CHAPTER-III
PROFILE OF THE OWNERS OF SMAL SCALE UNITS (SSIs)

The profile of the owners of the units is more important to analyse the financial performance, financial health and the financial management practices implementation by the units. The owners with high profile may be sound in application of all management principles in their organizations, so that they could easily manage any financial problems in their business. But the owners with lesser profile may lacking in their awareness on the management practices as well as its applications. Hence, the present study includes the profile of the owners and the organizations to provide basic information to the study.

Even though the profile variables are too many, the present study confines these variables to age, level of education, occupational background, family size, number of dependent population in their family, number of sources of income, personal income, family income and personality traits of the owners. The included organization profile variables are year of establishments, nature of ownership, number of employees working in the units, investment, sources of capital, value of production, number of personnel working in finance department and financial decision making pattern.
Age among the Respondents

The age of the industrialists is one of the important social factors. Since the age of the industrialists has its own impact on the level of awareness and implementation of financial management practices among the industries, it is included as one of the important social factors in the present study. In general, the aged industrialists have more practical experience than youngsters while the youngsters have more idea on scientific orientation than the elders. In the present study, the respondents who run the small scale industry are classified into less than 30 years, 31 to 40 years, 41 to 50 years, 51 to 60 years and above 60 years.

TABLE 3.1
Age among the Respondents

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Age (in years)</th>
<th>Small firm</th>
<th>Medium firm</th>
<th>Large firm</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Less than 30</td>
<td>35</td>
<td>22</td>
<td>17</td>
<td>74</td>
</tr>
<tr>
<td>2</td>
<td>31-40</td>
<td>50</td>
<td>39</td>
<td>35</td>
<td>124</td>
</tr>
<tr>
<td>3</td>
<td>41-50</td>
<td>55</td>
<td>35</td>
<td>32</td>
<td>122</td>
</tr>
<tr>
<td>4</td>
<td>51-60</td>
<td>40</td>
<td>51</td>
<td>34</td>
<td>125</td>
</tr>
<tr>
<td>5</td>
<td>Above 60</td>
<td>33</td>
<td>35</td>
<td>26</td>
<td>94</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>213</td>
<td>182</td>
<td>144</td>
<td>539</td>
</tr>
</tbody>
</table>

Source: Primary Data.
The Table 3.1 illustrates the distribution of respondents on the basis of their age. The important age groups among the respondents are 51 to 60 and 31-40 years since it constitutes 23.19 and 23.04 per cent to the total respectively. The most important age group of respondents in the small firms is 41 to 50 years which constitutes 25.82 per cent to its total of 213 respondents. In the case of medium firms, it is 51 to 60 years since it constitutes 28.02 per cent to its total whereas in the large firm it is 30 to 40 years since it constitutes 24.31 per cent to its total. The number of respondents who are at the age of less than 41 alone constitutes 36.73 per cent to the total. The respondents under age groups of 30 to 60 years are widely spread in all the three type of firms at more or less in similar manner.

**Level of Education among the respondents**

The level of education indicates the educational status of the respondents. Since the level of education influences the personality traits of the respondents, the level of awareness and implementation of any scientific management principles in their units, is also included as one of the profile variables. The level of education among the respondents is confined to less than high school education, higher secondary education, diploma level, under graduation level, post graduation level and professional education. The distribution of respondents on the basis of their level of education is shown in Table 3.2.
TABLE 3.2
Level of Education among the Respondents

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Level of education</th>
<th>Number of respondents in</th>
<th></th>
<th></th>
<th></th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Small firm</td>
<td>Medium firm</td>
<td>Large firm</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Less than high school education</td>
<td>40</td>
<td>25</td>
<td>9</td>
<td>74</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>High school education</td>
<td>28</td>
<td>33</td>
<td>14</td>
<td>75</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Diploma level</td>
<td>27</td>
<td>24</td>
<td>12</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Under Graduation level</td>
<td>63</td>
<td>38</td>
<td>47</td>
<td>48</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Post Graduation level</td>
<td>35</td>
<td>29</td>
<td>22</td>
<td>86</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>213</td>
<td>182</td>
<td>144</td>
<td>539</td>
<td></td>
</tr>
</tbody>
</table>

Source: Primary Data.

The most dominant Level of education among the respondents is under graduation level which alone constitutes 27.46 per cent to the total. It is followed by professional and Post Graduation Level of education which constitutes 17.25 and 15.95 per cent to the total respectively. The most important Level of education among the respondents in small firm is Under Graduation level which alone constitutes 29.58 per cent to its total of 213 respondents. In the case of medium firm, it is also Under Graduation level which alone constitutes 20.88 per cent to its total of 182 respondents. In the case of large firm, the Under Graduate respondents alone constitute 32.44 per cent to its total of 144 respondents. The analysis reveals
that most of the respondents have Under Graduation as their educational qualification which is followed by professional education.

