



Research Paper

Existing status of SHGs in terms of employment and income generation

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ABSTRACT : The present study was conducted in Dapoli and Guhagar tahsils of Ratnagiri district (Konkan region) and Baramati and Indapur tahsils of Pune district (Western region) of Maharashtra. The sample constituted of 120 SHGs heads from 12 villages. Respondents differed significantly with respect to profile characteristics namely, self education, attitude towards SHG scheme, information seeking behaviour, institutional training received and market orientation. The other characteristics namely, age of group, pre-scheme annual income, knowledge about SHG scheme, social participation and extension contact showed non-significant difference between the two regions. In case existing status of SHGs in terms of employment and income generation maximum number (35.00 % each) of the respondents had got 'medium' and 'low', that is, 24 to 66 person days and upto 23 person days additional employment, more than about two-third (65.00 %) of the respondents had received 'medium' (Rs. 10,201/- to 36,400/-) additional income, while, 16.67 per cent each had received 'low' (upto Rs. 10,200/-) and 'high' (Rs. 36,401/- and above) category of additional income, respectively.

KEY WORDS: Existing status, Self-help group, Employment generation, Income generation

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INTRODUCTION :

SHGs are novel and innovative organizational setup in India for the woman upliftment and welfare. All woman in India are given chance to join any one of SHGs for training and development, so as to be prospective entrepreneur and skilled worker. The SHGs are promoted by the government as if woman in India may not be resourceful enough to be entrepreneurs. When the SHGs arrange training facilities to carry out certain kind of work which are suitable for woman in India, bank must arrange financial assistance to carry out manufacturing and trading activities, arranging marketing facilities, while the governments will procure the product of SHGs, arrange

for enhancing the capacity of woman in terms of leadership quality and arranging for the management of SHGs by themselves, so as to have administrative capacity. A social movement with government support, SHGs becomes more or less a part and parcel of the society.

Concept of SHG :

The concept of SHG is designed basically to strengthen the ability by all means of the Indian woman. Especially, it is aimed at all sided welfare of rural families by utilizing the inherent qualities of Indian woman. Government of India has implemented this concept throughout the country. It is observed that rural families

and the population living below poverty line are victimized by illegal and improper moneylenders. A woman is an important constituent of an Indian family. She is the center point around which the idea of implementing SHG concept hovers. In order to inculcate the habit of thrift coupled with deployment of hard earned money in economic activity profitability, different groups of woman are formed by ensuring homogeneity and common intension to enhance income level of the group members. There are 10-20 members in SHG. They save a certain amount of monthly basis and route the same money through banking channel.

A SHG is defined as a “self-governed, peer controlled information group of people with similar socio-economic background and having a desire to collectively perform common purpose”. Self-help group have been able to mobilize small savings either on weekly or monthly basis from persons who were not expected to have any savings. They have been able to effectively recycle the resources generated among the members for meeting the productive and emergent credit needs of members of the group.

The SHG, being a group of like-minded persons, gets empowered to solve most of its problems of a non-financial nature such as raw material, input supply, marketing, better adoption of technology, education and training for realization of its objectives for development.

The data pertaining to existing status of SHGs in Konkan and Western Maharashtra was scanty. Hence, the study entitled, “Existing status of SHGs in terms of employment and income generation”, was conducted with the following specific objectives.

- To know differential profile of the respondents.
- To know the existing status of SHGs in terms of employment and income generation.

MATERIALS AND METHODS :

The present study was conducted in Konkan and Western region of Maharashtra state. There are good number of self-help groups (SHGs) operating through Lead Bank accounts in Ratnagiri and Pune districts of Maharashtra. Looking to this fact, the Konkan region and Western region was purposively selected for the present study, because the concept of self-help group was implemented on a large scale and there was a considerable awareness among the people. A research

design is the arrangement of conditions for collection and analysis of the data in a manner that combines relevance to the research purpose with economy in procedure. In fact, the research design is the conceptual structure within which research is conducted. It constitutes the blue print for the collection, measurement and analysis of data. As such, the design includes an outline of what the research will do from implications to the final analysis of data. The exploratory survey research design was used for the present study (Kerlinger, 1976).

Considering the objectives and other aspects of the study, it was decided to select those SHGs which were established during 2005 to 2010, so that, the status on employment and income generation can be assessed.

