

A. MARKETING

1. Lack of proper market surveys which involve:

1.1. Identification of types of markets:

- a) Local markets
- b) Urban markets
- c) International markets

1.2 Geographical location of the markets

1.3 Quantum of demand

1.4 Stability of demand

1.5 Optimum pricing

1.6 Product identification

1.7 Anticipation of design and product preference

1.8 Anticipated rate of growth/decline in markets

1.9 Reasons thereof

There seems to be an absence of any effort towards organising such a market survey

2. Competition from Industrial/Organised sector

2.1 Government policy

2.2 Improper implementation of existing safeguards

2.3 Effective marketing and advertising by industrial/organised sector

2.4 Economies of scale

2.5 Modern technology

- 2.6 Access to finances
- 2.7 Competitive pricing
- 3. Exploitative market relationships
 - 3.1 Middlemen
 - 3.2 Undercutting of prices and other forms of unhealthy competition.
 - 3.3 Corruption in marketing institutions
 - 3.4 Taking advantage of the artisans lack of exposure/simple mindedness
 - 3.5 Use of indebtedness to dictate sale outlet
- 4. Inability to meet deadlines
 - 4.1 Lack of finance
 - 4.2 Lack of raw material
 - 4.3 Lack of management skills and help
 - 4.4 Illness
 - 4.5 Other contingencies
- 5. Lack of quality control
 - 5.1 Inadequate to the individualistic mode of production : Expecting handicrafts to meet industrial standards.
 - 5.2 Lack of control on quality of raw material
 - 5.3 Inadequacies of primitive technology
 - 5.4 Inability to immunize oneself from external environment like bad weather
 - 5.5 Lack of appropriate storage/work space
 - 5.6 A temperamental inability to appreciate the standards/finish/requirements of market place.

8. FINANCE

1. Insufficient personal capital
 - 1.1 Traditional poverty
 - 1.2 Rampant inflation
 - 1.3 Growth of family size
 - 1.4 Dislocation from traditional primary/
supportive sources of income
 - 1.5 Exploitative social systems
 - 1.6 Expensive social evils e.g. Dowry
2. Ignorance of sources of institutional finance
 - 2.1 Inadequate education
 - 2.2 Inadequate publicity of schemes
 - 2.3 Remoteness and isolation of communities
3. Inability to raise finance or preference for
money lenders over institutional finance
 - 3.1 Traditional apprehension to go into debt
 - 3.2 Incapacity to handle procedures for getting
loans from financial institutions
 - 3.3 Inability to provide collateral/security
 - 3.4 Delays in getting institutional finance
 - 3.5 Uncertainty about the sanctioning of insti-
tutional loans
 - 3.6 Distrust of new and unfamiliar institutions
 - 3.7 Corrupt practices like payoffs in institutions
 - 3.8 Lack of access to organisations/cooperatives
through whom institutional loans can be taken
 - 3.9 Insufficient funds/schemes to meet the demands

6. Transportation problems

6.1 Availability

6.2 Cost

6.3 Danger of damage

6.4 Cost of adequate packaging

7. Inability to supply in large quantities

7.1 Manpower constraints

7.2 Financial constraints

7.3 Infrastructural constraints

8. Irrational pricing

8.1 Inability to calculate real costs

8.2 Inability to understand pricing mechanisms
e.g. demand and supply, competition etc.

8.3 Temptation to make excessive short term
gains.

4. Inability to use finances rationally
 - 4.1 Bad financial management
 - 4.2 Other pressing financial needs
 - 4.3 Misappropriation/misuse by some members of the organisation.

5. Difficulty in identifying acceptable sources of institutional finance
 - 5.1 Problems with foreign funding agencies
 - 5.2 Problems with business houses
 - 5.3 Problems with government funds

C. ORGANISATION

1. Lack of clarity about the objectives of an organisation. Is it:
 - a) Primarily marketing
 - b) Primarily supplementing/promoting economic activities
 - c) Primarily organising people to cooperate with each other (Unionization)
 - d) Primarily organising people to form an increasingly powerful pressure group (Unionization)
2. Lack of clarity about the nature of the organisation
 - 2.1 Choices of formal structure : Society, Trust, Federation, Cooperative, Association and Unions
 - 2.2 Should there be external or internal leadership
 - 2.3 The extent of involvement of external agencies, individuals in an organisation
 - 2.4 Optimum size of the organisation
 - 2.5 Membership eligibility of the organisation
 - 2.6 Modes of decision making
 - 2.7 Conscientization of the whole group versus the development of a few enlightened leaders
3. Inability to find suitable external leadership
 - 3.1 Problems of long term commitments