**Occupational Background**

The occupational background of the respondents represents the occupation of the respondents’ fathers. It is included as a profile variable since the occupational background of the respondents may have more impact on the business idea and business orientation among the respondents. These are the prerequisites for the success of any industry. By occupational background, the respondents are confined to unemployed, agricultural labour, agriculture, labour, business and industries. The distribution of respondents according to their occupational background are presented in Table 3.3.
TABLE 3.3

Occupational Background among the Respondents

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Occupational background</th>
<th>Small firm</th>
<th>Medium firm</th>
<th>Large firm</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Unemployed</td>
<td>28</td>
<td>14</td>
<td>9</td>
<td>51</td>
</tr>
<tr>
<td>2</td>
<td>Agricultural labour</td>
<td>22</td>
<td>28</td>
<td>28</td>
<td>78</td>
</tr>
<tr>
<td>3</td>
<td>Agriculture</td>
<td>29</td>
<td>23</td>
<td>19</td>
<td>71</td>
</tr>
<tr>
<td>4</td>
<td>Labour</td>
<td>41</td>
<td>42</td>
<td>23</td>
<td>106</td>
</tr>
<tr>
<td>5</td>
<td>Business</td>
<td>46</td>
<td>47</td>
<td>30</td>
<td>123</td>
</tr>
<tr>
<td>6</td>
<td>Industries</td>
<td>47</td>
<td>28</td>
<td>35</td>
<td>40</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>213</td>
<td>182</td>
<td>144</td>
<td>539</td>
</tr>
</tbody>
</table>

Source: Primary Data.

The important occupational backgrounds among the respondents are business, industries and labour which constitute 22.82, 20.41 and 19.66 per cent to the total respectively. In the small firm, the most important occupational background among the respondents is industries which constitutes 22.07 per cent to the total whereas in the case of medium firm it is business which constitutes 25.82 per cent to the total. In the case of large firm, it is ‘Industries’ which constitutes 24.31 per cent to the total. The analysis infers that the important occupational backgrounds among the respondents are business and industries. The
number of respondents coming from unemployed background constitutes 9.46 per cent to the total.

**Family Size among the Respondents**

The family size indicates the number of family members living along with the respondents. Since the family size indicates the family commitment among the respondents, it is included as one of the profile variables. In general, the respondents with higher family size will have more family commitments compared to the respondents with lesser family size. The family size among the respondents in the present study is confined to less than 3 members, 3 to 4, 5 to 6, 7 to 8, 9 to 10 and above 10 members. The family size among the respondents is shown in Table 3.4.
### TABLE 3.4

**Family Size among the Respondents**

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Family size</th>
<th>Number of respondents in</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Small firm</td>
</tr>
<tr>
<td>1</td>
<td>Less than 3</td>
<td>24</td>
</tr>
<tr>
<td>2</td>
<td>3-4</td>
<td>41</td>
</tr>
<tr>
<td>3</td>
<td>5-6</td>
<td>62</td>
</tr>
<tr>
<td>4</td>
<td>7-8</td>
<td>63</td>
</tr>
<tr>
<td>5</td>
<td>9-10</td>
<td>17</td>
</tr>
<tr>
<td>6</td>
<td>Above 10</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>213</td>
</tr>
</tbody>
</table>

Source: Primary Data.

In total, a maximum of 28.57 per cent to the total respondents having a family size of 5 to 6 members whereas 24.30 per cent of the respondents having a family size of 3 to 4 members. The number of the respondents who have a family size of more than 6 per family constitutes 32.84 per cent of the total. The most important family size among the respondents in small firm is 7 to 8 members since it constitutes 29.58 per cent to its total whereas in the case of medium firm, it is 3 to 4 members since it constitutes 34.07 per cent of its total. In the case of large firms, it is 5 to 6 members which constitutes 26.39 per cent.
Number of Dependent Population

The number of dependent population per respondent has been computed since it has its own impact on the family commitment and expenses among the respondents. The higher the number of dependent, population, higher will be the commitment. In the present study, the number of dependent population among the household of the respondents are confined to one, two, three, four and more than four. The distribution of respondents according to their dependent population in their household is given in Table 3.5.

**TABLE 3.5**

**Number of dependent Population among the Respondents**

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Number of Dependent Population</th>
<th>Small firm</th>
<th>Medium firm</th>
<th>Large firm</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>One</td>
<td>35</td>
<td>38</td>
<td>32</td>
<td>105</td>
</tr>
<tr>
<td>2</td>
<td>Two</td>
<td>80</td>
<td>69</td>
<td>38</td>
<td>187</td>
</tr>
<tr>
<td>3</td>
<td>Three</td>
<td>35</td>
<td>29</td>
<td>24</td>
<td>88</td>
</tr>
<tr>
<td>4</td>
<td>Four</td>
<td>41</td>
<td>32</td>
<td>32</td>
<td>105</td>
</tr>
<tr>
<td>5</td>
<td>More than four</td>
<td>22</td>
<td>14</td>
<td>18</td>
<td>54</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>213</strong></td>
<td><strong>182</strong></td>
<td><strong>144</strong></td>
<td><strong>539</strong></td>
</tr>
</tbody>
</table>

Source: Primary Data.
The most important number of dependent population among the respondents is two which constitutes 34.69 per cent of the total. It is followed by one and four dependent population per household which constitutes 19.48 per cent of the total in each case. In all three types of firms, most important dependent population is two. In small firms, it constitutes 37.56 per cent of the total whereas in medium firms, it constitutes 39.91 per cent of the total. In the case of large firms, it constitutes 26.39 per cent to the total.

