CHAPTER V

FINDINGS, STRATEGIC ECONOMIC PLANNING & CONCLUSION
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5.1. Introduction

The findings obtained from the statistical test performed on the hypotheses, based on the findings the policy frameworks for the stakeholders to enhance the Entrepreneurship Development at Pudhukkottai District in Tamil Nadu, India are summarized in this chapter. Final section will bring the scope for future research.

5.2. Findings and Conclusion for the Study

The findings of this study have a number of implications for economics. The government and private stakeholders need not competent each other in Entrepreneurship Development. They have to create their own niche market. This is possible only under non price competition especially consistent development of their service quality and delivery of the customized service.

5.2.1. Findings of Trend Analysis of Small Scale Industries in India

Small Scale Industry Units: The various aspects of small scale industry such as number of units, production, investment, Employment and export from small scale industry are given in Table 4.1, for India during the period from 1990-91 to 2009-10. The number of registered small scale industries in operation had been nearly doubled in India during the study period. In India
it increased from 67.87 lakhs units in 1990-91 to 298.08 lakhs units in 2009-10. During the period between 1990-91 and 2009-10 the number of registered small scale units had increased by an annual compound rate of growth of 42.2 percent in India. The average annual percentage rate of registered small scale units in India had increased by 4.07 percent during the study period. The coefficient variation showed the fluctuations in the number of units at India. It was 20.06, percent during the study period in India.

**Investment:** Table 4.1 clearly exhibits the investment in small scale units in India. It is evident from the table that the investment of small scale industries steadily increasing from the first year of study period i.e. 1990-91 to the last year of the study period i.e. 2009-10 in India as the number of units increased. The average investment in India was 149361.47 lakhs during the study period. Over the study period the average percentage rate of increase in investment was 4.61 percent in India. The co-efficient of variation shows that the fluctuations in investment in small scale industries were low in India. Investments of small scale industries in India had registered at an annual compound rate of growth of 4.3 percent during the study period.

**Production:** Small scale industries production in India was 13.1 percent over the study period. It will be seen from Table 4.1 that over the study
period the production of registered units had increasing at decreasing rate in India. The annual average small scale industries production was 280221.53 crores in India during the study period. The average of annual percentage rate of growth is production of small scale industries in India. Over the study period the average percentage rate of increase in production was 14.51 percent in India. The coefficient variation showed the fluctuations in the production as 64.67 percent during the study period in India.

Employment: The growth of Employment, in this industry, showed an increasing trend. Growth of Employment in India during the study period is given in Table 4.1. Employment in small scale industries India had registered an increasing trend at an annual compound rate of 4.10 percent during the study period. The growth rate of Employment in India had increased at a decreasing rate. Over the study period, average annual percentage rate of increase in Employment was 4.12 percent in India. Clear increasing trend is noticed during the study period. The coefficient variation showed the fluctuations in the Employment at India. It was 20.54 percent during the study period in India.

Exports: It is seen from Table 4.1 that during the study period the exports had increased at an annual compound rate of growth of 15.5 percent in India. The exports of small scale industries in India had increasing at deceasing rate of 0.1 percent during the study period respectively. Over the
study period the average annual percentage rate of increase in exports was 18.62 percent. Further, the fluctuation with regard to exports was 75.55 percent in India during the study period.

An industrial undertaking in which the investment in fixed assets in plant & machinery, whether held on ownership terms, or on lease, or by hire purchase, does not exceed `100 lakh as on 31-03-2001 were be treated as a Small Scale Industrial Unit. MSME Sector consists of any enterprises, whether proprietorship, Hindu undivided family, association of persons, co-operative society, partnership or undertaking or any other legal entity, by whatever name called, engaged in production of goods pertaining to any industry specified in the first schedule of Industry Development & Regulation Act, 1951 and other enterprises engaged in production and rendering services, subject to limiting factor of investment in plant and machinery and equipments respectively. As per the results of Fourth All India Census of MSME, the sector contributes significantly to the number of enterprises, employment and output of the country. Based on the data sets of Fourth All India Census of MSME, augmented with data sets of EC, 2005 and growth rate observed during Fourth (1998) and Fifth (2005) Economic Census, the performance of MSME Sector is summarised as below. It may be noted that the Fourth All India Census of MSME, unregistered sector was assessed by conduct of sample survey of the sector.
5.2.2. Findings of Trend Analysis of Small Scale Industry in Tamilnadu

