CHAPTER - V

FINDINGS, SUGGESTIONS AND CONCLUSIONS

Research studies are normally conducted to identify the problems and the suitable solutions for such problems. In this study, a multi dimensional study on SSI units assisted by the District Industries Centre in Sivagangai District of Tamil Nadu has been carried out. Review of literature has been done in the second chapter. The individual and organizational problems and prospects are analyzed in the third chapter. Extensive analysis has been done with SWOT technique in the fourth chapter. In this chapter, some of the important findings and suggestions have been given.

Sexwise classification of sample respondents shows that 82.5 per cent of urban, 78.0 per cent of semi urban and 75.0 per cent of rural respondents are males. Rest are females. Considering all respondents, 78.0 per cent are males and the rest are females. Chi Square test shows that male and female entrepreneurs do not differ in number in relation to area.

Analysis of marital status of sample respondents shows that 75.0 per cent of urban and 78.0 per cent of semi urban and 71.7 per cent of rural are married. The rest are unmarried. Considering all
respondents, 74.7 per cent are married and the rest are unmarried. It can be assumed that around three-fourth of the respondents are married.

Analysis of the type of family shows that 55.0 per cent of urban, 54.0 per cent of semi urban and 58.3 per cent of rural respondents are in the joint family system. The rest are in the nuclear family system. It can be assumed that joint family types are more in rural area than in semi urban areas. Chi Square test shows that the nature of family of entrepreneurs does not differ in number in relation to area.

Analysing the number of workers, 10.0 per cent of urban, 12.0 per cent of semi urban and 13.3 per cent of rural respondents have up to 3 workers. 22.5 per cent of urban, 22.0 per cent of semi urban and 23.3 per cent of rural respondents have more than 9 workers in their firm.

On analysing the details of generation of entrepreneurs. It is found that 15.0 per cent of urban, 28.0 per cent of semi urban and 23.3 per cent of rural respondents belong to the first generation entrepreneurs. 15.0 per cent of urban, 10.0 per cent of semi urban and 13.3 per cent of rural respondents belong to the fourth generation entrepreneur. However on the whole majority are either first generation entrepreneurs or second generation entrepreneurs. It can
be assumed that second generation entrepreneurs are more in this
district and they constitute 39.3 per cent of the sample.

Analysis reveals that 25.0 per cent of urban, 24.0 per cent of
semi-urban and 23.3 per cent of rural respondents are below 30 years
of age. 17.5 per cent of urban, 20.0 per cent of semi-urban and 20.0
per cent of rural respondents are above 50 years of age. It is found
that 24.0 per cent are of below the age of 30 years; 39.3 per cent are in
the age group of 30—40 years; 17.3 per cent are in the age group of
40—50 years and 19.3 per cent are above 50 years of age. It is
inferred that a majority are below 40 years of age as per the sample
respondents.

Religion wise classification shows that 50.0 per cent of urban,
46.0 per cent of semi urban and 35.0 per cent of rural respondents are
Hindus. 25.0 per cent of urban, 34.0 per cent of semi urban and 40.0
per cent of rural respondents are Christians. 25.0 per cent of urban,
12.0 per cent of semi urban and 20.00 per cent of rural respondents
are Muslims. On the whole, 42.7 per cent are Hindus; 34.0 per cent
are Christians and 18.7 per cent are Muslims.

Community wise classification of data shows that 37.5 per cent of
urban, 26.0 per cent of semi urban and 26.7 per cent of rural
respondents belong to the Backward class. 30.0 per cent of urban,
42.0 per cent of semi urban and 41.7 per cent of rural respondents belong to the Most Backward class. 20.0 per cent of urban, 20.0 per cent of semi urban and 20.0 per cent of rural belong to Scheduled Caste / Scheduled Tribe. The rest 12.5 per cent of urban, 12.0 per cent of semi urban and 11.7 per cent of rural units belong to Other category. Chi Square test shows that the community of entrepreneurs does not differ in relation to area.

Analysis of educational qualification of sample respondents shows that 18.0 per cent of semi urban and 16.7 per cent of rural units have studied upto SSLC and 50.0 per cent of urban, 14.0 per cent of semi urban and 11.7 per cent of rural respondents are post graduates. Considering all respondents, 12.7 per cent have studied up to SSLC; 20.7 per cent have passed Hr.Sec; 44.0 per cent are graduates and 22.7 per cent are post graduates. It is inferred that a majority of them are either graduates or post graduates. Chi Square test shows that educational qualifications of entrepreneurs significantly differ in relation to area.

