

Management, Skill Development and Growth Issues for MSMEs

Shweta Maruti Hulkunda¹, Chandramma M²

¹Research scholar, Department of Commerce, Karnatak University, Dharwad-580003

²Professor, Department of Commerce, Karnatak University, Dharwad-580003

Abstract - For sustainable growth of MSMEs there is need for good management and quality of skills. Now a days there is lack of managerial and labour skills. The government fails to take good quality of skill development programs to MSMEs managers and their human resource for the sake of sustainable growth. If government not takes any initiative programs to enhance the skills in managers and workers there will be unbelievable loss to our economy and it may be cause for low growth of MSMEs. Author conducts study to know the issues of MSMEs related to Management, Skill Development and growth and reasons for these issues. Growth of MSMEs related to managerial skills, there is lack of quality managers therefor this study points the main issues relating to management, skill development and growth. Study is purely based on the secondary data, the needed information's are collected from related research journals, MSMEs website, google and Wikipedia. Objective to study issues of MSMEs related to Management, Skill Development and Growth and study the reasons for these issues. Study takes in to consideration why these issues are recurring in nature of MSMEs which types of issues are happening and what initiatives can be taken.

Index Terms - Growth, Government, Issues, MSMEs, Management, Skill Development, Training Programs.

INTRODUCTION

MSMEs are back bone of India this sector providing employment for more than 120 million people. In modern days MSMEs facing lots of problems, they fail to adopt new technology, skilled managers and skilled labors. It is a major issue in achieving sustainable development and growth. Management is the first step for industries in achieving their vision, mission and objectives. They maintaining all the sections of MSMEs they face number of questions and find answers for those questions. Government established varies private and public skill development training

institutions, but they providing limited skill trainings which are traditional. Lack of New technology adoption trainings, managerial skills and labor skills if this shortage continues, in future MSMEs can face low quality labor skills. Management, skill development and growth related to MSMEs facing numbers of issues, are discussed in this study.

REVIEW OF LITERATURE

Chandra mohan Patnaik.B, Ipseeta sathpathy, Rachayeeta Priti (2015), author examined the skill gap is increasing day by day by 2022 India may face problem of skilled labors, unskilled man may become unemployed. Further they concerning not for education adopting in all the stages, they need quality of education and technical aspects which are missing from the system.

Anup Kumar (2015), Government and government agencies conducting lots of skill development programs but they fail to reach goals and objectives of these programs due to low rate of awareness. Therefore, government established monitoring mechanisms to identify the implementation gaps. Author suggested to increase vocational training programs for professionals both in formal and informal sectors.

V.S. Lyngdoh, J Syngkon R.A (2019), author examined the sustainable growth of enterprise and managerial skills have positive relation. Managerial skills are supportive for growth of MSMEs, where managers have good skills there is a sustainable growth of MSMEs and were low skills there find low growth. Suggested to acquire more managerial skills and to arrange managers training programs to enrich their skills in the form of short-term courses.

Asian Development Bank Institute (2016), Author studies training programs are very important for

SMEs. It suggested to start quality training programs collaboration with private and public training institutions. The quality of training will be verified and certified by qualification and competency tests. Trainees should be promoted by counselling, guidance and career developments for employment generation. Anis Ali, Firoz Husain (2014), Author examines MSMEs in India are not innovative and having low entrepreneurial skills. Government fails to give skill development training programs. Awareness on technological advancement created only after conducting skill development programs.

OBJECTIVES

To study issues of MSMEs related to Management, Skill Development and Growth.

To study the reasons for these issues.

RESEARCH METHODOLOGY

The study related to Management, Skill Development and Growth issues of MSMEs, it is fully based on secondary data. Needed information's are collected from MSMEs website, google, research journals.

MANAGEMENT, SKILL DEVELOPMENT AND GROWTH ISSUES FOR MSMEs

1. Management issues: Management is a process of planning, decision making, organizing, leading, motivation and controlling the human resources, financial, physical, and information resources of an organization to reach its goals efficiently and effectively.¹ executive training is most important part for any business, managers are unseen machines who runs business smoothly. subsequently management suffering from various issues, in those issues accurate and optional training to the executives is major. Management training programs help business executives build valuable skills, to leverage new opportunities and creating exceptional value in their organization.² some important issues facing by management of MSMEs are discussed below.
 - a) Access finance: three types of finance needed for MSMEs in the form of Capital Budgeting, Equity Capital and Working Capital. Access of working capital is a big issue for managers in which time

how much working capital needed and what are the sources to access, these all are matters. It is a pre plan for managers because working capital is necessary to manage day to day expenses. Have to Prepare a blue print of working capital for one year on the bases of demand and supply. Managers divide one year in four parts to get in time working capital, in seasonal times its need is very high according to that executive making plan. Therefore, it is an issue for managers to make proper planning in fulfilling financial needs.

