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CHAPTER 5

ANALYSIS OF PROBLEMS OF RUBBER PRODUCERS’ SOCIETIES

There are a number of problems faced by RPS. These problems act as serious hindrances in the working of RPS. Of these the most pertinent problems are considered for analysis.

5.1 MANAGEMENT (BODs)

5.1.1 Reasons for Administrative Problems

Administrative problems are the problems arising while managing the affairs of Rubber Producers’ Societies. These problems act as bottlenecks in the smooth conducting of the activities of Rubber Producers’ Societies.

![Reasons cited for Administrative problems](image)

- **Lack of co-operation**: 35 Reasons Cited, 200 Total RPS
- **Poor Planning**: 124 Reasons Cited, 200 Total RPS
- **Insufficient accommodation**: 68 Reasons Cited, 200 Total RPS
- **Lack of support**: 12 Reasons Cited, 200 Total RPS
Poor running and insufficient accommodation are the major causes of administrative problems. Lack of co-operation and lack of support from Rubber Board in very few cases are the other reasons. The major causes can be avoided by Rubber Producers’ Societies themselves provided they act in the best interests of Rubber Producers’ Societies.

5.1.2. **Efficiency of Management**

Efficiency of management determines the services of Rubber Producers’ Societies. Efficiency depends on many important factors.

![Efficiency of Management](chart.png)

**F 53**

Only 10% of Rubber Producers’ Societies have management with managerial skill, 23% having communication skills. The overall picture is that most of the Rubber Producers’ Societies do not have efficient management, which reflects in their performance and results.
5.1.3 **Difficulty of Credibility**

Credibility of the Board Members is imperative for the development of Rubber Producers’ Societies. Credibility indicates the degree of reliability and integrity.

79% of Rubber Producers’ Societies have credible management and only 21% lack credibility. Non-credibility trends have adverse effect on the performance of Rubber Producers’ Societies.

5.1.4 **Difficulty of Time for RPS**

It is essential for the success of Rubber Producers’ Societies that the persons at the helm of affairs must have sufficient time to carry out the managerial activities. How much reasonable time the Board of Directors devote to Rubber Producers’ Societies activities is a matter for analysis.
In 64% of Rubber Producers’ Societies, the Board of Directors find sufficient time for managerial performance while 36% of Rubber Producers’ Societies have Board of Directors with no or less time to devote to Rubber Producers’ Societies activities. This is a serious situation and steps should be taken to ensure that Board of Directors undertake Rubber Producers’ Societies activities timely and seriously.

5.1.5 Lack of Self Commitment

The need for commitment to work cannot be over-emphasized. It is essential for the development of any system.
Only Board of Directors of 25% Rubber Producers’ Societies have self-commitment to implement new schemes and ideas. 75% of Rubber Producers’ Societies have Board of Directors who have no such commitment. This shows an undesirable trend and hinders most of the developmental activities of Rubber Producers’ Societies.

5.1.6 **Lack of Service Attitude**

The attitude of Board of Directors towards rendering of services is another aspect which needs consideration.
64% of Rubber Producers’ Societies have Board of Directors with service attitude in mind while 36% of Rubber Producers’ Societies Board of Directors lack the required service attitude. The lack of service attitude in Board of Directors affect adversely the smooth functioning of Rubber Producers’ Societies.

5.1.7 Lack of General Skill

It is important that the Board of Directors possess the skill to identify the infelt need of the service area. This skill contributes to the progress of Rubber Producers’ Societies.
Only 72% of Rubber Producers’ Societies have Board of Directors possessing the required general managerial skills and it affects favourably in the services provided by Rubber Producers’ Societies in the service area. Rubber Producers’ Societies having Board of Directors with no such identifying skills do not provide any extra services in the area. Certain services, which can be provided by Rubber Producers’ Societies, are in great demand.

5.1.8 Lack of Marketing Skill

Marketing skills are required to market the rubber products at reasonable prices and to do all the activities related to marketing.

