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Priyanka Lenka

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# **A Conceptual Study on Impact of Union Budget 2020 on MSMEs Sector**

**Piyush Nakrani**

**Hrishikesh Deshmukh**

## **ABSTRACT: -**

The Micro, Small and Medium enterprises of India is an important driving factor for the growth of Indian economy. MSMEs not only provide the employment opportunities but helps in the process of industrialization in rural areas simultaneously reducing the unequal income distribution among the residents. MSMEs contribute significantly in the development of Indian economy through export production, domestic production, low investment requirement, operational flexibility, technology-oriented enterprises etc. The SMEs are complimentary to large industries operating in the economy & contribute significantly in the development of the country.

**Keywords :** MSME, Indian Economy.

## **Introduction: -**

Worldwide, MSMEs have been accepted as the engine of economic growth and for promoting equitable development. They constitute over 90% of total enterprises in most of the economies and are credited with generating the highest rates of employment growth. With low investment requirements, operational flexibility and the capacity to develop appropriate indigenous technology, SMEs have the power to propel India to new heights. Hence, it seems like there is a silent revolution happening in India powered by MSMEs.

## **Importance of MSMEs for Indian Economy: -**

**Employment:** It is the second largest employment generating sector after agriculture. It provides employment to around 120 million persons in India.

**Contribution to GDP:** With around 36.1 million units throughout the geographical expanse of the country, MSMEs contribute around 6.11% of the manufacturing GDP and 24.63% of the GDP from service activities. MSME

ministry has set a target to up its contribution to GDP to 50% by 2025 as India becomes a \$5 trillion economy.

**Exports:** It contributes around 45% of the overall exports from India. Inclusive growth: MSMEs promote inclusive growth by providing employment opportunities in rural areas especially to people belonging to weaker sections of the society. For example: Khadi and Village industries require low per capita investment and employs many women in rural areas.

**Financial inclusion:** Small industries and retail businesses in tier-II and tier-III cities create opportunities for people to use banking services and products.

Promote innovation: It provides opportunity for budding entrepreneurs to build creative products boosting business competition and fuels growth.

Thus, Indian MSME sector is the backbone of the national economic structure and acts as a bulwark for Indian economy, providing resilience to ward off global economic shocks and adversities.

Classification of enterprises as micro, small and medium enterprises (in Rs)			
Type of Enterprise	2006 Act		2018 Bill
	Manufacturing	Services	All enterprises
	Investment in Plant and Machinery	Investment in Equipment	Annual Turnover
Micro	25 lakh	10 lakh	5 crore
Small	25 lakh to 5 crore	10 lakh to 2 crore	5 to 75 crore
Medium	5 to 10 crore	2 to 5 crore	75 to 250 crore

#### Leading factors for the growth of MSMEs in India: -

1. Campaigns like Skill India, Start-up India, Digital India and Make in India aim to provide MSME players with a level playing field and a definitive push towards enhanced productivity. Digitalization.
2. Digitization: Increasing internet penetration, customer's familiarization with digital payments fuelled by B2C ecommerce players facilitate MSME sector growth.

3. Financing opportunities: - Tie-ups with new-age non-banking finance (FinTech) companies allowed access to timely collateral free finance to MSMEs.
4. Changing employment patterns: Younger generation shifting from agriculture towards entrepreneurial activities creating job prospects for others.
5. Boost in export activities: - 45% of overall export contribute comes from MSMEs sector (2019)

#### **OBJECTIVE OF THE STUDY: -**

1. To study the overall problems faced by MSMEs in India.
2. To understand the impact of Union Budget 2020 on MSMEs in India.

#### **RESEARCH METHODOLOGY: -**

The study is based on secondary data that has been collected from various secondary sources such as magazines, annual report of MSMEs 2018-2019, department of MSMEs & various other published reports. The data has been presented in the form of table and interpretations have been made in light of the objectives of the study cited above.

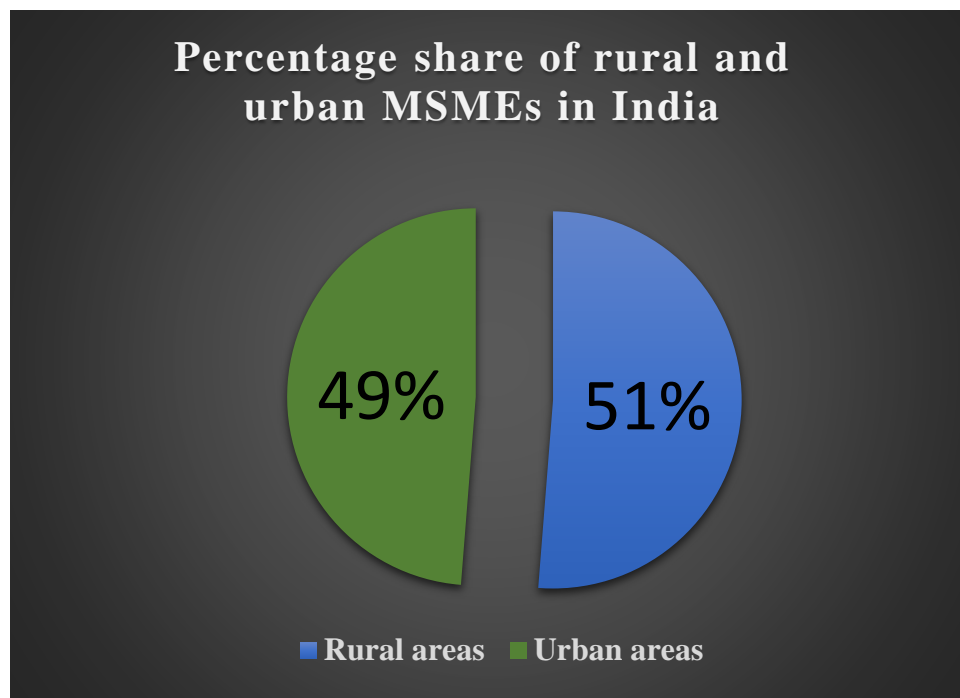
#### **DATA ANALYSIS: -**

**Issues faced by MSMEs and steps taken by union budget 2020 to improve their condition**

<b>Issues and Challenges</b>	<b>Steps Taken by government</b>
<b>Access to credit: -</b> 90% of the MSMEs are dependent on informal sources for funding Lack of sufficient collateral and high working capital needs	<b>Launch of the 59-minute loan portal</b> to enable easy access to credit for MSMEs. 2 percent interest subvention for all GST registered MSMEs, on fresh or incremental loans. Trade Receivables e-Discounting System (TReDS) to enable access to credit from banks, based on their upcoming trade receivables from corporate and other buyers.

<p><b>Access to Markets: -</b></p> <p>Low outreach and non-availability of new markets. Lack of skilled manpower and ineffective marketing strategy. Difficult for MSMEs to sell products to government agencies. Competition from MNCs and other big industries.</p>	<p><b>Launch an e-commerce platform</b> on the lines of “Amazon and Alibaba” to sell products from MSMEs and the Khadi and Village Industries Commission. Public sector companies now compulsorily procure 25%, instead of 20% of their total purchases, from MSMEs. More than 40,000 MSMEs registered on Government e-Marketplace (GeM) portal. It provides transparency in procurement and facilitates MSMEs to directly reach out to the buyers.</p>
<p><b>Technology Access: -</b></p> <p>Limited human resources and weak financial standing. MSMEs, particularly in the unorganised sector, show lower adaptability of new technology and innovation.</p>	<p><b>20 hubs and 100 spokes</b> in the form of tool rooms will be established across the country. This will facilitate product design and easy access to latest technology to MSMEs. Financial assistance is provided for implementation of lean manufacturing techniques to enhance the manufacturing competitiveness of MSMEs.</p>
<p><b>Quality and Export Issues: -</b></p> <p>Low quality products impact export competitiveness. Inadequate access to quality raw materials. Use of traditional machines causes low productivity.</p>	<p>Financial support to MSMEs in ZED (Zero Defect Zero Effect) certification to improve quality of products. Government provides subsidy towards the expenditure incurred by enterprises to obtain the product certification licenses from national and international bodies.</p>

<p><b>Ease of Doing Business: -</b></p> <p>Cumbersome government procedures and rules for establishing new units.</p> <p>Bureaucratic delays in getting clearances.</p> <p>Poor litigation system in the country.</p>	<p>The return under 8 labour laws and 10 Union regulations must now be filed only once a year. Computerised random allotment for inspector visits to the establishment. Environmental Clearance under air pollution and water pollution laws, have been merged into one. Also, the return will be accepted through self-certification. For minor violations under the Companies Act, the entrepreneur will no longer have to approach the courts, but can correct them through simple procedures. This signifies simplification of government procedures and instilling confidence among entrepreneurs.</p>
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**307 lakh participates comes from rural areas for MSMEs and 377 lakh participates comes from urban areas**

**Government schemes to promote MSMEs: -**

- **Udyog Aadhaar Memorandum scheme: -**

Udyog Aadhaar is a twelve-digit distinctive positive identification provided by the Ministry of SME's, in India. It's additionally referred to as Aadhaar for Business. As of Gregorian calendar month 2018. Over 48 large MSMEs in Asian country area unit registered underneath Udyog Aadhaar.

Udyog Aadhaar theme was launched in Sept 2015 by Ministry of SME's under SME's Development Act, 2006 (MSMED Act, 2006) with the aim to market for SME's. The registration of Udyog Aadhaar is free.

- **Incubation**

Incubation scheme provides opportunity to the innovators in developing and nurturing their new innovative ideas for the production of new innovative products which can be sent in to the market for commercialization. Host Institutions (HI) are exploring the new innovative ideas from the Incubate of various sectors that may be existing and prospective entrepreneurs. Even the students from the various streams are also participating in nurturing their new ideas through the Host Institutions as a part of their studies and carrier building.

GoI financial assistance of 75 % to 85 % of the project cost up to the maximum of 8.00 Lakh. This fund is routed through the Business Incubator (BIs).

IITs, NITs, Engineering Colleges approved by AICTE, Central / State Universities recognized by UGC and other recognized R & D and / or Technical Institutes / Centres, Development Institutes of DIP&P in the field of Paper, Rubber, Machines Tools, etc.

- **Women Entrepreneurship**

Ministry of Micro, Small & Medium Enterprises, popularly known as the engine of growth in the country and incubators of entrepreneurship has emerged as the torchbearers of women empowerment on a global platform. Last year, on the eve of International Women's day 2018, Ministry of MSME launched Udyam Sakhi, a network for nurturing social entrepreneurship

creating business models revolving around low-cost products and services to resolve social inequities. The portal caters needs of around 8 million Indian women who have started or running their own businesses through its platform for entrepreneurship learning tools, incubation facility, training programs for fundraising, providing mentors, one-on-one investor meet, provide market survey facility and technical assistance. To put it in nutshell, it can be easily inferred that Indian Govt has been incessantly involved in revolutionising the role of women outside the four walls of their home. Women, nowadays, take risks, trust their vision and settle for nothing less.

- **Zero Defect Zero Effect scheme**

The main objective of ZED (Zero Effect, Zero Defect) scheme is to reduce the bad effect of products on environment. While MSME sector plays a big role in the GDP of India, the scheme will help contribute to environment as well.

- **Credit Linked Capital Subsidy scheme**

The objective of the Scheme is to facilitate technology up-gradation in MSEs by providing an upfront capital subsidy of 15 per cent (on institutional finance of up to Rs 1 crore availed by them) for induction of well-established and improved technology in the specified 51 sub-sectors/products approved. In other words, the major objective is to upgrade their plant & machinery with state-of-the-art technology, with or without expansion and also for new MSEs which have set up their facilities with appropriate eligible and proven technology duly approved under scheme guidelines.

- **Quality Management Standards and Quality technology tools**

The scheme is aimed at improving the quality of the products in the MSE sector and inculcates the quality consciousness in this sector. With the adoption of this scheme, MSEs will become more competitive and produce better quality products at competitive prices. The adoption of these tools will enable MSEs to achieve efficient use of resources, improvement in product quality, reduction in rejection and rework in the course of manufacturing, reduction in building up inventory at various stages etc.

The Cluster-based approach is adopted for economy of scale, better dissemination of QMS/QTТ and for best results. However, individual units (preferably from specific products in groups) may also be considered under the Scheme. Micro & Small enterprises is being selected from the clusters under study or intervention by this Ministry and clusters identified by other Organization and Ministries also.

- **NIRVIK**

NIRVIK (Niryat Rin Vikas Yojana) scheme to provide enhanced insurance cover and reduce premium for small exporters.

To achieve higher export credit disbursement, a new scheme NIRVIK is being launched which provides for high insurance cover, reduction in premium for small exporters and simplified procedures for claim settlements

## **CONCLUSION & SUGGESTION: -**

- Allocation of funds for Research & Development sector should be more. It must be similar investment like USA and china.
- Government should focus on development of rural areas.
- Financing the MSME's should be made easier.
- MSME's will boost the economy if necessary, steps are taken.
- To hit the \$5 trillion economy the contribution of MSME's will be an advantage.
- More importance should be given to entrepreneurship.
- The allocation for MSME Ministry, allocated 7572 crores for the FY 2020-21. An increase of 8% from the FY 2019-2020.

