

ENTREPRENEURS PERCEPTION ABOUT THE IMPACT OF DIC IN ENTREPRENEURSHIP DEVELOPMENT IN SIVAGANGAI DISTRICT**Dr. T. Srinivasan¹,**

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ABSTRACT

Entrepreneurs are frequently thought of as national assets to be cultivated, motivated and remunerated to the greatest possible extent. They can change the way we live and work. If successful, their innovations may improve our standard of living. In short, in addition to creating wealth from their entrepreneurial ventures, they also create jobs and the conditions for a prosperous society. Entrepreneurship is the dynamic process of create incremental wealth. The wealth is created by individuals who assume the major risks in terms of equity, time, and/or career commitment or provide value for some product or service. The product or service may or may not be new or unique, but value must somehow be infused by the entrepreneur by receiving and locating the necessary skills and resources. The study of entrepreneurship has relevance today, not only because it helps entrepreneurs better fulfill their personal needs but because of the economic contribution of the new ventures. More than increasing national income by creating new jobs, entrepreneurship acts as a positive force in economic growth by serving as the bridge between innovation and the marketplace. Though there are various measures taken by the government to promote the entrepreneurs in various districts, the results are varying depending upon numerous factors. Hence, in this paper the researcher made an attempt to study the impact of entrepreneurship development by the various assistance provided by District Industrial Centers in Sivagangai district of Tamilnadu.

Introduction

Entrepreneurs are frequently thought of as national assets to be cultivated, motivated and remunerated to the greatest possible extent. They can change the way we live and work. If successful, their innovations may improve our standard of living. In short, in addition to creating wealth from their entrepreneurial ventures, they also create jobs and the conditions for a prosperous society. Through their unique offerings of new goods and services, entrepreneurs break away from tradition and indirectly support freedom by reducing dependence on obsolete systems and technologies. Overall, this results in an improved quality of life, greater morale and economic freedom. Tamil Nadu is one among the few States that adopted the strategy of industrial growth with emphasis on Small Scale Industries. The average annual growth in number of units was 12.8% and employment generation around 10.6%. The State has always laid stress on harmonious development of both large and small industries to reduce disparities in sectoral stabilisation and uniform economic development.

The DIC Programme was launched on May 1, 1978, with a view to provide an integrated administrative framework at the district level, which would look at the problems of industrialization in the district, in a composite manner. In other words District Industries Center is the institution at the district level which provides all the services and support facilities to the entrepreneurs for setting up small and village industries. DIC identifies suitable schemes for SSI units, preparation of feasibility reports, arranging for credit, machinery and equipment, provision of raw materials and other extension services are the main activities undertaken by these centers. Broadly DICs are trying to bring change in the attitude of the rural entrepreneurs and all other connected with economic development in the rural areas.

Rationale of DIC

There are several schemes for assisting rural entrepreneurs, and several government corporations, banks etc are involved in implementing schemes such as Seed Money Assistance, Scheme to Assist Educated Unemployed, Margin Money Assistance Scheme, Financial Assistance to Backward Class Entrepreneurs, Central Subsidy Scheme and Special Capital Incentive Scheme. The rural based entrepreneurs are often unaware of such schemes, and even if they are aware of them, the requirement of approaching different authorities and complicated procedures and endemic delay at each point have been causing considerable frustration. The rationale of DIC programme is that, by channeling assistance under all these schemes through the DICs, an entrepreneur is enabled to get full benefit of various schemes with a minimum effort and without inordinate delay.

Statement of the Problem

Entrepreneurship is the dynamic process of creating incremental wealth. The wealth is created by individuals who assume the major risks in terms of equity, time, and/or career commitment or provide value for some product or service. The product or service may or may not be new or unique, but value must somehow be infused by the entrepreneur by receiving and locating the necessary skills and resources. The study of entrepreneurship has relevance today, not only because it helps entrepreneurs better fulfill their personal needs but because of the economic contribution of the new ventures. More than increasing national income by creating new jobs, entrepreneurship acts as a positive force in economic growth by serving as the bridge between innovation and the marketplace. Though there are various measures taken by the government to promote the entrepreneurs in various districts, the results are varying depending upon numerous factors. Hence, in this paper the researcher made an attempt to study the impact of entrepreneurship development by District Industrial Centers in Sivagangai district of Tamilnadu.

Objective of the Study

To study the impact of DIC's assistance on the small- scale industries performance in Sivagangai district of Tamilnadu.