78% of Rubber Producers’ Societies have Board of Directors possessing the required skill of marketing which help them in enhancing the results from marketing efforts. Those Rubber Producers’ Societies having Board of Directors who are lacking the general marketing skills lag in the marketing efforts resulting in the inefficiency of marketing activity.
5.1.9 Lack of Sense of Co-Operation for Social Achievements

Social achievements are possible for Rubber Producers’ Societies if there is a sense of co-operating among the Board of Directors of Rubber Producers’ Societies. Social achievements enhance the quality of management of Rubber Producers’ Societies.

F 60

31% of Rubber Producers’ Societies have Board of Directors who have the sense of co-operation for social achievements and the Rubber Producers’ Societies enjoy goodwill and co-operation of the people in their service area. However, majority of Rubber Producers’ Societies, 69% do not have Board of Directors possessing the quality of co-operation for social achievements. This results in loss of goodwill and co-operation from the people around.
5.1.10 Ability to Speak Effectively in Public

Ability to speak effectively in public is a quality that is desirable for Board of Directors of Rubber Producers’ Societies. Communication skills are necessary for effective management.

![Effective public speaking skills](image)

Majority of Board of Directors of Rubber Producers’ Societies have the ability to speak fluently in Malayalam in the public use and they are able to communicate and interact with others without extra effort. Only 11% of Rubber Producers’ Societies have Board of Directors who find it difficult to speak in public. They most often try to avoid situations which call for public speech.

5.1.11 Confidence to Participate in Public Affairs

Confidence to appear in public and to participate in public affairs is not an uncommon quality of a person. Board of Directors of Rubber Producers’ Societies are expected to participate in public affairs on behalf and in the name of Rubber Producers’ Societies.
52% of Rubber Producers’ Societies have Board of Directors who are ready to participate in public affairs. They are confident to interact with the community which they serve. 48% of Rubber Producers’ Societies have Board of directors who have no required confidence to take part in public affairs. They try to avoid such occasions.

5.1.12 **Ability to Integrate Different Agencies Operating in the District**

Co-ordination is an important function of management. Integration of various service agencies is essential to promote developmental activities of Rubber Producers’ Societies.
Only 55% of Rubber Producers’ Societies have Board of Directors who are able to integrate the agencies in their district for the common good of their Rubber Producers’ Societies. Development is ensured by this integration. But 45% do not involve in any such co-ordination of various service agencies. This results in lacking of latest and advanced information about the various aspects of rubber.

5.1.13 Co-operation with the Members

Co-operation among the RPS members is a fundamental condition of either the functioning or success of RPS. The nature of co-operation of BOD determines the attitude of the management.
65% of RPS have BODs who co-operate with members in the functioning of RPS while 35% do not have the co-operative attitude. The non co-operative attitude of BOD makes the management of RPS very difficult and this hinders the development of RPS.

5.1.14 Initiatives taken to Ensure Networking with Other Organizations

A network relationship of Rubber Producers’ Societies with other related organizations is essential for the sustained growth and development of Rubber Producers’ Societies. Board of Directors are responsible to create and maintain the relationship.
Board of Directors of 53% of Rubber Producers’ Societies do take initiative and steps to have networking with other organizations, while the Board of Directors of remaining Rubber Producers’ Societies do not take any initiative in this respect. The benefits from the interaction with other similar organization cannot be derived by about 47% of the Rubber Producers’ Societies. This will adversely affect the growth of RPS.

5.1.15 **Ability to Mobilise Funds Through Political Contacts**

Mobilization of necessary funds is fundamental to the running and success of Rubber Producers’ Societies. Board of Directors are the authority to do this important task.

Only Board of Directors of 11% of Rubber Producers’ Societies do have the skill for mobilizing funds though their political contact. Majority of Board of Directors have no political contact and hence they cannot raise the funds in this manner.
5.1.16. **Attention to Selected Problems and Issues at Local Level**

Problems and issues arise at local level. How far the Board of Directors involve in those issues is a matter for analysis.

Upon analysis, about 22% of Rubber Producers’ Societies attend certain selected problems and issues arising at local level. They are able to settle most of the issues. The majority of Board of Directors do not involve in local issues and hence they are relieved from such issues. Local support is lacking for those Rubber Producers’ Societies.