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# **The Study of Key Success Factors in New Product Development Process in Diamond Firms with Special Reference To Surat**

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## **Abstract**

The idea of key success factors in new product development is dynamic to many organizations' persistence of business and growth is widely recognized. New products provide many business opportunities for organizations. The importance of key success factors in new product development is key, as corporate purpose and scope sets the guidelines for new product planning. This paper explores the importance of keys success factor of new product development process in the diamond firms of Surat. The research findings highlighted the importance of key success factors during Idea generation and concept development stage of new product development phase are Managerial Factors across all these three stages of New Product Development Process.

**Key words:** New product development, Diamond Firms, Key Success factors

## **Introduction**

The importance of the new products remains to be of key to all organizations. Tough global competition, short product and technology lifecycles, spontaneous consumer buying patterns and possible market immobility makes new product development an important activity in most businesses. New products provide organizations with growth prospects that permit them to highlight their market position. Strategic planning identifies opportunities for new product development and sets new product planning guidelines. Creating the right organizational culture that can encourage innovation is one of the primary tasks for management. Developing successful new products requires systematic planning and integration of various organizational cross-functional activities. Without a clear roadmap from management it is challenging to select the right innovation strategy. Management's involvement in the new product development processes directly or indirectly responsible for a new product's success rate in the market.

## **Literature Review**

The literature recommends that the success rate of new products depends on numerous factors, including the technological factors, marketing factors, commercial factors, and managerial factors. The successful new product development requires an involvement from marketing, sales, design, research and development, finance, manufacturing, technical and legal functions. To ensure the continuing interaction among all these functions, it is critical to maintain continuous flow of communication through one central information point in the organization.

**Jifeng Mu et.al (2007)**, study is to fill the gap by examining the key success factors of NPD in Chinese SMEs. Diverse from the old approach regarding the success factors in each stage of NPD as standardized, the key success factors in each stage of the NPD process are examined from a managerial perspective. This paper finds Chinese SMEs do not regard financial return as the primary criterion in the idea-generation stage. Although the key success factors are relatively quite different in various stages, technological, marketing, commercial, and managerial factors are important across all stages.

**Isidre March-Chorda`et.al**, Rapid product development has been treated as a competitive strategy in a global market environment. It is essential to improve the product development process with the objective of reducing product development cycle time and hence to reach the market as quickly as possible. The main objective of this research is to identify the major determinants that confront the product development. The cost of product development projects that discourages commitment to new product development and the uncertainty of the market acceptance were found to be the major factors. According to the study reported in this paper, the fulfillment of the key success factors as suggested by the literature is, in general, low.

**Xueli Huang et.al. (2002)** This article examines the new product development process (NPDP) in Australian small and medium-sized enterprises (SMEs). Findings from a sample of 276 innovative Australian SMEs suggest that marketing-related activities were undertaken less frequently and were less well executed than technical activities in developing new products.

**Holger Ernst (2002)** continuous development and market introduction of new products can be an important determinant of sustained company performance.

**B.C. Ghosh et.al. (2001)** The research tries to determine the strategy dynamics and key success factors (KSFs) for excellence in performance of the so-called "tiger" SMEs in Singapore. In 1995 and 1996, 50 top privately owned and successful enterprises in Singapore were identified. They have shown that they can excel, even in the current highly competitive and high operation cost environment. Their performance can be attributed to their dynamism and a few KSFs that are apparently universal to these successful companies.

**Karl T. Ulrich et.al.** This paper is a review of research in product development, which defines as the transformation of a market opportunity into a product available for sale. Review is broad, encompassing work in the academic fields of marketing, operations management, and engineering design. The value of this breadth is in conveying the shape of the entire research landscape. We focus on product development projects within a single firm. Research devotes our attention to the development of physical goods, although much of the work we describe applies to products of all kinds.

**Wonseok Choi et.al.** Review the nature of new product development and explore diverse NPD processes. Also discussed Introduction of NPD process models and strategies of companies and products in the textile apparel industry.

**Jerry Soldatos, JurateHardy** studied the new product development process in Australian Grocery organizations and their research highlighted the importance of top managements support during new product development phases

### **Research Methodology**

The research study involved complete survey of 650 Diamond firms. The list of these organizations was obtained from the Surat Diamond Association, Surat. The questionnaire was distributed to these firms and 637 responses were received. The questionnaire consisted of four 4 success factors like Technological Factors, Marketing Factors, Commercial Factors and Managerial Factors and 8 criteria in each that covered a wide range of issues in the new product development field in each three stages of new product development process wise Stage 1 Idea Generation and Concept Development. Stage 2 Design and Development and Stage 3 Commercialization.

### Objectives of the Study

1. To examine new product development process in Diamond Firms of Surat.
2. To examines importance of key success factors in each stage of new product development process from managerial perspective.

### Data Analysis and Discussion:

Research findings were based on the responses from the diamond units representing the following: Diamond Cutting Units (500), Diamond Polishing (Unit 137).

**Table 1 No. of Diamond Units**

Types of Units	Frequency	Percent
Diamond Cutting Units	500	78.5
Diamond Polishing Unit	137	21.5
<b>Total</b>	<b>637</b>	<b>100.0</b>

The organizations were then classified by the investment in plant and machinery.

**Table 2: Classification of Industry**

Investment in Plant and Machinery	Type of Industry	Frequency	%
Over Rs 25 lakhs but not exceeding Rs 5 Crores	Small	249	39.1
Over Rs 5 Crores but less than Rs 10 Crores	Medium	388	60.9
<b>Total</b>		<b>637</b>	<b>100.0</b>

**Table 3. The importance of the key factors that impacted in each stage of new product development process.**

Rank of Criteria	Stage 1		Stage 2		Stage 3	
	Factors	Mean	Factors	Mean	Factors	Mean
1	Mg8	3.903	Mg8	3.956	Mg6	3.923
2	Mg7	3.859	Mg7	3.911	Mg8	3.824
3	Mg6	3.856	Mg6	3.901	Mg7	3.791
4	T8	3.722	T3	3.776	Mg5	3.708
5	C2	3.669	C2	3.743	C5	3.684
6	T2	3.664	Mg5	3.739	M4	3.680
7	Mg5	3.656	T8	3.706	C4	3.680
8	M4	3.630	T2	3.700	T8	3.656
9	C3	3.628	C8	3.699	M7	3.651
10	T3	3.620	T7	3.697	C2	3.641
11	M3	3.617	Mg1	3.680	M6	3.633
12	M7	3.608	C3	3.673	M2	3.630
13	T7	3.603	Mg4	3.673	M8	3.626
14	C8	3.603	M4	3.639	Mg4	3.622
15	Mg1	3.601	C4	3.639	T2	3.614
16	Mg4	3.601	M6	3.628	C1	3.614
17	M6	3.587	M2	3.623	C8	3.609
18	C6	3.587	T6	3.621	M5	3.600
19	C4	3.582	M5	3.601	M3	3.592
20	M8	3.560	C6	3.601	T6	3.565
21	M5	3.556	M3	3.595	C6	3.565
22	C1	3.551	T5	3.593	C3	3.560
23	T4	3.546	T1	3.587	Mg1	3.548
24	T1	3.543	M7	3.579	T4	3.543
25	M2	3.537	M8	3.573	T7	3.540
26	T6	3.521	C1	3.570	T3	3.532
27	M1	3.518	T4	3.568	M1	3.526
28	C5	3.512	M1	3.549	T5	3.498
29	T5	3.477	C5	3.538	T1	3.386
30	Mg2	3.447	Mg2	3.454	C7	3.385
31	C7	3.407	C7	3.405	Mg2	3.380
32	Mg3	3.341	Mg3	3.350	Mg3	3.377

It was found that in stage 1, stage 2 and stage 3 the mean value of top 10 criteria are above 3 and among them in stage 1; 3 technological factors, 1 Marketing factor, 2 Commercial factors and 4 Managerial Factors. Though marketing and managerial factors are a primary consideration in this stage, managerial factors are among the top priority. In stage 2; 4 Technological factors, no marketing factors, 2 Commercial Factors and 4 Managerial Factors. The results shows that, in this stage, firm put

emphasis on technological factors, and in stage3; 1 technological factors, 2 marketing factors, 3 commercial factors, 4 managerial factors.

It indicate that the results show that, in stage 1 stage 2 and stage 3, diamond firms put a lot of emphasis on managerial factors and not on other factors so that firms can concentrate more on other factors too.

**Table 4: Position of Respondents**

<b>Designation of Respondents</b>	<b>Frequency</b>	<b>Percent</b>
Manager	194	30.5
Owner	319	50.1
CEO	124	19.5
<b>Total</b>	<b>637</b>	<b>100.0</b>

## **Findings**

From finding firms are inviting new ideas in initial stage of NPD process. The table of mean rank that the relative importance of the KSF are not differs across different stages. Diamond firms pay more attention on managerial factors and attentions turns to technological factors in Stage 1 Idea Generation and Concept Development and Stage 2 Design and Development and commercial factors in Stage 3 Commercialization.

## **Conclusion**

From the analysis it is concluded that the diamond firms of Surat are actively involved in NPD. The majority of the diamond firms concentrate on managerial factors across all the 3 stages of NPD. As firm giving more importance to Managerial Factors firms inviting new ideas and competitive advantage for new product and come to know about potential market and cost of new products.

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2. <http://citeseerx.ist.psu.edu/viewdoc/summary?doi=10.1.1.473.6215> (Assed on 31<sup>st</sup> July 2015)
3. <https://www.deepdyve.com/lp/emerald-publishing/new-product-development-in-chinese-smes-key-success-factors-from-a-tpKFjZM6BG> (Assessed on 1<sup>st</sup> January 2015)
4. <http://www.sciencedirect.com/science/article/pii/S0166497201000219>  
(Assessed on 1<sup>st</sup> January 2015)
5. <https://www.questia.com/library/journal/1G1-83039544/new-product-development-processes-in-small-and-medium-sized> (Assessed on 7<sup>th</sup> December 2014)

## Annexure

### List of Key Success Factors and respective Criteria

Factors	Key Success Factors	Code
Technological Factors	The technology is new or Significantly improved	T1
	The technology is core or platform	T2
	The technology is reliable	T3
	The technology is complex	T4
	The technology is hard to be substituted	T5
	The technology is not easy to be imitated	T6
	The technology or product has a great market potential	T7
	The technology preference for open source over proprietary software	T8
Marketing Factors	The product has the first-mover advantage and strong functional characteristics	M1
	The time to reach market is short	M2
	The product and target market is clearly defined	M3
	The market is growing and big enough	M4
	There exists identifiable market and few or no competitor	M5
	There are few or no substitutable products	M6
	The product has competitive advantage	M7
	There is potential marketing channel plans.	M8
Commercial Factors	There is reasonable pricing strategy.	C1
	The product can be manufacture at low cost.	C2
	The product can be easily financed.	C3
	The product has identifiable return on investment revenue	C4
	The product has expected positive return on investment.	C5
	The product has positive net present cash value.	C6

	The product can make up the cost of the patenting.	C7
	The company has spent enough on research and development.	C8
Managerial Factors	The company has sufficient resources for NPD.	Mg1
	The inventor has relevant manufacturing experience in the industry & support NPD team.	Mg2
	The inventor owns the patent and has good reputation.	Mg3
	There is managerial expertise in the company.	Mg4
	The company has effective incentive system.	Mg5
	The company has qualified marketing staff.	Mg6
	The company has qualified production staff.	Mg7
	The company has qualified technical staff.	Mg8

**A Study on Customer Satisfaction with Special Reference to ‘D-Mart’ and ‘Big-Bazaar’ Retail Outlets at Vapi City**

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**ABSTRACT**

Customer satisfaction helps in measuring how product and services of a company can meet the customer expectations. Customer satisfaction is a support towards customer retention. In the era of decreasing brand Loyalties, understanding the customer needs as well as service and measuring customer satisfaction are very important. Customer satisfaction measurement helps to promote an increased focus on customer outcomes and stimulate improvements in the work practices and processes used within the company. A successful retail organization understands their market, their customers, and the Importance of strategic location. The aim of this study is to analyze the Satisfaction of customer who buys from D-Mart and Big Bazaar retail outlets in Vapi city. Data was collected in form of a structured questionnaire from 100 respondents (50 each Respondents / visitors at both the outlets). Convenience Sampling Method was adopted. The objective was to study the essence of Retail Marketing in Indian context. Another objective of the study was to analyze the customer satisfaction with special reference to the Retail Outlets i.e., D-Mart & Big Bazaar at Vapi City. Next objective of study was to present a comparative analysis upon customer satisfaction with respect to the customers visiting at D-Mart & Big Bazaar outlets situated at Vapi City. The analysis states that there is a good competition among both the retail store. Overall satisfaction level of D-Mart is better as compared to big bazaar due to low pricing and offer. Also Study states the reasons of dissatisfaction is credit facilities through financing/banking partner at Retail Outlets.

