



ISSN (E): 2277-7695
ISSN (P): 2349-8242
NAAS Rating: 5.23
TPI 2023; 12(6): 2820-2823
© 2023 TPI
www.thepharmajournal.com
Received: 09-04-2023
Accepted: 24-05-2023

Sanjana Swayamsidhha
Department of Agricultural
Economics, SHUATS
Prayagraj, Uttar Pradesh, India

Dr. Ramchandra
Department of Agricultural
Economics, SHUATS
Prayagraj, Uttar Pradesh, India

SWOT analysis and constraints faced by the Farmers: With reference to Co-operative bank in Cuttack district of Odisha

Sanjana Swayamsidhha and Dr. Ramchandra

Abstract

Every organisation has their own strengths and weaknesses. SWOT analysis is just a measure to identify and analyse the possible Strengths, Weaknesses, Opportunities, Threats of any organisation. SWOT analysis is a framework for identifying and analysing an organization's strengths, weaknesses, opportunities and threats. These words make up the SWOT acronym. The primary goal of SWOT analysis is to increase awareness of the factors that go into making a business decision or establishing a business strategy. To do this, SWOT analyses the internal and external environment and the factors that can impact the viability of a decision. Businesses commonly use SWOT analysis, but it is also used by non-profit organizations and, to a lesser degree, individuals for personal assessment. The Co-operative Banks in India are governed as per the Banking Regulations Act 1949 and Banking Laws (Co-operative Societies) Act, 1955. These Banks have been opened with the motto of 'no-profit-no-loss' and thus, do not seek for profitable ventures and customers only. As the name suggests, the main objective of Co-operative Banks is mutual help. And with people involvement, there is always going to be some constraints. This narrative tries to put an overall idea about the banks environment and problems faced by people of that area.

Keywords: SWOT, Co-operative, constraints, non-profit

Introduction

An important segment of the organized sector of the Indian banking system is represented by a group of financial institutions collectively called co-operative banks. They are so called because they have been organized under the provisions of the co-operative society's law of the states. Under the law, the co-operative societies may be organized for credit or for other (non-credit) purposes. Co-operative banks in India are providing general banking services to the general people. Two types of co-operative banks are working in India. Rural co-operative banks work mostly in rural areas and urban co-operative banks are working in urban areas. Rural co-operative banks are further sub-divided into state co-operative banks and district co-operative banks. All co-operative banks are registered under the state co-operative societies act. Cooperative banks run with the motto of "no profit, no loss". To run a successful business, you should regularly analyze your processes to ensure you are operating as efficiently as possible. While there are numerous ways to assess your company, one of the most effective methods is to conduct a SWOT analysis. A SWOT (strengths, weaknesses, opportunities and threats) analysis is a planning process that helps your company overcome challenges and determine what new leads to pursue. The primary objective of a SWOT analysis is to help organizations develop a full awareness of all the factors involved in making a business decision. This method was created in the 1960s by Albert Humphrey of the Stanford Research Institute, during a study conducted to identify why corporate planning consistently failed. Since its creation, SWOT has become one of the most useful tools for business owners to start and grow their companies.

Materials and Methods

Stratified multistage sampling procedure was adopted for selection of sample and data collection for the present study. Odisha state contains 30 districts. Keeping the limitation of resource only 1 district of Odisha is selected It was arranged alphabetically and out of which Cuttack district was selected purposely. A complete list of blocks was taken from the district headquarter of Cuttack

Corresponding Author:
Sanjana Swayamsidhha
Department of Agricultural
Economics, SHUATS
Prayagraj, Uttar Pradesh, India

The blocks were arranged alphabetically and out of the 14 blocks, Banki block was selected purposively. A complete list of all the main and sub-branches of the Co-operative banks present in the Banki block were collected. Out of the 11 branches, Banki main branch was selected purposively. A complete list of villages was taken from the B.D.O. office. Out of total, 5% villages were selected randomly. A complete list of the respondents was taken from the bank. They were arranged according to their farm holdings in ascending order. Out of the total 10% respondents were selected randomly. Respondents have been chosen randomly with subject to their availability and coordination during the time of study. The primary data have been collected by survey method through personal interviews and questioners on well-structured schedule. Secondary was be collected from books, journals, report and records of the district head office and Govt Official Sites and NGOs and SHG groups.

