PREFACE

The operations system of a business organisation utilises resources like land, capital, men, technology and information to provide the desired output for earning profits and satisfying the customer's needs. High profits may be earned by investing more and more only if money is no bar and proper utilisation of the resources is not a matter of concern. Customer's satisfaction, on the other hand, may be achieved by producing the product of desired quality at a reasonable price.

But organisations operating in a competitive and dynamic business environment cannot afford to achieve these two goals without proper utilisation of the scarce resources and coping with the technological upgradation. It is for this purpose that managers should define, measure, monitor, and improve their organisations' performance and competitiveness.

Productivity is that criterion of performance which not only indicates a system's own progress but also compares it with that of the competitors over time. The term productivity refers to "doing right things well" and is generally expressed as the ratio of output to input.

The present work is a study of small-scale industrial units (SSIs) in Uttar Pradesh from the productivity management viewpoint.
In the Indian context, where the typical problems are of a large population, under-employment and unemployment, SSIs are generally accepted as a viable media to adopt labour-intensive means of production. This sector has also proved its worth by contributing about 42 per cent in overall production, 35 per cent in exports, and 30 per cent to employment generation. It is, therefore, felt that SSIs functioning be improved consistently.

The topic of the proposed research has thus been decided as "Productivity Improvement in SSIs through Financial Incentives to Workers".

The study aims at probing into the awareness of SSIs about the importance, measurement and improvement of productivity. The role of incentives, particularly financial incentives, to workers in productivity improvement is then studied.

The thesis is comprised of four main chapters followed by bibliography and appendices.

The first chapter introduces productivity from various perspectives and in different contexts, its measurement and improvement, and benefits of improved productivity. Incentives, in general, and financial incentives, in particular, are also described in this chapter as an important management tool for productivity enhancement.
The second chapter presents the literature review in its first section followed by the objectives of the study, its methodology and the limitations. Relevant findings and excerpts of the literature reviewed are classified and presented with the aim of identifying the research gap. Need for studying the present issue is then briefly explained before specifying the objectives. A comprehensive note on the research guidelines, its methodology, and the limitations conclude this chapter.

Analysis and interpretation of the data is presented in the third chapter. The chapter is divided into seven sections according to the issues under study and the classification of data. The first six sections consist of direct analysis, as well as, analysis based on cross-classification of relevant data using statistical tests. The last section deals with the interpretation of the respondents' views on productivity-related issues.

The fourth chapter contains the findings of the present study, discussions on the statistical investigations, the concluding observations, and the directions for future research.

At the end is provided the bibliography followed by appendices to complete the thesis.