CHAPTER 6

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

6.1 INTRODUCTION

In this chapter, the summary of findings, conclusions and recommendations are presented.

6.2 SUMMARY OF FINDINGS OF THE STUDY

The findings of the present study are summarised as follows:

6.2.1 Socio-Demographics of Entrepreneurs

The most of entrepreneurs in manufacturing in automotive ancillary industries are males and the majority of them belong to the age group of 36-40 years. The majority of entrepreneurs in manufacturing in automotive ancillary industries are educated up to secondary education and the most of them are married. The most of entrepreneurs in manufacturing in automotive ancillary industries belong to the nuclear family and the majority of them have the family size of 2-4 members.

The majority of entrepreneurs in manufacturing in automotive ancillary industries are having previous experience of above nine years and almost all entrepreneurs in manufacturing in automotive ancillary industries
start their own business. The manufacturing in automotive ancillary industries business is the first entrepreneurial business for the most of the entrepreneurs and all of them are engaged in manufacturing business.

The majority of entrepreneurs in manufacturing in automotive ancillary industries are manufacturing automobile components. The majority of entrepreneurs in manufacturing in automotive ancillary industries employ 5-10 full time employees and most of them consider their business to be successful.

6.2.2 Reasons for Starting Own Business in Manufacturing in Automotive Ancillary Industries

The majority of entrepreneurs of automobile manufacturing industry opine personal achievement, independence, learning and money with wealth are the very important reasons for starting own business in manufacturing in automotive ancillary industries. They also opine that status and prestige, personal growth, opportunity, recognition, satisfying work relationships and career security are the important reasons for starting own business in manufacturing in automotive ancillary industries, while they opine that flexibility in work / family is not important reason for starting own business in manufacturing in automotive ancillary industries and they are neutral with economic necessity and testing own ideas.

The F-value of 152.363 is statistically significant at one per cent level indicating that there is a significant difference in reasons for starting own business in manufacturing in automotive ancillary industries by the entrepreneurs.
6.2.3 Sources of Finance

The outside finance is fairly easily available for majority of entrepreneurs for the business in automobile ancillary manufacturing industry and the most of entrepreneurs of manufacturing in automotive ancillary industries opine that the personal finance is the major source of finance for the business in automobile manufacturing and it is concluded that 1-2 sources of finance is used by majority of entrepreneurs for the business in automobile manufacturing industry.

6.2.4 Tendencies for Success of Business

The majority of entrepreneurs in manufacturing in automotive ancillary industries are agreed with they have strong attraction for high risk entrepreneurial activities with chances of a very high return, they adopt a bold, aggressive posture in order to maximise the profitability of exploiting potential opportunities, they and their employees are actively participating in trade or professional associations and they use their personal contacts to obtain or share information that is beneficial to their business.

The F-value of 16.010 is statistically significant at one per cent level indicating that there is a significant difference in tendencies of entrepreneurs in manufacturing in automotive ancillary industries.

6.2.5 Relationship between Socio-Demographics and Tendencies for Success of Business

The responses of entrepreneurs of manufacturing in automotive ancillary industries about the tendencies for success of business have been classified into low level, medium level and high level based on “Mean ± SD” criterion. The mean score is 14.46 and the SD is 1.37.
The results show that about 81.00 per cent of the entrepreneurs in manufacturing in automotive ancillary industries perceive that the level of tendencies for success of business is at medium level followed by low level (10.83 per cent) and high level (8.17 per cent).

The t-value of 0.983 is not statistically significant indicating that there is no significant difference between gender and level of tendencies for success of business in manufacturing in automotive ancillary industries.

The F-value of 2.409 is statistically significant at five per cent level indicating that there is a significant difference between age and level of tendencies for success of business in manufacturing in automotive ancillary industries.

The F-value of 1.433 is not statistically significant indicating that there is no significant difference between educational qualification and level of tendencies for success of business of entrepreneurs in manufacturing in automotive ancillary industries.

The t-value of 0.526 is not statistically significant indicating that there is no significant difference between marital status and level of tendencies for success of business of entrepreneurs in manufacturing in automotive ancillary industries.

The t-value of 0.889 is not statistically significant indicating that there is no significant difference between type of family and level of tendencies for success of business of entrepreneurs in manufacturing in automotive ancillary industries.

The F-value of 8.174 is statistically significant at one per cent level indicating that there is a significant difference between family size and level
of tendencies for success of business of entrepreneurs in manufacturing in automotive ancillary industries.

The t-value of 5.328 is statistically significant at one per cent level indicating that there is a significant difference between previous experience and level of tendencies for success of business of entrepreneurs in manufacturing in automotive ancillary industries.

