



TEN THINGS TO DO TODAY TO BE A BETTER MANAGER

Listed below are ten things you can do to become a better manager. Pick one. Do it today. Pick another one for tomorrow. In two weeks you will be a better manager.

1. **Select the best people:** As a manager, you are only as good as the people on your team. Give yourself a better chance to succeed by picking the best people from the start.
2. **Be a motivator:** Human beings do things because we want to. Sometimes we want to because the consequences of not wanting to do something are unpleasant. However, most of the times we want to do things because of what we get out of it.

It's no different at work, people do good work for the pay, or the prestige, or the recognition. They do bad work because they want to take it easy and still get paid. They work really hard because they want to impress someone. To motivate your people better, figure out what they want and how you can give that to them for doing what you want them to do.
3. **Build Your Team:** It is not enough that people are motivated to succeed at work. They have to work together as a team to accomplish the group's objective. After all, if we just want them to all "do their own thing" we don't need you as a manager to mold them into a team, do we?
4. **Be a Leader, Not Only a Manager:** You have built the best team from the best employee available. You motivated them to peak performance. What is missing? Motivating a team is worthless unless you provide direction; unless you turn that motivation toward a goal and lead the team to it. It is the ability to lead others that truly sets a manager apart from their peers. Remember that leaders are found at all levels of the organization, so be one.
5. **Improve as a Communicator:** Communication may be the single most important skill of a manager. After all, all the others depend on it. You can't be a leader if you can't communicate your vision. You can't motivate people if they can't understand what you want. Communication skills can be improved through practice.
6. **Get Better At Managing Money:** To stay in business, a company has to make money. That means bringing money in the door and it means spending less than you bring in. Depending on your function in the organization, you may have more influence on one area or the other, but you need to understand both. You can help your company, your employees, and yourself be getting better at managing the company's money.
7. **Get Better at Managing Time:** The one thing you will probably have less of at work than money is time. The better you get at managing time, yours and others, the more effective you will be as a manager.
8. **Improve Yourself:** Don't focus so hard on your people that you forget about yourself. Identify the areas in which you are weak and improve them.
9. **Practice Ethical Management:** Enron-like scandals have really driven home the point about how important ethics is in business.
10. **Take a Break:** You are less effective as a manager if you are over-stressed. You are less tolerant. You snap at people more. No one wants to be anywhere near you. Take a break. Give yourself a chance to relax and recharge your batteries. Your increased productivity when you return will more than make up for the time you take off.

Bottom Line

Management is a skill that can be learned. You can improve as a manager by working every day to get better. Bookmark this page and come back every day for the next two weeks. If you pick one subject each day, and work on improving in that area, you will be a better manager before you know it. And others will notice it too.

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MICRO AND SMALL ENTERPRISES

-- PROGRESS, PROBLEMS AND PROSPECTS

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Abstract:

Industrialization plays a crucial role in directing the development process of the country for growth and progress. For developing economies, especially India, which is a labor abundant country, small-scale sector is considered as the major source of employment generation and foreign exchange earning. Small-Scale Industries (SSI) require small investment, so the entrepreneurs can afford to take risk. Over the past 50 years, the small-scale sector has contributed significantly towards building a stable and sound national economy. This sector has contributed around 39% to the country's manufacturing output, 34% to its exports and provided employment to around 31.2 million people.

For the first time in Indian history, the government announced a separate policy for the small-scale sector, with the objective of promoting this sector. Small-Scale Industry today constitutes a very important segment of the Indian economy. The development of this sector came about primarily due to the vision of Late Prime Minister Jawaharlal Nehru. Who sought to develop core industry and to have a supporting sector in the form of small sector enterprises. Small-scale sector has emerged as a dynamic and vibrant sector of the economy. Thus the role played by the SSI sector in the country's development is too vital to escape notice. This paper presents the performance of SSI sector in India and Problems and prospects for SSI sector.

INTRODUCTION

In the development of Indian economics and industrial sector, small industry sectors have a major role to play. Prior to 2006 these sectors were known as SMALL AND VILLAGE INDUSTRIES. But after the act of THE MICRO, SMALL AND MEDIUM ENTERPRISE DEVELOPMENT ACT (MSMED) they are known as MICRO AND SMALL ENTERPRISES (MSE). Hence forth in the paper, they will be known as MSE.

