

TRAINING PRACTICES IN SMALL SCALE INDUSTRIES: A STUDY OF UJJAIN DISTRICT, MP, INDIA

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Abstract

The small scale industrial sectors have recorded significant growth and impressive performance. This sector has played a very important role in the socio economic development of the country during the past 50 years. It has significantly contributed to the overall growth in terms of the gross domestic product (GDP), employment generation and exports. Training is essential part of every industry or organization because by training organization invest in their human resource, which are long term asset of their organization, so that their employees perform better in every field and can achieve their goals. It is observed that the training function in this sector has grown to vast proportion. It is therefore evident that a training method is not an end in itself but a means to achieve certain specific objectives.

This paper focuses on the training and development part of employees of small scale industries. Paper reveals that training program are being conducted for employees of this sector but not up to that extent of effectiveness, so organizations should organize training program according to their employees need of development. The objective of this paper is to provide a overview of training practices in small scale industries and to make suggestions for enhancing the capacities of it for a sustainable development and growth.

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Introduction:

The small scale sector has played a very important role in the socio economic development of the country during the past 50 years. It has significantly contributed to the overall growth in terms of the Gross Domestic Product (GDP), employment generation and exports. The performance of the small scale sector, therefore, has a direct impact on the growth of the overall economy. The performance of the small scale sectoring terms of parameters like number of units (both registered and unregistered), production, employment and exports. Madhya Pradesh, the third largest, Indian state covering 9.5% of the country's area is endowed with rich natural resources and fertile agro climatic conditions. The economy of the state is largely agrarian, employing 77% of the total work force and contributing 40% to the state domestic product. Continuous efforts have been made toward industrialization of the state. In M.P. around 350 pharmaceuticals units situated in the industrial area in Dewas, Pithampur, Ujjain and Ghatabilloid, Banmore in Morena, Govind pura in Bhopal and so on.

Dr. El Namaki stated the problem in his article that there exists a common belief, supported by developing country case histories, that small industry could be a prime mode of economic growth if it overcomes some structural problems and assumes a proper industrial policy role. The World Bank, UNIDO, ILO and a multiple of research forums have explored some of these problems and come away with the conclusion that the sector suffers from a shortage of managerial skill and a scarcity of technological input. This lack of managerial skill as well as the fragile technological base has demonstrated themselves in a tangible enterprise mortality rate in invariably all developing countries encountered in the course of this and other research efforts. S.N. Arjun(2012) explained that India has a huge hidden potential in all its distant, obscure villages, in the fields of traditional arts and crafts, food industry and the like. The problem is that both the natural and population dividends are not being optimally reaped through proper skill enhancement and incentives. There are but a few programs for the training of such rural entrepreneurs, to help them have the basic understanding of marketing, access to finances, their legal rights and obligations, and the pluses and minuses of other related aspects. These resources have a great empowerment and growth potential. Instead of focusing on acquisition of land for SEZs, the government can more profitably focus on skill development. A shift in policy

orientation is needed and a re-assessment of resource management is required for a sustainable growth pattern.

Though this sector has shown substantial progress, its major problems like inadequate credit flow from banks and financial institutions, inadequate infrastructure facilities, low quality standards of products, use of technology, plant and machinery and equipments and inefficient management techniques, are still inhibiting the sector. In addition to these, this sector has to face challenges of competition from the opening up of economy to globalization, need for increasing exports and to meet World Trade Organization commitments. The policy support provided so far has acted a catalyst in promoting this sector. However, the planning commission felt an urgent need to review the policy measures so as to make this sector more growth oriented and enable it to withstand the pressure from global competition.

India's vision of emerging as an economic power in the 21st century can be realized through the promotion and development of the small and medium enterprises, for the same purpose one of the ways may be training also. Training refers to the process of increasing knowledge and skill of an employee for doing a particular job. Soon after a worker is selected and inducted into a job. It may not expect full contribution from him in attaining the objective of the factory, as he is just a "Raw" human resource. For ensuring satisfactory job performance, training is essential at all levels of management. Training serves not only the purpose of motivation but also as a means of developing various methods of work. The government should provide necessary incentives in the form of various concessions in relation to taxes, duties and awards for boosting entrepreneurs. Participation in various EDPs organized by Government agencies also provides spirit to provide training. Training and development is the way to develop and grow fast. Various types of training in the small scale sector can be provided like company policies and procedures; training in specific skills; human relation training; problem solving training; and managerial and supervisory training.

