GOVERNMENT OF KARNATAKA

DEPARTMENT OF YOUTH SERVICES AND SPORTS

"Y U V A P R E R A N A"

MASTER'S TRAINING PROGRAMME ON ENTREPRENEURSHIP

PROGRAMME SCHEDULE

1. **23.12.96 MONDAY**

I Session	9	-	10.30	-	Registration
II Session	11	-	12.30	-	Ice Breaker
III Session	3.00	-	4.30	-	Inaugural Function
					Introduction to the Course
IV Session	4.30	-	6.00	-	Self Awareness- Who AM I?
					self-Discovery.
	6.00	-	7.30	-	~~SWOT Analysis~~
	8.30.			-	steering committee. - 3·4
					- Reporting - " - 2·3
					- Evaluation - " - 2·3.
					- Cultural - 2·5

2. **24.12.96 TUESDAY**

I Session	9	-	10.30	-	Wage Employment Vs Self Employment
II Session	11.00	-	12.30	-	Dynamics of Entrepreneurship
III Session	1.30	-	3.00	-	Entreprenurial values and Attitudes
IV Session	3.30	-	5.00	-	Exercise on Business ethics.
	8.30	-	9.30	-	Eval uation-Cultural Programme

3. **25.12.96 WEDNESDAY**

I Session	9.00	-	10.30	-	M. Shangalakshmi vaniyambadi Industrial/Commercial Laws and Insurance
II Session	11.00	-	12.30	-	Qualities of an Entrepremeur Interview with an Entrepreneu
III Session	1.30	-	3.00	-	
IV Session	3.30	-	5.00	-	Vocational guidance in Different sectors. - possible ways of self-employ
	8.30	-	9.30	-	Evaluation-cultural programme

4. 26.12.96 THURSDAY

I	Session	9 - 10.30	-	Role of a trainer in a training programme. Mr. Paul Raj,	
II	Session	11 - 12.30	-	Training skills and techniques Mr. Paul Raj.	
III	Session	1.30 - 3.00	-	Micro Lab - language, vocabulary Mannerisms	
IV	Session	3.30 - 5.00	-	Micro Lab	
×	Evening Session		-	Micro Lab-Feed back - Mother ... Mr. Paul Raj	
	8.30 - 9.30		-	Evaluation cultural programme	

5. 27.12.96 ~~FREDAY~~ FRIDAY

I	Session	9 - 10.30	-	Formulation of Business Report - Mr. Paul Raj
II	Session	11 - 12.30	-	Project Report Mr. Paul Raj
III	Session	1.30 - 3.00	-	Risk taking behaviour Henry
IV	Session	3.30 - 5.00	-	Ring Toss Exercise. Henry
	8.30 - 9.30		-	Evaluation Cultural Programme

6 29.12.96 ~~SATURDAY~~ Sunday :-

I	Session	9 - 10.30	-	Size, Location, Lay out
II	Session	11 - 12.30	-	Steps in setting a Business - Marketing Management - Paul Raj
III	Session	1.30 - 3.00	-	Understanding Achievement syndrome
IV	Session	3.30 - 5.00	-	Thematic Apperception Test Mr. Henry Rosa
		8.30 - 9.30	-	Evaluation Cultural Programme

7 28.12.96 ~~SUNDAY~~. Saturday

I	Session	9 -10.30	-	Marketing Management - M. Dhanda
II	Session	11 - 12.30	-	Operations Management - Mr. Paul Ray
III	Session	1.30-3.00	-	Financial Management } M. Dhanda Basics of Accounting
IV	Session	3.30-5.00	-	Financial Management }
		8.30-9.30	-	Evaluation Cultural Programme

8. 30.12.96 MONDAY

I	Session	9 - 10.30	-	T.Q.M = Total Quality Management Mr. Henry
II	Session	11 - 12.30	-	Negotiation skills for Business - communication.
III	Session	1.30-3.00	-	Goal setting for Entreprenuer-ship
IV	Session	3.30-5.00	-	Tower Building by Mr. paul Ray
		8.30-9.30	-	Evaluation Cultural Programme

Feedback

9 31.12.96 TUESDAY

I	Session	9 - 10.30	-	Personal Management - by Mr. paul Ray
II	Session	11 - 12.30	-	Business Communication - by Henry Rod
III	Session	1.30-3.00	-	Time Management
IV	Session	3.30-5.00	-	Stress Management
		8.30-9.30	-	Evaluation Cultural Programme

10 1.1.97 WEDNESDAY

I	Session	9 - 10.30	-	Decision Making - Mr. Henry Rosar
II	Session	11 - 12.30	-	Achievement Planning Water Boat Exercise. Mr. Henry R
III	Session	1.30 - 3.00	-	Achievement Planning Mr. Paul Ray
IV	Session	3.30 - 5.00	-	Convince and crown Exercise Mr. Paul Ray
		8.30 - 9.30	-	Evaluation Cultural Programme

11 2.1.97 THURSDAY

I	Session	9 - 10.30	-	Creative Problem solving - "creative" = something new.
II	Session	11 - 12.30	-	Life goal planning Exercise - plan the future.
III	Session	1.30 - 3.00	-	Evaluation
IV	Session	3.30 - 5.00	-	Valedictory Function.

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a) Half-day outing.
b) Hand outs - practical guidelines.

Anandh. N.

CONTENTS

Section - A

SELF-EMPLOYMENT CAREER ORIENTATION

This Section provides understanding and content for:

- Career Option - Wage-employment vs. Self-employment — importance, need and scope.
- Dynamics of Entrepreneurship - definition, self-employment as one of growth stages. Process of development of self-employment/ entrepreneurship.

CAREER OPTIONS

Training Objectives

- **To help participants compare and contrast the two possible career options —Wage-employment and Self-employment;**

- **To develop their appreciation about the importance, need and scope of self-employment/entrepreneurial career.**

Trainer's Notes:

Wage-Employment Vs Self-employment

After completion of education, one has broadly two career options. One can employ oneself in government service, public and private sectors, accepting the fixed wage/salary. The other career option is Self-Employment under which one perceives/innovates an idea, organises production/services by mobilising resources and finally markets the products and services. Such persons are called 'entrepreneurs.'

The former has always limited scope since it does not necessarily generate resources and can be organised only within the existing usable wealth. Moreover, wage-employment has a strong tendency for **self-saturation**. Once availed, it blocks the employment opportunities for others for another 10 years (Average 3 promotions in a 30 year service career). On the other hand, the latter contributes towards Gross National Product (GNP) by way of producing consumer items, import substitutes or export goods and services. Further, it has unique characteristics of **self-generation**. A self-employment activity offers employment to others. Moreover, an enterprise being an economic activity, leads to the emergence of other economic activities such as transport, marketing, communication, etc. This initiates a chain of activities that creates unending opportunities for employment. Indian experiences have further proved that employment generated through self-employment in small industry/business is much cheaper as compared to that obtained through wage-employment in offices or even in large industrial establishments. Also, small enterprises provide learning ground for manufacturing, managerial, technical and problem solving skills. Most of these are generally lacking in masses but are essential for economic progress. Further, small enterprises activate small size savings of middle class individuals for investment in entrepreneurial venture. They also provide an outlet for creative urge among individuals to attain excellence in product design and related innovations. In the ultimate analysis, the lasting solution of the acute problem of unemployment lies in the self-employment through **Entrepreneurisation of the Society.**

Fig. 1

CAREER OPTIONS

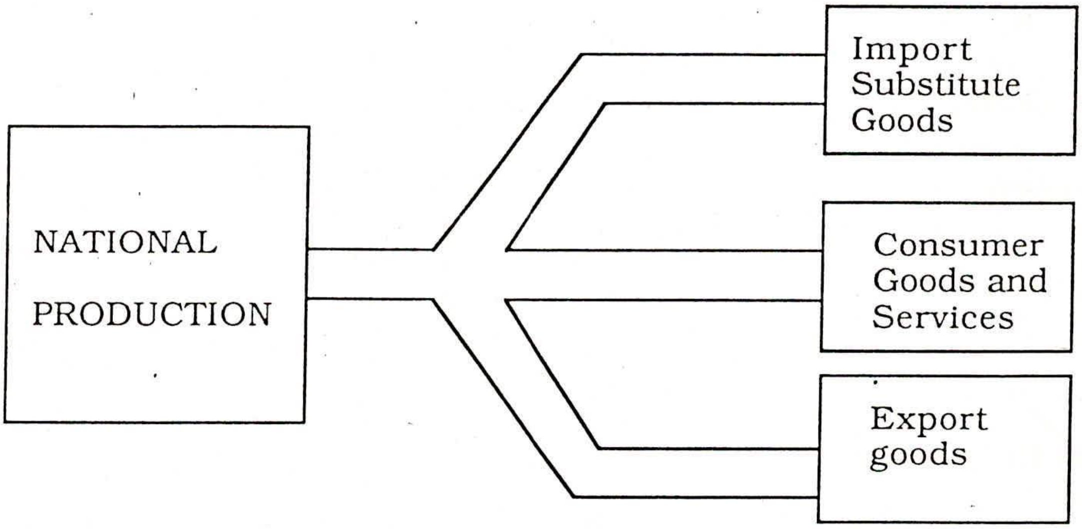
	Wage-Employment	Self-Employment
(1) NATURE →	Self-saturating	Self-generating
(2) SCOPE →	Limited	Unlimited
(3) ORIENTATION →	Routine Type Status quo Problem Avoiding Dependent	Creative Innovative Problem Solving Independent (decision)
(4) SATISFACTION →	Through compliance	Through pursuing own idea and creative urge
(5) CONTRIBUTION →	Consumes National Wealth	Generates National Wealth
(6) EARNING →	Fixed (Subsistence)	Growing & generating surplus
(7) STATUS →	Employee	Employer

Why Entrepreneurial Career ?

1. *For Fighting the Problem of Unemployment:* One of the acute problems common to all developing countries is the growing unemployment. There are several reasons for this. Population is increasing faster than the increase in the volume of the total wage employment; the range of socio-cultural factors have inculcated inappropriate values in terms of aspirations and expectations of a job. Whatever may be the reasons, the fact remains that the wage employment cannot be stretched to more than 5 to 10 per cent of the total number of the unemployed youth. The alternative left for the remaining 90 to 95 per cent unemployed youth is to go for self-employment.

2. *For Increasing National Production :* Developing countries have almost a common history - long years of foreign domination, recent emergence as politically free entities and presently engaged in attaining economic freedom. In this process (Figure-2) most of them face the problem of increasing national production largely in the areas of **import substitute goods, consumer goods and services, and export goods**. The first is needed to conserve the outflow of limited national wealth which is needed much more locally for development purposes. But no sooner is the process of all round development initiated in developing countries, the demand for consumer goods and services increases enormously. Such demands are to be met by producing more and more consumer goods and services. This is not enough since no country presently can afford to develop in isolation. On the other hand, for rapid and lasting progress, the developing countries have to trade with others for which they need foreign exchange. One of the major sources of earning foreign exchange is by producing export goods. For all the three, a country needs more and more new self-employed entrepreneurs.

Fig. 2



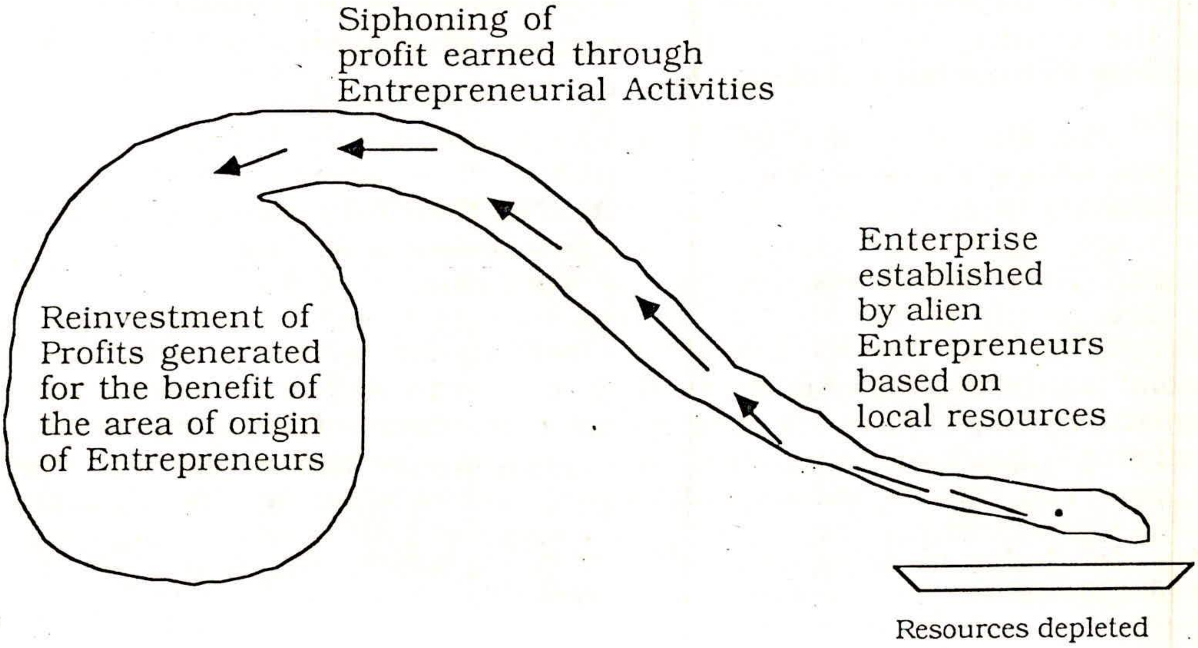
3. *For Dispersal of Economic Power :* Two types of power have dominated the world affairs since its creation - muscle and economic. In the earlier times, the former was more dominant whereas in the modern society the latter has the upper hand. The phenomenon of economic power is the natural outcome of industrial and business activities. Unless industrial and business activities are planned, economic power is likely to be concentrated only in a few hands. This situation results in many adverse socio-political consequences for developing nations. One way of preventing such consequences may be to disperse industrial and business activities among a large number of

youth through a massive movement of developing entrepreneurship/ self-employment among the youth of developing nations.

4. *For Weakening Monopoly :* Monopoly in trade, industry and business holding is the commonest evil in most of the developing countries. In addition to political backing, it largely thrives because of the lack of a sufficient number of entrepreneurs. Planned efforts for encouraging and supporting self-employment among the youth goes a long way in weakening the tendency of monopoly holdings since many self-employed people start manufacturing the goods and services which otherwise remain the prerogative of a selected few.

5. *For Reinvesting the Profit for the Welfare of the Area of Profit Generation :* When an outsider establishes certain enterprise, most of the time he does not reinvest the major share of his profit in the area in which the business unit is located. Largely, the profit is invested at the place of his origin which may be different from the location of the unit. This sets a process which can very well be compared with the blood sucking process practised by leeches. For our understanding, the purpose can be loosely and metaphorically called 'leech effect'. The major impacts of the 'leech effect' are seen in comparatively backward areas of the developing countries themselves. As a result there is a regular drain-off of the wealth generated out of the local resources to the areas, comparatively already well developed (Fig.-3).

Fig. 3



'Leech Effect' of Alien Entrepreneurs

In those areas where the industrial and business activities are mostly organised by self-employed people coming from outside, a large share of profits may be reinvested in the area of their origin. In order to counter the 'leech effect', it is desirable to prepare and support large number of local youth to go in for self-employment and set up their enterprises at their native places. The profit earned from such units will then be reinvested for the welfare of the area of profit generation.

6. *For Balanced Area Development:* Alongwith the industrial and business activities goes a large number of public benefits, such as roads, transport, communication, health, education, entertainment, etc. Since these industrial and business activities are concentrated in and around selected cities of the country, the development is also limited to these few selected cities. As a result, the country very soon faces the problem of what might be called unbalanced area development. Countless examples can be cited from all developing countries. Till late sixties, in India, more than 50% of the industrial enterprises were located in only six cities. These cities are today much more developed than the rest of the country. Similarly, the city of Bangkok in Thailand, Kuala Lumpur and Penang in Malaysia, Manila in Philippines, and Seoul in South Korea are some of the examples of such unbalanced area development.

A planned effort to develop self-employment among the local population will ensure the supply of self-employed youth from different parts of the country. Since most of the people, particularly the small entrepreneurs, prefer setting up their units in and around their own native places, more self-employed youth from different parts of the country will ensure the dispersal of industry and business activity throughout the country.

7. *For Harnessing Youth Vigour:* The educated youth are full of vigour with a sharp ability for articulation. The recent phenomenon of increasing unemployment is largely due to their excessive dependence on wage/salary employment, resulting in decline and wastage of youth vigour. They find themselves without work when they are at the prime of their youth. In the absence of opportunities to meaningfully engage themselves, the youth often divert their vigour to violent and anti-social activities. Many a times they engage in self-destruction. The nation, in short, loses its most valuable resource - the youth vigour. Self-employment offers an excellent opportunity to harness such youth vigour. The task is indeed challenging and creative and it requires extra vigour which is readily available with the youth. In the long run, this also helps in developing self-confidence among the youth, which is usually lacking in developing countries.

DYNAMICS OF ENTREPRENEURSHIP

Training Objectives :

- **To develop understanding of the participants of the term entrepreneurship and its relationship to self-employment;**
- **To help them to see the links between income generation, self-employment and entrepreneurship as part of the entrepreneurial growth;**
- **To introduce to them the process of development of self-employment/ entrepreneurship.**

Trainer's Notes :

ENTREPRENEURSHIP

Definition

Entrepreneurship is the character, practice and/or skill of an entrepreneur. An entrepreneur is a person who organises, manages and assumes the risk of a business. Accordingly, **entrepreneurship refers to identifying/innovating ideas, product and services; mobilising resources; organising production/services and, finally, marketing them covering the risk with constant strive for growth and excellence.**

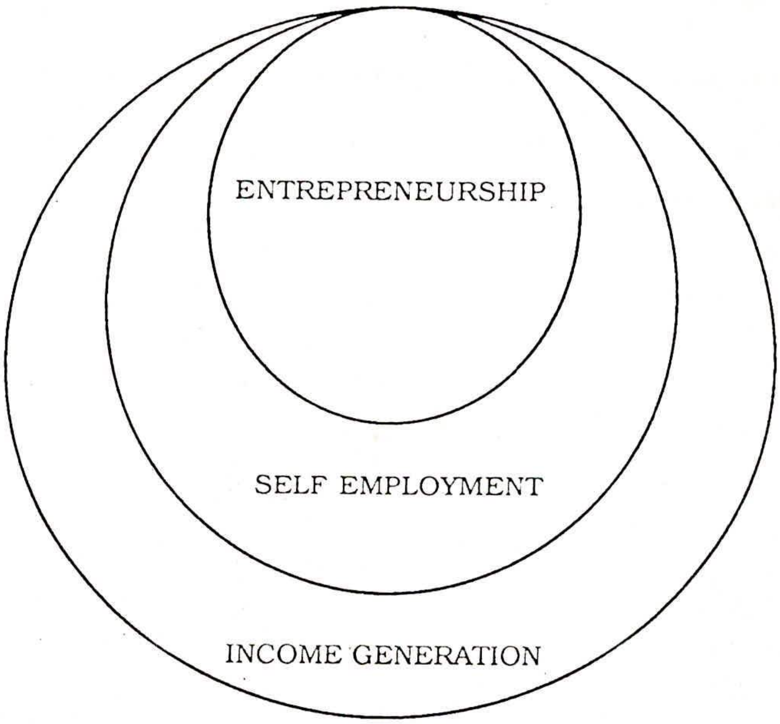
Stages in Growth

In the context of employment generation, the three terms i.e., **entrepreneurship, self-employment** and **income generation** are often used interchangeably. Although there are a lot of commonalities among these concepts, yet the three terms are not the same. Self-employment refers to full time involvement in one's occupation or pursuits in which one may or may not have to take any risk to mobilise inputs and other resources to organise total production and services or to market the product and services. Income generating activities, on the other hand, are often part time and casual and practiced for the purpose of raising additional income. The functions of entrepreneurs, as explained earlier, suggest that all entrepreneurs are self-employed and income generating persons. But all self-employed and income generating persons may not necessarily be entrepreneurs. Similarly, all self-employed persons are income generating persons, but all income generating persons may not necessarily be self-employed.

Accordingly, all the three may be useful means for employment generation but they all vary in term of their scope and impact with others.

The three, however, can be viewed as initial, middle and terminal stages in entrepreneurship growth process.

Fig. 1



Entrepreneurial Growth Process - Initial, Middle & Terminal Stages

Development Process

Experiences have shown that two major factors have played significant role in developing entrepreneurship. One of them is the development of human factor - the entrepreneur himself. Another major factor is the development of environment where entrepreneurial activities can flourish and grow.

The human factor refers to the attitude, desire and motivation of an individual, his capability to perceive the environment changes and opportunities as well as his ability to solve the problems which he is likely to face. The training is effective in developing all these aspects of human factor provided it is planned well with balanced emphasis on all the aspects. Training has played crucial role for all such strategies in initiating and accelerating the process of entrepreneurship development. The training targets, however, have been both entrepreneurs and promoters of self-employment/ entrepreneurship.

An analysis of the entrepreneurship development process (that helps in the emergence of people opting for entrepreneurial career) reveals that it follows a sequence of development of individual **personality, capabilities and abilities.**

The first generation of entrepreneurs requires to develop:

a) Entrepreneurial quality/motivation;

b) Capability for enterprise launching/resourcing;

c) Ability for enterprise management; and

d) Sense of responsibility to the society that promotes/supports them.

a) Entrepreneurial Quality/Motivation

Generally, we find people opt for wage-earning career. Society, by and large, spreads and popularises such orientation. Social institutions such as the family, as well as school, more or less support development of qualities like **conformity** and **compliance** which are not conducive to the growth of entrepreneurial values. As a result of this, **creativity, risk taking, perserverance, innovativeness** and **problem solving orientation** which are some of the accepted entrepreneurial qualities are not encouraged. Whenever efforts are made to induct people to entrepreneurial career, such entrepreneurial qualities are generally found lacking or dormant. These are required to be aroused to an extent that people may start opting for entrepreneurial career. This is a basic requirement and much needed force which drives people to their new ventures. Left to themselves, such qualities and motivation will be developed in only very few. Accordingly, as part of the planned programme of entrepreneurship development, the inputs have to be thought out and administered effectively to ensure development of the minimum entrepreneurial qualities/ motivation adequate enough to drive them to entrepreneurial pursuits.

b) Capability of Enterprise Launching/Resourcing

The opportunity exists in the society but not all of us are sensitive to it. Most of us in the society can perceive only the apparent and traditional openings for earnings. Similarly, resources are also available but very few make the efforts to make use of these. Together with economic insight for sensing opportunities in the area, prospective entrepreneurs may have to develop capability for selecting suitable project, formulating project report, arranging plant machinery, etc. and availing facilities and resources relevant to the launching of their enterprises. These are to be developed through training interventions.

c) Ability for Enterprise Management

The enterprise may be small or big, but it demands good management abilities in its owner/manager. Various factors of management such as production, marketing, financial management, etc. are crucial for entrepreneurs. These have direct influence on the results and, are therefore, necessary determinants for sustenance of an enterprise. The management inputs to the potential entrepreneurs also raise their expectancy for success. However, the intensity of these inputs may vary depending upon the size of enterprise that is selected by an entrepreneur/self-employed person.

d) Social Responsibility and Entrepreneurial Discipline

The entrepreneurs who are developed and promoted at the social cost have certain responsibility to the society that promotes and supports them. The Government and other public institutions that invest on them also expect something in return. In order to sustain the efforts of developing entrepreneurship, it is necessary that a sense of responsibility towards the society in general and towards the entrepreneurial movement in particular needs to be developed among the potential entrepreneurs, especially those belonging to the younger generation. These entrepreneurs need to follow certain discipline which is useful for entrepreneurial career. Such discipline may cover subjects like repayment behaviour, response to tax and statutory requirements, progressive outlook towards labour and above all care for ecology and environment.

These aspects related to individual behaviour, abilities and capabilities follow a logical sequence of development which ultimately drives prospective youth to actual self-employment/entrepreneurial career.

Integrated Strategy

Entrepreneurship development strategy follows a cycle consisting of **stimulatory, support** and **sustaining** activities. The stimulatory activities ensure the supply of entrepreneurs ready to take initiative and organise their enterprises even if this involves risking their career. The support activities provide infrastructural facilities, resources, ability and skill to entrepreneurs for enterprise launching and management. Sustaining activities refer to all such efforts that facilitate growth and continuity through expansion, modernisation, diversification, and technology upgradation of on-going healthy enterprises and opportunity for rehabilitation of sick units. Each group of activities is highly interacting, supplementary and crucial to each other. The absence/negligence of any one may render the whole effort infractuous.

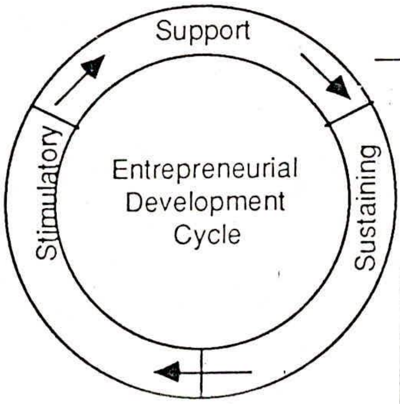
The entrepreneurship growth process can be further accelerated. The experimentations have amply demonstrated that entrepreneurship can be developed through planned efforts. Such planned efforts may require integration of stimulatory, supportive and sustaining activities. Training has been accepted and found very effective intervention in motivating and developing entrepreneurial qualities; capabilities and abilities for enterprise launching and management.

Trainer's Interventions :

This being the introduction to self-employment/ entrepreneurship, the trainer's intervention will mainly be presentations and discussions with the help of charts, diagrams and local illustrations. The local figures and statistics may be collected to illustrate the concept discussed in the Trainer's Notes. This will make the presentation more realistic.

ENTREPRENEURIAL DEVELOPMENT CYCLE

1. Entrepreneurial education
2. Planned publicity for entrepreneurial opportunities
3. Identification of potential entrepreneurs through scientific method
4. Motivational training to new entrepreneurs
5. Help and guidance in selecting products and preparing project reports
6. Making available techno-economic information and products profits
7. Evolving locally suitable new products and processes
8. Availability of local agencies with trained personnel for entrepreneurial counselling and promotions
9. Creating entrepreneurial forum



1. Registration of unit
2. Arranging finance
3. Providing land, shed, power, water etc.
4. Guidance for selecting and obtaining machinery
5. Supply of scarce raw materials
6. Getting licences/import licences
7. Providing common facilities
8. Granting tax relief or other subsidy
9. Offering management consultancy
10. Help marketing product
11. Providing information

1. Help modernization
2. Help diversification/expansion/substitute production
3. Additional financing for full capacity utilization
4. Deferring repayment/interest
5. Diagnostic industrial extension/consultancy source
6. Production units legislation/policy change
7. Product reservation/creating new avenues for marketing
8. Quality testing and improving services
9. Need based common facilities centre

Akhouri. M.M.P. Dr., 1977 Balancing the imbalances caused by the known factors of Entrepreneurial Development - paper presented in the Workshop on Technology and Entrepreneur, Kuala Lumpur. - 25-30 May 1977

Anandai

SECTION - B

SELF-EMPLOYMENT/ ENTREPRENEURIAL VALUES, ATTITUDE & MOTIVATION

This Section provides understanding and content related to:

- Values and attitudes relevant to entrepreneurship,
- Understanding the process of entrepreneurial motivation development,
- Entrepreneurial motivation training design, games and exercises, and
- Self-employment behavioural competency.

SELF-EMPLOYMENT/ ENTREPRENEURIAL VALUES, ATTITUDE & MOTIVATION

Self-employment as compared to wage employment is a deviant experience. It requires great persistence, in which the potential seeker has to face challenges and may even run a moderate risk. The self-employed persons take decisions and actions which are directed towards pursuing business goals, carrying personal responsibility. Since self-employment is a deviant career, it requires greater energy and inner force which drives people to this new career. Therefore, as part of the planned programme for Self-Employment/Entrepreneurship Development, it is necessary to raise their motivation for self-employment to the level where they would be persistently able to follow the difficult course of being self-employed.

Besides initiation, the pursuit of self-employment is full of obstacles - many times more as compared to wage and salaried employment. However, in most of the developing countries, youth are not adequately oriented towards self-employment. They tend to drop out in the face of problems and hurdles, which are generally associated with self-employment. These failures not only result in wastage of efforts and resources but also erode further the self-confidence of youth, making the task of promoters of self-employment more difficult. Motivation is needed for both - the initiation and the continued persistence to follow the self-employment/entrepreneurship goal.

Motivation, however, is linked to the values and attitude that a person possesses.

Values determine the **goal, attitudes** provide **disposition** and **motivation** supplies the needed **'energy'**. All three combined together offer behavioural competencies needed to carry out entrepreneurial pursuits.

To develop such behaviour competencies, therefore, is of crucial importance in promoting and developing self-employment and entrepreneurship among the youth.

ENTREPRENEURIAL VALUES & ATTITUDE

Training Objectives :

- **To help participants develop an understanding of different values and attitudes associated with self-employment/entrepreneurship;**
- **To assist them in imbibing appropriate values and altitudes for self-employment/entrepreneurship;**

Trainer's Notes :

ENTREPRENEURIAL VALUES

Values are generalised and organised conception influencing behaviour and nature of human beings. It is a set of beliefs about various aspects of the world. Values provide standards that guide behaviour. Values are also reflective of a culture and are widely shared by those belonging to that culture. Accordingly, values are the inner most layer of the self which provides the goal and direction to an individual. In terms of entrepreneurship, it means the cognitive functioning of entrepreneurship. Values are also responsible for the selectively organised perception and inter-action which an individual has with his outside world or the environment.

A set of four values has been generally found prominent among entrepreneurs. These are directed towards :

a. Innovativeness

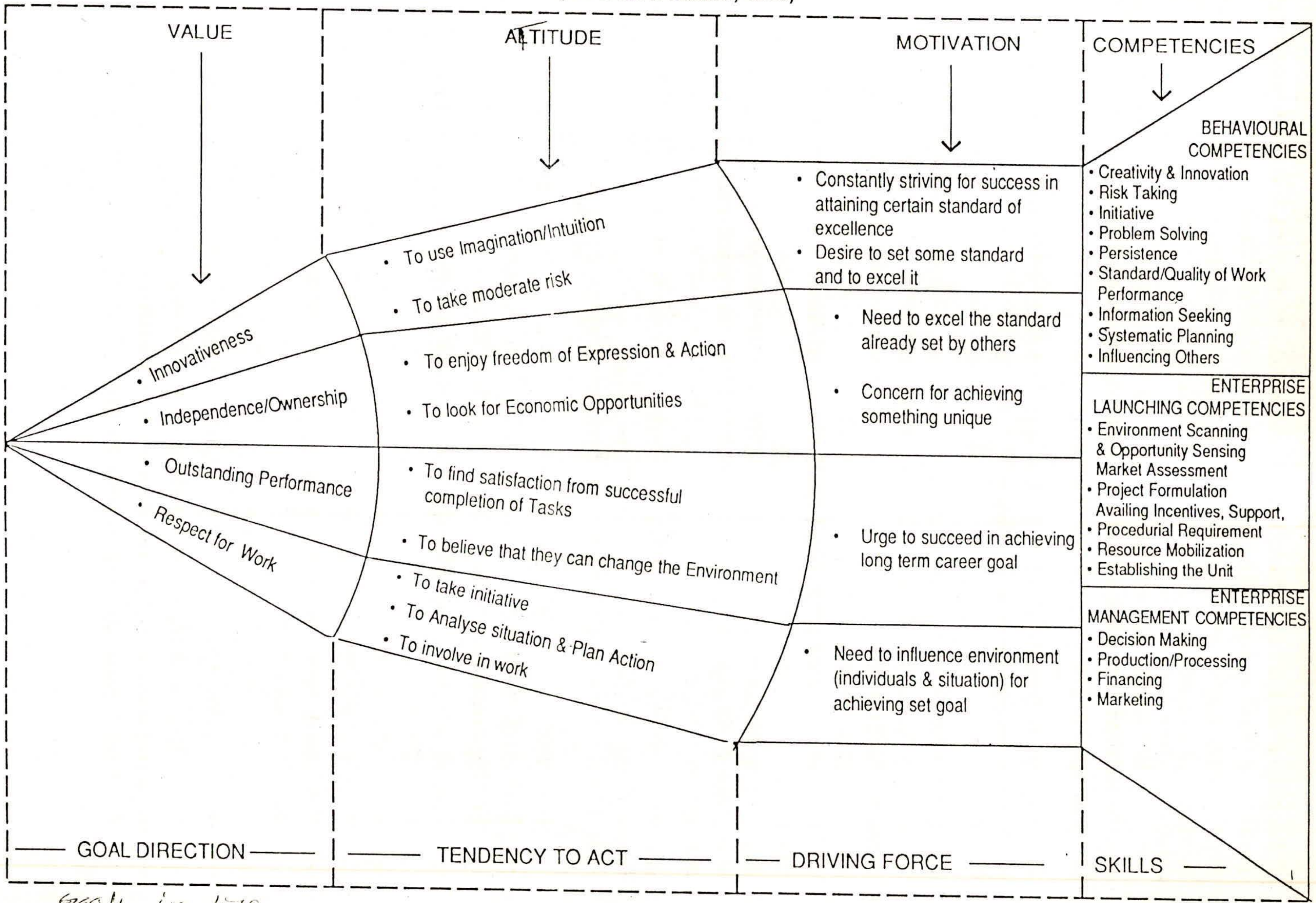
b. Independence/ownership

c. Outstanding performance/achievement

d. Respect for work

These values are important differentials between entrepreneurship and non-entrepreneurship, particularly in terms of their strength and degrees. For promoting self-employment/entrepreneurship these values need to be introduced and strengthened through training and experience.

ENTREPRENEURSHIP EDUCATION : A CONCEPTUAL MODEL
(Akhouri & Mishra, 1988)



Goals in life.

Innovativeness

Entrepreneurship essentially means doing things that are not generally done in ordinary course of work. Scholars like Schumpeter further describe an entrepreneur as an "ideas man" and a man of action who possesses the ability to inspire others and who does not accept the boundaries of structured situation.

He is a **catalyst of change,** able to carry out new combinations; instrumental in **discovering new opportunities,** which is the uniqueness of the entrepreneurial functions.

Innovation is the process of putting new ideas into action. Innovations may also be repetition of the same idea but at different places and settings.

An innovator is different from an inventor. While the latter sees the possibility of new relationships between aspects of existing world the former makes the relationships. In respect of entrepreneurship, innovations may be in the area of new product; new methods of production; opening of new markets; new source of supply of raw-material and creation of new type of industry and enterprises. They may also be in the area of attributes or qualities of a product, integrating several usages into one product; and optimum utilisation of resources.

An entrepreneur wants to experiment with new ideas, facing uncertainty, and therefore, it involves imagination, intuition and taking risk. Innovations can also be seen through actions such as :

— Experimenting with new ideas
— Enjoying change
— Facing uncertainty in order to try new ideas
— Not giving up or becoming upset when errors are made in doing the new work
— Valuing unconventional behaviour
— Finding problems to solve
— Finding a new use for existing methods or existing equipments or existing services
— Demonstrating originality
— Working on a problem which causes great difficulty for others
— Providing critical input towards a new idea
— Looking for unstructured work assignments
— Providing evaluation of proposed ideas

The anchor of an entrepreneur's career is creativity and innovation, in the same way as managers find their career anchor on competency and efficiency.

("Innovative values can be introduced and strengthened in the targeted group through exercises like Nine Dots exercise, Square puzzle, besides lectures and discussions as described later in the section".)

Independence/Ownership

Entrepreneurs value freedom of expression and also of action. They do not like to be controlled by others. They consider it desirable to be the master of their own. Instead of waiting for suggestions, directions and initiatives from others, an entrepreneur works out plans of his own and explores resources to satisfy the inner urge to make his enterprise a success. This makes him self-reliant and independent. The inculcation of the value for independence contributes significantly to the development of 'achievement motivation'. When a youth is encouraged to do things on his own and provided guidance and help only when needed and sought for, he is being oriented to independence. Over-protection and over-guidance during early socialisation often inhibits the emergence of the value of independence.

(The value of Independence/Ownership is considerably influenced and encouraged through achievement motivation laboratory as described later in the manual.)

Outstanding Performance

Performing routine tasks or repeating what others have done is not considered important by entrepreneurs since this does not contribute or strengthen their belief that they can influence the environment. Entrepreneurs develop the value for outstanding performance, displaying certain standards of excellence (characterizing Achievement Motivation). They believe that they can make their own destiny even though they might have faith in God and other forces and power. They value and experience their importance due to their performance and that too outstanding performance. The value for outstanding performance helps them to accept the mistakes and improve on them and work for successful completion of the task and not avoiding it. This naturally leads to systematic planning and use of information, so crucial for enterprise building and management.

(The value of Outstanding Performance is encouraged through exercises like ring-toss game, PME, etc. as part of entrepreneurial motivation laboratory as described later)

Respect for Work

One of the major factors which distinguishes the entrepreneurial culture from non-entrepreneurial culture is the value given to work by its members. It has been commonly observed that persons with low resistance to manual labour have succeeded more frequently as entrepreneur as compared to those who exhibited a distinct dislike for working with hands. Entrepreneurs value work and believe that anything and everything can be achieved through work and accordingly work is worship. This value provides the goal direction which encourages entrepreneurs to pursue a path and career where the rewards and incentives are linked to the degree and quality of efforts made.

(The value is inculcated and strenghthened through games and exercises like ring-toss, tower building as part of entrepreneurial motivation laboratory as described later.)

ENTREPRENEURIAL ATTITUDE

Those who have imbibed the above mentioned values generally develop common 'tendencies' to act in any given situation. For example, those who value innovativeness, develop tendency to use imagination for sensing opportunities/goals. They would further show a tendency to take certain amount of risk while selecting a goal or line of action or means of tackling a situation. The tendencies to act against any **stimulus** are also termed as attitudes. Under given circumstances, a group of persons may decide similar or different course of action because of similar or different attitudes that they possess. Accordingly, the attitude is defined as an **'enduring organisation of motivational, emotional, perceptual and cognitive process with respect to some aspect of individual's work'**, Attitudes that show the entrepreneurial pre-dispositions play a significant part in pursuing entrepreneurial/ self-employment career. The genesis of such attitudes, however, can be traced to the value system.

Important attitudes related to self-employment/entrepreneurship are as follows :

Tendency to use Imagination/Intuition

Under a given situation, the common tendency is to take a course of action based on the facts which are obvious, observable and common interpretations of those situations. Unlike this, one may possess a tendency to use imagination for perceiving the not so apparent aspect of a given situation and also apply intuition in assessing the future course. The later tendency is commonly found among the entrepreneurs.

Tendency to take Moderate Risk

There is a tendency among entrepreneurs to try such path or goal which has certain amount of risk, not a common path followed by many others and also not a routine task. They take up things and task which have certain amount of uncertainty. Because of this tendency to take risk, an entrepreneur is tempted to try something **new** in terms of ideas, activity, location, time, etc.

To enjoy Freedom of Expression and Action

Entrepreneurs been found having a tendency to enjoy freedom of expression and action. They don't feel happy getting instructions and then acting upon them. This tendency very often results in their giving up of job/employment and trying their own ventures. Since they value independence and ownership, they like to think on their own and act accordingly.

Look for Economic Opportunities

Since entrepreneurs value independence and ownership, they are found highly perceptive and keen in locating economic opportunities for themselves in any given situation. To others, the situation may be that of a crisis, festival, social, and a recreational, but they have a tendency to look for economic opportunities in all such situations. This tendency makes them different from common men or non-entrepreneurs.

To find Satisfaction from Successful Completion of Task

Entrepreneurs are people who value performance, that too outstanding performance. Successful completion is an indicator of their performance — whether they are performing well. They have a tendency to get satisfaction from such feed-back about their performance. They have a tendency to complete the task against all odds by mobilising resources and availing help from any source.

To believe that They can change The Environment

Entrepreneurs tend to believe in their capacity to influence environment. They have a tendency to change it rather than leave everything to luck and God or to forces beyond their control. This naturally emerges out of their value for work which makes them believe that anything and everything can be achieved through their own efforts. Being influenced by this value, they develop a tendency to think that in any given situation they can change and influence the environment.

To take Initiative

Since entrepreneurs worship work and they believe that for achieving anything one has to work, the natural tendency among them is to take initiative. Entrepreneurs have a tendency to act and not remain on-lookers. They have a tendency to act and perform as leaders. Because of this tendency, they are not mere dreamers but they act for converting their dream into reality. An entrepreneur shows the tendency to define task for himself, becomes the source of origin for any activity and tendency to be proactive.

To analyse Situation and plan Action

Since entrepreneurs respect work, they cannot afford to perform any task without due seriousness. Out of their respect for work, they develop a tendency to analyse situations and then plan action. They respect **all** work in which they are involved, and cannot afford to neglect it. Analysing situation into its parts; assessing pros and cons; weighing against resources; foreseeing alternatives; and planning action before actual commitment of the task; are some of the things which distinguish entrepreneurs from others. The work may be simple or complex, significant or insignificant to the outsiders but to an entrepreneur it calls for total commitment.

Trainer's Interventions :

The above values and attitudes provide **'goal direction'** and **'tendency'** to act in any given situation. Since these values and attitudes are commonly found among entrepreneurs, they form the core of entrepreneurship and are usually regarded as 'Entrepreneurial Spirit'. The entrepreneurial spirit is the first thing to be introduced, encouraged and strengthened in the prospective self-employed/ entrepreneurs. Once the entrepreneurial spirit is internalised, it becomes easier and provides logical sequence for them to feel the **need** and **urge** resulting into arousal of entrepreneurial motivation.

These attitudes are internalised, strengthened and practised through Entrepreneurial Motivation Laboratory described later.

MOTIVATION DEVELOPMENT

Training Objectives :

- **To make participants understand the concept of motivation, its need and impact on entrepreneurial/self-employment pursuit;**
- **To provide them with an opportunity to experience and arouse entrepreneurial motivation by participating in various games exercises.**

Trainer's Notes :

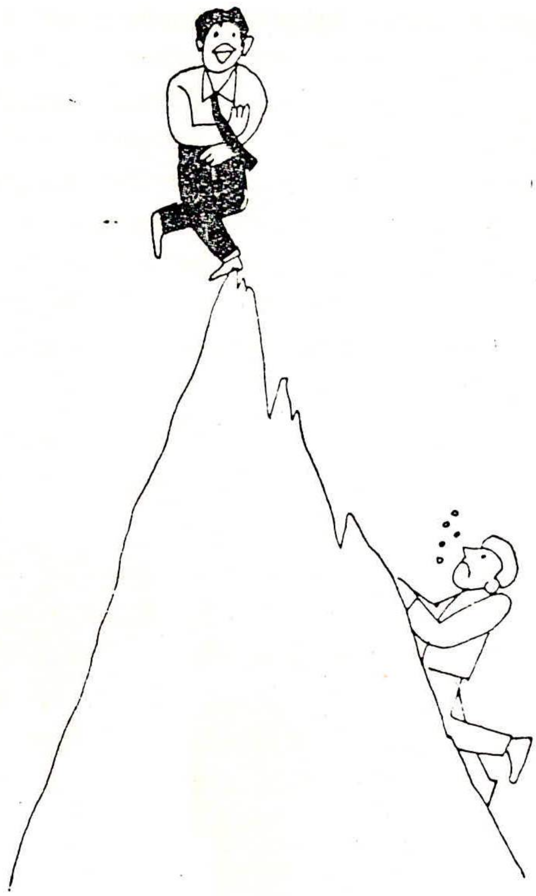
MOTIVATION

Motivation is regarded **'as an inner state that energises activities and directs or channels behaviour towards goal'.** It can also be seen as the process of arousing action, sustaining the activity in progress and regulating the pattern of activity. Motivational theories are based on the fact that behaviour is essentially purposeful and directed towards the goal. Thus the concept 'motive' refers to the **'purpose'** underlying all goal-directed actions. Besides biological or survival motives which are common to entire animal kingdom, human beings possess different social or psychological motives pertaining to feelings of self-esteem, competencies, social acceptance, self-actualisation, etc. and

Fig. 1

accordingly pursue varied careers such as that of leaders, managers, executives, entrepreneurs, reformers, researchers, innovators, writers, painters, etc. Such motives are results of experiences rather than heredity, and are developed out of individual interactions with others. Three general categories of social motives have been identified as determinants of behaviour: the need for achievement, the need for power, and the need for affiliation. The need for achievement (n^{ach}) describes the pervading concern to do well and to strive for standard of excellence in the task one undertakes. The need for power (n^{pow}) describes the desire to control, influence, or have impact on others. The need for affiliation (n^{aff}) describes the desire to establish, maintain or renew effective relationship with others. All the three motives exist in a person. But the **choice** of career, however, is made as per the **dominant** one out of the three.

