northern Shewa Zone of the Amhara Region, about 120 kilometers northeast of Addis Ababa, the capital city of Ethiopia. Debre Birhan was a pioneer in implementing the SHG approach in 2002 in Ethiopia. The study population was women SHG members in Debre Birhan.

According to CoSAP, the total number of SHG members in Debre Birhan was 2,000 or 100 SHGs. The sample size was determined using the formula developed by Krejcie & Morgan (1970). A total of 372 SHG members took part in this study, which was more than the minimum sample size (323). Research participants were selected using simple random sampling. First, simple random sampling was employed to select SHGs. Second, after the SHGs were selected, simple random sampling was used to select SHG members from the sampled SHGs. Thus, a total of 372 SHG members participated in the study in November 2023.

2.3. Instrument

A structured questionnaire was used to collect data. The Group Dynamics Effectiveness Index (GDEI) was adopted with reference to the GDEI developed by Purnima (2004). The GDEI was reviewed by experts and further refined in the SHG context of Ethiopia. According to Creswell (2012), one criterion in choosing an instrument is whether the instrument was widely cited by other authors, as this may provide evidence of whether the items in the instrument provide good and consistent measures. Purnima's GDEI was developed in the context of SHGs and has been used by many researchers (Ganguly, 2005; Vipinkumar, 1998; Garai, Mazumder, and Maiti, 2013; Saikumar, Bharamappanavara, & Jose, 2015; Sujata et al., 2026). The Group Attitude Scale (GAS) used in this study was developed by Evans & Jarvis, which is a 20-item self-report measure (Evans, & Jarvis, 1986). Both the GDEI and GAS items were rated on a 5-point Likert scale. On the other hand, items used to measure participants' socioeconomic profile, extension contact, and social participation were adopted from different literature and past research based on the context of SHGs in Ethiopia.

2.4. Procedures Of Data Collection And Ethical Considerations

The original GDEI and GAS instruments were in English. They were later translated into the local language (Amharic) by a language expert (Ph.D. in Folklore). To ensure content validity, the Amharic version of the questionnaire was subjected to expert judgment (three Social Psychology academicians, one SHG practitioner, and a coordinator in CoSAP). Based on experts' judgment, some items were reworded, revised, and also removed. A total of 10 data collectors participated, with an educational background of at least secondary school completion. Before data collection, these data collectors were trained on the instrument, and data were collected through face-to-face administration of the questionnaires. All potential ethical issues were addressed throughout this study. Before and during data collection, each participant was informed about the purpose of the study and was asked for consent to take part in the study.

2.5. Data Analysis Techniques And Preliminary Assumption Testing

Data from the structured questionnaire were quantitatively analyzed using the Statistical Package for Social Sciences (IBM SPSS) version 23. Descriptive statistics (percentage, frequencies, mean, and standard deviation), correlation coefficients, and multiple regression were used. A preliminary analysis was conducted to check the assumptions of multiple regression. Accordingly, normality, outliers, and multicollinearity tests were performed, and all these assumptions were met.

2.6. Reliability

This study used Cronbach's alpha as a measure to assess the reliability of the variables. The higher the reliability, the higher the stability and internal consistency. The alpha values of each variable in this study ranged between .73 and .91, as shown in Table 1. Thus, all variables fell within the range of respectable and excellent reliability. According to DeVellis (2003), comfort ranges for research scales are as follows: below .60, unacceptable; between .60 and .65, undesirable; between .65 and .70, minimally acceptable; between .70 and .80, respectable; between .80 and .90, very good; and much above .90, excellent.

Table 1: Reliability Analysis

Variables	Number of items	Alpha value
Socioeconomic profile	6	.75
Extension Contact	9	.80
Social Participation	6	.75
Attitude	20	.73
Group Dynamics Effectiveness Index	68	.91

2.7. Demographic Profile of Study Participants

The mean age of the women was 46 years with a standard deviation of 12.56. The majority (58.6%) were in middle adulthood (36-60 years old), followed by early adulthood (25%) and late adulthood (17%). The educational status of the respondents showed that 67% of them attended formal education (primary and secondary education), very few of them (3%) had vocational training or completed secondary education, and the remaining 30% were either illiterate or functionally literate. In terms of occupation, most respondents (45%) engaged in small petty businesses including selling Injera "Ethiopian thin pancake-like flatbread", vegetables, fruits, etc., 37% were housewives, and 15% were casual or daily laborers. Besides, 32% of the respondents were not only SHG members but also in charge of extra roles in the SHG including serving as chairperson, secretary, and/or bookkeeper of SHGs and/or committees.

