

MANAGEMENT & MARKETING

Management and Marketing Techniques for Small and Medium Scale Industries

By N. H. ATTUREYA**

The General Belief

THE general belief is that modern management techniques are for large scale industries only. Perhaps this belief is occasioned by a number of reasons. Large-scale industries are managed by paid executives while small and medium scale industries are often managed by the owners themselves. Management problems are to an extent related to size and only large scale industries have both size and complexity. Thirdly, it is large-scale industries that are modern management conscious and therefore it is believed that management techniques are more needed by them. It is true that large scale industries do use and do need management techniques more than small and medium-scale industries **but** the small and medium-scale industries do need modern management techniques too.

Small industries need them too

Small and medium-scale industries need modern management techniques and more so. Firstly, small and medium-scale industries have **limited resources and they have to be conserved. Secondly, these industries are like small boats. Even small leaks can create major existence problems.** Large-scale industries are like big ships; they can stand big holes; they have built-in internal and external stamina. (For example, they can raise finance much more easily than the small ones.) And finally, small and medium-scale industries have to grow and this growth has to be orderly and systematic. **For existence, prosperity and growth** modern management techniques come handy.

Management is resources utilisation

The most practical definition of management is resources utilisation. The job of the manager is to

utilise resources to a pre-determined goal. The art and science of management is aimed to help the manager achieve that goal. The more he knows of the science, the more skilled he is in practising it, the more effective is the manager of a small and medium-scale industry.

An additional advantage

An additional advantage the small and medium-scale industries have over large-scale industries is that the owner himself can be proficient in these techniques. Useful as they are in the hands of a paid manager, they become particularly effective in the hands of the owner-manager. The owner manager has motivation of a high degree. He is vitally and visibly interested in existence, prosperity and growth. **The moment he sees the relevance of an idea or a technique to prosperity and growth he moves with energy and enthusiasm. Every hour and rupee the owner-manager of a small or medium-scale industry invests in acquiring the science and art of management will pay him and his business a hundred-fold.** The question then arises: How does one acquire the science and art of modern management techniques? Before we attempt that question, another minor question has to be answered: Why has marketing been singled out? Is it not part of management?

Why emphasis on marketing?

Marketing is part of management. It is singled out here for one reason. Generally speaking, small and medium-scale industries are effective in production. Not so in marketing. This deficiency is not seen in normal times. So long as there is a dearth of their products, their deficiency in marketing is not noticed by themselves or anybody. The moment there is plenty or the moment there is even a temporary slump, many medium

** Professor Athreya is an author, lecturer and consultant. He is the chief of the management consulting firm, Modern Management Counsel. He also directs the management training institute, MMC School of Management. He is connected with a number of professional management bodies here and abroad. He is the president of the Management Consultants Association of India and Hon. Director of the Indian Centre for Encouraging Excellence. He is a Rotarian.

and small scale industries almost come to a dead stop. Inventories mount. Employees are laid off. Production stops. Instalments are not paid. Everyone shouts for help. Even at such times, it is not realised that it is poor marketing on their part that has landed them in a soup. The best time to build marketing management is when we are well off. Firstly, it takes time to build marketing. Secondly, it calls for investment. Neither of them will be available once a crisis has set in. **The weakest link of management in small and medium-scale industries is marketing.** (This is true of public sector industries also.) Every little attention given to it will make for the greater prosperity and surer growth of small and medium-scale industries.

How does one learn these techniques ?

This is a genuine question. Most facilities in the country are geared to large-scale organisations perhaps because only large-scale organisations give them support. With a little care and judgement it is possible to locate and utilise facilities in this country and abroad. I will mention only a few here.

One is reading. At the end of this article, I have listed a number of books that are inexpensive and available in the Indian market. It will be well to add them to your library and find time to read them. Some of them are written for conditions outside India. You can however choose such techniques that have universal validity, as for example, PERT or SQC.