Based on the maximum number of SHGs, two tahsils from each selected district were purposively selected. Thus, the total number of tahsils selected for study was four, namely Dapoli and Guhagar from Ratnagiri district and Baramati and Indapur from Pune district. Village wise list of woman SHGs from Dapoli, Guhagar, Baramati and Indapur tahsils was collected from Panchayat Samiti, Lead Banks and Mahila Arthik Vikas Mahamandal (MAVIM). Based on maximum number of SHGs, three villages from each tahsil were selected. Thus, total villages selected for the study were 12. Based on village wise list of SHGs, ten SHGs from each village were selected making the total sample of 120 SHGs. Thus, 120 heads of SHGs were selected as a sample.

The data were processed and tabulated by using simple frequency, and the parameters like percentage, mean and standard deviation, as well as, the ‘t’ test were used.

RESULTS AND DATA ANALYSIS :

The results obtained from the present investigation as well as relevant discussion have been summarized under following heads :

Differential profile of the respondents :

In order to understand the difference, if any, in the profile of respondents from Konkan and Western region of Maharashtra, ‘t’ test was applied. The findings are presented in Table 1.

It is clear from Table 1 that, the respondents differed significantly with respect to profile characteristics namely, self education, attitude towards SHG scheme, information

seeking behaviour, institutional training received and market orientation. The other characteristics namely, age of group, pre-scheme annual income, knowledge about SHG scheme, social participation and extension contact showed non-significant difference between the two regions.

Existing status of SHGs in terms of employment and income generation :

Most of the development programmes have been designed to generate additional income and employment for the rural poor. Hence, while assessing the existing status of SHGs, these two parameters ought to be considered invariably.

Overall employment generation :

It is revealed from Table 2 that, maximum number (35.00 % each) of the respondents had got 'medium' and 'low', that is, 24 to 66 person days and upto 23 person days additional employment, respectively were observed. Remaining 21.67 per cent had got 'high', that is, 67 and above person days additional employment. In case of 8.33 per cent of the respondents, there was no employment generation as such. The average additional employment generated through SHG activities was 44 person days.

Trade wise employment generation :

It can be concluded that, the trade 'vegetable cultivation' ranked first as far as generation in employment is concerned. This was followed by goat rearing, snacks center, *Masala* making, dairy, *Papad* making, tailoring and syrup making. While, *Shevai* making, fish marketing, other activities, retail shops, preparation of diwali stuffs and mess received last six ranks, respectively (Table 3).

Overall income generation :

More than about two-third (65.00 %) of the respondents had received 'medium' (Rs. 10,201/- to 36,400/-) additional income, while, 16.67 per cent each had received 'low' (upto Rs. 10,200/-) and 'high' (Rs. 36,401/- and above) category of additional income, respectively. Only 1.66 per cent of the respondents did not realize any additional income. The average additional income generated was Rs. 23,333/- after undertaking SHG activities (Table 4).

Trade wise income generation :

It can be concluded from Table 5 that, the trade 'snacks center' ranked first as far as generation in income is concerned. This was followed by mess, *Papad* making,

Table 1: Distribution of the respondents according to the difference in profile

Sr. No.	Variables	Konkan region (mean)	Western region (mean)	't' value	Remark
1.	Age of group	7.2	6.633	0.0832	NS
2.	Self education	7.033	10.833	0.0006	Sig
3.	Pre-scheme annual income	11341.666	12258.333	0.4772	NS
4.	Knowledge about SHG scheme	11.816	11.916	0.1089	NS
5.	Attitude towards SHG scheme	33.35	32.283	0.0004	Sig
6.	Social participation	5.116	5.20	0.8265	NS
7.	Extension contact	4.066	3.366	0.1708	NS
8.	Information seeking behaviour	40.70	41.65	0.0208	Sig
9.	Institutional training received	0.90	0.55	0.0117	Sig
10.	Market orientation	23.566	24.55	0.0007	Sig

NS=Non-significant

Table 2 : Distribution of the respondents according to overall employment generation

(n= 120)

Sr. No.	Employment generation (person days)	Respondents	
		Number	Percentage
1.	No	10	8.33
2.	Low (Upto 23)	42	35.00
3.	Medium (24 to 66)	42	35.00
4.	High (67 and above)	26	21.67
	Total	120	100.00
	Minimum: 5 person days	Mean:44 person days	Maximum: 204 person days

