

AN ASSESSMENT OF BUSINESS ASSISTANCE PROVIDED TO SELF HELP GROUPS IN TRIBAL SUB PLAN (TSP) REGION OF RAJASTHAN

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ABSTRACT

This paper explained about the different types of business assistance provided by the Self Help Groups (SHGs) to their members. Apart from this members opinion were identified in respect of adequacy of business assistance and level of satisfaction. The review of existing studies suggests that members can be benefited in different aspects by joining SHGs. Based on the literature review relating to different types of assistance to SHGs the hypothesis members perceive that SHGs do not provide adequate business assistance to members was tested. For the purpose of the study 300 SHGs members were examined in Tribal Sub Plan (TSP) region of Rajasthan. For calculation of assistance and its appropriateness for the SHGs 5-Point Likert scale and one-sample t-test used. From the study it was found that, the members perceive that SHG provides adequate business assistance to them. SHG members agreed to receive adequate support for establishment of business including support in marketing, enhancement in decision making, and enhancing financial literacy. **Key words:** SHGs, Business assistance, Members, Tribal Sub Plan Region, Activities, Correlation, Opinions and Reasons

1. Introduction

Poverty has widespread reality and various origins and its scale. Poverty means those people who have nothing, whose lives are in constant danger due to the shortage of all basic resources that are required for their survival. Poverty has a global presence and varied genesis and dimensions. It does not mean only human or income poverty but it also covers deprivation of human dignity caused by vulnerability to social and cultural shocks. Development Economics, till the 1970s was considered that the “Trickle Down Effect” of growth oriented GNP will help to eradicate poverty gradually (Mansuri, 2010).

1.1 The Theoretical Framework for the Study

Today's Self-help groups (SHGs) play a major role in poverty alleviation in rural India. An increasing number of deprived people in a series of parts of India are members of SHGs and are keenly engaged in savings and credit, as well as in other activities eg. Income generation, natural resources management, literacy, child concern, nutrition, etc. (Saravanan, 2016). Self Help Groups (SHGs) play a crucial role in creating entrepreneurship among rural and urban poor. This creates

employment opportunities among poor people which ultimately results in enhanced financial security and social status for its members, especially women (Chakraborty, 2019). Krishnamurthi defined it as an “organization formed by people for pooling their resources to help each other” (Krishnamurthi, 1996), while Rao said that SHGs are a “useful tool to help the underprivileged meet out their urgent credit needs” (Rao, 2003). Generally, an SHG is formed of 10-20 women who come together voluntarily for a common objective. These groups are part of the micro-level financing focus on providing access to bank credit to the neglected, underprivileged, and deprived sections of society (Kashyap, 2001).

2. Literature Review

2.1 Empirical review on the impact of SHGs on different kind of business assistance and satisfaction level

Microfinance brought more knowledge and social empowerment than economic empowerment. The impact of microfinance is appreciable in bringing confidence, courage, skill development, and empowerment (Sultana et al., 2017). Impact of SHG on socio-economic conditions of women by Meena et al., (2015) revealed that there has been a positive impact of joining SHGs and also a significant increase in the additional monthly income of respondents after joining SHG. It also depicts that rural women after joining groups access or enjoy all kinds of social amenities like medical facilities, water supply services, etc. So the researcher enlightens the impact of SHGs is very crucial for the eradication of poverty among the vulnerable section of society. Meena and Prasad (2017) evaluated the Self-Help Groups with respect to the level of satisfaction of the members of the SHGs and also evaluated the appropriateness of existing schemes with special reference to tribal regions. Ensuring Sustainability of Self-Help Groups through Effective Marketing Strategies (Dhar and Sarkar, 2013) found that though a variety of items are produced and marketed by the beneficiaries in local markets, out-station fairs and through middlemen, they face a host of problems with regard to the marketing of these items. Opinion, reasons, and benefits of joining Self Help Groups in Tribal Sub Plan Region of Rajasthan a study conducted by Meena (2020) reported on the benefit of SHGs activities and also concluded that the SHGs have been instrumental in creating easy credit availability for the members for their family support so the wide spread of this concept is required in TSP region. SHGs are highly beneficial for the eradication of poverty from the TSP region of Rajasthan.

In the study of Meena and Prasad (2021) identified an association between performance and family type, age, income level & education categories.