**Keywords** Customer satisfaction, Big-Bazaar, D-Mart, Retail Outlets, Retail Marketing

**INTRODUCTION**

The Indian retail industry is the fifth largest in the world. Comprising of organized and unorganized sectors, India retail industry is one of the fastest growing industries in India, especially over the last few years. Though initially, the retail industry in India was mostly unorganized, however with the change of tastes and preferences of

the Consumers, the industry is getting more popular these days and getting organized as Well. With growing market demand, the industry is expected to grow at a pace of 25 30% annually. Retail industry in India is one of the largest and the fastest growing industries in the global Economy. Retailing industry in India has been present through history. It is only in the recent past that it has witnessed so much dynamism. It is slowly giving way to International formats of retailing. According to IBEF report (2017), retail sector in India Accounts for about 10% of countries GDP and is the world's 5th largest global Destination in the retail space. India's retail sector is experiencing exponential growth, with retail development taking place not just in major cities and metros, but also in Tier II and Tier-III cities. It is expected to grow to US\$ 1,100 trillion by 2020 from US\$ 672 Billion in 2017 as per IBEF Report.

### **Importance of Retail Marketing**

The retail landscape is in a constant state of change. As retail marketing is one of the most dynamic and exciting areas of growth in the global economy so, to beat the Competition, stand out in a saturated marketplace and succeed despite tightening Margins, savvy retailers are focusing on customer-centric service, personalization and Loyalty programs to attract and retain customers.

### **OBJECTIVE OF THE STUDY**

1. To study the essence of Retail Marketing in Indian context.
2. To analyze the customer satisfaction with special reference to the Retail Outlets i.e., D-Mart & Big Bazaar at Vapi City.
3. To identify the reasons of dissatisfaction among customer at Retail Outlets.
4. To present a comparative analysis upon customer satisfaction with respect to the customers visiting at D-Mart & Big Bazaar outlets situated at Vapi City.

### **LITERATURE REVIEW**

A literature review is a description of the literature relevant to a field or topic. Literature covers everything relevant that is written on a topic: books, journal articles, newspaper articles, historical records, government reports, theses and dissertations, etc. literature review gives an overview of the field of inquiry: what the key writers have already said on the topic.

Human being is with full of curiosity and this draws them towards finding the facts. Knowing the facts requires the researcher to understand and get in-depth knowledge

of the topic After selecting the topic, the researcher tried to conduct a complete study of the available literature to know the past, present scenario and to understand the future trend. Literature review also helped the in the study to know of the deviations in the present study and if possible to give certain remedial measures.

- Thomas and Gupta, Marketing Theory & Practice: Evolving through turbulent times, Global Business Review, 2005, Vol.6, Issue 1

Last few decades have witnessed dramatic changes in market environment. Characterized by unprecedented levels of diversity, knowledge richness in Addition, turbulence. The turbulence in environment has created by macro Environmental changes, namely, technological advances and globalization. The technological changes have made the traditional economic concept of scale, scope and structure irrelevant in the new economy removing the time and place barriers of doing business. Technological advances combined with forces of globalization have resulted in the transformation of the economy, industries, markets and customers, resulting in a connected knowledge economy, borderless global economy, globalizing, converging and consolidating industries, fragmenting and frictionless markets and active, connected, informed and demanding customers. Organizations' attempts to adapt to these changing environmental realities have effected changes in the focus, emphasis and scope of marketing. Today's customers demand choice and convenience. Customers mix and match according to their needs for product or service. Customer "satisfaction presents a versatile cross-channel metric to gauge the service provider's strengths and weaknesses from the customer's point of view. The concept of customer satisfaction occupies a central position in marketing thought and practice.

Satisfaction is a major outcome of marketing activity and service to link processes culminating in purchase and consumption with post purchase phenomenon such as attitudinal change, repeat purchase and brand loyalty. It is a feeling, which a customer gets from a process of evaluating what was received against that expected, the purchase decision itself and the fulfilment of needs and want. The key to customer satisfaction lies in meeting these expectations. Expectations are created in the customer mind from a variety of causes and reasons like past- experience, promotional claims, word of mouth and third-party information.

- Kotler, Philip, Marketing Management, 12e, 12th Edition, Pearson Education, New Delhi, 2006, p 136-137

Kotler also noted that satisfaction is a function of perceived performance and expectations that identifies feelings of a person resulting from comparing a products perceived performance in relation to his/her expectations. Customer satisfaction is multidimensional in nature and lies with multiple experiences with the service provider.

Customer satisfaction is a business term, which is used to capture the idea of measuring how, satisfied an enterprise customer is with the organizations efforts. During the past decades, customer satisfaction has emerged as a strategic imperative for most firms. In the 1980's, achieving a higher satisfaction became a goal. During the 1990's, there was a widespread realization that satisfaction is a strategic goal for all organization involved in the delivery of customer service. Satisfied customers usually return and buy more, they tell people about their experiences, and they may well pay a premium for the privilege of using service product of the organization. Since satisfaction drives behavior, a more thorough understanding of what drives customer satisfaction will give service providers the insights they need to influence customer behavior in the short-term and long-term. The centrality of the concept is reflected by its inclusion in the marketing concept that high customer satisfaction ratings are widely believed to be the best indicator of a company's future profit.

- Satisfaction of Customers towards D-Mart by Ritesh M. Gholap

D-Mart is a chain of hypermarket and supermarkets in India started by R K Damani. As of 2015, it has 89 stores spread across Maharashtra, Gujarat, Telangana, Andhra Pradesh, Madhya Pradesh and Karnataka, and a recent purchase of property in Rajkot. The Research Paper Study the customer's satisfaction and perceptions towards D-mart. The purpose of the study is to find out overall satisfaction towards D-mart. Some people are satisfied about price, some people about product variety. Research was done through questionnaire and discussion with some customers in college campus who are customers of D-mart. Retailers have recognized this trend and are of the view that customer satisfaction plays a role in the success of business strategies. Therefore, it has become important for grocery retail stores to try and manage customer satisfaction. This paper Was thus developed to know the satisfaction levels of customers of D-mart. Data was collected from D- mart in akurdi, Pune. The study states the importance of overall dimensions and specific elements of customer satisfaction towards the measurement of satisfaction levels.

## RESEARCH METHODOLOGY

- ✓ Topic: : “A Study on Customer Satisfaction with Special reference to ‘D-Mart’ and ‘Big Bazaar’ Retail Outlets at Vapi city.”
- ✓ Research design : Exploratory and Descriptive
- ✓ Population : Residents from the region of Vapi
- ✓ Sample size : 100 (50 each Respondents from both the outlets)
- ✓ Sampling method : Convenience sampling
- ✓ Research Instrument: Questionnaire
- ✓ Questionnaire : Structured
- ✓ Data : Primary and Secondary
- ✓ Data analysis : Tables & Graphs

## ANALYSIS

### Services Provided by retail outlet

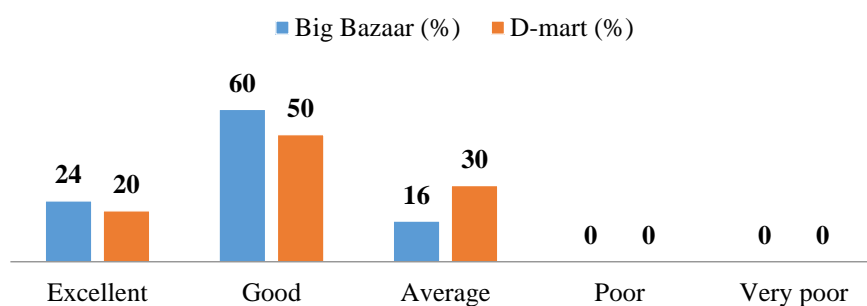


Chart No: 1

### Perception about outlet

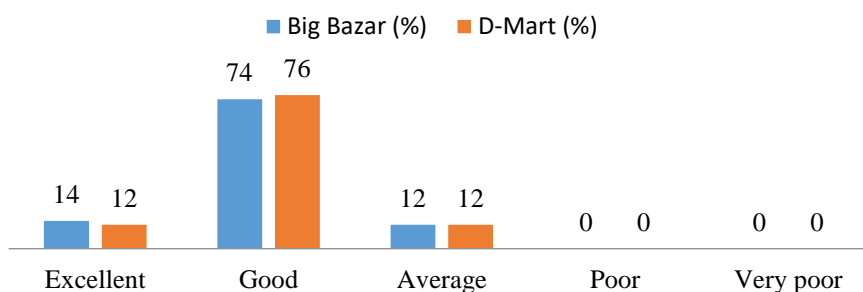
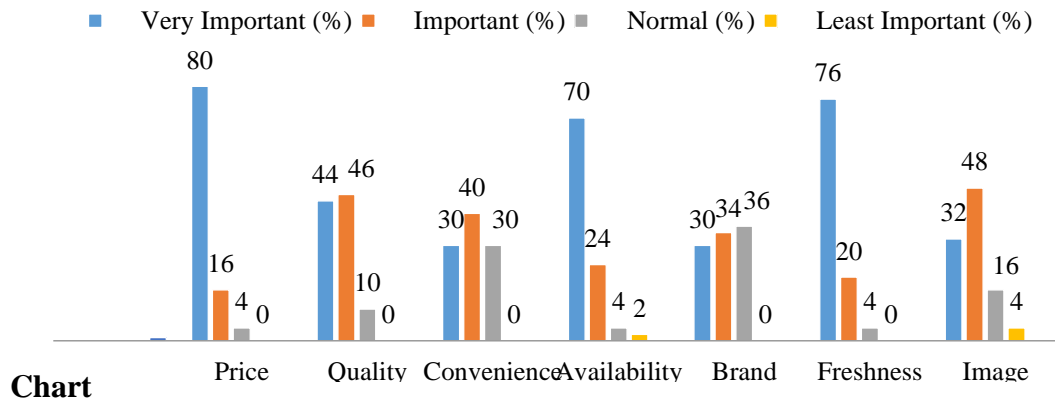