MSE has a major role to play in the economic and social development. Once upon a time, India was a well developed and a rich country. At that time, our country was

industry oriented. Artistic works created in the small villages and households of India were sold in the foreign market and in return gold, silver and various ornaments were brought into India. This has been developed since the origin of the Vedas.

Today in the 21st century also, MSE have a major role to play. Because of the total industrial output, 40 % comes from this sector. If we take medium scale enterprises into consideration, then of all the industrial units, 95 % industries come under this category. Of the total exports, 34 % exports are done by the MSE. More than 6000 products are produced. Handloom, saree, carpet, soap, parts of big machines, pickle, papad are the various products produced under this umbrella. During 2003-04 of the total national income, this sector contributed about 6.71%. Those units who have a stable capital of 10 lakhs have contributed 46.2 lakhs worth of articles. During the last decade, this sector has shown the maximum growth rate compared to other sectors. In the last year of the 10th plan, this sector clocked a growth of 12%. This shows the importance of this sectors social view point:

DEFINITION OF MICRO, SMALL AND MEDIUM ENTERPRISES

The Micro, Small and Medium Enterprises Development (MSMED) Act 2006 has defined micro, small and medium enterprises. In this act, instead of "industry" concept, the word "venture" has been used. This industry has been divided into the following two divisions as per this act.

- (1) Those units which produce or develop any item under the first notification of the 1951 act.
- (2) Micro, small and medium ventures.

In the 2006 MSME law, ventures have been defined and notified that investment done in plant and machinery (including land, house and excluding those items notified by the micro ministerial). Such a venture means a venture.

Where not more than 25 lakhs have been invested is known as MICRO ENTERPRISE. More than 25 lakhs and less than 5 CRORE is known as a SMALL ENTERPRISE and more than 5 crore but less than 10 crore is known as a MEDIUM enterprise by the MSMED act 2006.

Those units working under the service category have been defined by another set. According to that in service sector, those units having investment less than 10 lakh are known as MICRO ENTERPRISE and more than 10 lakh and less than 2 crore is known as SMALL ENTERPRISE and more than 2 crore but less than 5 crore is known as a MEDIUM ENTERPRISE.

IMPORTANCE OF MSE OF GLOBAL SCALE

Among the developed, medium developed and having small income countries, in terms of employment the importance of MSE is equivalent. In South Africa 39 % MSE contributes 24 % of GDP. In Bangladesh, around 90 % of the units are of this sector. In Japan MSE provides a contribution of a staggering 70 % of employment. In Thailand, of the total GDP 38.1 % and of the total employment, 60.7 % are provided by this sector.

In china of the total exports, 68 % are from MSE sector. In china those units which provide employment to around 2000 workers are known as MSE. Less than 300 employed people is known as MICRO institutions.

IMPORTANCE OF MSE IN INDIA

MSE's contribute total 40 % in production and 34 % in exports. Not only do they provide national income and are important financially, they are important socially also. This is because Muslims, aborigines and people who are socially and economically backward are provided employment. This sector is truly a heritage and creative enduring sector.

Chances of immense employment

As the nation develops, the contribution of the total national income by the agriculture has been on the decreasing side. According to the Australian economist CHRIS HALL, SME sectors provide totally 70% of employment world wide. Whereas big family business are eating up employment.

India has made a fast progress in this field. In 1960 there were only 12376 MSE units which provided employment to 10 lakh people. This sectors yearly production value stands at 875 crores. At the beginning of the 10th plan, 249 lakh rural and 105.21 lakh urban people were to be employed in MSE's, in big industries, a person to get employment one has to spend 5.56 lakhs whereas in MSE only an investment of 0.72 lakhs can give employment to an individual.

By providing employment in the rural, a curb has been put on the migration from villages to cities. This is also a contribution of this sector. In the total employment created by this sector, edible products provide 13.7% contribution, so does non metal minerals contribution is 10.9%, metal products contribute 10.2%. Above these, chemicals, electrical machinery parts, wooden products, metal products, paper products, printing, hosiery, ready made garments, repairing services rubber, plastic products contribute around 5-9%.

Development with Exports

This sector is imperative for attaining a high growth rate. 11 plan views growth at 10 %. For this to happen, this sector should grow at a rate of 12 %. In the exports done by the micro industries, more than 95 % contribution comes from non conventional products. Ready make garments, leather products, jewels, and ornaments etc. have contributed significantly.