According to the 2011 Census, Tamil Nadu is the most urbanized state in India (49 percent), accounting for 9.6 percent of the urban population while only comprising 6 percent of India’s total population. Service contributes to 45% of the economic activity in the state, followed by manufacturing at 34% and agriculture at 21percent. Government is the major investor in the state with 51% of total investments, followed by private Indian investors at 29.9% and foreign private investors at 14.9 percent. Tamil Nadu has a network of about 113 industrial parks and estates offering developed plots with supporting infrastructure. According to the publications of the Tamil Nadu government the Gross State Domestic Product at Constant Prices (Base year 2004–2005) for the year 2011–2012 is 428,109 crores, an increase of 9.39 percent over the previous year. The per capita income at current price is 172,993.

The MSME sector has a major contribution to the economy of Tamil Nadu. Tamil Nadu has 9.68 Lakh registered MSMEs as on 31.3.2014. This sector provides employment to about 63.18 Lakh persons and accounts for a total investment of Rs.67,130 crore. MSMEs in Tamil Nadu produce over 6000 varieties of products including engineering products, electrical, electronics, chemicals, plastics, steel, cement, paper, matches, textiles, hosiery, readymade garments etc. Above the analysis indicates the trend in growth of
micro, small and medium enterprises during the last ten years and the level of investment, employment, etc, it has created. There has been a phenomenal growth in the number of MSMEs in Tamil Nadu from 3,87,597 in 2000 to 9,67,636 registered MSMEs as on 2014.

5.2.3. Findings Entrepreneurship Development Mediated Model

Entrepreneurship Development ambitious approach helped them to know more opportunities in business and this spirit gives moral support during failures and also has confidently approved that self interest is the important motivating factor to identify the opportunities in their business. They remain neutral in their opinion about traditional family business and its support. Entrepreneurship Development are of the same belief that the government encourages them and banking sector during negative results and this balanced support has helped them to solve business problems.

Entrepreneurship Development strongly agrees that they have the ability to work hard, hard earned money and to take quick business decisions in tranquil atmosphere. The questioned Entrepreneurship Development owners strongly agree on their ability to struggle hard to develop business opportunities by taking superior positions. They are ready to shoulder responsibilities and undertake risk for their personal employment. Entrepreneurship Development is extremely positive to the view that they
are active, hard working to see the daily income and are very confident and optimistic to make their business successful through their experience.

Entrepreneurship Development is very positive to all jolts in their business and it’s flexible to adapt the environment and this has in turn increased their reputation. Entrepreneurship Development through SMEs are with the strong intention of their power over the qualities of honesty, integrity, creativity, organizing them before any venture, accepting short comings, planning and thinking twice about prudential effects. Entrepreneurship Development through SMEs have very positively reacted about their responding ability and are always prepared to take initiatives to materialize suggestions and are very resourceful to achieve the goal.

The Entrepreneurship Development partly agreed for the view of the importance of emotional approach in the business. Entrepreneurship Development encompasses unlike outlook and agree for the query about mental vigor in problem solving and the success of the decisions they take.

The Entrepreneurship Development agreed that they are encouraged by the government policies and do not find impediments in availing facilities. They have an agreement with procedural delays and bureaucratic interruptions. The Entrepreneurship Development confessed that the demand of personal and political influence obstructs them. They have an optimistic opinion on impact of globalization and periodic changes in the discouraging
government policies. The Entrepreneurship Development realized the difficulties in reaching the government policies and lack of awareness among them in getting government policies. They do not have any opinion about inadequacy of government funds.

Entrepreneurship Development is not enthusiastic in attending the entrepreneurial development program and they themselves measure their potentiality for constant development. They agree with consultation of friends and relatives to develop the business and periodically collect the information for the perfect development. They have an optimistic idea of exploring the results of their development strategies.