**5.2. MEMBERS**

**5.2.1 Awareness of Collective Achievements**

Members of Rubber Producer’s Societies are the owners as well as the beneficiaries of the societies. They are responsible for the success or failure of the societies. They should be aware of all activities of the societies.
T 72. Awareness of the Collective Achievements of the RPS Functions

<table>
<thead>
<tr>
<th>Nature</th>
<th>No: of RPS</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Lacking</td>
<td>170</td>
<td>85</td>
</tr>
<tr>
<td>Lacking</td>
<td>30</td>
<td>15</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>100</td>
</tr>
</tbody>
</table>

Majority of the members of Rubber Producer’s Societies under study (85%) are aware of the collective achievements made by Rubber Producer’s Societies. Such Rubber Producer’s Societies are heading towards the right direction. However, 30 Rubber Producer’s Societies have majority members who are not much aware of the collective achievements. They lack proper information about the benefits they derive from the Rubber Producer’s Societies.
5.2.2 **Commitment and Faith**

Mutual trust and confidence among members are the corner stones of success of any co-operative society. All the members are obliged to this important condition.

**T 73. Commitment and Faith Towards Fellow beings of members**

<table>
<thead>
<tr>
<th>Nature</th>
<th>No: of RPS</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Lacking</td>
<td>156</td>
<td>78</td>
</tr>
<tr>
<td>Lacking</td>
<td>44</td>
<td>22</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>200</td>
<td>100</td>
</tr>
</tbody>
</table>

Only 78% of Rubber Producer’s Societies have majority members who are committed to the Rubber Producer’s Societies and who are faithful and loyal to the fellow members. 22% of Rubber Producer’s Societies have members the majority of whom lack commitment and faith towards the fellow beings. This shows the necessity of proper education to be given to the members about the value of cohesion and co-operation.
5.2.3 **Feelings of Political Affinity**

Political affinity of Rubber Producer’s Societies brings both merits and drawbacks. It may hinder or accelerate the pace of growth of Rubber Producer’s Societies.

Only 12% of Rubber Producer’s Societies have majority members who have the feelings that their Rubber Producer’s Societies have political affinity which is not good to the society. 88% of Rubber Producer’s Societies do not have any political affinity and hence they do not have any pressure or influence on activities of their Rubber Producer’s Societies. Thus political affinity is not supported and favoured by majority Rubber Producer’s Societies.
5.2.4. **Infrastructure**

Proper infrastructure is an important pre-condition for the smooth and successful achievements of the objective of Rubber Producer’s Societies. The presence of proper infrastructure is an inevitable factor leading to confidence of members.

![Proper infrastructure for procurement](image)

69% of the Rubber Producer’s Societies have members who have the feelings that Rubber Producer’s Societies lack proper infrastructure for the procurement of procedures. They feel that this disadvantage has an adverse influence on the smooth flow of the activities of Rubber Producer’s Societies. 31% of Rubber Producer’s Societies have proper infrastructure and hence the members are confident about the Rubber Producer’s Societies to procure necessary produce from the member growers. Thus the availability of proper infrastructure has favourable influence on the confidence of the members of Rubber Producer’s Societies.
5.2.5. **Delayed Payment of the Produces**

Payment in time for the produce supplied by the Rubber Producer’s Societies members is an important factor that should be taken care of. All the members favour such a system.

85% of the Rubber Producer’s Societies have majority members who have the difficulty of getting their payment delayed from the Rubber Producer’s Societies. The financial problems of such members are further aggravated by the delayed payment from the Rubber Producer’s Societies for their produce. 15% of Rubber Producer’s Societies do not find any difficulty in making payment to the members in time for their produce. Thus, the payment system of majority Rubber Producer’s Societies affect the members unfavourably.
5.2.6  **Lack of Financial Resources to Settle the Accounts**

Sufficiency of financial resources is the most desirable condition for any organization. Financial resources determine the rate of growth of the organization.