Fig. 2



For self-employment/entrepreneurship career, the critical motive has been the need for achievement. In addition, considerable degree of influence motivation, tolerance to ambiguity, and problem solving orientation are needed to initiate and pursue the self-employment/entrepreneurial career. Combining all, emerges a 'force', 'drive', 'urge', 'energy' or 'inner state' which is described as **entrepreneurial** motivation.

The youth having comparatively weak motivation for self-employment are likely to withdraw even after starting an enterprise when they face such hurdles. The drop-out does not merely mean the wastage of time and money, it also adds to the already existing lack of self-confidence among the youth of the developing world. In order to avoid such drop-outs and prevent multiplying failure experience, it is necessary to initially organise efforts to motivate the youth very strongly so that they can face the hurdles which are inherent in the path of self-employment.

Arousal of entrepreneurial motivation to a level to reach the threshold of action is necessary both for initiation and for following the course of being self-employed. This is done through several games and exercises organised as part of Entrepreneurial Motivation (EMT) Laboratory. The EMT Lab provides opportunities to its members to examine their values, and attitudes; assess the strength of different motivational needs; compare and raise their strength to the level needed for self-employed/entrepreneurial career; and finally practice the newly learnt behaviour under non-threatening condition. The basic assumptions behind organising such EMT laboratory are :

(a) The more thoroughly an individual develops and clearly conceptualises the associative network defining a motive, the more likely he is to develop that motive.

(b) The more an individual can link the newly developed associative network to related actions, a larger degree of change in his thought and action is likely to occur and endure.

(c) The more an individual can link a newly conceptualised association action complex to events in his every day life, the more likely will the motive complex influence his thoughts and action in situations outside his training experience.

In EMT laboratory, efforts are made to facilitate participants to work on :

— Motive and emotive determinates of individual behaviour;

— Achievement motivation and its associated net-work;

— Self-study;
— Goal setting;
— Emotional commitment to entrepreneurial goals
— Interpersonal support;
— Influencing the environment and person;
— Coping and tolerance to ambiguity;
— Problem solving; and
— Creativity.

These are experienced in the laboratory through games, exercises and feedbacks offered under non-threatening atmosphere.

Fig. 3

Trainer's Interventions :

A brief description of such games, exercises, instruments and procedure of conducting these exercises is illustrated below. However, for **organising such EMT Lab, one needs to have some personal experience of participating in similar experiential learning situation.**

It is not necessary that **all** exercises and games included should be conducted in each EMT training. Facilitator should make a choice depending on the **coverage,** his **own confidence** to handle the exercise, and the **type of group.**

Table - EMT Design

Total time required 25 to 30 Hours.

Input/Objective	Exercises/Games and Instruments
Unfreezing	Microlab
Understanding Achievement Syndrome, need system and motivation pattern	Thematic Appreciation Test (TAT) and concept session
Risk-taking Behaviour — Hope for success and fear of failure; — Learning from feedback	Ring toss exercise
Analysing Motive Strength; — Locating achievement imageries; intensity of motives, forming achievement language, etc.	Analysing TAT — individually and/or in group
Personal efficacy — Individual life goal; — Its linkage to entrepreneurship; — Locus of control	Analysing Who Am I — individually and in group
Focusing on Entrepreneurial goal	Tower Building Exercise
Achievement Planning **Tolerance to ambiguities and uncertainty** **Influence Competence**	Product Manufacturing Exercise Tower Building Exercise and Interface with Entrepreneurs Communication Exercise and Convince and Crown Exercise
Entrepreneurial Goal Setting — Sharing entrepreneurial goal — Devising clarity in terms of enterprise building — Coping with difficulties — Reinforcing help seeking ability	Action Planning Exercise
Problem Solving	Cases and Exercises in Problem Solving
Creativity	Exercises on creativity — Nine dots etc.

Anand

GAMES AND EXERCISES
FOR EMT

Set of games and exercises described below are just illustrative and these can be substituted or suitably adapted to suit the local need.

MICROLAB*

A Microlab, as the name suggests is organised at the beginning of any programme to provide reflection of all aspects likely to be covered in the programme. It is full of physical activity with the major purpose of promoting communication among the group members and for helping them overcome barriers due to fear, status consciousness, etc. For this reason it is also known as an unfreezing exercise. The usual barriers to free and frank sharing disappear very fast in the microlab. This is usually very useful where sharing of experiences are essential means of learning.

Objectives :

(a) To help participants familiarise themselves with one other;

(b) To help them identify and assess their expectations from the training programme.

(c) To highlight an integrated process-oriented training with different modules of the programme; and

(d) To break inhibitions in sharing thoughts and feelings, which are necessary for experiential learning.

Group Size :

Unlimited.

Time Required :

It depends on the objectives of the microlab. However, one to one-and-a-half hours may serve the purpose for an entrepreneurs training programme.

Physical Setting

It requires enough unstructured space for the participants to move around freely.

* Adopted from Trainers' Manual on Developing Entrepreneurial Motivation- Akhouri et al. NIESBUD New Delhi 1987

Facilitators organise several events each consisting of a) **Physical action** such as work, run, see in the eye of your partner etc. and b) **a task** such as 'share with your partner one of your strengths'. Such events are repeated till all aspects to be covered during EMT are symbolically represented.

A Sample of events under Microlab for Potential Entrepreneurs*

1. a. Walk around.
   b. Form a pair, share with each other two reasons why you are here.

2. a. Run touching opposite walls.
   b. Form into new pairs. Talk to each other about your hobbies.

3. a. Move around, changing direction
   b. Form into triads. Share with each other one significant experience you can recollect from your childhood.

4. a. Walk around.
   b. Form into triads. Share with each other two things you like the most and two things you dislike the most.

5. a. Walk as fast as you can.
   b. Form into new pairs. Share with each other two things you consider to be your strength and two things you consider to be your weakness.

6. a. Walk slowly; when you walk, greet each other non-verbally.
   b. Form into triads. Think of an entrepreneur you have met whom you consider as very successful. Share with each other his qualities and what impressed you most about him.

7. a. Walk around, hopping.
   b. Form into new pairs with someone you have not met. Share with each other something about yourself which makes you think that you can be an entrepreneur.

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* Source: Developing Motivation through Experiencing, Pareek, Rao, 1986.

8. a Walk fast and put your signature on blackboard.
   b. Form into triads. Share with each other something you consider to be a significant event in your family.

9. a Walk, close your eyes and move backward.
   b. Form into new pairs, share with each other two of your dreams or two of your goals in life.

10. a Move fast changing direction.
    b. Form into new triads. Think of an experience where you did something wonderful or an experience when you felt 'great'. Share with others the details of this experience.

11. a Go and rub off your signature, fast,
    b. Form into new triads. Tell a story what you learnt from your parents or in the school which had impressed you. Share with others the story and why it had impressed you.

12. a Form a circle and then divide into groups of four.
    b. Discuss the general problems of entrepreneur and make a list of the problems. One of you may present it to the total group.

13. a Walk around. Close your eyes while you walk.
    b. Stop and open your eyes. Pair with the person closest to you. Share with each other your experience of any one occasion when you faced a problem and could solve it successfully.

14. a Re-arrange into groups of four. Discuss the characteristics of entrepreneurs. One of you may present them after five minutes to the total group.
    b. Presentation by groups on characteristics.

15. a Walk around.
    b. Form into pairs. Tell your partner the qualities you would like to develop in yourself to become an entrepreneur. Share with each other how you feel being here and participating in this exercise.

16. a Walk and tell the name of the person and check if it is correct:
    b. Form into groups of four. Each of you will give a new project idea to the group. When you are doing this, others will ask you one question each on the idea.

Processing :

Due to physical participation, the psychological inhibition for free and frank intervention often gets reduced. In order to reinforce such learning, the facilitator may raise the following questions in the group or individually :

(a) How do you feel now?

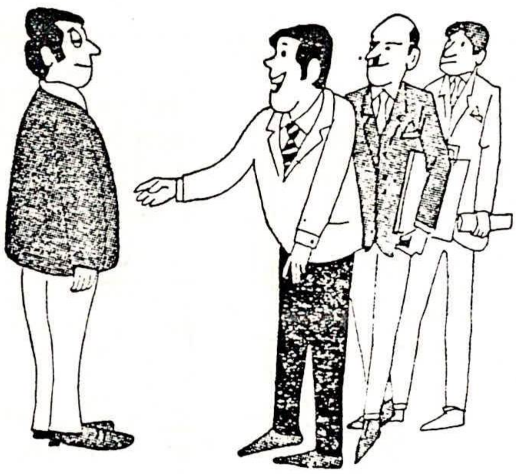
(b) What did you get out of such experiences?

(c) What could be the purpose of such activity?

(d) Why did you do it?

(e) How deeply were you involved in such activities?

Besides this, the participants may be helped in drawing certain conclusions through group activities.



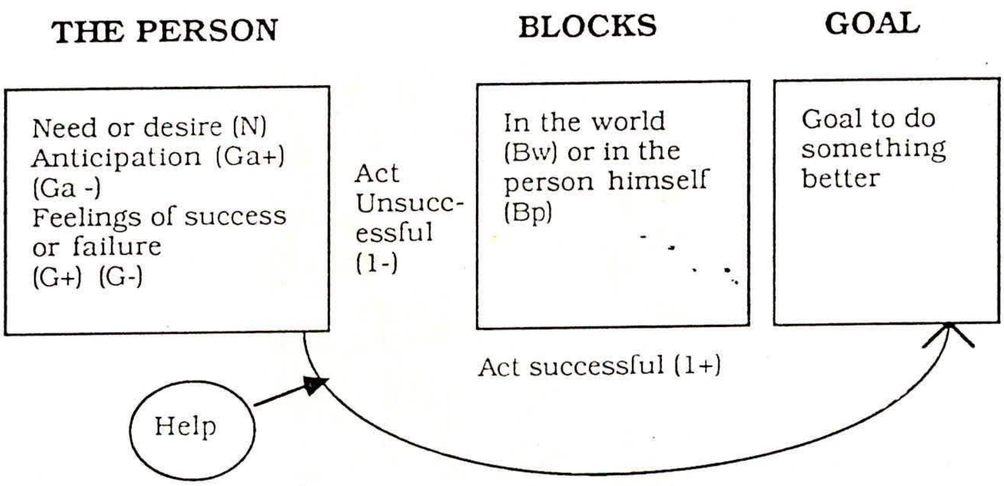
THEMATIC APPRECIATION TEST (TAT)*

The Thematic Appreciation Test, commonly referred to as TAT, is used for writing and analysis of achievement-related behaviour. The test is introduced to the participants as a **'test of imagination'.** They are shown a set of six pictures[1] . Each picture is exposed to them for a brief period of 20-30 seconds. Next, 5 minutes' time is given to the participants to write down/articulate the story. The next picture is exposed followed by story writing (or speaking) as in the previous case. The process continues till stories on all six pictures are obtained.

Fig. 1

Achievement Syndrome

(Originally suggested by McClelland et al., 1953)



The participants then learn how to code what they have written according to the standard system for identifying achievement motive. In this process, the instruments help participants in understanding their own motive pattern and strength besides introducing to them the associative net-work of achievement motivation.

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* Adopted from Trainers' Manual on Developing Entrepreneurial Motivation- Akhouri et al. NIESBUD New Delhi 1987

1 The standard six pictures can be seen in the John Atkinson (Ed.) Motives in Fantasy Action and Society (Princeton, New Jersey: D. Van Nostr and C., Inc. 1955) and also in David A. Kolb et al. Organizational Psychology - An Experiential Approach, Prentice Hall Inc., New Jersey 1971. TAT pictures, with instruction sheet in the form of work-books are available from Mansayan, Delhi, India.

Objectives

i) To determine the existence and level of achievement motivation among participants;

ii) To help them internalise the associative network or elements of achievement motivation;

iii) To emphasise the formation and use of achievement language in day-to-day thinking and action.

Fig. 2

Time Required

The total number of sessions required for analysis and discussion depends upon the movement of the group in terms of stated objectives. Usually it takes 6 hours. Sessions may be taken in continuation or distributed over two to three days.

Material Required

Slides, transparencies, pictures, instruction sheets or TAT scoring sheets.

Setting

This would require a sitting arrangement with a table or desk to enable writing.

Process

i) The facilitator emphasises the importance of the task by encouraging the participants to be as imaginative as possible and to look beyond what they are going to see in the pictures.

ii) An instruction sheet is distributed to the participants and the facilitator asks them to go through the instructions with undivided attention. The facilitator may even read out from the instruction sheet and provide sufficient time to the participants to check and re-check certain points which they would like to be clarified. The facilitator at this point may not add anything beyond what is given in the instruction sheet.

Instructions

1. Before starting the exercise, the facilitator instructs the participants as follows:

"For twenty seconds, you will see a picture on the screen. Then you will be given five minutes to write a story about what you have seen. While writing, you may consider the following questions to build up the story :

— What is happening? Who are the people?
— What has happened in the past that led up to this situation?
— What is being thought? What is wanted? By whom?
— What will happen? What will be done?

"You should try to make the stories interesting and dramatic and relate them to a human situation instead merely describing the picture".

"Do you have any questions?"

2. After the story writing by the participants is over, the facilitator may create an atmosphere where the 'hold-up' thinking and feeling may surface in the group. This can be done by putting some lead questions like :

— What do you feel now?
— How much involved were you?
— What do you find of this exercise?
— Would you like to work on it?

This creates further interest amongst the participants, to involve themselves in the scoring and analysis of data.

3. The facilitator then reveals the purpose of the exercise, that is to determine the achievement thinking or achievement motivation present in the participants. Also, the significance of using pictures to assess the need for achievement is highlighted.

4. How can we tell whether one has the need for achievement in his thinking?

5. We have standardised the scoring process based on which it has to be found out whether our stories fulfil any of the following criteria :

i) Desire for success in competition with others.

ii) Desire for success in competition with a self-imposed standard of excellence.

iii) Unique accomplishment.

iv) Long-term involvement.

If the stories fulfil any of the stated criteria, it would be scored as AI (Achievement Imagery) and indicates, therefore, the presence of achievement motivation. Whenever there is any doubt whether or not one of the criteria for achievement imagery has been met, yet the story is not totally unrelated to achievement, it is classified as TI (Task Imagery). Stories in which there is no reference to any achievement goal are scored as UI (Unrelated Imagery).

The concept of scoring AI, UI and TI is given with examples and the participants' doubts are clarified before they go in for the subsequent steps.

6. The participants are given a set of sample stories (See Appendix) and are asked to score for AI, UI and TI.

7. Discussion is generated about the scored stories and the facilitator clarifies the doubts of the participants. An impression is also given to the participants that they are progressing well within the time-frame.

8. Another set of practice stories may be given to the participants and they may be asked to score for AI, UI and TI quickly.

9. The facilitator may disclose the expert's scoring of the second set of practice stories and ask them to find out the points of difference, if

any. By now, it is expected that the participants will feel secure and confident to a great extent in scoring AI, UI and TI.

10. They may be asked to score their own stories in terms of AI, UI and TI.

11. The facilitator may ask them to form a group of three or four and interchange their scored stories and discuss the differences in view points, if any. The facilitator has to act as an expert to sort out the differences.

The same story writing can be used for developing further motive strength by helping them to rewrite the story considering all the factors above. By doing so, many of them develop the associative network which in certain ways gets internalised.

Scoring Manual for Achievement Motivation (TAT) :

A standard procedure developed by McClelland (1958) is followed in scoring achievement motivation. To determine the presence of achievement motivation in an individual, the person is invited to write a story relating to a series of pictures shown to him. The contents of the stories are analysed not only to ascertain the presence but also the level of achievement motivation.

I **Achievement Imagery** : The Main Criterion for Scoring: If the Writer involves an achievement, either in explicit terms or in an implied fashion, then the story has achievement imagery. Achievement goal can be defined as: (1) success in competition with some standard of excellence, regardless of whether the individual may achieve the goal or not, or (2) success in competition with standard of excellence where the individual is in clear competition with others, and he is determined to win, or to do better. This being his primary concern.

1. *Scoring Achievement Imagery* - The AI in a story may take a number of forms, but all of these are instances of a 'desire to compete with a standard of excellence'.

(a) *Desire for success in competition with others* - Here, it is stated in explicit terms that a character affirms a desire to compete with others; Example : 'He wanted to win the contest', or, it may be implied using expressions of sentiments or feelings, Example: 'He is happy because he won the contest'.

(b) *Desire for success in competition with self* - In this case a standard is set up which is primarily self-imposed. It could be explicit; 'He wants to compete the job by the best possible technique'; or 'it could be implied, by referring to sentiment or feelings; Example, 'He is pleased that he found the best possible technique to compete the job'.

(c) *Unique accomplishment* - when a character in a story is working on something that is out of his line of usual work, then he is achieving a unique accomplishment. This could be: creative work, scientific discovery, invention, etc. Here, a unique accomplishment need not necessarily be explicit or implied; the very fact that a person is involved in achieving something unique, is a personal accomplishment, and hence, it is evidence that the character clearly expresses a desire to meet a high standard of excellence, without mentioning it.

(d) *Long-Term Involvement* - If a character in the story states that he is referring to an achievement goal, which constitutes a lengthy time period, then it is obvious that the involvement which could be in terms of a career or any primary goal, is in itself a standard of excellence. Examples: Career Involvement: 'He wants to become a manager'. 'He has worked hard all these years to become an entrepreneur'.

2. *Doubtful Achievement Imagery* - If there is a story which is unrelated, either explicitly or implicitly to any competitive standard, but bears some reference to achievement, then it is classified as TI. The TI stands for a common 'task' in a routine problem.

3. *Unrelated Imagery* - If a story fails to bear any reference, whatsoever, to any achievement or criteria mentioned above, then it is generally classified as Unrelated Imagery (UI).

II **Scoring Sub-Categories Achievement Imagery** - If a story has AI, then it can be scored for achievement related sub-categories. These are :

1. *Stated need for achievement (N) :*

(i) Desire to reach achievement goal.

(ii) Strong indications of presence of motive/need.

(iii) Specific accomplishment.

(iv) Reference to personal status.

(v) General desire.

(vi) Altruistic desire.

'Need' is scored only once in a story, is stated explicitly, and is a motivation statement.

2. *Activity design to lead to an achievement goal (Act)* - The actual statement of activity, independent of the statement of goal may be mentioned in the beginning, in - between or at the end. Past activity can also be indicated.

Act + : Successful activities leading to achievement goal.

Act - : Activities leading towards unsuccessful outcome.

Act ? : Outcome of activity is doubtful.

3. *Anticipation of success or failure in relation to the goal (Ga) :*

Ga + : Positive anticipation of goal achievement.

Ga - : Negative anticipation of goal achievement.

Both these activities may be present in one story, but each can be scored only once.

4. *Obstacles of blocks (Bp/Bw):*

Bp : Internal or external obstacles located within the person, or personal block.

Bw : Obstacles formed as part of the environment, world or located in a situation that the character is dealing with; also scored when difficulty lies either in the person or in a situation. Both these activities can occur simultaneously in any story, but each can be scored only once.

5. *Help from another person (H) :*

H: Help, aid, sympathy or assistance which encourages the person to strive for achievement; to be considered from the point of view of the character in the story.

6. *Feelings/emotions connected with attaining/failing to attain the goal (Fe)* - Feelings or emotions associated with goal

attainment, positive imagery or frustration of achievement directed activity.

Fe + : Positive feelings, imagery, direct objective, definite accomplishment; beneficiary to others.

Fe - : Negative feelings associated with failure; objective results of complete failure and deprivation.

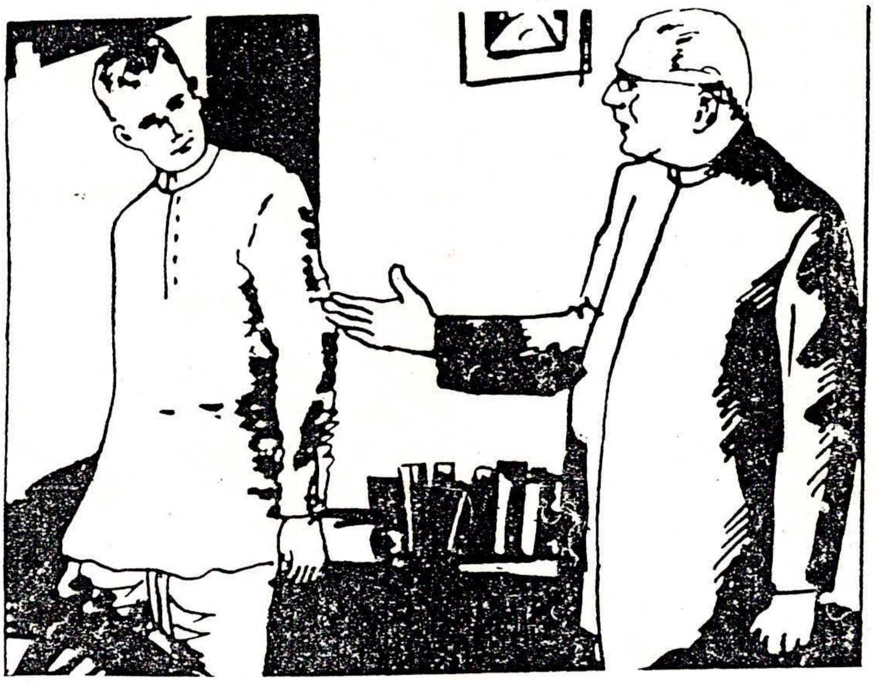
Either of the above may appear simultaneously in the same story, but they can be scored only once.

7. *Achievement theme (Th)* - When AI is elaborated/enlarged to become the central theme; it may or may not be an elaboration of experiences related to striving (successful or not) for an achievement goal.

Fig. 3

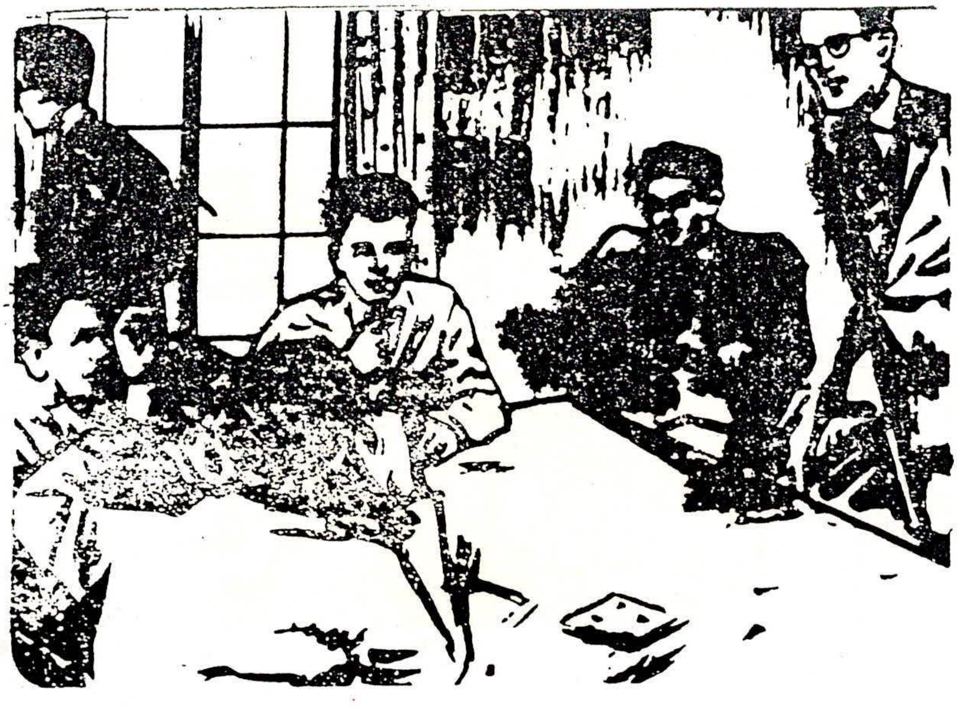
Just look at the picture briefly (10-15 seconds), turn the page and write the story it suggests.

Fig. 4



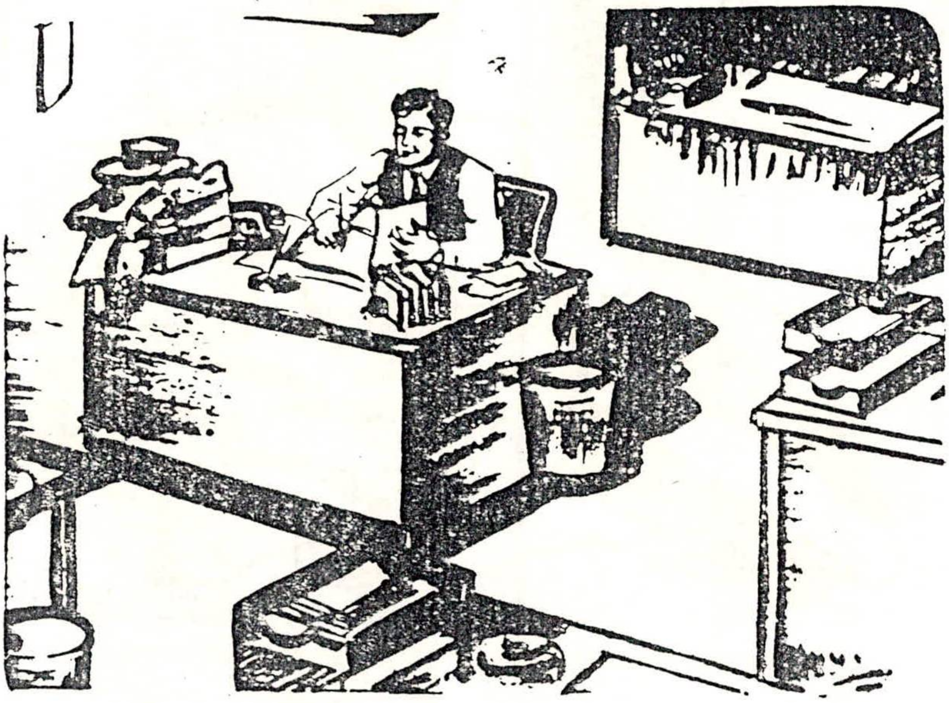
Just look at the picture briefly (10-15 seconds), turn the page and write outthe story it suggests.

Fig. 5



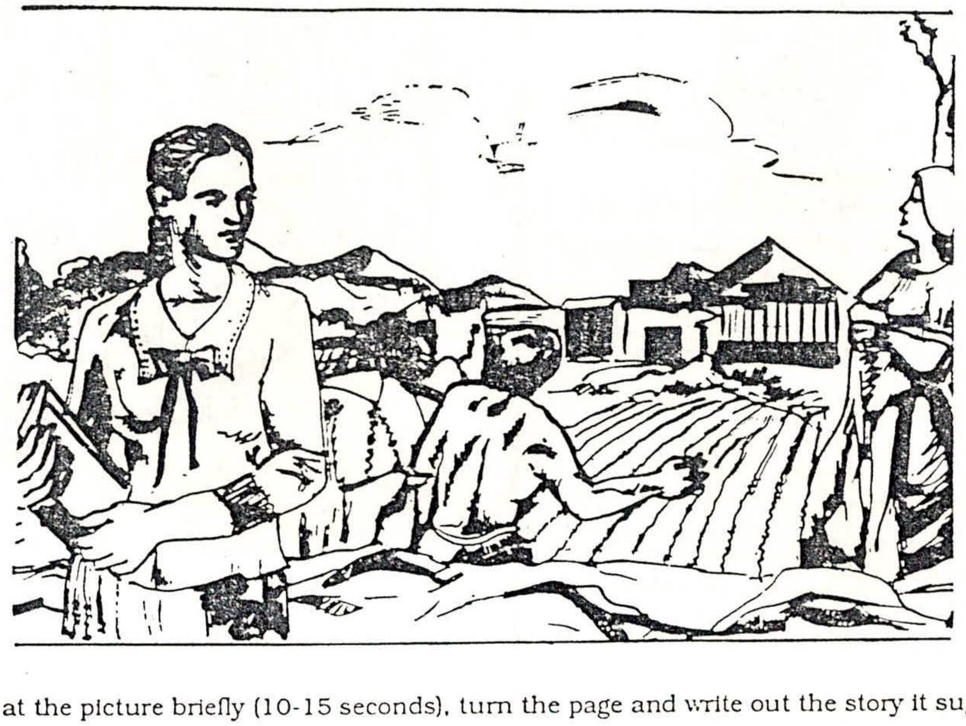
Just look at the picture briefly (10-15 seconds), turn the page and write out the story it suggests.

Fig. 6



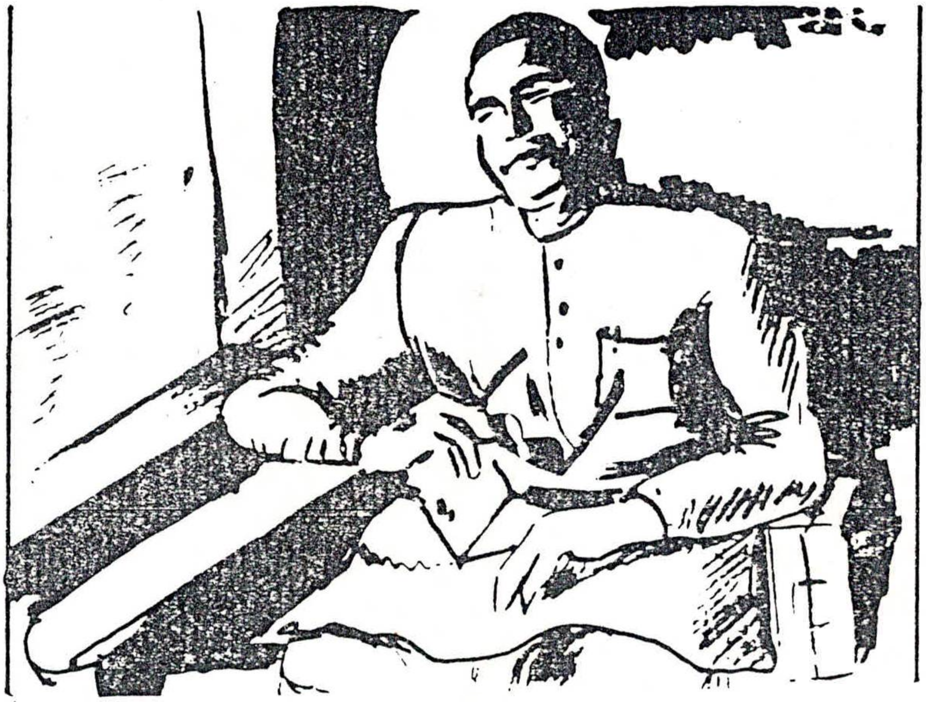
Just look at the picture briefly (10-15 Seconds), turn the page and write out the story it suggests.

Fig. 7



Just look at the picture briefly (10-15 seconds), turn the page and write out the story it suggests.

Fig. 8



Just look at the picture briefly (10-15 seconds), turn the page and write out the story it suggests.

Fig. 9

Scoring of Sub-categories

Sub-categories	Symbol	Score
1. **Need**	N	+ 1
2. **Activity**	Act + or Act — or Act?	+ 1
3. **Goal anticipation**		
(a) Positive goal anticipation	Ga +	+ 1
(b) Negative goal anticipation	Ga—	+ 1
4. **Obstacle or blocks**		
(a) Personal blocks	Bp	+ 1
(b) Worldly blocks	Bw	+ 1
5. **Help** ike :	H	+ 1
6. **Feeling**		
(a) Positive feeling	Fe +	+ 1
(b) Negative feeling	Fe —	+ 1
7. **Achievement theme**	Th	+ 1
Stories with AI		+ 1

Maximum obtainable score in one story will be + 11.

SELF DISCLOSURE EXERCISE*

Objective :

- To allow the participant to experience various levels of self disclosure in order to understand himself by identifying his personal strengths and weaknesses.
- To enable the participant to identify and set goals and also clarify the nature of these goals in relation to his strengths and weaknesses.

Time Required :

Two hours.

Material Required :

Pencil and sheets of paper to each participant.

Procedure :

Participants receive the material and are allowed ten minutes to write ten different answers to the question, **Who am I?** The facilitator should stress legibility, because participants must be able to read these answers easily from a distance. Each participant fastens his complete sheet to the front of the clothing.

Participants circulate in a cocktail party fashion, but without speaking. They are instructed to make eye contact with each person they encounter.

The facilitator asks participants to move on to another person about every two minutes.

After this non-verbal phase, participants are told to return to two or three different people they thought would be interesting. They may now talk with each other. They may be encouraged to ask questions which they ordinarily would not.

Processing :

The following questions may help the facilitator to initiate discussions and generate meaningful learning :

1. How did it feel to describe yourself positively in writing?
2. How was it like to display your 'assets' for others to see?
3. How did it feel to be chosen/rejected?
4. Discuss implication of behaviour to the name of the laboratory?

* Adopted from Trainers' Manual on Developing Entrepreneurial Motivation- Akhouri et al. NIESBUD New Delhi 1987

Variations :

Instead of the questions 'Who am I'?, participants can be asked to complete the open-ended statement, such as 'I am becoming the kind of person who...' Another focus can be had by using the incomplete sentence 'I am pretending that ....' (it is important that at least ten different responses can be called for so that the participants move beyond superficial self disclosure. Participants may be asked to avoid giving demographic data in their answers. The facilitator may illustrate by pointing out the difference between 'what am I?' (husband, father, counsellor, etc.) and 'Who am I?' (a taker of risks, managing yourself towards openness, etc.).

Self-descriptive adjectives can be called instead of answers to the question. A second column of objectives could be in response to the question, 'How would I like to be'?

Participants may be permitted to speak in the non-verbal, processing phase.

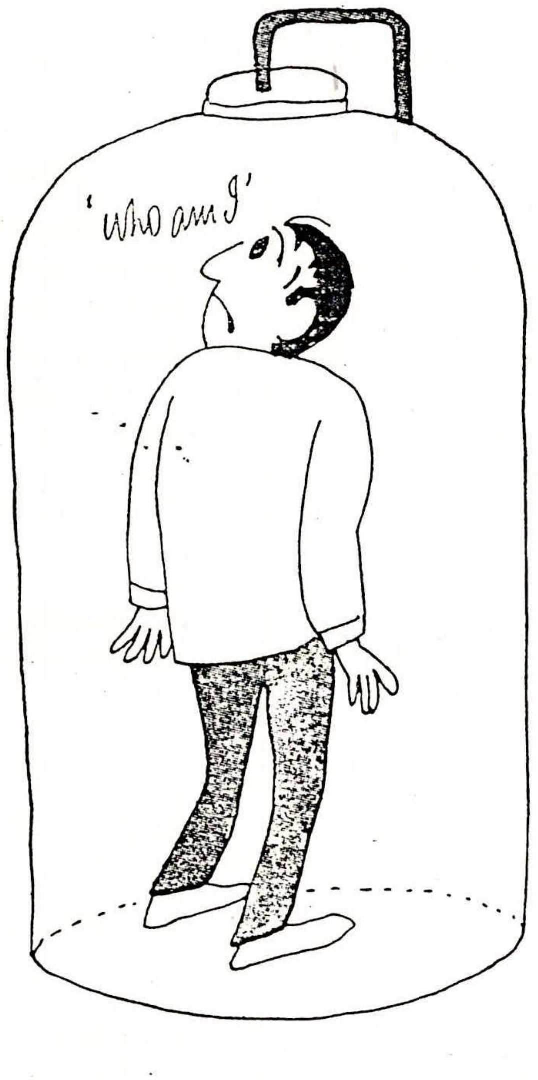
After the processing, participants can paste their sheets to a wall so that the data are available for study at all times. Persons may be encouraged to edit their sheets at any time during the training event..

As the closure activity, participants may be instructed to write what they learnt during the training. The type of learning or topic may vary. For example, in a personal growth laboratory the topic can be 'What I learnt about me' or 'What I am going to do differently'.

WHO AM I?

In EMT laboratory, the 'Who am I' exercise helps the participants understanding their sense of personal efficacy. Once the self being is identified, the individual would know how and what to improve. Further the warm and non-threatening atmosphere of the EMT laboratory would also provide opportunities to minimise his failure by increasing his personal effectiveness.

Fig. 1



Objective:

To help the participant to introspect about himself and identify his goals, strengths and weaknesses.

Time:

Three and a half hours for data collection and analysis, spread over two days.

Material Required:

'Who am I' Sheet (an ordinary sheet of paper may be used)

Setting:

Peaceful atmosphere, free from any disturbances.

Process:

(1) *Instructions to the participants:* 'You are in the process of helping yourself. This process may require a thorough understanding of yourself and the environment. This is an opportunity to look within yourself and portray a figure of yourself truly and honestly while writing 'Who am I'. There are some lead question in the sheet which you will receive now. Remember, you are not recognised simply by your name, age, qualifications, experience or antecedents. There are virtues, strengths and weaknesses, aim in life and different approaches to deal with the demand of the situations which reveal oneself to others.

Therefore, try to make a profile which has more relevance operationally and not theoretically. You will be given 20 minutes to complete this job'.

Analysis:

(1) The facilitator explains the concept of 'Who am I' in terms of personal efficacy and scoring of different dimensions.

(2) Participants are asked to score their 'Who am I' as per the scoring proceedure explained.

(3) Three to four groups comprising at least three participants are asked to inter-change their scoring and discuss it.

(4) The facilitator may move around from group to group and clarify doubts, if any.

(5) The scores obtained by the participants are indicated on the board and the facilitator starts processing the data in terms of presence or absence of elements among participants in general.

(6) While processing the data, no participant is labelled as superior or inferior. The view expressed by the participants may be interpreted and a continuous signal may be given that such dimensions can be inculcated in thinking and action if we are conscious about the dimensions. An impression is left on the participants that successful entrepreneurs are found with these dimensions. Any doubt arising at this stage is clarified by the facilitator.

(7) Participants are asked again to write 'Who am I' incorporating consciously all the stated dimensions.

Dimensions of Who am I?:

Personal efficacy is measured through the method of analysis of self-descriptive and reflective essays on 'Who am I'? The answer to this exercise was coded to yield 'Pizer's (1969) efficacy score' reflecting the extent to which an individual described himself as interested in either the activity goal or the essence goal, as relying on internal rather than external or lack or resources, as taking initiative rather than complying, and as solving problems rather than avoiding them.

I Activity Goal:

A statement of an end-state where one is continuously engaged in some activity.

Usually introduced by words indicating want, wish, interest in life, desire, cherish, etc.

Not only the presence of cue words, but the significance of the scoring of activity goal.

Example - He likes money (not scored for goal). He likes money because it enables him to expand his business (activity goal).

He wants to be a businessman (essence goal).
He wants to set up an enterprise (activity goal).

II Essence Goal:

It indicates :
- a label,
- an identity,
- a state of mind,
- a position in life,
- a change of state, etc.

Example -

He wants to be a leader.

He wants to be a founder, etc.

III Internal Resources:

Expression of resources within a person such as able, competent, prepared, experienced, specific power, capabilities, counteractions of weaknesses relevant to the present situation, etc.

Example

I have the **determination** and **courage** to face adversities.

I am **confident** of achieving anything I want.

With **adequate qualification** and **experience,** no wonder he can be successful in his job.

IV External Resources:

It indicates the dependency on the outcome of the resources of other.

Example - I will start an industry provided I get financial aid and full support from the **promotional agencies.**

V Lack of Resources:

Presence of a statement indicating explicitly the lack of specific capabilities relevant to the situation at hand will be scored for this component.

Example - He fails because he is poorly prepared.

I am in need of better **managerial efficiency** and organising capacity.

VI Global State:

It is scored when the character is vague and uses capitalised forms of words like **world at a large, the universe, the people,** the **society, philosophy of life, etc.**

Example

I am only in the **vast humanity in the world.** I feel that the world is not **just the four walls** of an office.

VII Initiative:

When the character defines the task for himself, becomes the source of origin for any activity under motion, and a tendency to be proactive, one would infer the presence of this element. Some words which may help in scoring the element are **decide, initiative, resolves, focuses, determines, creates,** etc.

Example - After considering various factors, I made up my mind to change the job. I have **decided** to give a new direction to my thought process.

VIII Compliance:

In this case, problems are defined by someone for the character. Work is entrusted to him rather than initiated by him, and is directly responsive to the demand of others.

Example - To my disappointment, I became an industrialist at my **father's pressure.**

I am under the complete **control of my father.**

I shall not do anything other than what is being **asked** by my boss.

IX Problem Solving:

This is indicated by a tendency to solve problems rather than yield to the pressure of the problems.

Some conditional clauses indicate an attempt to clarify logical sequential connection with the help of words such as **if, so, when, since, because,** etc.

Example

If he plans well and keeps his balance, Ramesh is likely to succeed.

X Problems Avoidance:

Here, there is a tendency to avoid problems; becoming depressed in the face of a problem, giving up the search for a solution and remaining in a state of unhappiness by holding on to problems.

Example

Well, what is the use of thinking about it, I can never tackle it.

I am always good to all people and never like to use bad words.

Scoring Categories:

(1)	**Goal**	Activity	(+1)	
		Essence	(-1)	–
(2)	**Locus of resources**	Internal	(+1)	+
		External	(-1)	–
		Lack of	(-1)	
(3)	**Global stage**		(-1)	–
(4)	**Initiative**		(+1)	+
(5)	**Compliance**		(-1)	–
(6)	**Problem solving**		(+1)	+
(7)	**Problem avoiding**		(-1)	–

Variations:

Understanding the self is a broad concept. It can be dealt with the help of different tests and approaches. In a very restricted sense, this is also being covered through a test commonly known as 'The Entrepreneurial Orientation Inventory' where the facilitator mainly highlights internal *vs* external control. In-depth analysis of this exercise can focus on the strength and weaknesses of an individual in relation to the dimension - internal vs external control (details can be seen: The 1985 Annual: Developing Human Resources, University Associates, Inc. San Diego, Californial 92121.)

RING-TOSS EXERCISE*

This exercise is widely used in entrepreneurial motivation training to generate data in the classroom on various aspects of risk-taking behaviour.

Objectives

(a) To enable the participant to examine his own risk-taking behaviour.

(h) To help the participants to examine the tendency to receive and use feedback information.

(c) To help the participant examine his tendency to take personal responsibility in accomplishing the task.

(d) To examine one's attitude towards success or failure.

(e) To enable the participant to examine the dynamics of achievement motivation (or affiliation or power motives) as they operate through his goal-setting behaviour.

