



# Asset Management And Developmental Outcomes Of Self Help Groups: A Study Of Bangalore Urban District

**#1 SHWETHA G R**

UGC – Junior Research Scholar,

Department of Commerce,

Maharaja's College,

University of Mysuru, 570005, Karnataka, India

**#2 Dr. Thimmarayappa R**

Professor and Research Guide,

Department of Commerce,

Maharaja's College,

University of Mysuru, Mysuru – 570005,  
Karnataka, India

## ABSTRACT

Asset management plays a crucial role in determining the developmental impact and long-term sustainability of Self Help Groups (SHGs). Proper identification, utilization and maintenance of assets enable SHGs to strengthen income-generating activities and improve the socio-economic conditions of their members. The present study examines the effectiveness of asset management practices of Self Help Groups in Bangalore Urban District and analyses their relationship with developmental outcomes. The study is based on primary data collected from 120 SHG members using a structured questionnaire. Statistical tools such as mean, standard deviation, correlation analysis and descriptive analysis were employed. The findings reveal a strong positive relationship between effective asset management and developmental activities of SHGs. The study concludes that systematic asset management significantly contributes to economic empowerment and sustainability of SHGs.

**Keywords:** Asset Management, Developmental Outcomes, Financial Management, Self Help Groups, Bangalore Urban

## 1. INTRODUCTION

Self Help Groups have emerged as an effective institutional mechanism for empowering women and promoting inclusive development. Beyond savings and credit, SHGs increasingly focus on asset creation to strengthen income-generating activities and improve economic security. Assets such as equipment, livestock, infrastructure and group-owned resources play a vital role in enhancing productivity and income.

Asset management involves planning, acquisition, utilization, maintenance and disposal of assets in an efficient manner. Poor asset management may lead to underutilization, deterioration and financial losses,

whereas effective asset management enhances developmental outcomes and sustainability. In urban districts like Bangalore Urban, SHGs undertake diversified economic activities, making asset management a critical component of financial management. Hence, this study examines asset management practices of SHGs and their influence on developmental outcomes.

## 2. REVIEW OF LITERATURE

Lalitha Shivakumar (1995) highlighted that SHGs enable poor women to accumulate productive assets through collective savings and credit mechanisms.

Karl (1995) emphasized that ownership and control of productive assets enhance women's decision-making power and economic independence.

Rajeswari ,et al., (1999) observed that asset creation through SHGs promotes entrepreneurship and fuller utilization of available resources.

Vijay Kulkarni (2000) found that participation in SHGs enabled women to acquire assets and improve household economic stability.

Suguna (2006) stated that asset formation is a key indicator of empowerment and sustainability in SHGs.

Pushpa Sinha (2010) noted that productive asset creation through microfinance improves income levels and reduces vulnerability of rural and urban poor.

Sandhya P.S, et. al., (2018) found that SHG members who invested loans in productive assets experienced higher income and employment opportunities.

Dr. Prakash Vhankade et al. (2022) emphasized that lack of asset ownership limits women's economic participation and long-term development.

Despite these studies, limited empirical research focuses specifically on asset management practices and their impact on developmental outcomes of SHGs in urban districts. The present study attempts to bridge this gap by analysing asset management in SHGs of Bangalore Urban District.

## 3. STATEMENT OF THE PROBLEM

Although SHGs have succeeded in mobilizing savings and accessing credit, many groups face challenges related to improper asset utilization, inadequate maintenance and lack of systematic asset planning. These issues affect the developmental impact and sustainability of SHGs. Therefore, it is essential to examine whether effective asset management contributes positively to developmental activities of SHGs.

## 4. OBJECTIVE OF THE STUDY

- To assess the asset management practices of selected Self Help Groups in Bangalore Urban District.
- To examine asset utilization and maintenance practices in SHGs.
- To analyse the contribution of asset creation to income generation of SHG members.
- To assess the impact of asset management on socio-economic development of SHG members.

## 5. HYPOTHESIS

**H<sub>0</sub>:** There is no positive relationship between effective asset management and developmental activities of Self Help Groups.

**H<sub>1</sub>:** There is a positive relationship between effective asset management and developmental activities of Self Help Groups.

## 6. RESEARCH METHODOLOGY

The study is based on both primary and secondary data. Primary data were collected from 120 members of selected SHGs in Bangalore Urban District using a structured questionnaire. Judgment and quota sampling techniques were adopted. Secondary data were collected from journals, books, reports and government publications. Statistical tools such as mean, standard deviation and correlation analysis were used for analysis.

## 7. DATA ANALYSIS AND INTERPRETATION

**Table 1: Types of Assets Owned by SHGs**

Type of Asset	Respondents Percentage	
Equipment / machinery	42	35.0
Livestock	31	25.8
Infrastructure (shed, workspace)	27	22.5
Financial assets (deposits)	20	16.7
<b>Total</b>	<b>120</b>	<b>100</b>

### Interpretation

The table shows that equipment and machinery constitute the most common assets owned by SHGs, followed by livestock and infrastructure. Ownership of productive assets reflects the focus of SHGs on income-generating activities rather than mere consumption.

**Table 2: Asset Utilization Practices**

Statement	Mean	SD
Assets are used for productive purposes	4.19	0.68
Assets contribute to income generation	4.23	0.65
Assets are optimally utilized	4.05	0.74
Assets reduce dependency on borrowing	4.11	0.71

### Interpretation

High mean scores indicate that SHGs effectively utilize assets for productive purposes. Asset utilization contributes significantly to income generation and reduces dependency on external borrowing, strengthening financial stability.

**Table 3: Asset Maintenance and Record-Keeping**

Statement	Mean	SD
Assets are properly recorded	4.08	0.75
Regular maintenance is carried out	3.94	0.83
Responsibility for assets is clearly defined	3.89	0.84
Asset condition is periodically reviewed	3.86	0.85

**Interpretation**

While asset recording practices are satisfactory, relatively lower mean scores for maintenance and periodic review suggest the need for improved asset management systems to prevent deterioration and loss.

**Table 4: Asset Management and Developmental Outcomes**

Developmental Outcome	Mean Score
Increase in member income	4.21
Employment generation	4.07
Expansion of SHG activities	4.18
Improvement in living standards	4.15

**Interpretation**

The results show that effective asset management leads to positive developmental outcomes such as increased income, employment generation and improved living standards of SHG members.

**Table 5: Correlation between Asset Management and Development**

Variables	r Value	Significance
Asset management ↔ Developmental outcomes	0.71	p < 0.01

**Interpretation**

The correlation analysis indicates a strong positive relationship between asset management practices and developmental outcomes. This confirms that better asset management significantly enhances the developmental impact of SHGs, leading to rejection of the null hypothesis.

**8. FINDINGS OF THE STUDY**

- SHGs predominantly invest in productive assets such as equipment and livestock.
- Effective asset utilization significantly contributes to income generation.
- Inadequate maintenance practices may affect long-term asset sustainability.
- A strong positive relationship exists between asset management and developmental outcomes.

**9. SUGGESTIONS**

- SHGs should adopt systematic asset maintenance and review mechanisms.
- Asset registers and accountability systems should be strengthened.
- Training programmes on asset management should be provided to SHG members.

## 10. CONCLUSION

The study concludes that effective asset management plays a crucial role in enhancing the developmental outcomes of Self Help Groups in Bangalore Urban District. Proper utilization, maintenance and monitoring of assets contribute significantly to income generation, employment creation and improved living standards. Strengthening asset management practices will enhance the sustainability and developmental impact of SHGs.

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