Chart No: 2

## Big Bazaar Product features influencing purchase



No: 3

## D-Mart Product features influencing purchase

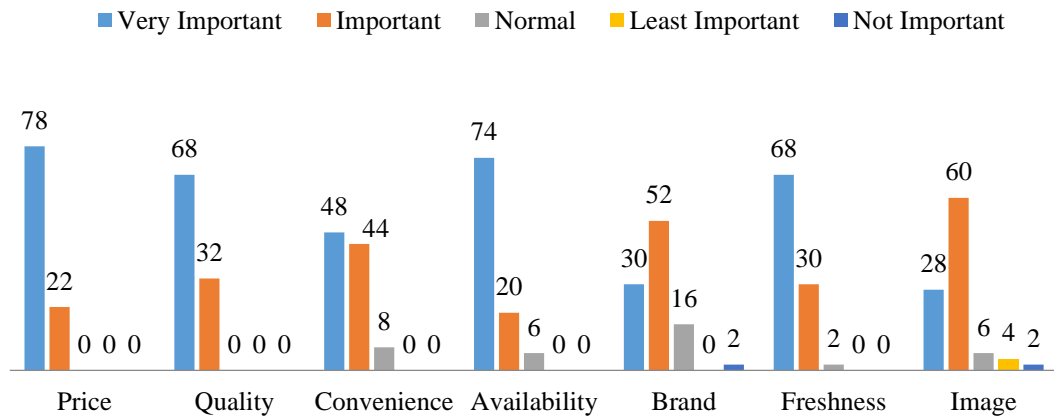


Chart No: 3.1

## Employee Behaviour

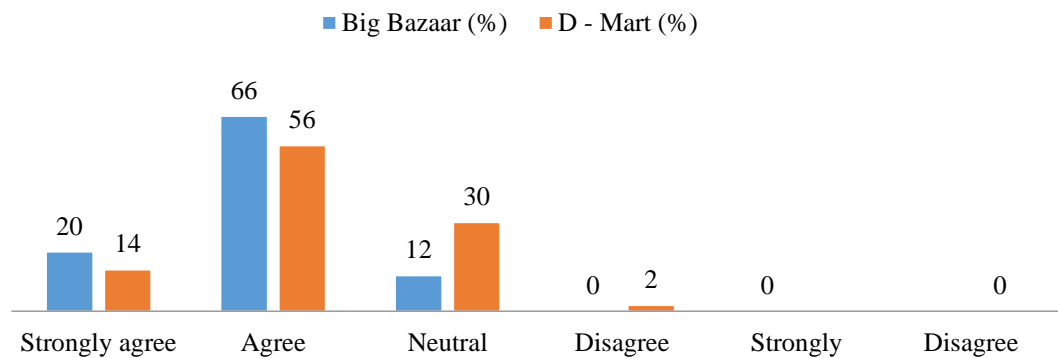


Chart No: 4

## Factor Influencing Purchase

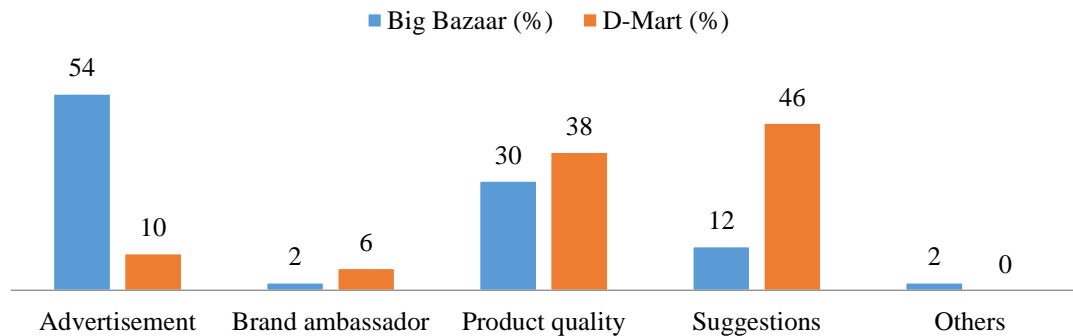


Chart No: 5

## Big Bazaar Level of Satisfaction & Dissatisfaction through various Parameters

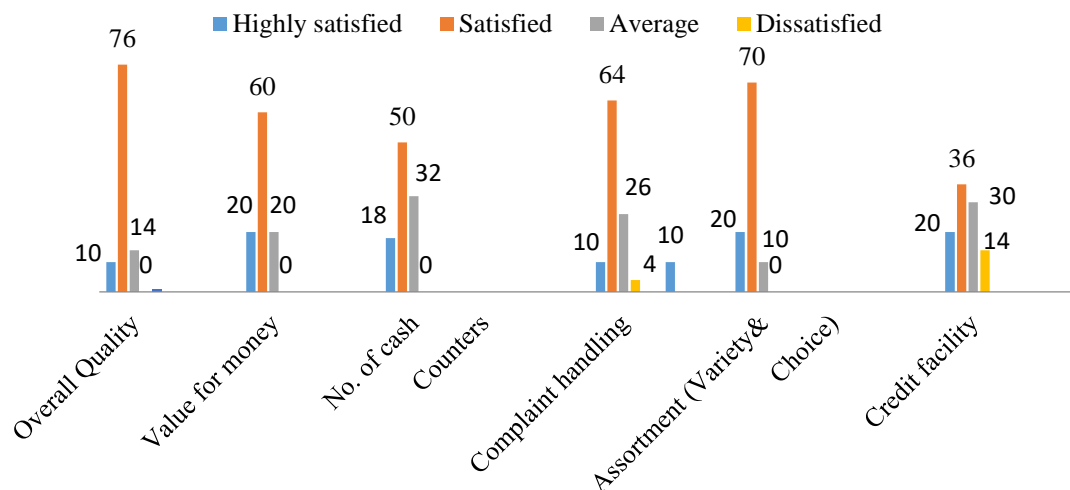


Chart No: 6

## D-Mart Level of Satisfaction & Dissatisfaction through various Parameters

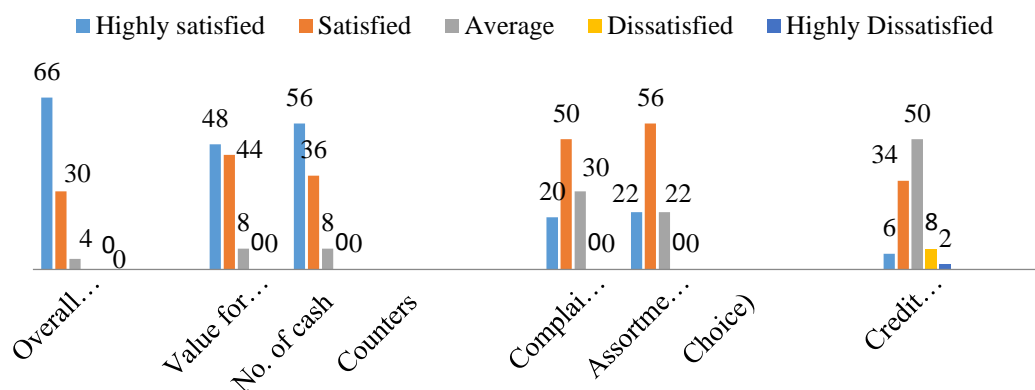
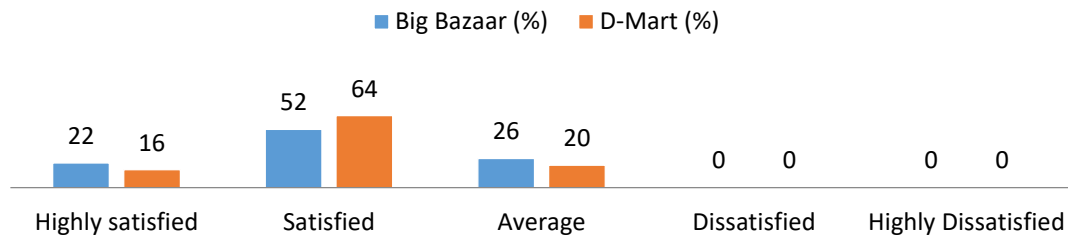


Chart No: 6.1

## Overall Satisfaction Level



**Chart No: 7**

**Source – Primary Data Collection**

### FINDINGS AND CONCLUSION

In the survey and study conducted above, Researcher came across many factors that influence the consumers' satisfaction on retail stores and their subsequent shopping and buying decisions. Here, Researcher present the findings gathered below

- The Researcher understands that service provided by Big Bazaar is comparatively much better than D-Mart. **(Chart No: 1)**
- The analysis depicts that the respondents have good perception about D-Mart than that of the Big Bazaar which attracts the customers more to D-Mart than Big Bazaar. **(Chart No: 2)**
- The analysis states that the respondents have different important factors about their respective retail store, But Price is a Most Important and common Factor for both retail store. **(Chart No: 3 & 3.1)**
- The analysis states that employee behavior at Big bazaar is more friendly as compare to D-mart because they are continuously communicating their offers and discount, so customers feel free to communicate to them. **(Chart No: 4)**
- The research represents that suggestions from friends and family affects the purchase at D-Mart while Advertisements affects the purchase at Big Bazaar. There are many other factors which affect their purchase **(Chart No: 5)**
- The analysis states that the respondents at Big Bazaar are satisfied with the overall quality of the retail store however they are dis-satisfied with the Credit facility. The respondents at D-Mart are also satisfied with overall quality and the Pricing and offer strategy while dis-satisfied with their credit facility. **(Chart No: 6 & 6.1)**
- The study states that there is a good competition among both the retail store. Overall satisfaction level of D-Mart is better as compared to big bazaar due to low pricing and offers .Therefore, respondents prefer-Mart than Big Bazaar. **(Chart No: 7)**

## CONCLUSION

The study is an attempt to measure customer's satisfaction at retail outlets in Vapi City. The customers are the main asset for any organization, without satisfying them no organization can be run well. Customer satisfaction towards retail stores is affected by various factors. This survey was meant to identify the customer satisfaction level towards D-Mart & Big Bazaar retail stores. Findings of this research suggest that the level of customer satisfaction is highly affected by the price and quality of the products, wide range of products and location and conveyance are more attracting customers to visit the retail outlet. The study concludes that customers are satisfied at both the outlets however from the analysis it is found that satisfaction rate with customer at D-Mart is better than Big Bazaar inspite of high dissatisfaction for credit facilities through financing/banking partner.

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## **A Study on Rural Entrepreneurship- Prospects and Challenges in India**

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### **Abstract**

Indian economy is highly dependent on rural economy as 72.2 % of the total population lives in rural areas where agriculture and allied activities are the major sources of income. Rural entrepreneurship is starting of enterprises in rural areas. Entrepreneurship is a wise answer to solve the unemployment, migration and to promote economic and social development in rural areas. The strengthening of the rural villages will encourage the preservation of natural resources and improve the rural economy. There exists a wide gap between rural and urban areas in terms of infrastructure, market and financial access etc .To reduce the disparities, revitalizing the rural economy can be achieved by establishing entrepreneurial ventures in rural areas. Rising rural incomes will have a multiplier effect by raising the demand for farm and nonfarm products and services instigating growth of employment opportunities. Government of India has been continuously assigning increasing importance and support for the promotion and growth of rural entrepreneurship. The obstacles for growth of rural entrepreneurship are literacy, risk aversion, lack of skilled labor, less technical knowhow, limited access to essential services, lack of communication facilities etc. This paper provides an insight into the present scenario of rural entrepreneurship, advantages, opportunities, challenges faced by the entrepreneur and institutions promoting rural entrepreneurship and their role in developing and fostering rural enterprises.

**Keywords:** preservation of natural resource, employment opportunities, rural entrepreneurship.

### **Concept of Rural Entrepreneurship**

Defining entrepreneurship is not an easy task. To some, entrepreneurship means primarily innovation, to others it means risk-taking? To others a market stabilizing force and to others still it means starting, owning and managing a small business. An entrepreneur is a person who either creates new combinations of production factors such as new methods of production, new products, new markets, finds new sources of supply and new organizational forms or as a person who is willing to take risks or a person who by exploiting market opportunities, eliminates disequilibrium between aggregate supply and aggregate demand or as one who owns and operates a business.

**The basic principles of entrepreneur which applied the rural development are:**

- Optimum utilization of local resources in an entrepreneurial venture by rural population - Better distributions of the farm produce results in the rural prosperity.
- Entrepreneurial occupation rural population to reduce discrimination and providing alternative occupations as against the rural migration.
- To activate such system to provide basic '6 m'- manpower, money , material, machinery, management and market to the rural population.

**Major objectives of study:**

1. To analyze the roles of rural entrepreneurs in economic development
2. To know the major benefits from rural entrepreneurship
3. To suggest some remedial measures to solve the problems faced by rural entrepreneurs
4. To study the major challenges faced by rural entrepreneurship in India

**Role of rural entrepreneurs in economic development**

The entrepreneurs with their ability to scan, identify and analyze opportunities in the environment transform them into business proposition through creation of major economic entities there by channelizing the resources from less productive to more productive use create wealth. Through effective and efficient utilization of natural and national resources, they act as catalysts for economic development and also agents of social change and transformation.

A catalyst is certainly needed which results in entrepreneurial activity to a much considerable extent. The diversity of activities that which characterizes rich countries can be attributed to the supply of entrepreneurs. They play a vital role for the economic development of a country in the following ways:

1. **Formation of capital:** Entrepreneurs as such by placing profitable business proposition do attract investment to ensure private participation in the industrialization process. The otherwise idle savings are also channelized for investment in business ventures in turn provides return. Again the savings are invested giving a multiplier effect to the process of capital formation.
2. **General Job creators and job providers and not the job seekers:** With the globalization process the government jobs are shrinking thus leaving many

unemployed. In these circumstances, the entrepreneurs and their enterprises are the only source and hope of direct and indirect employment generation.

**3. Balanced regional development:** Entrepreneurs always look for opportunities in the working environment. They capitalize on the opportunities of governmental concessions, facilities and subsidies to set up their enterprises in undeveloped areas.

**4. Improvement in the standard of living:** Entrepreneurial initiatives taken by entrepreneurs through employment generation leads to increase in income and also purchasing power which is spent on consumption expenditure. Certainly increased demand for goods and services boost up industrial activity.

**5. Increase in per capita income:** Entrepreneurs convert the latent and idle resources like labor, land and capital into goods and services resulting in increase in the national income and in turn wealth of a nation.

### **Major benefits from rural entrepreneurship**

Some of the major benefits of rural entrepreneurship can be described below as follows:

**1. Provide employment opportunities:** Rural entrepreneurship as such is mainly labor intensive and certainly provides a clear solution to the growing problem of unemployment.

**2. Balanced regional growth:** Rural entrepreneurship can dispel the concentration of major industrial units in urban areas and also promote regional development in a balanced way.

**3. Promotion of artistic activities in rural areas:** The age-old rich heritage of rural India is preserved by promoting and protecting handicrafts and arts through rural entrepreneurship.

**4. Check on social evils existing in society:** The growth of rural entrepreneurship can reduce social evils like growth of slums, poverty, pollution in cities etc

**5. Improved standard of living:** Rural entrepreneurship will also increase the literacy rate of rural population. Their education and self employment will also prosper the community, thus increasing their standard of living.

## **Problems in Rural Entrepreneurship**

Entrepreneurs certainly play very important role in the development of economy thus contributing to overall Gross Domestic Product of the nation. They face various problems in day to day life and work. As thorns are part of roses, in the same way flourishing business has its own kind of problems. Some of the major problems faced by rural entrepreneurs are as under:

1. **Financial Problems:** Some of the major financial problems faced by rural entrepreneurs as follows:

a. **Paucity of funds:** Due to absence of tangible security and credit in the market most of the rural entrepreneurs fail to get external funds. Also the procedure to avail the loan facility from the banks is time consuming that its delay often disappoints the rural entrepreneurs. Lack of finance available to rural entrepreneurs is by far one of the biggest problems faced by rural entrepreneurs nowadays especially due to global recession.

b. **Lack of Infrastructural facilities:** In spite of efforts made by government the growth of rural

Entrepreneurs are not very healthy due to lack of proper and adequate infrastructural facilities.

2. **Marketing Problems:** Some of the major marketing problems faced by rural entrepreneurs are as follows:

a. **Competition:** Rural entrepreneurs face stiff and severe competition from large sized organizations and urban entrepreneurs. They incur high cost of production due to high input cost. Problem of standardization and competition from large scale units are some of the major problems faced by marketers.

b. **Middlemen:** Middlemen exploit rural entrepreneurs. Rural entrepreneurs are heavily dependent on middlemen for marketing of their products who necessarily pocket large amount of profit. Poor means of transportation facilities and storage facilities are also other marketing problems in rural areas.