**Number of Sources of Income**

The respondents may earn income from several sources including the present small scale unit. Since the number of sources of income have its influence on the financial strength of the respondents, it is also included as one of important profile variables. The number of sources of income among the respondents in the present study is confined to one, two, three, four and more than four. The distribution of respondents on the basis of their number of sources of income is illustrated in Table 3.6.
TABLE 3.6
Number of sources of Income

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Sources of Income</th>
<th>Number of respondents in</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Small firm</td>
</tr>
<tr>
<td>1</td>
<td>One</td>
<td>107</td>
</tr>
<tr>
<td>2</td>
<td>Two</td>
<td>47</td>
</tr>
<tr>
<td>3</td>
<td>Three</td>
<td>37</td>
</tr>
<tr>
<td>4</td>
<td>Four</td>
<td>17</td>
</tr>
<tr>
<td>5</td>
<td>More than four</td>
<td>5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>213</strong></td>
</tr>
</tbody>
</table>

Source: Primary Data.

In total, the maximum of 49.91 per cent to the respondents having only one source of income followed by 23.19 per cent to the respondents having two sources of income. The number of respondents who have more than four sources of income constitutes 3.89 percentage of the total. The most important number of sources of income among the respondents in all three types of firms is only one source. In small firms, it also constitutes 50.23 per cent of its total of 213 respondents whereas in medium firms, it constitutes 51.65 per cent of its total of 182 respondents. In large firms, it constitutes 47.22 per cent of its total of 130 respondents.
Personal Income

The personal income among the respondents indicates the income of the respondents from all possible sources during a period of one month. The personal income among the respondents indicates the financial strength. In the present study, the personal income among the respondents are classified into less than Rs.10,000; Rs.10,001 to 15,000; Rs.15,001 to Rs.20,000 and above Rs.20,000. The distribution of respondents on the basis of their personal income is shown in Table 3.7.

**TABLE 3.7**

Personal Income among the Respondents

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Personal income per month</th>
<th>Small firm</th>
<th>Medium firm</th>
<th>Large firm</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Less than 10,000</td>
<td>98</td>
<td>59</td>
<td>25</td>
<td>182</td>
</tr>
<tr>
<td>2</td>
<td>10,001-15,000</td>
<td>56</td>
<td>57</td>
<td>43</td>
<td>156</td>
</tr>
<tr>
<td>3</td>
<td>15,001-20,000</td>
<td>40</td>
<td>37</td>
<td>45</td>
<td>122</td>
</tr>
<tr>
<td>4</td>
<td>Above 20,000</td>
<td>19</td>
<td>29</td>
<td>31</td>
<td>79</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>213</td>
<td>182</td>
<td>144</td>
<td>539</td>
</tr>
</tbody>
</table>

Source: Primary Data.

The important personal income among the respondents are below Rs.10,000 per month and Rs.10,001 to 15,000 per month respectively. The number of respondents who have a monthly income of above Rs.20,000
constitutes 14.66 percentage of the total. In the small firms, the most important personal income per month among the respondents is less than Rs.10,000 whereas in medium firms, it is Rs.10,001 to 15,000. In the case of large firms, the number of respondents having a personal income of Rs.15,000 to 20,000 constitutes 31.25 percentage to the total. The analysis infers that the important personal income among the respondents in large firms is higher than the personal income among the respondents in medium and small firms.

**Family Income Per Month**

The family income represents the total income earned by the respondents and their family members per month. Since the family income of the respondents provides a financial support to them, it is included as one of the profile variables. The family income per month among the respondents is confined to less than Rs.10,000, Rs.10,000 to 15,000, Rs.15,001 to 20,000 and Rs.20,001 to 25,000. The number of respondents under different family income is presented in Table 3.8.
# TABLE 3.8

Family Income among the Respondents

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Family income per month</th>
<th>Number of respondents in</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Small firm</td>
<td>Medium firm</td>
</tr>
<tr>
<td>1</td>
<td>Less than 10,000</td>
<td>49</td>
<td>33</td>
</tr>
<tr>
<td>2</td>
<td>10,001-15,000</td>
<td>53</td>
<td>30</td>
</tr>
<tr>
<td>3</td>
<td>15,001-20,000</td>
<td>41</td>
<td>39</td>
</tr>
<tr>
<td>4</td>
<td>20,001-25,000</td>
<td>46</td>
<td>49</td>
</tr>
<tr>
<td>5</td>
<td>Above 25,000</td>
<td>24</td>
<td>31</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>213</td>
<td>182</td>
</tr>
</tbody>
</table>

Source: Primary Data.