Technical qualifications are possessed by the sample respondents. Analysing the technical qualifications of sample respondents, it is found that 10.0 per cent of urban, 14.0 per cent of semi urban and 11.7 per cent of rural respondents have ITI certificate
qualification. 30.0 per cent of urban, 26.0 per cent of semi urban and 28.3 per cent of rural respondents have engineering qualification. It is inferred that 28 per cent are engineering graduates while 40 per cent have studied in polytechnics.

Analyzing the type of inducer, it is found that 12.5 per cent of urban, 36.0 per cent of semi urban and 13.3 per cent of rural respondents have been induced by their parents. 27.5 per cent of urban, 22.0 per cent of semi urban and 28.3 per cent of rural respondents have been induced by friends. 15.0 per cent of urban, 14.0 per cent of semi urban and 20.0 per cent of rural entrepreneur have been induced by various circumstances. 15.0 per cent of urban, 8.00 per cent of semi urban and 18.3 per cent of rural entrepreneurs have been induced by their own initiative. 30.0 per cent of urban, 36.0 per cent of semi urban and 13.3 per cent of rural respondents have been induced by their parents.

Analysis of type of industry selected by respondents shows that 5.0 per cent of urban, 8.0 per cent of semi urban and 6.7 per cent of rural are production units; 32.5 per cent of urban, 36.0 per cent of semi urban and 26.7 per cent of rural are assembly units; 30.0 per cent of urban, 8.0 per cent of semi urban and 16.7 per cent of rural are service units; 15.0 per cent of urban, 4.0 per cent of semi urban and 11.7 per
cent of rural are sales units and 17.5 per cent of urban, 44.0 per cent of semi urban and 38.3 per cent of rural are other units. In total, 6.7 per cent are production units; 31.3 per cent are assembly units; 17.3 per cent are service units; 10.0 per cent are sales units and 34.7 per cent are other units. It is inferred that a majority of units are either assembly units.

Analysis of type of organization shows that 35.0 per cent of urban, 40.0 per cent of semi urban and 33.3 per cent of rural are sole trader units; 32.5 per cent of urban, 26.0 per cent of semi urban and 31.7 per cent of rural are partnership units; 25.0 per cent of urban, 16.0 per cent of semi urban and 10.0 per cent of rural are private company units; 7.5 per cent of urban, 8.0 per cent of semi urban and 3.3 per cent of rural are HUF units and 10.0 per cent of semi urban and 27.7 per cent of rural are other units. In total, 36.0 per cent are sole trader units; 30.0 per cent are partnership units and 12.0 per cent are other units. It is inferred that a majority are either sole trader type or partner type units.

Analysis of factor intensiveness shows that 47.5 per cent of urban, 52.0 per cent of semi urban and 31.7 per cent of rural units are capital intensive and the rest are labour intensive. Considering all the units, 42.7 per cent are capital intensive and the rest 57.3 per cent are
labour intensive. It is inferred that a majority of SSI units are labour intensive units.

Analysis of prime source of funds shows that 24.0 per cent have their own funds; 22.7 per cent have loan from family; 14.7 per cent have loan from friends; 10.7 per cent have got loans through DIC and 28.0 per cent have got prime funds from other sources.

Analysis of major problems faced before the commencement of units shows that 6.7 per cent faced registration problem, 16.7 per cent faced infrastructure problems; 12.0 per cent faced technology problems; 38.0 per cent faced marketing problems and 26.7 per cent faced capital problem. It is inferred that the prime problem faced is marketing and then comes capital problem considering all entrepreneurs before commencing the unit.

Availability of raw material is a problem for many organizations. Analysis of problem relating to raw material availability shows that 42.5 per cent of urban, 32.0 per cent of semi urban and 21.7 per cent of rural respondents feel that the problem is very high whereas 10.0 per cent of urban, 36.0 per cent of semi urban and 18.3 per cent of rural respondents feel that the problem is very low. It is inferred that raw material availability problem is higher in urban areas than in rural areas.
Cost of raw material is also a problem for many units. Analysis of problem relating to raw material cost shows that 50.0 per cent of urban, 38.0 per cent of semi urban and 26.7 per cent of rural respondents feel that the problem is severe whereas 5.0 per cent of urban, 24.0 per cent of semi urban and 38.3 per cent of rural respondents feel that the problem is not so severe. It is inferred that raw material cost problem is higher in urban areas than in rural areas. Chi-Square test shows that the raw material cost problem significantly differs in relation to area - divide.

