# Chapter 7
## Conclusion

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7.1 INTRODUCTION

This chapter provides the summary of findings of the main study with inferences and implications for SME in Anand and Kheda district. The findings provide existing pattern of communication techniques and technologies used by these SMEs. The chapter summarises what traditional and modern communication tools for internal and external communication are used by these SMEs. It also highlights the importance of communication techniques and technologies for these SMEs elaborating benefits of effective communication for managers and employees. It also concludes the overall findings of the study in relation to the objectives of the study and provides a scope for further research along with suitable suggestions for the effective management of SME activities.

7.2 COMMUNICATION TECHNIQUES:

Success of any business is determined by the kind of communication channel adopted with internal employees and external stakeholders. The holistic approach involves a blend of all communication techniques like written, oral, non-verbal, visual and audio-visual, electronic and formal –informal face –to-face communication techniques. It is the various business situations that demand which techniques to be used for accomplishing which task. Let’s say for instance, communication with government agencies, banks etc. involves lot of written communication in terms of letters, reports, proposals etc. the most important tools for today’s business is company website which demands for lot of effective and comprehensive written communication.

The study reveals that SMEs of Anand and Kheda districts are not much professional in making use of all communication techniques equally for carrying out their business activities. The study shows that these SMEs largely rely on oral communication
technique for communicating with their employees as well as stakeholders. Written, electronic – (emails, website, Smartphone etc.) and face-to-face (formal) techniques have moderate usage. Important techniques in today’s business world like visual and audio-visual techniques, which can help them create their market visibility, are not used much. The study shows very less usage of these techniques.

If the entrepreneurs of these SMEs are made aware of how using all techniques together can help them achieve their organizational goals, then it may increase their efficiency. Today’s competitive world compels small organizations to gear up for global challenges. It is not much difficult to adopt this change. It is only a matter of being aware and designing communication plan according to their business. It is crucial for SMEs to be in touch with internal and external stakeholders by communicating constantly and effectively. Use of these techniques may help them gauge the overall picture of what is going on in the organization and what their stakeholders think about them.

### 7.3 CONTROLLED Vs. DYADIC COMMUNICATION TECHNIQUES

Good communication is the basic building-block of business development. By using both formal methods and taking informal opportunities to communicate with people manager will be able to improve the understanding of the situation and build the kind of relationships needed for successful business. Communication is a two-way process and involves listening, learning and adapting on everyone’s part. Personal behaviour and attitudes of manager will determine the quality of the communication and relationship to the people with whom he is communicating. Why, how, when and with whom you communicate should all be part of a participation strategy.

In general communication implies the minimum of two people talking to each other. Proper interaction is a two-way moment. Good managers or leaders of any
organization follow both methods: individual interaction as well as command and controlled communication. In interacting with individual workers, managers explore the name and nature of individual needs, task need and group maintenance needs that have been conceptualized as a three-circle model of group dynamics. The group leader or executive makes himself familiar of both the group and each individual and seeks to harmonize them in the service of the third factor – the common task. Here we come to the problem skills needed in various types of dyadic communication. The command and communication is based on the principle of hard skills. Whereas the communication in general is called soft skills and also called life skills which are most required in professional life.

Always giving instructions, directives, issuing work orders, constant supervision and mostly giving priority to finance in decision making are evidences of command and controlled communication. The structure of such organization is from top to bottom in the shape of pyramid. The leader at the top interacts only with the group leaders just below him; and the group leaders talk only to sub-group leaders just below them; and sub-group leaders talk to sub-leaders delegated below and so on down to the bottom. In such organization, the communication filters from top to bottom. Here the upward movement of communication is discouraged and usually not effective.