3. Results

3.1. The Relationship between Demographic and Predictor Variables with GDE

The relationship between the predictors (attitude, social participation, socioeconomic profile, and extension contact) and group dynamics effectiveness (as measured by the GDEI Scale) was investigated. The analysis revealed that all the predictor variables have a statistically significant positive correlation with GDE. The correlation between GDE and attitude is $r = 0.667$ ($p < .001$), GDE and extension contact is $r = 0.534$ ($p < .001$), GDE and the socioeconomic profile of the respondents is $r = 0.593$ ($p < .001$), and between group dynamics effectiveness and social participation is $r = 0.400$ ($p < .001$).

In addition to the four predictive variables, the relationships between GDE and other demographic variables were also assessed. The result indicated that age was the only variable that negatively and significantly correlated with GDE ($r = -0.143$, $p < .001$). On the other hand, SHG members' occupation, level of education, and SHG members' position in SHG were found to have a statistically significant positive correlation with GDE.

Table 2: Relationship between Demographic and Predictor Variables with GDE

Variables	1	2	3	4	5	6	7	8	9
1. GDEI	-	.667**	.534**	.400**	.593**	-.143**	.487**	.242**	.215**
2. Attitude		-	.289**	.175**	.549**	-.115*	.513**	.228**	.161**
3. Extension Contact			-	.527**	.580**	-.188**	.264**	.327**	.186**
4. Social Participation				-	.444**	.016	.097	.367**	.187**
5. Socioeconomic					-	-.158**	.549**	.498**	.186**
6. Age						-	-.336**	-.091	-.030
7. Education							-	.052	.212**
8. Occupation								-	.307**
9 Position in SHG									-

** . Correlation is significant at the 0.01 level (2-tailed).

3.2. Predictor Variables Prediction and Unique Contribution to GDE

Multiple regression was computed to analyze and examine the extent of variance in the criterion (GDE) that was explained by the model using the predictor variables of attitude, social participation, socioeconomic profile, and extension contact. Since no prior hypotheses had been made to determine the order of entry of the predictor variables, a direct enter method was used for the multiple linear regression analysis. The result of multiple regression analysis shows that the model used these predictor variables to explain 59.3% of the variance in group dynamics effectiveness.

Table 3: Summary of Regression Model

R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
.770 ^a	.593	.588	20.15342	1.680

Source: Calculated by the author

As shown in Table 4, the model explains 59.3% of the variance in the dependent variable, while nearly 41% of the variations in group dynamics effectiveness are explained by variables other than those included in the model. The researcher further analyzed the data to determine the statistical significance of the amount of variations in the dependent variable explained by the combined effect of the independent variables. In other words, the analysis focused on testing whether the regression model has correctly predicted the outcome variable in the population from the independent variables included in the model using one-way ANOVA. Table 4 presents the summary of the analysis.

Table 4: ANOVA^a Summary Table

Model	Sum of Square	df	Mean Square	F	Sig.
Regression	217113.061	4	54278.265	133.638	.000 ^b
Residual	149060.863	367	406.160		
Total	366173.925	371			

a. Predictors : Attitude, Social participation, Socioeconomic, & Extension Contact

b. Dependent Variable : GDE

Source: Calculated by the author

The ANOVA reveals that the model has made a statistically significant prediction of group dynamics effectiveness from a group of predictor variables. The prediction is beyond chance factor and the independent variables truly predict the outcome variable – group dynamics effectiveness.

Additionally, the coefficients were further assessed to ascertain the relative importance of each of the factors on GDE, and squared part correlations were determined to examine the unique contribution of each predictor variable. Accordingly, as indicated in Table 6 below, it was found that attitude ($\beta = 0.512$, $p < .001$), extension contact ($\beta = 0.257$, $p < .001$), social participation ($\beta = 0.128$, $p < .005$), and socioeconomic profile ($\beta = .106$, $p < .05$) significantly predicted GDE in their order of importance. The most important predictor was the attitude and the least important predictor was the socioeconomic profile of the respondents.