Raw material quality is one of the problems faced by sample units. Analysis on this count shows that 52.5 per cent of urban, 34.0 per cent of semi urban and 18.3 per cent of rural units feel that the problem is severe whereas zero per cent of urban, 12.0 per cent of semi urban and 6.7 per cent of rural respondents feel that the problem is not so severe. It is inferred that the raw material quality problem is severe in urban areas than in rural areas.

Analysis of problem relating to power shows that 25.0 per cent of urban, 36.0 per cent of semi urban and 25.0 per cent of rural respondents feel that the problem is severe whereas zero per cent of urban, 4.0 per cent of semi urban and 3.3 per cent of rural
respondents feel that the problem is not so severe. It is inferred that the power problem is higher in urban areas than in rural areas.

Finance problem analysis shows that 30.0 per cent of urban, 16.0 per cent of semi urban and 20.0 per cent of rural feel that the problem is very severe whereas zero per cent of urban, 12.0 per cent of semi urban and 8.3 per cent of rural feel that the problem is not so severe. It is inferred that the finance problem is acute in urban areas than in rural areas.

Analysis of problem relating to cost of finance shows that 10.0 per cent of urban, 10.0 per cent of semi urban and 10.0 per cent of rural feel units that the problem is very high whereas 12.5 per cent of urban, 14.0 per cent of semi urban and 20.0 per cent of rural feel that the problem is very low. It is inferred that the cost of finance problem is higher in semi urban areas than in rural areas.

Timely availability of finance problem shows that 37.5 per cent of urban, 28.00 per cent of semi urban and 18.7 per cent of rural units feel that the problem is very intense whereas 20.0 per cent of urban, 6.0 per cent of semi urban and 20.0 per cent of rural feel that the problem is very low. It is inferred that timely finance problem is higher in semi urban areas than in rural areas.
Analysis of problem relating to competition shows that 12.5 per cent of urban, 10.0 per cent of semi urban and 11.7 per cent of rural units feel that the problem is very strong whereas zero per cent of urban, 24.0 per cent of semi urban and 5.0 per cent of rural feel that the problem is not so strong. It is inferred that this problem is higher in rural areas than in urban areas. Chi-Square test shows that this problem significantly differs in relation to area.

Technology is a major problem for many units. Analysis of this problem shows that 20.0 per cent of urban, 32.0 per cent of semi urban and 6.7 per cent of rural units feel that the problem is severe whereas 15.0 per cent of urban, 2.0 per cent of semi urban and 31.7 per cent of rural feel that the problem is not so severe. It is inferred that this problem is higher in semi urban areas than in rural areas.

Cost of technology is mostly higher and many units could not go in for modern technology. Analysis of this problem shows that 10.0 per cent of urban, 14.0 per cent of semi urban and 15.0 per cent of rural units feel that the problem is very high whereas zero per cent of urban, 38.0 per cent of semi urban and 21.7 per cent of rural feel that the problem is very low. It is inferred that this problem is higher in semi urban areas than in rural areas.
Analysis, as regards liberal loans by financial institutions shows that 5.0 per cent of urban, 10.0 per cent of semi urban and 10.0 per cent of rural strongly agree with the view that liberal loans are provided by financial institutions whereas 17.5 per cent of urban, 10.0 per cent of semi urban and 20.0 per cent of rural units strongly disagree with this view. Disagreement is more in urban and rural areas than in semi urban areas.

Analysis shows that as regards timely loans by financial institutions, 5.0 per cent of urban, 10.0 per cent of semi urban and 10.0 per cent of rural strongly agree with the view that timely loans are provided by financial institutions whereas 17.5 per cent of urban, 10.0 per cent of semi urban and 20.0 per cent of rural strongly disagree with this view. Disagreement is more in urban and rural areas than in semi urban areas.

Discriminant function analysis on the problems of entrepreneurs shows that Linear Model of Discriminant Function Analysis can be shown as follows

For Urban units \( D = 0.793X_1 + 2.428X_2 + 0.695X_3 + 1.620X_4 + 1.039X_5 + 1.562X_6 + 1.784X_7 - 13.189; \)

Semi urban units \( D = 0.453X_1 + 3.231X_2 + 1.195X_3 + 1.426X_4 + 1.681X_5 + 2.147X_6 + 1.576X_7 - 18.532; \) and for Rural units
\[ D = 0.760 \times X_1 + 3.115 \times X_2 + 0.909 \times X_3 + 1.865 \times X_4 + 1.464 \times X_5 + 1.718 \times X_6 \\
+ 2.304 \times X_7 - 19.242; \]