Material Required

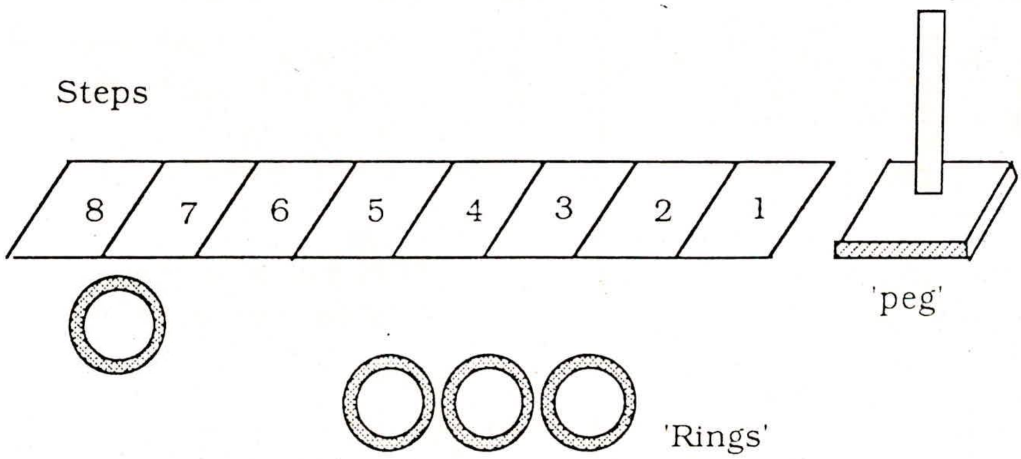
(i) A 'peg' mounted on a stable base. The height of the peg may be upto 9 inches.

(ii) Four light-weight rings with a diameter of about 6-8 inches.

(iii) Distance markers (from 1 to 10 or 12) to facilitate free choice of positioning for throwing the rings.

(iv) Scoring and recording forms.

Fig. 1



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* Adopted from Trainers' Manual on Developing Entrepreneurial Motivation- Akhouri et al. NIESBUD New Delhi 1987

Ring Toss Game

Setting

The game is to be played in an open space. It should be separated from the classroom. There should be no tables, chairs, etc., which can obstruct movement. The peg should be kept at one end from where the distance should be marked at intervals of one foot.

Time Required

The time taken for this game largely depends on the number of participants.

A group of 15-20 participants may take about 3 hours to complete the game.

Size of the Group

A group of 15-20 participants is desirable for this exercise. The facilitator is required to pay individual attention in order to process the data and watch carefully the movement of an individual in the group. This is possible only when the group is relatively small. In case the group is large, a second facilitator and another set of the kit can be used for the exercise. In such a situation, the exercise may be done at two different places but the processing or analysis of data can be done for the whole group at a time.

Procedure

The exercise is generally conducted in three rounds and each round has its modified set of rules which are designed to bring to the surface specific behaviours. However, it is up to the facilitator to decide the number of rounds depending upon the specific objectives he has in mind.

The first round of the game is played by every participant individually. The second and third rounds are played in the presence of all participants.

The facilitator may initiate the exercise by saying, "Let us do something interesting." Or, "Let us break the monotony." The following instructions could be used: "Now we are going to participate in a 'Ring-toss' game. In this game you are required to go out one by one, play the game and return to your seat. Detailed instructions will be given where you would play the game. Please do not talk or communicate on what you did."

First Round

The participants are called one by one to the next room/outside and the following instruction are given to them:

"The peg you can see there, and there are four rings with you. The distance has been marked for you. All you have to do is to choose any one of the marked distances where you would like to stand and throw the rings on to the 'peg.' Once you choose the distance you cannot change. All the four rings have to be thrown-from the same distance. Two out of four rings falling on the peg (ringers) will be considered success. No trial is allowed. Before throwing the rings please tell me the distance from where you would like to throw." Before actually throwing the ring, the participant fills the proforma (see Appendix-I). He then throws the rings. The distance chosen by him and each successful throw are recorded by the participant on the given proforma. After he completes the first round, the participant is asked to go back to the classroom and fill the remaining columns of the proforma. He may be requested not to discuss anything with others. The facilitator records the distance and number of successful throws.

Second Round

For the second round, all the participants are called. They are asked to stand on the other side of the marking as observers. Some space should be left for free movement of the player. Instructions are the same as in the first round, except that in the second round, they are free to change the distance (not for every throw). The facilitator records the distance and number of successful throws.

Third Round

Before starting the third round, the participant may be asked, "How did you like this game? Would you like to play once again? Fine. If you agree, lets start the game. This time you have to pay an entry fee of Re. 1/- (amount can vary). Those who do not wish to participate, are free to do so. This time the success of pay off will be given if two rings go around the peg." The facilitator here can decide the pay-off for various distances. He selects the cashier from among the participants. He collects the money and gives it to those who get the pay off. The facilitator records again the distance and number of successful throws. The facilitator then transfers the data of all the three rounds of every participant on the flipchart/blackboard.

Processing

Discussing the data is the most important part of this exercise. Till the time the discussion takes place, the participants may not be aware of the significance of the data they generated for themselves. The processing can be done by initiating questions like: How did you feel? What did you feel while doing the exercise? The facilitator could further ask the respondents to clarify the responses. The facilitator might ask, "What did you feel as I made the simple task difficult." The answer could be "To have more fun." Or, "Making it more challenging."

The facilitator may remember that the data generated by the game and the behaviour shown by the participants are to be treated as suggestions rather than conclusions. (The facilitator should not force any of his conclusions on the participants but should help them raise questions about themselves) When a participant expresses that the task was challenging, the facilitator might ask him to elaborate further or ask what "challenge" means to him and so on. The facilitators can pick up some typical as well as exceptional cases from the data from the blackboard.

They can be asked to narrate their whole experience about the game they played. The following questions may generate meaningful discussions:

1. Which round did you enjoy the most? Why?
2. How did you feel when others were watching you?
3. Why did you choose the particular distance to throw the rings in the second round?
4. What did you play for? What was your goal? Distance or throwing the rings on to the peg?
5. How did you set your goal?
6. Why did you throw all the rings together? (if done so)
7. When the first three were lost, why did you not throw the other one?
8. What did you think after the first throw?
9. What did you think after all the four throws?

The answers given by the participants may be indicative of the following: avoidance of failure, low risk-taking, high risk-taking, a very planned way of approaching the task, calculated goal-setting, interest in taking challenge, waiting for success, etc.

Some of the hypothetical answers are given below:

1. I felt I could throw all the rings from there.
2. I am a sportsperson and therefore I felt I should be able to do so.
3. I preferred to throw from position 10 as I wanted to throw from the maximum distance.
4. I wanted to throw all the rings and therefore I chose 2.
5. No reason, I just chose the distance.
6. The position from 6 seemed to be optimum and therefore I chose to stand there.
7. I estimated the best possible distance and tried to throw all the rings.
8. Four was the position which was moderate, not very far and not very near.
9. I would always stand at 10, no matter how many trials are given to me.
10. No reason in particular. I thought I will succeed from there.

Responses (1), (5) and (10) are somewhat similar. It is quite possible that these participants select their goals at random. They even perform the test blindly. They need to explore whether in their own real life behaviour they are doing the same thing by ignoring their surroundings when they set their goals.

Responses (2) and (6) indicate that they have utilised the information and their capability in setting their goal. This indicates careful planning on the part of the participants.

Responses (7) and (8) opted for challenges without much planning. There seems to be a lot of chance for further explorations.

Responses (3) and (9) did not make a realistic estimate and forgetting their own capability they wanted to prove themselves as heroes, knowing they cannot win.

Response (4) indicates that the individual wants to avoid a sense of failure. He makes sure that he does not fail, in front of others. As a consequence, the goal-setting is done by understanding one's own capability.

Learning Note

The issues and the concept underlying this game have to be brought into focus through processing, in which the participants have to internalise them. They have to find a meaning to it and should be able to relate this to their day-to-day behaviour. Some of the issues which have to be highlighted in this exercise are:

1. Hope of success vs. fear of failure.
2. Goal-setting by keeping in mind the environment.
3. Moderate risk-taking behaviour.
4. Goal-setting and concern for excellence.
5. Learning from feedback and others.
6. Incentive and goals.
7. Taking personal responsibility for success or failure.

After processing, the lessons to be learnt from this analysis are varied. The participants have to see their behaviour, 'here and now' and subsequently modify it on their future decisions. Some of the issues are:

(1) What does success mean to me? Are all successes equally satisfying? The successes which are easily attained do not motivate to improve.

(2) What does failure means to me? Do I learn anything out of my failure in accomplishing a task which is beyond my capability? And therefore, it does not generate any sense of disappointment or dissatisfaction.

(3) Do I get any satisfaction after attaining a goal which does not involve exerting my capabilities? My capabilities remain in the dark.

(4) When the consideration of prestige/status and image presentation decides the goal, it tends to keep a person away from taking personal responsibilities.

(5) Efforts guided by the hope of success rather than fear of failure, remain open to risk-taking and one tries more to test one's own capabilities.

(6) Am I taking a feedback from my own action and learning something from it?

Variations

The ring-toss exercise can be used in different ways to meet different purposes. The basic component of this game includes a target of varying goals, estimating one's own capabilities through the choice of goal and an introspective report about one's own performance. Financial incentives make it more realistic and enhance the value of goal. Variations may include:

(a) Change in the number of rings;
(b) Change in the number of rounds;
(c) Flexibility of the distance chosen;
(d) Change in pay-off or points given.

(a) The number of rings can be changed in subsequent trials. The idea would be to give more allowance in the initial trials as the participants do not have enough practice. Sometimes extra rings could be given to the participants, as a trial where the ring-toss game is culturally new.

(b) The number of rounds can be increased. There could be trial rounds; which could generate more data to the participants about themselves. The fourth round can also be introduced to get more data from the group.

(c) Instead of the rigidity of throwing all the rings from the same distance, the participants may be allowed to change distance in-between, thus increasing their flexibility to undertake certain risks, and thereby increasing their learning process.

(d) When money is introduced, as an incentive, the decision regarding pay-off is left to the facilitators. The cut-off point can be varied depending upon the group performance.

A Note to the Facilitator

Processing the data requires skill, time and patience. A facilitator has to decide how to use the variations depending on the time available, the size of the group and the attitude of the group. While processing, the following points should be kept in mind:

(a) Ability to listen to the participant's statements.
(b) Remember the words stated by the participants and use the same while processing.
(c) Ability to probe while processing, in order to help the participants to find a meaning to their action/behaviour.
(d) The facilitator should try to be humorous and dramatise, whenever necessary, to break the monotony.
(f) He should use his own ideas and creativity seeing the need of the group.

Anandan
30/2/96
Mr. paul Raj.

APPENDIX I

A. Experience Sheet

Table I

	Trials I	Trials II	Trials III
1. Where did you stand ? (Distance)			
2. How many rings you think you will be able to put on peg ?			
3. How confident you were ? (in terms of percentage)			

Table II

Trial What you consider is responsible for your success/failure.	How do you feel about your performance ?
I	
II	
III	

B Ring Toss Score Sheet

Name	Round I		Round II		Round III		
	D	R	D	R	D	R	P/L

D= Distance chosen, R= Ringers, P = Profit L= Loss.

TOWER-BUILDING*

This is an important exercise extensively used in EMT Laboratory. Several cultural values and day-to-day behaviour create and nurture dependence. The action and decisions by the persons so affected, tend to heavily depend on instruction and guidance. They virtually become pawns and significantly lose their initiative and problem solving capacity. Contrary to that, a prospective self-employed person requires a lot of initiative and should be aware of his handicaps and shortcomings. He should be equally perceptive of his strengths and assets.

In order to counter the age-old experience of dependency among the youth, the tower building exercise is included in the entrepreneurial motivation labs. The focus of the exercise is to highlight the concept of help, encouragement, confidence, value orientation, insight into goal setting, self-study, etc. The specific objective of using this exercise in EMT is, however, confined to few aspects only.

* Adopted from Trainers' Manual on Developing Entrepreneurial Motivation- Akhouri et al. NIESBUD New Delhi 1987

EMT = entrepreneurial motivation training

Objectives:

To help the participants:

(a) understand the goal-setting behaviour in task performance.

(b) internalise the process of helping behaviour and its consequences on performance;

(c) understand value orientation and its relation to entrepreneurial performance; and

(d) understand the fact that everyone has certain strengths and weaknesses which should be viewed as resources and limitations in solving problems.

Time Required:

One hour to two and a half hours.

Material Required:

(i) About 25 wooden blocks (cube-shaped) with plain surface of 5 sq. cm. each.

(ii) Blind-fold or clean handkerchief.

(iii) Observation sheet.

Procedure.

The exercise is organised in small groups consisting of five persons. Three of them play roles of three members viz the Manager, the Supervisor and a Young Worker. The remaining two in the group function as observers. Each group is provided with 20-25 small (5 sq. cm.) wooden cubes. **The task before the group will be to construct a single column vertical tower by the non-operative hand under the blind-folded condition. The height of the tower at the end of the 5th minute will be the indicator of the standard of the performance by the small group.**

The exact set of instructions that a facilitator may provide before starting the exercise, however, may be as follows:

"We are now going to participate in an interesting exercise. We shall divide ourselves in small groups of 4 to 5 members each. In each small group, one person will play the role of a manager, another person that of a supervisor and the third that of a young worker. The remaining one or two members will be observers. The worker is required to build a single column vertical tower by using the wooden cubes provided to each group. He will be blind-folded and will work with his non-operative hand i.e. left hand if he is a right hander or vice versa. There is no instruction to the manager and supervisor as to what they will do. Only there is a limitation that they can't construct the tower by themselves. They are not permitted to touch the cubes. Rest can do whatever they like. The number of cubes in the tower will be counted at the end of the 5th minute to determine the comparative height of the tower.

Here is some additional information. We had found that a boy with an average ability can build a tower of upto 12 cubes under similar conditions.

You will start the game only after I give the 'go' signal and will not be permitted to continue construction after the time of 5 minutes is over."

The facilitator gives separate instructions to observer(s) indicating that they will be observers and will not interact with other members of the group in any other way. They are instructed to observe decision-making process, i.e., **encouragement given and received, guidance and direction offered and received,** and differential **levels of self-confidence** in the worker.

Before the exercise starts, the manager, supervisor and worker are asked to record, on separate sheets, their estimation of how many blocks they expect to pile up in the given time and condition. This is done separately by all the three members without any discussion. Then their individual estimates are made known to each other and they are asked to mutually discuss and arrive at a common target before the work starts.

The data are recorded as follows:

TOWER-BUILDING DATA SHEET

	Item		Round/ Group I	Round/ Group II	Round/ Group III
		Mg			
I.	Goal Estimation	Sup			
		Wr			
II.	Goal Agreed				
III.	Goal Achieved				
IV.	Observers Rating (rounded average out of total 5)				
	a. For Influence on Decision Making				
	b. Guidance and Direction				
	c. Encouragement				
	d. Worker's Self-confidence				
V.	Time Taken				

Processing:

The facilitator draws the attention of the participants to various implications of the data thus recorded. He raises questions and helps the participants in understanding and internalising the experiences around the following issues:

- We tend to perceive handicaps, shortages, (blind-folded, non-operative hand, etc.) more readily than assets and strengths (sense of touch, concentration etc.) present in the situation.
- The thought processes once dominated by considerations of handicaps, tend to get conditioned in that direction.
- The more we tend to give guidance and instructions, the more we create dependency.
- Dependency results in loss of initiative and erosion of problem solving capacity, confidence, and concentration which causes more and more dependency.

The discussion will help participants to internalise various factors in the decision-making process that influence performance, to differentiate between guidance, encouragement and diffusion of confidence, to understand the significance of 'goal setting' and 'expectation' in task performance and to plan strategy to overcome handicaps and shortcomings with the help of existing strengths and assets.

Variations:

(1) The exercise may be played using either one group at a time, or all groups at the same time.

(2) Different groups may be given a different set of roles; one group may comprise father, mother and child, while another group may take up the role of manager, assistant manager, and worker, etc. Depending on the situation, two players can also play the game.

PRODUCT MANUFACTURING EXERCISE*

This exercise is organised in the EMT Labs to explore the achievement motive and to measure its intensity in an **'action situation'** as well as its relationship to economic productivity. Through the exercise, a situation is created in which participants are expected to plan and act in a way that ensures success. The entire achievement syndrome is simulated in the exercise.

Objectives:

(a) To help the participants to internalise the thought processes related to high need for achievement.

(b) To give them practice in achievement planning.

(c) To help the participants understand the dynamics of goal setting.

(d) To make them aware about the factors influencing the outcome.

(e) To experience the use of help and resource for achieving goals.

(f) To learn the consequences of planning, feedback, and flexibility in terms of success.

Fig. 1

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* Adopted from Trainers' Manual on Developing Entrepreneurial Motivation- Akhouri et al. NIESBUD New Delhi 1987

Time required:

Two and a half to three hours for 20 participants for two rounds of play and discussion.

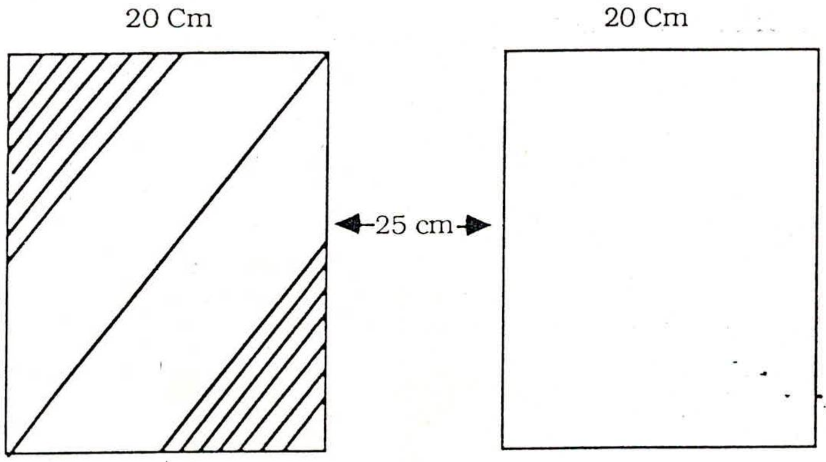
Material required:

(i) Glossy paper sheets of 25cm x 20cm size and one side printed or coloured. Approximately 100 such sheets will be required for each round.

(ii) Data record sheet for each participant.

(iii) Black-board/flip-chart.

Fig. 2



Printed Side   Blank Side

Procedure:

i) Facilitator introduces the exercise by saying

"You are going to participate in an interesting exercise in which you are to assume the roles of an owner, manager and a worker simultaneously. Yours will be a manufacturing enterprise. The product that you have to manufacture is a special type of boat called Shallow Water Boat (SWB). This is a defence item. Defence Department (here the facilitator) will supply the raw-materials at the rate given below and on the basis of final estimate made by you before the start of actual manufacturing. Otherwise raw-material is not available in the open market. The finished product i.e. SWB will be purchased by the Defence Department (facilitator) on the price given below provided it meets the following standard:

— The two outer sides of the SWB are coloured/printed (as the case may be).

— The three corners of the boat are sharp.

— The middle corner is just coming out of the two folds.

In case of falling short of any one of the three standards, the Department will reject and refuse to buy the product. Once rejected, the product (SWB) can't be sold in the open market for any price since there is no buyer. Both sub-standard product and unused raw-material will be a waste and a loss to you.

You will be given 5 minutes to manufacture the product. After 5 minutes, you are not permitted to touch the materials."

Following this, the facilitator displays the Information Sheet:

INFORMATION SHEET

A.	Average time required for manufacturing single unit under normal condition	50 Seconds	
B.	Cost of Raw-materials		
	— When you buy 3 or less	@ $ 10,000	each
	— When you buy 4 to 7 units	$ $ 9,500	"
	— When you buy > 7	@ $ 9,000	"
C.	The sale price of finished goods with quality	@ $ 13,500	each
D.	The cost of changing the preliminary estimate will be calculated	@ $ 500 for unit difference between Ist and the final estimate.	
E.	Time given for Manufacturing	5 Minutes	

ii) Facilitator will explain the technology of making SWB by demonstrating each step. After this, the participants are asked to record their first estimate.

iii) The facilitator will invite participants to take up time trial. The sheets (raw-materials) will be supplied free for the trial. The participants will try to make the boat and the facilitator will announce the time with an interval of 30 seconds. Each participant will be advised to record answers to all questions under time trial given in the performance sheet.

iv) The participants will be instructed to make the final estimate, and complete the C & D part of the Performance Sheet.

v) The facilitator gives time for any preparation they want to make and then distribute the raw-material (sheets) as per final estimate and announce the time of commencement. Then he will keep on announcing time with an interval of 30 seconds or one minute as has been agreed upon. At the end of 5 minutes, the work stops. the facilitator then goes for quality inspection. The participants are advised to answer questions under D E & F of the Performance Sheet. Discussion is initiated openly.

Processing:

Following the exercise, the participants discuss their performance together. The facilitator helps them to focus on their behaviour regarding their goal setting, risk taking, realistic self-appraisal, use of feedback to improve performance, and the effect of task involvement on performance. While discussing the actual behaviour of individual participants, they are called back to help them internalise the intensity of achievement motive in manufacturing situation and its relationship to economic productivity.

After processing, the same exercise can be repeated. This will improve the group performance and set confidence in them that the performance can be improved through achievement planning.

PERFORMANCE SHEET

A. **First Estimate**

1. How many do you plan to make in five minutes? (Ist Estimate)
2. How confident (in term of %) are you? ....%
3. Why do you think so? ....

B. **Time Trial**

1. How much time did you take for manufacturing one unit? ....Sec/Mints.
2. To what extent (in terms of %) did your product meet the quality requirement? ....%

C. **Revised Estimate**

1. How many now, you decide to make in 5 minutes? ....(Final ....Estimate
2. Why do you think so? ....
3. Difference between Ist & revised estimates in terms of number of units ....

D. **Estimated Investment**

1. Price of raw-materials (As per final estimate) $................................
2. Cost of change in the first & final estimate (if any) $................................

Total Investment $................................

E. **Return**

1. How many did you make in the given 5 minutes? ....No.
2. How many could you sell? ....No.
3. Income from sale $................................

F. **Profit & Loss**

1. Deduct sales price (E_3) from the sum of the cost of raw-materials (D1) and cost of change in estimate (D_2) i.e. $[E_3 - (D_1 + D_2]$ $................................Profit $........... or ....Loss

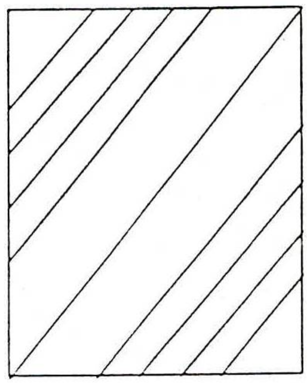
G. **What according to you cause (s) the profit or loss?**

1. .... 2. ....
3. .... 4. ....
5. .... 6. ....
7. .... 8. ....
9. .... 10. ....

Directions for Making the Shallow-Water Boat

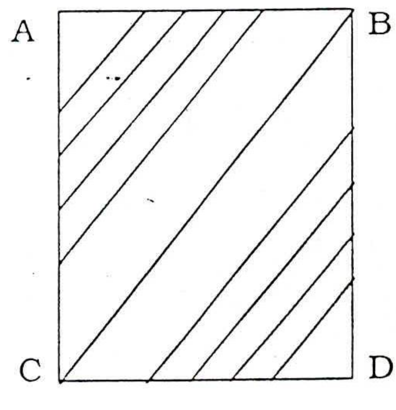
These are directions for making a Shallow-Water Boat. For each step there is a picture showing what to do, and another picture showing what it should then look like. There are nine steps.

Start work keeping the printed side up facing you.

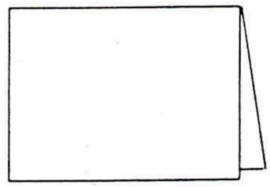


YOU

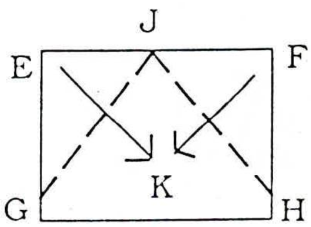
1. Fold AB to CD.



It should now look like this



2. Keeping this folded side up, fold in along JG and JH so that E and F meet at point K.



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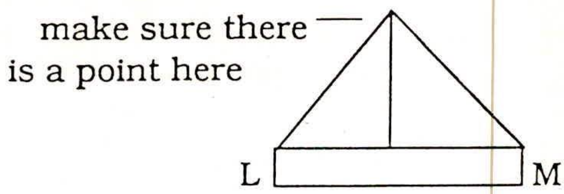
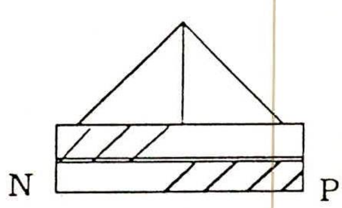


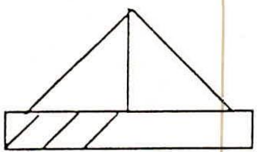
3. Fold the loose ends N+P in opposite direction at the mark LM

It should now look like this

While folding

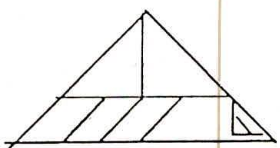


After folding

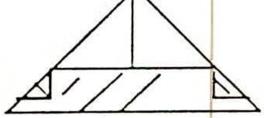


4. Fold the two loose corners (on each side) against each other

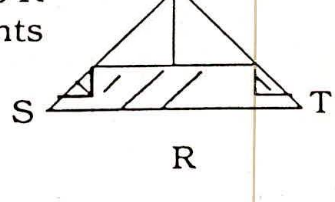
While folding



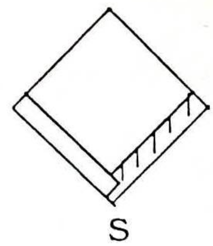
After folding



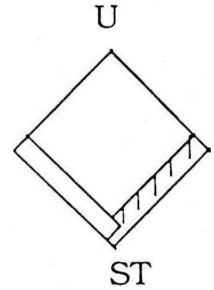
5. Hold it in hands with the open side (R) down. Open up R with your fingers, and keep pulling it apart until the points S and T meet.



Turn the paper so S is facing up and T is underneath. It should now look like this

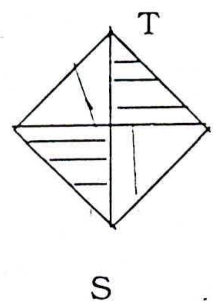


6.Fold up S to U and T to U

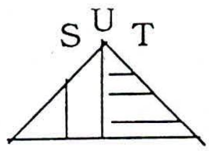


It should now look like this

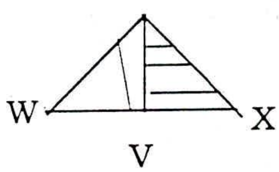
While folding



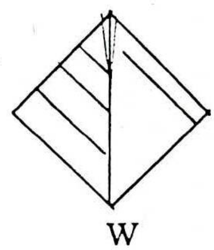
After folding



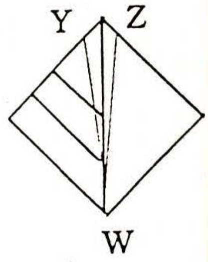
7. Hold in hands, with the open side, V, down. Open V with your fingers and keep pulling it apart until the points W and X meet. Turn the paper so W is facing up and X is underneath.



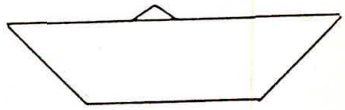
It should look like the diagram shown here

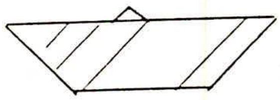


8. Grab Y (front and back at the left to point) with left hand, and Z (front and back at the top right point) with right hand and pull apart as far as it will go.

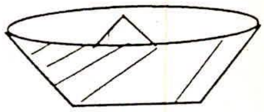


It should now look like this





9. Stand it up. You have finished making your Shallow Water Boat



Quality Control Points for the Shallow Water Boat

1. The printed lines must appear on the outside (bothsides) of the boat.
2. The middle point must be a point, not a curve.
3. The middle point must come even with or above the sides of the boat.

CONVINCE AND CROWN*

Objectives

(a) To provide an understanding of the process of influencing others.

(b) To understand one's own need to influence an organisational setting and experience its consequences in terms of one's own and organisational goal.

(c) To experience the superordinate goal and to modify the intensity of self goal.

Participants are introduced to the idea that often one is required to influence others and entrepreneurs are often engaged in influencing customers and the members of support and service agencies. They are also required to influence workers of their organisations. It may therefore be important to understand the process of influencing and experience success by practising the known methods/process.

Fig. 1

* Adopted from Trainers' Manual on Developing Entrepreneurial Motivation- Akhouri et al. NIESBUD New Delhi 1987

Time Required

Approximately fifty minutes.

Material Required

A small 'model mike'..

Procedure

The facilitator divides the whole group into small groups of six to ten persons. Out of these, one group is brought to the centre and its members asked to sit in a circle. The members of the other groups become the observers. They are asked to note, but advised not to speak. The facilitator then explains the game as follows:

Your group will discuss the topic announced to you. (A debatable topic selected should be related to the job/area of work of the participants. For example, in an EMT laboratory the topic can be 'Banks are one real hurdle in developing entrepreneurs'.) While discussing the topic, you have to convince your colleagues about your view-point. For your effort to convince others, each one of you is going to be awarded. These awards will be in the form of red stars given to each speaker. The system of awards is as follows:

For speaking first time in the group	-5 stars
For speaking second time in the group	-4 stars
For speaking third time in the group	-3 stars
For speaking fourth time in the group	-2 stars
For speaking fifth time in the group	-1 Star

After the fifth time, you will not get any stars, but the frequencies of speech will be counted.

The member with the maximum stars will be elected as the leader of the group. Accordingly, the total number of stars obtained by each group will be counted. The group with the maximum stars will be declared as the winning group and the leader of that group will be crowned.

Instructions to be followed

There are some rules every member has to follow:

1. One can speak only when the 'model mike' is in his hands.

2. One can give this model mike to anybody he likes but can't ask for it either verbally or through non-verbal signals.

3. One can snatch away the model mike from the hands of other. However, in that case, the group loses two stars for each snatching, but there is no loss in the number of stars allotted to individuals.

Variations

It is possible that in one group more than one person gets the same number of stars. In such a case, the facilitator allocates more time to those members only and counts the frequency of speaking by each member in the given period of time. On the basis of the number of times one speaks, (taking the model mike in head), the leader will be decided. The rule of snatching will continue in this case as well.

In case two groups get the same number of stars, the leader of these groups will be called for further discussion and on the basis of frequency count of speaking, the final leader will be decided and the group will be crowned.

Fig. 2

Background Notes

The exercise provides opportunities to develop one's ability to convince and leadership qualities. It also helps the participants to get some insight into the positive ways of influencing others.

A successful leader always has a positive way of approaching others. The positive approach is only possible when a leader possesses and demonstrates the following:

Sincerity of purpose: This shows concern and gets communicated to the audience. Leader starts the process of listening and also presents his view-points clearly.

Positive listening: Another feature which is necessary is to understand the others' view-point and then present one's own view-point. This helps in convincing.

Empathy: A unique quality that helps in understanding others. Any evidence of empathy displayed by the leader has a magical effect on listeners. They are impressed by such observations.

Assertive: The leader should be able to present his point of view by taking the initiative and should be able to convince by being logical.

Factual and logical: In order to convince, the leader may have to quote facts and present his view-points in a logical way based on factual data. This helps the listeners to decide in favour of the leader's stand.

Respect/acceptance of other view points: The leader should have respect for the view-points of others and demonstrate tolerance and patience to accept their ideas though he might disagree with them. This starts a process of change in the group.

Mutual concern: A leader is effective if he can display a concern for superordinate goal for which the group is discussing or working. This makes him acceptable even if people disagree with his ideas or logic.

All these qualities are demonstrated in this exercise. The facilitator should be able to conduct the exercise in such a way that all these aspects of leadership and influencing process are demonstrated and also by picking up the participants' own experiences during the exercise.

Anuradha 11/1/07

CREATIVITY AND PROBLEM SOLVING*

Creativity is often referred to as a discovery of something that is novel, but also useful or relevant, or economical or elegant or valuable. The process involves divergent thinking, the seeking of relationships between previously unrelated concepts or frame of reference, of exploring the under-known. It has the characteristics of wide search or exploration, leaps of imagination, incubation and sometimes strikingly fresh insights. Every entrepreneur/self-employed person needs heightened creative problem solving ability. Incidently, it has been found that creativity training generally raises various divergent thinking, openness and fluency ability at least moderately.

Objectives :

(a) To provide an experience of creative problem solving

(b) To help participants to relate to things and ideas which were previously unrelated.

(c) To offer opportunity to practice open thinking and experience impact on problem solving.

(d) To remove the barriers of creative thinking, if any.

* Adopted from Trainers' Manual on Developing Entrepreneurial Motivation- Akhouri et al. NIESBUD New Delhi 1987

I: THE NINE DOTS PROBLEM

Material :

Nine dots printed on paper and pencil.

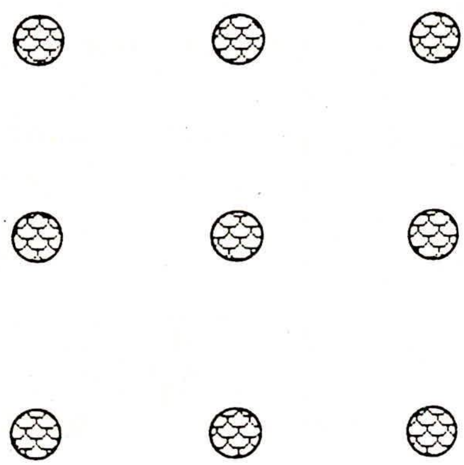
Time Required:

30 minutes.

Procedure :

1. Distribute the sheets on which nine dots are printed.

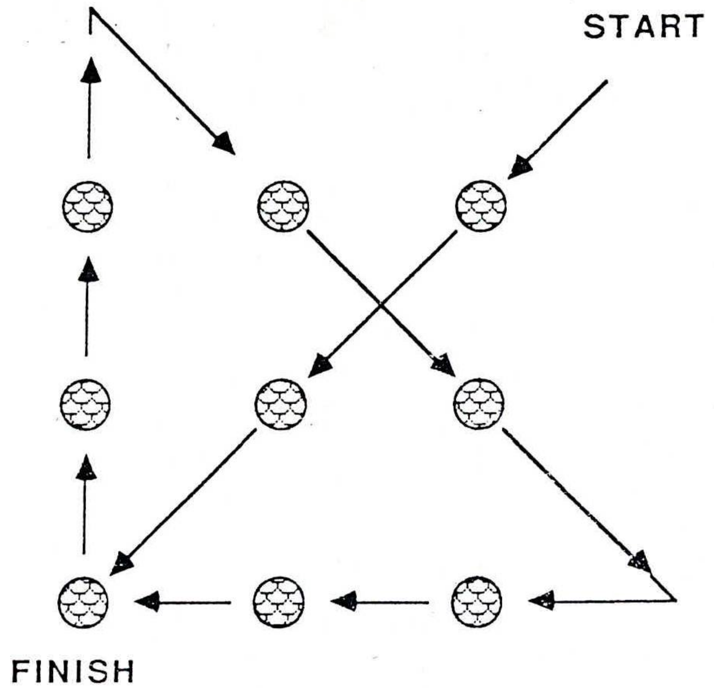
2. **State the problem as "to join all the 9 dots with the help of only 4 straight lines without lifting pen from beginning to end. Retracing of a line is not permitted. But crossing of one line by another is allowed".**



3. Give them 10-15 minutes time to solve the problem.

4. Display the solution to the entire group if solution have been worked out by one or the few of the participants.

5. In case the group fails to solve, display the solution on board.



Processing

Discuss with the group on what happened in arriving at the solution. What blocked the growth of creative thinking. The group may be helped to identify the barriers like self imposed and pre-conceived notion, evaluating too quickly, fear of looking like a fool, etc. Role of openness that provides wider space for trial and experimentation rather than trying the set pattern within limited space. Problems always have less limitation than the available opening for solution but these areas are unknown, unfamiliar and deviation requires creativity.

II. COUNTING SQUARES

Material required :

Printed square sheet and pencil

Time required :

25 minutes

Procedure :

1. Distribute sheet on which square boxes are numbered A to P with 4 equal rows and 4 equal columns.
2. Ask the participants to count the number of squares they see and write it on the paper.

A	B	C	D
E	F	G	H
I	J	K	L
M	N	O	P

3. Let the participants disclose the answer after ten minutes.
4. Write the answers on black board.
5. Indicate the right solution if any participant could work it out.
6. Continue the exercise till correct number is perceived by the group.
7. Present the solution if no one could work out correctly.

Processing :

Discuss with the group variations in the answers? Where did we miscalculate our counting? What may be the blocks within us which restrict us to see only what we want to see? Seeing something beyond the limit generates creativity.

Solution :

Squares of one box (A top) —16
Square of 2 boxes
ABEF, CDGH,
IJMN, KLOP
BCFG, JKNO,
FGJK, EFIJ
GHKL —9
Square of 3 boxes
ABCEFGIJK
BCDFGHJKL
EFGIJKMNO
FGHJKLNOP —4
Square of 4 boxes
ABCDEFGHIJKLMNOP —1

Total 30

१।।९७

III. THINKING PROBLEM

Material Required :

Printed pictures with briefing.

Time Required :

30 minutes.

Procedure :

1. Divide the participants into two groups.
2. Distribute the first picture with briefing to one group and the second with a different briefing to other group.
3. Ask them to write on the basis of briefing
4. Encourage the participants to reveal what they have written.
5. Reverse the process.
6. Disclose to the participants that they have the same picture with different cues.

Processing :

Generate discussion on why we view differently the same object but different cues. Does the individual thinking channelise our covert action?

Generally working at things in different ways open up a whole range of alternate actions and possibilities. Through this process, possibilities are made to be innovative and creative.

What do you think the pretty young lady in the furcoat and turning her face away is thinking? Think for two minutes and then write.

What do you think the ugly old woman having no teeth and black shawl is thinking? Think for two minutes and then write.

ENTERPRISE LAUNCHING & RESOURCING

This Section provides content and methodology for :

- Opportunity Sensing – scanning, idea generation and project identification
- Formulation of Business Plans/Project Reports
- Resourcing
- Industrial Commercial Laws and Insurance.
- Size, Location and Layout
- Setting up an enterprise.

ENTERPRISE LAUNCHING & RESOURCING

The opportunity exists in the society but not all of us are sensitive to it. Most groups in the society can perceive only the obvious and traditional openings of earning. Similarly, the resources are also available but very few attempt to make use of these resources. Besides economic insight for sensing opportunities, prospective entrepreneurs may have to develop capability of selecting suitable projects, formulating project reports, arranging plants, machinery, etc. and availing existing facilities and resources relevant to launching of enterprises. These are to be developed through training interventions.

Enterprise launching and resourcing, therefore, requires a lot of insight and capability which can be developed through efforts and purposive interaction. Besides training, interfacing with various input giving agencies and fellow entrepreneurs improve such capabilities remarkably.

OPPORTUNITY SENSING

Training Objectives:

- **Develop foresight and skills of the participants for sensing and identifying sound business opportunities.**
- **Enhance their ability to identify appropriate projects based on entrepreneur's capabilities and resources available in the environment.**

Trainer's Notes:

To be a successful self-employed person, it is necessary to have the foresight and quality of sensing opportunities. It is an important entrepreneurial function which calls for the ability and eagerness to perceive and receive the curious signals, sieve and process them for arriving at a final decision in favour of an idea/enterprise. A self—employed person searches for, and identifies an opportunity before working energetically to convert it into a business reality. Opportunity is a result of interaction between the need of the society, capability of the entrepreneur and resources available in the environment. He does this by being alert to the world around him. The process of '*opportunity sensing*' involves three steps:

(a) Scanning the Environment;

(b) Idea Generation; and

(c) Product Identification.

SCANNING THE ENVIRONMENT

Scanning of environment refers to the understanding of socio-culture, economic, technological, fashion and even the changing life style and aspirations of local people. It is not a matter of just observing the obvious in the environment but sensing the emerging opportunities out of the interaction of such futuristic/emerging needs of goods and services which otherwise are not perceived by general masses. Scanning of environment is done by collecting information from various sources.

Personal Informal Sources:

i. Family	ii. Customers	iii. Friends
iv. Colleagues	v. Salesmen	vi. Social contacts
vii. Employees		

Personal Formal Sources:

i. Bankers	ii. Business Councillors

Impersonal Written Sources:

i. Magazines	ii. Journals	iii. Books
iv. Newsletters	v. Newspapers	vi. Catalogues

Impersonal Oral Sources:

i. Trade shows	ii. Seminars/Workshops
iii. Professional Organisations	iv. Small Business Organisations
	v. Suppliers/Dealers

One should use as many sources as possible for the purpose of scanning the environment.

IDEA GENERATION

The environment scanning as described earlier will. result in the location of a variety of situations out of which business ideas can be generated. There are a number of ways of idea generation.

Solving people's problems:	Listening to a housewife wishing for a water filter which should be attached to the faucet to give direct supply of filtered water gives a 'business idea' for a new water filter.
Combining two or more ideas:	Selling different items in one shop presents the 'new idea' of a departmental store.
New ways of doing old things:	Popularising gas lighter as substitute for match box for lighting gas oven gives the idea of a new product.
	Instead of selling pizza in a bakery shop, the sale through mobile vans

	at different locations gives a 'new idea' for an old product.
Improving the product/service:	Milk which is usually supplied in bottles when packed in sachet or tetra-packs seen as 'new idea'
Extending somebody else's successful idea to other settings:	The successful introduction of a new product service gives ideas for repeating to catch growing market in other places e.g. electric mosquito repellent in most of the developing countries.
Adding new value to an old product:	Ball point pens used for writing to have printed name of customers may be a 'new idea' for its use as publicity material.
Doing market research:	Determining demand-supply gap through market research gives 'new idea' for new products and services.
Use of a 'hobby':	Hobby of collecting flowers may give rise to a business idea of 'dried flower' art objects.
Building up the skills:	Skills very often give ideas of skill-based enterprises. Typing skill can be used for starting a typing school.
Turning waste materials into something useful:	Availability of waste paper gives the idea of an enterprise making paper products.
Bringing ideas home from holidays, visits:	Difficulties faced in arranging accommodation during holidays/ visits may give rise to an idea of starting a travel agency, providing these facilities.
Brain storming:	A group of persons sit together and generate as many business ideas as possible. One idea leads to another.