3. **Management Problems:** Some of the major management problems are as follows:

a. **Lack of Knowledge of I.T:** Information technology as such is not very common in rural areas. Entrepreneurs rely on internal linkages that which encourage the flow of services, goods, ideas and information. The intensity of family and personal relationships in rural communities can sometimes be very much helpful but they may also present obstacles to effective and efficient business relationships.

b. **Legal formalities:** In complying with various legal formalities and in obtaining licenses rural entrepreneurs find it extremely difficult due to ignorance and illiteracy. Also, procurement of raw materials is really a tough task for many rural entrepreneurs. They may also end up with poor quality raw materials, which may also face the problem of storage and warehousing.

c. **Lack of technical knowledge:** Rural entrepreneurs to a major extent suffer a severe problem of lack of technical knowledge. Lack of training facilities and other extensive services create a hurdle for the development of rural entrepreneurship.

d. **Poor quality products:** Another important problem is growth of rural entrepreneurship is the inferior quality of products produced due to lack of availability of standard tools and other equipment's as well as poor quality of raw materials.

4. **Human resource Problems:** Some of the major human resource problems found in organization are as follows:

a. **Low skill level of workers:** Most of the entrepreneurs working in rural areas are unable to find workers with high skills. In this case turnover rates are also high.

b. **Negative attitude:** Sometimes environment in the family, society and support system is not much conducive enough to encourage rural people to take up entrepreneurship as a career. It may be certainly due to lack of awareness and knowledge of entrepreneurial opportunities.

### **Remedial measures to solve the problems faced by rural entrepreneurs**

Different organizations like IFCI, SIDBI, ICICI, NABARD etc are trying to sort the major problems faced by rural entrepreneurs. Marketing problems are mainly related with pricing, distribution channels, product promotion etc. In order to make the rural entrepreneurs to state the business venture, following measures may be adopted:

a. **Creation of finance cells:** Banks and financial institutions which provide finances to entrepreneurs must create special cells for providing easy finance to rural entrepreneurs

b. **Concessional rates of Interest:** On easy repayment basis and at concessional rates of interest the rural entrepreneurs should be provided finances. The cumbersome formalities should necessarily be avoided in sanctioning the loans to rural entrepreneurs.

c. **Offering training facilities:** Training is essential for the overall development of entrepreneurs. It also enables the rural entrepreneurs to undertake the venture successfully as it certainly imparts required skills to run the enterprise.

d. **Power supply of raw materials:** Rural entrepreneurs should be surely ensured of proper supply of scarce raw materials on a priority basis. Subsidy may also be offered at times to make the products manufactured by rural entrepreneurs reasonable and cost competitive.

e. **Setting up marketing co-operatives:** Proper assistance and encouragement should be provided to rural entrepreneurs for setting up marketing co-operatives. These co-operatives shall help in getting various inputs at reasonable rate and they are helpful in selling their products at remuneration prices.

## CONCLUSION

Rural entrepreneurs are certainly acted as a key figure in economic progress of India. They play a vital role in converting developing country into developed nation. In today's global market a country's economic policy environment must always be favorable for an organization to achieve efficiency. Economic policy of a country should also enable entrepreneurs to provide magical touch to an organization irrespective of public, Private or joint sector in achieving innovativeness, speed, flexibility and strong sense of self determination. Rural entrepreneurship however is the best answer for removal of rural poverty in India. Hence government should stress and emphasize more on integrated rural development programs. Also, majority of the rural youths do not think of entrepreneurship as a career option. Hence organizations and government should come with training and sustaining support systems providing all necessary assistance so that rural youth can be motivated to take up entrepreneurship as a career. Besides there should also be efficient regulated markets and governments should also lend its helping hand in this context. Standardization and grading should be promoted, and promotional activities should be enhanced to encourage rural entrepreneurs. NGO's should also be provided full support by the government. In the present context study of entrepreneurship helps entrepreneurs not only to fulfill their personal needs but also help in economic contribution of new ventures. More than increasing the national income by creating new jobs, rural entrepreneurship also acts a force in economic growth by serving as a major bridge between innovation and marketplace. To conclude to bring change institutions need to focus on synergies between education, innovation and entrepreneurship.

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# **A Study on Motivation and Self Actualisation For Professionals In SMEs in The 21<sup>st</sup> Century**

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**Dr. Susheel P Kandalgaonkar**, Former Director IMDR Pune

**ABSTRACT:** This paper aims to understand the concept of Self actualisation based on Maslow's hierarchy of human need in today's modern context and its relevance for the modern professional in SMEs. It begins with understanding the concept of disillusioned professional in SMEs and goes ahead to discuss human potential at length. It then talks about the concept of whole man and throws light upon the fact that conventional definitions of a complete individual are short sighted and there is no standard definition of success or completeness of an individual. Finally, there is a discussion on market and personality market and how personality hype takes over real substance in today's contemporary world.

**keywords :** Motivation, Self actualisation, Whole Man

## **Introduction**

Abraham Maslow's model of hierarchy of human need (1940) is a well-known theory in management literature. Maslow's hierarchy theory gained popularity primarily due to its easy interpretation and intuitive appeal. Maslow has pointed to an evolvement of the human middle-class values as a sequence which progresses from lower order needs to higher order needs. Needless to say, it has a feelgood factor with a hope that 'self-esteem and self-actualisation' would be accessible to all of us, and psychological growth and maturity is as inevitable as physical growth of human body.

Hierarchy of needs theory promotes an understanding that adults live in a need context of silos and they do not aspire or hold a higher need level unless lower level of need is satisfied. In other words, a person who is deprived of material resources like food, shelter and clothes would not desire to satisfy his/her need for love, self-esteem and self-actualisation. This is certainly not our experience of living in a society. We find that the poor are as conscious as or even more so, of self-respect than the affluent class. Similarly, a tribal may have more concern for community living and love for fellow beings and nature without having any economic security. In

contrast, a professional living in a two-bedroom apartment with material facilities may have a stunted desire to fulfil his potential which is a facet of self-actualisation. Certainly, Maslow's model needs re-examination and we need to revisit his theory of motivation with 'self-actualisation' need, in the context of SMEs where one can see a lot of frustrated and demotivated professionals.

Hence, it is necessary to understand the dynamics of human needs and also the contemporary socio-economic perspective of how middle class in general and professional in particular aspire for and satisfy their needs.

### **Disillusioned professionals**

Present day professionals in Indian SMEs define their professional roles too narrowly in terms of their expertise or specialisation. Modern knowledge has compartmentalised professions in terms of specialised roles based on functional expertise. Other challenges for professionals in Indian SMEs are as follows :

- Owner driven and highly randomized decision-making
- No systems for HR e.g appraisal, compensation etc..
- Lack of resources for personal development which causes demotivation
- Long working hours and no work-life balance
- Automation

For example, in the manufacturing industry, professionals often get into roles which are highly specialised and over a medium to long term period, the above factors can cause a high level of dissatisfaction. Similarly, if we look at the IT sector closely, it is very easy to find examples of professionals who are consumed by their careers and have lost the capacity to look beyond their job roles. In fact, life for them has become their job or career and they do not have the ability to maintain a simple work life balance, let alone work beyond the boundaries of their expertise areas. Let us understand the impact of specialisation on satisfaction of human needs.

We are not referring to usual debate of generalist versus specialist professionals. The point is that, in today's context, life space occupied by specialised expertise tends to be larger than the space available for living processes. If we accept that primary business of life is living a full life and not just being busy 24/7, it also implies that only professional or business success may not make a person complete. Human potential and fulfilment are always larger than professional success. Life is larger than professional careers. This is a concept which is especially applicable to the

new age millennial working in SMEs. The newfound sectors in business have created extremely narrow- minded individuals who are unable to look at life beyond their careers. Working for extremely long hours, constant struggle to meet deadlines, peer pressure, competition has left little time for them to think beyond professions and meeting daily demands.

The concept of self-actualisation refers to a person's capability to be with one's unique self and it also implies best use of human powers of reason, imagination, productiveness, relatedness with fellow and nature. (1). In contrast, one can see how today's professionals are disillusioned with narrow specialisation, for instance many an engineer changes their career path and venture into field of fine arts, filmmaking, or a finance professional turns to dramatics or social work. Today you can see many a IT professional getting into start-ups completely unrelated to their fields. Engineers find satisfaction in selling juices and hotel rooms. The point is that professionals switch career tracks because Self-actualisation need satisfaction is not possible in narrow professional roles. This trend seems to be spreading quite rapidly amongst the new generation. Once the concept of self- actualisation is ingrained in the mind of this new age person, he automatically moves in a direction which gives him overall satisfaction in work and life and moves him towards the path of self- actualisation.

### **What is Self- Actualisation?**

Top end of Maslow's need hierarchy is occupied by Self actualisation need. It constitutes following dimensions of human behaviour:

1. A drive to become what one is capable of becoming
2. Growth and maturity
3. A need to surpass self even after winning acclaim for achievement from society
4. Achieving potential and
5. Self – fulfilment

Most critical part of self-actualisation (SA) need is that a person can satisfy this need only with his or her internal resources, like passion, engagement, love, imagination and it cannot be satisfied from external or material resources. Human development is significantly different from growth in GDP. Unlike animals, man has capacity to move to higher order- needs that go beyond survival or physical existence. One

discovers potential with action and power of imagination because the need is to satisfy oneself. Therefore, no one else but the person himself can deliver that satisfaction to self. This need begins and ends in unique self of the person. This cannot be standardised or defined by anyone else but the person himself.

To continue with our example of a professional, he or she has to ask 'How much satisfaction do I deliver to myself every day? How much time and other resources do we invest in identifying and using our potential?' More importantly, 'What is the proportion and importance given to professional development vis-a-vis potential development?'

The answer is that modern professionals equate professional success as a mark of personal fulfilment. They are caught in a trap of 'market success' that make them repeat doing what they are already competent at and rewarded for by the market and workplace. Hence, they do not invest in work that may be risky and may not get so-called 'success' but may be self-fulfilling. Professionals need special guidance, family and social support to focus on higher order need of self-fulfilment. A close study of professionals in SMEs reveals that although successful in their careers, many individuals are not satisfied with what they have achieved in life. There is a constant struggle to reach the goal faster and faster without realising that the goal itself may be not the right one.

The challenge of discovering and enacting human potential: To recognize potential one does not need data and information but life experience, contact with other fellow human beings, his own powers and relatedness with nature. In other words, these are the tools man possesses which need to be utilised by him to uncover his true potential. However, electronic media diverts our attention to consumption of images and products. Our attention is diverted to satisfaction of wants generated from advertising messages rather than our potential. For example, how is a six-year-old child impacted by constant advertisement of junk food products? How would he develop need for games, fine arts, stories, theatre which are the means to identify one's potential? In fact, sports and arts are seen as careers and money-making activities rather than an end in itself or for larger purpose of developing all rounded personality and fulfilment. Social media has played havoc in the minds of the new generation and that is being used for self-gratification and building image. People are moving further and further away from human interaction to machine interaction.

## **Fulfilment of human potential**

Let us understand the role of 'self' development of individual potential. Self is built on human consciousness. Adults learn and reflect on experiences of living and develop insights into self and identity. Who am I? What are my potential and qualities that distinguish me from others, a value-set that guides life? This kind of exploration lead us the path to be in touch with the potential. However, without varied life experiences which exposes us to situations, and relatedness with others etc, one would not get access to this self -knowledge or consciousness. Maslow had rightly pointed that out that self-actualisation would be possible to men and women below thirty years of age. An individual requires varied life experiences of success and failures, elation and depression, love and hate, joy and sorrow to have understanding of one's unique 'self. Consciousness is developed more from such life experiences help broaden individual perception wherein a person is able to look at the usual reality from a higher angle and develops a different estimate of the worth of things and people around him/her.

In other words, value of self - knowledge or consciousness based on life experience cannot be underestimated for the process of discovering one's potential and develop a desire to actualise it.

## **The concept of Whole Man (includes woman)**

Man is a delicate creation of nature which has taken million years to create a human being. No two individuals are same, and each individual has unique features in terms need, talents and values which is an outcome of influences of nature and nurture, born- traits, learned abilities and cultural values. Individual needs of higher order cannot be quantified but are experienced and expressed by the person in qualitative terms. Hence, one cannot give a picture of average human needs and simplify needs into hierarchical sequence. One cannot reduce man to lower and higher order needs when human needs are experienced simultaneously. Also, one cannot live a predetermined template and no book can give a programme of individual consciousness would which is different from observed behaviour. Process of living is anchored in this self- consciousness of individual and the values that guide his life are primarily are self - created rather than received through cultural influences or indoctrination, In other words, discovery of human potential is not possible unless a

person is liberated from internal and external bondages. Freedom and responsibility are very essential features of making existential choices of leading a self-fulfilling life. Such a life may or may not meet the criteria of success defined by the convention or prevalent norms. One cannot reach towards the nobler dimension of higher order needs without human consciousness.

### **Socialization in Indian society**

It is necessary to recognise that a person can strive to reach towards higher order needs to use his potential but there are social and cultural limitations to human aspiration. Maslow believed in values of Humanist psychology of limitless potential of human development and therefore he mentioned the essential condition of a social climate of freedom, equality and ethical values that enable us to actualise of potential of self.

Carl Rogers, another psychologist of Humanistic school recognised the role of family and social environment of ‘unconditional positive regard’ as an essential part of nurturing individual potential. In this context, we should re-examine the values of Indian middle-class families. Research has revealed that an adult in India typically holds the following values:

- a. He idealises his parents and himself
- b. Holds rigid conception of sex role
- c. Has deep concern for social status
- d. Values efficiency and rejects imagination, emotion, psychological sensitivities
- e. As parent, he/she nurtures a feeling in children that whatever is helpful in climbing the social ladder is good and holds a desire to fulfil their social ambitions through their children

The question is ‘Do these values suggest unconditional positive regard for children or a desire to mould them with pre-determined norms? Can one discover one’s potential in the context of such normative pressures in family?’