Where \( D \) = Discriminant Score Function;

\( X_1 \) = Source of funds;
\( X_2 \) = Problems before commencement;
\( X_3 \) = Raw material problem;
\( X_4 \) = Power problem;
\( X_5 \) = Finance problem
\( X_6 \) = Unhealthy competition and
\( X_7 \) = Technology problem.
Analysis of opinion regarding ‘management as a strength’ shows that 35.0 per cent of urban, 22.0 per cent of semi urban and 23.3 per cent of rural units feel as very good whereas 12.5 per cent of urban, 38.0 per cent of semi urban and 18.3 per cent of rural units feel as very poor. Agreement as to ‘strength’ of management is higher in urban areas than in rural and semi urban areas. In semi urban areas, the management does not seem to be of real strength. Chi-Square test is shows that the opinion as to ‘Management as a Strength’ significantly differs according to the area.

Analysis of opinion regarding ‘workforce as a strength’ shows that 22.5 per cent of urban, 28.0 per cent of semi urban and 8.3 per cent of rural units feel as very good whereas 2.5 per cent of urban, 34.0 per cent of semi urban and 20.0 per cent of rural units feel as very poor. Agreement in this respect is higher in urban areas than in rural and semi urban areas.

Analysis of opinion regarding ‘Finance as a strength’ shows that 25.0 per cent of urban, 30.0 per cent of semi urban and 15.0 per cent of rural units feel as very good whereas .5.0 per cent of urban, 14.0 per cent of semi urban and 18.3 per cent of rural units feel as very poor. Agreement in this respect higher in rural areas than in urban areas.
Chi-Square test shows that the opinion on this aspect does not significantly differ according to the area.

Analysis of opinion regarding ‘Labour retention as a strength’ shows that 30.0 per cent of urban, 14.0 per cent of semi urban and 16.7 per cent of rural units feel as very good whereas 12.0 per cent of semi urban and 18.3 per cent of rural units feel as very poor. Agreement in this regard is higher in urban areas than in rural areas.

Analysis of opinion regarding ‘Experience as a strength’ shows that 12.5 per cent of urban, 6.0 per cent of semi urban and 11.7 per cent of rural units feel as very good whereas 15.0 per cent of urban, 22.0 per cent of semi urban and 10.0 per cent of rural units feel as very poor. Agreement in this respect is higher in rural areas than in urban areas.

Analysis of opinion regarding ‘qualification as a strength’ shows that 22.5 per cent of urban, 14.0 per cent of semi urban and 16.7 per cent of rural units feel as very good whereas 25.0 per cent of urban, 2.0 per cent of semi urban and 11.7 per cent of rural units feel as very poor. Agreement on this aspect higher in urban areas than in rural areas.

Analysis of opinion regarding ‘Product quality as a strength’ shows that 5.0 per cent of urban, 12.0 per cent of semi urban and 30.0
per cent of rural units feel as very good whereas .35.0 per cent of urban, 12.0 per cent of semi urban and 3.3 per cent of rural units feel as very poor. Agreement on this score is higher in rural areas than in urban areas.

Analysis of opinion regarding ‘Technology as a strength’ shows that 12.5 per cent of urban, 12.0 per cent of semi urban and 5.0 per cent of rural units feel as very good whereas 12.5 per cent of urban, 28.0 per cent of semi urban and 45.0 per cent of rural units feel as very poor. Agreement in this respect is higher in urban areas than in rural areas.

Analysis of opinion regarding ‘Family help as a strength’ shows that 7.5 per cent of urban, 36.0 per cent of semi urban and 10.0 per cent of rural units feel as very good whereas 30.0 per cent of urban, 26.0 per cent of semi urban and 40.0 per cent of rural units feel as very poor. Consensus on this opinion is higher in semi urban areas than in urban areas.

For the opinion ‘Rigidity of management as weakness’, 17.5 per cent of urban, 16.0 per cent of semi urban and 10.0 per cent of rural units say that it highly affects whereas 30.0 per cent of urban, 26.0 per cent of semi urban and 38.3 per cent of rural units say that it does not
affect the organization. It is inferred that around 48 per cent of the respondents feel that the rigidity of management is not a weakness.

Analysis of the opinion ‘workers disinterest as a weakness’, shows that 12.5 per cent of urban, 24.0 per cent of semi urban and 10.0 per cent of rural units say that it highly affects whereas 2.5 per cent of urban, 14.0 per cent of semi urban and 31.7 per cent of rural units say that it does not affect the organization. It is inferred that around 47.3 per cent of the respondents feel that workers disinterest is a real weakness. This opinion is lesser in rural areas than in urban areas.

