



**PROBLEMS OF LABOURS IN MICRO, SMALL AND MEDIUM ENTERPRISES WITH SPECIAL REFERENCE TO KURNOOL DISTRICT OF ANDHRA PRADESH**

**D.Pakkerappa\* Prof.K.Thulasi Naik\*\***

*\*Research Scholar, Dept. of Economics, S.K University, Anantapuramu-515003.*

*\*\* Professor, Dept. of Economics, S.K University, Anantapuramu-515003.*

**Abstract**

*Micro, Small and Medium Enterprises (MSMEs) are driving force in the socio-economic development of a country. This is reflected in the empirical evidence of countries both Developing and Developed across the world. They comprise, more than 90 percent of all the enterprises in the world and are on an average responsible for 60 to 80 percent of total employment, thus help to contribute to sustainable poverty reduction. The new challenge in many developing countries including India is to combine employment potential of MSMEs with their productivity. The MSME problems could be broadly classified into internal and external. The internal problems are those which are the outcome of internal course of management of an enterprise and are related to a single unit whereas external problems are those which are generally faced by all enterprises in the industry and are beyond their control. This paper examines and discusses in details the problems of MSMEs labours in Kurnool district.*

**Introduction**

Micro, Small and Medium Enterprises (MSMEs) are driving force in the socio-economic development of a country. This is reflected in the empirical evidence of countries both Developing and Developed across the world. They comprise, more than 90 percent of all the enterprises in the world and are on an average responsible for 60 to 80 percent of total employment, thus help to contribute to sustainable poverty reduction. The new challenge in many developing countries including India is to combine employment potential of MSMEs with their productivity. This requires shifting their productive base from low value, price – determined modes of operation to higher value, knowledge based pattern of production. This demands an enabling environment that facilitates the growth of MSMEs, including institutions and their networking for information sharing under globalization. However, there are gaps in providing business information (Zhao 1999, Ducombe & Heeks 1999; Moyi 2003) (Chiwari, 2008) besides the capacity building of institutions supporting MSMEs as well as MSMEs and it is very much essential for the survival of MSMEs in the competitive world.

**Problems faced by MSMEs**

The MSME problems could be broadly classified into internal and external. The internal problems are those which are the outcome of internal course of management of an enterprise and are related to a single unit whereas external problems are those which are generally faced by all enterprises in the industry and are beyond their control (Desai, V. 2006). The internal and external problems as assessed from different studies is shown below in Table 1.

<b>Problems</b>	<b>External</b>	<b>Internal</b>
Finance	Non availability of finance Access to finance Excessive collateral security	High cost of borrowings Inadequate finance Recovery from debtors Low promoters contribution
Managerial	Locational disadvantage Government price controls.	Lack of technical know-how Absence of long term planning Lack of management skills
Marketing	Market saturation. Weak market demand Competitive environment of market	Lack of sales promotion Limited local market Price of the product is high Dependency on large scale industries Lack of marketing research
Raw material	Raw material not available Imports are difficult	Poor inventory management
Technological	Delay in delivery of machines	Obsolete Plant and Machinery Poor capacity utilization. Inadequate maintenance Transport bottleneck
Labour	Unavailability of skilled Labour	Labour Absenteeism / turnover High rates of wages / salaries Inefficient handling of labour problems



The problem of sickness in industries has become very acute in India. It has adversely affected the health of the industrial sector in particular and the economy in general. The major causes of sickness of the SSI sector, as per the Third Census of SSI are shown in Table 2.