Table 3 : Distribution of the respondents according to trade wise employment generation

Sr. No.	Employment generation (person days)	Respondents	
		Number	Percentage
Vegetable cultivation (n = 19)			
1.	No	1	5.27
2.	Low (Upto 68)	3	15.79
3.	Medium (69 to 164)	10	52.63
4.	High (165 and above)	5	26.31
	Total	19	100.00
	Minimum: 54 person days	Mean: 117 person days	Maximum: 204 person days
Goat rearing (n= 6)			
1.	Low (Upto 43)	0	0.00
2.	Medium (44 to 103)	5	83.33
3.	High (104 and above)	1	16.67
	Total	6	100.00
	Minimum: 47 person days	Mean: 74 person days	Maximum: 131 person days
Snacks center (n= 3)			
1.	Low (Upto 58)	0	0.00
2.	Medium (59 to 75)	2	66.67
3.	High (76 and above)	1	33.33
	Total	3	100.00
	Minimum: 59 person days	Mean: 67 person days	Maximum: 77 person days
Masala making (n = 6)			
1.	Low (Upto 31)	3	50.00
2.	Medium (32 to 82)	0	0.00
3.	High (83 and above)	3	50.00
	Total	6	100.00
	Minimum: 5 person days	Mean: 57 person days	Maximum: 110 person days
Dairy (n = 9)			
1.	Low (Upto 19)	1	11.11
2.	Medium (20 to 77)	7	77.78
3.	High (78 and above)	1	11.11
	Total	9	100.00
	Minimum: 15 person days	Mean: 49 person days	Maximum: 115 person days
Papad making (n = 8)			
1.	No	1	12.50
2.	Low (Upto 20)	1	12.50
3.	Medium (21 to 60)	5	62.50
4.	High (61 and above)	1	12.50
	Total	8	100.00
	Minimum: 20 person days	Mean: 41 person days	Maximum: 78 person days
Tailoring (n = 6)			
1.	Low (Upto 19)	0	0.00
2.	Medium (20 to 53)	5	83.33
3.	High (54 and above)	1	16.17
	Total	6	100.00
	Minimum: 20 person days	Mean: 37 person days	Maximum: 63 person days

Table 3 contd...

Table 3 contd..

Syrup making (n= 3)			
1.	No	1	33.33
2.	Low (Upto 31)	0	0.00
3.	Medium (32 to 42)	2	66.67
4.	High (43 and above)	0	0.00
	Total	3	100.00
	Minimum: 33 person days	Mean: 37 person days	Maximum: 41 person days
Mess (n = 4)			
1.	Low (Upto 23)	1	25.00
2.	Medium (24 to 47)	2	50.00
3.	High (48 and above)	1	25.00
	Total	4	100.00
	Minimum: 23 person days	Mean: 36 person days	Maximum: 52 person days
Preparation of diwali stuffs (n = 5)			
1.	No	1	20.00
2.	Low (Upto 17)	1	20.00
3.	Medium (18 to 50)	2	40.00
4.	High (51 and above)	1	20.00
	Total	5	100.00
	Minimum: 11 person days	Mean: 34 person days	Maximum: 85 person days
Retail shops (n = 10)			
1.	No	1	10.00
2.	Low (Upto 16)	1	10.00
3.	Medium (17 to 38)	6	60.00
4.	High (39 and above)	2	20.00
	Total	10	100.00
	Minimum: 15 person days	Mean: 28 person days	Maximum: 49 person days
Others (n = 30)			
1.	No	5	16.67
2.	Low (Upto 9)	3	10.00
3.	Medium (10 to 30)	17	56.66
4.	High (31 and above)	5	16.67
	Total	30	100.00
	Minimum: 6 person days	Mean: 20 person days	Maximum: 48 person days
Fish selling (n = 8)			
1.	Low (Upto 11)	2	25.00
2.	Medium (12 to 28)	5	62.50
3.	High (29 and above)	1	12.50
	Total	8	100.00
	Minimum: 8 person days	Mean: 19 person days	Maximum: 34 person days
Shevai making (n = 3)			
1.	Low (Upto 11)	0	0.00
2.	Medium (12 to 19)	2	66.67
3.	High (20 and above)	1	33.33
	Total	3	100.00
	Minimum: 12 person days	Mean: 16 person days	Maximum: 21 person days

