

Impact Of Management As A Function On Entrepreneurship Development

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Abstract:

The entrepreneur has to perform several functions in his daily task. He has to plan the activities of enterprise. He has to forecast future market and technology, then organize the material, financial and human resources for achievement of the planned targets. He has to coordinate the efforts of all employees and direct the activity. He has to keep a close watch on the progress done by his firm from time to time. Supervision and control over all the activities are his constant concerns.

In practice, it is observed that an entrepreneur faces many problems while setting up an enterprise. These problems are divided into two types i.e. internal and external. Small scale and large scale entities face almost identical problems. However, scope of this paper is limited to small and tiny entities. During this study, we will not be touching upon the external factors.

Keywords: Management Functions, Entrepreneurial Development, Small Scale Enterprises

1. Introduction:

One of the most prominent characteristics of the present civilised world is industrialization. It is viewed as nearly fundamental for achieving more economic growth and enhancing the general population's standard of living. The growth of a complex network of connections between the industrial and other sectors, as well as between different industries and undertakings with a range of sizes and product offerings, in accordance with the socio-cultural and economic environment of the country, is another important aspect of industrialization. In a developing country like India, the development of small-scale industries (SSI) and their close links to large industrial units are viewed as essential to any

industrialization plan. “Modern manufacturing industry is neither complete and nor efficient unless it has both large and small units”. Therefore, SSIs and contemporary large-scale businesses are related, dependent, and complementary to one another.

The SSI is the hub of many economic operations of a developing country like India. Over the years, it has evolved as a vibrant and dynamic sector of the Indian economy. The country's socioeconomic transition will be hampered unless this sector receives adequate attention. The SSI makes a range of contributions to society. They provide rapid large-scale employment, need little investment, and require small markets. They not only ensure the equitable distribution of national revenue, but they also make it simpler to mobilise resources, capital, and skills that would otherwise be idle. The most important element of SSIs is that they encourage industrial entrepreneurship and a more dispersed ownership and location structure. It should be highlighted that the special function of small-scale industry was also recognised in the 1948 Industrial Policy Resolution, which stated unequivocally that "cottage and small-scale businesses are better adapted for utilizing local self-sufficiency in certain types of vital items." The clarion plea of Mahatma Gandhi to defend handicrafts from the assault of factory-made imports increased the resolve to foster small industry. As India chose not to wait for a phase of industrial development led by large corporations before promoting the rise of the latter, a complex system of organisations to foster handicrafts and small businesses evolved. Small-scale units produce a wide range of commodities, ranging from simple consumer goods such as textiles and handicrafts to highly sophisticated goods such as electronics, microwave equipment, and other industrial products. Simply put, India's SSIs had modest to impressive growth in terms of employment, unit count, output, and exports within a decade. SSI-provided employment climbed 1.42 times during this time span. The unit count climbed 1.61 times, output increased 3.6 times, and exports nearly quadrupled. The successes of Indian SSIs are summarised in the pages that follow by unit, production, and service.

Entrepreneurship is present at the grassroots level in India and is rapidly expanding. Many Indians are coming up with new ideas and attempting to establish themselves in order to flourish. People were more concerned with finding work, according to an early pattern. Now, the tendency is shifting, and self-starting firms are gaining societal recognition. This is an amazing makeover. According to Shereen Bhan (Executive Editor, CNBC TV18), both

aspiring and existing entrepreneurs in India are enthusiastic and dedicated. Furthermore, their mindset is more risk-taking, and the stigma of failure is far lower than it ever was.

2. Objectives:

1. To find out the relation between “Management functions and entrepreneurship growth.”
2. How “Management functions” play a vital role in the success of small and tiny industries.

3. Literature review:

Khan and Fatima (2017) investigate the difficulties confronting microenterprises in public and private banking and propose policy solutions. They conducted an initial survey of 80 microenterprises. ANOVA was used to determine the significance of the difference. Customers would not be informed of the terms and conditions of banking products, according to the findings. Micro firms were having difficulty obtaining credit due to a collateral issue, which was especially severe for private bank customers.

Ghouse (2017) investigates the numerous barriers that MSME experience when exporting handcrafted items. The research was conducted in the setting of rising economies. He polled 210 exporting micro, small, and medium businesses. The outcomes of the study demonstrate that export SMEs encounter a number of problems. Some macro-level concerns were identified, such as low export subsidies, infrastructural challenges, regulatory issues, and a lack of market awareness, while some micro-level issues, such as geopolitics, exchange rates, technological problems, and export documentation, were also investigated. Time is one of the issues. When compared to Indian MSMEs, competitors from other nations were benefiting from export subsidies. The biggest markets for Indian MSMEs' products are the United States, the United Kingdom, Germany, and France.

Khan and Amir (2013) in his research, he investigated the elements that influence handicrafts, namely the ability of craftspeople to manufacture goods and present/launch them in the market while keeping consumer taste and preferences in mind. The current study is based on the marketing four P's concept, which stands for product, pricing, place, and promotion.