	Ideas that appear to be crazy may prove future boon.
Checking published lists:	Several publications list down business opportunities. Scanning such lists gives 'business idea's.
Talking and listening to people:	By being a keen listener, one can find out what people need or what new suggestions they have to offer for setting up new ventures.
Day dreaming and fantasising:	This may sound funny but can be very useful for generating business ideas. Variety of *video games* are an example.
Understanding what things do rather than what they are:	Attractive glass container has a function of carrying wine but often used as *decoration piece.*
Thinking of product use with change in size and shape:	Take the case of a plastic paper weight. Reduction in size gives an idea of a dice; whereas an increase in size may lead to the idea of *plastic stool* for drawing room.
Commercialising inventions:	Inventions in the laboratories may give ideas for their commerciali-sation.
Yellow Page Directory:	Yellow Page Directory often describes products and services. This may also help in generating ideas of repeating or evolving substitutes for these items in different locations or combining many of them under one venture.
Changing fashion and life style:	Changes in fashion require new products and services – short hair style of ladies leads to the need for more *'ladies hair cut saloons.'*
Cluster of business:	Certain areas are famous for industry/business in cluster. More

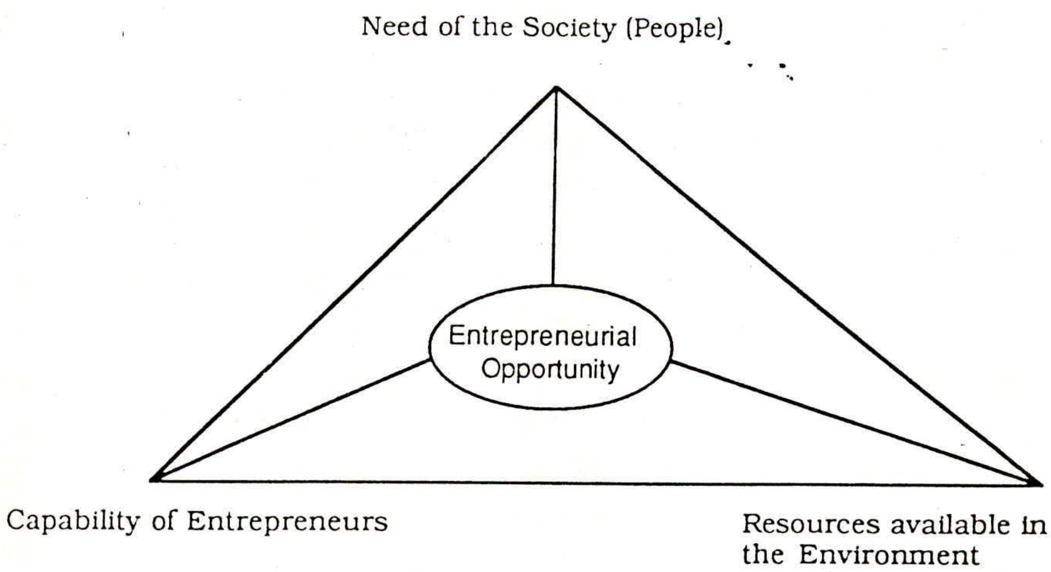
business ideas can be used due to the availability of the skills and customers in that area.

Multiple use: Certain uses are conveniently combined giving ideas for new products e.g. nail cutter with bottle opener in a key ring.

PROJECT IDENTIFICATION

A sound business opportunity is the resultant of appropriate interaction between the *need* of the society, *capability* of an entrepreneur and *resources* available in the environment. The idea thus generated (in the previous exercise) needs its conversion into exact entrepreneurial/business opportunities by the interaction of the need, capability and resources.

Dynamics of Project Identification



i) *Need of the Society (People):* An idea may be very good but for converting it into an entrepreneurial opportunity, people must feel its need. If the need has not been felt, the idea will remain dormant till efforts are made to convert this need into a felt need in the society. In case such felt needs already exist, the job of the entrepreneur is comparatively simple. But before finalising the project such needs of the society should be ascertained through various means as described earlier. (see 'Scanning')

ii) *Capability of Entrepreneurs:* Prospective self-employed persons may possess a variety of capabilities and potential due to different family background, previous experience, exposures and personality traits. These varied capabilities make an entrepreneur more suitable for certain projects and less capable for others. These require careful matching with the existing and desirable capabilities of the entrepreneurs for pursuing the given business opportunities.

iii) *Resources Available in the Environment:* In order to convert ideas into business opportunities, certain resources are required. These may be in terms of finance, raw-material, technology, infrastructural facilities, physical features, climate and skills. For final identification of the project, it is necessary to list the type of resources required and also the kind of resources available in the environment and which can be procured.

Trainer's Interventions:

To provide insight and skill for sensing business opportunities, training activities may be organised under three steps.

The *First* step will include the assignment of listing of items/goods and services used or likely to be used in future. The participants will do such listing through personal contacts and/or by referring to written and oral sources of information. (refer to section on 'Scanning')

The *Second* step will involve dividing people into smaller groups of 4 to 5 for brain storming and discussion to name various business ideas under few headings provided to each group. These headings will be distributed to the groups out of the list of items provided under the preceding step.

Once the group has completed the list, ask individual member to select 4 to 5 ideas out of the total, which interest/attract them the most as an entrepreneur/self-employed person.

Anandkin.

In the *Third* step, the participants will work as individuals or in (new) groups consisting of members with the same business ideas. The member(s) will now list and give weightage to various items under the categories need, capability and resources. They will be assisted to match the existing and required level in respect to each group to finally identify a project.

Business Idea...

A. Need of the Society (People)

Felt	Not felt but possibilities remain in future

B. Capability

Required for the Business Idea. Rank the intensity required out of the total 100	100%	Present in the Entrepreneurs (you). Rank the intensity present out of the total 100	100%

C. Resources

Required for the selected Business Idea. Rank the extent out of total 100	100%	Present in the Environment. Rank the extent out of total 100	100%

FORMULATION OF BUSINESS PLAN/PROJECT REPORT

↳ Before starting a business.

Training Objectives:

- **To highlight the significance of business plan/project report in setting up an enterprise.**
- **To apprise the participants of the steps in the preparation of a business plan/ project report.**
- **To discuss contents of a business plan/project report.**
- **To determine various project details like size, plant and machinery, labour, raw material, implementation schedule, profit generation stage, etc.**

Trainer's Notes:

A project is a planned activity. The business enterprise which an entrepreneur will set up, if based on proper planning, becomes the entrepreneur's project. A project report is a business plan which provides all the necessary information of the unit proposed to be set up. It is an explanation of how an entrepreneur intends to succeed in business in the coming few years, achieve his targets, control costings, and maintain cash flows, etc.

A business plan will be useful to the:

a) Entrepreneur
b) Bankers
c) Government Departments

The business plan should be so prepared that it provides complete information that may be required by bankers and other agencies that may assist in setting up the enterprise. It should inspire faith that the entrepreneur will succeed in the business and will be in a position to repay the loans raised to finance the business.

Steps in the Preparation of a Business Plan/Project Report:

Various steps involved in preparing a business plan/project report are as follows:—

1st T.

IDEA GENERATION

MARKET RESEARCH

PROJECT IDENTIFICATION

BUSINESS PLAN/ PROJECT REPORT:

ORGANISATIONAL PLAN — The Roles clarity.

OPERATING PLAN

RESOURCING PLAN — where you are getting the Resources

CASH PLAN — Saved/borrowed/partnership

PROFIT PLAN — Estimated profit

STEP-UP PLAN — what is our next plan

SETTING UP THE ENTERPRISE

BODY OF A BUSINESS PLAN/PROJECT REPORT:

The Business Plan (also referred to as Project Report) has the following main components. However, these components may vary from country to country in terms of elaboration, sequencing and nature of information required.

General Information

This should include information about the product/services proposed to be manufactured/offered; brief write-up about the constitution of the firm, organisational chart, etc.

Project Description

Various aspects required to be described are:

- Site - Exact place.
- Infrastructural facilities available - Tables/chairs/racks/tubelight/fans.
- Raw-materials required - eg. first quality woollen.
- Man-power requirements - how many.
- Technology selected - manually or Technically - Automated & technically.
- Manufacturing process - @ Getting a raw woollen 1. 2. 3. 4. ...
- List of machinery and equipment - How many machines - what brand. - stabilizer.

Market Potential

The following aspects of the market and marketing are required to be described:

- Demand and supply position - seasonal. eg. cold drinks (Summer) - watches. all season - Refrigerators, Air conditioners.
- Price expected to be realised.
- Marketing strategy ↳ what price you expect to realise

This part of the Project Report should be able to answer questions such as:

How the products are to be sold?

Who would be the customers?

What price will be charged for the products?

How much will be sold in a month?

How will people get to know about the product and the business enterprise?

How will the product reach the consumers?

3rd T

Total Capital Cost - Initial amount of funds to start.

This constitutes two types of capital. They are (a) Fixed Capital; and (b) Working Capital.

a) *Fixed Capital:* It is required to acquire long life items such as;

— Land and Building

— Plant and Machinery - The total set-up.

— Furniture and Fixtures - support other furnitures.

— Installation cost - electricity/gas.

— Miscellaneous Items like tools, dies, etc.
colours.

b) *Working Capital:* Besides the fixed capital cost, some funds will be required to carry out the day to day operations. These funds are known as '**working capital**' which will be determined as follows:

Constituents of Working Capital

Amount for each item.

	ITEMS	AMOUNT
1.	Cash in hand/bank	
2.	Raw-materials	
3.	Stocks in process	
4.	Bills receivable	
5.	Finished goods	
	Total Working Capital	=

how much

Sources of Finance

The total fixed capital cost and working capital will give the initial amount of funds (total project cost) required to set up and start the business. Unless these are arranged, the business cannot start successfully. This means that the entrepreneur should now plan his sources of finance and indicate them in the business plan.

Possible Sources of Finance

SOURCE	AMOUNT
1. Own funds 2. Banks 3. Friends/Relatives 4. Others	TOTAL =

The total Project Cost and the total of Funds available from various sources should match.

4th-T

Other Financial Aspects

While setting up a business, it is necessary to determine what will be the likely income, cost of production, profits at various stages and the plan of repayment.

The above details can be presented in the following manner:

- Production cost
- Raw-materials
- Consumable stores
- Repair and maintenance cost
- Labour wages - cost for labour.
- Salaries – Administration staff
- Stationery and Printing
- Postage and Telegrams
- Travelling and Conveyance
- Publicity Expenses - advertising.
- Sales Commission
- Interest
- Rates and Taxes
- Miscellaneous Expenses - Guest charges. - cool drinks.

TOTAL COST

Profits - for any business. (small or big)

Profit Estimates:

— Likely Sales	B
— Less Production Cost	A
— Operating/Net Profit	B-A = C - before tax.
— Less Income Tax	D
— Net Profit after Tax	C–D

Stage of Profit Generation: The minimum level of production/sales at which there is no profit or loss is referred as **Break-even Point .** This stage has to be calculated both in terms of volume of production and quantum of sales. These are to be included as part of the Business Plan/Project Report (Details for the calculation of Break-even Point/Stage of Profit Generation are given later in this Chapter).

Economic & Social Variables - implications in the society.
- any business contribution nation's wealth

The Project that will be set up may:

- generate import substitution,
- utilise local resources,- The cost production is less. eg:- B'lore - climate. Sivakasi - raw material. coimbatore - textiles. madras - Engineering tools.
- deal in life saving drugs,
- be an ancilliary unit - helping other units, (larger as well as prosperity
- produce export items
- be a technological innovation - may be a new technology.

These factors can be highlighted in the Business Plan so that the product or the service, when it is being appraised, gets a favourable response.

Other Project-related Information

These details are generally given as Annexes to the main Business Plan/Project Report. However, some financial institutions may ask for this information as part of the Plan/Report. Here the following details may be included:

* *Project Size:* The project size should be such that it is manageable and economical (i.e. it should yield adequate profits) and it should be possible to set it up within the investment amount.

Following questions regarding the size may be answered:

— Do I have the quantum of money required for a project?

— Can I arrange finance from outside sources to set up the project of that size?

— Does the project size yield profits sufficient to repay loans, pay taxes and provide for personal drawings of the entrepreneurs?

— What are the sizes of the machines available?

— What is the break-even point?

— Does the production cost compare favourably with those of other competitors?

— What is the total market for product(s) proposed?

— How much market share will I be able to acquire?

— How much sales can be made at the proposed price?

* *Plant and Machinery:* The choice of machinery will depend upon the project size contemplated and the choice of technology. This is a very crucial decision which is to be taken only once during the life time of the project. The important factors to be considered for selection of machinery are: imported. local. second-hand.

— Available alternatives

— Inputs required

— Availability of skilled manpower for machinery proposed

— Cost effectiveness of the machinery and likely production cost

— After-sales service provided by machinery suppliers

— Life expectancy of the machinery

— Arrangement for training for operating the machines.

* *Labour Requirements:* Answers to the following questions help in determining labour requirement: - skill/unskilled/semi skilled.

— Is skilled labour available?

— What arrangements are required to train the labour?

— If so, where?

The labour and staff requirements are indicated as follows:

S.No.	Particulars	Monthly salary	Number of persons	Total Salary /Month
1.	Skilled workers			
2.	Semi-skilled workers			
3.	Unskilled workers			
4.	Administrative staff			
	TOTAL			

* *Raw-material Requirements:* Answers to the following questions will be helpful:

— What raw-materials are required?

— What are the sources of such raw-materials?

— Is raw-material required to be imported?

— What is the price for each of the items of raw-materials required?

S. No.	Item	Qty. required	Rate	Value	Remarks

* *Time Scheduling:* When a business is being set up, number of situations may crop up causing delays in its implementation. Since time is money, any *delay* in project implementation *increases the project cost.* To keep such cost under control, a project implementation schedule should is prepared and given. A simple format for this purpose is described in the table.

	Activity	Duration	Months
1.	Arranging bank loans		
2.	Construction of building		
3.	Supply of machinery		
4.	Installation of machinery		
5.	Recruitment of workers		
6.	Training of workers		
7.	Ordering raw-materials		
8.	Procurement of raw-materials		
9.	Trial run		
10.	Commercial production		

Against each activity, the likely duration can be indicated. Under the month column, the commencement and completion time of activities could be shown with the help of bars. This also helps in illstrating:

a) Activities which should be started simultaneously

b) Activities which may be carried out simultaneously

c) Sequence of activities

d) The effect of delays on subsequent activities.

T-6

CALCULATION OF BREAK-EVEN POINT

Find the answers to :

1) What is the selling price per unit? __________ A

2) What is the direct cost per unit? __________ B

3) Contribution per unit (A-B) __________ C

4) How many units will be sold in a month? __________ D

5) Total contribution (CxD) __________ E

6) Monthly overheads __________ F

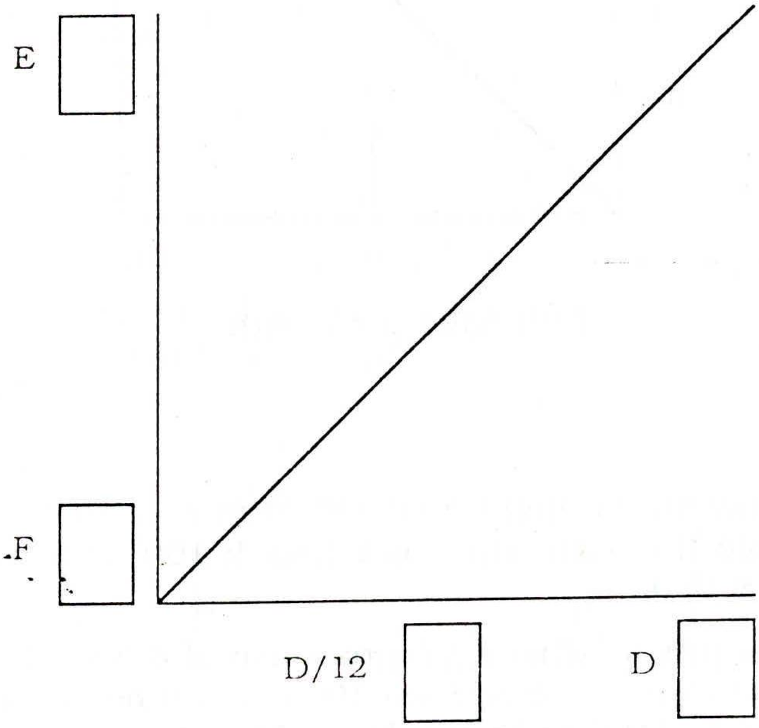
7) Likely monthly profit (E-F) __________ G

8) What is the monthly sales target __________ H

Profit = Contribution – Overheads - expenditure done on each unit.

(G) = (E) — (F)

The above information is used to plot a Profit Volume Graph. Put the figures calculated above in the appropriate boxes:



The Profit Volume Graph shows that :

i) If you sell no unit in a month, what profit/loss you will make?

ii) If you achieve the sales target (H), what profit or loss do you make?

iii) How many units are needed to be sold to achieve the profit target (G) ?

Example : John wishes to sell 100 units in any one month and the contribution per unit is \$ 5. Then the maximum contribution per month would be 5x100 = \$ 500. The graph will work out as follows:

(b) Estimated Demand : There are about 60 Government and quasi-Government hospitals in addition to more than 100 private hospitals in the district.

Visits to some hospitals and medical shops revealed that the following is their annual consumption of absorbent cotton:

1) Hospital A 6,000 bundles of 500 grams each
2) Hospital B 2,000 bundles of 400 grams each
3) Hospital C 3,000 bundles of 400 grams each
4) Hospital D 3,000 bundles of 400 grams each
5) Hospital E 5,000 kg.

Besides, there are a number of other hospitals, viz: railway hospitals, mental hospital, T.B. hospital, dispensaries, family planning centres and primary health centres that are using absorbent cotton.

There are nearly 37 medical shops at Ranchi besides the few more shops spread over other places in the district which are selling absorbent cotton. The minimum sale per shop is nearly 25 kg. per month.

Considering the existing consumption pattern given above, it is estimated that the demand in the district is about 25 tonnes. In the state, there are 8 medical colleges and attached to them are 8 big hospitals besides several dispensaries, primary health centres; T.B. hospitals; leprosy clinics, hundreds of medical shops. The estimated demand for the entire state would be around 400 tonnes.

(c) Availability of Raw Material : The main raw materials required are ginned cotton and soft cotton waste from textile mills, and the first cut lint from the cotton-seed oil extraction units. About 6 lakh acres of land is under cotton cultivation in the district itself, producing approximately 18,000 tonnes of cotton in addition to the cotton grown in the adjoining districts. Soft cotton waste to an extent of 200 tonnes per year is also available from three large-scale spinning mills and six small-scale units in the district.

The process suggested in this study is on the basis of utilisation of 50% raw cotton of short-staple variety and 50% cotton waste. It is expected that about 16% of raw cotton and cotton waste will be wasted during the various stages of manufacture. To manufacture 16,750 kg of absorbent cotton per month, 10,000 kg of raw cotton and 10,000 kg of soft cotton waste are needed. Both are locally available. The chemicals such as bleaching powder, textile soap, whitening agent, sulphuric acid can also be obtained from the local markets.

(d) Distribution Channels : As absorbent cotton is a dispensing item, it is generally sold in medical shops. The manufacturing units will have to allow some discount to the sellers. The range of discount may vary from 10% to 15%. Salesmen have also to be appointed as the product has limited use. As Governments and quasi-Government agencies are the bulk consumers of this product, the manufacturing unit should first establish contacts with them. As the prices of raw cotton are subject to severe fluctuations, cash sales should be done to the extent possible. However, short-term credit facilities may also be allowed in case of assured markets and to have good contracts with the dealers.

(e) Market Checking : It was observed during the visits to many medical shops that absorbent cotton supplied by firms A,D,G, located in other states are moving fast in the market. It is, therefore, necessary that the product of the proposed unit compares favourably with that of the existing suppliers both in quality and price.

Absorbent cotton is sold in rolled packets in blue-kraft paper called 'match paper'. It is very important for the new entrant to collect data on the package practices that are in vogue in the market.

III. Location and size of the plant

The unit requires plenty of water. It is estimated that 80,000 litres of water are needed per day.

Considering the acute water problem that is existing in many parts of the district, Ranchi offers the best possible location. Apart from the water facility, it is a commercial and trading centre for cotton. Being the railway junction and connected by National Highway, there would not be any difficulty either in getting the raw material or sending the finished goods from this place.

Though there is space available in the industrial estate at Ranchi, the water rate charged in the industrial estate is double than the rate charged outside the estate. Moreover, as the unit should have a well and a pump-set of its own, it is suggested that the unit may be located outside the industrial estate.

Though there is a demand for 400 tonnes of absorbent cotton per year in the entire state, it is suggested that a plant with a capacity to manufacture 200 tonnes per year, working for 300 days in a year, may be started.

IV. Process of Manufacture* :

i. Opening and Cleaning : All cotton must be thoroughly processed before it can be used in surgical dressing. Lint cotton contains varying amounts of leaf and stem material which are removed by mechanical opening and cleaning equipment. Linters must also be cleaned thoroughly. Other grades of cotton may or may not be mechanically cleaned, depending upon the foreign matter present.

ii. Pickering and Lapping : Cotton is further cleaned and made into laps so that it can be conveniently handled in kiering, bleaching and washing operations.

iii. Kiering, Bleaching and Washing : The cleaned cotton material in laps are then boiled in C vessels with lids having steam heating arrangement. In the boiling process, the cotton is treated with 1-2 per cent sodium hydroxide solution containing soap (or detergents) and a sequestering agent, such as tetrasodium pyrophosphate at a temperature of 200-250°F for 1-3 hours under pressure. This treatment removes much of the natural waxes and oils and also softens and disintegrates any foreign material that may remain after the cleaning operation. It is then washed with water in the kier itself and bleached in tanks with chemicals, such as hydrogen peroxide or sodium hypochlorite and treated with calculated amount of dilute sulphuric acid to neutralise any excess of alkali. The cotton is again washed with water. The bleaching not only whitens the cotton but also improves its wetting properties and assists in disintegration of any remaining foreign materials. After boiling, bleaching and washing, the cotton is fed to hydro-extractor to remove as much water as possible, dried in compartment driers and then picked and carded or garnetted on equipment similar to that used in textile mills.

iv. Carding : The dried cotton is once again set through pickering and lapping machines where it is thoroughly opened and made into laps. The laps are fed into carding machines and taken into the rolling and cutting machine. A sheet of paper is inserted under the laps and rolled together simultaneously compressing the cotton. The cotton rolls are cut into suitable lengths by saw. The small rolls are packed in blue craft paper (match paper) after weighing.

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* From Encyclopaedia of Chemical Technology, Kirk-Other

v. Specifications : The quality of absorbent cotton is controlled according to the IP and Drugs Control specifications and so the Government and semi-Government Departments insist on such quality. The other buyers are not that particular about quality and so about half the existing demand is for non-standard absorbent cotton. The quality can be controlled by the addition of chemicals and desired blending of cotton and cotton comber.

V. Requirement of the Unit

(i) Land and Buildings : The unit would need about half an acre to house the buildings, equipment, laboratory and godown space for stocking the raw cotton and cotton waste. The design of the building and the plant may be had from the Small Business Development Agency or from any of the existing unit outside the state.

(ii) Equipment: Most of the equipment suggested can be obtained from the existing textile mills on a second-hand basis and used after necessary adjustments. It is the normal practice amongst the absorbent cotton units to go in for second hand machinery.

(iii) Skills: The skills involved in the manufacture of absorbent cotton are not complicated. The quality control has to be maintained as per the Drugs Control Regulations. A chemist with experience in laboratory and testing equipment is essential. Skilled workers are required for bleaching process. The other skilled workers required are machine operators, boiler attendants and a machine-room foreman.

Theses skills are locally available as there are textile mills in these areas.

CAPITAL REQUIREMENT FOR A UNIT MANUFACTURING 670 Kgs OF ABSORBENT COTTON PER DAY

		$
1)	Land half an acre	4,000
2)	Building 100 'x50' at $ 15 per sq. ft.	75,000
3)	Well	10,000
4)	Pump-Set	5,000
5)	Cleaning and opening machinery, along with pickering and lapping machine with motor at $ 15,000 each (2 Nos.)	30,000
6)	Kiers (Boiling Pan) at the rate of $ 3,000 each (3 Nos.)	9,000

7)	Water tank for storage	3,000
8)	Bleaching tanks at the rate of $ 1,000 each (5 Nos.)	5,000
9)	Hydro-extractor at the rate of $ 3,000 each (2 Nos.)	6,000
10)	Carding Machines at the rate of $ 40,000 each (4 Nos.)	1,60,000
11)	Drying Oven (1 No.)	40,000
12)	Boiler (1 No.)	10,000
13)	Cutting Machine (1 No.)	2,000
14)	Rolling Machine (1 No.)	2,500
15)	Laboratory equipment	4,000
16)	Weighing scales, tools and other accessories	3,000
17)	Installation charges at 10%	27,950
18)	Office Furniture	3,000
19)	Raw Materials (per month)	
	(a) GINNED COTTON	
	10,000 kgs. of low staple cotton at the rate of $ 2,250 per tonne	22,500
	10,000 kgs. of waste cotton at the rate of $ 1000 per tonne	10,000
	(b) CHEMICALS	
	Caustic soda and soap	3,000
	Bleaching Powder	650
	Sulphuric acid	200
	Match paper	1,500
	Miscellaneous (gum, thread etc.)	450
20)	Manager at $ 500 p.m. (1 no.)	500
21)	Chemist at $ 250 p.m. (1 no.)	250
22)	Accountant at $ 200 p.m. (1 no.)	200
23)	Boiler Attendants at $ 150 each (2 Nos.)	300
24)	Machine Supervisors at $ 150 each (2 Nos.)	300
25)	Clerk at $ 150 p.m.	150
26)	Unskilled workers at $ 2 per worker per day (20 Nos.)	1,000
27)	Skilled workers at $ 6 per worker per day (8 Nos.)	1,200
28)	Watchman at $ 100 each (2 Nos.)	200
29)	Electricity 50 HP	1,350
30)	Fuel at $ 30 per day	750
31)	Water	25
32)	Packing	500

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29)	Electricity 50 HP	1,350
30)	Fuel at $ 30 per day	750
31)	Water	25
32)	Packing	500

33)	Advertising and publicity	400
34)	Repairs and maintenance	500

Assumptions for Cost Calculations

35) Depreciation
    (a) Machinery 10%
    (b) Buildings, office furniture and well 5%
36) Interest on total capital investment @ 10% p.a.
37) Pre-operative expenses $ 5,000
38) The Working Capital is calculated for 3 months
39) Insurance $ 1 % on machinery and building.
40) It is assumed that the unit will work for 25 days in a month.
41) The sale price per kg. of absorbent cotton is expected to be $ 4.50

I. Fixed Capital

Land	$ 4,000
Building	75,000
Well	10,000
Machinery and equipment with installations)	3,07,450
Office furniture	3,000
Total	3,99,450

II. Working Capital (Per month)

Raw materials (19 a & b)	$ 38,300
Utilities (29 to 31)	2,125
Wages (26 & 27)	2,200
Salaries to staff (20 to 25 & 28)	1,900
Repairs and maintenance	500
Insurance	317
Advertisement (33)	400
Packing (32)	500
	46,242

For three months
46,242 x 3

= 1,38,726

III. Total Capital Investment

Fixed capital	$ 3,99,450
Working Capital	1,38,726
Pre-operative exps.	5,000
Total	5,4,3,176
or say	5,43,200

IV. Cost Calculations

(a) Fixed Cost (per annum)

1. Interest @ 10% on total capital of $ 5,43,200	54,320
2. Depreciation:	
i) On plant and machinery and pumpset @ 10% on $ 3,07,450	30,745
ii) On building & well @ 5% on 85,000	4,250
iii) On office furniture & fixtures @ 5%	150
3. Salaries of office staff	22,800
4. Insurance	3,825
5. Advertisement	4,800
6. Repairs & Renewals	6,000
Total $	1,26,890

(b) Variable Cost

Raw materials	4,58,600
Wages of skilled and unskilled workers	26,400
Packing	6,000
Utilities	25,500
Total $	5,17,500

Total Cost of Project

Fixed Cost	1,26,800
Variable Cost	5,17,500
Total cost	6,44,390

Unit variable cost per tonne : $ 2,575

V. Returns

(a) Total RECEIPTS

(b) Sale of 2.01.000 kgs.

@ $ 4.50 per kg.	9.04.500
Less commission @ 15%	1.35.675
Net sales revenue	7.68.825
Less total cost	6.44.390
Profits before taxes per annum	1.24.435

Return on Total Investment

The break even point at 65.9 tonnes per annum means that this unit will make no profit or loss if it is manufacturing 65.9 tonnes per year. If it produces **more** than this, it will start making **profits**. If it manufactures **less** than 65.9 tonnes per year, it will make a **loss.**

The break even point at 32.8% of the total capacity means that it will break even at this capacity utilisation.

Trainer's Interventions:

This is an important intervention in helping the entrepreneur to crystalise his thoughts and translate his dreams into reality. It has great practical utility. The trainer may explain with illustrations the concept and steps involved in the preparation of a project report/business plan. In this process, its significance, structure, agencies may be discussed which can help furnish information, reference material, data requirements and studying one or two typical business plans/project reports.

The trainees may be assisted in the preparation of an actual business plan/project report on a selected project. Quite possibly, some entrepreneurs may not have decided on a project. Such participants may select any item so that they are able to acquire necessary skills of preparing a project report.

If banks and financial institutions have certain expectations/norms, the trainer may explain the rationale behind such requirements. Involvement of a local banker or member from a financial institution will make the business plan/project report realistic and also help raise funds without the usual difficulties.

The trainer will play the role of a facilitator when participants prepare the project reports and guide them in the collection and use of such data, their presentation in proper format and in making necessary calculations. This will build desired familiarity and provide greater insight into the implications of any economic change.

*In case some groups are not upto the mark in respect of calculating figures they may be given small exercises relating to parts of a project report. For example, determining working capital requirements; sources of finance; cost of production; profit estimates; and fixed assets requirements, etc.

*Exercises and assignments are most suited for certain topics like opportunity sensing, project identification and calculations. This must be encouraged.

*Transparencies can be used for explaining concepts like the flow chart for the preparation of a Business Plan/ Project Report (as included in Trainer's Notes).

It needs to be emphasised that project report/business plan is not a theoretical exercise for certain organisations but is a *blue print* for business operations.

Arun
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RESOURCING

Training Objectives:

- **To familiarise participants with various organisations that can support the entrepreneur in setting up an enterprise.**
- **To help them know about various types of resources required for establishing a new enterprise.**
- **To help them understand basic start up problems and initiatives required to overcome these.**
- **To develop their competency to organise all resources required for setting up the business unit successfully.**

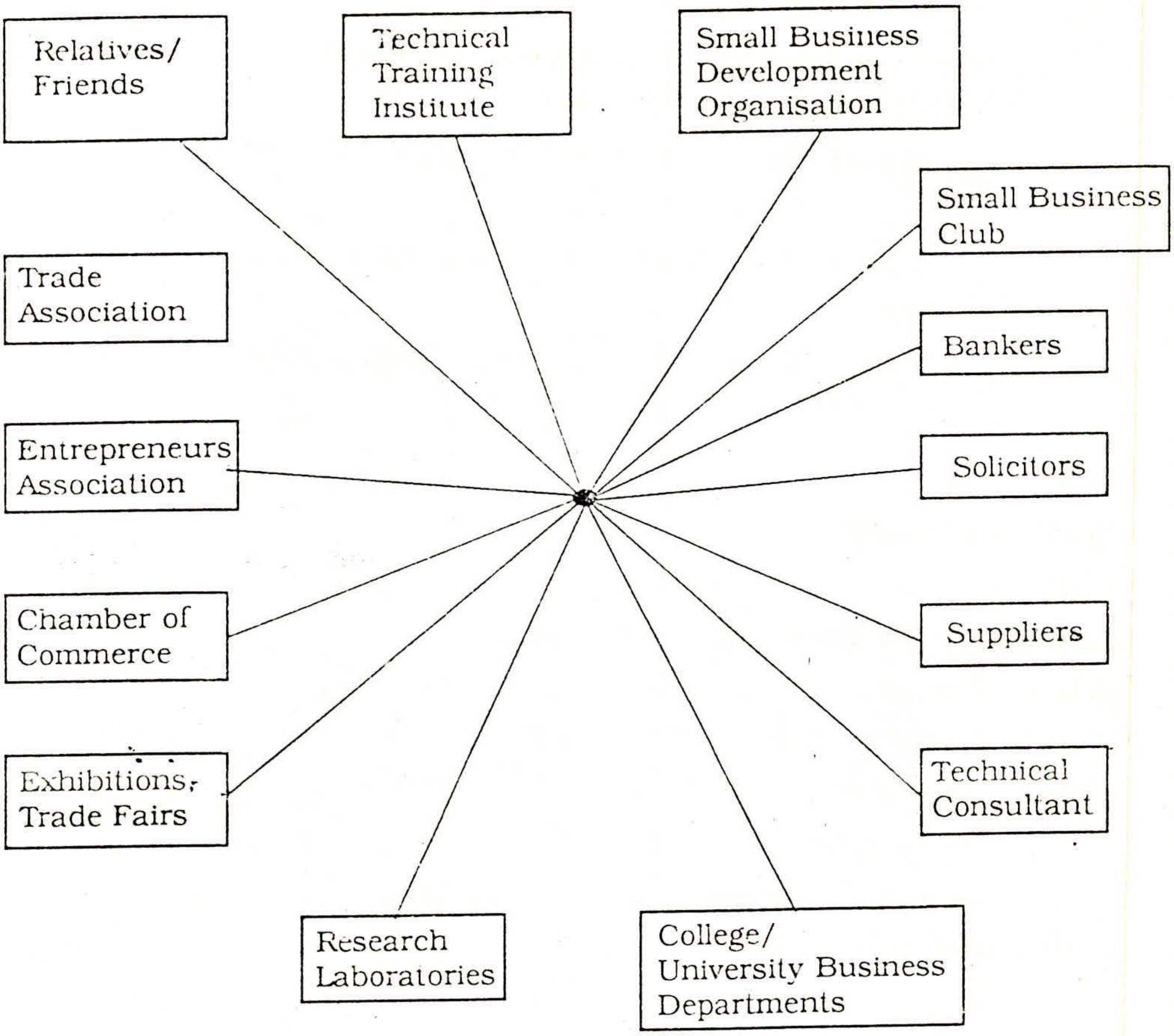
Trainer's Notes:

Networking of Individuals/Organizations

To set up a small business, particularly a manufacturing enterprise, an entrepreneur needs to develop a network of individuals/organisations who can help him in various stages of setting up an enterprise and running it. Typically, assistance may be sought from the following:

— Small Business Club
— Bankers
— Solicitors
— Suppliers
— Technical Consultants
— College/University Business Deptts.
— Research Laboratories
— Exhibitions, Trade Fairs, Authorities
— Chamber of Commerce
— Entrepreneurs Association
— Trade Association
— Relatives/Friends
— Technical Training Institutes
— Small Business Development Organisations

RESOURCES



Can you add any other in your area?

1.

2.

3.

4.

Categories of Resources

Resources may be further categorised as -

**PHYSICAL RESOURCES* - premises, supplies of raw materials, tools, equipments, machinery, etc.

**TECHNICAL RESOURCES* - technical know-how, prototypes, designs, technical training, etc.

**FINANCIAL RESOURCE* - funds needed for physical, technical facilities and inputs for the enterprise.

**HUMAN RESOURCES* - workers/managers

**MARKETING RESOURCES* - dealers, wholesellers, stockists, agents, salesmen, marketing organisations, particularly those for small enterprises, etc.

Before tapping any of the resources, it is necessary to assess the requirements.

Ask yourself -

* Do I *really* need it?
* Can I get it *now*?
* Can I get it for *nothing*?
* What is the associated *cost*?
* Can I arrange it on *hire*?
* Can I obtain it on *credit*?
* Where can I buy it the *cheapest*?

Resourcing Fund — Without money, no progress can be made. The start-up cash will include -

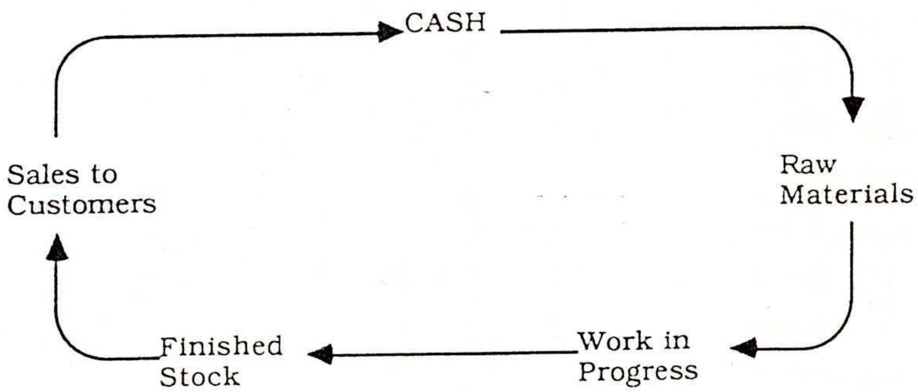
* Fixed Capital
* Working Capital

FIXED CAPITAL is the money required to buy premises, furniture and fixtures, machinery, tools, equipments and vehicles - assets that last long.

WORKING CAPITAL is the money required to buy raw material and for turning it into finished goods for sale to customers - such sales may be on credit basis.

Working Capital is also called "Circulating Capital" or "Current Capital" because it is required for current purposes and circulates through the working capital cycle (also called "operating cycle" or "cash-to-cash cycle").

Initial problems crop up because working capital requirement is ignored or under-estimated. Lack of it gives rise to cash flow problems as may be clear from the working capital cycle shown below:



Working Capital Cycle

Fixed Capital and Working Capital give the total start-up cash required and can be raised as -

— Loans
— Risk Capital
— Grants
— Own Funds

Loans will be granted by banks. Risk capital and grants can be obtained from Small Business Development Organisations. Loans raised are required to be paid back, with interest.

If money is lent to the enterprise, there shall be strings attached (conditions) like 'to be used to purchase machinery', Make sure you understand these conditions. It is, therefore, important to find out before hand the terms and conditions associated with each resourcing.

Grants are usually required to be applied for *in advance*. For example, there may be a grant for purchasing premises and if applied after obtaining the premises, it may not be given.

Man and Material Resourcing — A lot of resourcing is needed to organise appropriate work-force or a work-place. Determine the organisational chart for managing various critical areas. Such critical areas are -

- the whole business
  (seeing various areas are managed)
- purchases and supplies
- manufacturing
- inventory
- marketing and sales
- accounting and finance
- personnel
- legal aspects
- public relations

Also decide the firm's constitution regarding :

- proprietorship
- partnership
- company or corporation
- cooperative society

Now look for the organisations and institutions (illustrated in the beginning of this Chapter) from where such human resources can be mobilised, developed or trained.

Resourcing for Premises — Look out for a location that suits your business requirement. The space should be sufficient to take care of **today's** and **tomorrow's** requirements. Probably you need reprographic equipment, telephone, specialised machinery and services. Are you going to own them? Or else, arrange easy access to each of your requirements?

Trainer's Interventions:

A transparency on the "typical support system" would help attract and sustain participants' attention. Encourage students to add some more.

A visit may be organised to some of the resource organisations where participants may collect brochures on the type and kind of assistance offered by them and relevant application forms. Interaction with the officials who provide assistance and the brochures/forms thus obtained will reassure them that such a system exists and does respond.

The 'Working Capital Cycle' can also be projected through a transparency and need for optimum working capital highlighted by discussing repercussions of having either more or less.

The relative assessment of helpfulness and extent of assistance rendered by each of the resourcing agency can also be presented through an interface with an existing entrepreneur of the locality.

Aravinda

INDUSTRIAL/COMMERCIAL LAWS AND INSURANCE

Training Objectives:

- **To acquaint participants with various legal obligations that every enterprise has to meet.**
- **To impress upon them that compliance is always better in case of legal obligations.**

Trainer's Notes:

No one is above law. Small business, particularly has been observed to enter many grey areas resulting in penalties for non-observance of legal requirements. Small entrepreneurs are required to, and should, abide by the laws of the nation. They may flout the laws not purposely but out of sheer ignorance.

A good entrepreneur should seek reliable advice on nearly every aspect concerning **legality, liability** and **insurance** cover.

It is not necessary that to run a business one must be a legal expert but one must have sufficient background to discuss legal needs intelligently with various parties.

Some typical legal aspects relevant to entrepreneurial pursuits are:

Taxes

- Corporate tax
- Value added tax/sales tax
- Customs
- Excise
- Income tax

Constitution of the Firm

- Partnership
- Proprietorship
- Cooperative Society
- Corporation/Limited liability company

Banking Laws

Insurance Laws

Labour Laws

— Contract labour

— Employee benefits

— Health

— Safety

— Industrial and occupation hazards

— Industrial disputes

— Child labour

— Minimum wages

— Unions

— Bonus

— Compensation

— Trade unions

— Women employees

— Payment of wages

Partnership Act

— Rights and obligations of partners

— Termination and dissolution.

Patents, Trademarks and Copyrights

Sale of Goods Act

Renting, Hiring and Leasing

Constitution:

Regarding constitution of the firm, the entrepreneur should make careful decisions. Proper choice at the beginning can save much trouble and expenses later. It could also be used as a tax-saving device.

Health Care and Working Conditions:

Health care in a manufacturing enterprise implies that premises, equipment, etc. should be in good condition. Most countries, through laws, have laid down the minimum requirements with regard to industrial safety, health and the welfare of employees, with a view to reducing accidents and occupational diseases. Ultimately this is good for you and your enterprise as well.

A good working environment attracts better employees, improves productivity and impresses visitors. Regular inspections reduce health hazards at the work place and facilitate the work of the employees.

Typical features of a good working environment are clean air, adequate lighting, correct temperature, low noise level and ergonomically sound working conditions.

Insurance:

Various assets in the enterprise like machinery, equipment, furniture, stocks, etc. need to be adequately insured. This **small payment** can save from **total ruin** arising out of:

— theft
— pilferage
— fire
— food
— earthquake
— riots
— civil commotion
— accidents

The banks may insist upon insurance of items against which they have given loans. **Do not try to save this small expense. It will be penny wise and pound foolish.**

Trainer's Interventions:

To be effective, it is suggested that the trainer collects some industrial and commercial laws specifically applicable to the country and self-employment. They may be used as illustrations for training purpose. The content of the Trainer's Notes are just indicative since **laws vary from country to country and also in different parts of the same country.**

By. Mr. paul Raj.

SIZE, LOCATION, LAYOUT, SANITATION Etc.

process (working
product (workpl

Training Objective:

- **To highlight the importance of size, location, layout and sanitation in both planning and implementing the project.**

Trainer's Notes:

While establishing the unit. an entrepreneur is required to pay attention to various aspects like size, location, layout, sanitation, etc. Such factors should preferably be considered by him at the project planning stage and need to be taken care of at the project implementation stage.

Size

The various factors to be considered in determining plant size have been highlighted in the Chapter "Determining Project Size'. Size would also encompass factors like the land, building, etc.

Land size should be such as to take care of storage of raw materials and finished goods as well as construction of factory for processing/manufacturing. Its size should be such as to take care of present and future requirements for expansion. This would also apply to the building which may be constructed/rented.

Location

Proper location of an enterprise is crucial for its success. Raw material, skilled labour and market are the factors that help production in a manufacturing unit and should be available near the location of the proposed unit. Location of manufacturing establishments would depend upon their type which could be:

— Resource based

— Demand based

— Skill based

— Foot loose

For resource based units like agro-industry, nearness to raw material is a definite advantage. Thus a sugar factory should be located near sugar-cane growing area. Otherwise transport cost for raw material will be high. Similarly, for demand-based industries location near the market is advisable, and for skill-based industries like gold embroidery, locate the unit in a place where such skilled workers are available.

A unit located in a residential or commercial area has to take note of the local bye-laws and should not be a nuisance to the neighbourhood in terms of pollution (including sound), work force, transport bottleneck, etc.

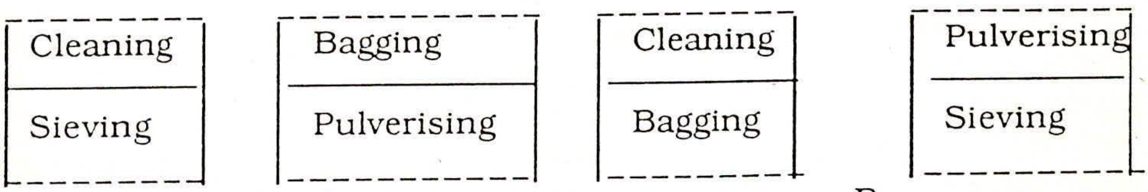
Layout

Layout can be for (a) workshop (b) workplace. Workshop layout is the way in which machines, work-benches and storage places are placed in relation to each other in a workshop. Good layout would ensure that men, materials and work flow easily. Bad layout will increase the cost as the **space** and **labour** required will be more. Time wasted in moving and handling adds to the cost and not to the value of product. Even if best layout is not possible, an improvement can always be attempted through better planning.