The study reveals that members seem to be pleased with SHG functioning, no statistically significant association between family type, age, income groups, and opinion across different education groups with SHG performance. Purushotham (2014) has given the emphasis on marketing support to the SHGs by which they can self-sustain and work effectively with respect to poverty alleviation. SHGs and microfinance have made a critical impact on the socio-economic status of members (Jothi, 2010). An overview of the role of marketing assistance in SHGs sustainability: with special reference to Delhi, NCR region (Chakraborty and Chaturvedi, 2021)

find out the extent to which the marketing assistance is provided to various SHGs in this region and the sustainability of their business. A study by Gandhi and Udayakumari (2013) on Marketing Strategies of Women Self-Help Groups concluded that the banks that financed the groups and the Government agencies nurturing them must join hands in training the SHG members in business and marketing activities and make them play globally. Siddhartha et al. (2019) studied about the production and retailing of self-help group products and found that this research helps in understanding the production activities of SHG. Though the production activities of the SHG through the formation of micro-enterprises do exist in the present situation the up gradation and enhancement of such activities have been restricted due to constraints on the availability of different services such as marketing, retail, and training that can support them in the sustainability and improvement of performance.

3. Materials and Methods 3.1 Study area

Schedule Area in Rajasthan comprises eight districts of the southeastern part of the State 5697 villages of the southern part of Rajasthan having a tribal population of more than 50 percent have been declared as Scheduled Areas by the Government of India, Gazette notification dated 19-05-2018.

As per the Census 2011, the total population of the scheduled area is 64,63,353 out of which the scheduled tribe's population is 45,57,917 which is 70.43% of the total population of the Scheduled Area (Raj Bhawan, 2018).

It extends over the entire districts of Banswara and Dungarpur, Pratapgarh, Arnod, Pipalkhunt & Dhariawad Tehsils of Pratapgarh district,

Aburoad block of Sirohi district,
the *Tehsils* of Kherwara, Jhadol, Kotra,
Salumber, Sarada, Lasadia,
Rishabhdeo, 123 villages of
Girwa *Tehsil* (81 villages are as per

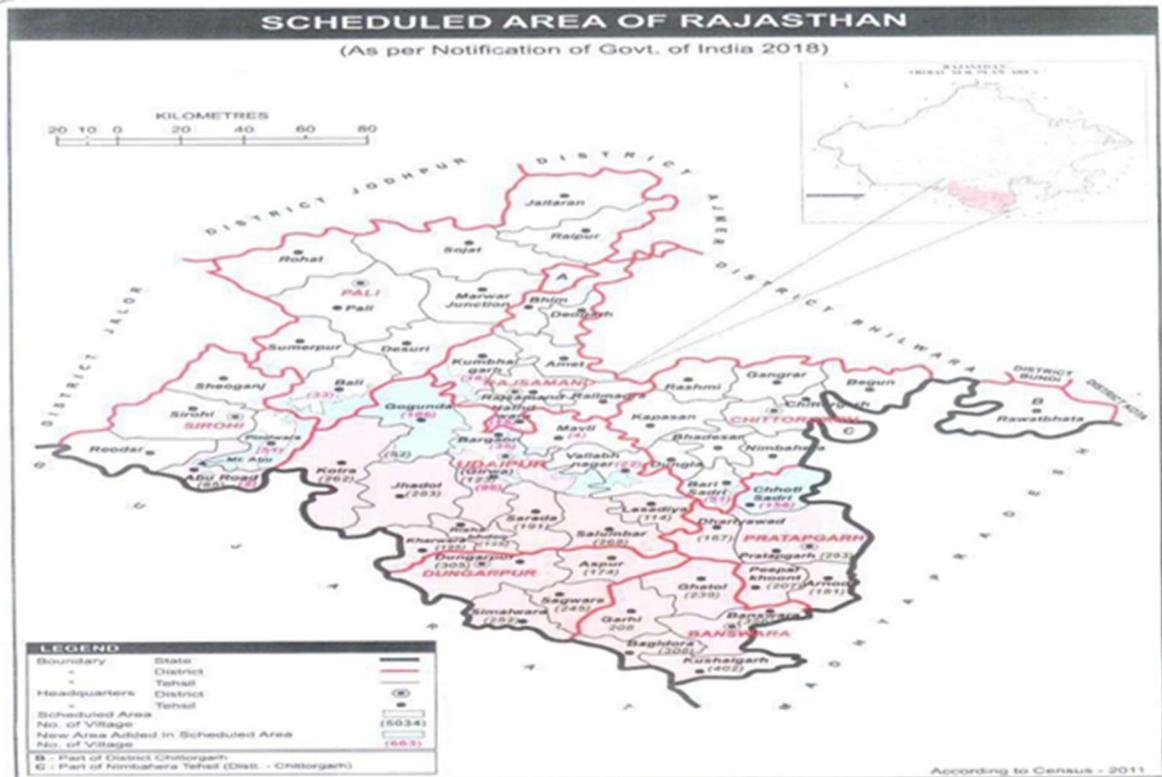
notification of Hon' able president of India, Dated Feb, 12th, 1981, 15 villages declared new revenue village between 1991-2001 decade and 27 villages declared new revenue village between 2001-2011 decade from existing notified village of scheduled area) & 52 villages of Gogunda Tehsils of Udaipur district. This area has 5034 villages in 23 Tehsils according to 2011 census,