6.2.6 Personal Attitudes for Success of Business

The majority of entrepreneurs in manufacturing in automotive ancillary industries agreed with that they are ultimately responsible for their own business success, they are quite independent of the opinions of others, they feel self-conscious when they are with very successful businessmen, they enjoy the uncertainty and risks of their business, they seldom get a sense of pride and accomplishment from their work, they get excited creating their own business opportunities, they are confident of their abilities and feel good about themselves, they enjoy being able to use old business concepts in new ways, they often approach business task in unique ways and they thrive in situations which encourage and reward their creativity.

The F-value of 23.997 is statistically significant at one per cent level indicating that there is a significant difference in personal attitudes for success of business of entrepreneurs in manufacturing in automotive ancillary industries by the entrepreneurs.

6.2.7 Competencies for Success of Business

The majority of entrepreneurs in manufacturing in automotive ancillary industries have very high competence for serving in a distinct and unique market niche and they have high competence for access to the market,
unique technology in process or production, higher quality than competition and higher levels of customer support and service. Meanwhile, they have fair competence for unique technology of product, lower price than the competition and broad product / service lines providing customer convenience.

The F-value of 111.928 is statistically significant at one per cent level indicating that there is a significant difference in competencies for success of business of entrepreneurs in manufacturing in automotive ancillary industries by the entrepreneurs.

6.2.8 Factors Contributing to the Success of Entrepreneurs

6.2.8.1 Technical support

The majority of entrepreneurs in manufacturing in automotive ancillary industries are agreed with technology support plays a crucial role for the success of the business, relatives help in providing technical support for a success of the business, new technology developed in the educational institutes help the entrepreneurs and friends cannot help in providing the technical support, while they are neutral with import of technology is a boon for success of the business.

The F-value of 6.625 is statistically significant at one per cent level indicating that there is a significant difference in technical support to the success of entrepreneurs in manufacturing in automotive ancillary industries by the entrepreneurs.

6.2.8.2 Financial support

The majority of entrepreneurs in manufacturing in automotive ancillary industries are agreed with financial support from the family is very
essential for the success of the business, financial support from the banks is very essential for the success of the business, small investor from capital market is very much needed for success of the business, financial support from friends is very much needed for success of the business and financial support from the Government bodies is required for success of the business.

The F-value of 23.162 is statistically significant at one per cent level indicating that there is a significant difference in financial support to the success of entrepreneurs in manufacturing in automotive ancillary industries by the entrepreneurs.

6.2.8.3 Government support

The majority of entrepreneurs in manufacturing in automotive ancillary industries are agreed with well developed infrastructure provided by the government is important for success of the business and they are neutral with subsidized loan from the government helps the success of the business, incentives from the government play an important role to make business success and government policies are important for success of the business, while they are disagreed with development of industrial estates is very essential for the success of the business.

The F-value of 22.711 is statistically significant at one per cent level indicating that there is a significant difference in Government support to the success of entrepreneurs in manufacturing in automotive ancillary industries by the entrepreneurs.

6.2.8.4 Market support

The majority of entrepreneurs in manufacturing in automotive ancillary industries are agreed with opportunities in the market play a vital
role for the success of the business, loyal customers help the success of the business, market acceptance plays a critical role for the success of the business and acceptance of the product on consignment sales by the distributors helps the entrepreneur success, but they are neutral with market reports of the trade associations help in success of the business.

The F-value of 66.952 is statistically significant at one per cent level indicating that there is a significant difference in market support to the success of entrepreneurs in manufacturing in automotive ancillary industries by the entrepreneurs.

6.2.8.5 Moral support

The majority of entrepreneurs in manufacturing in automotive ancillary industries are agreed with parents’ moral support as important for the success of the business, siblings play an important role for the success of the business, friends play an important role in success of the business and relatives play an important role for the success of the business.

The F-value of 84.293 is statistically significant at one per cent level indicating that there is a significant difference in moral support to the success of entrepreneurs in manufacturing in automotive ancillary industries.

6.2.8.6 Network support

The majority of entrepreneurs in manufacturing in automotive ancillary industries are agreed with industry association support is very much needed for the success of the business, suppliers support plays an important role in success of the business and friend’s network is very much needed for the success of the business, while they are neutral with alumni association
plays a crucial role in success of the business and social network helps in the success of the business.

The F-value of 24.674 is statistically significant at one per cent level indicating that there is a significant difference in network support to the success of entrepreneurs in manufacturing in automotive ancillary industries by the entrepreneurs.