Entrepreneur’s advertisement increases the market potential and supply of quality of products. They generally do not seek assistance of marketing agencies. They strongly agree with the increase of marketing through smooth innovative marketing strategies and polite approach and safe margin and reasonable price. They profoundly believe that innovative marketing strategies and extending the circle of acquaintance are useful for the successful marketing.

Entrepreneurship Development periodically plans their budgets and they have the inclination towards periodic check for monthly income and expenditure. The female entrepreneurs study thoroughly study the cash flow and innovatively apply the mathematical model to avoid financial problems.
It is believed that the Entrepreneurship Development expect their investment money to work hard with maximum risk and prudentially plan for the future through shrewd strategies.

They are interested in applying the new technologies and ignoring the primitive technology. They in fact apply the latest management and operations management techniques to increase production and profit. Perseverance and motivational aspects are essential for Entrepreneurship Development, which establish their interest for innovations.

They have accepted that they are proud to be entrepreneur, and also positively expect a bright future in business. They have strongly agreed that they have obtained happiness and they are proud of their entrepreneurship. Entrepreneurship Development feels that they have gained monetary advantage, dignity and respect from the society, efficiency and reputation through entrepreneurship. Entrepreneurship Development strongly feels that sincerity and diligent hard work is very essential and this in large extent contributes to the economy. Entrepreneurship Development also sense that quality and ability is very imperative for their business and their response about entrepreneurship is very encouraging.

5.2.4. Suggestions

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 dynamic role by providing technical guidance and timely credit to Entrepreneurship Development considering limited resources of the small entrepreneurs.

Although certain level of protection is necessary for the healthy growth of the Entrepreneurship Development sector, the protection beyond some reasonable limit like pricing and marketing of the products would do more harm than good to the overall efficiency and productivity of the sector. Infrastructure development is vital for the development of the small enterprises. As the industry has made remarkable growth in the regions having adequate infrastructural facilities rather than cash subsidies will prove more productive.

The technological innovations are generally labour saving which pose a real danger by depriving employment to a large number of persons. Economic wisdom demands employment opportunities in the absence of which man cannot survive and the wisdom lies in the entrepreneurship because of its labour intensive characteristics. The technological progress should have trickledown effect by creating additional job opportunities in the related activities. However, the irony is that much of the success in technological progress has not benefited the humanity even in the developed countries,
which are now facing the problem of increasing unemployment as they have failed to manage the technological progress.

The proposed National equity fund for the upgradation of technology and improvement of skills among entrepreneurs must be effectively utilized. The Entrepreneurship Development avail various benefits provided by the central and state government for the promotion of small scale industries should be asked to provide information periodically to the respective directors to identify the pattern of their growth.

5.2.5. Findings from Conceptual Model

5.2.5.1. Findings from Conceptual Model of Entrepreneurship Development Mediated Model

The conceptual research model empirically proved (figure 5.1). Thus, the present study has focused on Development of Entrepreneurship which is considered as an important indicator for Government. The researcher identify that the Motivation is mediating factor for the Entrepreneurship Development in the study area.
5.2.5.2. Findings from Conceptual Model of ED Mediated Model

The conceptual research model empirically proved (figure 5.2). Thus, the present study has focused on Development of Entrepreneurship which is considered as an important indicator for Government. The researcher identify that the Financial Problems is mediating factor for the Entrepreneurship Development in the study area.
5.3. Strategic Economic Planning for Improving the Entrepreneurship Development

The figure 5.3 explains that the Entrepreneurship Development will be declined rural poverty in India. Where is development of Entrepreneurship Development in rural & urban India; there will be prosperous and progress in economic and social development. Through Micro and Small Entrepreneurship, community development programme will implement with effective and efficiency without any malpractices. The successful Micro and Small Entrepreneurs is very important factor for the future generation of India. Education is very key role in promoting social capital for the nation. Below said figure that there is four ways development: Economic development, financial development, and Social development and market
economy development. The researcher could be stated that Entrepreneurship Development, the poverty could be reduced in rural India.