Results and Discussion

To run a successful business, you should regularly analyse your processes to ensure you are operating as efficiently as possible. While there are numerous ways to assess your company, one of the most effective methods is to conduct a SWOT analysis. A SWOT (strengths, weaknesses, opportunities and threats) analysis is a planning process that helps your company overcome challenges and determine what new leads to pursue. The primary objective of a SWOT analysis is to help organizations develop a full awareness of all the factors involved in making a business decision. This method was created in the 1960s by Albert Humphrey of the Stanford Research Institute, during a study conducted to identify why corporate planning consistently failed. Since its creation, SWOT has become one of the most useful tools for business owners to start and grow their companies.

Table 1: Strength of the co-operative bank

S. No.	Strength	Percentage	Rank
1	Business among others	56.96	3
2	Trust within the members	64.56	1
3	Affordable interest rates	58.48	2

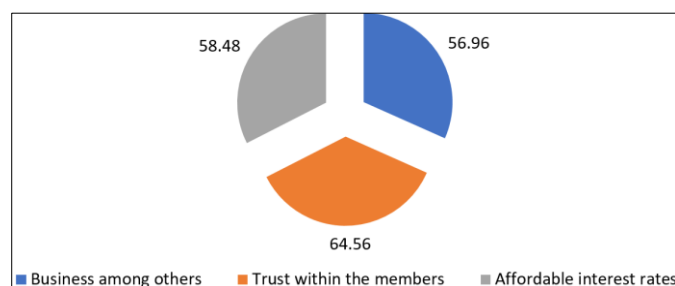


Fig 1: Show the Strength of the co-operative bank

From table. 1 it could be understood that, trust within the members was their first strength (64.56%), followed by affordable interest rates (58.48%) and business among others (56.96%) were their 2nd and 3rd strength of the co-operative bank respectively.

Table 2: Weakness of the co-operative bank

S. No.	Weakness	Percentage	Rank
1	Lack of professionalism	75.17	1
2	Lack of infrastructure	67.90	3
3	Lack of technical knowledge	71.00	2
4	Small area of operation	56.06	4

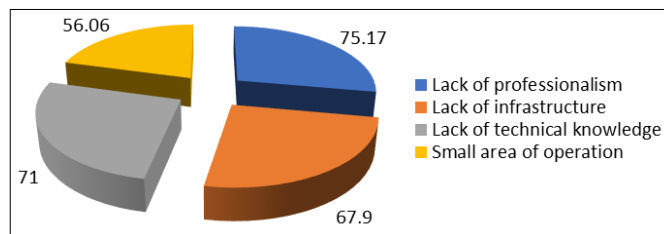


Fig 2: Weakness percentage co-operative bank

From table. 2 it could be understood that, lack of professionalism was their first weakness (75.17%), followed by lack of technical knowledge (71.00%), lack of infrastructure (67.90%) and small area of operation (56.06%) were their 2nd, 3rd and 4th weakness of the co-operative bank respectively.

Table 3: Opportunities of the co-operative bank

S. No.	Opportunity	Percentage	Rank
1	Large untapped area for expansion	67.68	3
2	Trust in co-operatives	60.80	4
3	Linkage of co-operatives	76.42	1
4	Government support	69.67	2