out of 92.39 lakh tribals in the State
41.88 lakh tribals (45.33 percent) are
living in the scheduled area (TAD,
2016).

According to the estimation of the State Government, most of the poor live in the southern part of the State. The highest number of poor households is in the district of Udaipur (261,092 HHs and 1,138,630 population) followed by Banswara (160,621 HHs and 414,101 population), Dungarpur (140,251 HHs and 510,086 population), and Barmer (130,084 HHs and 645,143 population). However, when we consider the proportion of people who are poor in a district, Dungarpur has the highest level of poverty followed by Banswara. The least number of people who are below the poverty line are in the districts of Jhunjhunu, Sikar, and Ajmer. The following table represents the five districts with the highest and lowest incidence of poverty in terms of household and population (Rajasthan Economic and Human Development Indicators, 2012).

There are many organizations that are working for the promotion of SHGs in the TSP region, NGOs, ICDS through DWCD, NRLM (earlier SGSY) through RGAVP, NGOs and by others, DPIP, NABARD-SHG-BLP through NGOs, and some others are promoted by watershed development, literacy mission, RCDF, forest, watershed development, literacy mission, RCDF, the forest through NGOs and cooperatives. The major players in Promotion are ICDS, the Tribal Area Development department, NRLM, and NGOs (Joshi, Singh and kumar, 2010).

Figure 1: Scheduled Area of Rajasthan (Tribal Sub Plan region)



Source: Raj Bhawan, 2018

3.2 Sampling of Respondents

For the present study, a descriptive research approach was used to test the hypotheses and present conclusions from the data. For this study, both primary, as well as secondary data were collected. Primary data was collected from five Tribal Sub Plan (TSP) districts that have the highest tribal population and government of India has a specific focus on the upliftment of poverty in these districts. The researcher selected one tehsil from each sample district on the basis of random sampling (lottery method). Judgmental sampling was used to select the SHGs which were established at least four years ago. Later the sample SHGs were selected on the basis of simple random sampling (lottery method). Six SHGs were selected randomly from every tehsil, and 10 members were selected randomly from each SHG. ICDS promoted SHGs were selected by the researcher because as per Rajasthan Micro Finance report March 2013-14, out of ICDS, NRLM (earlier SGSY), NABARD-SHG-BLP, DPIIP, and others, the highest number of SHGs were promoted in Rajasthan by ICDS (2, 31,212) information taken from DWCD, (2017). For calculation of assistance and its appropriateness for the SHGs simple tabular representation, 5-Point Likert scale, and one-sample t-test used to determine whether a sample comes from a population with a specific mean and correlation were used with the help of SPSS software version 5.

To examine the adequacy of mechanism for sanctioning financial resources in tribal region following criteria was taken for respondents.

(a) Duration of assistance to SHG members

The respondents were inquired about the duration of assistance provided by the SHG. The responses are summarized in table 1.

4. Results and Discussion

Duration of Assistance	Frequency	Percentage
1yr	156	52
2yr	141	47
6 months	3	1

Source: Researcher own compilation from field data

Table 1 revealed that the most of the financial and government institution provide assistance for the period of one year and two years while very few institutions were providing assistance for 6 months only.

(b). Appropriateness of duration of assistance

Opinion of respondent towards duration of assistance was examined through frequency distribution and results are presented in table 2.

Table 2: Appropriateness of duration of assistance

Duration of assistance was appropriate	Frequency	Percentage
Enough	252	84
Short	48	16

Source: Researcher own compilation from field data

From the table 2 concluded that majority of SHG members believe that the duration of assistance was appropriate few of them reported that duration is little bit short.

(c) Satisfaction with the assistance provided by agencies

The respondents were asked about the extent of satisfaction provided by agencies presented in table 3.