**Figure 5.3: Strategic Economic Planning for Entrepreneurship Development**

5.4. **Scientific Contributions**

This study contributes to the body of knowledge on the field of micro-financing and Entrepreneurship Development survival and growth. The study will be of help to the operators of small and micro enterprise who are users of Microfinance Banks, Micro Finance Banks operators, Entrepreneurship Development policy makers, and academia.
1. Unlike previous studies on Indian firms, this study uses panel data as well as survival analytical techniques Structural Equation Model, using data.

2. The study provided empirical evidence of the variables that enhance small business productivity and performance. This will enable entrepreneurs to concentrate more on factors that sustain business growth, thus giving insightful information concerning the practice, process and mode of operation.

3. The study also showed the strength and limitation of microfinance as a method of financing Entrepreneurship Development in Tamilnadu by providing evidence that microfinance can only support the survival but not the growth of Entrepreneurship Development.

4. The study succeeded in operationalizing small business survival, growth and entrepreneurs’ productivity, providing empirical evidence on the survival rate and survival probability for enterprise.

5.5. **Limitations**

The present study is limited up to the entrepreneurship development of Pudukkottai District in Tamilandu state only. The research is restricted to only Pudukkottai District in Tamilnadu. While collecting the data, some of the respondents were hesitant to disclose their details as there were some misrepresentations occurred in Entrepreneurs. The entrepreneurs are studied in the policy implementation point of view only the other aspects like
psychology, behavior of the entrepreneurship development are out of the scope for the present study. The findings and suggestions of the present study are only applicable to Pudukkottai district.

The limitations of these contributions are the experimental design modifications required to confirm the hypothesis of asymmetrical nonlinear relationships, the undeveloped aggregation strategy of the relationship determination at a regional level, the necessary ongoing research to develop performance thresholds for attributes, and developing an economic approach for presumed temporal shifts of Entrepreneurship Development. Most of these limitations can be addressed by additional research. The refinement of research needs to make Entrepreneurship Development an applicable tool in entrepreneurship decision making is an additional contribution of this research.

5.6. Direction of Future Research

This study concentrates on problems and prospects of Entrepreneurship Development in Pudhukkottai district. It also identified the contribution of government to Entrepreneurship Development in Tamilnadu in terms of growth and performance. A wide innovative study can be undertaken by the energetic researchers to study the growth of Entrepreneurship Development microscopically by covering all the districts. This study does not cover the governmental ideas for the development of Entrepreneurship Development.
so a separate study can be initiated in this direction to obtain a torrent of useful results for the development of Entrepreneurship Development in India and Tamil Nadu. Most of the products produced by the Entrepreneurship Development are subject to export. An empirical and economic analysis would be helpful to identify the contribution of Entrepreneurship Development in India to the globalized and liberalized economy. This study ascertained the various predominant factors of problems and prospects of Entrepreneurship Development in Pudhukkottai district. It is also analyzed the significant difference between Entrepreneurship Development in Pudhukkottai district and the analytical reasons behind this. With the experience it is stated that a separate research of leadership quality of Entrepreneurship Development owners on various aspects like skills, knowledge, administration, retrenching the capital flow may be undertaken elaborately.
5.7. Conclusion

The Entrepreneurship Development through Micro and small enterprises constitute a very important segment of the Indian economy. Entrepreneurship Development contribution to the development of our economy is significant as it evident in terms of Entrepreneurship Development being the major constituent sector in the production system, employment generation, GDP, Export, Rural industrialization etc. Entrepreneurship Development also have an aptitude for innovation, creativity, and flexibility which enabling them to respond with more quickly to structural changes and to adapt the dynamic demand patterns of consumers. It is also clear that Micro and small enterprises sector has performed exceedingly well and enabled our country to achieve a wide measure of industrial growth and diversification. The rural migration could be stopped by developing Entrepreneurship Development in all districts in India. The Make India concept could be achieved through the Entrepreneurship Development of the Micro and small enterprises.