For the opinion ‘poor finance as a weakness’, 10.0 per cent of urban, 8.0 per cent of semi urban and 3.3 per cent of rural units say that it highly affects whereas zero per cent of urban, 34.0 per cent of semi urban and 48.3 per cent of rural units say that it does not affect the organization. It is inferred that around 45.4 per cent of the respondents feel that poor finance is not a real weakness. The opinion in this regard is higher in urban than in rural areas.

Analysis of the opinion ‘Labour turnover as a weakness’ shows that 7.5 per cent of urban, 6.0 per cent of semi urban and 5.0 per cent of rural units say that it highly affects whereas 17.5 per cent of urban, 38.0 per cent of semi urban and 46.7 per cent of rural units say that it
does not affect the organization. It is inferred that a majority of respondents feel that the labour turnover is not a real weakness. The opinion with regard to this point is higher in urban than in rural areas.

For the opinion regarding ‘Absenteeism as a weakness’, 7.5 per cent of urban, 10.0 per cent of semi urban and 8.3 per cent of rural units say that it highly affects whereas 42.5 per cent of urban, 4.0 per cent of semi urban and 28.3 per cent of rural units say that it does not affect the organization. It is inferred that a majority of respondents feel that absenteeism is not a real weakness. The opinion on this matter is higher in rural than in urban areas.

As regards the opinion ‘unskilled worker as a weakness’, 32.5 per cent of urban, 14.0 per cent of semi urban and 5.0 per cent of rural units say that it highly affects whereas 17.5 per cent of urban, 8.0 per cent of semi urban and 35.0 per cent of rural units say that it does not affect the organization. It is inferred that a majority of respondents feel that unskilled worker is not a real weakness. The opinion on this aspect is higher in semi urban than in rural areas. Chi Square test shows that this opinion significantly differs in relation to area.

Analysis of the opinion ‘poor marketing as a weakness’ shows that 12.5 per cent of urban, 6.0 per cent of semi urban and 8.3 per cent of rural units say that it highly affects whereas 12.5 per cent of urban,
50.0 per cent of semi urban and 45.0 per cent of rural units say that it does not affect the organization. It is inferred that a majority of respondents feel that poor marketing is not a real weakness. The opinion on this idea is higher in urban than in rural areas.

For the opinion ‘poor family help as a weakness’, 12.5 per cent of urban, 26.0 per cent of semi urban and 6.7 per cent of rural units say that it highly affects whereas 27.5 per cent of urban, 34.0 per cent of semi urban and 38.3 per cent of rural units say that it does not affect the organization. It is inferred that a majority of respondents feel that poor family help is not a real weakness. The opinion regarding this idea is higher in urban than in rural areas.

As regards the opinion ‘unhealthy competition as a weakness’, 15.0 per cent of urban, 16.0 per cent of semi urban and 20.7 per cent of rural units say that it highly affects whereas zero per cent of urban, 38.0 per cent of semi urban and 31.7 per cent of rural units say that it does not affect the organization. It is inferred that around 44.6 per cent of respondents feel that unhealthy competition is not a real weakness. Agreement with this opinion is higher in urban than in semi urban areas.

Analysis of the opinion ‘poor technology as a weakness’ shows that 12.5 per cent of urban, 6.0 per cent of semi urban and 6.7 per cent
of rural units say that it highly affects whereas 10.0 per cent of urban, 40.0 per cent of semi urban and 43.3 per cent of rural units say that it does not affect the organization. It is inferred that around 44.6 per cent of respondents feel that poor technology is not a real weakness. Consensus opinion of in this regard is higher in urban than in rural areas. Chi Square test shows that this does not significantly differ in relation to area.

For the opinion ‘adjustable management as an opportunity’, 12.5 per cent of urban, 6.0 per cent of semi urban and 6.7 per cent of rural units say that it highly affects whereas 10.0 per cent of urban, 40.0 per cent of semi urban and 43.3 per cent of rural units say that it does not affect the organization. It is inferred that around 44.6 per cent of respondents feel that adjustable management is an opportunity’. The opinion on this count is higher in urban than in rural areas.