A maximum of 23.93 percentage of the respondents have a family income of Rs.20,001 to 25,000 which is followed by 20.78 percentage of the respondents who have a family income of Rs.15,001 to 20,000. The number of respondents who have a family income of above Rs.25,000 per month alone constitutes 18.92 per cent of the total. The most important family income among the respondents in small firm is Rs.10,001 to 15,000 which constitutes 24.88 per cent of its total. In the case of medium firms, it is 20,001 to 25,000 which constitutes 26.92 per cent of its total of 182 respondents. In the case of large firms, it is above Rs.25,000 which constitutes 32.64 per cent of the total of 144 respondents respectively. The
analysis infers that the mean of family income per month among the respondents in large firms is higher than in other two type of firms.

**Economic Motivation**

The economic motivation represents the level of interest to earn among the respondents. This economic motivation is the prerequisite for the success of any enterprise. Since the economic motivation is one of the factors determining the personality traits of the respondents, it is included in the present study. The level of economic motivation among the respondents is measured with the help of some relevant statements. These statements are measured at five point scale. By the sum of scores obtained by the respondents regarding all statements, level of economic motivation is measured. In the present study, the level of economic motivation is confined to very high, high, moderate, low and very low.
### TABLE 3.9

Economic Motivation among the Respondents

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Level of economic motivation</th>
<th>Number of respondents in</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Small firm</td>
</tr>
<tr>
<td>1</td>
<td>Very high</td>
<td>41</td>
</tr>
<tr>
<td>2</td>
<td>High</td>
<td>63</td>
</tr>
<tr>
<td>3</td>
<td>Moderate</td>
<td>81</td>
</tr>
<tr>
<td>4</td>
<td>Low</td>
<td>17</td>
</tr>
<tr>
<td>5</td>
<td>Very low</td>
<td>11</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>213</td>
</tr>
</tbody>
</table>

Source: Primary Data.

Table 3.9 explains the distribution of respondents on the basis of their level of economic motivation. The important level of economic motivation among the respondents is moderate and high since it constitutes 29.68 and 27.69 per cent of the total respectively. The number of respondents who are very high in the level of economic motivation constitutes 23.93 per cent of the total. Among the respondents in small and medium firms the most important level of economic motivation is moderate since it constitutes 38.03 and 29.12 per cent of its total respectively. Among the respondents in large firm, it is ‘very high’ since it constitutes 29.86 per cent of the total. The analysis reveals that the level of
economic motivation among the respondents in the three groups of firms is varying from moderate to very high.

**Scientific Orientation**

The scientific orientation represents the application of scientific knowledge in their business among the respondents. The application of scientific knowledge is essential to manage the units at an optimum level. The level of scientific orientation among the respondents is measured by some relevant statements related to the application of scientific management in the business. The respondents are asked to rate the given statements at five point scale. By the score obtained from the statements, the scientific orientation among the respondents is measured. The level of scientific orientation is confined to very high, moderate, low and very low. The level of scientific orientation among them is presented in Table 3.10.
A maximum of 28.57 per cent of the respondents are low in their scientific orientation, followed by 20.96 per cent who are very low in this aspect. The number of respondents who are high and very high in this aspect constitutes 30.79 per cent of the total. As a maximum of 31.92 per cent of the respondents in small firms are low in this aspect whereas in the case medium firm, it constitutes 31.32 per cent of its total respectively. In the case of large firms, the most important level of scientific orientation is ‘high’ which alone constitutes 23.61 per cent of its total of 144 respondents. The analysis reveals that the level of scientific orientation among the respondents in the large firms is better than other respondents in medium and small firms.
Risk Orientation

The risk orientation indicates the level of risks undertaken by the respondents in this business. Since the risk orientation is an essential quality of the entrepreneurs’ traits, it is included as one of the important variables determining the personality traits of the respondents. The risk orientation among them is measured by some related statements which are measured at five point scale. By the sum of scores obtained from these statements, the levels of risk orientation among the respondents are measured. The level of risk orientation among them are confined to very high, high, moderate, low and very low.

**TABLE 3.11**

Risk Orientation among the Respondents

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Level of scientific orientation</th>
<th>Number of respondents in</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Small firm</td>
<td>Medium firm</td>
<td>Large firm</td>
<td>Total</td>
</tr>
<tr>
<td>1</td>
<td>Very high</td>
<td>31</td>
<td>17</td>
<td>23</td>
<td>71</td>
</tr>
<tr>
<td>2</td>
<td>High</td>
<td>40</td>
<td>39</td>
<td>43</td>
<td>122</td>
</tr>
<tr>
<td>3</td>
<td>Moderate</td>
<td>72</td>
<td>75</td>
<td>40</td>
<td>187</td>
</tr>
<tr>
<td>4</td>
<td>Low</td>
<td>46</td>
<td>35</td>
<td>25</td>
<td>106</td>
</tr>
<tr>
<td>5</td>
<td>Very low</td>
<td>24</td>
<td>16</td>
<td>13</td>
<td>53</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td>213</td>
<td>182</td>
<td>144</td>
<td>539</td>
</tr>
</tbody>
</table>

Source: Primary Data.
The Table 3.11 explains the distribution of respondents on the basis of their levels of risk orientation. The important level of risk orientation is moderate and high which constitutes 34.69 and 22.63 per cent of the total respectively. The number of respondents who are very high regarding this aspect constitutes 13.17 per cent to the total. The most important levels of risk orientation among the respondents in small and medium firms are moderate which constitutes 33.80 and 41.21 per cent of its total respectively. In the case of large firms, the most important level of risk orientation is ‘high’ which constitutes 29.86 per cent of its total of 144 respondents. The level of risk orientation among the respondents in large firms is greater than other respondents in medium and small firms.

