

EMPLOYMENT GENERATION & POVERTY ALLEVIATION THROUGH SELF HELP GROUP(S): A CASE STUDY IN BAJIAGAON DEVELOPMENT BLOCK OF NAGAON DISTRICT (ASSAM)

Mintu Gogoi,

Ph.D. Scholar, Department of Commerce,
Assam University, India

Pingki Sharma,

Ph.D. Scholar, Department of Commerce,
Assam University, India

ABSTRACT

Purpose- to assess the performance of Self Help Group(s) SHGs in terms of employment generation and poverty alleviation.

Design/methodology/approach- primary focus is on measuring the performance of the SHGs that leads to condense poverty alleviation. It further investigates the behaviors that create employment generation. Both primary and secondary data were taken into consideration. Primary data were collected through schedule containing relevant questions from the members of the groups. Secondary data were collected from different secondary sources available and pertinent for the study. Percentage is used to contrast and analyzed the data and was graphical represent in view of that.

Findings- The change of household income of members has augmented after joining SHGs is unfurnished. Employment opportunities have increased and as a result, many family members also get a hold employment opportunity. The study further states that the performance of female SHG is better than male Self Help Groups in almost all programs.

Originality/Value- Majority of existing literature though basically focused on role of SHGs in women empowerment, employment generation as well as poverty alleviation, at a standstill the appraisal inveterate the demand of the present study. The Present study covers the period from the year 2001-2003. Out of total 254 SHGs', 140 female and 114 male, 40 % samples i.e. 56 females and 46 males groups (Total 102) are selected by random sampling method. Net profit, assets were examined in order to appraise the performance of the Self Help Groups.

Keywords: employment generation, poverty alleviation, household income, sustainable development, consciousness

Introduction:

A self-help group is conceived as a sustainable people's institution that provides the poor rural people with space and support necessary for them to take effective steps towards achieving greater control of their lives. The SHG approach has proved successful not only in improving the economic conditions through income generation but in creating awareness about health and hygiene, sanitation and cleanliness, environmental protection, importance of education and better response for development schemes. The Self Help Groups (SHGs) have paved the way for economic independence of rural people. The members of SHGs are involved in Micro –Entrepreneurships that are becoming economically independent and providing employment opportunities to others. Entrepreneurs play an important role in instigating social and economic change and development. The contribution to a nation's wealth is the ultimate result of

entrepreneurship of its people. For attaining sustainable development, regional growth, employment generation and poverty alleviation entrepreneurship development is the root key of a region/ area. Entrepreneurship development creates the employment generation through launching new venture, business expansion which leads to removal of poverty.

Proclamation of the problem:

Poverty alleviation through employment generation has been primary concern of development planners and policy makers for years in India. Poverty is generally regarded as acute and unacceptable multidimensional deprivation. Various programs which were introduced by the Government during 80,s have failed to bring a desirable result. .In recent period, the Self Help Groups has become one of the important tools for poverty alleviation and employment generation in rural areas. Self Help Group (SHG) has been considering one of the important tools

for poverty alleviation and employment generation in the rural areas. Self Help Group is a small voluntary association of poor people from the same socio-economic background. They come together for the purpose of solving their common problems through self-help and mutual help. Though the SHG movement appears to be successful to some extent, there are reports of failures in SHG activities in promoting employment generation and poverty alleviation. In this background, this paper attempts to show the process of formation of Self Help Groups and to assess the performance of SHGs in terms of employment generation. In addition to this, the paper also tries to study the performance of Self Help Groups in Poverty alleviation in Bajiagaon Development Block of Nagaon District, Assam. Both the primary and secondary data are used for the study. The findings of the study clearly show that SHGs are the effective tools for poverty alleviation and employment generation.