Moreover, attitude made the largest unique contribution to explaining GDE followed by extension contact while social participation and socio-economic profile predictors made relatively lower or less unique contributions. Furthermore, taking the squared part correlation coefficient, the attitude has the largest unique contribution (18.5%) to the explanation of variance in GDE followed by extension contact (3.8%). The social participation and the socio-economic profile of the respondents have 1.1% and 0.5% unique contributions, respectively, to the explanation of variance in GDE.

Table 5: Summary of Regression Analyses for Variables Predicting GDE

Predictor Variables	Criterion Variable: Group Dynamics Effectiveness (GDE)				
	B	SE.B	β	Sig.	Part
Attitude	2.465	.193	.512	.000	.426
Extension Contact	1.328	.227	.257	.000	.195
Social Participation	1.151	.362	.128	.002	.106
Socioeconomic Profile	.763	.346	.106	.028	.073

Source: Calculated by the author

3.3. The Prediction Of GDE Towards The Attitude Of SHG Members

The multiple regression showed that attitude made the largest unique contribution to explaining GDE and the strongest correlation with GDE, $r = .667$ ($p < .001$). Hence, a simple linear regression was conducted to examine how well GDE in turn could predict the level of attitude of SHG members towards their SHG and its members. Accordingly, the regression for predicting attitude from GDE was .445; that is 44.5% of the variance in attitude was predictable from GDE.

Table 6: Summary of Regression Model ^b

R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
.667	.445	.444	4.87174	1.798

b. Predictors: (Constant), GDE; b. Dependent Variable: Attitude

The researcher further analyzed the data to determine the statistical significance of the amount of variations in the dependent variable explained by the effect of the GDE. In other words, the analysis focused on testing whether the regression model has correctly predicted the outcome variable in the population from the independent variable using one-way ANOVA. Table 7 presents the summary of the analysis

Table 7. ANOVA^a Summary Table

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	7042.944	1	7042.944	296.747	.000 ^b
Residual	8781.507	370	23.734		
Total	15824.452	371			

a. Dependent Variable: Attitude

b. Predictors: (Constant), GDEI

Source: Calculated by the author

The ANOVA reveals that the GDE has made a statistically significant prediction of attitude. The prediction is beyond the chance factor and the independent variable truly predicts the outcome variable – attitude.

4. Discussion

The overall finding of this study indicated a positive significant relationship between the socio-economic and socio-psychological profiles of SHG members with GDE. The multiple regression analysis results showed that the four predictor variables together explain 59.3% of the variance in GDE. This means that the model can account for a large proportion of the variation in GDE scores, and these predictor variables collectively contribute to understanding and explaining a substantial portion of the variability in GDE of SHGs, suggesting that these predictor variables are important factors to consider when studying or promoting effective SHGs. The beta coefficients for each predictor variable indicated the relative importance of each variable in predicting GDE. The beta coefficients range from 0.106 to 0.512, with attitude having the largest beta coefficient and socioeconomic profile having the smallest. Among the variables, attitude emerges as the strongest predictor, with the highest standardized coefficient, suggesting that positive attitudes towards and among SHG members are particularly influential in driving effective group dynamics. Albeit to a lesser extent compared to attitude, SHG members' regular extension contact with extension agents plays a role in enhancing group effectiveness. Social participation, while still significant, has a smaller impact on GDE compared to attitude and extension contact. On the other hand, while socioeconomic factors play a role, they are less influential compared to other variables in predicting GDE. These findings highlight the importance of fostering positive attitudes among SHG members, facilitating regular contact with extension services or external support, and encouraging active social participation in formal and informal associations to enhance GDE.

This study underscores the multifaceted nature of factors influencing the GDE of SHGs, with attitudes, extension contact, social participation, and socioeconomic factors all playing significant roles.