**Innovativeness**

The innovativeness represents the level of application of new things in their business. The level of innovativeness among the respondents is measured by some related statements to the innovation. These statements are measured at five point scale. From the score obtained from these statements, the level of innovativeness is measured. In the present study, the levels of innovativeness are confined to very high, high, moderate, low and very low. The distribution of respondents on the basis of their level of innovativeness is presented in Table 3.12.
TABLE 3.12
Innovativeness among the Respondents

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Level of scientific orientation</th>
<th>Number of respondents in</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Small firm</td>
<td>Medium firm</td>
<td>Large firm</td>
<td>Total</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Very high</td>
<td>14</td>
<td>20</td>
<td>29</td>
<td>63</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>High</td>
<td>24</td>
<td>34</td>
<td>34</td>
<td>92</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Moderate</td>
<td>46</td>
<td>52</td>
<td>32</td>
<td>130</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Low</td>
<td>73</td>
<td>59</td>
<td>28</td>
<td>160</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Very low</td>
<td>56</td>
<td>17</td>
<td>21</td>
<td>94</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>213</td>
<td>182</td>
<td>144</td>
<td>539</td>
<td></td>
</tr>
</tbody>
</table>

Source: Primary Data.

The first two levels of innovativeness among the respondents are low and moderate which constitute 29.68 and 24.11 per cent of the total respectively. The respondents, who are very high regarding this aspect, constitute 11.68 per cent of the total. The most important level of innovativeness among the respondents in small and medium firms is low which constitutes 34.27 and 32.42 per cent of its respective total. In the case of large firms, it is high which constitutes 23.61 per cent of its total.
Market Orientation

The market orientation refers to the adaptability of the respondents towards the market conditions. It requires more knowledge on the market conditions and also the players in the market. The level of market orientation among the respondents is measured by some related statements to the market orientation. The respondents are asked to rate these statements at five points scale. From the score obtained from these statements, their level of market orientation is computed. The level of market orientation among them is confined to very high, high, moderate, low and very low. The distribution of respondents on the basis of their level of market orientation is shown in Table 3.13.

### Table 3.13
Market Orientation among the Respondents

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Level of scientific orientation</th>
<th>Small firm</th>
<th>Medium firm</th>
<th>Large firm</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Very high</td>
<td>17</td>
<td>23</td>
<td>35</td>
<td>75</td>
</tr>
<tr>
<td>2</td>
<td>High</td>
<td>24</td>
<td>32</td>
<td>36</td>
<td>92</td>
</tr>
<tr>
<td>3</td>
<td>Moderate</td>
<td>68</td>
<td>46</td>
<td>40</td>
<td>154</td>
</tr>
<tr>
<td>4</td>
<td>Low</td>
<td>69</td>
<td>58</td>
<td>18</td>
<td>145</td>
</tr>
<tr>
<td>5</td>
<td>Very low</td>
<td>35</td>
<td>23</td>
<td>15</td>
<td>73</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td>213</td>
<td>182</td>
<td>144</td>
<td>539</td>
</tr>
</tbody>
</table>

Source: Primary Data.
The important level of market orientation among the respondents is moderate and low which constitute 28.57 and 26.90 per cent to the total respectively. The number of respondents who are very high regarding this aspect constitute 13.91 per cent to the total. The first two important levels of market orientation among the respondents in small and medium firms are low and moderate whereas in the large firms, these two levels are moderate and high. The number of respondents who are very high in this aspect are noticed as higher in large firms compared to other two types of firms.

**Personality Index**

The personality index represents the summative view on the various aspects related to the personality of the respondents. The personality Index (PI) is calculated by

\[
PI = \frac{\sum_{i=1}^{n} SPV_i}{\sum_{i=1}^{n} MSPV_i} \times 100
\]

Whereas

\[ PI = \text{Personality Index} \]
\[ SPV = \text{Score on Personality Variables} \]
\[ MSPV = \text{Maximum Score on Personality Variables}. \]

In the present study, the PI is confined to less than 20 per cent, 20 to 40, 41 to 60, and 61 to 80 and above 80 per cent. The Personality Index among the respondents is illustrated in Table 3.14.
TABLE 3.14
Personality Index among the Respondents

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Personality Index (in per cent)</th>
<th>Number of respondents in</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Small firm</td>
<td>Medium firm</td>
</tr>
<tr>
<td>1</td>
<td>Less than 20</td>
<td>30</td>
<td>22</td>
</tr>
<tr>
<td>2</td>
<td>20 to 40</td>
<td>54</td>
<td>42</td>
</tr>
<tr>
<td>3</td>
<td>41 to 60</td>
<td>81</td>
<td>61</td>
</tr>
<tr>
<td>4</td>
<td>61 to 80</td>
<td>27</td>
<td>42</td>
</tr>
<tr>
<td>5</td>
<td>Above 80</td>
<td>21</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>213</td>
<td>182</td>
</tr>
</tbody>
</table>

Source: Primary Data.

