A STUDY ON CONSEQUENCE OF HUMAN FACTOR IN SMALL SCALE INDUSTRY IN INDIA

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Abstract

Utmost care of human associated troubles are basically required for sustainable growth of small Scale Industries of India, as those Industries are contributing exceedingly to socio-monetary development of U S A. In this research, aspects associated with human elements and functioning Small Scale Industries of India had been studied. The research, primarily based on a survey of 100 Small Scale Industries of India stated that the establishments are Economic Growth of the Nation Encourages Small Scale Industries. To meet-out the production goal, Small Scale Industries normally employ over-time and fee in the direction of this beyond regular time is occasionally lacking. Hence, sincere and humanitarian attention for better human sources is wanted to improve the overall performance and competitiveness of Fast Change in Technology is Favourable to the Small Scale Industries.

Introduction

Efficient management of human sources is a vital component in determining the growth and prosperity of commercial enterprise establishments. This is specifically proper inside the case of small industry wherein the proprietors are compelled to have a close and greater private association with their employees. In order to build up loyal, efficient and dedicated paintings force, small scale agencies have to pay ok interest to hiring, education systematic human aid practices on a long time basis. Unfortunately, many small commercial enterprise devices are not good. At dealing with employee problems for a ramification of reasons. The human useful resource characteristic is regularly appeared down as an useless and useless activity. It is felt that the firm is just too-small to have personal issues.

Entrepreneurship and Small-Scale Industries/ Enterprises

More lately, enhancing small-scale industries has been viewed as an effective manner of fostering the personal zone’s contribution to the economic development of a nation. Small-scale industries play a key function inside the industrialization of a developing us of a. This is because they provide instantaneous large-scale employment and feature a comparatively higher labour capital ratio; they have got a shorter gestation length; they need decrease investments, they offer a technique of making sure a greater equitable
distribution of country wide profits and facilitate an effective mobilization of assets of capital and ability which might in any other case remained unutilized; and they stimulate the increase of business entrepreneurship and sell extra diffused pattern of ownership region. Small-scale industries have been given an critical location in the framework of Indian making plans since starting, for both monetary and ideological motives.

Small-scale industries have been concern to policy reforms within the year 2006 thru the passing of the Micro Small and Medium Enterprises Development Act, 2006. From this 12 months, micro small and medium organizations had been added beneath one head. Before proceeding with the observe, there is a want to recognize the records of industrialization in India and Tamil Nadu.

**Small-Scale Industries in India – An Overview**

Before 1943, the Indian business scene turned into completely ruled by using British companies. Apart from some Parsi households, considerably the Tatas in steel and the Wadias in shipbuilding, and scattered Gujarati and Bohri Muslim businessmen, Indians needed to be content material with the crumbs. Manufacturing become nearly closed to all. Trading become the handiest feasible choice. In this kind of bleak state of affairs, the Birla Jute Mill, which was began in 1919, marked the access of the Birla family, essentially buyers, into industrial manufacturing.

In small-scale industries, India has an excellent subculture. The satisfactory fabric fabric of India, like Dacca muslin and Kashmir shawls, have been acknowledged to the outdoor world as some distance again as 2000 BC. Handicrafts of every kind, along with metallic running, shields manufacture, enameled jewellery, stone carving, gold and silverwork, thread work, and so on. Had been additionally executed in India. Along with cotton textile, India had attained world renown inside the case of iron manufacturing. But, for the duration of the British rule, the industrial shape of our us of a which include small scale devices was in a unwell stage. But, at some point of the liberty war, Mahatma Gandhi’s views gave a facelift to the village and cottage industries. But simplest with the introduction of India’s five 12 months plans, the actual significance of small-scale industries emerged. Small-scale industries represent the again-bone of a growing U.S.A. Like India.

**Definition of Small-Scale Industry/Enterprises**

What is small-scale industry? The definition of small-scale enterprise varies from country to u. S. And on occasion, relying upon the sample and stages of improvement, government policy and administrative installation of the precise united states. As a end result, there are at the least 50 different definitions of SSIs reached and realized in 75 nations. We hint here the evolution of the prison idea of small-scale industry in India.

The Fiscal Commission, 1950, for the first time, defined a small-scale industry as one which is operated mainly with hired labour, typically with 10 to 50 fingers. In order to promote small-scale industries within the u. S. A., the Government of India installation the Central Small Industries Organization and the Small
Industries Board in 1954 – 55. The SSI Board, at its first assembly hung on January 5th and 6th, 1955, defined small-scale enterprise as a unit employing much less than 50 personnel if using energy, and much less than a hundred employees without the usage of power and with a capital asset not exceeding Rs. 5 lakh.