Significant increase can also be made in the procedural handicraft business. Orders for Ready made garments, items of daily house hold use, etc. can be obtained on a small basis and exported.

Tremendous Progress

In the year 2000-2001 1, 51,527 crores were invested in micro industries. During this duration, the value of this sector at the present rate became 5,85,112 from 2,07,307 exports also registered an increase from 86013 to 150242 in the exports by this sector, countries like America, Europe, Canada, north Asia, north Africa, UAE, Italy, Indonesia, France, Hongkong, Belgium, Bangladesh come to the fore front.

Development of the Deprived

MSE are important for those people who have not developed socially and who are belonging to scheduled castes and aborigines, minorities, poor etc. in the North West india, needle work is the main profession of the most of the women. In a state like TRIPURA 50 % rural men and 35 % rural women are engaged in MSE. In NAGALAND and MIZORAM more than 68 % urban people are engaged in this sector.

CHALLENGES BEFORE THIS SECTOR

Though the MSE sector is of great significance, it has deep unresolved problems. In this age of globalisation, micro industries sector has a giant question of maintaining productivity and competitiveness.

- (1) The units of this sector are dispersed and scattered at various places. There production of simple equipments to the production of latest high tech devices is done. Handloom, power loom, handicraft, khadi, and cottage industries are together. As this sector is unorganized, it does not the benefit of Govt. schemes. The poor people in this sector are exploited by the middle man in this sector.
- (2) This sector has to face the dire question of markets also. So, though the product is of the best quality, it fails to garner a market for the product. In Rajasthan, Raj samand district at tantel village, people have been working for 60 years in the silver ornament market, yet there has been no increase in the remuneration of these people since the last 60 years. Hence, they have to sell their products at a very low price. A decrease in the wages of this sector has been noticed. When shawls, dupattas, etc are sold at around 300 a piece, then does one get a return of 5 -10 RS. In UP's barabanki workers can not sell their own products due to competition from machine made products and products from china.
- (3) The units of this organization face many challenges like packaging, durability of the products, etc. hence, they don't get enough market for their products. Those women who work for big organizations, they do not get wages until, the final product is finished. Even the govt. organizations and, merchants, pay after the product is sold
- (4) Colors, chemicals, dyes, inflammatory products, leager, etc, pollute the environment. So these organizations have to take a non pollution certification from their respective state governments.
- (5) The organizations functioning under this category find it difficult to obtain starting capital. Bank loans available for the sector has decreased significantly from 15.1 % in 1991 to 8 % in 2008. Of the total finances available to this sector, 60 % are forwarded to micro based units.
- (6) These units don't get a proper supply of electricity, raw materials, etc. Also, there is a shortage of appropriate packaging facilities for these units.
- (7) As there is lack of funds, these organizations can not go for research and development or designing. So appropriate changes as per the demand

at a global scale cannot be made. They cannot spend a large amount on packaging and advertisements like large units.

- (8) As per the census of the 3rd micro industries 2001-02, there is a grave problem with micro units as to they not obtaining funds for venture capital, deficiency of raw material, shortage of electricity, etc.
- (9) Globalisation and the introduction of new fiscal policies have had an adverse effect on the micro units. Street hawkers, small scale sales men, workers, etc. are in a poor condition because of globalization. Of these many have been closed.

ROAD MAP FOR THE DEVELOPMENT OF MICRO DEVELOPMENT UNIT IN THE 11TH PLAN

The limit set for investment in the micro units is a major hindrance in this era of Globalization and competitiveness. The limit has been increased to 5 crores. Steps for development of MSE in the eleventh plan are as follows.

- (1) It has been targeted to raise the production of MSE units to 13,98,803 crores for the year 2011-12. employment has been planned to be increased from 322.28-391.73 lakhs
- (2) In the MSE scheme in the eleventh plan, previously the manifesto was good for all which has been turned to development. Regarding this, the document (VOL III p. 203) it has been informed that "The eleventh plan approach to the MSE sector marks shift from welfare approach to that of empowerment. The plan looks at the sector as an engine for sustained and inclusive economic growth and employment. The eleventh plan emphasizes on the improvement of living standard of workers and believes that only if a worker is physically and mentally sound, then will he be able to produce a good output.
- (3) In the eleventh plan, as the MSE sector is unorganized, the plan aims at organizing it so that MSE sector gets maximum benefit of all the govt. schemes and plans.
- (4) In the eleventh plan, MSE groups have been taken as a cluster and workers have been made into a group (SHGS) so that their bargaining power is increased
- (5) The MSE sector gets a loan of 5 lakh for 8 % interest without any bailee will be encouraged a vehement drive will be undertaken, to develop this sector.