A maximum of 34.69 per cent of the respondents are having a PI of 41 to 60 per cent followed by 22.07 per cent of the respondents having an index of 20 to 40 per cent. The number of respondents who have a PI of above 80 per cent constitute 12.24 per cent of the total. The most important PI among the respondents in of all three types of firms is 41 to 60 per cent. The analysis reveals that the personality index of respondents in large firms is slightly higher than the respondents in medium and small firms.

Organizational Profile of the Respondents

The organizational profile of the respondents reveals the profile of the organization. It includes the year of establishment, nature of ownership, number of
employees working in the units, total investment in the units, sources of capital, value of production, number of finance personal working in the units and financial decision-making pattern in the units. The organizational profile of the respondents may be associated with their level of awareness and implementation of FM practices in their units and also their financial performance. Hence, it is included in the present study.

**Years of Establishment**

The years of establishment refers to the number of years of experience gathered by the units in the present field. Since the years of establishment may provide a lot of knowledge and experience to their owners, it is included as one of the profit variables. The years of experience of the units in the present study is confined to less than 5 years, 5 to 10 years, 11 to 15 years, 16 to 20 years and above 20 years. The number of units under different years of establishment is illustrated in Table 3.15.
TABLE 3.15
Years of Establishment of the Units

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Years of establishment</th>
<th>Small firm</th>
<th>Medium firm</th>
<th>Large firm</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Less than 5 Years</td>
<td>27</td>
<td>22</td>
<td>16</td>
<td>65</td>
</tr>
<tr>
<td>2</td>
<td>5-10 Years</td>
<td>31</td>
<td>28</td>
<td>24</td>
<td>83</td>
</tr>
<tr>
<td>3</td>
<td>11-15 Years</td>
<td>59</td>
<td>35</td>
<td>34</td>
<td>128</td>
</tr>
<tr>
<td>4</td>
<td>16-20 Years</td>
<td>55</td>
<td>46</td>
<td>32</td>
<td>33</td>
</tr>
<tr>
<td>5</td>
<td>Above 20 Years</td>
<td>41</td>
<td>51</td>
<td>38</td>
<td>130</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>213</strong></td>
<td><strong>182</strong></td>
<td><strong>144</strong></td>
<td><strong>539</strong></td>
</tr>
</tbody>
</table>

Source: Primary Data.

The important years of establishment among the units are 16 to 20 years and above 20 years which constitute 24.68 and 24.12 per cent of the total respectively. The number of units which has an experience of less than 5 years constitutes 12.05 of the total units. The most dominant years of establishment among the small firms is 11 to 15 years which constitute 27.71 per cent of the total of 213 units whereas in the medium firms, it is above 20 years which constitutes 28.02 per cent of its total of 182 units. In the large firms, it is also above 20 years but it constitutes 26.39 per cent of its total of 144 units. The analysis infers that the years of establishment in large units is greater than in medium and small units.
Nature of Ownership

The nature of ownership has its own impact on management of the units and also the process of decision making. Hence, it is included as one of the profile variables in this study. The nature of ownership is classified into leasing, proprietorship, partnership and company. The distribution of units on the basis of its nature of ownership is shown in Table 3.16.

**TABLE 3.16**

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Nature of Ownership</th>
<th>Number of units in</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Small firm</td>
</tr>
<tr>
<td>1</td>
<td>Leasing</td>
<td>49</td>
</tr>
<tr>
<td>2</td>
<td>Proprietorship</td>
<td>92</td>
</tr>
<tr>
<td>3</td>
<td>Partnership</td>
<td>58</td>
</tr>
<tr>
<td>4</td>
<td>Company</td>
<td>14</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>213</td>
</tr>
</tbody>
</table>

Source: Primary Data.

The important nature of ownership among the units is proprietorship and partnership which constitute 37.29 and 34.47 per cent of the total units. The number of units under leasing constitutes 14.47 per cent of the total. The most important nature of ownership among the small and medium firms is
proprietorship which constitutes 43.19 and 34.07 per cent of its respective total of 213 and 182 units. In the case of large firms, it is ‘partnership’ which constitutes 40.97 per cent of the total of 144 units. It shows that the dominant ownership pattern is proprietorship in small and medium units and partnership in large units.

Number of Employees in the Units

The number of employees working in the selected units is confined to less than 5, 5 to 10, 11 to 15, 16 to 20 and above 20 in the present study. The distribution of units engaged in the above said classification of number of employees is presented in Table 3.17.