Regarding the opinion ‘future finance as an opportunity’, 20.0 per cent of urban, 18.0 per cent of semi urban and 13.3 per cent of rural units say that it highly affects whereas 32.5 per cent of urban, 14.0 per cent of semi urban and 40.0 per cent of rural units say that it does not affect the organization. It is inferred that around 45.3 per cent of respondents feel that future finance is not an opportunity’. The positive
opinion as to ‘future finance as an opportunity’ is higher in semi urban than in urban areas.

Analysis of the opinion ‘motivated workers as an opportunity’ shows that 5.0 per cent of urban, 10.0 per cent of semi urban and 6.7 per cent of rural units say that it highly affects whereas 30.0 per cent of urban, 26.0 per cent of semi urban and 50.0 per cent of rural units say that it does not affect the organization. It is inferred that around 50.7 per cent of respondents feel that motivated workers as not an opportunity’. The positive opinion in this regard is higher in urban than in rural areas.

For the opinion ‘marketing strategies as an opportunity’, 12.5 per cent of urban, 36.0 per cent of semi urban and 10.0 per cent of rural units say that it highly affects whereas 10.0 per cent of urban, 26.0 per cent of semi urban and 10.0 per cent of rural units say that it does not affect the organization. It is inferred that 50.0 per cent of respondents feel that marketing strategies as an opportunity’. The opinion considering ‘marketing strategies as an opportunity’ is higher in urban than in rural areas.

Analysis of the opinion ‘production technique as an opportunity’ shows that 7.5 per cent of urban, 8.0 per cent of semi urban and 10.0 per cent of rural units say that it highly affects whereas zero per cent of
urban, 26.0 per cent of semi urban and 36.7 per cent of rural units say that it does not affect the organization. It is inferred that around 41.3 per cent of respondents feel that production technique as an opportunity’. The opinion as to ‘production technique as an opportunity’ is higher in urban than in rural areas.

As regards the opinion ‘globalization as an opportunity’, 7.5 per cent of urban, 6.0 per cent of semi urban and 10.0 per cent of rural units say that it highly affects whereas 10.0 per cent of urban, 38.0 per cent of semi urban and 28.3 per cent of rural say that it does not affect the organization. It is inferred that around 40.7 per cent of respondents feel that globalization as an opportunity’. The opinion as to ‘globalization as an opportunity’ is higher in rural than in urban areas.

Analysis of the opinion ‘workers non-cooperation as a threat’ shows that 7.5 per cent of urban, 20.0 per cent of semi urban and 11.7 per cent of rural units say that it highly affects whereas 30.0 per cent of urban, 22.0 per cent of semi urban and 56.7 per cent of rural units say that it not at all affects the organization. It is inferred that 50.0 per cent of respondents feel that workers non-cooperation is a threat’. The opinion confirming ‘workers non-cooperation as a threat’ is higher in urban than in rural areas. Chi Square test shows that this opinion as
'workers non-cooperation as a threat’ significantly differs in relation to area.

As regards the opinion ‘poor finance as a threat’, 7.5 per cent of urban, 30.0 per cent of semi urban and 10.0 per cent of rural units say that it highly affects whereas 7.5 per cent of urban, 22.0 per cent of semi urban and 25.0 per cent of rural say that it not at all affects the organization. It is inferred that around 42.7 per cent of respondents feel that poor finance is a threat’. The opinion confirming this view is higher in urban than in semi-urban areas.

Analysis of the opinion ‘labour turnover as a threat’ shows that 27.5 per cent of urban, 20.0 per cent of semi urban and 3.3 per cent of rural units say that it highly affects whereas 22.5 per cent of urban, 22.0 per cent of semi urban and 45.0 per cent of rural units say that it not at all affects the organization. It is learnt that around 45.3 per cent of respondents feel that labour turnover is a threat’. The opinion confirming this view is higher in semi-urban than in rural areas.

For the opinion ‘unskilled personnel as a threat’, 7.5 per cent of urban, 10.0 per cent of semi urban and 30.0 per cent of rural units say that it highly affects whereas 25.0 per cent of urban, 4.0 per cent of semi urban and 25.0 per cent of rural units say that it not at all affects the organization. It is inferred that around 48.0 per cent of respondents
feel that unskilled personnel is a real threat’. The opinion accepting this view is higher in rural than in urban areas.

As regards the opinion ‘poor production as a threat’, 22.5 per cent of urban, 8.0 per cent of semi urban and 8.3 per cent of rural units say that it highly affects whereas 35.0 per cent of urban, 28.0 per cent of semi urban and 21.7 per cent of rural units say that it not at all affects the organization. It is inferred that around 42.6 per cent of respondents feel that poor production is not a threat’. The opinion confirming ‘poor production as a threat’ is higher in urban than in rural areas.