**Table 2 Reasons for sickness in Small Scale Industries**

S.No	Reason For Sickness/ Incipient Sickness	Proportion of Sick/ Incipient Sick Units*		
		Total SSI Sector	Regd. SSI Sector	Unregd. SSI Sector
1.	Lack of demand	66 %	58 %	69 %
2.	Shortage of working capital	46 %	57 %	43 %
3.	Non-availability of raw material	12 %	12 %	12 %
4.	Power shortage	13 %	17 %	12 %
5.	Labour problems	5 %	6 %	4 %
6.	Marketing problems	36 %	37 %	36 %
7.	Equipment problems	11 %	9 %	12 %
8.	Management problems	4 %	5 %	3 %

Source: Third All India Census on SSI 2001-02, Ministry of SSI, Government of India

MSMEs face a tough competition from their global counterparts due to liberalization, change in manufacturing strategies, technological changes, turbulent and uncertain market scenario. The central issue of concern for the growth of small industry is how to strengthen its competitiveness. To sustain their key role, MSMEs need support in defining their specific technological and organizational needs and in finding the right approach to finance to these needs.

### Review of literature

Jannadi and Bu-Khamsin conducted questionnaire survey among industrial contractors in the Eastern Province of Saudi Arabia and formal interviews with the contractors and officials responsible for construction safety were taken. 72% of the companies participated in this survey were the general building construction companies. Twenty main factors and eighty-five subfactors and their level of importance based on the survey results and analysis were identified. Pheng and Shiu emphasized that integration between quality and safety should be achieved for better coordination and utilization of resources. Koehn and Datta through their study concluded that safety rules and regulations not only overcome issues like poor quality work, unsafe working conditions, and lack of environmental control but also reduce cost and enhance productivity. Wilson Jr. and Koehn suggested that safety practices vary with construction sites, as every site has unique safety aspects. Larger construction projects are better organized whereas small to medium firms do not have an adequate safety program or person to oversee safety criteria.

### Objectives

1. To study the MSMEs in development of nation economy
2. To analyse the problems of MSMEs labour in Kurnool district
3. To draw the findings

### Methodology

#### Sample design

The study is based on empirical evidence and confine Kurnool district only. The Kurnool district is categories three revenue divisions namely Kurnool, Adhoni and Nandyala. The researcher has selected sample respondents like who are working as labours in Micro, Small and Medium Enterprises in Kurnool district. The researcher has chosen three revenue divisions and selected sample labour through using simple random sampling techniques. Each revenue division, 100 sample respondents were selected. Altogether 300 sample respondents were selected from Kurnool district.



### Data Collection

This study is depend on both primary and secondary data. The primary data were collected from the sample respondents through a structure Interview-Schedule after pre-tested. The secondary data were also collected from various sources like journals, dailies, books, published and unpublished theses/dissertation and university libraries.

### Tools Used

This study is based on empirical analysis. In the process of analysis of the present study, the researcher has used simple statistical tools like averages, percentages, and means.

### Discussions

**Table- 3: Classification of Labour According to Their Community**

S.No	Community	Frequency	Percentage
1	Forward Community	42	14.00
2	Backward Community	154	51.00
3	Schedule Community	64	22.00
4	Schedule Community	40	13.00
	Total	300	100

Source: Field Survey

The above table shows that the researchers has put a question to the sample labours of Micro, Small and Medium Enterprises about their community in the study area. After analyse the researcher has found that from the table that, 14 per cent of the sample labour belong to forward community, 22 per cent of the sample respondents belong to Schedule Community and only 13 per cent of the sample respondents have Schedule Community. It is quite interestingly found that, morethan fifty per cent of the sample respondents belong to backward community.

**Table-4: Education –Wise Classification of Sample Respondents In Kurnool District**

S.No	Education level	Frequency	Percentage
1	Illiterate	61	20.00
2	Up to x	174	58.00
3	Intermediate	35	12.00
4	Degree	21	07.00
5	PG and Technical	9	03.00
	Total	300	100

Source: Field Survey

Education is one of the powerful tools for empowering any individuals in society. In this context, the above table portrayed that the researcher has collected information from the labours in study area about their educational levels. It is evident from the study that, majority of the sample respondents have studied upto tenth class, followed by 20 per cent are illiterates, 12 per cent are intermediate level, 7 per cent are degree level and rest of the 3 per cent have PG and technical educational levels in the study area.