- (6) Centre and the state govt. will give prime importance to the MSE sector. Women working in this sector, get their due rights, for that efforts will be made.
- (7) Technical information will be provided to Small Industries Development Organization now known as Micro, Small and Medium Enterprises Development Organization which has around 3000 technicians who work in testing centres, tool rooms, etc.
- (8) Ministry of MSME has been formed for the development of Micro, Small and Medium Industries. In the eleventh plan, it has been decided to establish Technology mission, which will help develop dissemination of technology.
- (9) In the year 2006, the govt. started the National Manufacturing Competitiveness Programme. Under it in 5 years, at the cost of 850 crores, design clinics, steps to increase the competitiveness of groups, and decrease the wastage will be undertaken.
- (10) This sector faces basic problems like that of electricity. In the eleventh plan it has been suggested, that these small and micro units establish their own power plants.
- (11) Owing to the industrial laws and disputes act, the worries of this sector have increased. According to the planning commission, it has been advised to form a third party which will investigate into the matter.

CONCLUSION

There is an unprecedented importance of Micro and Small Enterprises in the country. This is because the number of units is maximum in the country. This sector, contributes a major amount in the development and employment. This sector does the work of providing employment to minorities, backward class people and also to women.

This sector is rife with problems like shortage of electricity and development of basic infrastructure along with the problems related to market. In order to solve these problems and develop the MSE sector, major efforts have been done in the eleventh plan. However these efforts are not enough. The concept of PPP should be implemented. Development of KVIC along with broad spectrum growth should be achieved. For the development of rural and farm group, different departments should be formed.

Similarly, in the development of industrial ministry for urban Micro and Small and Medium Industries specific efforts should be done.



Study on estimation of R&D in Micro, Small & Medium Enterprises (MSMEs) in India"

The National Science, Technology & Management Information System (NSTMIS), division of DST, Ministry of Science & Technology, Govt. of India recently entrusted the study entitled "Estimation of R&D in Micro, Small & Medium Enterprises (MSMEs) in India" to be covered 11 industrial sectors like:

- * **Agricultural Machinery**
- * **Automotive**
- * **Chemical**
- * **Drug & Pharma**
- * **Electronics**
- * **Gems & Jewelry**
- * **Leather**
- * **Light Engineering**
- * **Machine Tools**
- * **Scientific Instruments**
- * **Textiles & Garment**

For more details, please contact NAFEN office.

“WOMEN ENTREPRENEUR... NEW FACE OF WOMEN”

By: Mrs. Shilpee Adhikari, Sr. Lecturer,
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Women constitute almost half of the total population of world. Similarly in India also women constitute fifty percent of the total population.

Till the turn of the century, man has enjoyed a dominant position. But change in position technological innovation and modern way of thinking can reduce the disparity between man and women, and bring about equality and equity between them, the need of the hour in women empowerment both through provision of employment and enterprise creation. Typologically, the former leader to endogenous empowerment and the latter give rise to exogenous empowerment.

Women entrepreneur's have been making a significant impact in all segments of the economy in Canada, Great Britain, Germany Australia and US.

The areas chosen by women are retail trade, restaurants, hotels, education, cultural, cleaning insurance and manufacturing.

It is the group of women or single women running an enterprise or company in order to earn profit. Now days because of women empowerment women are stepping-stone into the industries and are taking the place of men. Now a day's women's are running several business like beauty parlours, switching shops, boutiques, etc.

Women entrepreneurs may be defined as a woman or a group of women who initiate, organize and run a business enterprise. In terms of Schumpeterian concept of innovative entrepreneurs, women who innovate, initiate or adopt a business activity are called business entrepreneur.

The Government of India has defined women entrepreneurs based on women participation in equity and employment of a business enterprise. Accordingly, a woman entrepreneur is defined as an enterprise owned and controlled by a woman having a minimum financial interest of 51% of the capital and giving at least 51% of the employment generated in the enterprise to a woman.

They have made there marks in business because of the following reasons:

- They want to improve their mettle in innovation and competitive jobs.
- They want the change to control the balance between their families and responsibility and their business levels.
- They want new challenges and opportunities for self fulfillment.