Literature Review:

Kumar Arjun S.N. (2012) identified the sources of inspiration, motivating and facilitating factors, rewards, punishments, measures which existing entrepreneurs used to motivate

employees, awareness about business environment, factors effecting entrepreneurial growth, opinions on licensing, subsidies and sources of business opportunities in SMEs.

Gamage Aruna S. (2003) has provided a brief overview of SME sector in Sri Lanka, and to make suggestion for enhancing capacities of SMEs for sustainable development in Sri Lanka.

Lakshmi Sha (2003) conducted a study to know the motivational factors of entrepreneurship. The author found that ambition may not alone make an entrepreneur. At times, the encouragement of family members, friends, EDPs etc., also facilitates the exercise of entrepreneurship.

Mahesh Prasad (2002), in his study entitled, Industrial Development, has established that as a result of sound policies pursued over the years, tremendous development has taken place in Indian Industry, which stands today on a sound footing. However, there are certain infrastructure weaknesses which need to be tackled to ensure further growth.

Patil (2000) in his study observed that the twin problems of workforce were labor turnover and absenteeism due to wage differentials and lack of social welfare measure such as Canteen and health facilities that were responsible in discouraging entrepreneurs.

Gholam Ali (1999), in his study entitled, "Help makes small scale industries viable" revealed that big and small industries have their share in the development of a nation and the prosperity of its masses. A balance must be struck in the development of these industries. The thrust on the development of SSI through successive Five year plans and Government Policies had helped this sector.

National Institute of Small Industry Extension Training (1974) has undertaken a study on entrepreneurs of small scale industries sector in the twin cities of Hyderabad and Secundrabad. The study revealed that the economic gain was the most important reason for starting the small scale units followed by ambition, social prestige and social responsibility. The study evaluated the discouraging factors which influence the entrepreneurship.

Objectives of the Study:

The main purpose of the study is to study training practices adopted by small scale industries. The detailed objectives of the study are as follows:-

- To study the training practices adopted in small scale industry.

- To study the perception of small scale industry's employees towards training practices.
- To make suggestive framework.

Research Methodology:

The research design chosen is exploratory as the study exploring the facts. This study is about selected variables of training practices.

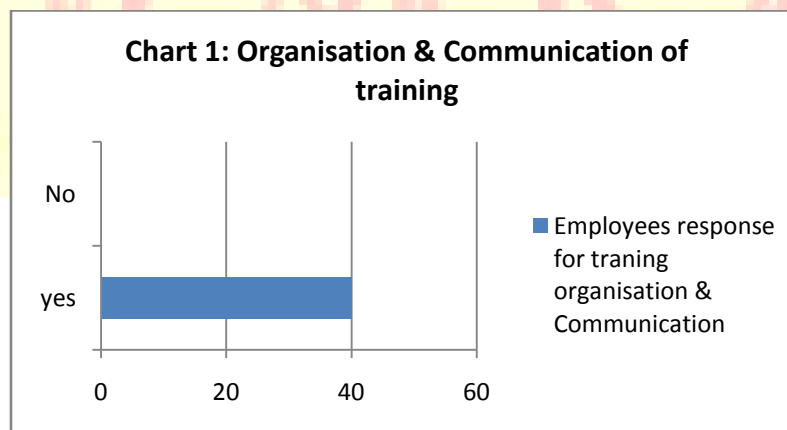
The present research work is an attempt to study about the training practices in Small Scale Industries of Ujjain District. The study is empirical in nature and it is based on the data personally collected with the help of a questionnaire. The study is restricted to Ujjain District of Madhya Pradesh. Data is collected from both primary and secondary sources.

The researcher visited all the sample units and collected data from employees of small scale industries of Ujjain district. Secondary data was collected through various books, journals, research reports, magazines.