Analysis of the opinion on ‘poor technology as a threat’ shows that 10.0 per cent of urban, 28.0 per cent of semi urban and 26.7 per cent of rural units say that it highly affects whereas 15.0 per cent of urban, 24.0 per cent of semi urban and 33.3 per cent of rural units say that it not at all affects the organization. It is inferred that around 48.0 per cent of respondents feel that poor technology is a threat’. The opinion supporting this view is higher in rural than in urban areas.

Analysis of opinion regarding the role of District Industries Centre shows that 7.5 per cent of urban, 18.0 per cent of semi urban and 10.0 per cent of rural units feel that it is very much effective high whereas 22.5 per cent of urban, 12.0 per cent of semi urban and 13.3
per cent of rural feel that it is not so much effective. The role of District Industries Centre is considered to be more effective in semi urban areas than in urban areas.

With regard to ‘Initial Assistance’, provided by the DIC, 50 respondents are satisfied while 71 respondents are not satisfied. Coefficient analysis shows that there is satisfaction in urban area and dissatisfaction in semi urban and rural areas. There is overall dissatisfaction in respect of initial stage assistance. Chi Square test shows that the opinion about initial assistance significantly differs in relation to area.

For project appraisal assistance, there is satisfaction in urban areas and dissatisfaction in semi urban and rural areas. There is overall dissatisfaction about project appraisal. Chi Square test shows that opinion about project appraisal significantly differs in relation to area.

As regards loan assistance, dissatisfaction is noticed in urban and rural areas but satisfaction is noticed in semi urban areas. There is overall dissatisfaction in relation to loan assistance. Chi Square test shows that opinion about loan assistance significantly differs in relation to area.
Regarding marketing assistance, there is dissatisfaction in all areas. Dissatisfaction is noticed in urban and rural areas but satisfaction is noticed in semi urban areas. Chi Square test shows that the opinion about marketing assistance significantly differs in relation to area.

For management assistance, there is dissatisfaction in all areas. Dissatisfaction is higher in semi urban and rural areas than in urban areas. Chi Square test shows that the opinion about management assistance does not significantly differ in relation to area.

Analysis of technical assistance shows that there is dissatisfaction in all areas. Satisfaction is noticed in urban areas and dissatisfaction in semi urban and rural areas. Dissatisfaction is higher in semi urban areas than in rural areas. Chi Square test shows that the opinion about technical assistance significantly differs in relation to area.

For EDP Training assistance, satisfaction is noticed in urban areas and semi urban areas and dissatisfaction in rural areas. Satisfaction is higher in urban areas than in semi urban areas. Chi Square test shows that the opinion about EDP training assistance significantly differs in relation to area.
As regards subsidy assistance, satisfaction is noticed in urban areas and semi urban areas and dissatisfaction in rural areas. Satisfaction is higher in urban areas than in semi urban areas. Chi Square test shows that the opinion about subsidy assistance significantly differs in relation to area.

Regarding concession assistance, satisfaction is noticed in semi urban areas and dissatisfaction is noticed in urban and rural areas. Dissatisfaction is higher in urban areas than in semi urban areas. Chi Square test shows that the opinion about concession assistance significantly differs in relation to area.

Analysing the margin money assistance shows that satisfaction is noticed in urban areas and dissatisfaction is noticed in semi urban and rural areas. Dissatisfaction is higher in rural areas than in semi urban areas. Chi Square test shows that the opinion about concession assistance significantly differs in relation to area.

It is inferred that there is dissatisfaction in assistance provided and the level of overall dissatisfaction is inferred. Dissatisfaction is at the highest level in project appraisal; then comes the management assistance. The third rank for dissatisfaction is for technical assistance and the fourth rank is given for initial assistance. Dissatisfaction is the
least in the case of concessions extended and EDP training programme.

Suggestions

The number of male entrepreneurs are higher than that of female entrepreneurs. Steps have already been taken by the governments to provide higher concessions to women entrepreneurs. Similar concessions may also be extended to all category of entrepreneurs so that there is overall growth in small scale industries. The District Industries Centres can take effective steps to identify the real entrepreneurs and provide concessions to all.

Higher concessions can be provided by the Government and District Industries Centre to the entrepreneurs who provide higher employment opportunities.

Persons who have business / industrial background may be identified and provided suitable technical training so that there is faster growth in entrepreneurship.

A proper census can be taken on the current population of active small and medium industries in India to identify the reality of the status of SSI units and the role of DIC for SSI development.
Governments can take steps to modernize the small scale units with modern technologies so that they can compete with modern industries in all ways.