Sampling Technique

As per the records at the DIC, Sivagangai district, the total number of small scale units is 4,629 and out of which 10 per cent 463 units selected at random and due to some incomplete data it is finally rounded up in to 450 units. Hence, the purposive random sampling method has been adopted for the present study. The sample includes tiny and small scale type of units except ancillary enterprises situated both at the rural and urban areas. The sample encompasses the units coming under the purview of agriculture, chemical, steel & engineering, mineral and readymade

garments. Sick and closed units are totally excluded from the study and the sample of the present study covers only the units which are existing at present.

Profile of Entrepreneurs

Variables	Category	Number of Respondents	Percentage
Gender	Male	356	79.10
	Female	94	20.90
Age	Upto 30 years	41	9.10
	31 to 40 years	264	58.70
	41 to 50 years	107	23.80
	Above 50 years	38	8.40
Marital Status	Married	408	90.70
	Unmarried	42	9.30
Educational Qualification	School level education	124	27.60
	Graduate	252	56.00
	Post-Graduate	60	13.30
	Others	14	3.10

Source: Computed from Primary Data

Table 1 shows that out of 450, 79.1 per cent of the respondents were male and only 20.9 per cent were female entrepreneurs among the selected respondents for the study. It is found that more number of male undertakes small business than female in the study area. Out of 450 respondents, 9.1 per cent are upto 30 years old, 58.7 per cent of them are between 31-40 years, 23.8 per cent of them are between 41-50 years, 8.4 per cent of them are above 50 years. It can be inferred that 31-40 years old entrepreneurs are more in the study areas and which age is considered to be the most productive period in a person's life. Out of 450 respondents, 90.7 per cent are married and balance 9.3 per cent is unmarried. It is concluded that majority selected entrepreneurs are married. 27.6 per cent of respondents had school level educational qualification. The majority (56 per cent) of the selected respondents are found to have graduation. 13.3 per cent of the selected respondents are found to have post graduate educational qualification and only 3.1 per cent of the respondents are found to have other educational qualification. It can be inferred that graduate entrepreneurs are more in the study area.

Impact of DIC's Assistance

After reforms the protection SSI enjoyed from government has been abolished and exposed MSEMs into greater market competition. To meet this heightened competition they have to improve their productivity and competitiveness through policy reforms, subsidies, institutional support and technological improvement. Government Institute like DIC provides support / services as well as co-ordinates various activities at the state level for promotion and development of small scale industries. Though there are many factors responsible for growth of SSI units, DIC is the main and very important factor. The role of DIC in promotion of SSI units is very high and its impact is very large in small scale sector's success. Functions of DIC's include conducting industrial potential surveys keeping in view the availability of resources in terms of material and human skills, infrastructure, demand preparing an action plan for effective implementation of the schemes identified to guide entrepreneurs to select most appropriate machinery and equipment etc. all these functions are highly impacted on the development of small entrepreneurs. Hence, researcher made an attempt to analyse the impact of DIC role and assistances on the in promotion and

development of small business units. The respondents are asked about the level impact and the replies received from the respondents are presented and analysed in the following table.