As of now SHGs are one of the most successful panacea for all the ills of the rural community, it may create a socio-economic revolution in the rural areas of the country. Self-help groups must be prepared to undertake entrepreneurial activities at a smaller level with minimum capital requirements (Gurumoorthy, 2002). It enables the members to lead their lives in a sound hygienic environment, pursue a better living, taking decisions regarding their child education, investment of the family, managing the economic assets of the family and bringing up cohesion among the members of the family and others for a better living standard by creating socio-economic awareness. Every member of the SHGs has felt the need for more involvement in economic activities. In future, the inbuilt strength of the Self-Help Groups will pave the way to undertake mega projects, like projects performed by joint stock companies, public sector enterprise and the like. The SHGs have power to create a socio-economic revolution in the rural areas India (Kamaraj, 2005; Goswami & Chutia, 2006). The spirit for social and economic acceleration of members is the significant contribution of each and every SHG. A common bond like caste, sub-caste, blood, community, and place of origin or activity linked the members of Self-Help Groups. Woman Self-Help Groups are more effective than those of others and they have more chances for survival (Qasi, 1997). Better coordination is required from the voluntary agencies and the government departments for its better performance (Sharma, 2000). There is relationship between the self-help groups and the socio-economic status of women (Srivastava et al., 2003).

In light of above exploration, the present study basically concentrates on the role of SHGs in employment generation and poverty alleviation.

Review of literature:

The existing relevant studies are the evidence that Self Help Group movement has proved more successful in providing gainful self-employment to the rural poor women both in the farm and non-farm activities thereby lending a great help in reducing intensity and volume of rural poverty.

There are a good number of literatures on different role of self Help Group particularly on poverty alleviation, employment generation and empowerment of the women as well.

The SHGs have given a new lease of life to the women in the villages for their social and economic empowerment. The revolution is taking place in rural areas because of formation of many SHGs. The rural women are really empowered socially and economically as they become the members of Self Help Groups. It is the duties of the government to assist the women of rural areas in formation of more SHGs. Women have the potential and will to establish and manage enterprise of their own (Raheem, 2006). Most of the SHG members living in regions of high poverty, low levels of agriculture surpluses, scanty resources and underdeveloped infrastructure find it difficult to identify and promote viable micro enterprise such as infrastructural backwardness, poor recourse base, illiteracy and low-level of entrepreneurial profile of the working poor (Purushotham, 2004). The approach of Self-help Groups (SHGs) towards poverty alleviation is that it should be self-help. The logic is that individual effort is too inadequate to improve their fate. This brings about the necessity for organizing them in a group by which they get the benefit of collective perception, collective decision making and collective implementation of programmes for common benefit (Karmakar, 1999).

The study on the impact of SHGs on Income and Employment stated that the emerging changes in the values and attitudes of the members of the SHGs are a clear manifestation of socio-economic empowerment interventions yielding relatively quicker results. The socio-economic programmes reinforce each other and promote all-round development of the children, the women, the households and the communities. It is a process which ultimately leads to self-fulfillment of each member of the society (Gangaiah et al., 2006).

The study on 'SHGs for Poverty Alleviation in Pondicherry' reveals that the main benefits of SHGs were increased participation in social service and organized action, received new skills /training and better access to credit facilities. Whereas, the major problems encountered by them in conducting the activities were loans not received on time, difficulty in getting raw materials and labor and marketing problems. The study indicates that the financial assistance does not help the sample women, many of whom don't possess any prior experiences in the production activity. Therefore it is recommended that they should also be provided with institutional support, like training, marketing and information on available latest technology (Nirmala et al., 2004).

Study on the Economic Impact through Self Help Groups examined the functioning of Self-Help Groups in Kanpur Dehat District. Twenty five women from Self-Help Groups were selected as sample for the study. Ten woman members from each self-help group and ten non-members from the same village were selected as respondents, to study the impact of the self-help groups on their socio-economic status. The results show that there is relationship between the self-help groups and the socio-economic status of women (Kushawaha et al., 2003).

Another study on Empowerment of Rural Poor through SHGs attempted to evaluate the performance of SHGs with special reference to social and economic empowerment. The findings indicate that SHGs, having institutional arrangements can positively contribute to the economic and social empowerment of the poor. They also state that older groups

have relatively more positive social impacts than younger groups, due to the maturation of experience (Puhazhendhi & Satyasai, 2001).

The SHG movement has proved more successful in providing gainful self-employment to the rural poor women both in the farm and non-farm activities thereby lending a great help in reducing intensity and volume of rural poverty (Purkayastha, 2004). The rural development processes will generate increase in the capacity of the rural people to control all aspects of rural life i.e., social, economic, cultural and political and it has some inter- linkages with poverty alleviation (Banerjee, 2004).