**Need and Scope of the Study**

Salem, the 5th biggest town of Tamil Nadu country, is located on one facet near Chennai, capital of Tamil Nadu and on different facet near Coimbatore, both major enterprise towns. Also, surrounded through the mountains, it's far one of the richest resources of bauxite, magnetite deposits and different minerals. Today, Salem serves because the junction for different towns, being related with roads, via buses, trains and airport. Also, it has some main Indian Institutes of Education along with Indian Institute of Handloom Technology, which is 2nd of its type within the usa. Also, the metropolis is one in every of the largest regional markets for the agro merchandise, which might be offered and bought in big portions in the marketplace.

Salem is a perfect region for beginning new business, whether or not you would love to begin any sort of enterprise together with large, medium or small. You also can start enterprise associated with any area inclusive of agricultural, mining, industrial and service zone. You can also begin export business in Salem. This is because of the fact that, Salem has maximum of the sources so one can assist you to begin the commercial enterprise. The first and primary aspect is the presence of the herbal assets, which fee little or no as it is present within the surrounding areas in plentiful portions, whether it's miles raw material for agro merchandise, textile products or business products.

**Objectives of the Study**

1. To discover the main problems confronted through the manufacturing businesses within the purposeful areas of Production, Marketing, Human Resource Management and Finance.
2. To determine whether or not there may be any enormous difference in the issues within the practical areas confronted with the aid of the producing enterprises in the Micro-Sector and the Small-Scale Sector.
3. To examine the distinction in perception, if any, among the stakeholder’s entrepreneurs and facilitators, relating to the effect of the macro enterprise environmental elements in the functioning of producing enterprises.
4. To examine the trend within the increase of Small-Scale Industries/Micro, Small and Medium Enterprises in Salem city of Tamil Nadu country, in terms of the number of devices, the employment created and the funding made.

**Methodology**

In this study, small Industry in Salem district is selected. In order to pursue the present study, the researcher has undertaken a study with a view to find out the suitability of information furnished in the questionnaire to the proprietor or 100 Respondents of the Small Industry. The study is undertaken with reference to 100
sample respondents in study area. To conducting a survey on Innovation of Small industry units in Salem, probability sampling methods have been used. Stratified random sampling techniques have been adopted in this survey.

**Data Analysis and Interpretation**

<table>
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<tr>
<th>S.NO</th>
<th>PARTICULARS</th>
<th>NO.OF RESPONDENTS</th>
<th>PERCENTAGE</th>
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<td>43.00%</td>
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<td>2</td>
<td>More Influence</td>
<td>29</td>
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<td>3</td>
<td>Moderate Influence</td>
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<td>13.00%</td>
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<td>Less Influence</td>
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<td>9.00%</td>
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<td>6</td>
<td>6.00%</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>100</strong></td>
<td><strong>100 %</strong></td>
</tr>
</tbody>
</table>

**Interpretation**

From above table it is clear that 43% of the respondents are Most influenced by Economic growth of nation in SSI, 29% of the respondents are more influenced by growth of nation in SSI, 13% of the respondents are moderately influenced by growth of nation in SSI, 9% of the respondents are less influenced by growth of nation in SSI, 6% of the respondents are not influenced by growth of nation in SSI.

**Chart NO: 1 Economic Growth of the Nation Encourages Small Scale Industries.**
Table No.2 Fast Change in Technology is Favourable to the Small Scale Industries.

<table>
<thead>
<tr>
<th>S.NO</th>
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<th>NO.OF RESPONDENTS</th>
<th>PERCENTAGE</th>
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</thead>
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<td>No Influence</td>
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<td>7%</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>100</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

**Interpretation**

From above table it is clear that 45% of the respondents are Most influenced by Fast change in technology in SSI, 22% of the respondents are more influenced by Fast change in technology in SSI, 15% of the respondents are moderately influenced by Fast change in technology in SSI, 11% of the respondents are less influenced by Fast change in technology in SSI, 7% of the respondents are not influenced Fast change in technology in SSI.

**Chart NO: 2 Fast Change in Technology is Favourable to the Small Scale Industries.**

**Conclusion**

Although the importance of Small Scale Industries inside the boom of advancing international locations is undisputed, this zone suffers from the shortage of advanced nation of operating way of life and human elements. In order to understand the affairs associated with operating way of life and human elements, a complete look at became performed via questionnaire. The final results of this examine Economic Growth become reported. Most of the Small Scale Industries were having six days of weekly working and single
shift manufacturing. However, to satisfy-out product necessities, most of them hired over-time without or with extra wages. Bonus and items have been presented. PF became also given. Fast Change in Technology is Favourable to the Small Scale Industries Retention of personnel changed into crucial.

Reference

1. Report, ‘Micro and Small Enterprises in India, An overview 2007’, by Ministry of MSME, Govt. of India