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Valuation of Facilitating Factors in Formation and Effective Functioning of FIG

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Abstract: ***Farming being the gambling business with Mother Nature it requires some serious tactics to win over it, one of such tactics shall be the Farmer interest groups (FIG). This study seriously attempted to cull out the facilitating factors in formation and effective functioning of FIGs. Oldayakudi Guava Farmer producer company at Palani block of Dindugul district was selected and 10 FIGs were picked out of it formed the subjects of the study. About nineteen factors have been selected for the study by reviewing various literatures and discussing with several extension scientists. Findings of the study revealed that factors such as Making group decision, Like-minded members, Providing technical and market information, Improved buying and selling power and High motivation for sustainability are the identified major facilitating factors towards forming and effective functioning of FIG. Whereas, Fund mobilization and Insurance factors lies under the "Less facilitating" tag. Some of the factors such as seed processing, watershed and post-harvest operations had fetched the response as "not at all facilitating" ones, being the newly budding enterprise these activities might not be excised yet hence, such an outcome.***

Keywords: Effective functioning of FIG, Facilitating factors, Farmer Producer Company, Like-minded members and Making group decision

1. Introduction

Around the globe it is evidenced that the profitability in farming would be possible in groups rather than practicing it individually. A Farmer Interest Group (FIG) is a self-managed, independent group of farmers with a shared goal and interest. The members work together to achieve this goal by pooling their existing resources, gaining better access to other resources and to share in the resulting benefits. Farmer groups have the added bonus of developing social cohesion and confidence building within the community providing a social focal point for the community.

Suresh Patil *et al.* (2014) had conducted study on the impact analysis of collective action of farmers through FIG it revealed that there was not only reduction in cost of cultivation due to savings in costs of input but also getting additional returns. He also added that in India, most farmers had only small marketable surpluses and therefore, a strategy was needed to increase their bargaining power in purchase of inputs and sale of produce.

FIG will be either formed by the local villagers on their own for risk sharing in farming or by the efforts of some cosmopolites such as NGOs, state agriculture department for the provision of government benefits to the FIG and develop the group as a representative ones in the villages.

Assessing the performance of existing FIGs could lead us to frame the comprehensive strategy to inculcate the livelihood promotion among the rural agrarian masses via. Upgraded group approaches.

2. Assessment of Literatures

Aileen (2006) insisted that one per cent increase in government expenditure per capita increases the predicted number of groups per capita by 0.09 per cent. This result seems to imply that more publicly provided resources, such as infrastructure and libraries, reduce the cost of, and perhaps increase the potential benefit of, acquiring influence. Where there is more government spending, perhaps there is more wealth available to redistribute. As such, more groups arise to compete for control of discretionary funds. On the other hand, the existence of charities encourages more group formation. A one per cent increase in the number of charities per capita is consistent with a 0.21 per cent increase in interest groups per capita. Having more charities implies greater opportunities for organizations to share resources, more volunteerism, and perhaps higher levels of charitable giving per capita. All of these factors reduce opportunity costs relative to potential benefits; having lower costs leads to the formation of more nonprofit organizations.

James *et al.* (2006) considering the findings for all socioeconomic measures as a whole Thus, high socioeconomic status was not conducive to group formation in all instances. It follows that the middle-class was the group, most indicated for initiating special interest groups. Hence, showed that trust is linked to members' behavior of loyalty towards their co-operative. Trust constitutes a determining factor in their choice to sell their crop to the cooperative rather than to a private entity.

Levin *et al.* (2006) put it as, suppose that if cooperatives communicate more and share information with their members, the later will be more attached to the cooperative and will feel more at ease in showing greater participation in decision-making. Their participation behaviors will thus be strengthened.

Organ *et al.* (2006) explained that if those who represent the cooperative, in other words the directors, adopt altruistic or helpful behaviors towards members those members will feel obliged to the cooperative and will in exchange adopt favorable attitudes and behaviors towards it, such as participating in its governance.

3. Research Methodology

Dindigul is located between 10° 05' and 10° 09' Northen Latitude and 77° 30' and 78° 20'Eastern Longitude.

Dindigul District consists of eight taluks, Out of eight taluks, Palani taluk consists of two blocks viz., Palani and Thoppampatti (2firka), among them Palani block was purposively selected because of the more area under guava cultivation. The village's namely Old ayakudi, Vaeppanvalasu, Eramanayackanpatty, TKN pudhur and Rookvarpatty were selected for the study. A total of ten groups were selected deliberately. One hundred respondents were selected at the rate of ten members from each group using simple random sampling technique.

In this study nineteen facilitating factors were taken into consideration through several article review and discussion with extension scientists. Four point continuum i.e., "fully facilitating, moderately facilitating, less facilitating and not all facilitating" has been implied to classify the responses; the data has been quantified using frequencies and percentage analysis method.

4. Salient Findings and Discussion

An attempt has been made to assess the facilitating factors for formation and effective functioning of FIG hence, the respondents were requested to shed their views on a set of nineteen facilitating factors. The pertinent data on this variable were collected and furnished in the Table 1.