**TABLE 3.17**
Number of Employees Working in the Units

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Number of employees in unit</th>
<th>Small firm</th>
<th>Medium firm</th>
<th>Large firm</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Less than 5</td>
<td>81</td>
<td>28</td>
<td>10</td>
<td>119</td>
</tr>
<tr>
<td>2</td>
<td>5-10</td>
<td>63</td>
<td>38</td>
<td>39</td>
<td>40</td>
</tr>
<tr>
<td>3</td>
<td>11-15</td>
<td>54</td>
<td>45</td>
<td>38</td>
<td>137</td>
</tr>
<tr>
<td>4</td>
<td>16-20</td>
<td>12</td>
<td>35</td>
<td>25</td>
<td>72</td>
</tr>
<tr>
<td>5</td>
<td>Above 20</td>
<td>3</td>
<td>36</td>
<td>32</td>
<td>71</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>213</td>
<td>182</td>
<td>144</td>
<td>539</td>
</tr>
</tbody>
</table>

Source: Primary Data.
The important number of employees engaged in the units is 5 to 10 and 11 to 15 which constitutes 25.97 and 25.42 per cent of the total respectively. The number of units providing an employment to more than 20 constitutes 13.17 per cent of the total. The most important number of employment in small firms is less than 5 which constitutes 38.03 per cent of the total of 213 units. In the case of medium firms, it is 11 to 15 which constitutes 24.73 per cent of its total of 182 units. In the case of large firms, the number of units providing an employment of above 10 persons constitutes 65.97 per cent of its total. The number of employment provided by the units are identified as higher in large firms than in medium and small firm.

**Total Investment in the Units**

The total investment represents the amount of money invested in the units at the time of interview. The investment amount is essential to run and extend the activities of the units. In the present study, the amount of investment made by units are confined to less than Rs.5 lakhs and Rs.5 to 10 lakhs, Rs.11 to 15 lakhs, Rs.16 to 20 lakhs and above Rs.20 lakhs. The distribution of units under different investment is summarized in Table 3.18.
TABLE 3.18

Investment Made on the Units

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Investment (In lakhs)</th>
<th>Number of units in</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Small firm</td>
<td>Medium firm</td>
<td>Large firm</td>
<td>Total</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Less than 5</td>
<td>91</td>
<td>21</td>
<td>-</td>
<td>112</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>5-10</td>
<td>46</td>
<td>46</td>
<td>13</td>
<td>105</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>11-15</td>
<td>35</td>
<td>54</td>
<td>30</td>
<td>119</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>16-20</td>
<td>41</td>
<td>41</td>
<td>58</td>
<td>140</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Above 20</td>
<td>-</td>
<td>20</td>
<td>43</td>
<td>63</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>213</td>
<td>182</td>
<td>144</td>
<td>539</td>
<td></td>
</tr>
</tbody>
</table>

Source: Primary Data.

The dominant investment category by the units are Rs.16 to 20 lakhs which alone constitutes 25.97 per cent of the total. It is followed by Rs.11 to 15 lakhs and less than Rs.5 lakhs which constitute 22.08 and 20.78 per cent of the total respectively. The most dominant investment amount among the small firms is less than Rs.5 lakhs whereas among the medium firms, it is Rs.11 to 15 lakhs. In the large units, it is Rs.16 to 20 lakhs which constitutes 40.28 per cent of the total of 144 units. It reveals that the average investment made by the large firms is greater than the average investment made by other two types of firms.
Sources of Capital

The sources of capital for the units are many. Depending upon the cost of capital and the accessibility to borrow the funds, the sources of capital of the units are determined. Usually, the units which are very sound in the financial position use only own funds in the units. The other units are depending upon more than one source of funds for its investments. The sources of capital in the present study are confined to only owned capital, owned capital and bank finance; owned capital, bank finance and other finance; only borrowed capital and all possible sources. The respondents are asked to mention anyone of the above said sources of capital.

TABLE 3.19
Sources of Capital in the Units

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Sources of Capital</th>
<th>Number of units in</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Small firm</td>
</tr>
<tr>
<td>1</td>
<td>Only owned capital</td>
<td>49</td>
</tr>
<tr>
<td>2</td>
<td>Owned capital + bank finance</td>
<td>55</td>
</tr>
<tr>
<td>3</td>
<td>Owned capital + bank finance + other finance</td>
<td>76</td>
</tr>
<tr>
<td>4</td>
<td>Only borrowed capital</td>
<td>11</td>
</tr>
<tr>
<td>5</td>
<td>All possible sources</td>
<td>22</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>213</td>
</tr>
</tbody>
</table>

Source: Primary Data.
Table 3.19 illustrates the distribution of units according to their sources of capital. The most important sources of capital among the units are owned capital cum bank finance cum other finance which constitutes 40.26 per cent of the total. It is followed by the owned capital own bank finance which constitutes 31.17 per cent of the total. The number of units depends on all possible sources constitutes 12.62 per cent of the total. The number of units depends only on owned capital constitutes 12.80 per cent of the total. The most important sources of capital in small and large firms are owned capital cum own bank finance cum other finance whereas in medium firm it is owned capital cum bank finance.