To take an illustration, the flow of operations in a floor mill or mineral grinding unit shall be:

Raw materials .... Cleaning .... Pulverising ....
Sieving .... Bagging ....

Of the following layouts (A/B) of machinery which is better ?



A   B

Obviously B is better

Workplace layout is the way in which tools, materials and finished products are laid out at the place where work is done. This is equally important as the workshop layout. In a good workplace layout, tools like spanners, screw drivers, measuring gauges, etc. are kept at their

Time & motion study.

To provide congenial work environment.

proper places and within easy reach to save time and efforts of the worker.

Sanitation - cleanliness, lighting, water, safety gloves.

Working conditions must be congenial. Thus, bad lighting would result in bad and slow work. Passages full of materials and rubbish can cause accidents and disease. The absence of guards on machines, lack of goggles for welding make working dangerous. Suffering of workers increases entrepreneur's cost. He should ensure sanitation and congenial working conditions in terms of adequate **ventilation, decreased noise** and **vibration** to enhance productivity.

Trainer's Interventions:

Lecture and discussion. Illustration of local industrial, and commercial laws will make learning more vivid.

Thande
28/12/16

STEPS IN SETTING UP A BUSINESS ENTERPRISE

Training Objective:

- **To make the participants aware of the various steps involved in setting up an enterprise.**

Trainer's Notes:

The steps in setting up a small industrial enterprise are:

1) *Decision to go into business:* This is the most crucial decision a youth has to take, shunning wage-employment and opting for self-employment/entrepreneurship. Eg. security job.

2) *Analysis of Strengths/Weaknesses:* Having decided to become an entrepreneur, the young person has to analyse his strengths/ weaknesses. This will enable him to know what type and size of business would be most suitable. This will vary from person to person.

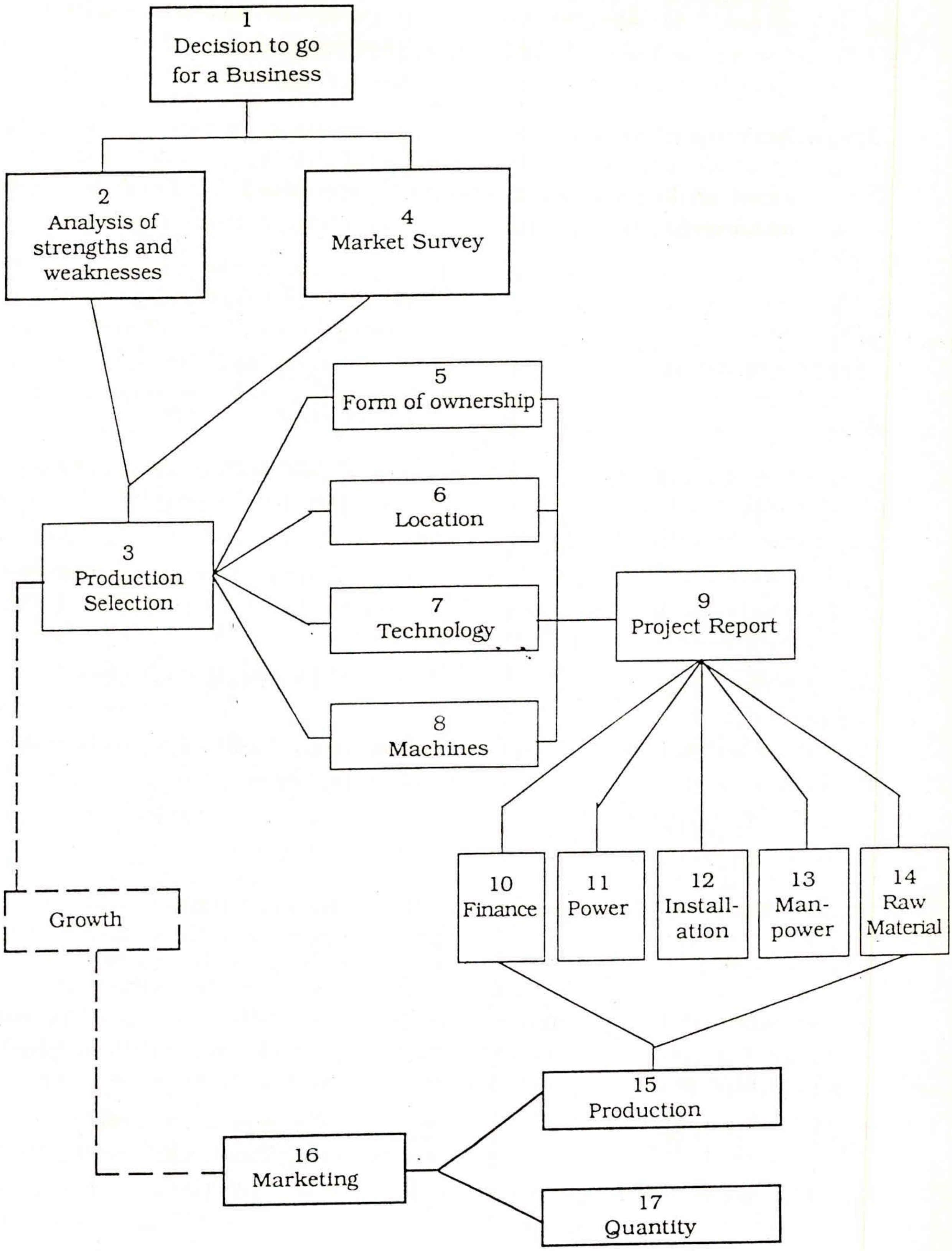
3) *Product Selection:* The next step is to decide what business to venture into - the product or range of products. The level of activity will help in deciding the size of business and form of ownership. One could generate a number of project ideas through environmental scanning, short list a few items, closely examine each one of these and finally, select the product/service.

4) *Market Survey:* It is easy to manufacture an item but difficult to sell. So it is prudent to survey the market before embarking upon production and to be satisfied that the product chosen is in demand. It will also be necessary to identify the changes required in product design; determine demand-supply gap; and ascertain the extent of competition, potential share of the market, pricing and the distribution policy. The principle is produce what people demand.

- quality
- price less

5) *Decision about ownership:* A firm can be constituted as **proprietorship, partnership, limited company** (Public or Private), **cooperative society** etc. This will depend upon the type, purpose and size of your business. One may also decide on the form of

STEPS IN SETTING UP A BUSINESS ENTERPRISES



ownership based on resources at hand or from the point of saving on taxes.

6) *Location:* The next step will be to decide on the place where the unit is to be located. Will it be hired or owned? The size of the plot, covered area, and the exact site will have to be decided. It will become fi capital.

7) *Technology:* To manufacture any one item, various processings are available. Information on all available technology should be collected and one of them should be identified. This will be useful in determining the machinery and equipment to be installed. - manual - Electrical - Automati

8) *Machinery and Equipment:* Having chosen the technology, the machinery and equipment required for manufacturing the chosen products/services have to be decided, suppliers identified and costs estimated. One may have to plan well in advance for machinery and equipment, especially if it has to be procured from outside the town, state or country. - convert into money.

9) *Project Report:* The economic viability and technical feasibility of the product selected has to be established through a project report business plan. A project report will be helpful in formulating the financial, production, marketing and management plans. It will also be useful in obtaining finance, premises, power, registration, raw material quotas, etc.

10) *Finance:* Funds either as fixed or working capital will be needed to set up an enterprise. Its availability, sources and procedure to obtain should be ascertained. It may take a longer time to obtain finance, and accordingly, it should be planned.

11) *Power Connection:* Energy will be required be run the show and accordingly it must be planned well in advance.

12) *Installation of Machinery:* Having arranged finance, work shed, power, etc. the next step is to procure the machinery and arrange its installation. Eg- very costly machines. - installed properly.

13) *Recruitment of Manpower:* Manpower requirement is estimated at the time of formulating project/business plan. The recruitment of suitable persons should precede actual operation. Eg: one Asst.

budgeting manpower.

14) *Raw Materials:* The raw materials required may be available locally or may have to be imported. Government agencies can assist if raw materials required are scarce or have to be imported.

- This belongs operations dept.

- Any market should touch the middleman.

15) *Production:* Production needs to be organised to ensure the optimum use of manpower, material or machine's installed capacity. Production of the proposed items should be taken up in two stages:

— Trial production → Able to get quality prod.
— Commercial production

Only after successfully launching the product at trial stage, commercial production should commence.

16) *Marketing:* Having manufactured the product, the stage comes for its marketing. At this stage various aspects like distribution channels, commission structure, pricing, advertising/publicity, etc. are considered and executed.

Like production, marketing should initially be attempted in two stages:

— Test Marketing   * Dont get into C.M at first.
— Commercial Marketing

Test marketing will save the enterprise from going into disrepute. It will also assist in carrying out modifications and in designing features of the product.

Having successfully test-marketed, the product/s should be thrown for commercial marketing.

→ relates to production
17) *Monitoring* — Periodical monitoring and evaluation in terms of production, quality, marketing and profitability helps in the growth of the firm.

- Supervision - relates to people.

Trainer's Interventions:

This is the occasion to consolidate learning. Steps which have been described in this section are just the summary of all that have been covered under sections A to D. Participants may be involved in spelling out the steps and if responses are not in sequence, arrange them with the help of the diagram included in the Trainer's Notes.

Ananda IN.
11/7/97

SECTION - D

ENTERPRISE MANAGEMENT

This Section is devoted to concepts and management practices related to :

- Decision Making
- Marketing Management
- Operation Management
- Financial Management
- Personnel Management and
- Business Communications

ENTERPRISE MANAGEMENT

An enterprise may be small or big, but the role of management is equally important to attain success. In case of first generation entrepreneurs, the management functions such as planning, organising, directing, controlling, coordinating, motivating and communicating are performed by the owner. Therefore, besides playing the entrepreneurial role of sensing opportunities and mobilising resources, one should have the ability to perform managerial functions affecting men, machinery, materials, money and market to achieve the entrepreneurial goal. The management ability requires skill at decision making, as well as managing production, finance, marketing and personnel. One should also be able to communicate effectively. Such skills are acquired by understanding various concepts of management coupled with practical experience. The entire management functions should be seen as a control system guiding activities towards a set goal.

DECISION MAKING

Training Objectives :

- **To develop in the participants an appreciation of the need and importance of decision making in managing an enterprise.**
- **To make participants aware of the decision making process.**
- **To help them develop skills required for decision making.**

Trainer's Notes :

Decision making is one of the significant managerial functions that every entrepreneur/self-employed person has to perform.

Decision making involves the selection of a course of action among several alternatives.

Some decisions are routinal in the sense that they are highly repetitive, and individually have little impact on the overall functioning of an organisation.

At the same time, there are certain basic decisions which are unique, and involve large amounts of investment and long term commitments.

Both types of decisions are important to the successful running of an enterprise. Usually decisions are based on:

1) *Past experience (or sometimes intuition)* - Experience is a useful teacher and used in many decision making situations. It is especially useful for routine decisions where the situation is repetitive. In cases where situations keep on changing, the past experiences may not lead to a rationale or logical solution. Excessive dependence on past experience for decision making tends to ignore the fact that environment is constantly changing and new problems/events require a pragmatic approach.

2) *Experimentation* - It helps trying out certain alternatives as pilot projects. For instance, a firm may test a new product for its acceptability in a small but representative market segment before launching it on a nationwise basis. Or else, one may test the proficiency of a worker for a few days before offering him

permanent employment. This method is comparatively expensive since it involves both time and money.

3) *Analysis* - The most scientific and widely used method for decision making is through systematic analysis. The process of analysis involves splitting the problem into parts to identify and enlist alternatives available. This will enable the selection of an alternative which meets optimally the requirements for the project.

Steps In Decision Making

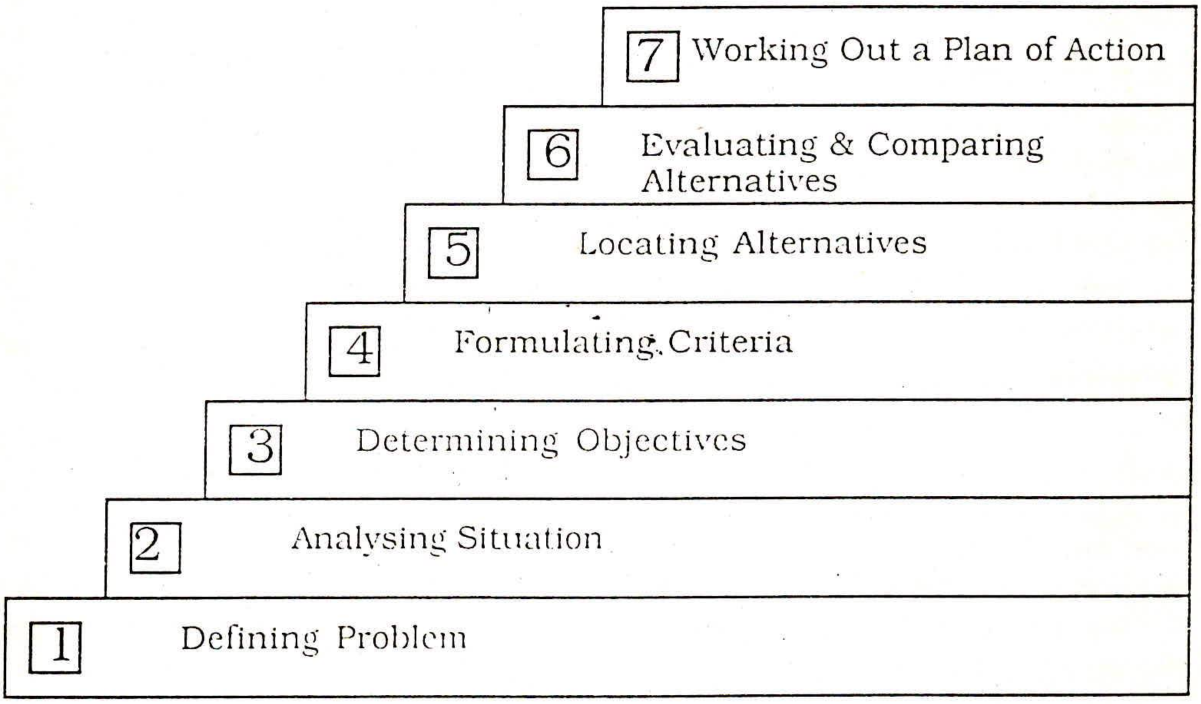
A decision is a judgement based on value-analysis of different courses of action. Decision making is, therefore, a process of selecting one out of several alternatives. The process involves many steps.

Step 1 - Defining Problem :- In any decision making process, the first step is to clearly define the problem. The real problem is often not the same which is apparent. For instance, in a company selling its products satisfactorily but incurring losses, the apparent problem may be low price, but actual problem may be the high percentage of rejects at the shop floor. **The time and efforts invested in identifying the real problem is an investment to ensure the quality of the decision.**

Step 2 - Analysing Situation :- Following the identification of problem, a thorough analysis of the situation is required to locate the need. This is done by describing the total environment.

Step 3 - Determining Objectives :- The gap between the existing and desirable situation provides the direction one may have to take. This direction is often termed as the 'objective'.

The objectives should neither be too broad nor too narrow in nature. Suppose a firm is facing the problem of shortage of working capital, an objective like "improve the financial management of the firm" will be too broad and not really helpful in solving the problem. On the other hand, an objective like "reduce the raw-material inventory to the bare minimum" will be too narrow and restrictive. It tends to dictate a course of action even before the analysis of the problem is undertaken. In this case, a set of objectives relating to effective inventory control system may be needed. Whenever there are multiple objectives, it is useful to identify priorities in order to determine their relative importance in the context of the problem.



Steps In Decision Making

Step 4 - Formulating Criteria :- If the objective is to procure and instal an equipment within a specified time, the criteria for the evaluation of various alternative sources could be :

a) specifications and suitability of the equipment offered,
b) cost of the equipment,
c) repair and maintenance aspects, and
d) reliability of the supplier in terms of the delivery time and after sale services.

Thus, criteria are also sometimes referred to as "parameters" or "decision rules". **The criteria should be developed before the alternatives are considered.**

Step 5 - Locating Alternatives :- The quality of a decision is related to the number and quality of the alternatives available. There are always several alternatives available to any course of action. One has to think hard to generate the possible alternatives. Many of them may not have been tried on previous occasions. Our vision should not be restricted by past experience alone. It is seen that many innovative and highly successful ideas emerge through ingenuity and creativity.

Sometimes it is beneficial to involve several people as a group for the identification of alternatives. A well-known technique for stimulating the thinking process of a group is '**brainstorming**'. It involves the use of a group to generate ideas pertaining to a particular problem in a free and uninhibited environment. Even vague and random ideas are encouraged. An effort is made to improve upon the various ideas presented and even to combine several ideas into still another one. The basic purpose of the exercise is **to minimise the chances of not considering any worthwhile alternative due to limitations of individual thinking.**

Step 6 - Evaluating and Comparing Alternatives :- Each of the alternatives thus identified may have certain advantages and disadvantages. These have to be evaluated against the criteria stipulated under Step-4. Only very rarely is an alternative found to fulfill all criteria. Often such alternatives are chosen which are comparatively closer to the set criteria.

In most business situations, however, the decision are futuristic and the outcome has certain amount of uncertainty. Entrepreneurs are usually required to take such calculated risk in taking business-related decisions. But while taking such risks, one must weigh the pros and cons objectively. **One's own feelings or predispositions providing a bias to the analysis must be avoided.** Certain stereotype, generalised ideas such as "one must produce the best quality goods to be able to sell" must be used with caution. They may not be valid under all circumstances.

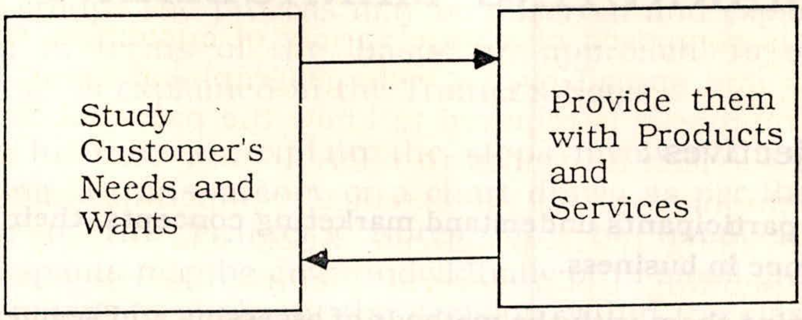
Since there may be multiple objectives, some may even be conflicting with others. In such cases, the satisfaction of one objective may preclude the fulfilment of the other. The selection of the best alternative therefore, becomes quite complex and a compromise may have to be made. The long term objective of the enterprise may be taken as the guiding factor for taking a decision in favour of one or a set of alternatives.

Step 7 - Working out a Plan of Action :- The action plan specifies the implementation aspects of a decision. Time is the essence of any action plan and, therefore, the timing of each activity in the plan must be specified. Besides time, the decision should indicate the who, where and how parts of the process of implementation. The manpower and the financial resources required for the implementation of the plan must be worked out and provided for. Whenever the involvement of outsiders is required for implementation, the plan must be thoroughly explained to them.

Due to the uncertainties associated with any futuristic decision, there is always a risk that the action plan may not proceed as envisaged. Some of the variables may change substantially over time. Accordingly, **flexibility** is a golden rule to adjust minor deviations. A good decision maker should foresee the variable which may change substantially over a period of time and draw up a contingency plan. The contingency plan spells out, in brief, the steps required to be taken in case the original plan misfires due to unforeseen circumstances.

Trainer's Interventions :

* The management concept may be explained to the participants. It may be illustrated by comparing to a control system facilitating a vehicle to reach the destination. Elements involved in this, such as the quantity and the cost of fuel required, speed, stoppages on the way, barrier crossings, etc., portray many a dimension of a control system symbolising several management functions.



Marketing Orientation

The best way of sensing opportunities for new ideas is to study the benefits that people are buying in a product rather than its physical features.

Why do people go to hill station during summer?

What BENEFITS they are seeking?

- Cool atmosphere
- Green sight
- Scenery
- Cheap fruits
- Summer festivals.
- Relaxation
- Fun
- Romance
- Change

For instance, in India the desert cooler market grew because many people wanted the cool atmosphere for which desert cooler is much cheaper and available for longer duration than a visit to a hill station.

Identifying WHY people buy rather than WHAT they buy is essential to successful marketing.

Marketing means that entrepreneurs manufacture what they could sell to the consumer, and not sell what he could manufacture.

'Marketing Orientation' has become increasingly relevant to low technology industries and services such as :

Wearing Apparel	Consumer durables
Transportation	Grocery
Health/Beauty aids	Cosmetics, etc.

Successful marketing depends on the degree to which resources of the enterprise are effectively mobilised to respond to the current and anticipated consumer needs.

MARKET ASSESSMENT

The market is composed of a wide variety of customers with different backgrounds and spread over a wide geographical areas. As the first step, an entrepreneur is required to know the potential demand of the products or services he wants to offer. It may also be necessary to understand the nature and the extent of competition in its marketing and the prevailing trade practices. Such efforts help *assess the market*. Depending upon several factors like the availability of resources, the scale of operation, and the impact on profitability, one may decide the customer group, called *the market segment*, which is of interest to the enterprise.

The marketing assessment involves three major steps -

a) Analysis of demand;

b) Understanding the competitive situation; and

c) Trade practices.

Analysis of Demand

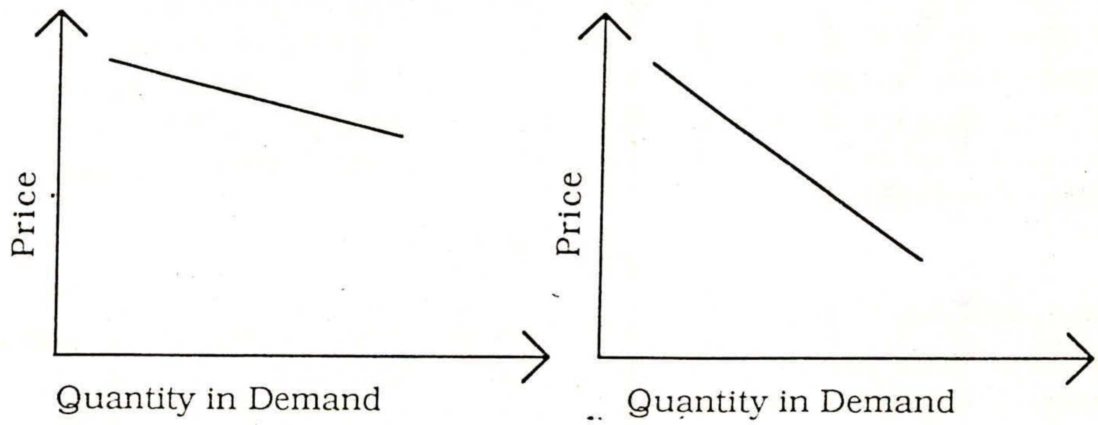
Demand Analysis refers to assessment of the willingness and ability of the customers to buy products or services. Three sources are commonly used to collect information for analysing demand.

i) Primary sources - An enterprise may have household as well as institutional demand for its product. The demand from the household customers is usually met through the dealers and, as such, a rough estimate of the total demand from such customers could be made by personally contacting the dealers selling the items. Similarly, a number of institutions using the items may be contacted to ascertain the demand. Such personalised contacts with primary sources are possible only when customers are concentrated in a limited area.

ii) Secondary Sources - In case the potential customers are scattered over a wide area, published data regarding population, production, economic condition, living habits, census data, and development plans of the respective state or country are used to estimate the demand.

iii) Sample Survey - When the potential customers are spread over a wide area and are large in number, information is obtained by sending a questionnaire through mail to a small but representative sample. It may be necessary to consult an expert in drawing the sample and designing the questionnaire.

Elasticity of Demand: Demand at what Price? Demand for some products and services is more flexible than for others. Demand is said to be ELASTIC when a small change in the price affects a large change in the quantum of demand. If a change in price does not substantially change the quantity of demand, the demand is said to be *INELASTIC*. For a product, the demand for which is highly elastic, a high managerial efficiency is required to maintain price stability.



Elastic Demand   Inelastic Demand

Elasticity of Demand

Understanding the Competitive Situation

Competitive situation demands special attention in the whole exercise of market assessment. To understand it in respect of a given product/service, an entrepreneur is required to answer questions such as :

* How many enterprises are offering the same or similar goods/services.
* What are their market share?
* What are the strengths and weaknesses of their products?
* What kind of consumer image does each product enjoy?
* What trade practices the competitors employ?
* Who are the major customers of each brand?

Competitive Situation

Competitive Products	Market Share	Product Features	Product's Image	Discount to Dealers	Credit Terms	Major Customers
Brand A						
Brand B						
Brand C						

The answers to such questions may be tabulated for understanding the competition. The analysis (SWOT-strengths, weaknesses, opportunities and threats analysis) will tune his marketing efforts to the requirement of the customers and trade by highlighting the areas of opportunities and threat.

Trade Practices

Trade Practices reveal the mode, means and modalities of serving customers with products/services. Very often, due to the spread of customers, or their buying habits or even the nature of the products, it is not feasible for an entrepreneur to reach customers directly. A host of middlemen like distributors, wholesalers, retailers, commission agents, brokers, super markets and export houses are employed to provide various types of services on different terms and conditions. A study of the prevailing trade practices in the beginning would enable entrepreneurs prepare a more realistic plan for marketing the product or services.

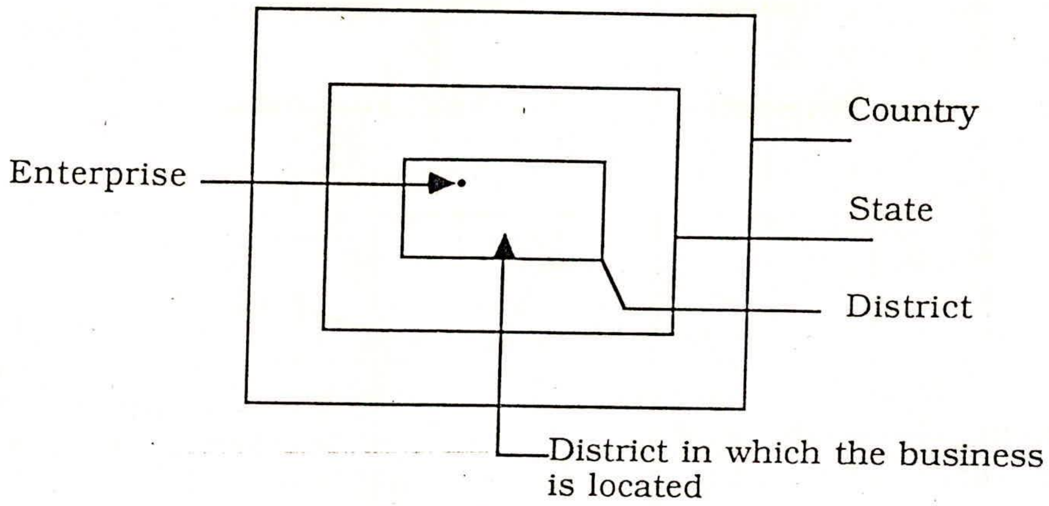
MARKET SEGMENTATION

The market consists of a large number of individuals having different characteristics. They differ in their education, employment, income, status, preferences, likes, and dislikes and opinions. Not all of them are the potential customers for a product.

Through market segmentation, groups of customers are identified sharing some common characteristics and are considered as the target group or segment for the product.

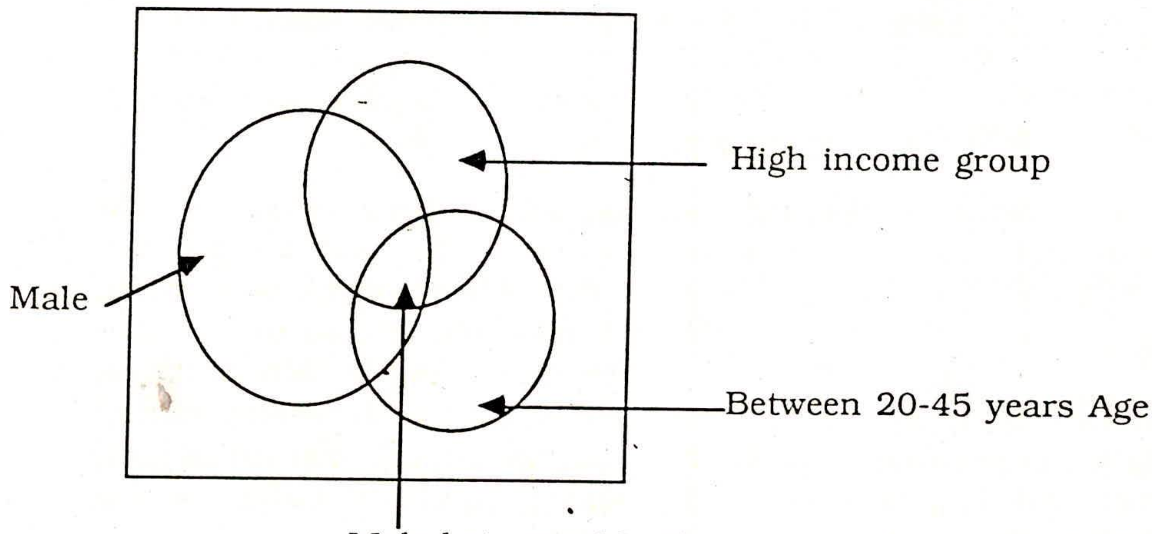
Basis of Market Segmentation

i) Geographical : Village, Town, State, Country, Region, Hill, Valley, Rural, Urban, etc.



Geog. Segment.

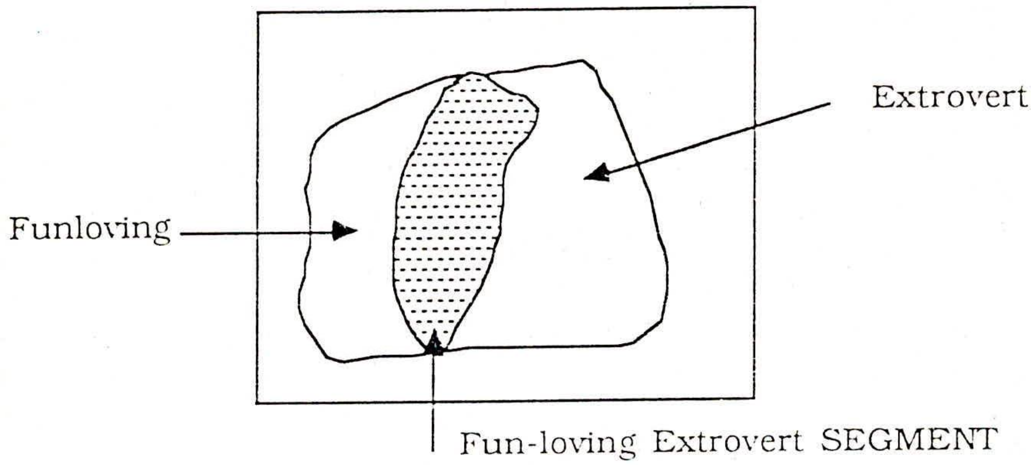
ii) Demographic :
Age - Children, Youth, Adult, Old
Sex - Male, Female
Income - High, Middle, Low, Below Poverty Line
Occupation - Executives, Professionals, Farmers
Education - Primary, Secondary, Tertiary.
Language -



Male between 20-45 year age belonging to high Income group - Demg. Segmentation

Benefit
Volume.

iii) Psychographic : Attitude - conservative, liberal, radical
: Autonomy - independant/dependant
: Work
Orientation - Hardworking, Fun loving

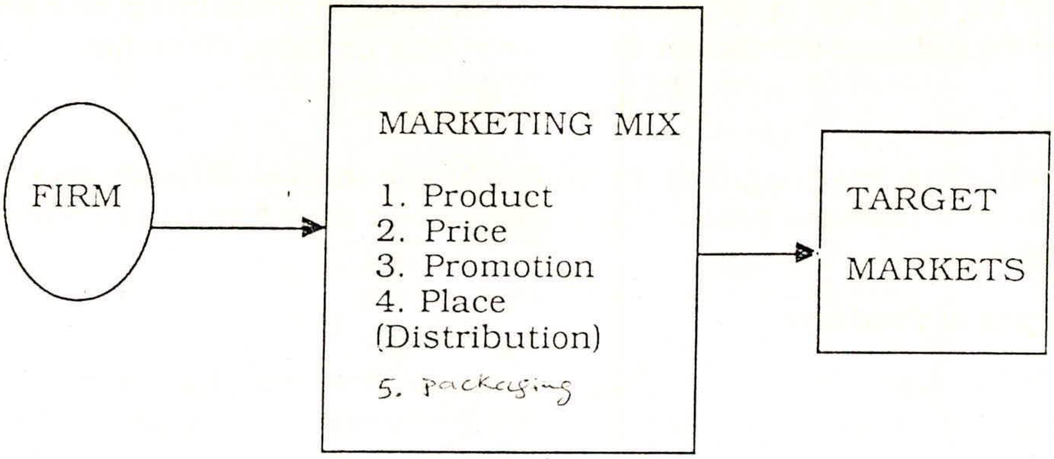


There can be many more basis for segmentation such as habit-smoker, non-smoker, etc. The identified SEGMENT must be sufficiently different from the rest to justify calling it a segment. Segmentation is useful and cost effective since it helps selecting appropriate methods of selling, pricing, packing and promoting the product/service.

MARKETING MIX

There are several marketing aspects under the control of the entrepreneur. He can choose the features or attributes of his product, keep its price high or low, advertise it through newspapers or radio, sell it through own salesmen or through retailers, and so on. In each decision, there are a large number of possible alternatives. Entrepreneur has to evolve a proper 'mix' of all the decisions so that they yield the desired results. The basic marketing decision areas such as *product, price, promotion,* and *place* (popularly called 4 Ps) constitute the 'marketing mix' of a company.

Marketing mix is an essential part of marketing management. It is used as a "tool-kit" for integrating various kinds of marketing decisions to formulate strategy.



Marketing Strategy of ABC	
Target market segment :	Households in high income group, living in urban areas, and status conscious.
Product :	Black and white, and colour television sets incorporating latest imported technology.
Price :	High, to project a superior quality image of the product but not high enough to make it out of the reach of those in the lower bracket of the high income group.
Promotion :	Heavy advertising in high image magazines and TV stressing on product features.
Place (or distribution) :	Through sophisticated retailers in selected urban areas.

- packaging.

The marketing mix of different companies selling different products is different. A company selling tooth paste will have a different marketing mix from a company selling industrial tools or television sets as illustrated under the Marketing Strategy of ABC. These differences are not anomalies. They represent the strategies in the effort to obtain distinctive advantage and competitive edge in the market.

Various elements of the marketing mix interact and are interdependent. A decision to enhance the product quality will have repercussions on its price; a policy of widening the distribution network will entail a corresponding increase in advertising; the introduction of a promotional scheme to win over the competition will require active support from the channel members; and so on.

Moreover if a product is of high quality, it should be sold through high quality (or reputed) retailers, and advertisements should project and build up the high quality image. Thus, a good marketing mix should have logical and consistent fit between two or more elements.

Product Policy

A product is anything that is offered to the market for sale at a price. It can be a physical product like a typewriter or a service provided by a travel agent.

I. Types of Products

A. *Consumer Products* : Goods which are bought by individual households without requiring further processing, i.e. soaps, television sets, toys, clothes, and furniture are all consumer products. These consumer goods could be further categorised as :

- *Durable Goods* : which survive many uses and have a relatively long life (e.g. refrigerators, typewriters, fans, etc.).
- *Non-durable Goods* : which are consumed in one or few uses and last a relatively short period (e.g. soft drinks, soap, cigarettes, etc.).
- *Convenience Goods* : which are frequently purchased with minimum of efforts in deciding (e.g. newspapers, tooth brushes, etc.).

Testing

- *Shopping Goods* : which are bought after comparisons at the retail outlets (e.g. readymade garments, furniture, curtains, etc.).
- *Speciality Goods* : which have unique features and, therefore, require special purchasing efforts (e.g. sporting equipment, stereo systems, racing cars, etc.).

B. *Industrial Products* : Industrial products are goods which are sold to other business firms, either for their own consumption or for producing other goods. They can be further categorised as :

- *Capital Goods* : e.g. machines and equipments used in factories, offices, or stores.
- *Raw Materials and Parts* : (e.g. steel sheets, nuts and bolts, etc.).
- *Supplies and Services* : (e.g. lubricating oils, grease, repair and maintenance services).

Saturation = Boom. the final stage.

C. *Services* : There are many services like insurance, transportation, tourism, health care, education, entertainment, repairs etc. As distinct from the normal physical products, one important feature of services is their intangible nature. Some services like teaching have very high degree of intangibility while some other like health care have both tangible and intangible components.

II. Product Mix

Product mix is the set of all the products offered by a firm for sale. It may consist of a single product line such as different varieties of soap, or more than one product line such as different varieties of soap and toothpaste.

Small firms usually make just one product or a couple of products in a product line. However, as it grows, it has to take decisions in regard to its product mix. The factors affecting the choice of the product mix of a company are :

a. Profits and sales growth potential

b. Stability in sales

c. Better customer service

d. Utilisation of available know-how and other strengths of the company

e. Cost reduction

f. Better capacity utilisation.

III. Packaging - Scientific protection.

Packaging, over the years, has acquired a lot of promotional value for a product. Many products like cosmetics, playing cards, and readymade garments are made attractive to the customers through fancy and elaborate packaging. Packaging performs several functions, including :

a. Protection from damage during handling, transportation, storage, etc.

b. Creating a distinctive brand image in the minds of the customers.

c. Providing information about various aspects of the product like weight, name of the manufacturer, date of manufacture, contents, etc.

d. Making the product attractive to the customers. Cosmetics field is an excellent example.

e. Improving the handling, convenience during storage, transport and displaying.

Many new materials and technologies are now available for packaging of different products. While designing the package for a product, a firm should consider the following :

a. The functions which are to be performed through packaging;

b. The practice being followed by the industry;

c. The availability of any new materials, technologies, or styles;

d. The tastes, preferences, and convenience of the customers; and

e. The costs involved.

IV. Branding: Trade mark - registered one; all Trade ~~brand~~ marks are brand marks.

A *brand* is a word, mark, symbol, or combination thereof used to identify the goods or services.

A *brand* name is that part of a brand which can be vocalised (e.g. Gillete, Sony, Citizen).

A *brand mark* is that part of a brand which can be recognised but not vocalised.

A *trade mark* is that part of a brand which has legal protection for exclusive use.

We see that most products that are sold today are branded. Some of the advantages of branding are :

a. It helps in giving a distinctive image to the product;

b. It helps in communicating to the customers some desirable features of the product;

c. It makes it easy for the customers to order and identify the product;

d. It could help in providing legal protection against imitation;

e. It helps in building a loyal set of customers;

f. It helps in earning goodwill for a company which is useful for growth and diversification.

V. Product Service (After Sales Service)

For many products, there is need for service after they are sold and delivered to the customer. In fact, for products like television sets, typewriters, computers, and automobiles, the availability of after-sales services is important criteria for deciding the purchase. Companies manufacturing such items spend large amounts of money in making the services available to the customers.

The services include:

a. Installation, maintenance and repairs of the equipment;

b. Training of the customers on various aspects of product use; and

c. Provisioning of spare parts.

Provision of good after-sales service can be used as a *strong* marketing point in case of many products. It increases the salebility of a product by generating confidence in the minds of the consumers. Moreover, satisfied customers ensure not only repeat purchases but also act as a source of publicity for the firm. Recognising the importance of after-sales services, many firms emphasise this aspect in their advertising.

Pricing

The *price* of a product is the amount of money a consumer must pay to have it.

Pricing decisions are extremely important as they greatly influence the profitability of a firm. Moreover, price is perhaps the most handy tool available to a firm to adopt its marketing strategy to changes in demand, costs, and competitive situation.

Many factors, both economic and non-economic, influence the pricing decisions. These are:

a. Cost

b. Demand

c. Competition

d. Government regulations

e. Behaviour of the consumers, and

f. The objectives of the enterprise.

Some methods and policies which are used individually or collectively in taking pricing decisions regarding pricing are:

* Internal factors → organisation, maximisation.
* External " → Demand. Supply.

Govt policy

Buyers behaviour fashion trade

I. Cost Plus Pricing

The total cost of the product is first determined. (Total cost is the sum of variable costs and fixed costs that are attributable to one unit of output). A margin of profit is then added to determine the price.

Suppose the total cost of making a fan is $ 400. If the manufacturer wishes to have a margin of 20% on the sale price, what should be the selling price?

To answer this question, let us assume the sale price is x $. The margin of the manufacturer is x-400 (as the total cost is $ 400). Since the margin required is 20% of x, i.e. 0.2 x, we have;

$$0.2x = x - 400$$

or

$$0.8x = 400$$

$$x = \frac{400}{.8} = \$\ 500$$

This method has several advantages :

a. It is easy to operate,

b. The prices can be adjusted according to the changes in the costs,

c. The entrepreneurs become cost conscious, and

d. The profitability is known easily.

There are certain disadvantages as well in using this method, since it does not take into account demand aspects, and other external environmental factors.

II. Variable Price Policy

Some entrepreneurs adopt a policy of charging different prices from different customers depending upon the situation prevailing in the market. This policy is usually adopted when the product is sold in different market segments. Situation under which the variable price policy is adopted are:

a. Difference in the order size of the customers;

b. Difference in the anticipated business from different customers;

c. Difference in the bargaining power of the customers;

d. Ignorance of the buyers;

e. Localised difference in the demand, and

f. Difference in the ability to pay.

Under this policy, the minimum price is determined by the total cost of the product, and the maximum price by the customers' ability to pay. Bargaining is normally resorted to in finalising a deal. However, the use of this method may affect the goodwill of the company in the long run.

III. Base Price and Discounts

Under the variable price policy, the prices are changed according to the particular situation. Under the base price and discounts policy, a base price or list price is fixed and varying discounts are offered to different categories of customers. The discounts are offered uniformly to all customers and each one of them can avail these on satisfying the stipulated conditions.

The discounts are of several kinds:

a. *Trade discounts* is available to the members of the trade to cover their costs and provide them with a margin as incentive.

b. *Quantity discount* is available to the bulk purchasers of the product.

c. *Cash discount* is given to the customers making cash down or immediate payment.

d. *Seasonal discount* is given to boost the sale of a product during slack season.

IV. Market Rate Method

If the nature of the product manufactured by a firm is such that it is largely indistinguishable from those of the competitors, or if it is found that all manufacturers are charging more or less the same price for their products, the market rate method of pricing is usually adopted. The price is guided by the prevailing market rate. This method, is quite common in the case of services like courier, tailoring, or car or scooter servicing. The advantage of this method, specially for newly established small scale firms, is that they get some immunity from the vagaries of price fluctuations.

- psychology pricing - Bata Shoes.
- customary ,, - [illegible]
- Geological → Zonal → Base-point → Free on Board (FOB)

Dual pricing.
- P.D.S

V. Two Price Strategies/ratings.

a) *Skimming Strategy* : This is a strategy of setting an extremely high initial price that skims the cream of demand so that the investment is recovered in the shortest possible time. This strategy is seldom possible except when the product is an innovative one and is expected to command good reception from the market. It usually requires heavy promotional expenditure. One cannot continue with such a strategy for a long period of time as the competitors would enter the market. The price is permitted to fall as it becomes difficult to maintain abnormally high price in the face of competition.

b) *Penetration Strategy* : The opposite of skimming strategy is the penetration strategy. A very low price is charged as the major instrument for rapid penetration or creation of a mass market. The emphasis here is on achieving a high sales turnover even at a low margin. This strategy is adopted when the demand is expected to be price elastic, i.e. customers are price sensitive, and when the economies of large scale output are substantial.