### **Authority of the self at workplace**

No wonder, it is difficult for young men and women in India to recognise and accept the authority of ‘self’. A typical Indian sees ‘authority’ as something above him whether it is a boss or parent, head of community, minister and ultimately God. When

the reality at workplace or society is that an individual delegates authority up to superordinates (taken as superiors!) and then it is delegated downwards. At workplace, an employee authorises higher ups to supervise, monitor, support, disciple, promote or sack him. Especially in owner driven SMEs, the concept of authority is extremely powerful. This is often not the case in larger organizations and MNCs where an individual gets more flexibility and freedom. For a typical Indian, authority is not an absolute or mystical power but a rational instrument to help us focus on and work towards the primary purpose of work organisation, society, government, family and social institutions.

The point is that self-actualisation is a struggle when legitimate and moral authority of the self is denied by individual and the society.

It is interesting to note that two of the needs in Maslow's need hierarchy are generally not highlighted in management text books on the theme of motivation; 1 Need for freedom of inquiry and expression, social conditions that permit free speech, encourage justice, fairness and honesty and 2 Need for curiosity, learning, philosophising, and experimenting.

Needless to say, need for free expression, which is basis of political democracy, is also an essential condition for human development. This point gets critical importance in the contemporary Indian and global context.

In the present climate of racism, communalism, jingoism at global and national levels, it is difficult to maintain humanist beliefs of actualisation of nobler self of man. Human history is full of examples of degeneration human potential due to social, cultural and political repression. Postmodern world has witnessed both elevation and dehumanisation of human potential. We do have stalwarts like Steve Jobs, Baba Amte, Laurie Baker, Anil Avachat and also many other men and women who have utilised their potential and made extraordinary things in their ordinary lives. Mr Subrato Bagchi, CEO, MindTree,<sup>(4)</sup> had described how his high school educated, blind mother inspired him due to her selfless life and relatedness with family, neighbourhood and nature.

Nonetheless, we do experience de-humanisation at societal level due to communalism, racism and jingoism all over the world. The violence of the contemporary world would frighten even ferocious animals. Animals kill other animals only for prey and only when they are hungry. In contrast, man kills other men even though he does not consume what he kills. And this is done in the name of

religion, nation and ideology. The point is that actualisation of individual potential is closely linked with free, fair and ethical social conditions. Free individual is an essential condition for free society.

In the end of this paper, we mention two other forces that dominate our living in the contemporary world, and they are a) Market and 2) personality market

### **Dominance of Market and Personality market**

The Market: Trade and commerce have evolved from barter system to present day market system of Stock markets and Malls. Transactions between buyers and sellers is possible with money as a means of currency for exchange of goods and services. But unlike barter system, which was based on ‘use value’ of the goods in buyer- seller transactions, value in the present day ‘market’ is determined by ‘exchange value’. In other words, a seller can enhance exchange value of goods with marketing efforts either brand building and also by unethical means like artificial scarcity of goods, oligopoly, pricing, lobbying etc. The point is that exchange value can be many times higher than the production and use value. Market perception developed by media is more influential than the actual experience or reality. Also, vested interest groups can inflate exchange value of goods with low use value. For example, farm- products in India in the recent past are priced so low in commodity market that farmers have destroyed the crops and committed suicides in a large number. Markets are ruthless and they represent the dark side of an economy driven by capital.

The impact is that those who are victims of the market lose faith in honest work and what is relevant to our topic is that there is a loss self -respect and confidence. Maslow’s theory of motivation rightly mentions that without satisfaction of self-esteem and recognition need, a person cannot aspire for next higher level of need, i.e. self- actualisation.

Market logic may go against the natural tendency of humans to grow and develop which is a fundamental belief and assumption of Humanist school of psychology to which Maslow belonged. The challenge for those who live in post -modern world is for those who aspire for actualisation of potential also depend on the market for survival. The market converts humans into either a commodity or faceless consumers.

No contemporary man can escape this market trap. Just as fish cannot survive without water, one cannot live without market. A fish can fight against other fish but not against water. Such is the nature of contemporary man's relationship with market.

One can fight against other hostile forces, but he cannot fight against air and water. If one succumbs to the market forces, which as inevitable as air and water, dehumanisation is inevitable, and if he rejects the market, his survival becomes difficult! Is there an escape from such Catch -22 situation or a double bind? There are no simple or generalised answers and each individual may find his own way to develop potential with original answers. People like Steve Jobs used innovation to beat markets while Anil Avachat and Bhimsen Joshi chose simple lifestyle to retain creativity and talent.

### **Personality market**

Another dimension of brand market is 'personality market'. Here, the logic of commodity market is extended to humans and relationship. Professionals in contemporary societies are more conscious of projecting a right personality even when they with their technical expertise in a specialised field of knowledge. Now-a-days appearances and impressions are often more important than functional skills. Pretensions of quality scores over genuine quality and they enhance exchange value of professionals services.

Modern society has also created a 'personality market' wherein acceptance of a professional by other professionals and clients is an essential factor for success in the market. For example, MBA students strictly follow a dress code during campus placements. Young boys and girls who show individuality in dress and behaviour during the academic year suddenly become ladies and gentlemen in sarees and suits when companies come for recruitment on campus. They are willing to accept the norms of job market and to disown their individual choices and lifestyle. Self-worth of these students depend on market (placements) success and failure. No wonder, one finds more cases of depression and suicides in elite institutions like IITs and IIMs, wherein competition of personality market is taken too seriously .

One can argue that competition in market improves efficiency and performance. However, main incentive from market is higher exchange value and material aspects rather than human qualities of honesty, authenticity, decency, and collaboration.

The point is that a young person is pushed to suppress his or her potential while choosing a career. Those jobs which give better monetary rewards are preferred. What is not recognised by many is that money is important only to the extent of offering a person more choices. Money cannot satisfy higher level needs like self-esteem, self-actualisation, and self-development. Development and satisfaction of these needs is delivered by the person to himself or herself. It cannot be bought by money like branded products!

## **Summary and Conclusion**

Maslow's theory of human needs and motives (1940) has two limitations. One was acknowledged by Maslow himself who did accept that not all human being could potentially be motivated by higher order needs like self-esteem, self-fulfilment through deployment of potential. In industrial context, it was found that employees, who were adequately paid, secure in their positions, and with reasonably good social relationship, remained discontented. This signifies that need for self-actualisation does not depend on satisfaction lower level needs as hypothesised in need hierarchy theory of Maslow. The paper tried to probe the reasons of why Self-actualisation is not a commonly shared human need as proposed by humanist psychology. In contemporary context in SMEs, opportunities for human development are multiplied but market orientation has diverted the psychological energies of men and women to focus on receiving satisfaction from material success rather than delivering satisfaction to self through potential development by self. Self-fulfilment in true spirit of actualisation of self is possible only when one directs psychological energies towards the use of basic human capacities or powers viz

- a) to reason, discern, imagine
- b) to relate, engage, to love and form social bonding with others and
- c) to be productive, to create, to act out the vision.

Human potential is developed through deployment of human capacities rather than search for external incentives from market. In contemporary context, we need to

realise the real value of ‘money’ in business of living . Steve Jobs, while addressing the graduates of Stanford, brilliantly said,

----in order to be happy (self-fulfilment) do not chase material things, chase experiences (opportunities of potential development) .--- money is important , it does a lot of things, it creates choices, . But after a particular point, money does not make people happy.’(3).

Steve Jobs is a recent, main -stream example of a professional who demonstrated the possibility to realise self-potential even in a business context of market orientation. There are others who are not – mainstream practitioners of professions like Lorry Bekker(architecture), Baba Amte (social work ), Anil Avachat ( writer, activist ) who had refused to yield to market orientation by reducing their material and money needs an yet lived a self-fulfilling life and actualised their potential . To conclude, self - actualisation is possible for many of us if we learn from these tall personalities who have discovered, visualised and actualised their potential.

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# A CASE STUDY ON BRAND MANAGEMENT

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## **CASE STUDY:**

### **INTRODUCTION:**

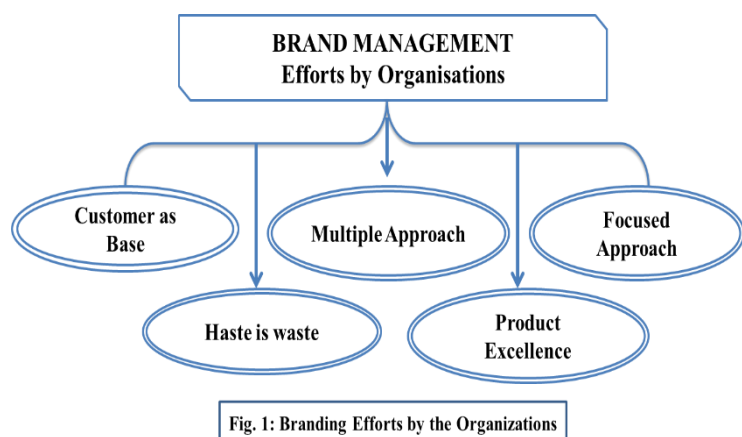
Branding as an exercise has been considered as a standalone function with strategic input. The Organisations are potentially looking forward to branding exercise, as important as it considers production or any other such division of Organisations. Brand management stands out to be a function of marketing that adopts techniques to enhance the perceived value of a product. Brand Management does have influence on the pricing of products. Branding has the potential to build loyal customers. The Organisations while building strong brand must provide a defined direction and meaning to the product. *“What is the Brand all about”* need to be explained to Consumers. The Identity of the brand like the core identity and extended or visual identity has to be planned.

The modern-day branding has taken the route of associating with the celebrities for branding. The celebrities provide mileage to the products, the acceptability enhances, and the credibility gets defined. The Chief Client Officer WPP India Shubha George states that *“Marketers will have to be more upfront with their Brand Ambassadors”*. Taking this notion further of getting the celebrities involved Puneet Das VP Marketing – India, Tata Global Beverages states that, *“The Question is not whether to use a celebrity or not but to ask who will be the right fit and why?”*. Branding has taken the strategic route long back and the players in the market have understood the essence of branding. The process of branding travels from identifying and establishing the brand identity and positioning, continues through planning and implementing the brand marketing programs, then measuring the brand’s performance and follows with brand sustenance effort. Branding as a Marketing phenomenon has taken the front seat and meeting the business goals today shall certainly require the branding exercise. While this notion holds true, potentially there is another notion which holds true for the lesser known brands / products which actually meet their business goals without even spending a penny on branding exercise.

## BRAND MANAGEMENT:

Brand is the identity of a Product. Ensuring a better brand value is the present focus of every company and this is massively because the competition is huge. Referring to Kotler's thought, *"A Brand is a Name, Sign, Symbol, term, design or combination of them which is intended to identify the goods services of a seller or group of sellers and to differentiate them from those of competitors."* The Brands enjoy a Functional & emotional attribute. They occupy the space in the mind of the consumer. Brands matter because they are growth prone, they promise to deliver value, they meet expectations of the consumers, they help to differentiate, they help in promotion of the product and most importantly they connect with the consumers. Positioning of the brand is utmost important. Brand Positioning should shape customer's opinions of the brand, and guide them to know what makes this brand unique in the marketplace. Brand positioning involves the setting up of a frame of reference for the customers. Brand Management requires a defined approach in terms of developing & retaining a brand position. The exercise later shall also require brand repositioning exercise. *Cinthol* almost a decade back had to go for brand repositioning with a range of new products and improved packaging. *Nano* had to reposition with shift from Low income class car to car for youth. *Nokia's story* suits the repositioning & re-launch of the products. *BlackBerry* had to launch the *Black Berry Boys* campaign as part of the repositioning exercise.

The marketers may attempt branding of products while ensuring & considering the following aspects, i.e., *Customers are the base of the branding decision, Marketers must not take Short Cuts as haste is waste, Brands must have*



*multiple approach, brands must resemble excellence of the product and branding must be a focused approach.* Marketers must understand that the strongest of the brands merge strategies that appeal to both the rational and emotional sides of the

target customers. The Insurance products i.e., LIC, any Private Player's brand often take the route of emotional & threatening ads to boost their sales. The FMCG sector employs more of emotional connect to establish their brand. *Bournvita* featuring Mother – daughter relationship, sounds emotional but has a strong commercial advantage. *VIVO & OPPO* today are the classic examples of branding, they have changed the dimensions of the outdoor marketing i.e., from hoardings to buildings. No longer it's just wall painting on building instead it's the building itself. In almost every sector right from Power to Technology, Consumers goods to Industrial products, Branding is playing a leading role.

### BRANDING: Challenges & Opportunities

The Branding exercise encapsulates both the opportunities and challenges for the Organisations. The Marketers face a huge challenge in the form of *literate customers, increased competitions in the form of private players, brand expansion & respective demand, enhanced trade, Media scope, Increased Cost of Production*, etc.