![Lack of financial resources chart]

66% of Rubber Producer’s Societies with its members do not have any difficulty of lack of financial resources to settle the accounts. The accounts are settled in time due to the availability of necessary financial resources. 34% of Rubber Producer’s Societies have the difficulty of lack of financial resources of Rubber Producer’s Societies to settle their accounts. They opine that if financial resources are sufficient, the Rubber Producer’s Societies will be able to settle their accounts without difficulty. Thus insufficient financial resources hinder the smooth settlement of accounts of members of 68 Rubber Producer’s Societies.
5.2.7 Attending the Meetings Regularly

Meetings are important for the members of Rubber Producer’s Societies since they help to get valuable and up to date information about the various activities of Rubber Producer’s Societies. Attending such meetings by members are thus imperative.

F 74

51% of the Rubber Producer’s Societies have members the majority of which attend the meeting regularly. They do not find any difficulty in attending the meeting regularly. They appreciate the importance of attending the Rubber Producer’s Societies meetings. 49% of the Rubber Producer’s Societies do not have members regularly attending the meetings. Such members find many difficulties in attending the meetings regularly. The members absent from meetings do not get reliable and current information about the various activities of the Rubber Producer’s Societies. Thus although majority of members attend Rubber Producer’s Societies meeting regularly, many a number of members do not regularly attend the Rubber Producer’s Societies meeting.
5.2.8. **Lack of Ability of BOD to Resolve Disputes and Non-Co-operativeness Among Members**

The harmony among the Rubber Producer’s Societies members is preserved by the appropriate actions of Board of Directors. Board of Directors has important role to play in this regard.

59% of Rubber Producer’s Societies have members having the feeling that Board of Directors have the ability and hence efficient to resolve disputes and non-co-operativeness among members. In times of crisis, the Board of Directors take immediate and appropriate action. However, 41% of Rubber Producer’s Societies under study have members who complaint about the inefficiency and inability of BOD to tackle and resolve the problems between the members. According to the members, Board of Directors find it difficult to resolve the disputes and non-affinity among the members. Thus a good number of Rubber Producer’s Societies has Board of Directors who are less efficient in solving the problems among the Rubber Producers’ Societies members.
5.2.10. **Commitment, control or Efficiency in the Functioning of RPS**

Commitment, efficiency and control are the very essential ingredients for the success of RPS. The members must have these qualities for the successful achievement of the objectives of RPS.

**Commitment, control and efficiency of RPS**

62% of RPS have members who generally agree to the necessity of these qualities that should be possessed by them for the benefit of RPS. They state that only such RPS will succeed in their venture. 38% of RPS do not feel the impact of commitment, control and efficiency on the successful functioning of RPS.

### 5.3 **FINANCIAL PROBLEMS**

Mobilization of necessary funds is very essential for the proper functioning of Rubber Producer's Societies. Funds are mobilized in a number of ways. The nature of mobilizing funds from various sources are analyzed below:
5.3.1. **Borrowed Funds**

Borrowed funds constitute an important source of funds. Funds are borrowed when it becomes necessary from members and other institutions.

**T 74. Borrowed Funds**

<table>
<thead>
<tr>
<th></th>
<th>No of RPS</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Difficulty</td>
<td>108</td>
<td>54</td>
</tr>
<tr>
<td>Difficulty</td>
<td>92</td>
<td>46</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>200</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

108 Rubber Producer’s Societies constituting 54% do not find any difficulty in mobilizing borrowed funds. While 92 Rubber Producer’s Societies comprising 46% find it difficult in mobilizing borrowed funds. The Board of Directors of 92 Rubber Producer’s Societies do not take initiative in getting the required funds from outside sources. Thus, borrowed funds cannot be considered as a common source of funds in all Rubber Producer’s Societies under study.
5.3.2 Mobilizing Society’s Own Funds

T 75. Mobilizing Society’s Own Funds

<table>
<thead>
<tr>
<th></th>
<th>No of RPS</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Difficulty</td>
<td>184</td>
<td>92</td>
</tr>
<tr>
<td>Difficulty</td>
<td>16</td>
<td>8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>200</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