SHG members with positive attitudes towards the group and its goals are more likely to actively participate, contribute valuable insights, and support other members and the group's goal. The multiple regression results of the present study revealed that attitude has significantly and positively predicted GDE and is the strongest predictor of GDE of all other predictors. The unique contribution of attitude towards GDE of SHGs was also consistent with findings of different past research. Past studies indicated that attitude towards SHG had a positively predicted and direct effect on GDE (Vipinkumar, 1998). Previous studies revealed that attitude secured a first rank among the total indirect effect of variables on GDE, while it was second rank in its direct effect on GDE (Parmar et al., 2016). Similarly, attitude towards SHG was the key variable in exerting considerable direct, indirect, and substantial effects on the GDE of SHGs. The higher effect of attitude with the GDE indicates that SHG members with favourable attitudes towards SHG were likely to influence the GDE to a great extent (Patil, et al., 2020). Attitude towards SHG would certainly have inter-personal interaction and effective group dynamics and similarity in social background characteristics of SHG members leads to better interactions and effective group dynamics (Vipinkumar, 1988). According to SIT, individuals derive their self-concept not only from personal attributes but also from their membership in social groups. Positive attitudes toward their group are likely to enhance group cohesion and cooperation. In the regression analysis, attitude emerges as the strongest predictor of GDE. This aligns with SIT, as members who identify strongly with the group are more likely to reflect a strong sense of identification with the group and exhibit behaviours that contribute to group effectiveness, such as cooperation, commitment, collective efficacy, and support for group objectives. Positive attitudes towards the SHG can strengthen social identity and ingroup solidarity. This, in turn, can motivate members to contribute to the group's success, fostering effective dynamics (Drury & Tajfel, 1996). Positive attitudes towards the group foster trust,

cooperation, and open communication, leading to more effective decision-making. This, in turn, can reinforce positive attitudes, creating a virtuous cycle that enhances overall group dynamics (Stafford & Wheatley, 2015).

Given the strongest correlation coefficient between attitude and GDE, the simple linear regression on the other hand indicated that GDE also significantly predicted attitude. Hence, there is a bidirectional influence between attitude and GDE. Some researchers claim that the group is extremely important in the development of attitudes and behaviours of individuals (Klep et al., 2011). In a similar study carried out by Kidwell and Valentine (2009), it has been proved that groups have positive characteristics such as developing the attitude of helping each other, providing cohesion and support between individuals, and facilitating interaction between individuals.

Extension contacts of the SHG member with community facilitators, SHG committee members, NGOs, and Government office bearers, and participation in SHG-related activities was found to be significantly associated with GDE. Extension contact is a key in SHG that allows SHG members to get updated information from SHG facilitators, other members, training, experience sharing, etc., which in turn may improve GDE. Extension contact with others and exposure to different SHG activities could benefit SHG members to improve their communication, and decision-making skills and contribute to teamwork and achievement of SHG. As to Vipinkumar (1998), people who have high extension orientation can easily get information and use this information to contribute to their SHGs, which enhances their status and fosters positive group dynamics. This increased collaboration leads to better performance in the SHG. Das (2015) also concluded that the degree of exposure of the members to various extension workers contributes to the proper growth and development of SHG. The multiple regression results of the present study found that next to attitude, extension contact was the second strongest predictor of GDE. Other research in the past also revealed the same result; extension contact was a positive and significant predictor of GDE (Vipinkumar & Asokan, 2014; Vipinkumar et al., 2015). Extension contact was one of the factors that influenced the GDE of SHG members (Behera, et al., 2015). Extension contact was also an important variable significantly contributing to GDE owing to its significant correlation coefficient, regression coefficient, and high direct effect on GDE (Vipinkumar, 1998). Extension contact, as an external support mechanism, can be viewed through the lens of social categorization in SIT. SHG members may categorize extension workers or external support providers as part of the in-group due to their shared goals of supporting the group's development. Frequent contact with extension workers provides opportunities for knowledge and information sharing, guidance, problem-solving, and building trust, all contributing to smoother group dynamics and enhanced effectiveness. SIT suggests that positive contact (e.g., with extension agents) can increase empathy, and foster collaboration within the SHG, leading to more effective dynamics and potentially contributing to better group dynamics (Pettigrew & Tropp, 2006).