Very dynamic leader should go out of his way to establish a personal rapport and a sense of trust with by talking to each worker individually. A two-way movement is essential to keep the organization in a healthy state. Mere downward flow is like talking to a person continuously without giving him a chance to respond. It is called unilateral communication with no linkage or feedback. Without feedback there cannot be two-way communication. Gone are the days when business empires used to be created and managed only with hard skills such as planning, finance and business
decisions. These days much sought for skills are soft skills of teamwork, communication and motivation. The emergence of internet, E-Commerce and Information Technology has completely changed the landscape of skills needed in business world. These soft skills demand people who can act decisively but not arbitrarily, who can make decisions without limiting the perceived autonomy of others.

The present study shows that SMEs of Anand and Kheda district have not moulded themselves according to the present need of an hour. The large number of SMEs seems to be following one way pyramid structure of communication which follows command and control. Two-way communication is not much encouraged. Instructions are always given; likewise work orders and directives are moderately used. Finance is always a priority in decision making. Most of the workers are always under constant supervision which creates a very stringent work environment, away from work autonomy.

On the contrary, discussion forums and work groups are never created. Suggestion boxes are sometimes used that means it is totally controlled one-way communication with no scope of feedback. Similarly there is no scope for motivation as reward, especially financial; the best motivating factor is only sometimes used.

7.4 COMMUNICATION TECHNOLOGIES

The study also attempts to investigate communication technology used by SMEs of Anad and Kheda districts. To facilitate the study further the communication technologies have been classified into various categories like Information and Communication Technologies, Collaborative Technology, technology that facilitates online business transactions, social media accounts etc. The data analysis shows that
most of the SMEs use only computers and internet enabled mobile phones for carrying out their business activities. Other ICT like ERP, CRM or even customized product based software are not used. Majority of them use stand alone computer and Tally on the name of technology.

**7.5 COLLABORATIVE TECHNOLOGIES**

Collaborative Technologies facilitate several units, departments and employees work parallel saving lot of time and travel expenses. Several online free collaborative tools, including Google apps are available for small business that can facilitate daily tasks of SMEs. Except file sharing, and instant messaging no other collaborative tools are much used. The researcher informally found that file sharing, literally meant to them sending files through e-mails. And hence most of them have chosen for it but in fact, using wiki and other tools for file sharing are not at all used by these SMEs. Communication Technologies also mean online transactions for their business as well various payments to banks, government etc. The study shows that these SMEs get into online transactions for obtaining government and bank documents like tax papers or bank forms. Again it has been observed that taking online option is misunderstood and they meant it accepting product orders through e-mails. No SME has interactive website where online orders can be placed or product feedback can be offered.

Modern businesses are incapable of gaining efficiency and success without use of social media. It is sad to find such results where social media usage is the minimum.

**7.6 TOOLS USED FOR COMMUNICATION**

The SMEs of Anand and Kheda districts use a good blend of modern and traditional tools for written and oral communication. Whichever easily available tool is there, they manage to communicate with it. The study shows that majority of tasks are
carried out using letters, document files, E-mails and WhatsApp Messages. However many of them do not have their own company website which is a powerful tool to create market visibility and customer relationship management.

Similarly, most of oral tasks are carried out using smart phone and most reliable tool called face-to-face communication. Third rank is of telephonic conversation and except for those SMEs which are in export no other SMEs use video conferencing with their clients. This can be learnt from data analysis in the previous chapter.

Thus, revelations of objectives are very pessimistic. In terms of communication techniques, these SMEs are not much aware and their internal and external communication techniques sound little unprofessional.

With regard to the use of communication technologies, again these SMEs are far behind compared to large organizations in India and equally small organizations in US. The SMEs of Anand and Kheda districts have not yet started using online collaborative technologies and other ICT tools for their business. Social media tools which are very much free and having innumerable benefits are not used for some unknown reasons. This infers lackadaisical attitude of these entrepreneurs towards importance of communication for their business management.

