

Management Perspectives in the Public Sector and Small Scale Industries in India. B. R. Rairikar and G. Murthy (eds.), Lala Lajpat Rai College of Commerce and Economics, Bombay, 1982, price not mentioned, pp. 148.

This book is the outcome of the Seminar on "Management Perspectives in Public Sector and Small Scale Industries" organised by the Lala Lajpat Rai College of Commerce and Economics, Bombay, with the support of the University Grants Commission. The papers of the Seminar have been brought out in this volume under two sections : (a) Management Perspectives in the Public Sector, and (b) Management Perspectives in the Small Scale Industries.

Under "Management Perspectives in the Public Sector", there are seven articles. In the first article Dr. M. A. Deshpande points out that there are three distinct areas, where public sector undertakings have not established the expected leadership. They are : (a) transfer of technology, (b) locational planning, and (c) entrepreneurial development (P. 22). In the later part of his paper, he has presented an analysis of the various problems which the public sector undertakings would have to face in the next 10 to 15 years.

Mr. P. C. Randeria in his article attempts to make certain observations under two broad categories : (i) Mixed Economy—its ground rules ; and (ii) Public Sector Enterprises—what is expected of them. He mentioned that the ground rules for the success of a mixed economy could be presented in terms of a new version of the Panchsheel charter for the happy co-existence of co-prosperity of both the Public and the Private sectors in our mixed economy. The next question as

identified by him is what are the expectations of public enterprises. He states that the expectations of public enterprises may be presented under the three broad categories : (i) a greater exercise of leadership in the management of our national economy ; (ii) more results and better performance ; and (iii) greater public participation and public accountability.

Dr. Venkutat Patil in her paper highlighted the managerial problems encountered in conceptualisation and implementation of the process of 'Professionalisation of Management' in Public Sector enterprises and the possible solutions to these problems. She concluded by saying that "The effectiveness and adequacy of the public sector, will depend upon the promptitude and thoroughness with which it responds to the demands of professionalisation. This alone will greatly influence, or even exclusively determine, the realisation of the cherished socio-economic objectives underlying our national policies and also the shibboleths laid down in our Constitution" (P. 43)

Similarly, Dr. Sampati Singh in his article has emphasized that "In future there will be more professionalisation, qualitatively healthier bureaucratization and cleaner commercialisation of our industrial enterprises in public as well as private sectors. Managerially, the difference between private and public units will become less and less noticeable" (P. 46).

Shri A. G. Pradhan in his paper made a listing of different items of 'Project Appraisal' like : cost estimates, means of financing, financial viability, working capital, cash flow, financial appraisal, debt-equity ratio, margin, profitability, commercial viability and economic appraisal.

Dr. N. K. Kulkarni's paper points out that "It is, therefore, very urgent to take a hard

look at the public sector undertakings, identify critically important deficiencies in their working and initiate immediate measures to improve their performance. Already valuable time has been lost. Further loss of time may worsen the situation. In some cases it may be a faulty pricing policy, in others it may be political interference, in still others it may be bureaucratic red-tape, delay and lack of professional management that may be source of failure. The causes which may exist in different combinations will have to be carefully identified and dealt with in a business-like manner" (P. 53).

Prof. R. V. Chari's paper indicates that most of the public sector undertakings are not working in the manner that they should. The reasons are : (i) no continuity at the top management ; (ii) inordinate delays due to bureaucracy and concentration of power materially effects implementation of innovations or changes ; (iii) the systems, methods and procedures are more suited to governmental offices than to industrial enterprises ; and (iv) low productivity due to combination of reasons.

The section ends with an appendix by Dr. M. A. Deshpande covering very exhaustively the subject 'Public Sector Undertakings-Retrospect and Prospects'. He has suggested three distinct areas where improvement is essential : (a) Management of Resources, (b) Increase in Productivity ; and (c) Attitude of Government and people at large.

Section II deals with "Management Perspectives in the Small Scale Industries". There are ten articles. This section begins with an article by Dr. M. A. Deshpande which deals with "Small Scale Industries — Definition, concepts and a General Profile". It is stated that "All through different plans, the

main objective for the development of SSI has been to : (1) generate large scale employment opportunities on a decentralised and dispersed basis ; (2) upgrade the existing levels of skills of artisans as well as the quality of their products ; and (3) step up production both for mass consumption and export" (P. 63). It is seen that between 1960 and 1977-78, the number of small factories rose from 36,457 to 61,910 in absolute terms, but when seen as percentage of total industries, they actually come down, from 92 to to about 73 per cent. Likewise, in terms of employment, fixed capital and gross output it has gone up in absolute terms but declined in percentage.

Dr. J. C. Sandesara in his paper points out that small units have a higher unit cost, less capital intensity, lower output, lower wage and lower surplus each per worker and lower capital output and lower surplus capital ratios than large units.

Dr. S. B. Deodhar discusses the issues and problems of the small scale industries. He advocated that the issues and problems pertaining to the performance of the SSI sector could be examined in relation to : (i) the key performer i. e., the entrepreneurs and (ii) their performance at the 'implementation' and 'production' stages.

Dr. J. D. Joshi traces the contribution of Maharashtra State Government in the development of small scale industries. Dr. R. M. Kale presents a case study of the Vidarbha Development Corporation Limited, Nagpur. In the next article, Prof. G. Murthy identifies the Managerial Perspectives at different stages of the evolution and growth of small scale industry. The paper focuses on : enterprise promotion, choice of appropriate technology, evolution of small scale sector, speedy

graduation of small units into adulthood and a peaceful co-existence of small scale sector and large scale sector. Shri S. M. Lad discusses export marketing of the products of the small scale industries and role of the merchant exporters/export house. Smt. Shanta Vaidya's paper deals with labour perspective in small scale industries. She pointed out that small scale industries because of the lack of unionisation usually are designated as unorganised industries. The enterprises in this sector are characterised with family ownership, indigenous technology, and labour intensity. There is no clear distinction between owners, managers and labour. The products are mostly sold in open, competitive markets. Dr. P. N. Singh discusses various

concepts governing the process of entrepreneur development. The section ends with the key note address by Shreeman Bhausaheb Vartak. He highlights the role of small scale industries in the Indian economy and elucidates the role of education vis-a-vis the industrial development in general and self-employment in particular.

The proceedings of the seminar will provide the readers a broad idea about the management perspectives in the Public Sector and Small Scale Industries in India.

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