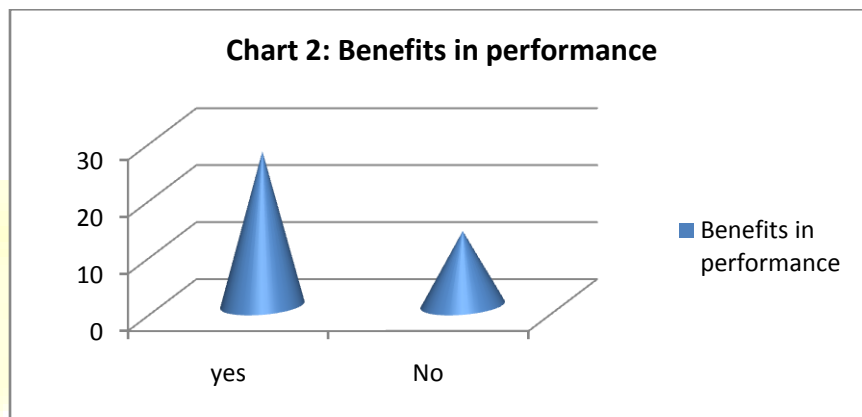
Samples of 40 employees are selected to give a special focus on training practices of Small Scale Industries. In the selection of the sample units' purposive non probability sampling technique was adopted.

Analysis:

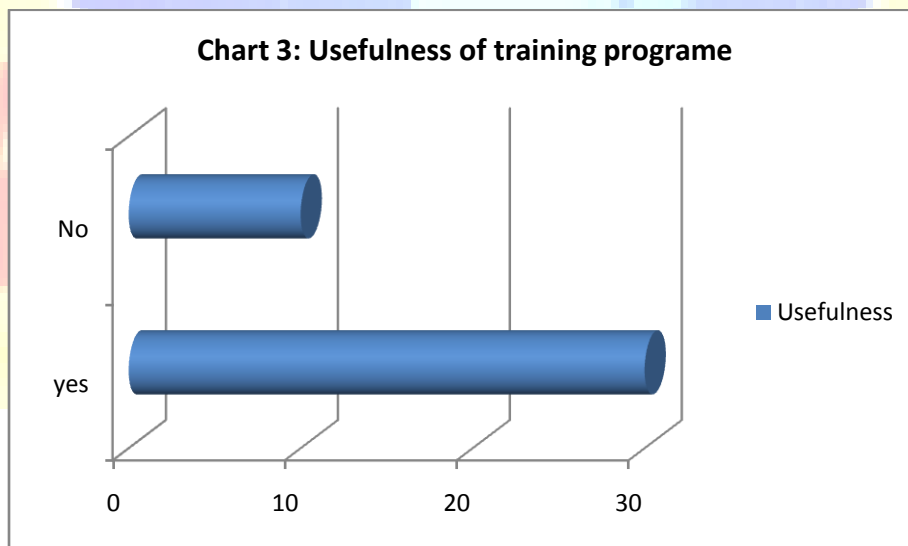
As data was collected through questionnaire and analyzed by the mean of descriptive analysis as follows:



This chart shows that 100% people responded positively for the variable. It shows that almost all small sector organizations provide training to their employees and communicate all related information to employees.

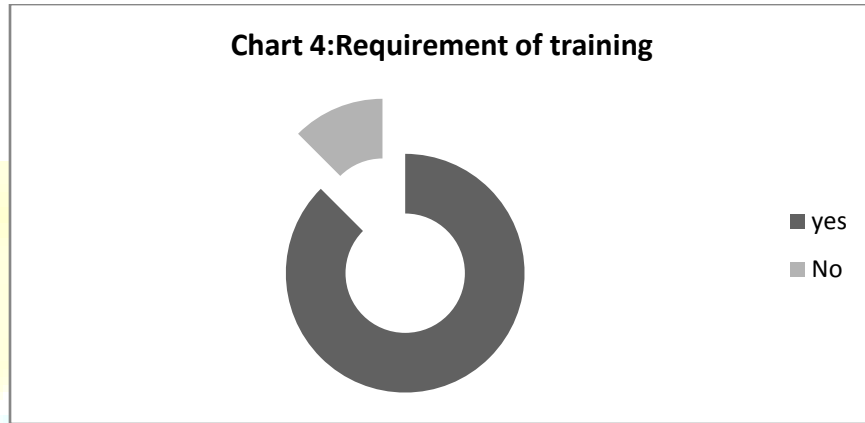


This chart reveals that 67% (27 respondents) answered positively and 33% (13 respondents) answered negatively to this variable. It means majority or approximate three fourth employees of small scale industry have benefited through the training programme provided by their employer, and remaining did not find out their performance well after attending training.