Table 1: Facilitating factors for formation and effective functioning of FIG

(n = 100)

Factors	Fully facilitating		Moderately facilitating		Less facilitating		Not at all facilitating	
	Nos.	%*	Nos.	%*	Nos.	%*	Nos.	%*
Like minded members	80	80.00	18	18.00	1	1.00	1	1.00
Setting own plans	10	10.00	16	16.00	11	11.00	63	63.00
Making group decision	85	85.00	14	14.00	1	1.00	0	0.00
Providing technical and market information	77	77.00	23	23.00	0	0.00	0	0.00
Improved buying and selling power	72	72.00	28	28.00	0	0.00	0	0.00
High motivation for sustainability	55	55.00	43	43.00	2	2.00	0	0.00
Confidence / capacity building among members	49	49.00	46	46.00	5	5.00	0	0.00
Insurance	5	5.00	43	43.00	51	51.00	1	1.00
Fund mobilization	5	5.00	37	37.00	55	55.00	3	3.00
Credit linkages	20	20.00	51	51.00	28	28.00	1	1.00
Linkage with govt. agencies	29	29.00	46	46.00	17	17.00	8	8.00
Watershed	1	1.00	1	1.00	15	15.00	83	83.00
Seed processing	0	0.00	2	2.00	13	13.00	85	85.00
Post-harvest operations	6	6.00	13	13.00	13	13.00	68	68.00
Risk sharing	18	18.00	49	49.00	26	26.00	7	7.00
Storage / warehousing	24	24.00	53	53.00	14	14.00	9	9.00
Acquiring Social status	9	9.00	16	16.00	23	23.00	52	52.00
Building social cohesion	21	21.00	60	60.00	13	13.00	6	6.00
Exposure visits	28	28.00	55	55.00	11	11.00	6	6.00

*Multiple responses

It could be observed from the table that making group decision (85.00 %) was emerged as a major facilitating factor for the formation and effective functioning of FIG followed by like-minded members (80.00 %).

The reasons might be due to the fact that group decision making is the foundation stone for triggering up of trust among the members and also it will develop the importance of belongingness with one another. The like-minded members were always homogeneity in their ideas and working, so that avoidance of group conflict to a maximum extent could be possible.

Providing technical and market information to the group members were considered as the third important facilitating factor (77.00 %) as the members were conjoined for satisfying their objective of earning more money out of their produce and also to obtain social security, their major requirement is to obtain technical and marketing information through the group. Hence, this factor positioned third.

Improved buying and selling power was considered as the fourth important facilitating factor (72.00 %). The production of fruit was high despite; the profit couldn't be obtained for lack of planning of marketing. Members of FIG felt that as they belonged to recognized group their selling power was increased in disbursement areas such as., village shandhies, wholesalers, commission agents etc.

High motivation for sustainability secured fifth position (55.00 %), less exposed to the improved technologies and practices, guava farmers expected the quick benefits through the group, enabling them to understand the possible benefits they could get from the group is the duty of the organizers of FIG.

Building social cohesion was stated as a moderately facilitating factor by 60.00 per cent of the respondents. Social cohesion was considered as the secondary benefits as the village people varied by caste and such social customs their social cohesion was not much, however FIG gave an opportunity to mingle with each other.

Some of the important activities of FIGs such as exposure visits and storage or ware housing were stated by 55.00 per

cent and 53.00 per cent respectively. The reason might be due to the fact that "seeing is believing", could be possible through field visit organizing by the FIG. Storage / ware housing is one of the expected facilities of this members and as it would be possible to establish such facilities only through group activity.

Any business needs a sufficient capital to start up, it wouldn't be possible for the respondent to invest heavy amount to satisfy their business requirement. For this FIG gets lot of chance to mobilize credit.

Risk sharing, as it is the core principle of clumping as a group was stated by 49.00 per cent of respondents. The activities conducted in a group were concerned to all the members and thus the risks were shared among them. No individual was shouldered those, as even if any loss will be shared, despite one – fourth indicated as less facilitating. The lack of awareness among some of the respondents about the benefits of group activities might be acted on this response.

Linkages with government agencies were stated as moderately facilitating by 46.00 per cent. The FIGs were established with the initiatives of the state departments and naturally the linkages used to be maintained. Some of the FIGs established recently would have stated like this.

Some of the factors such as seed processing, watershed and post-harvest operations had fetched the response as "not at all facilitating" ones by 85.00 per cent, 83.00 per cent and 68.00 per cent of respondents respectively for the effective formation and functioning of FIG, which might be due to the fact that these activities were not being followed till date as the FIG is a newly budding one so most of the samples were not aware of these factors hence, such an outcome.

5. Summary and Conclusion

It could be concluded from the above study that if the factors such as Making group decision, Like-minded members, Providing technical and market information, Improved buying and selling power and High motivation for sustainability exists in the alike social context then any group may perform quite well as mentioned elsewhere.

Likewise, the factors identified under the "less facilitating" and "not at all facilitating" shall be revised and upgraded to further strengthen the performance of any farmer interest groups.

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