**Production in the Units**

Since the units are producing various types of goods the present study focuses on the value of production of the unit per month. The respondents are asked to reveal their monthly production in rupees. The value of production is confined to less than Rs.50,000, Rs.50,001 to 1,00,000, Rs.1,00,001 to 1,50,000, Rs.1,50,001 to 2,00,000 and above 2 lakhs. The distribution of units according to their monthly production are presented in Table 3.20.
### TABLE 3.20
Value of Production Per Month

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Value of production</th>
<th>Small firm</th>
<th>Medium firm</th>
<th>Large firm</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Less than 50,000</td>
<td>54</td>
<td>12</td>
<td>-</td>
<td>66</td>
</tr>
<tr>
<td>2</td>
<td>50,000-1,00,000</td>
<td>60</td>
<td>19</td>
<td>8</td>
<td>87</td>
</tr>
<tr>
<td>3</td>
<td>1,00,001-1,50,000</td>
<td>49</td>
<td>48</td>
<td>24</td>
<td>131</td>
</tr>
<tr>
<td>4</td>
<td>1,50,001-2,00,000</td>
<td>33</td>
<td>50</td>
<td>60</td>
<td>143</td>
</tr>
<tr>
<td>5</td>
<td>Above 2 lakhs</td>
<td>17</td>
<td>43</td>
<td>52</td>
<td>112</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>213</strong></td>
<td><strong>182</strong></td>
<td><strong>144</strong></td>
<td><strong>539</strong></td>
</tr>
</tbody>
</table>

Source: Primary Data

A maximum of 26.53 per cent of the total units have a monthly production of Rs.1.5 lakhs to Rs.2.0 lakhs. It is followed by 24.30 per cent to the total units which are producing a monthly production of Rs.1.0 lakhs to Rs.1.5 lakhs. The number of units producing more than 2 lakhs worth of products constitutes 20.78 per cent of the total, whereas the number of units producing less than 0.5 lakhs per month constitutes 12.24 per cent of the total. The most important level of monthly production of the small firms are Rs.50,000 – 1,00,000 and less than Rs.50,000, whereas in the medium firms, these are Rs.1.0 lakhs to 1.5 lakhs and Rs.1.5 lakhs to 2.0 lakhs. In the case of large firms, these two levels of monthly production are Rs.1.5 lakhs to 2.0 lakhs and above 2 lakhs.
Number of Finance Personnel Working in the Units

The units may have a separate finance department. The number of finance personnel working in the units is the major determinant factor of the implementation of financial management practices in the units. Hence, an attempt has been made to observe the number of finance personnel working in the units. In the present study these are confined to none, one, two, three and more than three. The respondents are asked to mention the number of finance personnel working in their units. Based on the answer, the number of finance personnel working in the units is illustrated in Table 3.21.

**TABLE 3.21**
The Number of Finance Personnel Working in the Units

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Number of finance personnel</th>
<th>Number of units in</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Small firm</td>
</tr>
<tr>
<td>1</td>
<td>None</td>
<td>83</td>
</tr>
<tr>
<td>2</td>
<td>One</td>
<td>110</td>
</tr>
<tr>
<td>3</td>
<td>Two</td>
<td>20</td>
</tr>
<tr>
<td>4</td>
<td>Three</td>
<td>-</td>
</tr>
<tr>
<td>5</td>
<td>More than Three</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>213</td>
</tr>
</tbody>
</table>

Source: Primary Data.
In total, 15.39 per cent of the units are not having a separate finance personnel in their units. They all belong to small firms. As a maximum of 32.65 per cent of the units have only one finance personnel in their units followed by 30.24 per cent of the units which have two finance personnel in their units. The number of units which has more than three finance personnel in their units contributes 5.38 per cent to the total. The most important number of finance personnel working in small firm is ‘one’, whereas in medium and large firm, this is ‘Two’.

**Financial decision making pattern in the units**

The financial decision making pattern represents the person who will take the financial decision in the units. The financial decision may be taken by the owner himself or he may consult others to take the decision. Since the decision making pattern in financial activities is more important, the present study has made an attempt to reveal the decision making pattern in the units. The decision making patterns are confined to self, self with accountant, self with family members, self with financial analyst and partners. The distribution of respondents on the basis of their decision making pattern is shown in Table 3.22.
TABLE 3.22
Financial Decision making Pattern in the Units

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Decision making pattern</th>
<th>Number of units in</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Small firm</td>
</tr>
<tr>
<td>1</td>
<td>Self</td>
<td>65</td>
</tr>
<tr>
<td>2</td>
<td>Self with Accountant</td>
<td>32</td>
</tr>
<tr>
<td>3</td>
<td>Self with family members</td>
<td>27</td>
</tr>
<tr>
<td>4</td>
<td>Self with financial analyst</td>
<td>9</td>
</tr>
<tr>
<td>5</td>
<td>Partners</td>
<td>80</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>213</td>
</tr>
</tbody>
</table>

Source: Primary Data.

In total, 25.05 per cent of the total respondents take the self decision in all financial aspects, whereas 28.94 per cent to the total respondents take the decision along with their partners. The other two important decision making patterns are self with accountant and self with financial analyst which constitute 17.63 and 16.14 per cent of the total respectively. The most important decision making pattern in small firms is self whereas in medium firms, it is self with accountant. In the case of large firm, it is self with financial analyst.