Table 4 : Distribution of the respondents according to overall income generation**(n = 120)**

Sr. No.	Income generation (Rs.)	Respondents	
		Number	Percentage
1.	No	2	1.66
2.	Low (Upto 10,200/-)	20	16.67
3.	Medium (10,201/- to 36,400/-)	78	65.00
4.	High (36,401/- and above)	20	16.67
	Total	120	100.00
	Minimum: Rs. 3,000/-	Mean: Rs. 23,333/-	Maximum: Rs. 62,500/-

Table 5 : Distribution of the respondents according to trade wise income generation

Sr. No.	Income generation (Rs.)	Respondents	
		Number	Percentage
Snacks center (n = 3)			
1.	Low (Upto 28,300/-)	1	33.33
2.	Medium (28,301/- to 60,700/-)	2	66.67
3.	High (60,701/- and above)	0	0.00
	Total	3	100.00
	Minimum: Rs. 27,000/-	Mean: Rs. 44,500/-	Maximum: Rs. 59,000/-
Mess (n = 4)			
1.	Low (Upto 30,600/-)	0	0.00
2.	Medium (30,601/- to 41,300/-)	3	75.00
3.	High (41,301/- and above)	1	25.00
	Total	4	100.00
	Minimum: Rs. 31,000/-	Mean: Rs. 36,000/-	Maximum: Rs. 42,000/-
Papad making(n = 8)			
1.	Low (Upto 22,900/-)	1	12.50
2.	Medium (22,901/- to 43,900/-)	6	75.00
3.	High (43,901/- and above)	1	12.50
	Total	8	100.00
	Minimum: Rs. 18,000/-	Mean: Rs. 33,437/-	Maximum: Rs. 50,000/-
Vegetable cultivation (n = 19)			
1.	Low (Upto 17,000/-)	4	21.05
2.	Medium (17,001/- to 39,500/-)	10	52.64
3.	High (39,501/- and above)	5	26.31
	Total	19	100.00
	Minimum: Rs. 10,000/-	Mean: Rs. 28,237/-	Maximum: Rs. 45,000/-
Syrup making (n = 3)			
1.	Low (Upto 15,800/-)	0	0.00
2.	Medium (15,801/- to 36,500/-)	2	66.67
3.	High (36,501/- and above)	1	33.33
	Total	3	100.00
	Minimum: Rs. 19,000/-	Mean: Rs. 26,167/-	Maximum: Rs. 38,000/-
Tailoring (n = 6)			
1.	Low (Upto 12,900/-)	1	16.67
2.	Medium (12,901/- to 38,200/-)	4	66.66
3.	High (38,201/- and above)	1	16.67
	Total	6	100.00
	Minimum: Rs. 4,000/-	Mean: Rs. 25,583/-	Maximum: Rs. 41,000/-

Contd.... Table 5

Table 5 contd..

Preparation of diwali stuffs (n = 5)			
1.	Low (Upto 13,200/-)	1	20.00
2.	Medium (13,201/- to 31,200/-)	3	60.00
3.	High (31,201/- and above)	1	20.00
	Total	5	100.00
	Minimum: Rs. 13,000/-	Mean: Rs. 22,200/-	Maximum: Rs. 35,000/-
Dairy (n = 9)			
1.	Low (Upto 16,000/-)	2	22.22
2.	Medium (16,001/- to 27,900/-)	5	55.56
3.	High (27,901/- and above)	2	22.22
	Total	9	100.00
	Minimum: Rs. 13,000/-	Mean: Rs. 21,944/-	Maximum: Rs. 30,500/-
Goat rearing (n= 6)			
1.	Low (Upto 10,500/-)	1	16.67
2.	Medium (10,501/- to 33,000/-)	4	66.66
3.	High (33,001/- and above)	1	16.67
	Total	6	100.00
	Minimum: Rs. 7,000/-	Mean: Rs. 21,750/-	Maximum: Rs. 41,000/-
Retail shops (n = 10)			
1.	Low (Upto 11,300/-)	2	20.00
2.	Medium (11,301/- to 31,400/-)	6	60.00
3.	High (31,401/- and above)	2	20.00
	Total	10	100.00
	Minimum: Rs. 3,500/-	Mean: Rs. 21,400/-	Maximum: Rs. 36,000/-
Fish selling (n = 8)			
1.	Low (Upto 13,700/-)	0	0.00
2.	Medium (13,701/- to 26,300/-)	6	75.00
3.	High (26,301/- and above)	2	25.00
	Total	8	100.00
	Minimum: Rs.14,000/-	Mean: Rs. 20,000/-	Maximum: Rs. 30,000/-
Others (n = 30)			
1.	No	2	6.67
2.	Low (Upto 10,000/-)	11	36.67
3.	Medium (10,001/- to 26,000/-)	10	33.33
4.	High (26,001/- and above)	7	23.33
	Total	30	100.00
	Minimum: Rs. 3,500/-	Mean: Rs. 17,975/-	Maximum: Rs. 62,500/-
Masala making (n = 6)			
1.	Low (Upto 7,300/-)	2	33.33
2.	Medium (7,301/- to 28,400/-)	3	50.00
3.	High (28,401/- and above)	1	16.67
	Total	6	100.00
	Minimum: Rs. 5,000/-	Mean: Rs. 17,833/-	Maximum: Rs. 32,000/-
Shevai making (n = 3)			
1.	Low (Upto 2,400/-)	1	33.34
2.	Medium (2,401/- to 8,600/-)	2	66.66
3.	High (8,601/- and above)	0	0.00
	Total	3	100.00
	Minimum: Rs. 3,000/-	Mean: Rs. 5,500/-	Maximum: Rs. 8,000/-