Objective of the study:

The main objective associated with the present study is to assess the performance of Self Help Group(s) (SHGs) in terms of employment generation and poverty alleviation.

Scope of the study:

The present study has been confined only to Bajiaogaon Development Block of Nagaon District of Assam.

Methodology of the study:

The present study is primarily based on primary source of data and supported by secondary sources of data. Primary data were collected through schedule containing relevant questions from the members of the groups. Out of 254 SHGs, total 102 (56 females and 46 males groups i.e., 40% of 140 & 114 respectively) SHGs were taken into consideration on the basis of random sampling method in the present study context. Secondary data were collected from different secondary sources available and pertinent for the study. Percentage is used to contrast and analyzed the data and was graphically represent in view of that.

The study covers the period 2001 to March 31, 2003.

Exploration & conclusion:

Table-1: Occupational Pattern of the Self Help Group members:

Types of Occupation	Numbers	Percentage (%)
Agriculture	46	45
Business	22	21
Service	15	15
Artisans	6	6
Other	13	13
Total	102	100

(Sources: Primary data)

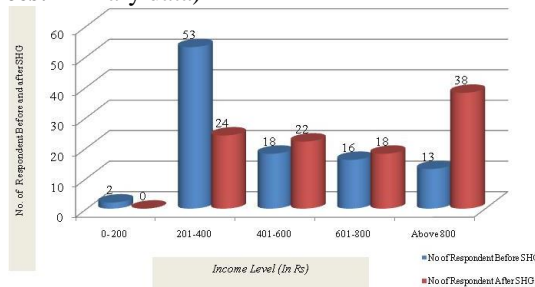
Household Income:

The change of household income before joining of SHGs at present reveals that the per capital income of the group members has increased after joining SHGs.

Table-2: Per Capita Income of the respondents (Per Month)

Income Level (in Rs)	No of Respondent	
	Before SHG	After SHG
0- 200	2	Nil
201-400	53	24
401-600	18	22
601-800	16	18
Above 800	13	38
Total	102	102

(Sources: Primary data)



(Source: Primary Data)

Employment Generation by SHGs:

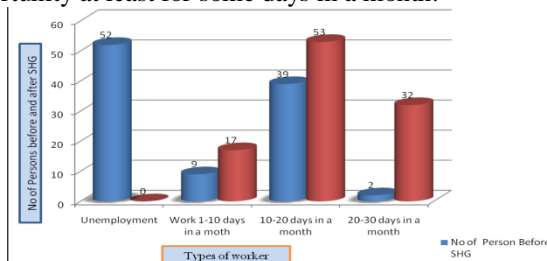
After formation of SHG, employment opportunities have increased and as a result, many family members also got employment opportunities.

Table-3: Employment Generation by SHGs

Types of worker	No of Person	
	Before SHG	After SHG
Unemployment	52	Nil
Work 1-10 days in a moth	9	17
10-20 days in a month	39	53
20-30 days in a month	2	32
Total	102	102

(Sources: Primary data)

The table above reveals that there is a positive impact on Employment Generation. Before joining SHGs out of 102 samples 52 respondents are unemployed. But after joining SHGs all of them got employment opportunities .Again from the above table it reveals that that the people who get employed for a few days now able to get employment opportunity at least for some days in a month.



(Source: Primary data)

Sustainability of the Enterprise:

While asking the groups whether employment generation through their enterprise sustainable. Slightly over 71% of the

respondents feel that the employment generated through their enterprise is sustainable.

Table-4: Opinion of the members regarding sustainability of their enterprise

Type	No	%
Sustainable	72	71
Unsustainable	30	29
Total	102	100

(Sources: Primary data)

Employment Generation for Family Members:

SHGs can also create employment generation opportunities for their family members also. 44 percent respondents replied affirmative in this issue.

Table-5: Members created opportunities for employment to their family members

Participate	Number	Percentage (%)
Create Opportunities'	45	44
Not Create Opportunities	57	56

(Sources: Primary data)

Performance of Self Help Groups:

A comparison is made here regarding the performance of male and female SHGs by taking certain parameters like, number of groups whose monthly saving is regular, number of groups linked with bank whose repayment is regular etc.