7.7 ACHIEVEMENT OF FUNCTIONAL GOALS

The study also aims at finding out the existing communication techniques and their role in achieving various functional goals in these SMEs. It has been concluded that majority of common tasks are carried out using oral, face-to-face communication for internal matters and for most of external tasks are accomplished using telephone. Hence, their existing communication plans help them achieving operational goals. But in majority of cases it has been found that using their indigenous ways of
communication, they are not able to achieve higher functional goals like market expansion, customer retention, capital raising or even HR training and development. This leads to an inference that at present SMEs of Anand and Kheda districts do not have any sophisticated means of communication so as to reach to global market as compared to their counterparts in the countries like USA and UK. To some extent these SMEs need to adopt automation in their day-to-day business activities.

7.8 IMPORTANCE OF MANAGEMENT COMMUNICATION IN SMES OF ANAND & KHEDA DISTRICT.

Chapter one on communication as an integral part of management elaborates in detail the importance of management communication in general and chapter three on communication and SMEs provides more focused discussion on significance of communication for SMEs in today’s world.

On the basis of the findings of this study it is recommended that because of the following reasons SMEs will have to be ready for the challenges. Hence, it becomes very important for SMEs to consider management communication as a crucial factor for their success.

1. **Globalization:** with the advent of Internet the world if becoming very small and at the same time with lot of opportunities to grow vertically. SMEs by being aware on the importance of communication and using these cost-effective communication technologies can avail lot of benefits. They may find similar product being manufactured elsewhere in the world, taking expertise, knowing latest development in their field and so on. The most importantly they can display their product in the global market.

2. **Make in India Effect:** Today government is giving an open invitation to the world to come and manufacture in India, definitely there is going to be lot of
competition for SMEs to sustain. It will soon compel SMEs to look for better option to survive and grow. Communication Technologies are at great rescue in creating a niche market for them all over the world. It will also help them anticipate forthcoming changes and be prepared accordingly. If they come out of their comfort zone, it will make them realize the future problem and thereby give solution to face them. It will also create lot of internal problems in terms of qualified workforce. Hence, in case, sooner or later, SMEs will have to adapt. That’s how it is very important for SMEs towards management communication.

3. **Explore untapped Market Opportunities:** so far SMEs are managing the backward supply chain and raw material provider to the large companies in the vicinity. This is more common with SMEs engaged in job work and engineering manufacturing. They continue business with their fixed customers and do not explore the other market. Communication technology may help them explore other markets, compare prices and set quality benchmarks. It will also help them know the innovative practices of competitors in the country and abroad.

### 7.9 BENEFITS OF COMMUNICATION TECHNIQUES AND TECHNOLOGIES TO MANAGERS AND EMPLOYEES

**Benefits of Communication Technology to the Managers:**

- Effective communication between management and employees / workers
- Easy planning and setting goals
- Complete automation of all business operations
- Centrally stored information with zero redundancy
- Frequent interaction with subordinates / supervisors and workers
- Reliable update on work progress and finance management
- Better absence management
- Tracking of market trends on single window
- Collecting market data and measuring results
- Prior information about change in government policies etc.
- Single window monitoring through computerized management system
- Progress status check and integration of backward and forward supply chain
- Single window inventory management
- Enhanced interaction with employees / workers
- Better reputation management
- Online documents transfer and submission of progress reports
- Online payments and receivables
- Single click access to production, sales and dispatch information.
- Easy planning and managing backlog
- Check the status of deliverable goods and release /d payments
- Easy recruitment of well qualified and experienced workforce
- Reviewing and appraising employee performance and recognizing and rewarding performance.
- Gaining online feedback / complaints / suggestions from employee/customers/ suppliers etc.
- Taking daily review through interactive collaboration

**Benefits of Communication Technology to the Employees:**

- Enhances work efficiency and effectiveness
- Increases productivity
- Enhances professional image
- Stronger interpersonal relationships
• Anticipating possible change prior to implementation
• Raises morale and increases work commitment

7.10 RECOMMENDATIONS:

1. Entrepreneurs of these SMEs must realize the need for communication technologies and accept the change with open mindedness.