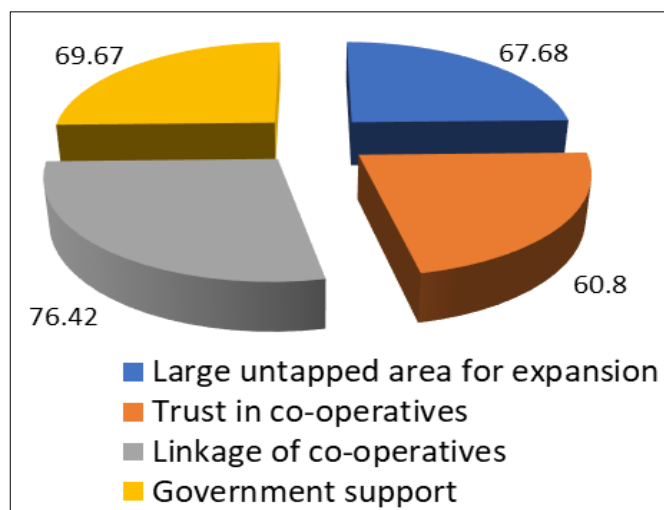


Fig 3: Could be understood that, linkage of co-operatives was their first opportunity (76.42%), followed by government support

From table.3 it could be understood that, linkage of co-operatives was their first opportunity (76.42%), followed by government support (69.67%), large untapped area for expansion (67.68%) and trust in co-operatives (60.80%) were their 2nd, 3rd and 4th opportunities of the co-operative bank respectively.

Table 4: Threats of the co-operative bank

S. No.	Threats	Percentage	Rank
1	Competition	71.95	2
2	Increasing interest rate	61.55	3
3	Small network for operation	61.18	4
4	Changes in technology	76.01	1

From table.4 it could be understood that, challenges in technology were their first threat (76.01%), followed by competition (71.95%), increasing interest rate (61.55%) and changes in technology (61.18%) were their 2nd, 3rd and 4th threats of the co-operative bank respectively.

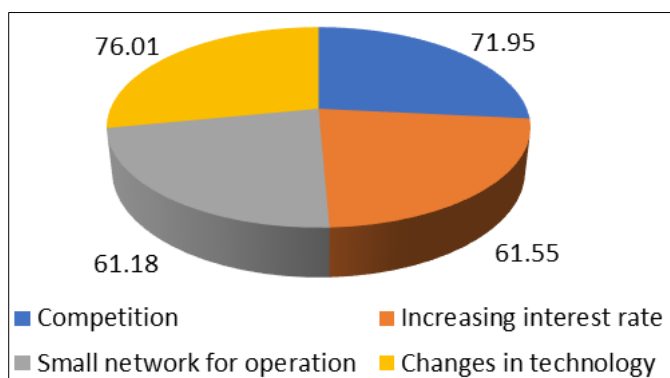


Fig 4: Competition increasing interest rate changes in technology

Constraints and suggestions of suitable measures

Table 5: Constraints faced by the farmers

S. No.	Constraints	Garret means score	Ranking
A. Social constraints			
1	Follows any kind of taboo of the locality	56.62	II
2	Employee behavior on borrower is not very good	61.95	I
3	Discrimination by the bank in sanctioning loan	49.37	III
B. Technical constraints			
1	Lack of technical knowledge of the employees	68.18	I
2	Does not help the people in understanding the procedure of bank	43.67	III
3	Force everything to do in paper even when it can be done online	56.62	II
C. Economic constraints			
1	Interest rate of the loan amount is high	45.83	VIII
2	Strict repayment of the loan amount is insisted	50.83	VI
3	Too much time taken by the bank to sanction the loan	49.17	VII
4	Existing term of repayment is not favorable	51.67	V
5	Difficulty in acquiring loan from bank	56.67	IV
6	Renewal procedure for schemes is not simple	37.50	IX
7	Inspection procedure is not user friendly	62.20	III
8	Require high collateral security	26.67	X
9	Loan amount is not sufficient to cover the agricultural activities	73.33	II
10	Not suitable for small farmers	84.17	I

From table 5, with reference to economic constraints, 84.17 percent of the beneficiaries reported difficulty in acquiring bank loan was the topmost economic constraint, followed by 73.33 percent reported existing term of repayment is not favourable, 62.20 percent reported requirement of high collateral security, 56.67 percent reported too much time taken by the bank to sanction the loan, 51.67 percent reported loan amount is not sufficient to cover the agricultural activities, 50.83 percent reported inspection procedure is not user friendly, 49.17 percent reported renewal procedure is not user friendly, 45.83 percent reported strict repayment of the loan amount is insisted, 37.50 percent reported high interest rate and not suitable for small farmers were the 2nd, 3rd, 4th, 5th, 6th, 7th, 8th, 9th and 10th economic constraints experienced by the beneficiaries respectively.