TABLE 2
IMPACT OF DIC'S ASSISTANCE IN ENTREPRENEUR DEVELOPMENT

Impact of DIC	Very Highly Improved	Highly Improved	Significantly Improved	Loss Improved	No Improvement	Total	Mean	Mean Score in %	Rank
Assets increased over a period of time	135 (30.00)	199 (44.20)	55 (12.20)	20 (4.40)	41 (9.10)	450 (100.0)	3.82	76.4	6
Increase in Turnover and production	153 (34.00)	205 (45.60)	19 (4.20)	22 (4.90)	51 (11.30)	450 (100.0)	3.86	77.2	5
Increase in exports over a period of time	138 (30.70)	189 (42.00)	24 (5.30)	30 (6.70)	69 (15.30)	450 (100.0)	3.65	73.0	17
Increase in the level of employment	176 (39.10)	181 (40.20)	7 (1.60)	31 (6.90)	55 (12.20)	450 (100.0)	3.87	77.4	3
Increased accounts maintenance skill	147 (32.70)	174 (38.70)	18 (4.00)	47 (10.40)	64 (14.20)	450 (100.0)	3.64	72.8	18
Able to diversification of production	153 (34.00)	193 (42.90)	14 (3.10)	31 (6.90)	59 (13.10)	450 (100.0)	3.77	75.4	8
Increase independent mobility	143 (31.80)	194 (43.10)	15 (3.30)	30 (6.70)	68 (15.10)	450 (100.0)	3.70	74.0	12
Developed for planning and executing skill	137 (30.40)	187 (41.60)	35 (7.80)	28 (6.20)	63 (14.00)	450 (100.0)	3.68	73.6	14
Able to creating job opportunity for others	131 (29.10)	180 (40.00)	15 (3.30)	53 (11.80)	71 (15.80)	450 (100.0)	3.55	71.0	19
Increase in number of products & orders	169 (37.60)	173 (38.40)	7 (1.60)	31 (6.90)	70 (15.60)	450 (100.0)	3.76	75.2	9
Developed listening capacity	139 (30.90)	195 (43.30)	19 (4.20)	22 (4.90)	75 (16.70)	450 (100.0)	3.67	73.4	15
Developed effective communication skill	133 (29.60)	198 (44.00)	31 (6.90)	19 (4.20)	69 (15.30)	450 (100.0)	3.69	73.8	13
Able to establish more branches	148 (32.90)	175 (38.90)	18 (4.00)	44 (9.80)	65 (14.40)	450 (100.0)	3.66	3.2	16
Get better price for the products	42 (31.60)	95 (43.30)	4 (3.10)	3 (9.60)	6 (12.40)	450 (100.0)	.72	4.4	11
Able to reduction of	144	203	20	28	55	450			7

cost and wastage	(32.00)	(45.10)	(4.40)	(6.20)	12.20)	(100.0)	.78	5.6	
Easy to get professional help from banks	144 32.00)	192 42.70)	25 5.60)	31 6.90)	58 12.90)	450 (100.0)	.74	4.8	0
Able to get better public contact	164 36.40)	185 41.10)	30 6.70)	14 3.10)	57 12.70)	450 (100.0)	3.86	77.2	4
Efficient utilisation of resources	182 (40.40)	183 (40.70)	18 (4.00)	25 (5.60)	42 (9.30)	450 (100.0)	3.97	79.4	2
Able to obtain get more market information	191 (42.40)	172 (38.20)	10 (2.20)	51 (11.30)	26 (5.80)	450 (100.0)	4.00	80.6	1

Source: Computed from Primary Data

From the above table, it has been inferred that the 80.67 small entrepreneurs have opined that after joining DIC they are able to obtain more market information and it has significantly impacted in their business positively, followed by 79.4 per cent entrepreneurs have said their efficient utilisation of resources have increased after availing DIC's assistance, 77.4 per cent of entrepreneurs expressed their opinion impact of availing DIC's assistance have increase in the level of providing employment to others. 77.2 per cent of entrepreneurs have said that after availing DIC's assistance the can able to get better public contact. 77.2 per cent have said that because of DIC's assistance their turnover and production have been increased. After availing DIC's assistance assets increased over a period of time, able to reduction of cost and wastage, able to diversification of production, increase in number of products & orders and easy to get professional help from banks by the small entrepreneurs by 76.4%, 75.6%, 75.4%, 75.2% and 74.8% respectively. An average 3.72 sample entrepreneurs have opined that after registering their units in DIC they can get better price for the products, followed by 3.70 and 3.69 average respondents' have opined that they have increased independent mobility and developed effective communication skill after joining DIC. Due to DIC assistances on an average of 73.6 and 73.4 per cent of sample entrepreneurs' have stated that they have developed for planning and executing skill and Developed listening capacity respectively. Because DIC assistances 73.2 per cent of sample entrepreneurs able to establish more branches, 73 per cent of sample entrepreneurs can increase in exports over a period of time, 72.8 per cent able to increased accounts maintenance skill, 71 per cent able to creating job opportunity for others. It is interesting to find that more than 70 per cent of entrepreneurs able to develop in all the above mentioned aspects because of DIC assistances.

Conclusion

The interesting interaction of entrepreneurship and economic development has vital inputs and inferences for policy makers, developing institutes, business owners, change agents and charitable donors. If we understand the benefits and drawbacks, a balanced approach to nurture entrepreneurship will definitely result in a positive impact on economy and society. The entrepreneurship development is closely associated with risk taking, creativity, independence and rewards. These factors are to be considered by the DIC when it is designing the various assistance programmes to the entrepreneurs.

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