Fig. 3: Branding Opportunities



Fig. 2: Branding Challenges

These challenges keep the Organizations on track & vigilant. These challenges also have the potential to support the momentum of businesses, enhance the business prospects and add to the prosperity of the business. Amidst all the challenges the Branding exercise has Opportunities as well towards ensuring a defined approach. The Opportunities include *defining the Brand appropriately to seek better results*,

*branding has strong social media connect, blogging approach has an opportunity to scale up the brand, branding ensures Customer service as a priority which eventually leads to customer acquisition & loyalty. These & many more are potential opportunities for organisations with branding exercises.*

## WAY OUT THROUGH AAKER MODEL

The Brand Management is essential however the same requires a definite way to work out. You can't be rest assured that the effort of branding shall work out with just a promotional tool or may be it works out of a quality product delivery. Ideally it may be combination of all. Most essentially one needs to enhance the Brand equity. **Aaker Model** of Brand Equity views brand equity as a set of five categories of brand assets and liabilities linked to a brand. The categories are *Brand Loyalty*, *Brand Awareness*, *Perceived Quality*, *Brand Associations*, *Other proprietary assets like IPR*.

**Brand loyalty** is brand's currency as defined in Aaker Model of Brand Equity. Higher loyalty helps firms to reduce marketing costs. Also, loyalty is something which cannot be copied overnight by competition and therefore gives time to the firm to respond to any move by competitors. **Brand Awareness** is the starting point of building brand equity. Awareness help the brand to get into the consideration set while the consumer plans their purchase. **Perceived Quality** with respect to the product gives an extra edge over the actual product features. However, perception till proved is of no use in the long run e.g. Nokia phones were perceived sturdy and therefore the company could survive for long even without

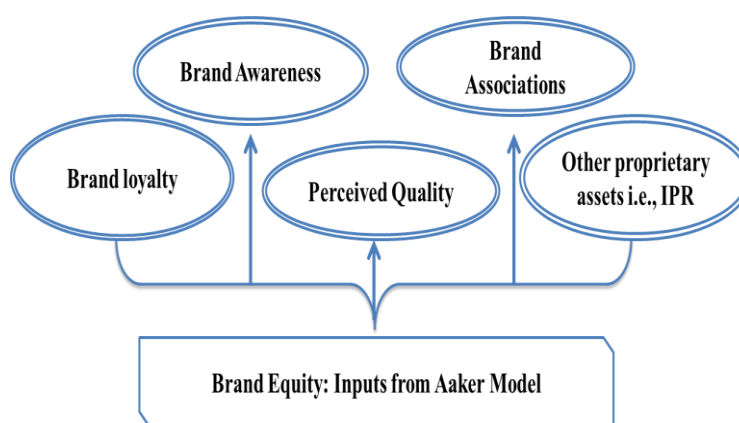


Fig. 4: Brand Equity

upgrading to Dual SIM phones initially and to Android phones later. However in the long run products features play over perception. **Brand Associations** is the extent to which a brand name is able to 'retrieve' associations from the consumer's brain (such information from TV advertising). The extent to which association contribute to brand

differentiation and play a role in the buying process. The extent to which brand associations create positive attitude/ feelings and the number of brand extensions in the market (the greater this number, the greater the opportunity to add brand associations). **Other proprietary assets** include Patents, Trademarks & Channel Relationships. The major change in Branding thoughts is today driven by the concept of the Customer Based Brand Equity (CBBE). Brand equity is potentially of two types: Financial and Customer-based. As Marketing is the customer driven approach, the CBBE also focuses on the customer domain while planning the product's development & promotion. CBBE also communicates largely that the mistake of considering the Product & Brand similar is not a good business prepositioning. Product & Brand are distinct. Also, the branding of the Organisations and Branding of the products at Organisations may have different approaches. Both stands a separate exercise. The IT companies may look forward to build companies' brand like Infosys while a FMCG manufacturer like HUL may look forward to both aspects of building HUL's brand & separately for its product.

## **CONCLUSION:**

Branding certainly has a promising result for the Organizations and it has become a nomenclature that defines success. Marketers have been actively involved into the branding exercise. This is no longer a prerogative of the Organisations that produces a product. Every unit that has transactional approach shall certainly look forward to the branding aspects. Readers & learners shall always have questions surrounding the branding exercise. *Why essentially the Product requires the Branding Exercise? Does Branding have impact on the product life cycle (PLC)? Can branding standalone help the product to excel in Market?* These and many more could be the determining questions for the strategic decision towards Branding. Brand Management is an inevitable exercise in today's business environment and it's like wave that carries the positivity in it. However, there is potentially a section of business society that questions the notion of branding essentialities. There are exceptions to the notion that *Branding is primary objective for the Organisations*. The opponents to the thought say that the product quality potentially is the most important aspect for the business. The proponents to the thought share that quality of product is a given fact however in the competitive era one must go beyond the obvious and reach to the minds of the people which potentially can happen only through a positioning exercise termed **Branding**.

**BROAD DISCUSSION QUESTIONS:**

- Q.1: “Branding exercise is essential for development of the product’s tenure in market”. Discuss.
- Q.2: What have been the major influencing factors for the Organisations to adopt the branding of products?
- Q.3: Does Organisational Branding & Branding of its products differ? Discuss in light of the examples from the Industry towards Branding function executed at the Organisations.
- Q.4: Discuss the leading examples of the selected companies who have adopted branding exercise and highlight their respective outcome.

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# **A Study on Farmer's Attitudes Towards Organic Farming**

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## **Abstract**

Organic farming is gaining recognition in every country of the world. It is diversify agricultural production systems to achieve improved productivity, income, food, and environmental safety. This study investigated the attitudes of farmer's towards organic farming. Convenience sampling was used to select 200 farmers from kamrej taluka of surat district. Attitude of farmers towards organic farming was measured on score of respondents' responses to 17 positive and negative statements on likert scale. Data was interested and analysis through frequency, percentage and means. The result indicates that farmer's having a positive attitude towards organic farming. The most important attitude statement is organic products are healthier for the family. Also they are getting information about organic farming from fellow farmers and companies agents. Further involvement of government to help organic growers would also boost the adoptability of organic farming.

**Key words:** organic farming, attitude.

## **Introduction**

Organic farming is not new for India and it is being practiced from primordial time. It is a one of the way of farming system which objective is to cultivating the land and increasing crops in such a way, as to keep the soil active and in good health by use of organic wastes and other biological materials along with useful microbes to release nutrients to crops for raising sustainable production in an ecofriendly less pollution environment.

With the increase in population our obligation would be not only to stabilize agricultural production but also raise it supplementary in sustainable manner. The scientists have raveled that the 'Green Revolution' with high input use has reached a plateau and is now sustained with diminishing return of falling dividends. Thus, it is necessary to maintain a natural balance at any cost for existence of human life and property. The obvious choice for that would be more relevant in the present time, when these agrochemicals which are manufactured from fossil fuel and are not

renewable and are diminishing in availability. It may also cost seriously on countries foreign exchange in future.

The main purpose of organic farming is to maintain production of quality food with little or zero effect on the environment. This purpose cannot be fully achieved by current agricultural practices, i.e. inorganic farming, so the requirement to promote organic farming which is able of providing solutions to the current agricultural harms and help to achieve optimal production of quality food sustainably. Even though, the global awareness regarding environmental degradation and climatic change that could result from ignoring organic farming and the threats it poses to sustainable agricultural production.

### **Literature review**

Organic farming emphasizes the use of renewable natural resources and their recycling (Emsley, 2001). It augments soil organic matter content, raises soil pH, and increases nutrient exchange and water holding capacity of soil (Williams, 1999). Nigeria appears to be at the early stage of the development of organic agriculture, with very small farms or projects claim to be organic and even fewer operating a predictable form of certified organic agriculture (Harris, 2006). Organic farming has more potential than conventional farming in building healthy soil which is the establishment of food chain. It reduces harmful chemicals and pesticides out of the food that we eat, preventing disease and having vantage role in promoting human health. Organic products are lower in water content, reserving higher nutrient density richer in iron, magnesium, vitamin C, and antioxidants and more balanced with essential amino acids than conventional products (IFOAM, 2005). Kundan Kumar (2016) in his article measures the attitude of farmer towards Organic Farming. A total of 5statement were prepared, for which Likert method of summated ratings was followed. And these statements were administered to the 30 numbers of farmer from non-sample area from two villages each covering of 15 farmers. Final lists of 21Statements were selected based on the values obtained from the item analysis. The conclusion is that necessary to make out the attitude of farmers, and for the same purpose a scale has been developed comprising of 21 statements which can be used to measure the attitude of farmers towards organic farming.

**M. Priyadharshini (2016)** in her study designed a scale to measure the attitude of farmers towards organic farming practices in Tamil Nadu. Edwards equally appearing intervals scale was adopted to develop the scale. The final scale comprised ten statements. This scale was standardized for administration.

**J.O. Oluwasuasi (2014)**, I his study measure the attitude of farmers towards organic farming reveals that famers charged and inspire by cooperative societies in increased the credit limit, open more outlets and also require more fund by agencies and government.

### **Research Methodology**

The aim of this study is to know about the attitude of farmers towards organic farming also to find out the sources of information's regarding organic farming. Primary data has been collected for the research study in Kamrej taluka of Gujarat, India. Data were collected from 200 respondents (farmers) by issuing questionnaire. The convenience sampling method was used selecting sample. Attitude was measured 17 attitudinal statements on Likert scale.

### **Data analysis and Interpretation**

Primary data were collected from the respondent with help of structured questionnaire. The collected data were analyze and interpreted by statistical tools of frequency count, percentage and mean value.

**Table: 1 Demographic information of Farmer's**

<b>Agriculture Income (yearly)</b>	<b>Frequency</b>	<b>Percentage</b>
Less than 1.50 lacs	13	6.5
1.50 lacs to 3.00 lacs	119	59.5
More than 3.00 Lacs	68	34
<b>Farming Experience</b>	<b>Frequency</b>	<b>Percentage</b>
0-5 years	12	6
5-10 years	48	24
10-15 years	62	31
More than 15 years	78	39
<b>Educational Level</b>	<b>Frequency</b>	<b>Percentage</b>
<SSC	66	33
HSC	76	38
Graduate	39	19.5
Post- Graduate	12	6
Other	7	3.5

The demographic information of the farmers analyzed in this study relevant to respondents' attitude of organic farming including agricultural income, farming experience and educational level. Analysis of result obtained from the above table income level of farmers is between 1.50 lacs to 3.00 lacs (59.5%), between incomes more than 3.00 lacs comprised of 34%, and only 6.5% people's income was below 1.50 lacs. In this study research experience of researcher was for than 25 years (39%), 31% respondents having experience of 10-15 years, 24% respondents having experience of 5- 10 years, hardly 6% respondents having experience less than 6% in this study. Educational accomplishment indicates that majority of respondent (38%) having HSC degree, study also revealed that (33%) respondents either SSC passed or not. This study indicate s that only 6% respondents having a post-graduation degree.

**Table: 2 Sources of information about organic farming**

From where you get the information about organic farming?	Frequency	Percentage
Fellow Farmer	88	44
Family members	11	5.5
Friends/ relatives	15	7.5
Radio or television	11	5.5
News paper	19	9.5
Companies agent	56	28

Table no.2 indicates that high proportion of the respondents (44%) has gather the information on organic farming from the fellow farmers, 28% respondents got the information about organic farming from different salesperson of agri marketing companies. Few respondents are consulting other sources i.e. family members (55.5%), relatives/friends (7.5%), radio or television (5.5) and newspaper (9.5%).

**Table: 3 Attitude of farmers towards organic farming**

Attitude statements	Mean	Rank
Organic farming increases farmers income with low cost	3.57	12
Organic farming is a step back to farming of the past	4.145	5
Local markets for organic products are available	3.155	15
Organic farming is more profitable than conventional farming	3.585	11
Use of chemical inputs is negative for health of people and animals	4.305	3
Obtaining information regarding organic farming is difficult	3.8	9
Organic farming is too labour intensive	4.005	7
Governmental support to organic farming is important	4.22	4
Organic yields are too low	3.14	16
Local consumers would be willing to pay higher prices for organic products	3.34	14
Use of chemical inputs improves product appearance	4.14	6
Organic fertilisers and pesticides are available	3.72	10
Organic products can be sold for higher prices compared to conventional products	3.525	13
Organic farming reduces chemical output to the environment	4.365	2
There is a lack of subsidies for organic farming	3.965	8
Organic products are healthier for the family	4.52	1
Organic fertilizers and pesticides are expensive	2.63	17

From the above different attitudinal statement (Table no 3 )researcher finds that most important attitudinal statement were ranked one by respondents that organic products are healthier for the family (4.52), Organic farming reduces chemical output to the environment (4.365), Use of chemical inputs is negative for health of people and animals (4.305), Governmental support to organic farming is important (4.22), Organic farming is a step back to farming of the past (4.145), Use of chemical inputs improves product appearance (4.14), Organic farming is too labour intensive (4.005), There is a lack of subsidies for organic farming (3.965), Obtaining information regarding organic farming is difficult (3.8), Organic fertilisers and pesticides are available (3.72), Organic farming is more profitable than conventional farming (3.585), Organic farming increases farmers income with low cost (3.57), Organic products can be sold for higher prices compared to conventional products (3.525), Local consumers would be willing to pay higher prices for organic products (3.34), Local markets for organic products are available (3.155), Organic yields are too low (3.14), Organic fertilizers and pesticides are expensive (2.63).