2. While making recruitment and growth plans, these SMEs must consider the significance of effective communication skills for their organization.

3. Infrastructure development is crucial for the growth of Small Scale enterprises. Government, rather than just offering subsidies to these SMEs, must make sure that they have adequate infrastructure to maintain their growth rate. SMEs should be encouraged to go for technological enhancement.

4. Government can provide subsidized communication technology support to the SMEs of rural and semi-urban areas at least to motivate them to be techno-savvy.

5. A wide spread awareness must be created among SMEs regarding usage and advantages of modern communication technologies for their business expansions.

6. The government should take initiatives for communication technological upgradation of SMEs. Proper technical support and training should be provided in this matter.

7. SME associations in the local GIDCs should ensure that companies in the locality have uniform and latest technology interface. Awareness campaign and training programs can be organized for the same.
8. SMEs can have academic collaboration with local colleges/academic institutions to have ideas about latest technology in use and to employ suitable workforce for the same.

9. Success of an enterprise irrespective of the scale of operation depends mainly upon the competitive nature of its products, managerial efficiency and process technology. For the adoption of improved technology the government and financial institutions need to play a catalyst role by providing technical guidance and timely credit to SMEs.

10. These SMEs may invite consultants for need analysis of communication needs in the organization, its path, and available technology and cost so as to implement cost effective communication system in their organization.

7.11 SCOPE OF FUTURE RESEARCH:

This study concentrates on usage of communication techniques and technologies for achieving organizational goals by the SMEs of Anand and Kheda districts. And the study reveals that these SMEs are not much aware about communication techniques and technologies, not do they make fullest use of available technology and they continue with traditional methods and at the most whichever tool is easily and cost-effectively available.

An innovative study by some energetic researcher can be undertaken to search out several other attitudinal problems faced by these SMEs.

- A communication plan can be sketched out for these SMEs considering their technology requirements and business activities.
- A comparative analysis of the scale of business activities of these SMEs and government assistance available for them can be studied.
• The similar study can be carried out for other SMEs of other districts of Gujarat as well.

• The study does not cover available government assistance for the technological upgradation of SMEs. This can also be studies further.

• A pilot study on a specific company can be carried out making an experiment using all modern communication technologies and social media tools for all business processes and their impact on various business functions.

• A cost analysis can be made between comparing two companies’, using traditional tools against using modern tools, considering their expenses on business processes and turnover.

• The study has come out with certain barriers and reasons for not using communication technology by these SMEs. Authenticity of these reasons can be assessed using certain statistical tools.

• A Skill-Test analysis of employees and workers of these SMEs can be carried out to know their capability to use these technologies and accordingly training needs can be identifies.

7.12 SUMMARY

Small scale industry play pivotal role in the operation of large organizations in particular and in the economy of a country in general. It is very important for all involved with SMEs to make sure that they develop and work in alignment with those large organizations. Though small and cost effective, but modern technology should be introduced to and implemented by these SMEs. It is the role and responsibilities of industry associations, government, academic institutes and all those who have direct or indirect liaison with SMEs. The performance and production of this segment may
not be satisfactory due to underutilization of technologies. Entrepreneurs of these SMEs must be convinced, trained and motivated to use optimum communication technologies.

Since small scale industries are instrumental in generating lot of local employment within a range of limited capital, mobilizing resources and rural development, it is very important for SMEs to grow with the prevalent growth rate. Being small in size, SMEs react positively to all changes and adopt well to accomplish their goals. Entrepreneurs must realize that innovations can enhance their performance manifold. Analysing threats and opportunities in the market can proactively help them adapt for the future business processes. So far SMEs have remained self-reliant and they do not depend upon any subsidies for their existence. Little more investments towards technologies may offer tremendous business opportunities to these SMEs. If SMEs make sure to grow it will have ripple effect on societal development and better business environment.