Table 6 : Distribution of the respondents according to the difference in employment and income generation

Sr. No.	Variable	Konkan region (mean)	Western region (mean)	't' value	Remark
1.	Employment generation	53.23	35.73	0.0270	Sig
2.	Income generation	23896.67	21991.67	0.4356	NS

NS=Non-significant

vegetable cultivation, syrup making, tailoring, preparation of diwali stuffs and dairy. While *Shevai* making, *Masala* making, other activities, fish marketing, retail shops and goat rearing received last six ranks, respectively.

A close look on the details of trade wise employment and income generation indicates a totally different trend. No valid conclusions can be drawn considering the employment generated and the income thereof. The capital investment made under different trades is one of the factors that needs to be considered, while commenting on the income generated by an enterprise. The present results could be attributed to the aspects like nature of activity, competition in the market, cost and availability of raw material, year round demand in the market, seasonal variations in the demand, seasonability of the activity, breakeven point of the enterprise, possession of knowledge and skills required for the enterprise and above all the engagement of members in household affairs. The localite trades started within available resources might be one of the reasons for such results. Thus, there is need to focus better in income generating activities among the SHGs prevailing in both the regions.

Despite of the potential of the enterprise to generate both, employment and income, some of the groups might have failed in extracting full potential of the trade for one or the other reason. Secondly, for most of the respondents, it was the leisure time activity due to their engagement in family matters. This might also have put limitation on the generation of employment and income.

Differential employment and income generation of the respondents :

So as to know the difference between respondents from Konkan region and Western region of Maharashtra, in respect of employment and income generation, 't' test was applied. The results are given in Table 6.

Is evident from the Table 6 that, there was no significant difference between the two groups with respect to income generation. However, they differed significantly with respect to the employment generation. This could be attributed to the fact that, nearly 32.00 per cent of the respondents from the Konkan region had selected vegetable cultivation as group activity which has

generated maximum employment as compared to other trades. Secondly, more positive attitude towards SHG scheme might have resulted in more efforts on the part of members. On the other hand, the efforts put in by the respondents for proper marketing of produce as a group activity might have influenced income generation regardless of the region to which they belong.

Conclusion:

The study has underlined that, by and large, all the activities were successful in providing gainful employment to the beneficiaries. However, considering the average employment generation, it seemed to be low. Further probe to understand the reasons for this phenomenon may help in improving the situation. It was noticed that, almost all the respondents were working for the groups as a leisure time activity. This might have affected the production of the group which in turn, might have resulted in low actual employment generation as compared to the potential of the particular enterprise. It is, therefore, necessary to counsel the members of SHGs, in this regard. With regard to income generation, it was revealed that, the respondents from two regions did not differed significantly. However, there was difference in terms of employment generation. Vegetable cultivation emerged out to be the most effective activity in generating employment. This was followed by goat rearing, snacks centre, *Masala* making and dairy. These findings may be helpful for suggesting the enterprises for newly emerging SHGs.

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