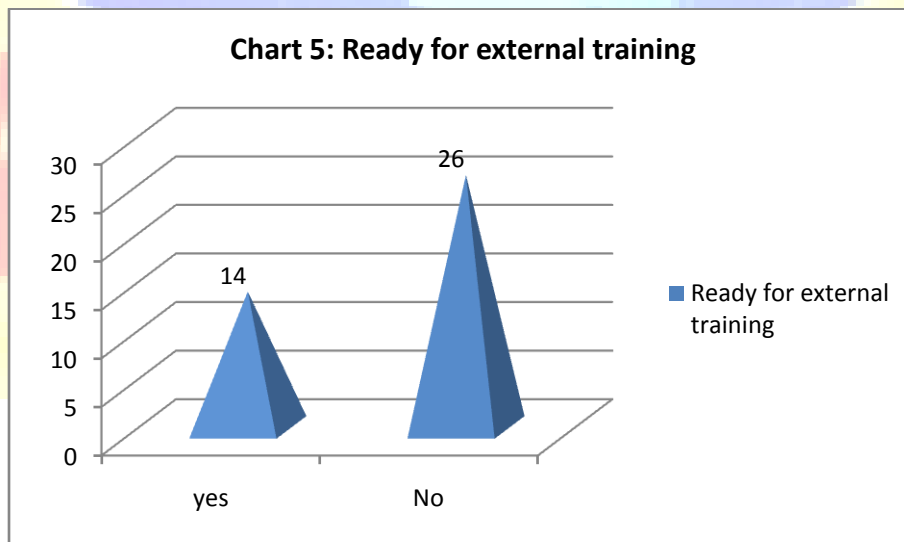


Above chart explains that 75% (30 respondents) answered positively and 25% (10 respondents) answered negatively to this variable usefulness of training program. It means majority or three fourth employees of small scale industry found training programme useful for their job. They

learned & adapted skills and concepts described in training. And remaining did not find training program, useful for their job or task, which was organized for them as.

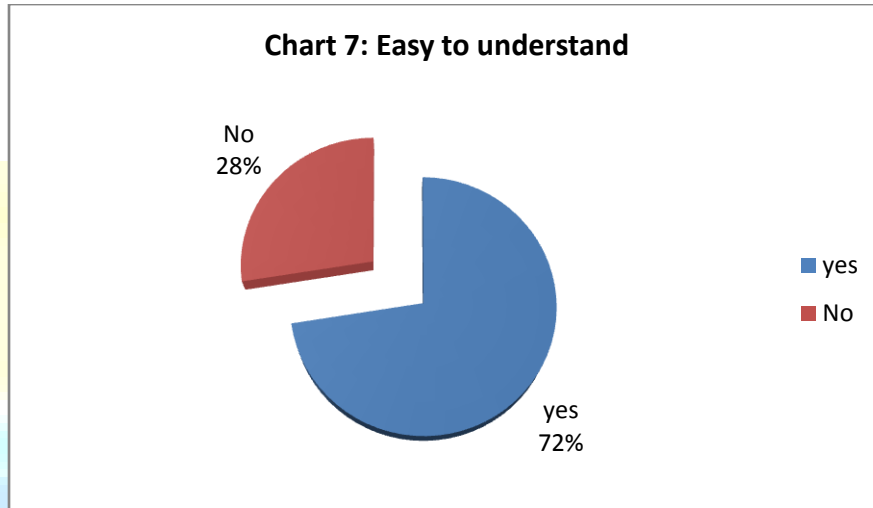


This chart shows that 90% (36 respondents) answered positively and 10% (4 respondents) answered negatively to the variable requirement of training. It means majority or most of the employees of small scale industry need training for learning new concepts and skills. They are having requirement of specific training through which they can have new skills.