Table 6: Suggestion of suitable measure

S. No.	Suggestions	Frequency	Percentage
1	Adequate loan should be provided	55	45.83
2	Procedure to obtain loan should be simplified	61	50.83
3	Adequate time should be provided to repay the loan	59	49.17
4	Officials should help the borrowers to understand the procedure	62	51.67
5	Discrimination among borrowers should be avoided	68	56.67
6	Renewal procedure should be simplified	45	37.50
7	Documentation procedures should be simplified	75	62.20
8	Reducing the rate of interest	32	26.67
9	Loan should be sanctioned as soon as possible for appropriate usage	88	73.33
10	Distress situation or crop failure should be taken into account and repayment time should be extended	101	84.17

From table.6, the various suggestions put forward by the beneficiaries to improve the co-operative bank can be understood. 84.17 percent of the beneficiaries suggested that distress situation or crop failure should be taken into account and repayment time should be extended was the first and foremost suggestion, followed by loan should be sanctioned as soon as possible for appropriate usage (73.33%), documentation procedures should be simplified (62.20%), discrimination among borrowers should be avoided (56.67%), officials should help the borrowers to understand the procedure (51.67%), procedure to obtain loan should be simplified (50.83%), adequate time should be provided to repay the loan (49.17%), adequate loan should be provided (45.83%), renewal procedure should be simplified (37.50%) and reducing the rate of interest (26.67%) was the other suggestions put forward by the beneficiaries respectively.

Conclusion

As the eligibility criteria to obtain loan is not satisfied, most of the marginal and small farmers are not eligible to obtain more credit. Hence, the criteria should be reduced. Officials should help the borrowers to understand the procedure and the procedure to obtain loan, open bank account and renewal procedure should be simplified. Discrimination among the borrowers should be avoided.

Recommendation

1. More capital should be provided to farmers at least interest rate.
2. Staffs with technical knowledge, more co-operative in nature should be appointed.
3. Rules, regulations and laws should be enacted and standardized for better regulation of co-operative societies.
4. Discrimination among borrowers should be avoided and officials should help the borrowers to understand the procedure.
5. Distress situation or crop failure should be taken into account and repayment time should be extended.
6. Adequate loan should be provided and repayment period should be given more.
7. Documentation, bank opening procedure and loan renewal procedure should be simplified

Reference

1. Roshani Upadhayay. A Study on Financial Performance and SWOT Analysis of Nepal Credit and Commerce Bank Limited September, 2010. Website: <https://elibrary.tucl.edu.np/bitstream/123456789/3427/1/Cover%20Page%286%29.pdf>
2. Rao YV, Budde SR. Banking technology innovation in India: enhancing customer value and satisfaction. Indian Journal of Science and Technology. 2015;8(33):1-10.
3. Mwangi Joan Njeri. Bancassurance: strengths, weaknesses, opportunities and threats analysis and performance for commercial banks in Kenya, 2015. Website: http://erepository.uonbi.ac.ke/bitstream/handle/11295/94534/Njeri_Bancassurance;jsessionid=281CE0F2FA463C758F4986AE817F0A64?sequence=3
4. Aditya Shastri. A detailed SWOT analysis of Bank of India – A major Nationalised Bank, January 30 2022. Website: <https://iide.co/case-studies/swot-analysis-of-bank-of-india/>
5. Prof. Chowdari Prasad, Dr. KS Srinivasa Rao. Private Sector Banks in India - A SWOT Analysis, July 2005. Website: http://tapmi.informaticsglobal.com/363/1/TWP41_05_PvtSectorBanks.pdf