- b) Raw materials and Production: on the bases of estimated future demand executives have to plan for ordering raw materials. The plan includes, what quantity of raw materials will be ordered on which date, what quality of material from which source. The production is based on how much and which quality raw materials we have. Further overproduction and accumulation of raw materials is also an issue for warehousing, above all are done by only planning before doing. Therefore, it is also an issue facing by executives.
- c) Human Resource: Human resources is the set of people who make up the workplace of an organisation, business sector, industry, or economy. A narrower concept is human capital, the knowledge and skills which the individual's command.³ human resource is an important part of industry, to enrich the skills and to educate these resources, managers have to take time to time skill development and technology adoption programs. Insurance, first aid systems, hospitalities and so many arrangements are to make. Executives have to take skill development programs according to people's knowledge and their qualification; it is also one most difficult challenge facing by managers.
- d) Competition: in modern word competition is most common to achieve growth. Managers have to adopt new technologies, new skills according to changing environment. It is quite difficult to find equal competitors in market therefore executives required to put one step front from other competencies. The competition moves through changing taste of customers, if fails to adopt new technology to compete in market it is failure of an industry. Taking into consideration of all these points managers have to stronger their roots in

modern market therefore competition is also included in issues of management.

- e) Infrastructure: it plays vital role in economic development infrastructure includes electricity, communication system, transportation, water and sewage facilities. These all infrastructures are important as capital, without these no business can achieve their goals and objectives. Managers make proper planning to arrange required electricity, water and sewage maintenance, Communication facilities in all sections, road ways in area of industry to make transportation easy, parking for workers vehicles. Executives regularly updating these facilities that why it is little bit an issue for managers to day by day examine and take action.
 - f) Technology: it is a waste form of industry; technology have various parts. IT has a huge impact on most industries and usage of these technologies is reforming the rules of business, leading to the structural transformation of enterprises and businesses.⁴ lots of changes happening in modern technology, for fast and quality production, save cost and time, reduce risk of maintenance managers have to adopt new technology. Only adoption of new technology is not more they know how to operate and give trainings to employers. To fix these new technique various arrangements are to be made like spacing for machines, connecting with suitable electricity, maintenance, repairing and etc. therefore the technology adoption is also an issue for managers.
 - g) Marketing and Export: after finishing production marketing is a big issue for executives. According to demand they have to supply materials to distributors, retailers, individual sellers in a prescribed time. Suppose there is no marketing then they have to make further arrangements for sale and export. After fulfilling requirements of local market, they may export to foreign countries. Here managers facing several challenges in making marketing and exporting, they have to fulfil the requirements in time otherwise there is no value to our production.
2. Skill development issues: skill development is for determining the skill gaps and overcome them. Skills are required to define one's ability and this ability is the sole reason behind the successful

implementation of plans.⁵ without progress in skills of workers and managers there cannot be sustainable development in MSMEs. Government introduced numbers of skill developments programs like Entrepreneurship Skill Development Programmes (ESDP), Management Development Programs (MDPs), Skill Upgradation and Quality Improvement and Mahila Coir Yojana (MCY). India's MSMEs sector is very large it has verity of products and services, for per product or service have to give deferent training that's why it a big issue to manage. Some common challenges facing while planning and implementing the skill development programs are as given bellow.

- a) Inadequate training dimensions: India is a nest having numbers of MSMEs that's why it is quate difficult to give required training in a prescribed time. Management facing difficulties in planning for training because in industry number of workers is very high and almost all human resource is illiterate. To train according to their knowledge, to give domos, to find resource person managers may facing lots of problems. Suppose they arrange all these needed things there is a lack of training capacity.
- b) Deficiency of Entrepreneurship skills: it is big issue right before MSMEs there is deficiency of skills in labours. Technology is moving forward but people are in traditional boundaries. Innovative works are not going on, there is lack of new skills in people to invest their time in innovations. Customers taste changing day by day, as their changing wants and needs MSMEs has to produce new services or products, but here they only sticked in producing their comfortable products not according to new market demand.
- c) Lack of industry interface: Placement Office provides strategic platform to synergize and facilitate interaction between academia and industry with an idea to provide exposure to NID Students, creating opportunities for students' project-based learning like graduation projects, industrial training, classroom projects and live projects.⁶ but in these days industry interface is not conducted by industries because shortage of funds, some time they not find skills they really want to hire.