6.2.8.7 Social support

The majority of entrepreneurs in manufacturing in automotive ancillary industries have strongly agreed with exposure by mass media helps the success of the business, while they are agreed with acceptance of the business by the society is important for success of the business and industrial environment helps in the success of the business and they are neutral with receptiveness in the society plays an important role for success of the business and availability of resources in the society helps in the success of the business.

The F-value of 27.466 is statistically significant at one per cent level indicating that there is a significant difference in social support to the success of entrepreneurs in manufacturing in automotive ancillary industries by the entrepreneurs.

6.2.8.8 Manpower support

The majority of entrepreneurs in manufacturing in automotive ancillary industries agreed with the availability unskilled manpower is plenty, the wages are cheap and affordable and there is no much labour problems, while they are neutral with the labour has flexible work time schedule and they are disagreed with the skilled manpower is highly available.
The F-value of 20.989 is statistically significant at one per cent level indicating that there is a significant difference in man power support to the success of entrepreneurs in manufacturing in automotive ancillary industries.

6.2.8.9 Logistics support

The majority of entrepreneurs in manufacturing in automotive ancillary industries have strongly agreed with the products/services are delivered at right place, they also agreed with the products/services are delivered at right time and the products/services are delivered at correct price and they are neutral with the delivery of products/service is cost effective and the adequate transport facilities are available.

The F-value of 10.185 is statistically significant at one per cent level indicating that there is a significant difference in logistics support to the success of entrepreneurs in manufacturing in automotive ancillary industries by the entrepreneurs.

6.2.8.10 Industrial linkages support

The majority of entrepreneurs in manufacturing in automotive ancillary industries are strongly agreed with there is a good linkage with big industries and there is a good inter-linkage with similar products/services. They are agreed with there is a regular job orders from the big industries and they are neutral with there is a good linkage with industrial suppliers and creditors and there is a good linkage with industrial networks and distribution channels.

The F-value of 18.064 is statistically significant at one per cent level indicating that there is a significant difference in industrial linkages
support to the success of entrepreneurs in manufacturing in automotive ancillary industries by the entrepreneurs.

### 6.2.9 Relationship between Level of Success and Factors Contributing To the Success of Entrepreneurs

The correlation analysis reveals that the financial support, Government support, market support, network support, social support, manpower support and industrial linkages support are positively correlated with the level of success of business in manufacturing in automotive ancillary industries. Therefore, the null hypothesis that there is no significant relationship between level of success and factors contributing to the success of entrepreneurs in manufacturing in automotive ancillary industries is rejected.

### 6.2.10 Influence of Factors Contributing to the Success of Entrepreneurs on Level of Success of Business

The regression analysis indicates that financial support, Government support, market support, network support, manpower support and industrial linkage support are positively and significantly influencing the level of success of business in manufacturing in automotive ancillary industries. Hence, the null hypothesis of there being no significant influence of factors contributing to the success of entrepreneurs on level of success of business in manufacturing in automotive ancillary industries is rejected.

### 6.2.11 Interrelationship between Factors Contributing To the Success of Entrepreneurs and Level of Success of Business

The path analysis shows that that financial support, Government support and market support are directly affecting the success of the business
in manufacturing in automotive ancillary industries. Therefore, the null hypothesis of there is no significant interrelationship between factors contributing to the success of entrepreneurs and level of success of business in manufacturing in automotive ancillary industries is rejected.

6.3 CONCLUSION

The most of entrepreneurs in manufacturing in automobile ancillary industries are males and the majority of entrepreneurs in manufacturing in automobile ancillary industries belong to the age group of 36-40 years. The most of entrepreneurs in manufacturing in automobile ancillary industries are educated up to secondary education and the majority of entrepreneurs in manufacturing in automobile ancillary industries are married.

The most of entrepreneurs in manufacturing in automobile ancillary industries belong to the nuclear family and the majority of entrepreneurs in manufacturing in automobile ancillary industries are having the family size of 2-4 members. The most of entrepreneurs in manufacturing in automobile ancillary industries are having the previous experience of above nine years.

The majority of entrepreneurs in manufacturing in automobile ancillary industries start their business by own and the manufacturing in automobile ancillary industries business is the first entrepreneurial business for the most of them. The majority of entrepreneurs in manufacturing in automobile ancillary industries have manufacturing business and the most of entrepreneurs in manufacturing in automobile ancillary industries are manufacturing automobile parts.

The majority of entrepreneurs in manufacturing in automobile ancillary industries have 5-10 full time employees and the most of entrepreneurs in manufacturing in automobile ancillary industries opine that
their business are highly successful. The results show that there is a significant difference in reasons for starting own business in manufacturing in automobile ancillary industries by the entrepreneurs.