Table 3: Satisfaction with the assistance provided by agencies

Satisfaction with the assistance	Frequency	Percentage
Highly satisfied	69	23
Satisfied	189	63
Can't say	30	10
Dissatisfied	0	0
Highly dissatisfied	12	4

Source: Researcher own compilation from field data

Table 3 revealed the fact that the most of the SHG members are satisfied (63 percent) with the assistance provide by the government department and financial institution. It seems that SHGs are working properly in the study areas because only 4 percent respondents were highly dissatisfied.

(d) Adequacy of business assistance provided

The adequacy of business assistance provided to SHG members by SHG has been measured. The Responses are captured in 5-Point Likert scale as displayed.

(Excellent)	(Good)	(Moderate)	(Poor)	(Negligible)
5	4	3	2	1

Ranking of the type of assistance presented in table 4.

Table 4: Business assistance received from various agencies

Business assistance	Rank	Mean
Decision making capability enhancement	1	4.3767
Marketing Assistance	2	3.9833
Financial literacy enhancement	3	3.9533
Material Management assistance	5	2.9567
Project Management	6	2.5133

Source: Researcher own compilation from field data

Table 4 depicts that the highest rank was given to decision making capability enhancement by the respondent followed by marketing assistance. Further, it was assumed that the member perceive that SHG provide adequate business assistance to the members. For this following hypothesis has been formulated.

H01: Members perceive that SHG provide inadequate business assistance to members

Ha1: Members perceive that SHG provide adequate business assistance to members

To test this assumption one sample „t“ test is applied. For the present analysis, researcher test the data with hypotheses mean of „3“ = Neutral. By default, SPSS uses 95 per cent confidence intervals. This equates to declaring statistical significance at the $p < .05$ level.

Table 5: Adequacy of business assistance to the members

Type of assistance from SHG	Mean	Std. Deviation	T-value	Mean Difference	Sig. (2-tailed)
Establishment of Business	3.2300	.82828	4.810	.23000	.000
Marketing Assistance	3.9833	.57517	29.612	.98333	.000
Project Management	2.5133	1.58055	-5.333	-.48667	.000
Decision making capability enhancement	4.3767	.99234	24.029	1.37667	.000
Financial literacy enhancement	3.9533	.59357	27.818	.95333	.000
Material Management assistance	2.9567	1.00240	-.749	-.04333	.455

Source: Researcher own compilation from field data

Table 5 presented the observed t-value ("t" column), the degrees of freedom ("df"), and the statistical significance (p-value) ("Sig. 2-tailed") of the one-sample t-test. The p-value of the majority dimensions is <0.05, therefore, it can be concluded that the population means and sample means are significantly different. The mean value analysis reveals that members seem to be satisfied with SHGs functioning towards providing proper business assistance. SHG members agreed to receive adequate support for the establishment of business including support in marketing, enhancement in decision making, and enhancing financial literacy. However, proper material management was found insignificant.

SHG members agreed to receive adequate support for the establishment of businesses including support in marketing, and enhancement in decision making. They also assist in enhancing financial literacy and proper material management.

Relation between members' opinion and adequacy of business assistance

To test the relation Pearson Correlation is used. The Pearson product-moment correlation coefficient, often shortened to Pearson correlation or Pearson's correlation, is a measure of the strength and direction of association that exists between two continuous variables. For this following hypothesis formulated;

H02: There is no correlation between members' opinion and adequacy of business assistance

Ha2: There is correlation between members' opinion and adequacy of business assistance

Table 6. Correlation between members, opinion and adequacy of business assistance

Correlations			
		Member opinion	Assistance
Member opinion	Pearson Correlation	1	.146*
	Sig. (2-tailed)		.011
Assistance	Pearson Correlation	.146*	1
	Sig. (2-tailed)	.011	

*. Correlation is significant at the 0.05 level (2-tailed).

Source: Researcher own compilation from field data

Table 6 concluded that management opinion and adequacy of business assistance has significant positive relation with value of correlation coefficient 0.146. This shows that SHGs are getting adequate business assistance.

Conclusion

From the study, it was found that the duration of different assistance was appropriate with respect to SHGs. The majority of members were highly satisfied with the assistance provided by agencies. Decision-making capability enhancement and marketing assistance was the highest focused assistance followed by financial literacy enhancement, the establishment of business, and material management assistance. One sample t-test reveals that the mean value analysis reveals that members seem to be satisfied with SHG functioning towards providing proper business assistance. SHG members agreed to receive adequate support for the establishment of business including support in marketing, enhancement in decision making, and enhancing financial literacy. However proper material management was found insignificant. With respect to the relation between members' opinions and adequacy of business assistance, Pearson Correlation values have a significant positive

relationship with the value of the correlation coefficient of 0.146. This shows that SHGs are getting adequate business assistance.

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