- d) Low rate of pupil mobilisation: students are the seeds who give well crop to the country. In student mobilisation program students are encouraged to join training programs conducted to develop skills especially for post graduate students. Now a days it is a shortage of promotion programs to fill skills in students for Britten their future and indirectly it helps to grow healthy industrialisation. The mobilisation of pupils is also considered as a big issue in skill development.
- e) Labour unwillingness: to conduct any skill development program the interest of labour is very important, if they don't show interest to get training then no one can do nothing. Labours are the main instruments of production section; they have to take training as per the changing technology if industry adopted any new machine, then workers are guided how to operate it. In these days workers are showing low interest in taking training they want to work with a comfort zone only. Unwillingness of workers is also a most happening issue in skill development stage.

Other issues relating to skill development are,

- a) For labours, new labours have no idea how to work with machines, lack of understanding the process.
 - b) For managers, Lack of people management skills, ability to handle miscellanies expenses, allocation of work, Quality measurements.
 - c) For merchandise, low communication skills, managing high pressor situations, handle contingencies.
 - d) For product developer, low knowledge about customers' requirements, standard and changing market situations.
 - f) Lack of experience in product development and shortage of training for specific designers.
3. Growth issues: for growth of MSMEs there are number of factors affecting they may management issues, skill development issues, government policies are given below.
- a) Nonavailability of bank loans: finance is most essential in all stages of production or service. Capital is one time investment, working capital is required time to time in all the stages in paying wages, rent, miscellaneous bills, raw materials, sewage maintenance and etc. banks are not paying

adequate loan in timely when MSMEs are required. For providing working capital loan banks are delaying and not providing requested money in full. It is one big issue in the development of MSMEs.

- b) Small capital: adequate capital is not invested in MSMEs to cover all the essential sections. Limited capital invested which suitable only to start the business not to run the business. Stage by stage working capital helps healthy growth of MSMEs and to grow strong roots in market. But investors putting small investments which causes low rate of growth and considered an issue in growth of MSMEs.
- c) Low quality knowledge: managers and workers don't have good quality knowledge about industrial works and of handling heavy situations. All are in the boundaries of tradition they don't have modern technology and modern marketing tricks. To mobilize the growth in an industry management and human resource have to gain adequate knowledge about production process, managing heavy situations and have to adopt some other important skills. But it is not successive in all MSMEs unites there is a lack of quality knowledge.
- d) Low production capacity: on the bases of demand of goods, production units have to produce that much of goods. Production machines are not technologically developed to give large number of productions. To enhance production capacity production units are to be renovated with new machineries and skilled labors. In growth of MSMEs low production capacity is considered as an issue.
- e) Nonworking marketing strategies: A marketing strategy contains the company's value promotion, key brand messaging, data on target customer demographics, and other high-level elements.⁷ the planning is very important for making better marketing strategies, the planning involves questions like, in what situation we are(represent the present situation of firm), what business we have now(it includes vision and mission of firm), how to reach their(includes goals, objectives, strategies and plans). Managers fails to make proper strategies to achieve growth, the made strategies are not so good which suits to challenging environment.

- f) Nonskilled labors: skills are very important to achieve targeted goals and objectives. It is very expensive to hire high skilled labors therefore industries recruiting low knowledge people to save some money and not taking any skill development training programs to enhance their skills. Where there are low skilled workers there may put full point for dreams of healthy growth therefore nonskilled workers also considered as an issue in growth.
- g) Government agencies: Office of Development Commissioner (MSME), Khadi Village Industries Commission (KVIC), Coir Board, National Small Industries Corporation Limited (NSIC), National Institute for micro, Small and Medium Enterprises (NIMSME) are supporting agencies of government to MSMEs. These all-government agencies are doing very well for growth of MSMEs, but fails to provide skilled employees. Now a days MSMEs are following these government agencies to solve their problems due to low rate of human resources and knowledge. It is the responsibility of these government agencies to provide skilled workers to MSMEs another side it would provide employment for unemployed people.
- h) Control over expansion and modernization: Modernization and expansions are to be adopted by MSMEs according to changing environment for sustainable growth. step by step expansion and modernization are very important for growth of MSMEs, most of MSMEs choose traditional ways therefore they want to be in their comfort zones. How population increases the demand of goods and services also increases, therefore MSMEs have to expand their production capacity and adopt modern technology. In reality they are in older thinking's and controlling expansion and modernization limits.

CONCLUSION

there is need of modern skills for managers and labors. Government taking numbers of initiative programs to recover these problems but there is lack of awareness in people. Government has to take awareness programs to analyze the needs of new technology adoption and new skill training programs. Government has to enhance the limit of training

programs and have to take training programs as needed by the management and labors according to their prior knowledge and new technology.

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