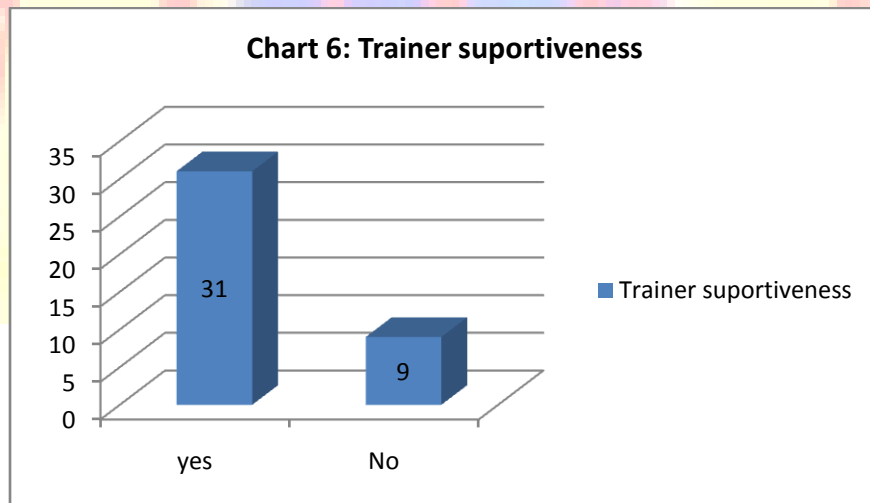


Above chart reveals that 33% (13 respondents) answered positively and 67% (27 respondents) answered negatively to this variable readiness for travelling out for training. It means only 33% of employees of small scale industry are ready to travel or move outside to take training which is

very small ratio. And remaining 67% do not want to move or travel outside to attend training program, they are having constraint to move outside which is basically negative issue.



This chart explains that 72% (29 respondents) answered positively and 28% (11 respondents) answered negatively to this variable easy to understand. It means 72% of employees of small scale industry responded that training provided to them was easy to understand i.e. whatever content, information and knowledge was imparted in the program was easy and understandable. And remaining 28% found difficult or not easily understandable content of training program.



Above chart describes that 77% (31 respondents) answered positively and 23% (9 respondents) answered negatively to this variable trainer supportiveness. It means most of employees in small scale industry say that trainer was supportive i.e. trainer behavior, attitude and knowledge was good and he helped them in fulfilling their learning needs. And remaining 23% said that trainer of the program was not supportive.

Conclusion:

Small enterprises play an important role in any economy through generation of employment, contributing to the growth of GDP, embarking on innovations and stimulating of other economic activities. This sector is said to be the backbone of all developed and developing nations, so, the development of this sector is paramount important for any country irrespective of their level of development. This is even more important to developing countries where poverty and unemployment are the persisting problem. Having fact, governments have taken various steps, from time to time. But when analyzing the percent of development, it is clear that the sector has not achieved desired level of development.

This paper focuses on the training and development part of employees of small scale industries. Paper reveals that training program are being conducted for employees of this sector but not up to that extent of effectiveness, so organizations should organize training program according to their employees need of development. It describes that training is essential part of ever industry or organization because by training organization invest in their human resource, which are long term asset of their organization, so that their employees perform better in every field and can achieve their goals.

Suggestions:

Few recommendations are made on the basis of the research work and analysis, these are as follows:

- Training programme should be organized regularly for employees in small scale industries.
- Training provided to employees should be adequate in imparting the technical and educational knowledge to the employees.
- The emphasize should also be given to the practical knowledge of the employees.
- The management should focus on weakness of employees. Trainees should be encouraged by different ways to use skills, and ideas.
- Training need identification at all level should be done so that management can provide them appropriate and required training.
- The external training programmes should also be encouraged so that enthusiasm of employees can be increase and boredom can be reduced.
- The employees requirement and demand should also be taken into consideration
- More efforts should be taken for the remaining employees or those who have not attended & interested in training. Their problem should be taken into consideration so that they can perform better after training.

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