- 3.2 Problems of isolation
- 3.3 Problems of inadequate facilities
- 3.4 Problems of financial security
- 4. Inability to find suitable internal leadership
 - 4.1 Lack of formal education and awareness
 - 4.2 Narrow sectorian outlook
 - 4.3 Fear of vested interests
 - 4.4 Preoccupation with immediate needs
- 5. Inability to work at the slow pace required to build up a strong organisation
 - 5.1 Lack of understanding of the slow process
 - 5.2 Lack of patience and hurry to see tangible results
- 6. The inability on the one hand to motivate people to take direct action, and on the other hand, to restrain them from over-reacting.
- 7. Relationship of the micro organisation with macro activities.

8. Govt Scheme

9. Sub. tax

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D. RAW MATERIALS

1. Inavailability of raw materials
 - 1.1. Depletion/degradation of traditional sources
 - 1.2. Disproportionate increase in demand from artisans/demand for different quality
 - 1.3. Diversion to other sectors like industry
 - 1.4. Artificial manipulation of market
 - 1.5. Non availability in local areas
2. High cost of raw materials
 - 2.1. Profiteering by vested interests
 - 2.2. Inefficient management by controlling agencies
 - 2.3. Increased costs of inputs
 - 2.4. Surfeit of middlemen
 - 2.5. Inability to buy in bulk
 - a) sporadic production
 - b) lack of finance
 - c) lack of storage facilities
 - d) slow turnover
 - 2.6. High transportation costs
 - 2.7. Excessive wastage
3. Poor quality of raw materials
 - 3.1. Poor technology
 - 3.2. Careless processing
 - 3.3. Incapacity to select
 - a) lack of expertise in craftsman
 - b) Lack of freedom to choose.

- 3.4. Incapacity to store or preserve
- 3.5. Financial inability to compete for the best.

- 4. Lack of new or versatile raw materials
 - 4.1. Inadequate research and development
 - 4.2. Lack of finances
 - 4.3. Lack of planning and perspective
 - 4.4. Confusion about objectives
 - 4.5. Lack of processing & production technology.

E. DESIGN AND PRODUCT DEVELOPMENT

- 1. Problems inhibiting a variety in designs
 - 1.1. Financial inability to experiment
 - 1.2. Inability to create multiple designs
 - 1.3. Inadequate implements to give variety to designs
 - 1.4. Unsuitable raw materials to make varying designs
 - 1.5. Loss of time/skill in executing different designs
 - 1.6. Inability to incorporate unfamiliar and non-traditional designs

2. Adopting designs and products in relation to producers skills
 - 2.1. Competition from the developed industrial sector
 - 2.2. Market demands/fluctuation
 - 2.3. Selling handicrafts as artifacts
3. Dilemma of Urban and International demand versus local demand in terms of design

F. TECHNOLOGY

1. Expense of introducing new advanced technology
 - 1.1. Expense on research and development
 - 1.2. Expense of machinery
 - 1.3. Expense of power sources
 - 1.4. Expenses of training
2. Problems of training and management for new technology
 - 2.1. Inability and caution to handle sophisticated machines
 - 2.2. Problems of maintenance
 - 2.3. Problems of replacements
 - 2.4. Health hazards
3. Problems of making technology available to all
 - 3.1. Cost
 - 3.2. Quantum of production
 - 3.3. Vested interest
4. Problems regarding the destruction of traditional production relationships due to new technology
 - 4.1. Inappropriate capital intensive technology
 - 4.2. Division of labour
 - 4.3. Change of work space/location
5. Dangers of converting low return areas into high return areas
 - 5.1. Take-over by vested interest
 - 5.2. Development of vested interest from within artisans

5.3. Dangers of sudden influx of money in terms
of enhanced expectations

5.4. Disruption of social values due to sudden
influx of money

6. Problems regarding enhanced rate of production

6.1. Limitations of market

6.2. Limitations of capital for raw material

6.3. Deterioration of standards due to mass
production.
