

## Is A True Entrepreneur A Good Executor?

**\*Dr. Sitaram Sharma**

### **Abstract**

The topic itself says about the true, hardworking, passionate, strong determination etc are the some of the characteristic of entrepreneur. The entrepreneur is always indulge in the working of the operations related to upgrade the work. The entrepreneur is always determined to his work, he always dedicate himself to work. an entrepreneurship is not only a process of setting goals for the business but it is the process of designing, launching their new and innovative idea to run the business efficiently and in an effective way by minimising the wastage product and eco-friendly products. Not only innovative qualities but an entrepreneur should have the characteristic of a good executor. The important aspect of the business in today's era is to stay eco-friendly and minimise the harm to the nature, natural products, fossils etc.

### **NEED TO STUDY**

As in the growing period of technology, there is a need of technological and innovative idea to accomplish and stay in the market as the taste and preference of the customer kept changing on the regular basis. The entrepreneur is always ready for the change as the taste and preference change, they adapt change fastly to survive into the market. Innovation of the products and making the product feasible to the end users is the main key feature of the entrepreneur.

### **OBJECTIVES:**

- To know the problem facing by the new entrepreneur.
- To study the organisational structure of the company.
- To understand the changes in the market and quick response to that change.
- To study about adaptability to survive in the market.
- To understand the change into the market.

### **INTRODUCTION**

In today's era the changes adaptivity is must to accomplish and staying in the market in spite of dwelling into the any category of market. As there are various types of the market, the customers retention is probably decrease as the customer can switch to the new product if the price decrease or

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they get easy reach to new product, etc. Entrepreneur are the individuals who are always ready to bear financial risk and enjoying the reward afterwards. These peoples initiate to take risk and dedicate themselves to the work harder and get success as their reward. Entrepreneur always bears risk for earning profit and tries to combine those technology with innovation which can convert the maximisation of profit and minimising the wastage.

### ENTREPRENEUR

He defined "entrepreneur as an individual who carries out new combines of means of production by which there occurs disequilibrium."- Joseph A. Schumpeter.

### ENTREPRENEURSHIP

He defined "They focused on activities rather than organizational make-up in examinee **entrepreneurship**."-Peter Drucker.



There are various who defines the entrepreneur's meaning in their own ways. They are ready to adapt themselves to the change in the taste and preference of the market. The customer retention is very hard as the business owners have to advertise the product, they have to knock-knock the customer attention, and make sure to get easy reach of customer. Entrepreneur are person who initiate to bring a new and innovative product in the market. Outgrowing of different substitutes can lead to decrease in the sales of the product as customer will prefer lower price product.

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**CHARACTERISTICS OF A TRUE ENTREPRENEUR:**

1. They are adaptative to change.
2. They are dedicated towards their work.
3. They are innovative and hard worker.
4. They are quick decision taker.
5. They are great sources of raising the status.
6. They are risk takers.
7. They take all the business-related decision very carefully.
8. They appreciate more techno-friendly work.
9. They are more determined and passionate about their work.
10. They are aware of the tactics and the technique to sell the products.
11. They are more often to bear the finance risk.
12. They always have keen eye in the market.

**A SUCCESSFUL STORY OF THE ENTREPRENEURSHIP**

Mr. Raj Kumar Gupta an electronics engineering graduate from BITS, Pilani, And he decide to go for a job in electronic corporation on India {E.C.I} as a senior marketing engineer in the year 1975.due to some personal reasons he left {E.C.I} and joined Rajasthan Electronics and Instrumental Ltd. {REIL} in the month of January.1983 as a DGM {Production} and served there in that position for six years. He had inherent heredity entrepreneurial mind and a deep knowledge of management and administration gathered from his past experience of managing big business enterprise. He wanted to become his own boss and wanted to utilize his managerial abilities and know-how for his own cause. To fulfil his ambition, he left REIL in the 1989 and planned to establish his own small-scale industry. He carefully examined several proposals and finally decided to establish a small-scale industry.