184 Rubber Producer’s Societies covering 92% mobilize own funds. Own funds include retained earning, reserves and funds for general purposes etc. these Rubber Producer’s Societies have necessary own funds for meeting contingencies, if any, 8% of Rubber Producer’s Societies ie, Rubber Producer’s Societies do not have facility of mobilizing own funds because of insufficient general surplus and reserves at their disposal. Thus a vast majority of Rubber Producer’s Societies raises own funds in case of necessity.
5.3.3 Assistance from Rubber Board

T 76. Assistance from Rubber Board

<table>
<thead>
<tr>
<th></th>
<th>No of RPS</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Difficulty</td>
<td>192</td>
<td>96</td>
</tr>
<tr>
<td>Difficulty</td>
<td>8</td>
<td>4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>200</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

F 79

96% of Rubber Producer’s Societies including 192 Rubber Producer’s Societies get financial assistance in various forms from Rubber Board. Rubber Board has a number of schemes which give financial assistance to RPS. Majority of the Rubber Producer’s Societies utilized the schemes and assistance from Rubber Board. 8 Rubber Producer’s Societies in number constituting 4% of the total do not get assistance from Rubber Board due to technical reasons. Assistance from Rubber Board, thus, is an important source of funds raising schemes for Rubber Producer’s Societies.
5.3.4. Mobilizing Annual Membership Subscription Fee

T 77. Mobilizing Annual Membership Subscription Fee

<table>
<thead>
<tr>
<th></th>
<th>No of RPS</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Difficulty</td>
<td>176</td>
<td>88</td>
</tr>
<tr>
<td>Difficulty</td>
<td>24</td>
<td>12</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>100</td>
</tr>
</tbody>
</table>

F 80

176 RPS do not find any difficulty in collecting the annual subscription fee from members. These RPS collect the fee regularly within a prescribed period of time. However 12% of RPS find it difficult to collect the annual subscription fee on a regular basis. Majority of the members of these RPS do not realize the importance and need of mobilizing funds by their RPS.
5.3.3 Donations from Members

T 78. Donations from Members

<table>
<thead>
<tr>
<th></th>
<th>No of RPS</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Difficulty</td>
<td>24</td>
<td>12</td>
</tr>
<tr>
<td>Difficulty</td>
<td>176</td>
<td>88</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>200</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Rubber Producer’s Societies covering 12% of total Rubber Producer’s Societies generate a portion of funds from donations from members. Depending upon the financial capacity of the members, the amount of donation vary from Rubber Producer’s Societies to Rubber Producer’s Societies. It is also found that such Rubber Producer’s Societies can meet certain important expenses from such donations. However, 88% of Rubber Producer’s Societies do not entertain the
They state that the members should not be given heavy financial burden for carrying out the activities of the Rubber Producer’s Societies. Instances of donations by the members can be noted in some of these Rubber Producer’s Societies, but since the amount and the frequency of donations, are included in the difficult category.

### 5.3.6 Loan from Members

**T 79. Loan from Members**

<table>
<thead>
<tr>
<th></th>
<th>No of RPS</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Difficulty</td>
<td>18</td>
<td>9</td>
</tr>
<tr>
<td>Difficulty</td>
<td>182</td>
<td>91</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>200</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

**F 82**
18 Rubber Producer’s Societies comprising 9% of total Rubber Producer’s Societies raise loan from some of their members at the rate of normal bank interest. Financially sound members of these Rubber Producer’s Societies are willing to provide financial assistance to Rubber Producer’s Societies by way of loan. The period of loan normally do not exceed two years. 182 Rubber Producer’s Societies do not raise loan from their members. Members are either reluctant or unable to provide loan to Rubber Producer’s Societies. Thus majority of Rubber Producer’s Societies have to find other sources of funds.

5.3.7 Raising Funds Through Bank Loan

T 80. Bank Loan

<table>
<thead>
<tr>
<th>Nature</th>
<th>No of RPS</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Difficulty</td>
<td>126</td>
<td>63</td>
</tr>
<tr>
<td>Difficulty</td>
<td>74</td>
<td>37</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>100</td>
</tr>
</tbody>
</table>

![Raising Loan from Bank](image)
126 Rubber Producer’s Societies covering 63% of total raise loan from banks in case of need. Rubber Producer’s Societies provide available security for the loan. Most of the loans are of short-term period. Almost regular repayments are made by Rubber Producer’s Societies. 74 Rubber Producer’s Societies do not raise any loan from banks. Most of them do not have either the requisite security or the need for the loan. These Rubber Producer’s Societies find their required finance from other sources.