The majority of entrepreneurs of manufacturing in automobile ancillary industries opine that the outside finance for the business in manufacturing in automobile ancillary industries is fairly easily available. Most of the entrepreneurs in manufacturing in automobile ancillary industries consider that the personal finance is the major source of finance for the business in automobile manufacturing.

The majority of entrepreneurs in manufacturing in automobile ancillary industries are having 1-2 sources of finance and that there is a significant difference in tendencies of entrepreneurs in manufacturing in automobile ancillary industries.

It is concluded that there is a significant difference between age and level of tendencies for success of business, family size and level of tendencies for success of business and previous experience and level of tendencies for success of business in manufacturing in automobile ancillary industries.

The correlation analysis shows that financial support, Government support, market support, network support, social support, man power support and industrial linkages support are positively correlated with the level of success of business in manufacturing in automobile ancillary industries.

The regression analysis shows that financial support, Government support, market support, network support, man power support and industrial linkage support are positively and significantly influencing the level of success of business in manufacturing in automobile ancillary industries.
The path analysis indicates that financial support, Government support and market support are directly affecting the success of the business in manufacturing in automobile ancillary industries.

6.4 RECOMMENDATIONS

The entrepreneurs in manufacturing in automotive ancillary industries should provide broad product/service lines ensuring customer convenience which helps to reduce the risk and uncertainty and also for ensuring further expansion of the business in manufacturing in automotive ancillary industries.

New and innovative technology should be imparted and adopted with economy in order to produce the superior quality products or services to increase both volume and profits. Besides, it is suggested to link industry and educational institutions with both backward and forward linkages for development and adoption of new technologies.

Since small investor from capital market is very much needed for success of the businesses, the entrepreneurs should encourage small investors and make them invest in manufacturing in automotive ancillary industries in a significant manner.

It is suggested that industrial estates should be developed in the concept of public-private partnership especially for automotive ancillary industries in addition to other automotive industry related industrial activities.

The quantum of subsidized loan from the Government should be further increased in order to make the business in manufacturing in automotive ancillary industries more successful. Besides, both Central and
State Governments should provide reasonable incentives to make the entrepreneurs of automotive ancillary industries successful.

The entrepreneurs of automotive ancillary industries should make their products or services for market acceptance based on customer’s needs and satisfaction and they must make use of the market reports for their marketing and advertising strategies.

Besides, moral support from the family members should be extended fully to the entrepreneurs of automotive ancillary industries which would boost moral and psychological stature of the entrepreneurs to make their businesses successful.

Since alumni association plays a crucial role in success of the business, it is recommended to strengthen the relationship between alumni association and the entrepreneurs and frequent meetings and exchange of experiences and issues of entrepreneurs would help modify and improve the business strategies. Besides, the social network should be further expanded and strengthened.

In order to make the business in automotive ancillary industries, it is recommended that available resources in the society should be utilized in the most economic and efficient ways.

Since highly skilled manpower is limited, proper manpower planning needs to be done and implemented for improving labour efficiency and making proper flexible work time schedules.

The entrepreneurs of automotive ancillary industries should always ensure that the products / services are delivered at correct price and the delivery of products/ service should be cost effective.
The entrepreneurs of automotive ancillary industries should make and maintain a good linkage with industrial suppliers and creditors and also with industrial networks and distribution channels.

Since the financial support, Government support and market support are directly affecting the success of the business in manufacturing in automotive ancillary industries, the magnitude and the degree of intensity of these supports should be maintained at current level in a sustainable manner and these supports should also be increased based on the growth of the firm or industry at both micro and macro levels.

The entrepreneur needs to acquire competencies in such areas as managing time effectively, communication, human resources management, business ethics and social responsibilities, developing effective leadership qualities, decision making skills, marketing and financial management. These entrepreneurial competencies, which are rooted in effective training and development, can serve the needed tonic for his/her success in business.

6.5 SCOPE FOR FUTURE RESEARCH

The present study being descriptive in nature, throws up several interesting research questions, a few of them given below, can be taken up for future studies:

1. How to measure the impact of different factors, such as social, cultural, religious, economic conditions on the level and magnitude of success of business?

2. What are the preferences with respect to products and services of automotive and ancillary industries and how do they differ across ethnic groups and other demographic and lifestyle variables?
3. Is it possible to replicate / scale up success of entrepreneurial model in one industrial unit to another industrial unit in the same locality or at different locality?

4. What production and marketing strategies need to be employed to make the business successful?

5. What are the factors contributing to the success of business in various scales of industrial units?

6. With the evolutionary nature of Indian automobile industry, the role of various entrepreneurial development programmes needs to be evaluated.