Gupta (2012) According to the current study, the entire well-being of the economy is dependent on the development of entrepreneurship. The skills of a country's entrepreneurs determine its advancement, but the volume of entrepreneurial activity is determined by the

country's ease of doing business. Small-scale industries, i.e., entrepreneurs, play an important part in the building of an industrial climate by demonstrating their capability to increase a country's economic development.

4. Research Methodology:

Primary research: -

1. Sampling/ Purposeful sampling: - For formulating a sampling design following steps were taken:

a) The whole source of data from whom the information to be collected that is the universe was specified.

b) Once the universe was identified, total numbers of respondents adequate enough to represent the universe were selected.

2. Questionnaire: - In order to systematic collection of the primary data, questionnaire was designed. It was used for the purpose of interview and collection of data directly.

3. Data collection: - Data collection work was carried out with the questionnaires and from 84 respondents.

Secondary research: -

Secondary research is based on the following sources of data.

- Published information and reports by central and state Government on small and tiny industries.
- Technical and professional journals.
- Books on entrepreneurship.
- Biographies or autobiographies of entrepreneurs
- News periodicals.
- Newsletters.
- Internet.

Hypothesis

H0:- There is no association between controlling method adopted and turnover.

H1:- There is significant association between controlling method (ISO, JIT, ABC, etc.) adopted and turnover of the company.

H0:- There is no association between controlling method adopted and turnover.

H1:- There is significant association between controlling method adopted(productivity tool) and turnover of the company.

5. Data Interpretation:

Question –Do you built personal contact with customersand assure them for quality, timely delivery etc?

I have Built Personal Contact with Customers

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	partially agree	9	10.7	10.8	10.8
	strongly agree	74	88.1	89.2	100.0
	Total	83	98.8	100.0	
Missing	System	1	1.2		
Total		84	100.0		

Interpretation:-

The "statistics" table displays descriptive statistics for responses to the statement "Do you built personal contact with customers?" On a five-point scale, this variable is measured. One person strongly disagrees, while five people strongly agree. This variable's SPSS output reveals a mean of (4.89), a standard deviation of (0.313), skewness of (-2.565), and skewness of -ve. Kurtosis is a good thing (4.693). The curvature is sharp and narrow. Because the standard deviation is less than one-third of the mean, the mean can be considered a typical number.

Most of the respondent strongly agree for ‘Do you built personal contact with customersand assure them for quality, timely delivery etc.’ (Valid percentage for responses –strongly agree are 88.1%)

Question – How do you improve your volume of Business?

Do you improve your volume of business?

		Responses	
		N	Percent
Do you improve your business	By inquiry improvement in quality product	32	37%
	By modification	27	32%
	Do you locate marketing gap and expand territory	23	28%
	no need for my business	03	03%
Total		84	100%

Interpretation:-

Frequency table for ‘How do you improve your volume of business?’ shows 37% responses are for ‘making improvement in quality’

27% responses are for ‘making modification in product’

28% responses are for ‘Locating marketing gap and expand territory’ 03% responses are for ‘No need’.

6. Hypothesis Testing & Results

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	24.896 ^a	1	.000		
Continuity Correction	22.360	1	.000		
Likelihood Ratio	24.108	1	.000		
Fisher's Exact Test				.000	.000
Linear-by-Linear Association	24.599	1	.000		
N of Valid Cases	84				

Interpretation:-

Pearson Chi-square test statistic (24.89%) is significant (0.000) at 5% level of significant i.e. p-value is less than 0.05. Thus the null hypothesis is rejected and alternate hypothesis is accepted.

So it can be conclude that there is an association between controlling methods (ISO, JIT, ABC, etc.) adopted and the turnover of the company.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	9.357 ^a	1	.002		
Continuity Correction	7.951	1	.005		
Likelihood Ratio	9.549	1	.002		
Fisher's Exact Test				.004	.002
Linear-by-Linear Association	9.246	1	.002		
N of Valid Cases	84				

Interpretation:-

Pearson Chi-square test statistic (9.357%) is significant (0.002) at 5% level of significant i.e. p-value is less than 0.05. Thus the null hypothesis is rejected and alternate hypothesis is accepted.

So it can be concluded that there is an association between controlling methods adopted (productivity) and the turnover of the company.

7. Conclusion:

Entrepreneurial function, innovativeness is not observed in initial information of the enterprises selected. Small and tiny scale business entrepreneurs are seen to depend more on market conditions for increasing turnover. This is a business-building quality of an entrepreneur that can be used to develop resources. This trait appears to be shared by the majority of entrepreneurs. This quality must be implemented for overall business success. This needs to be studied during further analysis. Observations indicate that small scale entrepreneurs are not utilising these tools, few are utilizing and getting the result. There is a need of updating of entrepreneurs, and professional entrepreneurial growth should be achieved, which will lead the industry towards its objective. Entrepreneurs are keeping and maintaining good relationship with financiers, and they are keeping themselves informed with current activities and existing business status.

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