### 5.3.8 Financial support from Government and Non-Government Agencies

Only 11 Rubber Producer’s Societies get financial assistance from Government and Non-Governmental agencies while 189 Rubber Producer’s Societies do not have financial support from government agencies. The reasons for not seeking the support include difficult procedural formalities, tough terms and conditions, shortage of time etc. Thus the majority of Rubber Producer’s Societies do not raise funds from governmental and non-governmental agencies.
5.4 PROBLEMS OF COLLECTION PROCESSING AND MARKETING OF RUBBER PRODUCE

5.4.1 Supply of Rubber Produce

It is compulsory for every member of RPS to market his rubber produced through the society at least up to a minimum quantity equivalent to 750 kg of DRC per hectare per year as per the bye-law of RPS.

<table>
<thead>
<tr>
<th>Regularity in supply</th>
<th>No. of RPS</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular Supply</td>
<td>112</td>
<td>56</td>
</tr>
<tr>
<td>Irregular Supply</td>
<td>88</td>
<td>44</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>100</td>
</tr>
</tbody>
</table>

It is seen that only members of 56% of the RPS regularly supply at least the minimum stipulated quantity of rubber to the societies. Members of 88 societies are not regular in supplying rubber for marketing through RPS. The members of irregular societies market their rubber through other agencies. Thus it can be concluded that the purpose of forming RPS by RB is not served in all the 200 societies under study.

5.4.2 Processing of Latex

Group Processing centre is essential for processing the latex into ribbed smocked sheets. Heavy investment is required to establish Group Processing Centres.
Although 170 RPS have the active proposals of establishing GPC, only 20% of RPS have their own GPC with the help of which they can very conveniently and efficiently convert latex into sheets which can be sold in market at competitive prices. 80% of RPS do not have the GPC system which results in the marketing of latex as such by the members who are unable to get the best prices for their products.

5.4.3 Trading with the Rubber Board Trading Companies

Rubber Board Trading companies are engaged in marketing of latex and rubber merchandises. They usually provide marketing assistance to Rubber Producer’s Societies.

Dealing with RB Trading Cos

![Pie chart showing the distribution of difficulty in dealing with RB Trading Companies]
189 Rubber Producer’s Societies find no difficulty in dealing with Rubber Board Trading Companies. The produce of Rubber Producer’s Societies are marketed on a regular basis by these companies. Rubber Producer’s Societies get reasonable prices for their produces. Only about 5% of Rubber Producer’s Societies find difficulty in dealing with the trading companies. These Rubber Producer’s Societies do not take proper care in dealing with them. Thus it can concluded that almost all Rubber Producer’s Societies under study have good dealings with the Trading Companies in marketing the produce of Rubber Producer’s Societies with the exception of a very few.

5.4.4 Dealing with Private Dealers

It becomes necessary for Rubber Producing Societies to deal with private dealer for marketing of the produce. Private dealers are those intermediaries who conduct business in the private sectors.
95% of Rubber Producing Societies do not find any difficulty in dealing with the private dealers while 5% of Rubber Producing Societies consider it difficult to deal with them. Unstable prices, changing terms and conditions etc. are some of the difficulties faced by the Rubber Producing Societies from private dealers.

5.4.5. Trading with Marketing Societies/ Federation

Majority of the RPS, about 96% have no difficulty in trading with the marketing societies. Only a negligible 4% do have some sort of problems of trading with marketing societies.

5.4.6 Transporting Facility

Transportation facility is very necessary for the smooth marketing activities of Rubber Producing Societies.
F 88

98% of the Rubber Producing Societies do have transport facilities which help them to carry out the marketing activities. Only a 2% of total Rubber Producing Societies have problems of transportation which include high hire charges, non-availability, irregularity etc.