Markup and Margins: Regular gain to retailer or wholesaler (middleman in distribution channel) are usually referred to as *MARKUP or MARGIN.*

MARKUP is calculated on the basis of Cost.

MARGIN is calculated on the basis of Price.

Selling Price $ 20	—	Cost Price $ 16	= $ 4	% in terms of Cost - MARKUP 25% ; % in terms of Selling Price - MARGIN 20%

Although the *amount* is the same, both *Markup* & *Margins* differ in terms of *percentage.*

Distributors are interested in MARGINS since it gives them the idea of direct gain in relation to the volume of sale.

Producers are interested in MARKUP since it gives them the idea of gain on investment.

- price-lining pricing →
Negotiative ,, → Bargaining Power.
- customary → determine by the customer.

"Need for Identification"

Promotion

Promotion, which is one of the 4Ps of the marketing mix, consists of three major components : (1) Advertising; (2) Personal Selling, and (3) Sales Promotion. All these are the tools available to a firm to influence the customers in favour of its product through communication with them.

12 values.

I. Advertising : - affiliation value - caring value. - curiosity value.

Advertising is mass, paid communication under clear sponsorship, the ultimate aim of which is to impart information, develop attitude, and induce action beneficial to the sponsorer. The objective of advertising is to reach a large number of people, and to develop a positive disposition of the target group towards the product or service.

The primary goal of advertising is to improve the likelihood of customers buying the advertised product.

Besides, it is used to perform certain other functions such as :-

- To make an announcement of a sales promotion scheme;
- To expand the distribution network;
- To counteract the competitors' moves;
- To build up the enthusiasm of the dealers towards the company's products;
- To support the personal selling efforts; and
- To boost the image of the company.

II. Advertising Media - Electronic media - print media.

Media generally used for advertising are:

- Newspapers
- Magazines
- Trade Journals
- Television
- Radio
- Cinema (Slides or films)
- Outdoor billboards, posters, display cards (e.g. on buses).
- Yellow Pages
- Direct Mail
- Speciality advertising (e.g. distribution of such items as calendars, shopping bags, writing pads, etc.)

One or more of these media are selected on the basis of their effectiveness in reaching the advertising message to the target customers.

- clear cut message / Truth /

Designing an Advertisement : While designing an advertisement, what is to be said, and how it is to be said are of equal importance. The advertisement should be able to persuade the customers to buy a product by conveying to them a persuasive and unique proposition, called unique selling proposition (USP). The presentation of the proposition should be such that it gives an added force to it.

A check-list for assessing the effectiveness of an advertisement includes:

- Does the advertisement place emphasis on the right things?
- Is the presentation persuasive?
- Is the advertisement interesting to read?
- Is it easy to read?
- Is it able to draw attention?

III. Personal Selling

Personal selling is man to man selling and, thus, it is a *two way communication process* between the seller and the buyer. Personal selling is used to perform several functions such as:

- Order booking
- Enquiry generation
- Technical assistance to the customers
- Customer service
- Price negotiation
- Collection of payments
- Market information.

Personal selling is extensively used for selling industrial products. In case of consumer products, the role of personal selling is predominantly to meet the requirements of the trade.

What makes a good Salesman?

Salesmen in different companies differ widely in terms of their education, skills, and even salaries. Some of them are successful and others just perform the duties assigned to them as a routine. Characteristics that distinguish a good salesman from the ordinary are:

1. *Thorough Knowledge of the Merchandise*: A salesman is supposed to know his subject well. He must be in a position to discuss the advantages, various uses, and special features of the merchandise.

2. *Preparation for each visit*: A good Salesman plan every visit properly and make preparations. Previous appointment is helpful in eliciting positive response from the customer. The salesman is ready with all the relevant information and support material that may be required during the meeting.

3. *Understanding of the Buyer's Interests*: Selling involves the matching of the interests of the buyer and the seller. A good salesman notes and appreciates the viewpoint of the buyer. He anticipates the objections of the customers and provides sound and satisfying answers.

4. *Trustworthiness*: A good salesman generates confidence in the customers through fair dealings, helpful attitudes and honouring his commitments. He does not make false claims or give false assurances. Developing trustworthiness takes time but the benefits are lasting.

IV. Sales Promotion:

Advertising provides the customers with a *reason* to buy a product: whereas sales promotion provides an incentive. There are a large number of sales promotion tools or methods. These may be directed towards the consumers or the members of the trade. Some of these are:

Price offs: offers a discount in price for a special period.

Samples: distribution of free or subsidised samples.

Premiums: offer of an article (e.g. a spoon or a cake of soap) as an incentive to buy the product.

Quantity Offs: offering more quantity of a product at no extra cost.

Coupons: These entitle the bearer to a stated saving in price on the purchase of a specific product.

Contests: The consumers are invited to participate in contests or compaigns and are given prizes.

Buying Allowances: Special discounts offered to the trade for a specific period.

Display Goods: Special display items like racks, banners etc. distributed free to the dealers.

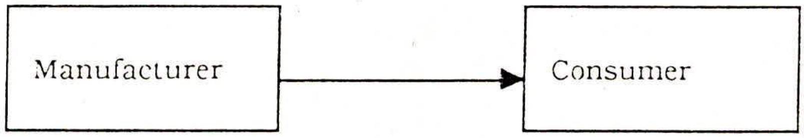
Advertising Allowances: A part of the expenditure incurred by dealers on advertising is reimbursed.

Dealer Sales Contests: The dealers are invited to participate in sales contests and win prizes.

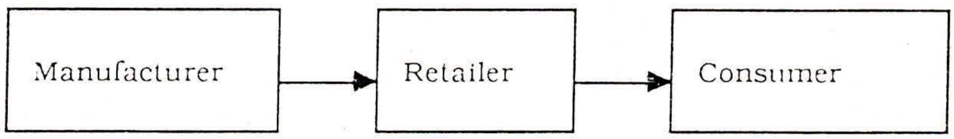
Place (Distribution)

When a manufacturer produces something, it has to be moved nearer to the place of consumption. Consumers may be scattered in large areas and, therefore, a firm usually has to take the help of middlemen to reach them.

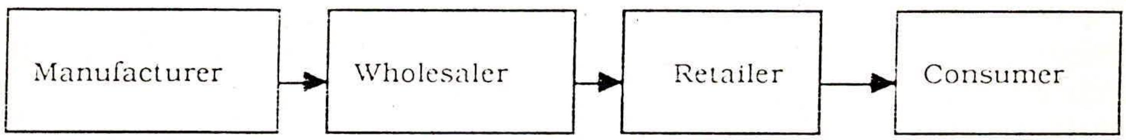
Basically there are three alternatives available to a firm to reach its consumers:



Direct Selling



Manufacturer to Retailer to Consumer



Manufacturer to Wholesaler to Retailer to Consumer

The channels which are used by various firms to reach the ultimate consumers are called Marketing Channels. The various intermediate members of the marketing channel, like wholesalers and retailers are called intermediaries.

Wholesalers are those intermediaries who buy goods from the producers and sell them to the retailers or other bulk customers.

Retailers are those intermediaries who sell primarily to the ultimate consumers. They usually sell in small lots, and deal in a large variety of products.

A firm should consider the following important aspects while selecting the alternative channels.

a. Nature of the product;

b. Level of its operations;

c. Buying habits of the consumers;

d. The industry practice;

e. Dispersion of the consumers.

For example, if the firm is making high value capital goods which are sold to institutional customers located in a small geographical area, it can possibly employ direct selling method which has no intermediary.

Trainer's Interventions:

1. For any product of their interest, the participants should be asked to think of the "benefits" they may offer to the customers. The trainer should help them to bring into focus both the tangible and intangible benefits. They may appreciate that as the quality of the product is increased, its price tends to rise. The exercise will sharpen their understanding of the marketing concept.

2. Take a product, say, shoes or jeans, and ask the participants to do the exercise of market segmentation. Allow them to make necessary assumptions regarding the location of the firm, approximate price range, quality of the product, and other factors they think will be of relevance. Then explain the concept with the help of transparencies.

Some exploring questions will be required to reach the point where the market segment is defined in specific terms with respect to all the relevant variables. The final solution should encompass all the three bases of market segmentation as mentioned in the note.

3. The exercise of the study of the competition and the competitive products is extremely useful for formulating the marketing policies. The participants may be asked to do the exercise for the product according to the framework given below:

Product Shoes/ Jeans	Price	Special Product Attributes	Discount To Dealers	Credit Terms	Brand Image	Approx. Market Share
Brand 'A'						
Brand 'B'						
Brand 'C'						

4. Continue the exercise and let them formulate the market mix for the firm making the product. See that the 'marketing mix' has consistency within its various elements.

5. Ask them to formulate a strategy for the 'promotion' of the product. Let them have an idea of the cost of one insertion of an advertisement in a national daily or a magazine. Most of the participants may find. both in terms of the resources available and in terms of the effectiveness. it is not practical to advertise in such media. Discuss as to what else could be done to promote the product.

6. If the help of the middlemen in required. ask the participants to determine the number of wholesalers or retailers to be employed. and at what terms and conditions.

7. Use transparencies or charts to illustrate the concepts and calculations.

OPERATIONS MANAGEMENT

Training Objectives:

- **Help participants understand the role and importance of production planning and scheduling.**
- **Provide them the methods and skills of inventory control.**
- **Develop their understanding of the need and use of quality control.**
- **Make them aware about the concept of value analysis.**

Trainer's Notes:

A product is produced through a combination of raw materials, processing or assembling the various parts, using the services of workers, machines, tools and power. Whatever is produced or processed should be with a minimum waste of material, time and efforts and should also have quality. The total efforts of performing these activities efficiently come under the preview of Operations Management.

1 * PRODUCTION PLAN AND SCHEDULING

Any operation, whether it is in a manufacturing or a service enterprise, requires detailed planning about supplies, work and maintenance. Based on market assessment and segmentation, a sales forecast of various products for the ensuing year may be prepared. Accordingly, the requirements of man hours, capacity utilization of machines and inputs needed for manufacturing products or offering services are estimated.

The supply of inputs, raw materials, tools and spares are planned indicating the source, period and mode of procurement. The plan of supplies should have flexibility to suit the changing customers' requirement. Eg. Puri: [illegible].

The production *work* needs to be planned considering the type of *Line flow* where the production goes in sequence changing in characters of all the items until the final product emerges. Example: tools of

Eg: Bottles

different pattern. Batch production, where components are produced in batches, may be on same machines by resetting them.

Jobbing is where the product is manufactured as per customers' specification.

The work should be planned to use maximum capacity of machines and provide work for each workman so that he does not have to wait for any job. Similarly, there should be sufficient workers to cover all machines and functions (simultaneously or in sequence).

Maintenance is planned best by drawing a preventive maintenance schedule where the machines will be stopped in a staggered and pre-planned manner. The important aspect of planning is that work should not stop when needed.

Production Planning and Control is the means by which a manufacturing plan is determined, information issued for its execution and data collected to plan control at all stages. The successful production control is attained through four steps (1) Plan the route based on the standard capacity of each machine, decide how much load is to be put on each (85% capacity utilization is considered good). (2) Scheduling - an instruction procedure to ensure that all concerned know what needs to be done and by what time. (3) Availability of materials required and supplies as per schedule: and (4) Monitoring i.e. to compare the plan with actual events, outputs and stocks. Careful analysis will show that some work can be brought back on schedule by making a few changes or by using the spare capacity of these machines that are ahead of schedule.

2 * INVENTORY CONTROL

A business unit requires to keep inventories of raw materials, goods in progress (semi-finished goods), and finished goods, both in stock and in transit. It has many advantages : (1) Materials are readily available when required for production/use; (2) Quantity discounts results in large orders; (3) The finished goods inventory allows a firm to meet the requirements of the customers promptly. (4) The demand may fluctuate over time and the finished goods inventory helps in reducing the impact of such fluctuations on the process of production.

However, "holding the inventory" has certain costs, called *'carrying costs'*.

Since holding inventory has advantages and carrying costs, a balance has to be reached.

When to order Inventory?

In order to decide when to order an Inventory, one has to decide:

a) *Order lead time:* Average time that elapses between placing an order and receiving the goods;

b) *Usage rate:* the average rate at which the inventory is drawn down over a period; and

c) *Reorder point*: the level at which a new order must be placed so that the inventory is replenished before the stock reaches zero level (stock out).

A reorder point is estimated by using the formula

Reorder Point = Usage rate x Lead time.

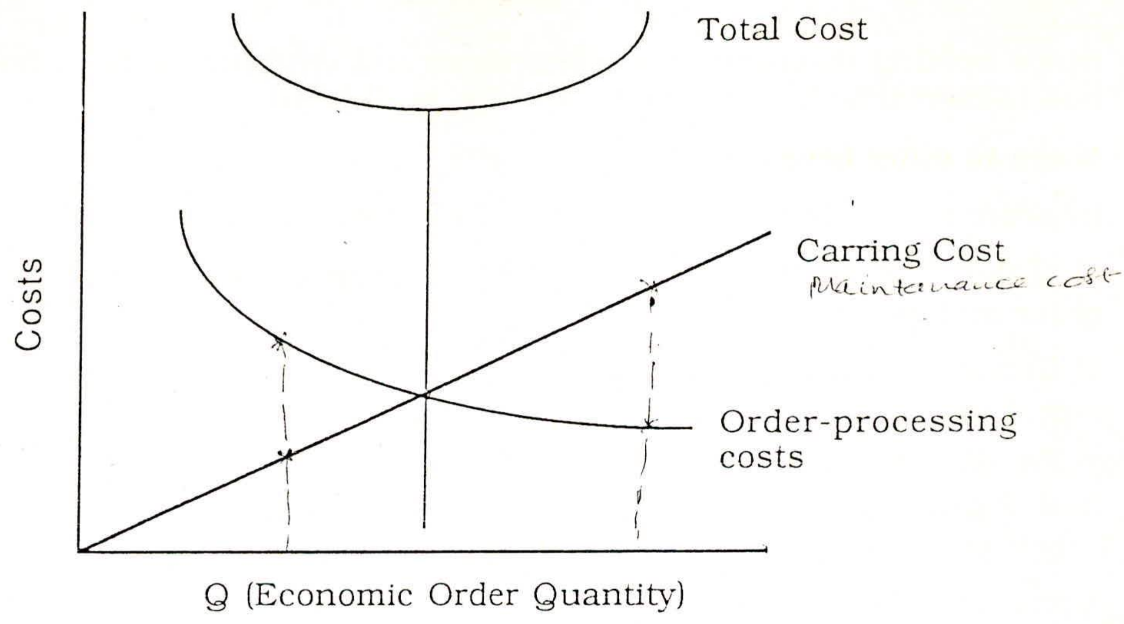
Suppose a company uses 10 units of an item per day (usage rate), and the order lead time is 15 days, a new order must be placed when the inventory level reaches 150 units (reorder point 150 = usage rate 10 x lead time 15) so that the inventory is replenished before a stock out occurs.

How much to Order?

To determine *how much to order*, a concept called the Economic Order Quantity (EOQ) is used. Though maintaining large inventories involves carrying costs, the placing of an order also involves *order-processing costs* consisting of the cost of materials (stationery, stamps etc.) and purchase establishment expenses. If the ordered quantity is large, an order has to be placed less often. But as the order size increases, the carrying costs also increase. Thus, the total order-processing costs increase when the size of individual orders is reduced, and carrying costs increase when the order quantity is increased. The situation is depicted in the Fig.

Eg:- Rice

1 - 30 - 365 kgs. | $\frac{365}{5} = 73$ times. | 100 kgs, 100 kgs, 100 kgs, 65 kgs, 365 kgs. } 4 times. = Equilibrium level.



Relationship of costs with order quantity

A balance between these two opposing costs - carrying costs and order-processing costs, can be achieved by computing the Economic Order Quantity Q*, with the help of the formula

$$Q^* = \sqrt{\frac{2CS}{I}}$$

where

C = the annual usage (or demand) of the item, in units

S = the cost to place one order

I = annual carrying cost per unit.

Suppose the annual usage of an item is 2000 units, ordering costs are $ 50 an order, and the carrying costs are $ 20 per unit per year then the Economic Order Quantity is

$$Q^* = \sqrt{\frac{2\,(2000)\,(50)}{20}}$$

$$= 100 \text{ units.}$$

The formula for EOQ is however based on the assumptions that

a) ordering cost is constant i.e., it does not vary with the size of the order;

b) the cost of carrying an additional unit of inventory is constant;

c) there are no quantity discounts available, and

d) the usage or consumption is in a steady state and is known with certainty.

3 Which items of the Inventory Claim Bulk of the Value?

To know which items constitute the bulk of the value of total inventory, a technique commonly known as the *ABC analysis* is used.

It has been observed that out of a long list of inventory, a relatively small percentage, approximately 20%, lock up a major share (70-80%) of capital, whereas relatively small cost (say 5% of capital) is used to buy the bulk of the items in the inventory. These items, which occupy small volume (20%) and account for major capital (70-80%) are termed 'A' Category items.

Another 20% of the items may account for 10-15% of the total value and are termed 'B' Category items.

The remaining 60% of the items which account for only about 10% of the total value are termed 'C' Category items.

Steps involved in ABC analysis

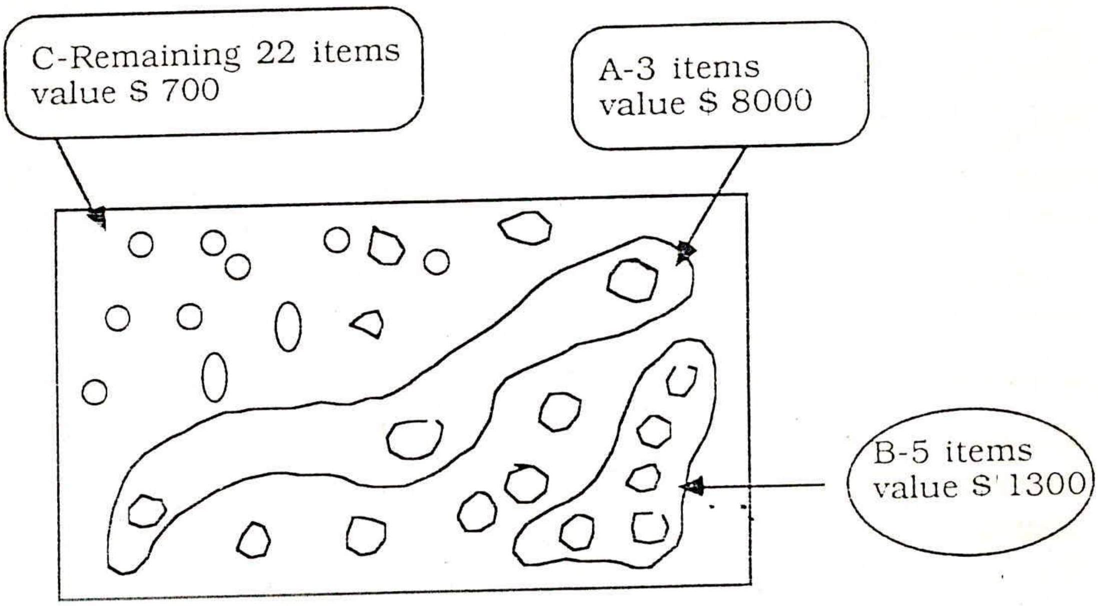
1. For each item calculate the total cost (number of pieces)
2. Arrange these items in progressively decreasing order
3. Calculate and write the cumulative total cost in third column
4. Then compute the % of cumulative total to a) total comulative and b) total number of items and record a+b in column 4 & 5 respectively.

Tabulation

Item	Total cost $	Commulative total cost $	% of $20000	% of range of 200 items
1	1.000	1.000	5	.5
2	900	1.900 A	9.5	1.0
3	850	2.750	13.75	1.5
20	300	12.000	60	10
40	100	16.000	80	20
100	20	18.000	90	50
198	5	19.992	99.96	99
199	5	19.997	99.98	99.5
200	3	20.000	100	100

Management - [illegible]

Classification	% of Items	% of Total	Cost Amount Cost per group of items
A = Sr 1-20	20	67	12,000
B= Sr. 21-60	20	22	4,000
C = Sr. all others upto 200		60	11



Total Inventory of 30 Items value $ 10,000

Each item under category A is crucial to an organization in terms of inventory control, purchase efficiency, and working capital management.

PURCHASING

It is estimated that, on the average, a manufacturing company spends about half of its sales income on the purchase of materials and components. It is said that "a dollar saved is a dollar earned". A company which fails to see the value of a 'dollar saved' may soon be out of business.

Purchasing function is best performed by buying materials of the *right quality*, in the *right quantity*, at the *right time*, at the *right price*, and from the *right source*.

This is done by :

a) Pursuing Open Document Policy;

b) Maintaining proper inventory records regarding stock at hand, detailed specifications, sources of supply, recorder quantity, purchase price, usage rate etc. In case there are large number of purchase items, then ABC analysis may be required;

c) Developing good vendor relationships to ensure emergency supply, scope to modify an order, readiness to bear with delayed payments arising out of financial exigencies and finally to be sure about the quality of supply;

d) Creating alternate sources of supply to minimise the chances of stock outs, dependency on single supplier who may start dictating and avail benefit of cost reduction as per prevailing market price.

QUALITY CONTROL :- ಗುಣಮಟ್ಟ ನಿಯಂತ್ರಣ

Quality refers to the intended use and the price of a product. A technically excellent product may be prohibitively costly, and there is no point in making a product that the customers cannot afford to buy. Quality, thus, is a relative term and must be viewed as such.

When a company decides to manufacture goods of a particular quality level, it must ensure that this level of quality is maintained consistently. In technical terms, the variations in the quality of products must be kept within the specified tolerance limits.

- Prevention of the occurence of a fault,
- Detection of it as soon as it occurs, and
- Rectifying it at the earliest.

For attaining quality standards, there must be clearly stated standards with reference to raw materials, components, workmanship, packaging, performance and all other benefits that customers are expecting from the goods and services. Quality testing and measuring equipment of the required specifications should be considered as essential components of the unit. Various methods like 100% inspection, spot checking, and inspecting as per a sampling plan are used for quality testing. Under sampling plan, only a portion of the incoming material is inspected. The number of items to be inspected, or the size of the sample, is determined statistically.

If the finished product is a high value item, 100% inspection is usually carried out so that no substandard product reaches the customers. A stamp of quality approval is affixed on each item. In some cases even destructive tests like impact testing, and test for resistance to fire are also carried out on a small fraction of the items. This should be considered as investment rather than wastage.

While the benefits, both tangible and intangible, of quality control are many, there are also costs involved in the process. As the quality control is made rigorous, the costs tend to increase. One has to strike a balance between the costs and the benefits arising out of quality control. This balance will depend upon the quality control needs of a particular organization.

Trainer's Interventions:

The appropriate intervention could be a lecture discussion with the help of diagrams used in the Trainer's Notes. A few exercises can be given with assumed data to perform ABC analysis. Similarly, any specimen from the common life should be given and the participants may be asked to indicate the various aspects in which they are seeking quality. Following this, the quality control concept should be explained. To effectively explain the concept of operation management, it is recommended that some 'unit visit' can be arranged with a note about what to observe.

FINANCIAL MANAGEMENT

Training Objectives:

- To acquaint participants with basic accounting system.
- To help them to understand the methods of preparing statements of accounts such as Balance Sheet and Operating Statement.
- To provide insight into the use of several financial ratios useful for understanding the financial performance of the enterprise.

Trainer's Notes:

STATEMENTS OF ACCOUNTS

Two statements of accounts are often used to describe the performance of an enterprise i.e. a) balance sheet. and b) operating statement which is also referred to as profit and loss account. Besides indicators of performance, these statements are also viewed as legal requirements.

Statements of Accounts

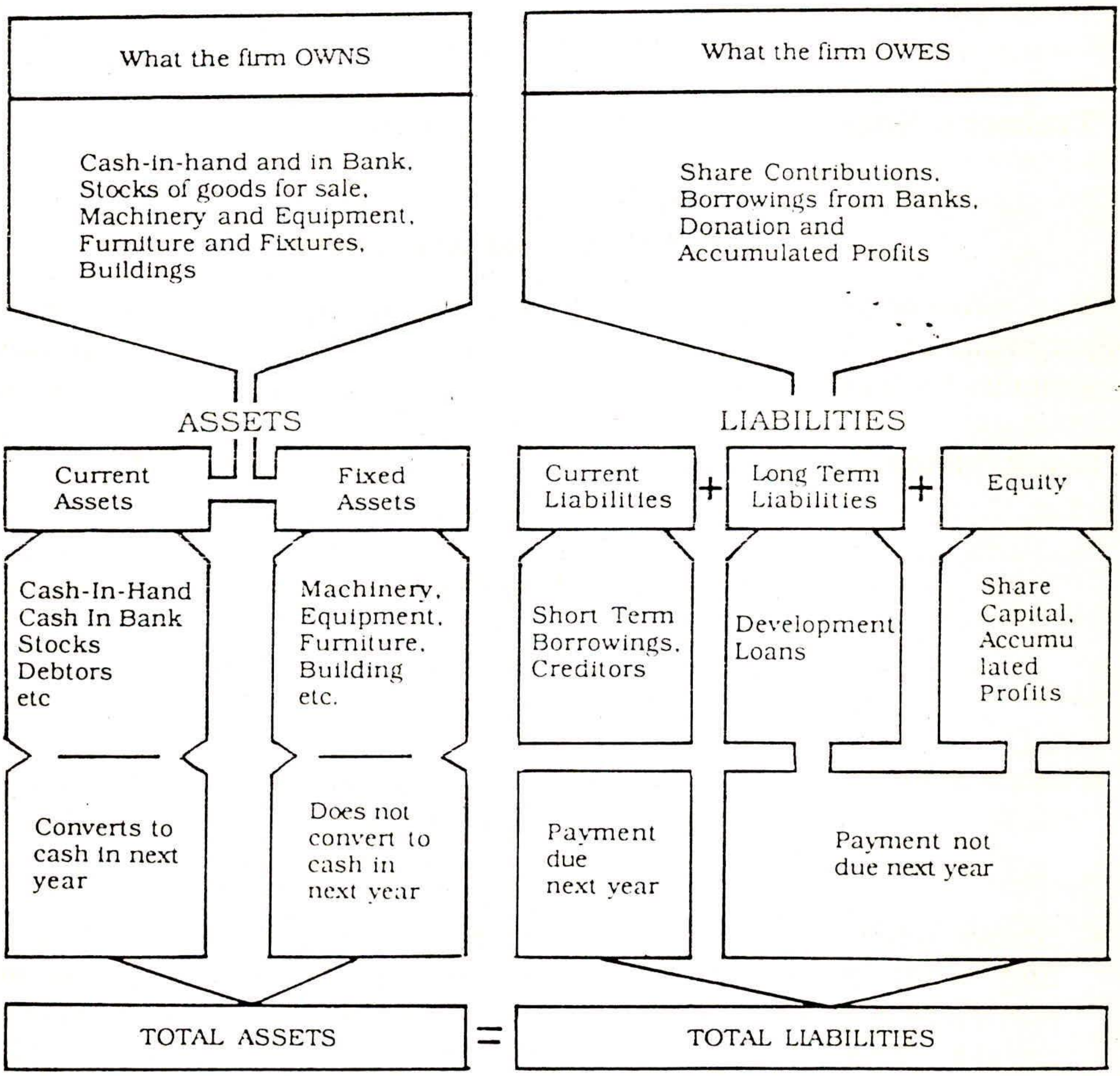
Balance Sheet	**Operating Statement** (also known as Profit and Loss Account)
• Shows what a firm owns and what it owes at a particular date in terms of assets and liabilities respectively	• Shows income, cost of sales, gross profit, expenses, tax and net profit during a period of time say year ending 31 Dec, 1988.

Arun Lal ... 28/5/96.

The Balance Sheet

A balance sheet is a statement of what a firm owns and what it owes at a particular date. The things that are owned by a company are called its assets, and various sums of money that it owes are called its liabilities. Assets include land, building, machinery, stocks of finished goods, raw materials, etc., and anything else that it owns. To acquire these assets, the firm must obtain money from various sources like banks or other financial institutions and investors (or shareholders). It may also owe money to its suppliers and other individuals. These are its liabilities.

BALANCE SHEET



The total assets always equal the total liabilities. In other words, they balance each other.

ABC INDUSTRIES LTD.

Balance Sheet as at 31.12.1988

Assets		Liabilities	
Current Assets	$	**Current Liabilities**	$
Cash in bank	2,000	Bank Overdraft	10,000
Cash in hand	1,000	Accounts payable	25,000
Accounts receivable	12,000	Interest Payable	5,000
Securities and Deposits	10,000	Provision for taxation	3,000
Finished Products	8,000		
Work in progress (Semi-finished Products)	15,000		43,000
Raw materials	25,000	**Long Term Liabilities**	
Other supplies	5,000	Term loan (secured for fixed assets) at 12% p.a.	100,000
	78,000	Unsecured loan from development bank at 15% p.a.	50,000
Fixed Assets			150,000
Land	30,000	**Shareholders' funds**	
Building	45,000	Capital	50,000
Plant & Machinery	80,000	Earned Surplus	20,000
Vehicles	25,000		70,000
Furniture, etc.	5,000		
	185,000		
TOTAL	263,000	TOTAL	263,000

Operating Statement

One important information for every owner/manager is to know whether a business has earned a profit or not during a particular period i.e. the profitability of a business during a period (often one year). The operating statement is also known as profit and loss account. Depending on whether there is a surplus or deficit, the business is said to have earned a profit or incurred a loss during the specific period. A simplified profit and loss account of hypothetical company ABC Industries has been illustrated for the year ending 31st December, 1988.

ABC INDUSTRIES LTD.

Profit and Loss Account for the year ending 31.12.1988

Income	$	$
Sales	450,000	
Other income	10,000	
		460,000
Cost of Sales		
(+) Stock January 1, 1988	40,000	
(+) Purchases	232,000	
(-) Stock Dec. 31, 1988	35,000	
Total cost of goods sold		237,000
Gross Profit		223,000
Operating and Selling Expenses		
Salaries and wages	24,000	
Rent	18,000	
Advertising	6,000	
Travelling	10,000	
Interest paid	11,000	
Maintenance & repair	12,000	
Total Operating & Selling Expenditure		81,000
Profit before tax		142,000
Tax		44,000
Net profit		98,000
Dividends		18,000
Retained earnings or Earned surplus		80,000

The important terms used in the profit and loss account are explained as follows:

Income: The profit and loss account starts with the total of all the revenues or income earned during the period. For a manufacturing unit, the income is predominantly from the sale of goods.

Cost of goods sold: The cost of goods sold is computed by deducting the price of balanced stock from the total cost of old stock and new purchases during the period. The cost of raw materials used during the period is obtained from the records and stock statements. Similarly, the changes in the work in progress and finished goods inventories (not shown in the simple profit and loss account given above) must also be taken into account.

Gross profit: The gross profit or gross margin indicates the profit earned through the manufacturing operation and is derived by deducting the total cost of goods sold from the income.

Operating and selling expenses: These are the general administrative, selling and financial expenses, not strictly related to the manufacturing process during the period.

Profit before tax: By deducting the operating expenses from the gross profit, we arrive at the profit before tax.

Net profit: When we deduct the tax from the profit before tax, we get the figure of net profit. This is the amount which is available for distribution as dividend to the shareholders or owners. Usually a portion of the net profit is distributed as dividends and the balance is retained in the business as retained earnings.

BASIC ACCOUNTING MECHANICS

Whenever a business transaction takes place, it has to be recorded in a systematic manner. There are three basic account books or journals in which the transactions are recorded.These are the cash book for recording cash transactions; the sales day book (for recording credit sales transactions), and the purchase book (for recording credit purchase transactions). The residual transactions can be recorded in the proper journal

A separate ledger is used for T-accounts segregated into separate groups or heads for the ease of identification.The entries in the basic account books or journal are transferred to the ledger under these heads of accounts. Thus, there will be separate accounts for purchases, sales, and individual creditors in the ledger.

The T-accounts have debit and credit sides as shown below:

TITLE OF THE ACCOUNT	
Debit side (Dr)	Credit side (Cr)

The debit is on the left hand side of the T-Account and the credit on the right hand side. Each transaction will have debit and credit entries of equal amount, and as such the system is called the double entry system. The total of all credit and debit entries at any point of time must also be equal.

For the cash account the procedure for debit or credit entries is simple. Debit what comes in (receipts) and credit what goes out (payments). Thus, entries in the cash book will look as under:

CASH ACCOUNT

Dr (Receipts)			(Payments) Cr
Date		Date	
To balance b/f	10,000	By Payment (details)	4,000
To receipts (details)	2,000	By payment (details)	5,000
	12,000		
To balance b/f	3,000	By balance c/d	3,000
			12,000

Both debit and the credit items are there in the cash account, and the net effect, which is debit of Rs.3000/- is taken as a balance brought forward for further transactions.

Let us now examine how the debit and credit entries are made in the double entry system of accounting in respect of the T-accounts. A debit entry signifies an increase in the asset account and a credit entry an increase in the liability account. It is known from the knowledge of the balance sheet that

ASSETS = LIABILITIES

Thus, an increase in one asset may either have a corresponding increase in liabilities, or a decrease in some other asset for the balance to be maintained. The following situations may arise:

First effect	Corresponding effect
Increase in asset (Dr)	Decrease in asset (Cr) Increase in liability (Cr)
Decrease in asset (Cr)	Increase in asset (Dr) Decrease in liability (Dr)
Increase in liability (Cr)	Increase in asset (Dr) Decrease in liability(Dr)
Decrease in liability (Dr)	Decrease in asset (Cr) Increase in liability (Cr)

An Illustration

The procedure for double entry is further explained with the help of some illustrative entries in respect of a company called XYZ Business Co.:

1) Mr. Smith, the owner, brings in $20,000 in cash as his capital for the business.

2) Bank opens an account in the name of XYZ Business Co. by giving term loan of $50,000.

3) Machines worth $25,000 are purchased against cheque payment.

4) Goods worth $20,000 purchased in cash.

5) $10,000 withdrawn from bank for business purpose.

6) Sales worth $25,000 made to Mr.John on Credit.

7) $5000 paid to the workers as wages.

8) Mr. John makes a payment of $5,000 in cash.

9) Cash sales worth $ 5,000 made.

The entries in the T-accounts for the above transactions can be made as under:

CASH

Dr.	$		Cr. $
(1) To receipt from Mr. Smith	20,000	(4) By payment for merchandise	20,000
(5) To receipt from bank	10,000	(7) By payment of wages	5,000
(8) To receipt from Mr. John	5,000	By balance c/f	15,000
(9) To receipt from sales	5,000		
	40,000		40,000
To balance b/f	15,000		

OWNER'S EQUITY

Dr.			Cr. $
		(1) By cash from Mr. Smith	20,000

BANK ACCOUNT

Dr	$		Cr. $
(2) To deposit	50,000	(3) By Cheque for machine payment	25,000
		(5) By Cheque withdrawal	10,000
			35,000
		By balance c/d	15,000
	50,000		50,000
To balance b/d	15,000		

LOAN ACCOUNT

Dr.			Cr.
			$
		(2) By term loan	50,000

MACHINERY

Dr.			Cr.
(3) To purchase of machine	25,000		

MERCHANDISE

Dr.			Cr.
	$		$
(4) To purchase	20,000		

SALES

Dr.			Cr.
	$		$
		(6) By sales	25,000
		(9) By sales	5,000

MR. JOHN

Dr.			Cr.
	$		$
(6) To Bill No....	25,000	(8) By cash payment	5,000

WAGES

Dr.			Cr.
	$		$
(7) To wages	5,000		

Once all the entries are posted, every account is closed by balancing the debit and credit sides and finding out the net balance. This has been done in respect of the cash, and the bank account. We can extract a trial balance from the ledger on any particular date by collecting all debit and credit balances. Trial balance for above example will be as follows:

TRIAL BALANCE AS ON. . . . .

Dr.			Cr.
	$		$
Cash	15.000	Owner's equity	20.000
Bank	15.000	Loan from bank	50.000
Plant & Machinery	25.000	Sales	-30.000
Merchandise	20.000		
Debtors (Mr. John)	20.000		
Wages	5.000		
	100.000		100.000

The profit and loss account and the balance sheet form the trial balance:

Several entries and adjustments for the inventory of the merchandise. depreciation. bank interest. etc., must be made. In order to simplify, let us assume that at the end of the period. the company has the closing stock of $ 5.000 worth of merchandise. Thus the cost of goods sold comes to $ 20.000 (purchase)—$ 5.000 (closing stock)=$ 15.000 The simplified profit and loss account will look like:

PROFIT AND LOSS ACCOUNT FOR THE PERIOD. . . . .

	$	$
Income from sales		30.000
Cost of goods sold	15.000	
Wages	5.000	
		20.000
Profit		10.000

BALANCE SHEET AS ON.................

Assets	$	Liabilities	$
Cash at hand	15.000	Loan from Bank	50.000
Cash at bank	15.000	Owner's equity	20.000
Amounts receivable	20.000	Earned surplus	10.000
Merchandise	5.000		
Plant & Machinery	25.000		
	80.000		80.000

Note that for the next accounting period. the merchandise account shall have $ 5.000 as the debit balance since $15.000 worth of merchandise has been sold during the current period.

COSTS, REVENUE, AND BREAK-EVEN POINT

In any manufacturing establishment, it is essential to identify various costs involved primarily for the purpose of planning and control. For example, the information on the cost of manufacturing a product is highly relevant for pricing decisions. The relationship between the costs and the revenue determines the profitability of a unit.

One way of classifying the costs in a manufacturing organisation is by identifying the direct manufacturing costs and the indirect manufacturing costs. **Direct costs** are those which could be directly identified with the manufactured product. Thus the raw materials consumed in the manufacturing process are part of direct costs.The salaries, wages and other compensation paid to the workers involved in the manufacturing process are also part of direct costs. **Indirect costs**, on the other hand, are those costs which are incurred for carrying out the manufacturing operations but are not directly identifiable with the end-product. Wages paid to the supervisory staff, support services and supplies, factory rent, repairs and maintenance expenses, depreciation, insurance, tools used and water and electricity for the establishment are all examples of indirect manufacturing overheads. Note that the labour costs may have both direct labour and indirect labour components.

For many kinds of managerial decisions, it may be necessary to know the cost associated with a unit of output. In other words, the total cost that is incurred in manufacturing one unit of the product. For this the costs are classified as:

Variable costs - which vary in direct or approximately direct proportion to the, number of units produced (e.g. direct material cost and direct labour cost). Variable costs are determined in terms of per unit of output.

Fixed costs - which are relatively free of the level of production. Example of fixed costs are interest charges, administrative salaries, factory overheads, and insurance.Fixed costs are period costs, i.e. they pertain to a period of time rather than to the number of units produced.

Total cost is the sum total of the variable costs and the fixed costs per unit of output. Suppose the fixed costs per month of a firm are $ 5,000 and it makes 500 units of product during this period. The fixed costs per unit of output will be $10.Thus, the total cost indicates the cost a firm incurs in the manufacture of a unit of output at its particular level of operation.

Incremental cost is the additional variable costs associated with producing one additional unit of the item.

Marginal cost is the additional total cost associated with producing one additional unit of the item.

Concept of Break-Even Point: A business incurs costs in anticipation of earning **revenue**. Revenue is the money it gets in exchange for the products and services it sells. If the revenue in a particular period is more than the costs incurred, we say that the business has earned a **profit.** If the revenue earned falls short of the costs incurred, the business is said to have made a **loss.**

The **break-even point** is the volume of production at which a firm neither makes a profit nor a loss. In other words, at the break-even point, the revenue **equals** the total cost. The formula for computing the break-even point is simple:

Total revenue (R) = Price (P) x Number of Units sold (Q).
Total cost (C) = Fixed costs (F) + Q x Variable costs Per unit (V)
By definition, at break-even point, R = C

Or. $P \times QB = F + QB \times V$, where QB is the quantity sold at the Break-even Point.

Thus. $QB (P - V) = F$

Or. $QB = \frac{F}{P - V}$

$$\text{Thus, break-even 'sales volume} = \frac{\text{Fixed Costs}}{\text{Price - Variable Costs per Unit}}$$

Since. price minus variable costs per unit is the **contribution** per unit of output. the break-even sales volume can also be expressed as:

$$\text{Break-even sales volume} = \frac{\text{Fixed costs}}{\text{Contribution per unit}}$$

In the above computation. total revenue and total cost are taken for a particular period. Thus. if the fixed costs is taken for a month. the break-even sales volume will also pertain to one month's period.

From the formula for the break-even point. it is clear that a firm's break-even point can be lowered by:

— reducing the fixed costs.

— increasing the price of the product. and

— reducing the variable costs.

From the control point of view. it may not be easy to charge a higher price for the product due to the competitive environment in the market.

It may be extremely difficult to alter the variable costs due to the demand and supply position. Fixed costs are comparatively more amenable to control and as such an area which requires prudent planning.

WORKING CAPITAL MANAGEMENT

In addition to the investment in fixed assets. a firm must carry additional cash. inventories. and amounts receivables. Once the fixed assets are acquired. raw materials have to be purchased. processed into finished goods. delivered to the customers. and then the payment received as per the terms of sale. This process of consumption and generation of funds takes a definite time and a business has to provide for the funds required during this period. This requirement of funds for running the operations of a unit is called its **working capital requirement**. The cycle of utilisation and generation of funds in a typical manufacturing organisation is illustrated in the Fig.

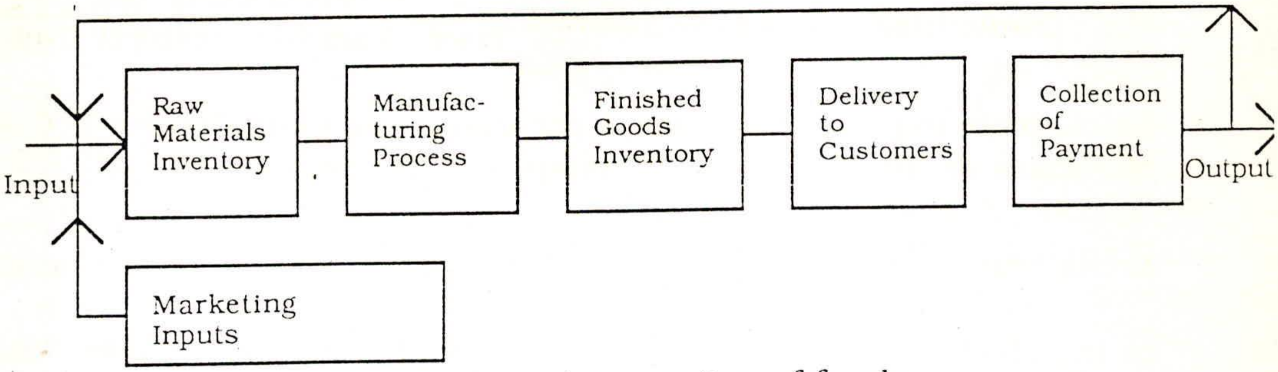


Fig. Utilisation and generation of funds

The cycle of operations shown is a continuous one, and as such, a business has to provide for the funds for this cycle perennially. The amount of working capital required will depend upon the level of operations. A firm manufacturing one hundred fans per day will require more funds than a firm manufacturing fifty fans per day. The amount of working capital required will also depend upon the length of the cycle of operation; longer the cycle, greater is the requirement of funds. For example, if the period of collection of payment increases from one month to two months, the firm shall require working capital for additional one month of accounts receivable.

Under normal circumstances, it is expected that the cash generation (output) will be more than the cash consumption (input) so that the business is able to meet its obligations regarding interest on loan, dividends, growth, etc. Due to the dynamic nature of business operations, it is extremely difficult to make a precise assessment of its working capital requirements. The requirement changes from time to time.