## **Conclusion & Recommendation**

It has been concluded from above study that most of farmers having income between the 1.5 lac to 3 lacs. And most of the respondent sin this study were having an experience more than 15 years, also the education level among the framers is low. Also, it was found out that majority of farmers got the information about organic farming either from fellow farmers of sale person or agent of Agri-marketing companies. Again, organic farming in this area is not too much popular. Study also revealed that the people having a positive attitude towards the organic farming because they concern more for health for the family, it reduces chemical output into the environment. Also, people require more support from the government so, government must take appropriate action on boost up or motivate farmers to adopt organic farming. Again, different Agri inputs company needs to open retail outlets from farmers can purchased improved seeds, organic pesticides and organic fertilizers. This can be help by government by offering or providing subsidy on organic inputs.

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# A Study on Upskilling in SMEs: Growth, Challenges and Way

## Forward

Ms. Priyanka Lenka

### Abstract

India's metamorphing socio-politico-economic landscape, coupled with globalization and the ever-evolving educational ecosystem, has brought along new challenges as well as growth opportunities for the small & medium enterprises, *esp.* in the field of **human resource skill enhancement**.

The objective of this paper is to critically examine and dissect our understanding of **EMPLOYEE UPSKILLING** in the context of SMEs in India – the definitions, history, assumptions, underlying beliefs & value systems driving the employees/employers, explicit and implicit issues and roadblocks (*including a strong resistance to change*), and most importantly, potential solutions for the identified problem statements, when it comes to upskilling the workforce.

This paper uses standard academic and business management models/concepts to correlate and explain the phenomena of *employee upskilling* in SMEs, for the ease of understanding of the readers. Some of the quantitative as well as qualitative data used in the paper has been cited from authoritative third-party sources including People Matters, Economic Times, etc. (*references have been cited in the paper*).

The intended readers of this research paper include a) **SME owners** - who can opt for alternative solutions of upskilling, **HR professionals**- who can understand the underneath belief and values of an employee or employer when it comes to upskilling, **Employees of SME**- who may wish to utilize the paper for acquiring skills which will be in high demand in near future and **Students**- who may gather different perspective to look at jobs created by SME market Vis-a- vis importance of upskilling.

### Research Methodology

This paper is based on quantitative and qualitative secondary data collected from different sources including MIS (management information system) reports generated by the implementing agencies and host ministries of the respective Skill development missions. Data sources for tables and figures are mentioned in the appropriate sections of this paper.

## What is Upskilling?

Upskilling is skill enhancement program wherein the employee is made effective and efficient without necessarily changing their existing job profile. An easier example of upskilling is- Learning digital marketing concepts by a traditional Marketing professional. Unlike reskilling, which requires an individual to earn a completely new degree or certification, upskilling requires an employee to enhance their value to the organization by improving their current skill set.

## Existing Market of Indian SMEs

To communicate the importance of the SME sector on overall Indian economy, I'm going to share with you some key SME statistics, trends and reports. See for yourself what the numbers convey:

- ❑ **Number of SMEs in India:** The number is estimated to be at 42.50 million, registered & unregistered together. A staggering 95% of the total industrial units in the country.
- ❑ **SME & Employment opportunity:** Employs about 106 million, 40% of India's workforce. Next only to the agricultural sector.
- ❑ **Products:** produces more than 6000 products.
- ❑ **GDP Contribution:** Currently around 6.11% of the manufacturing GDP and 24.63% of Service sector GDP.
- ❑ **SME Output:** 45% of the total Indian manufacturing output.
- ❑ **SME Exports:** 40% of the total exports.
- ❑ **Bank Lending:** Accounts for 16% of bank lending.
- ❑ **Fixed Assets:** Current fixed assets at INR 1,471,912.94 crore.
- ❑ **SME Growth Rate:** Has maintained an average growth rate of over 10%.

*Sources: [msme.gov.in/KPMG/CRISIL/CII](http://msme.gov.in/KPMG/CRISIL/CII).*

Apart from this, according to a recent McKinsey Global Institute report, more than 375 million workers may need to completely change their skill sets by the year 2030, with the arrival of digitization, Artificial intelligence and big data. With the emerging trend of technology shift, its apparent that reskilling and upskilling will take driver seat in once career boost. Under this scenario, the job trend of mega markets will also impact the small and medium enterprise too. The SMEs has to

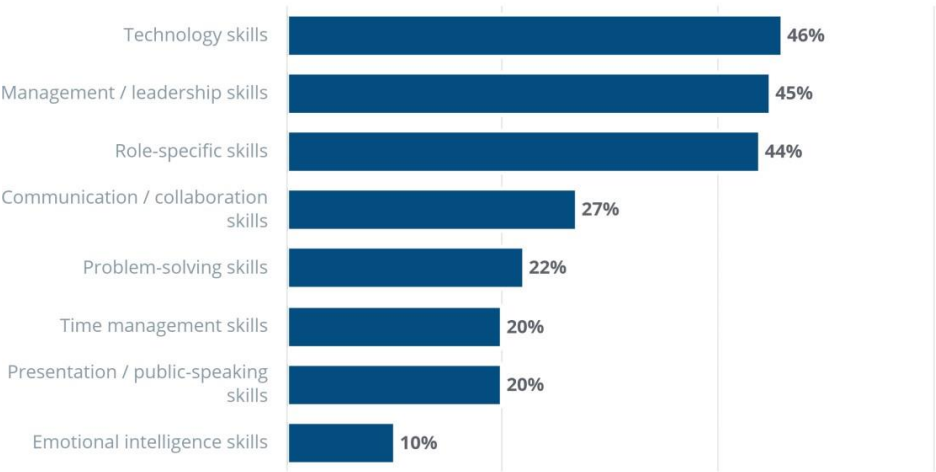
utilize the current resources more efficiently and thus impact their front and bottom lines of businesses. However, under this crucial scenario, the SMEs are not able to invest in so-called- resource intensive strategy of upskilling their employees.

**Upskilling in order of priority**

The need of upskilling sits at higher level of need hierarchy in Maslow, if we can take the liberty to map the same w.r.t business sustainability. Upskilling will enhance the effectiveness but might not impact the existence of business and therefore, upskilling is seen as good-to-have and not must-have competency. Thus, SME’s perspective towards T&D initiatives are as resource intensive activity.

**Market forces for upskilling in SMEs-**

**Most desired skills by small business employees**



N = 224



According to above report, Technological skills are the most sought-after skills, however in small & medium enterprise, the need of disruptive technological changes are not frequent as it is in large enterprises. Therefore, in other words, **the driver for upskilling which is the market forces is less present in SMEs.**

## Importance of Upskilling

According to the Financial Express dated March 19, 2019, India possesses extremely low that is 4.69% formally skilled workforce in SMEs as compared to the other prominent countries such as China (24%), US (52%), UK (68%), Germany (75%), Japan (80%), and South Korea (96%). The only solution available and tested is upskilling. Let's have a brief look at the advantages offered by upskilling.

- ❑ Upskilling enhance competencies and thereby ensures job security
- ❑ Upskilling boosts employability and morale
- ❑ Employees get a chance to grow into managerial roles as well as promotion
- ❑ It brings new opportunities with added benefits
- ❑ It opens up new possibilities with changing job perspectives
- ❑ Upskilling enables organizations to adapt to change and achieve agility and transformation
- ❑ Upskilling employees help organizations to maximize productivity with existing resources
- ❑ Organizations can easily handle the sudden exit by any of its employees by providing a qualified successor without jeopardizing their operations  
Upskilling current employees can directly save huge resources required to onboard new employees

## Upskilling Methodologies

According to above reports, if 40% of India's workforce who is invested in SME's are willing to get upskilled but might not afford to then the question is what are the sources through which this gap can be filled?

Other whooping numbers are shared here from data published in LinkedIn. This clearly indicates that many training and consulting organizations are still offering cost intensive programs to SMEs. The conventional upskilling strategies are mentioned below-

1. **Class room training-** The traditional and face to face, resource intensive training methodology.
2. **Virtual training-** Employee's upskilling through virtual classes where face time and hence cost is optimised.

3. **Job Rotation-** On job skilling as part of job rotation is a conventional way to upskill an employee
4. **Job shadowing-** Mentoring and coaching as part of job shadow creates ways of upskilling
5. **Informal engagement activities-** Through informal engagement activities, employee's skills of entrepreneurial and managerial can be enhanced significantly.

## Upskilling – The Employer perspective

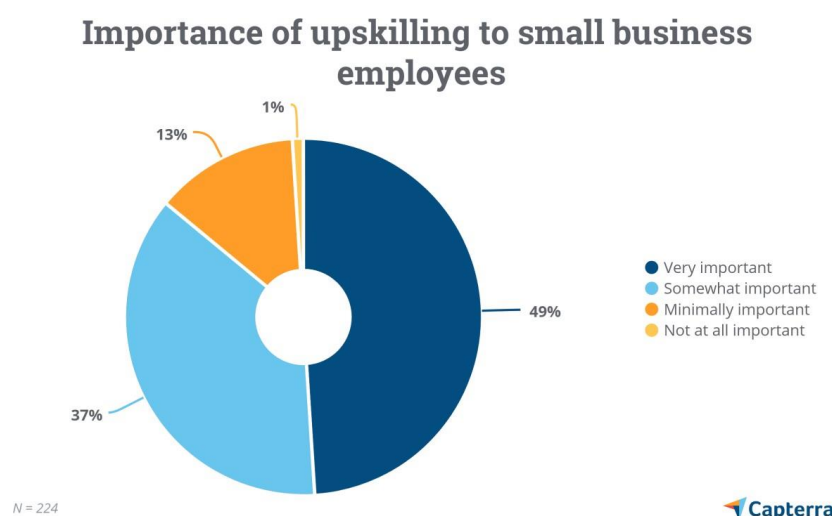
### Cost per hire

The cost per hire of a new recruit is cost optimised as comparison to upskill an existing employee.

**Entrepreneurial work culture in SME-** Because of the small size of workforce and family- run business nature, the work-ownership as a competency is mostly existed in SMEs and therefore upskilling directed towards ownership is less encouraged.

## Upskilling – The Employee/ Job seeker perspective

According to the **Capterra survey**, 86% of employees at small businesses (defined as having 100 employees or less) consider continually learning and developing new skills to be “very” or “moderately” important in their career:



**Formal Recognition of upskilling-** Many SMEs do not recognise informal or online skilling for work enhancement and therefore, faces challenges in creating the desired shift.

**Wage enhancement alignment with upskilling-** After getting upskilled, if an existing job is getting performed efficiently, the employee may demand an increased wage. However, if organizational policies and yearly budgets are not aligned, upskilling faces rejection from employee's perspective.

**Support of HR policies-** the common question after getting skilled is what is next for me? If this question is not answered satisfactorily in SMEs as concepts like succession planning or IDP individual development plans are not in place. The absence of supporting policies in HR makes upskilling a difficult concept to execute.

## Way forward

After above given reflective data and current reality, the next question to ask selves is what are the alternatives/options?

1. **Non-Traditional ways of upskilling-** Instead of 8-hours face to face skilling session, a virtual session will be much more cost effective.
2. **Informal ways of upskilling-** Concepts like “Lunch & Learn” and “Talent who eats” are in trend to set up more informal ways of learning. These bite-sized learning programs are facilitated by employees for the employees.
3. **Microlearning-** In today's age of digitization where Tik-Tok can become a new marketing platform, learning ways should also aligned with such transformations. Instead of formal e-learning platforms go for MOOC- Massive open online courses. Before enrolling employees for an intensive three-months virtual course, try and find a microlearning module for same.
4. **Shared ownership-** In order to understand and create a shared ownership of upskilling through creative ways, below model will help you to craft it rightly-
  - a. **Tell Problems to your employees** in order to enroll them to upskilling- A futuristic problem statement might push your employees backward from enrolling themselves for positives.
  - b. **Ask Problems in order to facilitate them to enroll them for**

**upskilling-** If you as an employer ask about the problems, the answer might come from current state. And therefore, one might go into consulting mode of resolving upskilling. In this mode, upskilling will not be seen as positive approach towards change.

- c. **Tell solution for enrolments-** If you wish to tell the employees about what should do and what shouldn't, it will be a mentoring for which the ownership of mentoring might not be shared and asked for.
- d. **Ask for solution-** Ask employees or employers what if they do upskill themselves and otherwise. Also ask for solutions and options through which they wish to enroll for upskilling. This will not improvise the ownership of upskilling.

## Conclusion

After learning the current reality and future perspectives of upskilling in SMEs, what should be the way forward?

I think, if we also understand the emotional dynamics associated with the current reality, it will certainly give us more avenues to upskill the SMEs as sector.

Majority of SMEs are still on the **Denial phase** of **change curve** wherein futuristic problems or aspired future is not brought to the awareness of them. And therefore, it is the responsibility of the training industry or immediate market to create the forces to accept the change and welcome upskilling as part of necessity instead of good-to-have competency.

## The Change Curve



However, if you look at the data, still there are some SMEs who have become the **early adapters** and upskilling themselves. This is usually feasible in Start-ups and knowledge-driven economies.

Second to early adapters, there would be **followers** who would upskill themselves and fill the industry requirements of technology and thus bring overall improvement. During this phase of exploration by SMEs, the L&D fraternity needs to give them **direction and encouragement**. Show them lateral options and reward them as encouragement.

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