**Table -5: There Is No Training Programme Availing From the Management**

S.No	Opinion	Frequency	Percentage
1	Strongly agree	138	46.00
2	Can't say	94	31.00
3	Disagree	68	33.00
	Total	300	100

Source: Field survey



Training and development programme is one of development of any individuals in their respective position in any organisation. It means, enhancing skills and knowledge from the various training programme. The above table shows that the opinion of the sample labour on providing training programme by the management. It is clearly shows that the selected labours are expressed their opinion on training programme, 46 per cent of the sample respondents are agreed on like “ no training programme availing from management”. 33 per cent is expressed negative response on about statement, i.e., disagreeing. It is quite interesting that 31 per cent of the sample respondents have expressed neutral response in the study area.

**Table- 6: Opinion of Labours on Caring by the Management**

S.No	Opinion	Frequency	Percentage
1	Strongly agree	54	18.00
2	Can't say	68	23.00
3	Disagree	178	59.00
	Total	300	100

Source: Field Survey

An organisation effectiveness is depends on effective management. Effective management is depends on effective employees in an organisation. Once, managers have taken concern on their employees or followers or labours, every employee are highly motivated and satisfied their respective positions. In this direction, the researcher concentration on caring of management on their labours in the organisation, majority of the sample respondents are not satisfied on caring matters. It can be concluded that the MSME management have not caring on their follower's life, health, dieses, and other things.

**Table-7: Opinion of the Labour on Followed Safety Measures by the Management**

S.No	Opinion	Frequency	Percentage
1	Strongly agree	52	17.00
2	Can't say	59	20.00
3	Disagree	189	63.00
	Total	300	100

Source: Field Survey

Safety and security is one of the human needs for every employees in the any organisation in the business world. Once they fulfil their minimum needs, immediately araise safety need for employees. The primary objective of management, to offer all developmental programmes to the employees. In this direction, this empirical study shows that majority of the sample respondents expressed that, they disagreed on safety measures which is provided by the management. The researcher has says that, majority of the MSMEs are not followed the safety measures because of they don't have any care about the followers.

### Findings

1. This paper found that majority of the sample labour education level is up to x class and illiterates
2. It is also found that BCs are working as labour in MSMEs and also they played very important role in running this sector.
3. MSMEs managers are not caring their labours in the matters of safety measures, health and other things etc.

### References

1. S. R. Meena, P. M. Nemade, S. N. Pawar, and A. S. Baghele, “Implementation of safety management through review of construction activities in M.S. building projects,” International Journal of Engineering Research and Technology, vol. 2, no. 5, pp. 1656–1662, 2013.View at: Google Scholar
2. S. Shirur and S. Torgal, “Enhancing safety and health management techniques in Indian construction industry,” International Journal of Engineering and Technical Research, vol. 2, no. 4, pp. 52–56, 2014.View at: Google Scholar