Role of women as an Entrepreneur's:

- 1) **Imaginative:** It refers to the imaginative approach or original ideas with competitive market. Well-planned approach is needed to examine the existing situation and to identify the entrepreneurial opportunities. It further implies that women entrepreneur's have association with knowledgeable people and contracting the right organization offering support and services.
- 2) **Attribute to work hard:** Enterprising women have further ability to work hard. The imaginative ideas have to come to a fair play. Hard work is needed to build up an enterprise.
- 3) **Persistence:** Women entrepreneurs must have an intention to fulfill their dreams. They have to make a dream transferred into an idea enterprise; Studies show that successful women work hard.
- 4) **Ability and desire to take risk** the desire refers to the willingness to take risk and ability to the proficiency in planning making forecast estimates and calculations.
- 5) **Profit earning capacity:** she should have a capacity to get maximum return out of invested capital.

A Woman entrepreneur has also to perform all the functions involved in establishing an enterprise. These include idea generation, and screening, determination of objectives, project preparation, product analysis, determination of forms of business organization, completion of formal activities, raising funds, procuring men machine materials and operations of business.

Fredrick Harbiscon has enumerated the following five functions of a women entrepreneur's:

- Exploration of the prospects of starting a new business enterprise.
- Undertaking a risk and handling of economic uncertainties involved in business.
- Introduction of innovations, imitations of innovations.
- Co ordination, administration and control.
- Supervision and leadership.

In nutshell, women entrepreneur are those women who think of a business enterprise, initiate it organize and combine the factors of production, operate the enterprise, undertake risk and handle economic uncertainties involved in running a business enterprise. □□□

“IMPORTANCE OF SUCCESSION PLANNING”

By: Ms. Reema Negi, Sr. Lecturer, NSB School of Business, New Delhi

In today's fast moving environment, succession planning may be more important – and more difficult to conduct – than ever before. Executives frequently lament that their firms are chronically short of talent. Yet in a recent survey of 150 executives within the nation's 1,000 largest companies, while all agreed on the value of identifying successors, only 72 percent said they are currently preparing someone to take their place. The absence of a succession plan can seriously hamper the growth prospect of an organization. Imagine the disastrous consequences when there is a sudden vacuum at the top level. Critical plans needing immediate action get postponed. Suitable candidates may not be available internally, as no one has been groomed in the past, keeping such an eventuality in mind. Bringing in outsiders may mitigate the crisis temporarily but the long-term impact is bound to be negative. Internal forces may start a rebellion and create tug-of-war situations with frustrating regularity.

The purpose of succession planning is to identify and develop people to replace current jobholders in key positions. Through succession planning, companies assure a steady flow of internal talent to fill important vacancies. Succession planning encourages 'hiring from within' and creates a healthy environment where employees have careers and not merely jobs. It helps in identifying human resource shortages and skill shortages before opening occur. Thereafter, it becomes easy to groom qualified candidates for future vacancies. The organization is thus assured of continuity of operations and better-qualified incumbents.

Whether the approach is formal or informal, businesses have known potential successors for all levels of management. In some large organizations, succession planning is formal and structured with potential upper-level managers being put through development activities, including on-the-job trials that test them with specifically delegated assignments. Smaller organizations rarely engage in formal succession planning, but they aren't really necessary. Each manager

can identify and prepare potential successors without a formal program. First-line managers who oversee the activities of employees doing hands-on work have the best opportunity to develop successors.

Succession planning management includes the following activities:

- Identifying the shortage of leadership skills and defining the requirements.
- Identifying potential successors for critical positions.
- Coach and groom the 'Stars': Enriching developmental opportunities must be thrown open to potential successors such as handling two important projects, a foreign country assignment, a major market research job, a new product launch, a complex industrial relations exercise etc.
- Secure top management's commitment and support.

Preparing a schedule for succession is critical to the success of a company, especially at the top level. When the baton changes over a period of time, disruption and dislocation are minimized. Indeed, when a new CEO is meant to consolidate on past successes, a slow shift is ideal. If qualified candidates are not available within the company, outsiders can be considered readily for possible openings. Complete dependence on succession from within or from outside is not desirable. Internal candidates require a 'pat on the back' when they do well. External candidates are needed for injecting fresh blood into the company.

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ARTICLES

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