Another is listening. In many cities, there are Productivity Councils and Management Associations. They organise seminars, lectures, courses etc. You can become members to know what are organised and what may be applicable to you. Even in the best programmes all that is said may not be slanted to your requirements. You should be prepared for limited use only. The major point is that you should think of going yourself instead of nominating your junior. If you go yourself, you can learn from the programme leader, fellow-participants and the organisers — before the programme, during the programme and after the programme. Your junior cannot do as well. Your junior too needs training and for some programmes, as for example, **How to read a blue print**, you have to send only your junior. For management techniques and marketing techniques programmes, it is well that you yourself go.

A third method would be for you to take the initiative and form a group of small and medium-scale industrialists. To this group you can invite specialists in management techniques. You can brief the specialists to slant their knowledge to the needs of the small and medium-scale industries. This will call for some organisation and leadership and time. Since the cost will be co-operatively shared, you will be spending less and gaining more by such efforts. (If you wish, you can take the assistance of a consultant to help you on these group sessions.)

A fourth method would be to have some 'private tuition'. What I mean is to have a consultant on a retainer basis. You may meet him once a month positively and more often when required. In each of these meetings, you can learn more of management techniques, not merely slanted to small and medium-scale industries but also slanted to **your** particular industry and needs.

Where is the time ?

While you may concede the need for modern management and marketing techniques, you will have one question : Where is the time ? Time is limited and demands on **your** time are unlimited. The first step you should take therefore is to learn the management techniques of **time conservation** — how to do more in less time, how to save time for investment type of activities. A specialist can assist you on this even within a week.

A word on specialists

Small and medium-scale industrialists in particular should be careful about choosing specialists. If their first experience is sad, they will not use specialists any more and this is not good either for them or for professionals in management. I would urge careful selection of books, programmes and specialists-consultants. Generally speaking, professional consultants are humble, not boastful, and not aggressive in getting business.

Some books recommended for small and medium-scale industrialists

1. Management for the small company Edited by Elizabeth Marting — Rs. 7.20.
- *2. Essence of Management by N. H. Atthreya — Rs. 19.50.
3. Effective Executive by Peter F. Drucker — Rs. 7.00.
4. The Practice of Management by Peter F. Drucker — Rs. 6.00.

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| <p>*5. The You and I in Business by N. H. Atthreya — Rs. 15.00.</p> <p>6. Leadership on the Job Edited by AMA Staff — Rs. 6.00.</p> <p>7. Motivation and Productivity by Saul W. Gellerman — Rs. 9.00.</p> <p>*8. How to select well your employees by N. H. Atthreya — Rs. 24.00.</p> <p>*9. Executive skill of persuasive listening by N. H. Atthreya — Rs. 19.50.</p> | <p>*10. Written Communication and Results by N. H. Atthreya — Rs. 24.00.</p> <p>*11. How to develop a winning voice, build organisation's image and make a sale over the telephone by MMC School — Rs. 10.00.</p> <p>*12. Public speaking : Committee meetings by N. H. Atthreya — Rs. 15.00.</p> <p>13. Marketing Research Management by A. B. Blankenship — Rs. 12.00.</p> <p>14. Salesmanship by Kirkpatrick — Rs. 12.40.</p> |
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Books marked * are distributed by MMC School of Management, Third Floor, Court Chambers, New Marine Lines, Bombay-20. If you have difficulty in getting the other titles, please write to the School and it will help. — EDITOR.

MODERN MANAGEMENT COURSE

11th October 1958

Mr. K. K. Kulkarni
 General Manager
 Tata Iron & Steel Co. Ltd.

Dear Mr. Kulkarni:

I sent the enclosed letter to your address in Mumbai last week. Mr. Kulkarni informed me you are already in India and you are likely to be in Bombay on Monday. I have your wife's address in London and I am going out of Bombay for a few days from Thursday. In my absence, I am requesting you to call on me to take me to my office and discuss possibilities as my health. I wish your visit to India to be fruitful.

Best regards and wishes

Yours sincerely,