3. G. K. Kulkarni, “Construction industry: more needs to be done,” *Indian Journal of Occupational and Environmental Medicine*, vol. 11, no. 1, pp. 1–2, 2007. View at: [Publisher Site](#) | [Google Scholar](#)
4. V. Praveen Kumar and C. K. Vishnuvarthan, “A study on construction jobsite safety management,” *International Journal of Innovative Research in Science, Engineering and Technology*, vol. 3, no. 1, pp. 44–52, 2014. View at: [Google Scholar](#)
5. S. Kumar and V. K. Bansal, “Construction safety knowledge for practitioners in the construction industry,” *Journal of Frontiers in Construction Engineering*, vol. 2, no. 2, pp. 34–42, 2013. View at: [Google Scholar](#)
6. J. M. Wilson Jr. and E. Koehn, “Safety management: problems encountered and recommended solutions,” *Journal of Construction Engineering and Management*, vol. 126, no. 1, pp. 77–79, 2000. View at: [Publisher Site](#) | [Google Scholar](#)
7. K. A. Shamsuddin, M. N. C. Ani, A. K. Ismail, and M. R. Ibrahim, “Investigation the Safety, Health and Environment (SHE) protection in construction area,” *International Research Journal of Engineering and Technology*, vol. 2, no. 6, pp. 624–636, 2015. View at: [Google Scholar](#)
8. 2015, <https://www.osha.gov/oshstats/commonstats.html>.
9. Hemamalinie, A. J. Jeyarthi, and L. Ramajeyam, “Behavioural based safety culture in the construction industry,” *International Journal of Emerging Technology and Advanced Engineering*, vol. 4, no. 4, pp. 45–50, 2014. View at: [Google Scholar](#)
10. X. Huang and J. Hinze, “Analysis of construction worker fall accidents,” *Journal of Construction Engineering and Management*, vol. 129, no. 3, pp. 262–271, 2003. View at: [Publisher Site](#) | [Google Scholar](#)
11. O. A. Jannadi and M. S. Bu-Khamsin, “Safety factors considered by industrial contractors in Saudi Arabia,” *Building and Environment*, vol. 37, no. 5, pp. 539–547, 2002. View at: [Publisher Site](#) | [Google Scholar](#)
12. L. S. Pheng and S. C. Shiua, “The maintenance of construction safety: riding on ISO 9000 quality management systems,” *Journal of Quality in Maintenance Engineering*, vol. 6, no. 1, pp. 28–44, 2000. View at: [Publisher Site](#) | [Google Scholar](#)
13. E. E. Koehn and N. K. Datta, “Quality, environmental, and health and safety management systems for construction engineering,” *Journal of Construction Engineering and Management*, vol. 129, no. 5, pp. 562–569, 2003. View at: [Publisher Site](#) | [Google Scholar](#)
14. R. U. Farooqui, S. M. Ahmed, and K. Panthi, “Developing safety culture in Pakistan construction industry— an assessment of perceptions and practices among construction contractors,” in *Proceedings of the 4th International Conference on Construction in the 21st Century: Accelerating Innovation in Engineering, Management and Technology (CITC '07)*, pp. 420–437, Gold Coast, Australia, 2007. View at: [Google Scholar](#)
15. D. C. P. Ho, S. M. Ahmed, J. C. Kwan, and F. Y. W. Ming, “Site safety management in Hong Kong,” *Journal of Management in Engineering*, vol. 16, no. 6, pp. 34–42, 2000. View at: [Publisher Site](#) | [Google Scholar](#)
16. T. Nawaz, A. Ishaq, and A. A. Ikram, “Trends of safety performance in construction and civil engineering projects in Pakistan,” *Civil and Environmental Research*, vol. 3, no. 5, pp. 23–40, 2013. View at: [Google Scholar](#)
17. G. E. Gürçanlı and U. Müngen, “Analysis of construction accidents in Turkey and responsible parties,” *Industrial Health*, vol. 51, no. 6, pp. 581–595, 2013. View at: [Publisher Site](#) | [Google Scholar](#)
18. G. Hassanein and R. S. Hanna, “Safety performance in the Egyptian construction industry,” *Journal of Construction Engineering and Management*, vol. 134, no. 6, pp. 451–455, 2008. View at: [Publisher Site](#) | [Google Scholar](#)
19. EU-OSHA—European Agency for Safety and Health at Work, *Accident Prevention in the Construction Sector*, 2003.
20. *Innovative Solutions to Safety and Health Risks in the Construction, Health Care and HORECA Sectors*, European Agency for Safety and Health at Work (EU-OSHA), Bilbao, Spain, 2011.
21. Ministry of Labour and Employment (India), “Report of the working group on occupational safety and health for the 12th five year plan, 2012–2017,” *Research Paper*, Government of India Ministry of Labour and Employment, 2011. View at: [Google Scholar](#).