Table-6: Performance of Male and Female SHG

S.N.	Particular	Male	%	Female	%
1	No of Groups whose monthly saving is regular.	29	63	48	86
2	No of Groups Linked with Bank Whose Repayment is Regular	32	70	50	89
3	3 Year moving average profit are				
	(a) Continuous rising	32	70	53	94
	(b) Fluctuation	10	22	7	13
4	Attendance of the members in meeting	38	83	50	90
5	Systematic Record keeping	33	72	50	90

(Sources: primary data)

From the table it is cleared that Out of the total sample 102, the performance of female SHG is better than male Self Help Groups in almost all program.

Main Activities of SHGs:

The SHGs are engaged in different types of activities like, agriculture, weaving, poultry, horticulture, fishery, medicine, piggery etc. From the study it reveals that out of 102 sample 12 %SHGs are engaged with Agriculture , 18 % engaged with weaving , 7% with poultry , 9% in Horticulture , 11% in Fishery

,1% in Medicine , 9 % in Piggery , 4% in Goatry , 2% in Cane & Bamboo product , 6% in Consumable goods , 3% in Supahri , 8% in Dairy , 8 % in Power Tiller and 2 %in Pottery.

Conclusion:

The exploration made above depict the actual picture of SHGs formed during the period 2001-2003 in Bajiagaon development block of Nagaon district of Assam. The change of household income of members has augmented after joining SHGs is unfurnished. The groups are basically engaged with the activities like Agriculture, weaving, poultry, Horticulture, Fishery, Medicine, Piggery, Goatry, Cane & Bamboo product, Consumable goods, Supahri, dairy farming, power Tiller & Pottery. Employment opportunities have increased and as a result, many family members also get a hold employment opportunity. The study further states that the performance of female SHG is better than male Self Help Groups in almost all programs.

Reference:

- [1] Banerjee, A. (2004). Dimension of Rural Development in North East India, (ed.) B. Ray and Gurudas Das, New Delhi: Akansha Publishing House
- [2] Gangaiah C., Nagraja B and Naidu, C. (2006). Impact of SHGs on Income and Employment - A Case Study. Kurukshetra, 54, 18-23
- [3] Goswami,K.C. & Chutia, R. (2006). SHGs: The Panacea for Rural Development. DGCCS's Journal of Commerce, 3, 135-139
- [4] Gurumoorthy, T.R. (2002). HGs-Economic Empowerment through Self-Reliance. Social Welfare, 49(7), 14-17
- [5] Kamaraj, J.M. Arul. (2005). Self-Help Groups: New Mantra for Empowerment. Readers Shelf, 2, 13-16
- [6] Karmakar, K.G. (1999). Micro finance Needs and Concept in India. New Delhi: Sage publication
- [7] Nirmala V. (2004). SHGs for Poverty Alleviation in Pondicherry. Journal of Commerce, 203- 214
- [8] Puhazhendhi, V. & Satyasai, J.S. (2001). Empowerment of Rural Poor through SHGs. Indian Journal of Agricultural Economics, 56 (3), 23-28
- [9] Purkayastha, Gautam. (2004). Credit Deepening in Farm and Non-farm Sectors in Assam. Yojana, 4, 28-32
- [10] Purushothom, P. (2004). Marketing support to the SHGs. Kurukshetra, 52, 23-28
- [11] Qasi, Moin. (1997). Self-Help Groups – A Novel Approach to Rural Development. State Bank of India: Monthly Review, 9, 463-465
- [12] Raheem, A. (2006). Role of SHGs. Yojana, 10, 58-60
- [13] Ritu, J. ; Kushawaha.R.K. & Srivastava, A.K. (2003). Socio-Economic Impact through Self-Help Groups. Yojana, 47 (7),11-12
- [14] Sharma, H.C. (2000). Forest Policy – Role of SHGs. Co-operative Perspective, 34(4) 26-33.
- [1] Srivastava, A.K. Ritu, J. & Kushawaha, R.K. (2003). Socio-Economic Impact through Self-Help Groups. Yojana, 47(7), 11-12.