Another variable investigated in this study was social participation. Historically, in the quest for mutual support, Ethiopians have the tradition of supporting each other through traditional people's associations/indigenous groups, which have had a long-standing history and dynamism. These include 'Iddir' 'Equb' and 'Mahiber.' Through Iddirs or burial associations, members periodically and regularly meet and contribute money, which would be used to support members during hard times. Equb, on the other hand, is a kind of saving where all members contribute the same amount of money, and everyone takes the sum turn by turn while Mahiber, which is formed by neighbours, friends, families, or persons who have similar interests who periodically meet to maintain and strengthen their social bonds. The results of the present study indicated that social participation has significantly predicted the GDE of SHGs, which was similar to another finding that the social participation of SHG members significantly contributed to GDE with both direct and indirect effects on the GDE (Sujata, et al., 2016). Social participation and active engagement in community activities and networks can foster trust, cooperation, and leadership skills and enhance collective action (Narayanaswamy, et al., 2016). Thus, participating in formal and informal associations and institutions outside of their SHG can provide women with diverse perspectives and experiences, helping them develop their communication, leadership, and decision-making skills, which in turn is likely to contribute to the GDE of SHGs.

Finally, one of the purposes of SHG is the socioeconomic empowerment of SHG members through regular saving, budgeting, and engagement of income-generating activities (CoSAP, 2016). According to the SIT, shared background and experiences or members with similar socioeconomic backgrounds may find it easier to relate to each other's aspirations, fostering cohesion and solidarity. This can lead to increased participation, trust, and willingness to cooperate within the group (Brown, & Williams, 1984). In this study, SHG members' socioeconomic profile, while statistically significant and influenced GDE to some extent, has a smaller effect size compared to other predictors in the regression model. Shared socioeconomic backgrounds can create a stronger sense of shared identity and common ground, facilitating communication and understanding within the group (Tajfel & Turner, 1979). Socioeconomic factors like income, education, and access to resources can impact power dynamics, decision-making, and communication within the SHG (Ridgeway, 2011). SHG members with better socio-economic backgrounds may have greater resources and access to opportunities, potentially enhancing group performance (Hüseyin, 2019). Hence, higher socioeconomic status potentially contributes to more active participation and leadership within the SHG. On the contrary, very low economic status had an adverse negative significant effect on participation in SHGs and had a negative significant association with the performance of SHGs that hindered the SHG's performance (Saikumar, et al 2015). However, SIT also highlights potential power dynamics within groups; If higher SES individuals dominate decision-making, it could undermine the sense of shared identity and participation for others, hindering group effectiveness (Doise, 1978).

In summary, the result aligns with the STI, highlighting the importance of group identity, and socioeconomic factors in shaping the GDE of SHGs. Systems theory emphasizes the interconnectedness of various components within a system. The predictor variables collectively influence GDE. The model highlights how these interconnected variables collectively explain a significant portion of the variance in GDE.

5. Conclusions

The findings of this study are similar to most of the previous studies conducted in Asian countries. i.e. all the predictor variables (attitude, extension contact, social participation, and socioeconomic profile of SHG members) had a positive and significant relationship with GDE that explained 59.3% of the variance in GDE. Of all other predictors, the attitude was the best and strongest predictor of GDE, while the socioeconomic profile of SHG members was the lowest predictor of GDE. Moreover, the finding implied a bidirectional influence between attitude and GDE. Exploring potential moderators that might influence the relationship between socio-economic and socio-psychological variables with GDE could be a valuable next step. The finding will play a pivotal role for SHG-promoting organizations to consider group dynamics and associated factors in the formation and development of SHGs and their development of SHG manuals, guidelines, and capacity development training. Furthermore, the analysis of the interplay between socioeconomic and sociopsychological characteristics of SHG members and group dynamics yielded outcomes that echoed findings from Asian research in certain aspects, implying potential universalities of the predictor variables' relationship with the GDE of SHGS, regardless of regional context. These findings have important implications for policymakers, practitioners, and stakeholders involved in the promotion and support of SHGs.

6. Implications of the Study

Research and literature in the SHG context are mainly conducted in the Asian context, especially in India while there is no available research on SHG group dynamics in Ethiopia. To that effect, the researcher couldn't broadly discuss the result of this study against the past studies and literature but limited to the studies in Asian countries.

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