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In the year 1989, he established a hard paper packaging industry named **JAGAN PRIVATE LTD.** at Parbatpura, industrial area. This decision was so taken because of expected arrival of a parley production unit at Ajmer which in term could consume all packaging cartoons for the purpose of the packing various product. The industry [SSI]run successfully and profitability later on the JAGAN PRIVATE LTD. was handed over to his elder brother M.B.S Gupta in the year 1996.

Yet Mr. Gupta's thrust was not satisfied and he thought of establishing another packaging industry in March, 1996. he established another S.S.I Unit named **SOLID FLEXO PACK PRIVATE LTD.** at Makhapura, Industrial Estate in Ajmer. It was primarily a family business. All the required numbers of the family members are inactive or sleeping partner while Mr. Gupta was the only active director. he is the only responsible for the management and control of all the business affairs. The company started production in the month of April,1996 as a SSBI unit the main product of the company was printed poly bags and pouches of all sizes.



#### **PRODUCTION AND PRODUCT IMPROVEMENT**

Initially the total capital investment of the company was Rs.60 lakhs and these are divided as Rs. 40 lakhs as fixed and Rs. 20 lakhs as working capital.rs.25 lakhs were managed from loan taken by SBBJ bank at the interest rate of 19.5%.it was totally an order based on production and selling unit. Therefore, the production always coincided with the actual sales. In the beginning the company produced 70 tonnes of Polybags and pouches worth of Rs.70 lakhs and marketed in the local market of Ajmer district and big cities of Rajasthan only. This was because there were only two small plants and therefore the capacity of production low at the stage. another problem was of the availability of the trained and skilled labour.

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To overcome the above restraints and to face the growing competition in the market, Mr. Gupta thought of innovating and improving the product so that he could encash the opportunities in the competitive market environment. Actually, he wanted to improve the productivity, achieve the growth and earn a higher rate of profit by reducing the cost of automation and reducing the wastage. So, he decided to introduced hi-tech automatic computerized machine in his company, which could be able to resolve the labour problem, improve quality and increased the productivity. Automatic processing, printing and dying machines were installed in the year 1998-1999.the result was tremendous increase in a quality, productivity and ample of decrease in the cost of production. He was producing quality printed poly bags of the sizes and the printed pouches of all the sizes. thus he become a market leader in the field at Rajasthan. He also established himself to face competition at India level particularly Delhi, Daman and Mumbai.

Now his total sales in the year 2002-03 increased upto Rs.3.5 crores while the production increased from 70 tonnes to 270 tonnes. Similarly, his sales in the year 2003-04 increased from 270 tonnes to 330 tonnes but still he had entrepreneurial satisfaction due to higher and fluctuating cost of material he purchased from Reliance and IPCL. Yet Mr. Gupta found no finance problem. In the year 2004 the total investment was 2.11 crores, out of which Rs 90 lakhs were invested in fixed assets and 1.21 crores were available for working capital. As a market leader in Rajasthan, increased in the investment was a regular process and the use of the advance technology was a constant price Therefore, the quality of the product was maintained and controlled in the process of the production itself.

**The Material Used In The Production Are As Follows:**

- (a) Plastic polymer.
- (b) Poly proline
- (c) High Density Poly ethaline {HDPE}
- (d) Low Density Poly ethaline {LDPE}
- (e) Polyester film for pouch marking

**ORGANISATIONAL STRUCTURE**

The company had a typical type of organizational set up from the very beginning. There was a traditional division of labour:

- (a) Top management at upper level
- (b) Production department
- (c) Accounts department
- (d) Marketing department

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Production and marketing departments have been controlled by their own managers while all others came under the direct control and supervision of the director Mr. Gupta who has the sole in-charge of the decision making.