5.4.7. **Holding Stock**

The latex and sheet procured by Rubber Producing Societies from the member growers have to be stored in corporate places. Storage facility is very essential for Rubber Producing Societies.
T 84. Holding Stock

<table>
<thead>
<tr>
<th>Nature</th>
<th>No of RPS</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Difficulty</td>
<td>181</td>
<td>90.5</td>
</tr>
<tr>
<td>Difficulty</td>
<td>19</td>
<td>9.5</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>100</td>
</tr>
</tbody>
</table>

90.5% of Rubber Producing Societies do not find any difficulty with respect to storage items. Sufficient arrangements for storage exist in those Rubber Producing Societies. However, 9.5% of Rubber Producing Societies do not have own storage facility and hence they find very difficult to balance the supply and demand quantities of rubber produce.
5.5. OTHER PROBLEMS

5.5.1 Location of RPS in Concentrated Area

The location of RPS is a factor to be considered while evaluating its functions. The pattern of location of RPS is given below:

T 85. Location of RPS in Concentrated Area

<table>
<thead>
<tr>
<th>Nature</th>
<th>No of RPS</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Concentrated Area</td>
<td>168</td>
<td>84</td>
</tr>
<tr>
<td>Urban Area</td>
<td>32</td>
<td>16</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>100</td>
</tr>
</tbody>
</table>
84% of the Rubber Producer’s Societies are located in concentrated area. These Rubber Producer’s Societies enjoy a number of advantages of suitable location. But 16% of Rubber Producer’s Societies are located in urban area which make them not easy as for Rubber Producer’s Societies located in concentrated area. The urban located Rubber Producer’s Societies find it difficult in marketing storage and processing activities.

5.5.2. **Geographical Barriers**

Geographical barriers hinder the smooth performance of Rubber Producer’s Societies. Hence it is important to analyse the barriers to be faced by Rubber Producer’s Societies geographically.

<table>
<thead>
<tr>
<th>Nature</th>
<th>No of RPS</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Present</td>
<td>25</td>
<td>12.5</td>
</tr>
<tr>
<td>Absent</td>
<td>175</td>
<td>87.5</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>100</td>
</tr>
</tbody>
</table>
Geographical barriers are present in 25 Rubber Producer’s Societies covering 12.5% of total Rubber Producer’s Societies while 87.5% of Rubber Producer’s Societies do not face any geographical barriers. The geographical barriers are due to the peculiarities of the place where Rubber Producer’s Societies are located.

5.5.3 Tappable Area

Area of tapping determines the volume of business activities of Rubber Producer’s Societies. The larger the area, the bigger will be the volume of business.
72% of total Rubber Producer’s Societies have sufficient area for tapping by the member growers. This is an indication of reasonable volume of day to day business activities of Rubber Producer’s Societies. Sufficiency of tappable area also help to increase the efficiency of Rubber Producer’s Societies. However, 28% of Rubber Producer’s Societies do not have member growers having sufficient tappable areas. The insufficiency in the area give rise to a number of problems for such Rubber Producer’s Societies which include difficulties in marketing, processing and infrastructure. The service to the members cannot be rendered effectively by such Rubber Producer’s Societies.
5.5.4 **Active Participation of BODs in Meetings**

It is the primary duty of Board of Directors to take active participation in Board meetings. Decisions for carrying out the activities of Rubber Producer’s Societies are taken in such meetings. Hence such meetings are important.

**T 88. Active Participation of BODs in meetings**

<table>
<thead>
<tr>
<th>Nature</th>
<th>No. of RPS</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participation</td>
<td>28</td>
<td>14</td>
</tr>
<tr>
<td>Non-participation</td>
<td>172</td>
<td>86</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>200</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Only 28 Rubber Producer’s Societies have Board of Directors taking active participation in their meetings. They are regular in attending the meetings the result of which is that the performance of such Rubber Producer’s Societies are very effective in achieving the objectives. But 86% of the Rubber Producer’s Societies has Board of Directors showing no active participation in their meeting. They put forward a number of reasons for the non-participation in the meeting. This attitude thus adversely affect the working of Rubber Producer’s Societies.
5.5.5 Reasons for no Active Participation

Reasons for no active participation of Directors in meetings are analysed as follows:

86% of total Rubber Producer’s Societies have Board of Directors who have no active interest in participating their vital Board meetings, while 67.5% of Rubber Producer’s Societies have Board of Directors who complaint about the heavy work load for not attending the meetings and 145 Rubber Producer’s Societies have Board of Directors who admit their lack of professionalisation. Since these persons act as Board of Directors according to the Bye-laws of Rubber Producer’s Societies, the reasons noted by them for non-participation on Board of Directors meetings cannot be taken for granted. They should be responsible for their Rubber Producer’s Societies.
5.5.6 Implementation of New Schemes and Innovative ideas in RPS

Introducing New Schemes and innovative ideas facilitate growth and development of Rubber Producer’s Societies. Initiative have come from Board of Directors or from the lower levels of management.

T 89. Implementation of New Schemes and Innovative Ideas in RPS

<table>
<thead>
<tr>
<th>Nature</th>
<th>No of RPS</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing</td>
<td>80</td>
<td>40</td>
</tr>
<tr>
<td>Not implementing</td>
<td>120</td>
<td>60</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>200</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Only 40% of Rubber Producer’s Societies introduce novel schemes and innovative ideas into the administration of their Rubber Producer’s Societies. The result is evident in the better performance of Rubber Producer’s Societies in many respects. New life is added to these Rubber Producer’s Societies quit often. But 120 Rubber Producer’s Societies do not implement any new and better schemes.
The Board of Directors have no active interest in bringing in new ideas or schemes. The progress of these Rubber Producer’s Societies is at a slower pace when compared to the progress of the 40% of Rubber Producer’s Societies. It can be concluded that majority of Rubber Producer’s Societies are reluctant in implementing new schemes and innovative ideas for better performance.

5.5.7 Reasons for not Implementing Innovative Ideas and Schemes

These are many reasons given by Board of Directors for not implementing new schemes and innovative ideas. The most important reasons are analysed below.

<table>
<thead>
<tr>
<th>Reasons</th>
<th>No. of RPS</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of professional capabilities of BOD</td>
<td>120</td>
<td>60</td>
</tr>
<tr>
<td>Lack of skill to identify infelt needs of the area by BOD</td>
<td>40</td>
<td>20</td>
</tr>
<tr>
<td>Lack of sense of co-operation among BODs for social achievements</td>
<td>20</td>
<td>10</td>
</tr>
<tr>
<td>Lack of infrastructure</td>
<td>20</td>
<td>10</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>100</td>
</tr>
</tbody>
</table>

60% of Rubber Producer’s Societies have Board of Directors who lack professional capabilities which are essential for creating new and innovative ideas. 20% of Rubber Producer’s Societies have Board of Directors who have no skill at all in identifying the felt needs of the area of operation of Rubber Producer’s Societies. Only when the needs are identified that the means to satisfy such needs
can be searched. 20V have Board of Directors who do not favour social achievements. They do not co-operate in formulating new ideas and schemes for the upliftment of needy sections of the society. Finally 10% of Rubber Producer’s Societies are unable to introduce new plans due to lack of necessary infrastructure of Rubber Producer’s Societies. Adequate infrastructure facilities new thoughts, schemes and ideas to be introduce in Rubber Producer’s Societies.

5.5.8 Maintaining of Accounts

Maintaining Accounts in Rubber Producer’s Societies is very essential for ascertaining the financial performance of Rubber Producer’s Societies. Accurate and up-to-date financial information is the outcome of reliable maintenance of accounts.

<table>
<thead>
<tr>
<th>Nature</th>
<th>No. of RPS</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Problem</td>
<td>70</td>
<td>35</td>
</tr>
<tr>
<td>Problem exists</td>
<td>130</td>
<td>65</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>100</td>
</tr>
</tbody>
</table>

35% of Rubber Producer’s Societies surveyed do not have any problems in keeping accounts. They record the transactions in time, analyse them and prepare final accounts at appropriate time on a regular basis. But 65% of the Rubber Producer’s Societies do not have proper accounting system and they fail to prepare financial statements in time. It is inferred that majority of Rubber Producer’s Societies do not keep proper accounts and hence they do not get reliable financial information in time.