The transfer of innovative product designs to the SSI sector is not fully integrated in a widespread manner. At present, the design and innovation field in the SSI industry has not been strengthened. More stress on CAD / CAM / Centres can be undertaken to improve the standards.

Marketing is a major factor affecting the future of SSI sector and this needs greater attention. Non-marketable varieties need to be identified and discouraged among the SSI units. In order to compete in the global market and to make the SSI units more viable and also to give continuous employment to SSI units, the units should be encouraged to resort to Export Oriented Production.

Product diversification needs to be given top priority. A major strength in the State is production of furnishings and made-ups. More expertise is required in understanding international trends, colour forecasts, design development etc. to be set up.

Initially, subsidies would be necessary either in the form of credit or loan to encourage them to set up world class processing facilities and Corporates from abroad would need to be invited to set up a few
factories that would enable international quality. A major incentive could be substantial Sales Tax exemption to encourage fresh investments in this field.

Entrepreneurship Development Programmes are to be organized by the Institute as regular training activities to cultivate the latent qualities of educated unemployed youth (both men and women) by enlightening them on various aspects that are necessary to be considered while setting up small scale industries and other service or business enterprises. Over the years, these programmes have created confidence in youth, which has led to self-employment and creation of additional wage-employment.

These courses generally may have a duration of 6 to 8 weeks. The process and product oriented courses such as food products, leather products, herbal cosmetics, screen printing, beauty-therapy etc., have been found to be useful by the entrepreneurs.

With a view to enhance managerial competence of the managers and Supervisors working in small scale industries as well as educated unemployed youth aspiring to become managers of small scale business enterprises, training may be given in various fields such as Marketing Management, Production Management, Export Management,
Sales Tax, Business Law, Office Automation etc. These courses generally have duration of 2 to 4 weeks.

The courses such as computer assembly and maintenance, MS office & Internet, E-business, etc. may be regularly organized.

With a view to augment the marketing avenues for small scale industries, a fully computerized Sub-Contracting Exchange may be set up. The Exchange may be a store-house of data with regard to the capacities of the small scale units in terms of products manufactured and/or services rendered on the one hand, while maintaining data with regard to the requirements of the large and medium sector buyers, which could be products, components, sub-assemblies, services on the other hand.

The Exchange may also store data about the specifications and quantities of various facilities available with the sellers as well as those required by the buyers and the match-making through appropriate software between buyers and sellers that may result in increased business opportunity.

Vendor Development Programmes-cum-Exhibition may be conducted in association with the large public/private sector industries and Govt. Organizations in different parts of the State. These programmes may provide a common platform for interaction between
buyers and sellers, which in turn help identification of new marketing avenues for SSIs and facilitate the buyers in their search for proper vendors.

The units registered with National Small Industries Co-operation for participation in Government Purchase Programme derive the benefits like free supply of tender forms, exemption from payment of earnest money, security deposit etc., This may be utilized fully by SSI units.

Technology should be continually upgraded so that SSI units remain competitive in the era of globalization. Now this is to be supported by small enterprises network in order to facilitate quick retrieval and exchange of information through internet.

In order to encourage technology upgradation and quality improvement in SSI sector and help them prepare to face global competition, new and appropriate incentives may be given.

Incentives may be given for acquiring ISO certification by SSI units.

Modern schemes for setting up of testing centre may be started in industrial areas.

SSIs may be encouraged to participate in international trade fairs by providing suitable financial assistance.

A new scheme for market developing assistance for SSI porters may be created with all modern technological machines.
Conclusion

SSI units are now re-classified under the group MSMEs i.e. Micro, Small, Medium Enterprises, as per the recent government policies. The problems of SSI units are many and their prospects are comparatively less. The role of DICs as the prime industrial planning and promotional agency at the district level is significant to a certain extent. However, there are inherent weaknesses in the functioning of SSI units and DIC. There is certain discontentment among the respondents in this regard. It is imperative that the government should device a target oriented approach for the well functioning of DIC. No organization can function well unless it is property managed and the people interested are motivated. There seems to be a sort of slackness in the mission and vision of the SSI units and DIC. Proper arrangements are to be made to re-introduce DIC as a real catalyst for industrial promotion. It is also to be noted that DIC alone cannot minimize the distress of the SSI units overnight. There should be sufficient support from other promotion of agencies as well. Governments should treat the SSI units as a growing child and should provide sufficient nutritious concessions for their well being.