#### **THEN WHAT IS THE PROBLEM:**

If everything was going well then what are the reason which states the insufficiency? Even after using the advance technology and automation process, why the productivity and the profits are low and not accordance with expectation? The management thinks that underutilization of the production capacity due to UNAUTHORISED ABSENCE OF THE LABOUR are main reason .the low productivity also led the low profit margin. The low productivity also led the low profit margin. The production of the company after modernization in 1999-2000 was worth Rs.1.27 Crores while in the year 2003-04 it was worth Rs. 4.75 crores. Although the production seems to have increased three and half times but looking at the type of the product and automatic process of production its productivity was still low.

Now looking at the profitability data the net profit of the company was Rs. 6962 in the year 1999-2000 while faced with a loss of Rs. 1380431/- in 2000-2001 and Rs.132417/- in 2001-2002. The company started earning from the year 2002-2003. The profit in that year was Rs. 297631/- and Rs. 739401/- in the year 2003-04. Looking at the profitability data, the profit seems to be extremely low. The profitability based on sales was 1.56% only based on investment was 3.50% only.

#### **Labour Problem**

Mr. Gupta seems to have reached to a final decision that the main cause of low productivity and a extremely low profit was the problem of labour. Total no. of labour force employed in the company was 35, out of which is skilled were 5, Semi-skilled were 10 and rest of the 20 were unskilled. There were never been a labour unrest or a strike in the company. Interpersonal relation in the concern were also amicable. Co- ordination was not a problem. All the machines automatically worked and run as a single unit in the process of production. Salary and wages were also timely paid. The minimum wages act was also applicable. The wages and salary vary from Rs. 2000 to Rs. 10000 according to different categories for unskilled Rs. 3550 while the manager was paid Rs. 10000 a month. From the enquiry, it was found that the labour force was needful and therefore felt satisfied from the management for the amount of wages paid. Apart from that all labour laws were also followed by the unit. So for as the social security and labour welfare was concerned Bonus, Gratuity, PF, ESI, and overtime facility was also available in the small industry.

In spite of that, what was the problem with the labours? Mr. Gupta himself investigated on the enquiry and found that labour force was very needful and therefore seemed to be satisfied otherwise they were actually not satisfied with their jobs. they usually went on uniformed leave or remained on unauthorised absence. They were not loyal to the company. Generally, they kept on searching the alternative jobs at higher wage rate. Therefore, according to Mr. Gupta, they usually adopted the policy of unauthorised absence without bothering the loss incurred by the company. Then, Mr. Gupta

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either had to made an alternative arrangement or had to go out in search of another worker for that particular day for saving break-down. Another reason for partial break-down was that the trained permanent labour would leave the job without giving any notice.

Therefore, the labour force was not loyal to the industry and the management in spite of all these did not take any strict action against any labour due to the legal obligation. He also introduced the overtime system. The overtime pay was exactly in proportionate to their respective monthly or daily wages. in spite all these efforts made by Mr. Gupta, the problem was not totally solved. But, his last effort to human approach worked somehow to a great extent. His last approach was to maintain the family relation with employees, patronised behaviour and making the labour force to understand that they all were family members.

Thus Mr. Gupta understood that the loyalty and co-operation could not be ordered but it is to be sought by the human approach only. Since then, Mr. Gupta became a humatarian entrepreneur of innovative, initiative and creative skills.

### CONCLUSION

After studying about the topic I conclude that entrepreneur are hard worker, determined and always tried to accomplish more and more in their own field As when I visited Mr. Gupta's company I came to know about the hurdles which he come across when he worked. The labour is not loyal as they want to switch to new companies for more and higher wage rate. In order to overcome this problem firstly he introduces the overtime system and later on when that also failed, he was unable to think of new and more appropriate approach. Then again also labour was taking off there was no strict action taken by the management as they also have legal obligation's last Mr. Gupta decided to apply a humatarian approach in which he tries to make a healthy and familiar relation with the labours and this approach worked and lastly he became a familiar person with all his labours.

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