For the sake of simplicity it may be assumed that all the funds that are consumed during the cycle are required at the beginning of the cycle itself. Usually, the requirement of funds for the period of cycle (say, three months) is taken in respect of the following items:

a. Raw materials

b. Consumables like water and electricity

c. Staff and labour

d. Other miscellaneous expenses.

It should be understood that the needs pertaining to the working capital are dictated not only by the characterstics of the manufacturing process but also by the characterstics of the market. In many industries, a liberal credit term has to be offered to the customers as a norm; it has ceased to be regarded as a special favour. For example, large institutional customers have their own compulsions and policies to buy their requirements from the suppliers who are able to offer long credit periods. Any assessment of the working capital needs will be more realistic if it is based on such market characterstics.

While assessing the working capital needs, we must also cater for the marketing expenses. One must learn to treat **working capital as dependent on the production as well as the marketing activities of an enterprise.** In the case of several consumer products, the funds required for marketing activities may be quite substantial, even more than the production requirement. There are many cases where the entrepreneurs started their operations in small, half-built sheds, spent considerable amount on marketing, and achieved exemplary success. Thus, a realistic assessment of the budgetary needs for marketing helps in arriving at a pragmatic figure for the working capital requirements of an enterprise.

TIME VALUE OF MONEY

For investment purposes, a return of $ 100 today is more valuable than a return of $ 100 after five years. Consequently, the timing of return is extremely important in financial decision making. Let us acquaint ourselves with certain formulae which are based on the **time value of money.**

Compound Interest

The formula for computing the terminal value (A) of an amount (P) invested at an interest rate **r** per annum at the end of **n** years is:

$$A = P(1 + r)^n$$

Example : If we invest a sum of $ 1000 at an interest rate of 10% compounded annually, its terminal value at the end of 3 years shall be :

$$\begin{aligned} A &= 1000\,(1 + .1)^3 \\ &= 1000 \times 1.331 \\ &= \$\ 1331 \end{aligned}$$

And, at the end of 20 years, $ 6727.4

It is common that interest is not compounded annually but quarterly, or half-yearly. In the example given above, if the interest is compounded half yearly, the same formula can be used but r will now become. $\frac{1}{2}$ = .05 and n will become 3 x 2 =6 as there will be 6 half yearly periods in 3 years. Thus, the terminal value, if the interest is compounded half yearly, shall be:

$$\begin{aligned} A &= 1000\,(1 + .05)^6 \\ &= 1000 \times 1.34 \\ &= \$1340 \end{aligned}$$

Present Value

Present value implies the value at the present time of an amount of money to be realised some time in the future.

This can be found from the same formula which is used for compound interest.

$$\text{Since, } A = P\,(1 + r)^n$$

$$P = \frac{A}{(1+r)^n} = A\,(1 + r)^{-n}$$

In this case, P will be the present value of the amount A which we are going to realise after a period of n years at r interest rate.

Example : What is the present value of \$ 10000, to be

received after 5 years if the interest rate is 12% per annum?

Putting the values in the formula, we get,

$$\begin{aligned} P &= 10000\,(1 + .12)^{-5} \\ &= 10000 \times .56742 \\ &= \$\ 5674.2 \end{aligned}$$

Standard Annuity Formula

A series of even cash flows is called an annuity. The standard annuity problem can be defined as: Suppose a man periodically deposits a certain amount of money R with a bank at an interest rate of r per period. How much will be in his account after n such payments ?

The standard annuity formula is :

$$S(n) = F\frac{(1+r)^n - 1}{.r}$$

Where, S(n) is the amount after n payments.

Example 1: If a man deposits $ 1000 per annum for 10 years under a recurring deposit scheme carrying an interest rate of 14% per annum, how much will he get on maturity ?

$$S(n) = 1{,}000\ \frac{(1+.14)^{10} - 1}{.14}$$

$$1{,}000\ \frac{3.7072 - 1}{.14}$$

$$= \$19{,}337$$

(Present value tables are available for computation)

Example 2 : How much should a man deposit annually to accumulate $20,000 in 15 years if interest rate is 12% compounded annually ?

Here we have to find R, thus

$$20{,}000 = R\frac{(1+.12)^{15} - 1}{.12}$$

$$= R \times 37.279$$

$$\text{or, } R = \$\ 536.49$$

Present Value of an Annuity

The present value PV of an annuity is given by the formula:

$$PV = \frac{R\,(1-(1+r)^{-n}}{r}$$

Where,
R = the payment made each period
r = interest rate per period
n = number of periods

31/12/96
by Paul Roy

Example : What amount should be invested now to receive an income of $5000 at the end of each year for 10 year if the interest rate is 12%.

$$PV = \frac{500\ (1-(1+.12)^{-10}}{.12}$$

$$\frac{500\ (1-.32197)}{.12}$$

$$= \$28251$$

Trainer's Interventions:

The teaching of financial management requires some amount of calculation. Every concept statement when explained with the help of illustrations as given in the trainer's note must be followed by short exercise for the participants.
The data presented in the trainers' note may be distributed and participant may be helped in preparing statement as presented in the note.

PERSONNEL MANAGEMENT

Training Objectives:

- **To help participants appreciate the role of human resource-management in running a small enterprise.**
- **To make them understand the recruitment and selection process.**
- **To make them aware about method(s) of determining the compensation package to the employees, and**
- **To explain to them the process of motivating employees and sustaining their motivation.**

Trainer's Notes:

All factors of production, namely, men, machines, and money are important for the successful running of an enterprise. Managing personnel involves assessment of manpower requirement; organising their recruitment and selection; and devising their compensation package and sustaining their motivation.

MANPOWER PLANNING

To assess the manpower requirement, a number of questions have to be answered:

a) What kinds of manpower needed?

b) How many of what kind?

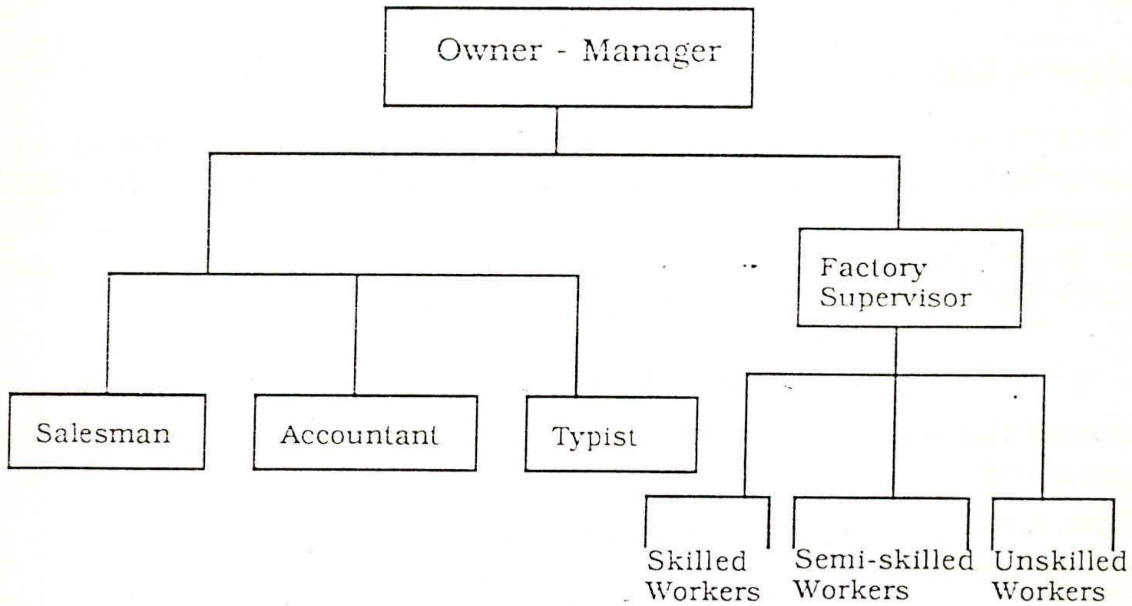
c) What should be their background, education and experience?

d) What will be their compensation package and career opening?

BASIC INFORMATION FOR MANPOWER PLANNING

Kinds of manpower required	How many	With what education, experience & skills	What will be their compensation package
a) Managerial b) Clerical c) Accounts d) Salesman e) Skilled f) Semi-skilled g) Un-skilled			

Answers to these questions will vary depending upon several things like the **size** of the enterprise, the **nature** of the product, the **demand** and **supply** position with respect to manpower, the **location** of the enterprise, and the **goverment rules** and **regulations.** A small entrepreneur's business is very simple; Because of this he is commonly referred to as the "owner-manager". His manpower planning starts from the requirements at his factory or workshop. Depending upon the process and level of manufacture, he may employ some skilled, semi-skilled, and unskilled workers. If required, he employs a supervisor to look after the various operations at the unit. The number of persons required at each point is estimated as per the workload. Workstudy helps in deciding such numbers. The organisation chart of a typical small enterprise employing around ten to fifteen persons will be somewhat like the one shown in the Fig.



Organisation chart of a Small Enterprise

The structure shows that the salesman, accountant, and typist are directly under the control of the owner-manager. As the organisation grows in size, a part of the decision making authority is passed on to other employees.

RECRUITMENT AND SELECTION

Once the manpower needs are identified, the positions are filled through the process of recruitment and selection. The recruitment process requires that the job specifications in respect of each position must be clearly defined.

This information is conveyed to the prospective candidates through-

- Word of mouth,
- Employment agencies,
- Vocational institutions, or
- Advertisements.

A small unit, especially if it is new, may also convey information about its own activities, objectives,growth plans, and any other points of strength to put itself in an attractive situation. Such information should be based on factual data and a realistic assessment so as to avoid raising unfounded expectations in the applicants. If persons possessing the required skills are expected to be available locally or in the vicinity, referrals from the existing employees can be a good source of recruiting people.

Selection involves choosing the most suitable person for employment among candidates.The relevant information about the candidates is obtained through:

- Application forms which are designed to elicit the desired information,
- Written tests and exercises,
- Personal interviews, and
- Practical assessment.

The choice of the method(s) depends upon the educational qualification of the candidates, and the nature of the job. For example, a skilled worker can be best evaluated through practical assessment in a work situation rather than through written tests or interviews.

Candidates also have their expectations regarding these. They may wish to seek additional information on certain aspects relating to the job such as work content, responsibilities, working conditions, promotion opportunities for long term growth, and degree of job security. The selection process facilitates exchange of information between the employer and the employee. The candidates who fulfill the requirements of the job and whose expectations the company is able to meet are selected.

COMPENSATING AND MOTIVATING EMPLOYEES

The employees have to be compensated for what they do for an organisation. Besides the salary and perquisites, there are many other things which help in retaining them in the company and sustain their motivation.

1) **Direct Compensation:** Employees expect fair wages commensurate with their skills, experience, and job content. Wages should be ascertained keeping in mind the cost of living in the particular locality. These should be revised periodically to account for inflation so that the real wages do not go down over the time. Wages must have a system of yearly increments which should be flexible enough to reward good performance.

2. **Fringe Benefits:** The fringe benefits or indirect compensation that an organization provides to its employees include insurance against accidents, leave, travel concessions, medical facilities, subsidised meals, uniforms, housing etc.

3) **Promotion:** Employees expect to improve their position in the hierarchy over the time. This improvement in the position is termed as promotion. Promotion helps an employee to feel important and useful to the firm. It enhances his status within and outside the organisation. Through promotion, he looks forward to accomplishing more challenging tasks, including participation in the decision making process.

4) **Job Security:** One reason why many people are reluctant to join small enterprise even at higher salaries are their apprehensions about 'job security'. An enterprise which is able to dispel such apprehension benefits substantially in the long run.

5) **Working Conditions:** One primary cause of dissatisfaction of workers is 'the quality of their working life' which includes
   - reasonable hours of work
   - a work place
   - rest period
   - tea breaks
   - provisions of a room for recreation, lunch, etc.
   - availability of safety equipment and first aid facilities, and
   - water cooler, lavatory, etc.

These things may not improve productivity, but will help in preventing job dissatisfaction among workers. The management must also ensure that cordiality and friendliness is maintained between the workers. An environment should be created in which the superiors and senior employees and workers develop mutual respect for each other.

6. **Considerate Management:** An employer who is alert to the problems of his employees can create a happy and motivated work force. A small firm has an advantage that the employer can be close to the employees and any complaints and irritants can be solved expeditiously. Because of direct control, performance evaluation is more or less instantaneous. Timely praise for good performance helps in motivating the employees. The attitude of the management should be fair and positive in evaluating performance.

In most countries, there are government rules and regulations which govern the employee-employer relations. These may pertain to 'minimum wages', 'minimum age for employment', 'working hours', extra payment for overtime', 'leave salary', 'holidays', 'medical benefits', 'bonus', 'maternity leave', 'workers' right to form a union', and so on. The policies with respect to the workers must be formulated within the frame work imposed by such rules and regulations.

Trainer's Interventions

The trainer should suggest to the participants a product and the number of units to be produced in an year. (This may be taken from own experience, or from any case or illustration in this Manual).

The participants should be asked to fill up the chart included in Trainer's Notes and prepare the organisation chart. After they complete the exercise, the concept of Manpower Planning should be discussed in detail.

The trainer should explain to the participants various aspects of compensating and motivating employees. The constraints and limitations of a small firm in this respect must be brought out during discussions.

Anand N
31/12/96
Mr. Henry

"interviewing customer"

- introduction
- business - problem
- suggestion

BUSINESS COMMUNICATION

Training Objectives

- **To help participants to understand the role and importance of communication in business.**
- **To acquaint them with various channels of communication and their appropriate use in business.**

Trainer's Notes:

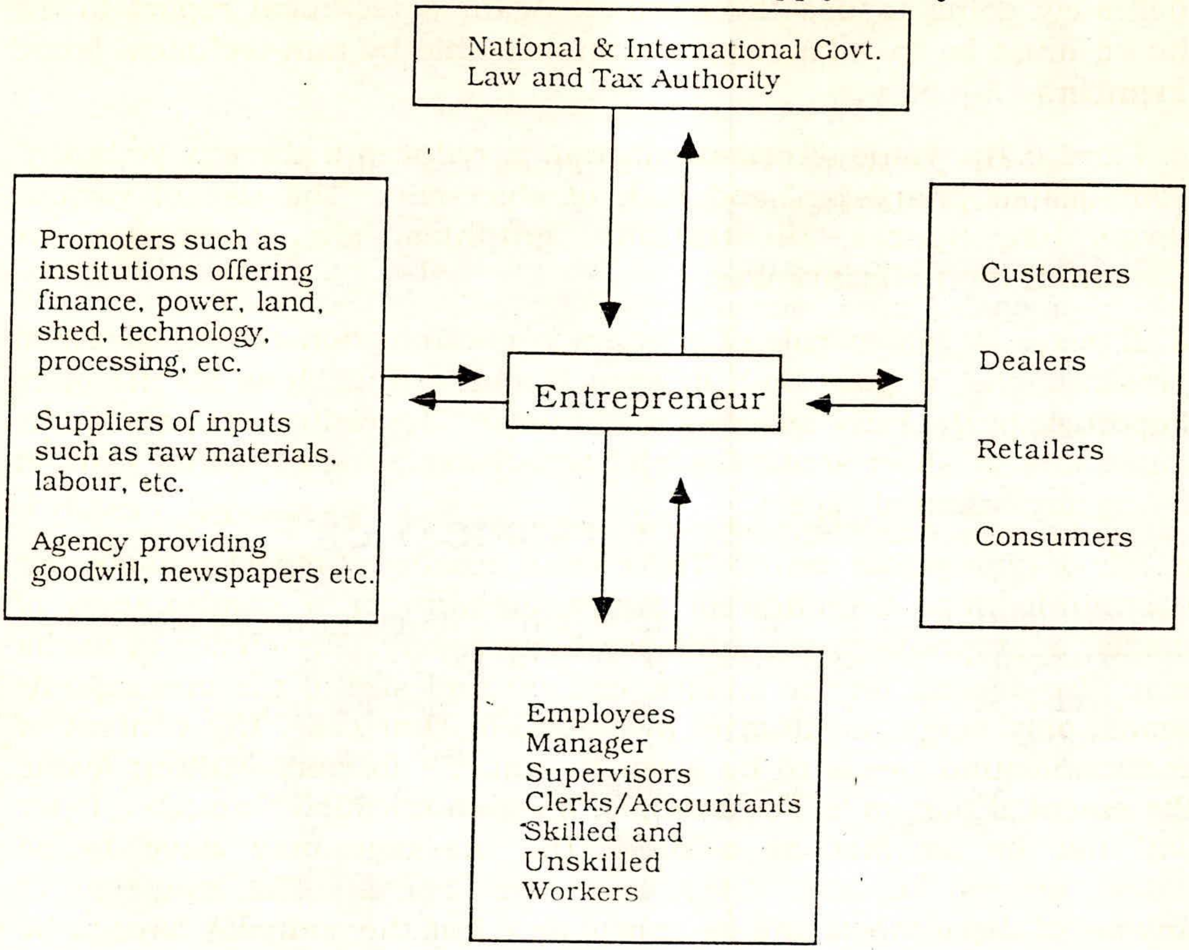
BUSINESS COMMUNICATION

Communication is becoming increasingly important for successful management of an enterprise. It may be internal communication for employer-employee understanding or external communication with customers, promoters or the community in general. To an entrepreneur, communication with any of these groups is significant since it affects business.

Communication is a process of sharing an idea, thought, concept and information. In business world, it may take a variety of forms, such as -

- — an order
- — a request or appeal
- — an announcement
- — an information
- — an instruction
- — a report
- — an advertisement
- — an invitation
- — a greeting
- — a clarification
- — a reply or an enquiry.

Whatever may be the form, the purpose is the same i.e. 'message must get across, and must be understood by the recipient in the same way as has been conceived by the communicator (entrepreneur). In order to project successfully, communication skill must be developed. The skill comes from practising the application of a set of rules for effective communication. These rules should apply to any business.



Communication World of an Entrepreneur

EFFECTIVE COMMUNICATION

Significant factors essential for effective communication are:

a) *Adequate understanding of the Recipient:* The communicator (businessman) must appreciate the fact that what is known to him may or may not be known to the other party. The terms, contents, and symbols used as part of the message must be within the "frame of reference" of the recipient. It is communicator's responsibility to varify it before including them in the message.

b) *Use of suitable Language:* In communication, language plays an important role. The language here is not confined to English, French, etc., but it also refers to the level of understanding of the same

- Don't use lengthy sentences.
- — " — Gorgeous words.
- —.— Big words.
- we should know whom we are addressing.

language. For example, an instruction manual written by an engineer must be so worded as to be understood by those for whom it is intended. They may or may not know the engineering terms, but are definitely going to use the manual. Again a technical report to the board must be in a language comprehensible by non-technical board members.

c. *Clarity:* The value of communication is reduced if there is verbosity, complicated pharasing, and lack of objectivity. The use of various forms like figures, illustrations, graphics, etc., increases the communication effectiveness.

d. *Brevity:* A golden rule of effective communication is the brevity of presentations. It pays both in speech and writing. It is all the more important in the busy business world today. The central idea should be illustrated in short sentences and with least possible words without losing any essential aspect.

- Any communication should be short & sweet, (catchy)

e. *Use of appropriate media:* There are a number of media available for communication. Selection of single medium or a combination of media, appropriate to the audience is necessary. The choice of media may also depend on the quality, content and size of the message. At times, only single medium is available. In that case, the content of communication needs to be given in suitable formats without losing the essential part of it. For example, if communication through a letter will not be as fast as desired, the message may have to be communicated through telephone, telex or fax. The selection of anyone of these media will be appropriate but the contents have to be reformulated appropriately.

- leaflets or Handbill
- posters.
- Newspaper
- Magazine
- Telephone
- Radio.
- Telex Fax
- T.V
- Theatre
- Hoarding
- pager etc

f. *Appropriate time:* The effectiveness of communication is enhanced or reduced depending on the time and occasion selected for sharing the information. The business has to be very perceptive to determine the time and occasion appropriate for communicating the particular message. Many regular messages such as greetings, announcements, etc., are accordingly planned well ahead.

- "SPONSORING"

CHANNELS OF COMMUNICATIONS

Channels through which messages flow between the communicator and the recipient are often termed as channels of communication. According to the mode of presentation, these can be categorised as oral, written, visual and audio-visual.

I. Oral Communication

a. *The telephone system:* It provides the standard form of oral communication employed in business. Besides, it is also used for internal communication (inter-office and inter-department,) informal conferences of departmental heads and for the dictation of letters. Selling on the phone saves valuable time. But to make it work, selling has to be efficient and professional.

To illustrate, let us peruse the following conversation:-

Caller: "We are the Small Business Consultant Ltd. and my name is Sumikard. Do you know us?"

Customer: "I am sorry Mr. Sumikard, I am not in a position to place you."

Caller: "I am sorry to hear that. Small Business Consultant Ltd. is, in fact, serving successfully the small business entrepreneurs over a decade. More importantly, we provide tailor made consultancy and training for small business in most of the major disciplines; finance, marketing, salesmanship, personnel management, computer skills, etc. Do you have any consultancy or training need at the present time?"

The prospective customer in the above illustration is drawn into conversation."Do you know us?" is an open question. The answer may be 'yes' or 'no'. We have seen the planning done by the Caller to respond further after receiving 'no'. Let us examine how he does when the response is 'yes'

Customer: "Yes, I think I have heard of your company but do not remember meeting you personally."

Caller: "Oh! Good. Then you know the important services offered by Small Business Consultant Ltd. More importantly, you will know that we provide tailor made consultancy/ training for small business in most of the major disciplines: finance, marketing, salesmanship, personnel management, computer skills, etc."

"Do you have any consultancy/training needs at the present time?"

Customer: "Well, we have continuing training needs of one kind or the another."

Caller: "Good. We would like an opportunity for talking to you to see if we can offer a training system that might be of interest. I know the whole day you are busy at your factory site except on Thursdays, the day on which we are open."

Customer: "You are right".

Caller : "How about having lunch with a group of small entrepreneurs who are visiting our campus on Thursday. You can peep into one or two of our seminar rooms to see us in action. We could talk about any of the specific problems you may have. Would next Thursday be more convenient?"

The above conversation illustrates very well the preparation made by the Caller (entrepreneur) for facing the prospective answers 'yes' or 'no', both without losing the customer.

b. *Interviewing:* This provides an opportunity for the communicator to directly observe the reactions of the receipient. In this case we also get the opportunity to answer queries and provide clarifications. This method has been found very useful in business to pursue customers/promoters taking favourable decisions. This channel of communication is also used very often for selection of personnel. The extended form of interview is now used in mass media like Television and Radio and is proving effective. This is a communication channel reaching a large audience. Here again careful planning is a must.

c. *Radio:* Radio provides a means of communication which has been widely used for advertisement and to a lesser extent for promoting public relations.

d. *Personal selling:* Personal selling mainly depends on oral communication although it is much more effective when supplemented with visual and audio-visual aids. The presentation of the samples and specimen in personal selling increases communication effectiveness.

e. *Meetings and Conferences:* This is a technique usually adopted in internal communications and it largely depends on oral communication. The intention of the communicator comes loud and clear, and accordingly 'sincerity' and 'honesty of purpose' plays an important role.

f. *Joint Consultations:* Joint consultation provides a forum for discussion between employers and employees about mutually important issues such as enterprise policy changes, proposed future developments, new processes and manufacturing methods.

II. **Written Communication:**

In business, written communication is used very often for placing orders, submitting tenders/quotations, announcements, advertisements, day-to-day correspondence, official publications, reports, etc.

a. *Letters:* A letter is written with opening salutation (e.g. 'dear sirs' or 'gentlemen') and the complimentary closure (e.g. 'yours faithfully' or 'sincerely'). Often the quality of paper, quality of typing, wide space, margin and even the design and style of printed letter head, speak about the enterprise. It is very important that the entrepreneurs take care of each one of them. For example, an enterprise engaged in producing quality products also communicates credibility or doubts in the mind of the customer through the quality of the letter.

b. *Annual Reports:* Annual report of the business provides information to shareholders, to the customers and also to the promoters. Clear cut stated policies and vivid presentation of the performance increases the credibility of the organization.

c. *Memoranda:* Internal memoranda usually circulate freely in most offices giving information and/or instructions as part of the normal day-to-day administration.

d. *Official Publications :* A great deal of information in textual or tabular form is obtained from official publications, much of which is of value to business organisations. Official publications may be in the form of Newsletters or Periodicals giving guidance and information to people sharing marketing channels of the products and services.

e. *Telex and Fax:* Telex is one of the recent modes of communication which has also an element of telecommunication. It is very fast and also has the provision for getting a return reply. What is more important in telex and fax is the recorded communication. To use these efficiently, one requires practice in formulating message in brief without allowing distortions.

f. *Reports:* A report is a very important written communication in which, according to its nature and purpose, the businessman presents a collection of facts, and number of alternatives, and states conclusions and recommendations. Reports are usually ; i) routine ii) special iii) statutory and iv) technical.

Routine Report e.g. official or sales report

Special Report e.g. customers' behaviour, response, etc .

Statutory Reports are made to meet the statutory requirements. For example,certain limited companies are required to send a statutory report to every member of the company, at least 14 days before holding the statutory meeting.

Technical Reports are those which describe principally the technical aspects covering a lot of statistics and figures. In report writing, care should be taken to ensure simplicity by avoiding jargons and technical language. Even a technical report ought to be reduced to non-technical words if it is to be presented to laymen.

Quality should be maintained in terms of language, printing, content and layout.

The rules of punctuation must be carefully observed throughout, otherwise the sense of the report may be lost.

Wherever possible, positive statements should be preferred over negative ones.

Often impersonal reporting is preferred except the address by the Chairman/M.D. which is well received if quoted with personal accents.

Readability should receive due importance while preparing the report.

The format of reports, its layout, printing, use of paragraphs, sub-headings, headings and suitable appendices will make the report an effective means of communication.

Reports are also useful feedback to the entrepreneurs. These are often used as bench-mark (particularly the annual reports) for deciding the future course of action.

g. *Yellow Pages.* The recent mode of communication between entrepreneur and their customer is through 'yellow pages' which is becoming very popular. It is very effective means of locating firms of needed specification. Since the yellow pages are categorised, information regarding products, services, special features, and contact addresses should be clearly and accurately illustrated.

III. **Visual and Audio Visuals Aids** :

To a modern businessman, several visual and audio-visual means of communication are available. These means of communication are often used for external communication with customers and promoters.

a) *Television:* Television is very powerful medium for communicating with a larger audience (customers) spread over wide areas. Communication through television, however, demands sophisticated skill to present message across in "shortest possible time". Since it is very powerful audio visual medium, all the symbols and back ground as well as the spoken words must be integrated to convey the message with due persuasion. However, the use of this channel involves comparatively higher costs and may not be feasible for the beginner (self-employed persons).

b) *Films and Film slides:* These are used by many companies for a variety of purposes such as introducing the product, attracting customers, giving information, attracting investment, etc. Businessmen often use films or film slides at public places such as cinema houses, exhibition grounds, etc.

c) *Advertisements in Newspapers and Magazines:* This is a means of communication often used by entrepreneurs for prospecting business. A repeated use of a particular brand in advertisements enhances the familiarity of the company with the customers.

d) *Posters and Hoardings:* Posters, hoardings and leaflets are the written means of communication but often used as visuals particularly when displayed at busy streets and other public places. These are mostly presented through symbols, figures with words usually used in the form of slogans.

e) *Statistical Graphs:* Statistics in textual form are included under written form of communication but statistics are also produced in statistical graphs, maps, etc., where the emphasis is upon size, colour and not upon the written contents.

f) *Close Circuit Television:* It is the latest addition in means of communication, usually employed for demonstration of mechanical actions of products and machineries.

Business communication plays crucial role in making the business a successful venture. There should be careful planning, adequate fund and constant improvement in the use of various communication channels suitable to the need and stage of growth of an enterprise. Communication should be considered as important managerial function.

Trainer's Interventions:

For teaching the subject of communication, the best approach may be to use various channels and audio-visual aids. The models can illustrate different aspects of an advertisement. Mock personal selling can be organised in the class to illustrate various aspects of effective communication.

I I

Ananda N
17/10/95

TIME MANAGEMENT

INTRODUCTION:

You see there aren't too many secrets behind effective time management. The principle are no more than common sense. But if they are just common sense why haven't we all become effective at managing our time? Quite simply we do not devote sufficient time and energy to planning this most precious resource of all.

Very few people really manage their time well. How often we have heard "If only I had more time". This is the voice of regret and despair. Some people actually believe that if they had 24 hrs in a day they would do more and they would not be time pressured. They still would be pressured because they do not really understand the "working smarter" principle. It is not the time in miniqtes and hours you work its how you work and how you structure your available time which determines your rate of success.

"You dont have to work harder. You only have to work Smarter".

How often have you watched the budding young manager staying late at the office. Probably too often. He is suffering from the old myth of believing that being seen to be working is the same as actually achieving something. Like too many of us he cannot differentiate between simply being at work and actually doing it.

What is Time?

Time is the most valuable resource we have at our disposal. We cannot store time in a bank nor can we buy time. All we can do is use it constructively or waste it. Time is a managerial asset which is irreplacable and should be treated as such. Time is a scarce resource and the ultimate managerial constraint.

Consider how much time we have at our disposal. There are only 24 hours in the day. Generally we spend eight hours sleeping, allocate 8 hours for work and spend the rest travelling, eating and relaxing. If we do not make the most of the eight hours at work, we can end up either staying late or taking work home with us. Sometimes we end up doing both. In effect this reduces the amount of time we have to spend relaxing, with our family or persuing our interest or hobbies. The major point here is "If we can not make the hours work for us, we end up spending less time doing the things we enjoy."

Relxation is an essential component of the managerial day. Constantly working and spending our time doing work which has little pay off leads to frustration, anxiety, conflict and stress. An efficient manager is an healthy manager who develops a sense of balance and uses his time in the best possible way. He constantly asks himself

''Am I making the best possible use of my time right now.''

Attitude.

The biggest stumbling block to developing new, more innovative and time saving habits' is attitude. This alone stands in the way and stops you from learning.

Be prepared to unlearn old ways and habits. Commit youself now to the culture and philosophy of what I am going to say. If you have remained with me this far you are on the way to changing your life, but one last indulgence. Sit back and waste sometime for the last time. Go on waste it. Because to-morrow you may like to try out the methods of becoming am effective time manager.

Where does the Time go?(Eg of Govt offices)

Work is a central life interest for most people, but we need time to relax from the stress and strains of our work. Time management helps us to do just this. The effective time manager who gets at least 10 hours out of the 8 hours normal working does this by working with purpose rather then just working harder.

"Efficiency is doing the job right, effectiveness is doing the right job."

I am sure that we all know people who are "efficient". They are always busy and achieve very little. The "effective" manager ensures that he commits his time to achieving high priority key results.

Time management is the key to effetive management. Following time management principles and applying them to your special circumstances, will help you achieve more. It will also enable you to create a domino effect, amongst those with whom you work including your staff, your colleagues and your boss. Your new habits and effectiveness will impress upon and influence their actions and behaviour.

How well do you manage your time?

Most of us believe that we are using our time is the best way possible. We also feel that assessing and recording where time goes is an encroachment on their world. Many perceive new techniques as a threat, rather than as a means to achieve more and reduce stress.

Some people believe that their position is sufficent to reflect their ability and authority to manage.

They know how to do their job. After all that is what they are paid to do. But if you question them, most of them would agree that if they had two more hours in the day they could achieve more.

Well, I cannot design a day with 26 hours but can help you to make the most of your time. How? look at the following list of the symptoms of poor time management. How many of these are applicable to you.

Symptoms of poor time management .

* Never having time to do the really important work.
* Devoting too much time to the urgent rather than the important.
* Frequently staying late at the office.
* Taking work home
* Rarely having time to keep up-to-date with the paperwork
* Doing the work of others
* Feeling indispensible
* Attending too many meetings
* Having diffculty in saying 'no'
* Letting others dictate how you use your time
* Frequently feeling stressed, anxious and time pressured.
* Rarely completing work on time.

If you experience more them 50% of these symptoms your are needlessly over stressed and can learn to work more effectively.

We all have a life store of time. We should plan to make the most of it . Time is a scarce resource. Yesterday is gone. Let us make the most of tomorrow. We need to have a systematic approach to time management. There are four stages to this approach.

The need for time management.

First we all have to recognise that a need exists ie you have to be committed to examining new methods for getting the most out of the day. Without commitment and motivation, you will not succeed. If you fail to recognize that you could, should and can get more out of the same time, then I am afraid you will never be able to give up your old habits of whiling away your time.

Once you have realized there is a need for time management then you have to find out where the time goes. Who uses it? How much time you spend in meetings? On the phone? etc.

Collection of information

The only way to find out is to collect information. I see that most of you already have a diary. However for this collection of information, all of you should have a time log. You have to account for your time. Keep the log for 10 days and fill it twice a day. An half hour time period is ideal. Then log for each segment what you did, who took up the time? and what was the outcome?

There are some major points which have to he developed before using the log. First filling the log may appear time consuming tedious and boring. It can be. But it is a small price to pay for accurately finding where the time goes.

Many people believe that they really control their time. They also believe that they know where it has gone. Unfortunately the self perception of their own role performance criteria and key result areas can be distorted.

Their clarity of vision is blurred and they see only what they wish to see. Consequently the disparity between perceived and real consumption of time is high.

Collection of effective pertinent information is the key to time management behaviour. If managers are unwilling or not disciplined to fill in their log, then clearly their perception need to improve and their performance is low.

Time Analysis

The Third stage is analysis. This requires you to find out what consumes your time. Once you have a list you will have to distinguish between the legitimate time users - those things and activities which lead to personnel and organizational success, and the time wasters - which create little of value to you and the organisation. Once you identify the prime time wasters you can develop strategies and tactics to get rid of them once and for all. Just think how much more effective you would be if you managed to eradicate the principle time wasters in your life and your job.

Action Plan

The final stage is action, where managers devise new innovative ways of structuring their time and their day. This means that they have to develop a plan that is structured around real priorities. The plan is a blue print for ensuring that they fulfil the targets in their key result areas.

If you have been disciplined, have followed the key activities and taken appropriate action, you will have eradicated the need to improve your use of time. But be careful, you can soon slip back to old habits. I find it useful to go through this exercise at least once every six months. There are always new time wasters waiting to consume your time and reduce your effectiveness.

Identifying the Time Wasters

Many managers assume that they can give a precise breakdown of how they spent their day. They feel that they have control and know how to get the most from their time. But if you can keep a log for a period of 2 to 3 weeks you will be surprised what you spend your time doing.

It is amazing how much of time we can spend doing things of which we are unaware. We select only those things that we wish to recall. We carefully filter out our own personal 'time wasters'.

If we were really critically aware and wished to admit to our 'poor time management behaviour' we might be able to take the necessary action to improve it and reduce time spent on unimportant non-productive work. We might even stop doing work that we pay others to do, and let them get on with it.

Keeping a time log helps us to identify those things that take up our time. It helps, because if we adhere to completing the log at specified times throughout the day, we can at least get an accurate and reliable record of where our time really goes.

Personal Analysis.

Work through your time log. Identify the major patterns and trends which appear, calculate how much of your time is spent on routine tasks, report writing, telephones, talking to colleagues, attending meetings, paper work, travelling, preparing for meetings, etc. The idea is that you develop a list of those things which significantly eat into your time.

Now comes the moment of truth. You have to arrange this list of items into two seperate lists. Let us call the first list 'Legitimate time consumers,' those things which you do each day which add to improving your results and your effectiveness.

The other list, to be labelled 'Time wasters', should include those things which consume your time, but add little in terms of individual, departmental or organisational success. In other words these are the time wasters. Let us look at some time wasters.

IDENTIFYING THE TIME WASTERS

Key time wasters :

Paperwork

Do you spend too much time on the steady-state or routine paperwork?

Do you keep yourself busy with this rather than spending time on more difficult tasks ? If so, what is the cause of the problem ?

Do you find that paper work distracts you for other, more important work ?

Do you find at the end of every month that your pending tray is still full ?

Do you purposely procastinate, fail to deal with important paper work, or do you lack the skills,confidence, self- discipline and motivation to do the job.

Meetings

Do you feel that you have to attend too many meetings and that the value of the decision reached is disproportionate to the amount of time put into them ?

Are you confusing attendance at meetings with peformance i.e. seem to be there but not adding value to the proceedings.

Telephone calls

Does the telephone rule and dictate your work and tasks during the day ?

Do you feel that you have little control over the phone ?

Inability to say 'No'

Do you feel pressurised to say 'yes' when others ask you to do work ?

Do you have difficulty in being assertive and stating your true feelings whenever asked to take on additional duties.

Do you take on additional work from others because you have difficulty saying 'no' ?

People

Does the presence of others distract you from your work ?

Do you let others interrupt and stop you when you are working on additional duties

Do you fall to the whimps and tactics of the organisation drifters ?

Procrastination

Do you often find it difficult to apply yourself to a task ? do you find this more difficult with high priority work ?

Do you find it difficult to do the routine and mundane ? Do you tend to apply your talents to those tasks which you find interesting and rewarding ?

Unclear goals and priorities

Do you find it difficult to define your key result areas ?

Have you clearly assessed the key results and priorities you wish to achieve over the next six months ?

Do you find that the urgent trivia takes over from the important work ?

Do you find conflict among the goals and priorities you set ?

Delegation

Do you find you have a great deal of work to complete, but find it difficult allocating it to your staff ?

Are you clear on the precise criteria by which you can delegate ?

Are you the subject of over delegation, or do you have work delegated up from your subordinates ?

Stress

Do you constantly find it difficult to achieve your results and feel that the anxiety generated has a negative effect on your performance ?

Do you feel that time pressures create too much personal stress?

Have you identified your personal stressors and taken necessary action to reduce their intensity ?

Career Planning

Have you developed a plan of 'where you go from here' ?

Have you identified clear career goals ?

What action can you take to realise your career potential and life goals ?

TAKING ACTION

Attitude

Words and lectures by themselves cannot change your behaviour. How to practice these new behaviours is related directly to your commitment to trying out new ideas.

If you have a negative attitude and do not believe that a system will work, it will not. But if you are positive and believe that the system will work, it will. The secret of any manager becoming an expert practitioner and advocate of time management lies in his committment to the system.

What will his team expect?

His team may find that he will now spend time talking to them, helping to communicate and agree to key result areas. He will give information and feed back on what he considers 'time wasting activties' and he will do as much as he can to help the team members achieve their results.

Leading By Example.

The effective manager knows that others only take the lead when they see a demonstration of how things 'should be'. They need direction and they require a leader to show them the way. Leading by example is the only way by which you can hope to influence the behaviour and actions of others.

Defining The Parameters.

What principles can we follow which help us model our behaviour so that we can achieve more each day?

Information

Everyone has to make use of information to do the work. The quality of the decision that you reach is determined by the reliability and accuracy of the information which you collect, develop and use.

People

A manager is responsible for getting others to achieve his results. He is judged by his ability to develop and motivate a team of people to do just this .

Negotation

If you want someone to do something. You must let them know. Your communication skills and your ability to influence and persuade others to pursue a course of action are the pre-requisites for success.

Managers with good social skill, who display a profound interpersonal competance use those who can get others to identify with, and meet specified targets.

Key Result Areas (KRA).

The four key result areas are namely

1. Decision making
2. Information
3. People
4. Negotiation

These help to define the parameters within which a manager can measure himself. He should use the key result programmer to identify where he should be focussing his attention. He should ask himself the following quesion

* What are the key tasks that I should achieve in each of these areas

* What are the activities and task within each area which take up time ?

* Is the time spent on the KRA commensurate with the rewards or achievements and value gained ?

The advantages of filling in the key results programme is that it forces one to keep away from woolly and ambiguous work tasks and be more specific.

KEY RESULT AREAS	DECISION MAKING	INFORMATION	PEOPLE	NEGOTIATION
Identify Key Tasks				
What are Key Activities				
Time Spent & Value Gained				

Short - and long - Term priorities.

Now that you have identified your KRA, it is time to examine your long and short term goals. This you achieve by examining the key activites and tasks you aim to complete. Some of these tasks may appear very important, but the pay off generated is minimal to your long term goals. These are clearly activities which you should minimize in the future.

It is relatively easy to forget your long term goals because they are so far off that you may think you have plenty of time to achieve them! you are wrong.

Sooner or later, that long term priority is going to need some fairly rapid action.

We are all judged, not only by the degree to which we meet short term goals, but also how we plan resources to meet long term goals. Failing to achieve them suggests that we do not possess the strategic overview, and demonstrates that we are aware of the importance of meeting long term goals, we fail to manage our time to do so.

As each day passes these long term goals come nearer. We reach a stage where, if we have not taken effective action, we start to panic. We have probably spent far too much time on the short term goals. The reason for this is that we find them easier to achieve. They are tangible. Let us not spend too much time on short term objectives, certainly not at the cost of long - term ones. If we do, we shall be confusing short term efficiency with effectiveness. We have to ensure that we have the balance right. Every day we should take some action, no matter how small, to enable us to work towards our long term goals. We should adopt the 'step-by-step approach' which will help us achieve the major objectives.

Priorities.

Now that you have assessed your priorities, it is time to rank them in order of importance. We should have priorities which relate to:-

* Decision making
* Information management
* People, including motivation, training and coaching, and
* Negotiation, our ability to influence others.

We should rank our priorities A,B,C. Those priorties we classify as A's are those that are of strategic importance. B's are of operational value and help us to achieve intermediate targets and C's relate day to day routine.

On a day-to-day basis, you can set and meet priorities. Certainly. You are never going to achieve the really importnat items in a few hours, but you can make some progress by breaking down the steps and activities in which you have to engage yourself in order to make the problem or work manageable. Writing a list of priorities is not enough. You should also list them in the order of importance, other wise you will never get down to tackling the problem of achieving them.

Which should I do first ?

Some people suggest that they tackle the easy problems first, so they have the rest of the day to allocate to the important issues. This can be a mistake, because it is a strategy adopted by many managers who unwillingly practice procrastination.

The Urgent takes over from the Important.

They have put off doing the most important work. Every manager knows that frequently, the urgent takes over from the important. You have to plan in spite of this. This requires a discipline that is hard for some to attain. Allocate yourself 10 minutes at the begining of the day to tackle the problem. Even better get to work one hour early - not everyday, but certainly on those days which you have put aside for some high priority work.

Confusing Performance with Attendance.

Staying late at the end of the day does not really help because you are tired and will probably need regular `caffeine injections,' cups of coffee to keep you alert.

The Daily Planner.

The only way to break out of a negative attitude is to use the daily planner. Make a commitment now to use the daily planner and complete it each day, before you start work.

Must, should and like

'Must,' 'should' and 'like' principle helps managers add an element of reality to their work. Divide work up into work you must do, work you should do, and work you like to do.

WITBUOMTRN

(What Is The Best Use Of My Time Right Now)

This is a golden rule which should be follow by everyone. Ask yourself during the day what is the best use of my time right now.

TRAINING SKILLS

According to Allen and Ryan:

"Micro Teaching is defined as a system of controlled practice that makes it possible to concentrate on specific teaching behaviour and to practice teaching under controlled conditions".

The main focus is on practicing micro skills under reduced conditions and in stimulation. Sometimes even parts of composite skills could be practiced but reduced to the state of a micro skill to suit the micro teaching training techniques.

MICRO TRAINING PROCEDURE :

1. The trainee chooses a specific skill to be practiced.

2. He/She selects a specific content point (a very small portion of the content to be taught) suitable to practice the chosen skill.

3. He/She plans to teach, the selected content focusing on the skill to be practiced, for about 5 to 6 minutes.

4. The plan is executed in simulation with a few peers acting as students. This may be recorded on audio or video recorders depending on availability of resources and the skill being practiced.

5. The recording is played back to the trainee which is followed by a discussion on the strong and weak points of the competency of the trainee keeping the skill in focus.

6. Based on the critique the trainee replans.

7. The trainee reteaches and that is recorded.

8. The recording is played back for a recritique session.

Ideally this cycle of operation is to be repeated till a satisfactorily level of performances regarding the skill in question is reached.

A FEW SKILLS EXPLAINED :

Four sample skills are explained for your choice to practice in stimulation.

6) Caste : (1) SC (2) ST (3) BC ✓
(4) MBC (5) OC

3 7) Religion : (1) Catholic (2) Non Catholic Christian (3) Hindu ✓
(4) Muslim (5) Any other

4 8) Family particulars :

S.No	Relationship	Age	Sex	Edn.	Occu	Income/ month	Remarks
(1)	Father	51	MALE	F.I.B.B.S	DOCTOR	6,700	Alive/~~dead~~
(2)	Mother	49	FEMALE	S.S.L.C	STAFF	3,300	Alive/~~dead~~

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1

6 9) Native Place : (1) Village (2) Town (3) City ✓

1 10) Native State (Write the name) : TAMIL NADU

18 11) Native District (Write the name) : THANJAVUR

98 12) Native Diocese (Write the name if you are a Catholic) : -

1 13) Mother tongue : (1) Tamil ✓ (2) Malayalam (3) Telugu
(4) Any other

3 14) The house you live in is : (1) Rented (2) Own house (3) Official quarters ✓
(4) No house

09 15) Total income of the family per month : (1) Less than Rs.300 (2) Rs.300 - 500 (3) Rs.500 - 1,000
(4) Rs.1,000 - 2,000 (5) Rs.2,000 - 3,000 (6) Rs 3,000 - 4,000
(7) Rs.4,000 - 5,000 (8) Rs.5,000 - 6,000 (9) Above Rs.6,000 ✓

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98
98

16) For Higher Secondary Students (Subject Combination) : Academic / Vocational
(1) 1st Subject (2) 2nd Subject
(3) 3rd Subject (4) 4th Subject

8 98 17) For Students of Technical Institutions : Course ....
Year ....

9 18) Whether you are a boarder or Hosteller (1) Boarder (2) Hosteller

9 19) Whether you receive Govt. Scholarship : (1) Free Scholarship (2) Merit Scholarship (3) Loan Scholarship
(4) Not applicable

2 20) Whether you receive free books : (1) Yes (2) No ✓

2 21) Whether you are handicapped : (1) Yes (2) No ✓

7 22) Mode of transport to the School : (1) Walking (2) Cycle (3) bus RIKSHA
(4) Train (5) Two wheeler (6) Car

9 23) Whether you are a member of : (1) N.S.S. (2) N.C.C. (3) J.R.C.
(4) Scouting

Date: 16-8-'91

Signature: [illegible]

1. QUESTIONING :

This is a composite skill. The sub components of this skill are

a. Prompting
b. Refocusing and redirecting questions
c. Using higher level questions
d. Using probing questions
e. Encouraging and responding to students questions
f. Using divergent questions
g. Asking questions to stimulate non-respondents
h. Trainee repeating his own questions
i. Trainee answering own questions

A few of these sub skills in combination could be used in a micro teaching session. The choice of the skill or skills would depend on the teaching point and the way you wish to treat the content. Content treatment is crucial in practicing this skill because a textual style will not give much scope for questioning. Deliberate attempts have to made to use an investigative approach or induct deductive approach. Unlike a secondary teacher the intention of questioning is not "eliciting" responses from the student but rechannelising students thought in arriving at the concept or rule or law or principle because the college students are capable of abstract reasoning. In other words it is a high order of information processing.

2. STIMULUS VARIATION :

This is again a composite skill. It focuses on bringing a variety of stimuli into your teaching training taking it away from a monotonous didactic presentation. The subskills involved are many. A few subskills are listed below :

a. Sensing students not accepting a stimulus
b. Varying the stimulus suiting the students need
c. Using life like examples or samples
d. Using a suitable analogy
e. Modulating the voice
f. Using body language
g. Giving an individual or groups tasks
h. Using the chalk board

Here also the teacher trainer could make use of a few subskills in combination in a micro teaching session. The choice of the sub skills would depend on the availability of resources and the ability (skill) of the teacher to vary the stimuli a word of caution - varying the stimulus too often would sometimes defeat the purpose (compressing too many stimuli within a short time).

6) Caste : (1) SC (2) ST ✓(3) BC
(4) MBC (5) OC

7) Religion : (1) Catholic (2) Non Catholic Christian (3) Hindu
✓(4) Muslim (5) Any other

8) Family particulars :

S.No	Relationship	Age	Sex	Edn.	Occu	Income/ month	Remarks
(1)	Father		MALE	B.com	BUSSINESS	41000	✓Alive/~~dead~~
(2)	Mother		FEMALE	S.L.C	HOUSEWIFE	—	✓Alive/~~dead~~

9) Native Place : (1) Village (2) Town ✓(3) City

10) Native State (Write the name) : KARNATAKA

11) Native District (Write the name) : ~~BANGLORE~~ SOUTH KANARA DISTRICT

12) Native Diocese (Write the name if you are a Catholic) :

13) Mother tongue : (1) Tamil (2) Malayalam (3) Telugu
✓(4) Any other (URDU)

14) The house you live in is : (1) Rented ✓(2) Own house (3) Official quarters
(4) No house

15) Total income of the family per month : (1) Less than Rs.300 (2) Rs.300 - 500 (3) Rs.500 - 1,000
(4) Rs.1,000 - 2,000 (5) Rs.2,000 - 3,000 (6) Rs.3,000 - 4,000
✓(7) Rs.4,000 - 5,000 (8) Rs.5,000 - 6,000 (9) Above Rs.6,000

16) For Higher Secondary Students (Subject Combination) : Academic / Vocational
(1) Ist Subject (2) 2nd Subject
(3) 3rd Subject (4) 4th Subject

17) For Students of Technical Institutions : Course . . . .
Year . . . .

18) Whether you are a boarder or Hosteller (1) Boarder (2) Hosteller

19) Whether you receive Govt. Scholarship : (1) Free Scholarship (2) Merit Scholarship (3) Loan Scholarship
(4) Not applicable

20) Whether you receive free books : (1) Yes ✓(2) No

21) Whether you are handicapped : (1) Yes ✓(2) No

22) Mode of transport to the School ✓(1) Walking (2) Cycle (3) bus
(4) Train (5) Two wheeler (6) Car

23) Whether you are a member of : (1) N.S.S. (2) N.C.C. (3) J.R.C.
(4) Scouting

Date: ____________ **Signature:** ____________

3. DEMONSTRATION :

This is also a composite skill. The sub-components of the skill would depend on the subject area from which the teaching point is selected. The components required to demonstrate phonetic skills by a language teacher would be quite different from a science teacher demonstrating the use of a measuring instrument or commerce teacher demonstrating the journal postings of a set of business transactions. A few common sub skills could be

a. arousing curiosity
b. checking the set
c. co-ordinating explanation with manipulation
d. focusing on details
e. sequencing
f. pointing to possible errors
g. highlighting precautions
h. repeating the sequence at a faster rate to stimulate actual action

Depending on the subject area of the teacher additions and deletions could be made.

4. CLOSURE :

This is a skill with power such components when compared to the above 3 skills. There could be various activities that could be undertaken by the teacher in order to perform this skill. They are reviewing, summarising, questioning etc., The main aim of the skill is to reinforce what is taught and check on students understanding. The components could be

a. Consolidating the points
b. Asking application level questions
c. Asking review questions
d. Linking what is taught to the whole content structure

All the components may not be used. Relevant ones may be used in combination.

3 6) Caste : (1) SC (2) ST (3) BC ✓
(4) MBC (5) OC

3 7) Religion : (1) Catholic (2) Non Catholic Christian (3) Hindu ✓
(4) Muslim (5) Any other

8) Family particulars :

S.No	Relationship	Age	Sex	Edn.	Occu	Income/ month	Remarks
(1)	Father	40	Male	M.S.C.,D.P.P.	Business	2000	Alive/~~dead~~
(2)	Mother	35	Female	BSC	House Wife	—	Alive/dead

1 9) Native Place : (1) Village ✓ (2) Town (3) City

1 10) Native State (Write the name) : Tamil Nadu

20 11) Native District (Write the name) : Tirunelveli

98 12) Native Diocese (Write the name if you are a Catholic) :

1 13) Mother tongue : (1) Tamil ✓ (2) Malayalam (3) Telugu
(4) Any other

2 14) The house you live in is : (1) Rented (2) Own house ✓ (3) Official quarters
(4) No house

05 15) Total income of the family per month : (1) Less than Rs.300 (2) Rs.300 - 500 (3) Rs.500 - 1,000
(4) Rs.1,000 - 2,000 ✓(5) Rs.2,000 - 3,000 (6) Rs.3,000 - 4,000
(7) Rs.4,000 - 5,000 (8) Rs.5,000 - 6,000 (9) Above Rs.6,000

Academic / Vocational

98 16) For Higher Secondary Students (Subject Combination) : (1) 1st Subject (2) 2nd Subject
(3) 3rd Subject (4) 4th Subject

8 17) For Students of Technical Institutions : Course ....
Year ....

9 18) Whether you are a boarder or Hosteller (1) Boarder (2) Hosteller

9 19) Whether you receive Govt. Scholarship : (1) Free Scholarship (2) Merit Scholarship (3) Loan Scholarship
(4) Not applicable

2 20) Whether you receive free books : (1) Yes (2) No ✓

2 21) Whether you are handicapped : (1) Yes (2) No ✓

3 22) Mode of transport to the School : (1) Walking (2) Cycle (3) bus ✓
(4) Train (5) Two wheeler (6) Car

4 23) Whether you are a member of : (1) N.S.S. (2) N.C.C. (3) J.R.C.
(4) Scouting ✓

Date: 17-3-91 **Signature:** A. Mahed

Anand N. 2/7/97

ROLE OF TRAINER IN TRAINING

In training methodology, the main objectives for the trainer are two-fold: a) stimulating critical faculties of learners; and b) creating conditions for learning. In order to achieve these twin objectives, the trainer plays multiple roles before, during and after the training. Each of these roles requires a particular set of competencies and entails certain corresponding responsibilities. The related competencies can best be understood by seeing them as consisting of three components: knowledge, awareness and skills. An effective performance of any role involves the use of more than just one competency. In this section the key trainer roles in the three phases of training are first identified - pre-training, during training, and post-training. Subsequentially, major trainer responsibilities, and corresponding competencies, are also described.

These roles and responsibilities are presented here as distinct, though they are at times overlapping, and mostly inter-related in reality. Many of these roles, responsibilities and competencies may appear common to conventional and participatory training, but there are some distinctive elements for participatory training as mentioned here.

TRAINER ROLES

The various trainer roles can be seen in three distinct phases: pre-training, training and post training.

A. Pre-Training

1. Training Designer

The role of identifying and translating learning needs into objectives, content, and designing the programme

* collecting and identifying and translating learning needs into objectives, content, and designing the programme

* listing objectives

* working out related contents/methods/materials/exercises

* sequencing the contents/activities

* identifying resource persons

* preparing and selecting learning materials

5) Class VII

6) Caste Barathar : (1) SC (2) ST (3) BC
(4) MBC (5) OC

7) Religion : (1) Catholic (2) Non Catholic Christian (3) Hindu
(4) Muslim (5) Any other

8) Family particulars :

S.No	Relationship	Age	Sex	Edn.	Occu	Income/ month	Remarks
(1)	Father						Alive/dead
(2)	Mother						Alive/dead

9) Native Place : (1) Village (2) Town (3) City

10) Native State (Write the name) : Tamilnadu

11) Native District (Write the name) : kanyakumari

12) Native Diocese (Write the name if you are a Catholic) : kottar

13) Mother tongue : (1) Tamil (2) Malayalam (3) Telugu
(4) Any other

14) The house you live in is : (1) Rented (2) Own house (3) Official quarters
(4) No house

15) Total income of the family per month : (1) Less than Rs.300 (2) Rs.300 - 500 (3) Rs.500 - 1,000
(4) Rs.1,000 - 2,000 (5) Rs.2,000 - 3,000 (6) Rs.3,000 - 4,000
(7) Rs.4,000 - 5,000 (8) Rs.5,000 - 6,000 (9) Above Rs.6,000

16) For Higher Secondary Students (Subject Combination) : Academic / Vocational
(1) 1st Subject (2) 2nd Subject
(3) 3rd Subject (4) 4th Subject

17) For Students of Technical Institutions : Course ....
Year ....

18) Whether you are a boarder or Hosteller (1) Boarder (2) Hosteller

19) Whether you receive Govt. Scholarship : (1) Free Scholarship (2) Merit Scholarship (3) Loan Scholarship
(4) Not applicable

20) Whether you receive free books : (1) Yes (2) No

21) Whether you are handicapped : (1) Yes (2) No

22) Mode of transport to the School : (1) Walking (2) Cycle (3) bus
(4) Train (5) Two wheeler (6) Car

23) Whether you are a member of : (1) N.S.S. (2) N.C.C. (3) J.R.C.
(4) Scouting

Date: 10/9/94

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Administrator/Organiser

The role of ensuring and meticulously planning in advance the facilities, learning materials, required equipment, participants and other related components of the training event and the coordination of the programme logistics

* choosing venue and time
* selecting and scheduling facilities
* regularly communicating with the trainees regarding the programme plans
* identifying and arranging the needed support system at the training venue
* scheduling the time of co-trainees and resource persons
* distributing training materials
* arranging resources

B. During Training

1. Facilitator

The role of guiding the learning process so that individuals learn from each other and the group functions effectively

* eliciting opinions
* enhancing participation
* focusing trainees' attention on their potentialities
* summarising and synthesising information
* organising groups such that issues and needs are addressed
* intervening in the process

2. Instructor

The role of presenting information and concepts, clarifying objectives, creating and sustaining a structured learning environment and helping generate new learning

* providing information and concepts
* directing structured learning - role-plays, simulations, games and discussions
* using learning aids - films, audio-tapes, video-tapes, and other materials

3. Counsellor

The role of supporting and guiding individual trainees during periods of stress and strain and helping trainees to assess their potentialities and personal competencies, so as to enable them to reflect, grow and change.

* developing a rapport with trainees
* showing genuine interest in directing their process of growth
* communicating on a one-to-one basis
* organising sessions to enhance self-confidence and self-esteem of some individuals

6) Caste paravar : (1) SC (2) ST (3) BC.
(4) MBC (5) OC

7) Religion : (1) Catholic (2) Non Catholic Christian (3) Hindu
(4) Muslim (5) Any other

8) Family particulars :

S.No	Relationship	Age	Sex	Edn.	Occu	Income/ month	Remarks
(1)	Father						Alive/dead
(2)	Mother						Alive/dead

9) Native Place : (1) Village (2) Town (3) City

10) Native State
(Write the name) : Tamil Nadu

11) Native District
(Write the name) : Kanyakumari

12) Native Diocese
(Write the name if you are a Catholic) :

13) Mother tongue : (1) Tamil (2) Malayalam (3) Telugu
(4) Any other

14) The house you live in is : (1) Rented (2) Own house (3) Official quarters
(4) No house

15) Total income of the family per month : (1) Less than Rs.300 (2) Rs.300 - 500 (3) Rs.500 - 1,000
(4) Rs.1,000 - 2,000 (5) Rs.2,000 - 3,000 (6) Rs.3,000 - 4,000
(7) Rs.4,000 - 5,000 (8) Rs.5,000 - 6,000 (9) Above Rs.6,000

Academic / Vocational

16) For Higher Secondary Students (Subject Combination) : (1) 1st Subject (2) 2nd Subject
(3) 3rd Subject (4) 4th Subject

17) For Students of Technical Institutions : Course ....
Year ....

18) Whether you are a boarder or Hosteller (1) Boarder (2) Hosteller

19) Whether you receive Govt. Scholarship : (1) Free Scholarship (2) Merit Scholarship (3) Loan Scholarship
(4) Not applicable

20) Whether you receive free books : (1) Yes (2) No

21) Whether you are handicapped : (1) Yes (2) No

22) Mode of transport to the School : (1) Walking (2) Cycle (3) bus
(4) Train (5) Two wheeler (6) Car

23) Whether you are a member of : (1) N.S.S. (2) N.C.C. (3) J.R.C.
(4) Scouting

Date: 10. 9. 91

Signature: A. [illegible]

4. Recorder

The role of maintaining records of the process and content to enable monitoring, analysis and documentation

* observing keenly both flow of content and process
* maintaining detailed notes on a daily basis

5. Evaluator

The role of assessing the impact of the training programme on the trainees

* planning evaluation mechanisms
* using written as well at verbal reports to assess an event
* utilising the evaluation design to assess individual changes in behaviour, attitudes and knowledge
* forming steering committees to assist in day-to-day evaluations
* conducting mid-term reviews
* sharing reflections and analysis with co-trainer
* providing relevant feedback

6. Organiser/Administrator/Manager

The role of managing all the related tasks during the programme, managing time and space boundaries

* managing time and space for each session
* solving problems related to accommodation, food, etc.
* organising reservations, departures/arrivals, reimbursements, etc.
* managing the learning situation (session timing, breaks, off-time, etc.)

C. Post Training

1. Report-Writer

The role of preparing a report of the training programme

* organising the relevant information for the report-writing
* disseminating the reports to all participants, and others interested.

2. Follow-up Coordinator

The role of continuing contacts with individuals and their organisations to assess impact of training on the organisations and individuals and providing the necessary follow-up support whenever needed

* communicating at regular intervals
* inviting feedback from both organisations and individuals
* collating learning needs for the next event, if so designed

6) Caste : (1) SC Nadar (2) ST (3) BC
(4) MBC (5) OC

7) Religion : (1) Catholic ✓ (2) Non Catholic Christian (3) Hindu
(4) Muslim (5) Any other

8) Family particulars :

S.No	Relationship	Age	Sex	Edn.	Occu	Income/ month	Remarks
(1)	Father						Alive/dead
(2)	Mother						Alive/dead

9) Native Place : (1) Village ✓ (2) Town (3) City

10) Native State (Write the name) : Tamil Nadu

11) Native District (Write the name) : [illegible]

12) Native Diocese (Write the name if you are a Catholic) : [illegible]

13) Mother tongue : (1) Tamil ✓ (2) Malayalam (3) Telugu
(4) Any other

14) The house you live in is : (1) Rented (2) Own house ✓ (3) Official quarters
(4) No house

15) Total income of the family per month : (1) Less than Rs.300 ✓ (2) Rs.300 - 500 (3) Rs.500 - 1,000
(4) Rs.1,000 - 2,000 (5) Rs.2,000 - 3,000 (6) Rs.3,000 - 4,000
(7) Rs.4,000 - 5,000 (8) Rs.5,000 - 6,000 (9) Above Rs.6,000

16) For Higher Secondary Students (Subject Combination) : Academic / Vocational
(1) 1st Subject (2) 2nd Subject
(3) 3rd Subject (4) 4th Subject

17) For Students of Technical Institutions : Course ....
Year ....

18) Whether you are a boarder or Hosteller (1) Boarder (2) Hosteller

19) Whether you receive Govt. Scholarship : (1) Free Scholarship (2) Merit Scholarship (3) Loan Scholarship
(4) Not applicable

20) Whether you receive free books : (1) Yes (2) No

21) Whether you are handicapped : (1) Yes (2) No

22) Mode of transport to the School : (1) Walking (2) Cycle (3) bus
(4) Train (5) Two wheeler (6) Car

23) Whether you are a member of : (1) N.S.S. (2) N.C.C. (3) J.R.C.
(4) Scouting

Date: 10.8.91

Signature: [illegible]

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DIFFERENT TRAINING METHODS

Lecture Method

Some tips for an effective lecture

* The subject should be prepared ahead of the session
* It should be clearly linked to the learning objectives
* The introduction to the lecture should be challenging and stimulating
* The trainer should be able to deal with the topic in depth within the stipulated time
* The trainer should be prepared to tell the participants how the lecture is related to their learning objective
* It should motivate the learners immediately
* Use of different aids can be made
* Its content should be informative and sequencing should be clear
* It should be attuned to the level of the learners
* Learners' participation should be elicited if the duration of the lecture is long
* Eye contact with the learners is essential throughout the lecture
* Proper seating arrangements should be made so that learners can see and hear the lecture
* The trainer should be aware of his/her facial expressions and body movements during the lecture so as not to distract the learners
* Content should be emphasised and not dealt with in a light vein
* The trainer should avoid taking on the role of preacher
* The language of the lecture should be easy to understand short and correct sentences
* The purpose of communicating information and ideas to the learners should always be kept in mind

SMALL GROUP DISCUSSION METHOD

The following are some of the main rationales for small group discussion:

* Clarification: mutual discussion helps clarify the issue and different positions on it
* Opinion building: learners can crystallise their opinion in a collective context
* Expression: small group discussion can encourage expression of learners' experiences and opinions
* Involvement: It can be used to initiate and sustain learners' involvement.
* Internalisation: it can facilitate internalisation of crucial ideas among learners.
* Building climate: it contributes to the building of a learning climate.

5 6) Caste : (1) SC (2) ST (3) BC
(4) MBC (5) OC

3 7) Religion : (1) Catholic (2) Non Catholic Christian (3) Hindu
(4) Muslim (5) Any other

02
02
06 8) Family particulars :
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05
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S.No	Relationship	Age	Sex	Edn.	Occu	Income/ month	Remarks
(1)	Father	37	male	B.Com	clerk	2000	Alive/dead
(2)	Mother	33	Female	S.S.L.C	—	—	Alive/dead

1 9) Native Place : (1) Village (2) Town (3) City

1 10) Native State (Write the name) : TAMIL NADU

99 11) Native District (Write the name) : P. P. M. District

99 12) Native Diocese (Write the name if you are a Catholic) : ——

1 13) Mother tongue : (1) Tamil (2) Malayalam (3) Telugu
(4) Any other

3 14) The house you live in is : (1) Rented (2) Own house (3) Official quarters
(4) No house

04 15) Total income of the family per month : (1) Less than Rs.300 (2) Rs.300 - 500 (3) Rs.500 - 1,000
(4) Rs.1,000 - 2,000 (5) Rs.2,000 - 3,000 (6) Rs.3,000 - 4,000
(7) Rs.4,000 - 5,000 (8) Rs.5,000 - 6,000 (9) Above Rs.6,000

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98
98
98 16) For Higher Secondary Students (Subject Combination) : Academic / Vocational
(1) 1st Subject (2) 2nd Subject
(3) 3rd Subject (4) 4th Subject

98
8 17) For Students of Technical Institutions : Course . . . .
Year . . . .

98
9 18) Whether you are a boarder or Hosteller (1) Boarder (2) Hosteller

9 19) Whether you receive Govt. Scholarship : (1) Free Scholarship (2) Merit Scholarship (3) Loan Scholarship
(4) Not applicable

9 20) Whether you receive free books : (1) Yes (2) No

2 21) Whether you are handicapped : (1) Yes (2) No

9 22) Mode of transport to the School : (1) Walking (2) Cycle (3) bus
(4) Train (5) Two wheeler (6) Car

8 23) Whether you are a member of : (1) N.S.S. (2) N.C.C. (3) J.R.C.
(4) Scouting

Date: 11/8/91.

Signature: [illegible signature]

CASE STUDY METHOD

Steps

The use of the case study method can be done in the following steps:

* reading or hearing a case study
* individual reflection
* small group discussion (to explore the issue further)
* extract insights
* collective analysis
* summarisation

Facilitator's Role

The case study method involves a high degree of involvement and participation on the part of both the learners and the trainer. Asking questions, probing further, clarifying, seeking clarifications, inviting interpretations, drawing parallels between existing reality and what's happening in the group are the various things that a facilitator does in this method.

The pace of case study analysis has to be kept. What may work with one group of learners may be totally redundant for another group. The facilitator should therefore keep in mind the level of learners and the objectives to be achieved. In the absence of a readily available case study, the facilitator has to prepare one as well preparing and using case studies requires considerable skill.

Role-Play Method

Role-play is a structured experience in which learners get an opportunity to act out problems concerning human relations and human interactions before a group of co-learners and facilitators. It is a conscious attempt to examine the various roles played in actual life. This process is then subjected to critical reflection through effective feedback given by both the observers and the actors.

STEPS IN USING ROLE-PLAY

1. The learning objective and subject matter should be specified before choosing a particular role play.

2. The facilitator should identify a problem or a situation that would be meaningful to the group and would meet the learning objectives.

1 6) Caste : (1) SC ✓ (4) MBC | (2) ST (5) OC | (3) BC

2 7) Religion : (1) Catholic | (2) Non Catholic Christian | (3) Hindu ✓ | (4) Muslim | (5) Any other.

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8) Family particulars :

S.No	Relationship	Age	Sex	Edn.	Occu	Income/ month	Remarks
(1)	Father	30		S.S.L.C	~~Business~~ Business	[illegible]	Alive/dead
(2)	Mother	27		7th std	NIL	/	Alive/dead

3 9) Native Place : (1) Village | (2) Town | (3) City ✓

1 10) Native State (Write the name) : Tamilnadu

08 11) Native District (Write the name) : Madras

99 12) Native Diocese (Write the name if you are a Catholic) : --

1 13) Mother tongue : (1) Tamil ✓ | (2) Malayalam | (3) Telugu | (4) Any other

2 14) The house you live in is : (1) Rented | (2) Own house ✓ | (3) Official quarters | (4) No house

02 15) Total income of the family per month : (1) Less than Rs.300 | (2) Rs.300 - 500 ✓ | (3) Rs.500 - 1,000 | (4) Rs.1,000 - 2,000 | (5) Rs 2,000 - 3,000 | (6) Rs 3,000 - 4,000 | (7) Rs.4,000 - 5,000 | (8) Rs.5,000 - 6,000 | (9) Above Rs 6,000

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16) For Higher Secondary Students (Subject Combination) : Academic / Vocational
(1) 1st Subject | (2) 2nd Subject | (3) 3rd Subject | (4) 4th Subject

8 17) For Students of Technical Institutions : Course ....
Year ....

98

9 18) Whether you are a boarder or Hosteller : (1) Boarder | (2) Hosteller

9 19) Whether you receive Govt. Scholarship : (1) Free Scholarship | (2) Merit Scholarship | (3) Loan Scholarship | (4) Not applicable

9 20) Whether you receive free books : (1) Yes | (2) No

9 21) Whether you are handicapped : (1) Yes | (2) No

9 22) Mode of transport to the School : (1) Walking | (2) Cycle | (3) bus | (4) Train | (5) Two wheeler | (6) Car

8 23) Whether you are a member of : (1) N.S.S. | (2) N.C.C. | (3) J.R.C. | (4) Scouting

Date: 14/2/91

Signature: [signature] 14/2/91

. The problem should be well-defined, specific and not too complex in structure. Otherwise it may not be understood by the actors and the observers.

4. For different roles to be played, either individuals can volunteer or decide among themselves or the facilitator may assign roles to different individuals.

5. If any individual is reluctant to portray a particular role, the facilitator should not push it on him/her. This may result in the individual feeling anxious, nervous and threatened, and impair learning.

6. For learning to take place, the active involvement of the learners is essential. Each actor should be well briefed about the role to be played. This could be done separately. The observers should also be given clear instructions about their role, what they have to observe and how they have to record it.

7. In setting the stage, the rationale of the role-play situation should be explained. What it is being used for, why, and what can be effected through it.

8. During the role play, if a particular scene is being continued or stretched for too long, or an impasse has been reached, or real feelings have begun to be developed or the purpose of the role-play has been achieved the role-play should be [illegible] stopped. Sometimes the role-play can be stopped in between for sometimes in order to highlight a point and then continued further.

9. Time should be given to participants to distance themselves from their roles after it is over. An informal [illegible] [illegible] help them.

10. During the sharing and analysis session, the discussion should be focused on observations, feelings, understanding and not on opinions or suggestions.

11. If the diagnosis of the problem opens up a whole new way of working out a problem, different role-play situations can be tried to practice new approaches or actions. This will help test the generalisations in more than a particular case.

3 6) Caste : (1) SC (2) ST (3) BC (4) MBC (5) OC

3 7) Religion : (1) Catholic (2) Non Catholic Christian (3) Hindu (4) Muslim (5) Any other

03 8) Family particulars :

S.No	Relationship	Age	Sex	Edn.	Occu	Income/ month	Remarks
(1)	Father	42	Male	8th	Buisness Man	3000	Alive/~~dead~~
(2)	Mother	32	female	S.S.L.C	house working	~~3000~~	Alive/~~dead~~

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1 9) Native Place : (1) Village (2) Town (3) City

1 10) Native State (Write the name) : Tamil Nadu

07 11) Native District (Write the name) : ~~Kamaraj District~~ Kamaraj District

98 12) Native Diocese (Write the name if you are a Catholic) : —

1 13) Mother tongue : (1) Tamil (2) Malayalam (3) Telugu (4) Any other

2 14) The house you live in is : (1) Rented (2) Own house (3) Official quarters (4) No house

05 15) Total income of the family per month : (1) Less than Rs.300 (2) Rs.300 - 500 (3) Rs.500 - 1,000 (4) Rs.1,000 - 2,000 (5) Rs.2,000 - 3,000 (6) Rs.3,000 - 4,000 (7) Rs.4,000 - 5,000 (8) Rs.5,000 - 6,000 (9) Above Rs.6,000

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16) For Higher Secondary Students (Subject Combination) : Academic / Vocational (1) 1st Subject (2) 2nd Subject (3) 3rd Subject (4) 4th Subject

8 17) For Students of Technical Institutions : Course .... Year ....

98

9 18) Whether you are a boarder or Hosteller (1) Boarder – (2) Hosteller –

8 19) Whether you receive Govt. Scholarship : (1) Free Scholarship (2) Merit Scholarship (3) Loan Scholarship (4) Not applicable

2 20) Whether you receive free books : (1) Yes (2) No

2 21) Whether you are handicapped : (1) Yes (2) No

3 22) Mode of transport to the School : (1) Walking (2) Cycle (3) bus (4) Train (5) Two wheeler (6) Car

4 23) Whether you are a member of : (1) N.S.S. (2) N.C.C. (3) J.R.C. (4) Scouting

Date: 16/8/91 **Signature:** K. [illegible]

FORMS OF ROLE-PLAY

There are various forms of role-play as learning methods.

a. Simple Role-Play

In this form a small group performs the role play before the observers, or two persons role play two different sets of characters and then interchange their roles.

The former helps to develop sensitivity to the feelings of others and the self. In the latter, it can be effectively demonstrated how diverse attitudes, feelings and personalities react to similar sets of situations. Both sets of reactions of the actors and the observers can lead to rich insights.

b. Multiple Role-Play

In this, the same situation is enacted by different groups. This exercise could also be simultaneously played in different groups with observers and facilitators. They then can share their experiences and insights and compare data with one another. This can help highlight different sets of perceptions.

c. Socio-Drama

A role-play which focuses on a particular social issue can also be effectively demonstrated during a session. Participants can then collectively analyse it and discuss the relevant issues and related dynamics.

Simulation

An interactive learning method simulation is setting up or re-creating a complex reality situation within the context of a training programme. Various roles are assigned to different participants and the exercises takes place for a specified period of time. Various events and activities are set up to facilitate the interaction between the actors.

During Simulation

During the activity itself, to ensure an easy flow and to maintain control over the process, the following steps are essential.

1. The stage should be set for the simulation activity. Clear instructions should be given in an easy, relaxed manner explaining the objectives of this simulation, as well as the sequence of the activity and roles to be played. If time permits, one should go over the instructions twice and check with the learners if they have understood them.

5 6) Caste : (1) SC (2) ST ~~(3)~~ BC (4) MBC (5) OC

3 7) Religion : (1) Catholic (2) Non Catholic Christian ~~(3)~~ Hindu (4) Muslim (5) Any other

03 03 07 07 03 01 05 06

8) Family particulars :

S.No	Relationship	Age	Sex	Edn.	Occu	Income/ month	Remarks
(1)	Father	46	male	M.A.	Business	1,3,000	Alive/~~dead~~
(2)	Mother	45	female	MSc	Asst. Proffesor	14,000	Alive/~~dead~~

2 9) Native Place : (1) Village ~~(2)~~ Town (3) City

1 10) Native State (Write the name) : Tamil Nadu

09 11) Native District (Write the name) : Madurai

98 12) Native Diocese (Write the name if you are a Catholic) :

1 13) Mother tongue : ~~(1)~~ Tamil (2) Malayalam (3) Telugu (4) Any other

2 14) The house you live in is : (1) Rented ~~(2)~~ Own house (3) Official quarters (4) No house

09 15) Total income of the family per month : (1) Less than Rs.300 (2) Rs.300 - 500 (3) Rs.500 - 1,000 (4) Rs.1,000 - 2,000 (5) Rs.2,000 - 3,000 (6) Rs.3,000 - 4,000 (7) Rs.4,000 - 5,000 (8) Rs.5,000 - 6,000 ~~(9)~~ Above Rs.6,000

8 98 99 98 98 16) For Higher Secondary Students (Subject Combination) : Academic / Vocational (1) 1st Subject (2) 2nd Subject (3) 3rd Subject (4) 4th Subject

8 98 17) For Students of Technical Institutions : Course ....
Year ....

9 18) Whether you are a boarder or Hosteller (1) Boarder (2) Hosteller

9 19) Whether you receive Govt. Scholarship : (1) Free Scholarship (2) Merit Scholarship (3) Loan Scholarship (4) Not applicable

2 20) Whether you receive free books : (1) Yes ~~(2)~~ No

2 21) Whether you are handicapped : (1) Yes ~~(2)~~ No

3 22) Mode of transport to the School : (1) Walking (2) Cycle ~~(3)~~ bus (4) Train (5) Two wheeler (6) Car

9 23) Whether you are a member of : (1) N.S.S. (2) N.C.C. (3) J.R.C. (4) Scouting

Date: 19-8-16

Signature: [illegible]

3 6) Caste : (1) SC (2) ST (3) BC ✓ (4) MBC (5) OC

3 7) Religion : (1) Catholic (2) Non Catholic Christian (3) Hindu ✓ (4) Muslim (5) Any other

02 8) Family particulars :

S.No	Relationship	Age	Sex	Edn.	Occu	Income/ month	Remarks
(1)	Father	40	MAlE	BSc·BEd	Accountant	2000	Alive/~~dead~~
(2)	Mother	35	female	BSC	Head Clerk	1,800	Alive/~~dead~~

1 9) Native Place : (1) Village ✓ (2) Town (3) City

1 10) Native State (Write the name) TAMILNADU :

1 11) Native District (Write the name) N·ARCOT :

98 12) Native Diocese (Write the name if you are a Catholic) :

1 13) Mother tongue : (1) Tamil ✓ (2) Malayalam (3) Telugu (4) Any other

2 14) The house you live in is : (1) Rented (2) Own house ✓ (3) Official quarters (4) No house

06 15) Total income of the family per month : (1) Less than Rs.300 (2) Rs.300 - 500 (3) Rs.500 - 1,000 (4) Rs.1,000 - 2,000 (5) Rs.2,000 - 3,000 (6) Rs.3,000 - 4,000 ✓ (7) Rs.4,000 - 5,000 (8) Rs.5,000 - 6,000 (9) Above Rs.6,000

98 16) For Higher Secondary Students (Subject Combination) : Academic / Vocational (1) 1st Subject (2) 2nd Subject (3) 3rd Subject (4) 4th Subject

8 17) For Students of Technical Institutions : Course ....
Year ....

9 18) Whether you are a boarder or Hosteller (1) Boarder (2) Hosteller

9 19) Whether you receive Govt. Scholarship : (1) Free Scholarship (2) Merit Scholarship (3) Loan Scholarship (4) Not applicable

2 20) Whether you receive free books : (1) Yes (2) No ✓

2 21) Whether you are handicapped : (1) Yes (2) No ✓

3 22) Mode of transport to the School : (1) Walking (2) Cycle (3) bus ✓ (4) Train (5) Two wheeler (6) Car

4 23) Whether you are a member of : (1) N.S.S. (2) N.C.C. (3) J.R.C. (4) Scouting ✓

Date: 19-8-91.

Signature: SP. Gna[illegible]

2. The schedule and the place to be used should also be made clear. An initial time to let participants get into their roles is necessary sometimes.

3. The facilitators should observe the process and take notes which could be used in the debriefing later.

4. In the process of the simulation, if the objectives of learning have been achieved in a shorter period of time than planned the exercise should be stopped.

5. After the activity is completed, a closure should be clearly announced. The closure should not be too abrupt. If participants are still deeply immersed in their roles, more time should be given before closing.

6. It would be helpful if a break is given right after the activity, since it will help shift the focus of individuals away from the scene as well as give them time to distance themselves from the experience. This is an important stage, since otherwise participants will continue their roles into the debriefing session. One could play a simple game or sing or do some other activity to create the break.

After Simulation (Debriefing)

Participants have been through an intense experience and a process of reflection has set in. Therefore, reaching out to each participant to explore his/her feelings as well as distancing oneself from the activity is very essential for learning.

1. Put a chart up with the questions to be asked, e.g.

* What happened to you in the activity?

* What were your feelings during the activity?

* Are there any parallels in real life?

2. While participants share their feelings, the trainer should write it down on the chart.

It is important to keep in mind that the facilitator does not question or counter the feelings of participants. They should be accepted as they are; one could further explore them by asking questions like: What happened? What did you do then? etc.

3. The facilitator should not put down his/her conclusions on the feelings shared. For example, the participant says: 'I am feeling anxious. 'Facilitator: 'You are feeling anxious because Sudha treated you like thie?' Such interpretations should be avoided. Let the participant share why he is feeling anxious.

4. Collate all the sets of experiences shared and draw parallels with what happened in reality. Why does it happen? A discussion could take place on the key issues.

5. As a summary, key points can be highlighted, and conceptual frameworks presented. This provides a closure on the content of the activity.

USE OF VIDEO IN TRAINING

Potentials of Video

Video has a lot of potential as an aid to our educational work. Several organisations are using it for their training work. Like several other media, it is a carrier of our thoughts and beliefs. Just as literacy can be used as a weapon for progressive social change, so can the video. People using video can create a sense of self identity and self control.

There is a lot of fuss about the technical quality of video. Local production and participation do not always result in a professionally made video film. This is mainly because professional facilities are not available at the local level. Above all, the objective is not to produce professional quality video, the objective is people's participation, and their efforts to exercise control over this so-called technical toy. Here the process becomes more important than the final outcome.

3 6) Caste : (1) SC (2) ST (3) BC.✓
(4) MBC (5) OC

3 7) Religion : (1) Catholic (2) Non Catholic Christian (3) Hindu ✓
(4) Muslim (5) Any other

99 8) Family particulars :

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S.No	Relationship	Age	Sex	Edn.	Occu	Income/ month	Remarks
(1)	Father	–	–	–	–	–	~~Alive~~/dead
(2)	Mother	49	Female	6th old	Nil	–	Alive/~~dead~~

99 3 9) Native Place : (1) Village (2) Town (3) City ✓

2 1 10) Native State (Write the name) : TAMIL NADU.

9 08 11) Native District (Write the name) : MADRAS.

98 12) Native Diocese (Write the name if you are a Catholic) :

3 13) Mother tongue : (1) Tamil (2) Malayalam (3) Telugu ✓
(4) Any other

1 14) The house you live in is : (1) Rented ✓ (2) Own house (3) Official quarters
(4) No house

03 15) Total income of the family per month : (1) Less than Rs.300 (2) Rs.300 - 500 (3) Rs.500 - 1,000 ✓
(4) Rs.1,000 - 2,000 (5) Rs.2,000 - 3,000 (6) Rs.3,000 - 4,000
(7) Rs.4,000 - 5,000 (8) Rs.5,000 - 6,000 (9) Above Rs.6,000

98 98 98 16) For Higher Secondary Students (Subject Combination) : Academic / Vocational
(1) 1st Subject (2) 2nd Subject
(3) 3rd Subject (4) 4th Subject

98 8 98 17) For Students of Technical Institutions : Course ....
Year ....

9 18) Whether you are a boarder or Hosteller (1) Boarder (2) Hosteller

8 19) Whether you receive Govt. Scholarship : (1) Free Scholarship (2) Merit Scholarship (3) Loan Scholarship
(4) Not applicable ✓

2 20) Whether you receive free books : (1) Yes (2) No ✓

2 21) Whether you are handicapped : (1) Yes (2) No ✓

3 22) Mode of transport to the School : (1) Walking (2) Cycle (3) bus ✓
(4) Train (5) Two wheeler (6) Car

9 23) Whether you are a member of : (1) N.S.S. (2) N.C.C. (3) J.R.C.
(4) Scouting

Date: 19.8.91.

Signature: S. yui baba.

A. GOAL SETTING

a) <u>STUDY GOALS</u>

1. . . . .

2. . . . .

3. . . . .

b) <u>ANY OTHER GOALS</u>

1. . . . .

2. . . . .

3. . . . .

B. ANALYSIS OF GOALS

1. Are they - Specific ?
   - Measurable ?
   - Demanding ?
   - Achievable ?

2. Differentiate between : long term goals
   short term goals

3. Prioritise short term goals

4. Break goals into tasks by results.

5. Set deadlines Daily Weekly monthly

c) Compare goals with activities in time log.

d) Share in groups

Ananda law
1/1/87

TIME WASTERS

INTERNAL:

1. Absence of Goals - Objectives
2. Lack of priorities
3. Not setting deadlines
4. Attempting too much at one time
5. Personal disorganization
6. Indecision
7. Procrastination
8. Leaving tasks unfinished
9. Inability to say 'no'
10. Poor filing / information system
11. Habits (Negative)
12. Lack of self discipline

EXTERNAL:

1. Drop-in-visitors at home / hostel
2. Friends
3. Mass media - TV / Films / Magazines / Newspapers
4. Over socializing
5. Routines
6. Parents
7. Lack of dynamision / direction in the class room
8. Teachers

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ANALYSIS OF A TIME LOG - QUESTIONS

1. Do you have daily tasks with deadlines ?

2. How much of the activities done relate to goals of yours ?

3. How much of your activities are O.K. and to be improvised and how much to be eliminated and cut short ?

4. How much uninterrupted time you have in a day ?

5. What are the reasons for not completing the planned tasks within deadlines ? List them.

6. Arrive at tentative solutions for controlling, minimising, eliminating interruptions.

7. Of the solutions, suggested above, which three will you implement immediately ?

The Daily Planner

Things to be done

1. ....
2. ....
3. ....
4. ....
5. ....
6. ....
7. ....

Priority Listing

1. ....
2. ....
3. ....
4. ....
5. ....
6. ....
7. ....

Must do	Should do	Like to do
1.	1.	1. ....
2.	2.	2. ....
3.	3.	3. ....
4.	4.	4. ....
5.	5.	5. ....
6.	6.	6. ....

Telephone

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Meetings	Time	Objectives	Actions	Decisions

GOALS : (1) ____________ (2) ____________ (3) ____________ NAME :

TASKS : (1) ____________ (2) ____________ (3) ____________ DATE :

TIME	ACTIVITIES	PRIORITY 1. Imp & Urg 2. Imp-Not Urg 3. Routine 4. Time Waster	COMMENTS 1. Eliminate 2. Cut Short 3. Improvise 4. O.K		TIME	ACTIVITIES	PRIORITY 1. Imp & Urg. 2. Imp-Not Urg 3. Routine 4. Time Waster	COMMENTS 1. Eliminate 2. Cut Short 3. Improvise 4. O.K.
8.00					1.00			
8.30					1.30			
9.00					2.00			
9.30					2.30			
10.00					3.00			
10.30					3.30			
11.00					4.00			
11.30					4.30			
12.00					5.00			