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# Managerial Challenges of Handicraft Industry: An Indian Perspective

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## **Abstract**

India is one of the most important suppliers of various handicrafts to the world market. The Indian Handicraft industries play an important role in world in Handicraft sector. This is one of the oldest cultures and tradition of India which represent different traditional art, of the different part of country. The handicraft products have very wide market in the world due to its growing potential. The Indian handicrafts industry is highly labour intensive cottage based industry and decentralized, being spread all over the country in rural and urban areas. The industry provides employment to over six million artisans who include a large number of women and people belonging to the weaker sections of the society. The Handicrafts Sector plays a significant & important role in the country's economy. It provides employment to a vast segment of craft persons in rural & semi urban areas and generates substantial foreign exchange for the country, while preserving its cultural heritage. Handicrafts have great potential, as they hold the key for sustaining not only the existing set of millions of artisans spread over length and breadth of the country. But there are various issues associated with wide development of handicraft sector. The paper highlighted the problem and various issues associated with handicraft sector in India.

| Keywords: Handicraft; Tradition; Culture; Market; Infrastructure; design. |
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#### 1. Introduction

India is a vast country in terms of culture and tradition including the large number of handicrafts. The sector of Handicrafts and Handloom consists of rich historical and cultural traditional, which differentiate India from the rest of the world. Various types of handicrafts uses different type of raw materials which are sourced from different area of the country which include wood are, printed textiles made of hand, metallic art ware leather craft, hand printed textiles, carpet, wood deign, shawl various types of stone carving, various designer ornamental jewelry and other handicrafts. One of the unique feature of the handicrafts is that more often the same item of the handicraft, produced in different regions are different from each other. In the contemporary state of affairs existing in the Indian economy, the handicraft sector has emerged as a focused area of interest for the scholars' community, academicians, practitioners and other allied stake holders. The sector has proven very instrumental in uplifting the regional growth particularly in rural areas and therein minimizing the imbalances prevailing in the economy. The incredible feature of the handicraft sector to contribute towards sustainable development has attracted the attention of present researchers because of the fact that the sector satisfies not only the existing set of millions of artisans but has a concern for the large number of new entrants in the handicraft sector[1-5]. Handicraft reflects the culture and heritage of society. Indian handicrafts are known world over for their uniqueness and as symbolizes which in true color for portrays the day to day culture of the population. Over the years the Indian handicraft sectors has been facing enormous pressure due to the advent of mechanized articles as a substitute for the traditional crafts and endangering the Indian handicraft products [3-8]. This study focuses on various problem related to the handicraft in India the study also investigates the possible solution and outcomes to these problem in handicraft sector in India.

#### 2. Problem in Handicraft Industry

One of the major issues faced by handicraft sector is in information dissemination. This has led to a situation where customers have no information related to the craft products. The starting point of any organization should be to assess the demand and acceptability for their products. Accordingly, industries produce the products to meet the need and demand of the customer. But the Indian craft industry is in dire need of a strong marketing information system. The various issue associated with handicraft industry is shown in figure 1.

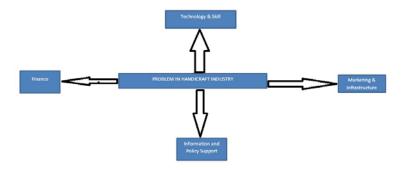


Figure 1: Various Issues associated with Handicraft Industry

Marketing of product is going to become concerning area within the coming years and it can be suitably addressed through proper data, facts and policy implementation. To sustain current market falls, artisanal industries should line up to master on contemporary methods to explore demand-based market data. Several studies highlight the absence of value-oriented product styles and lament the shortcoming of village crafts to adopt modern selling techniques to showcase their product in right markets. Dearth of useful information isn't the sole reason for the failure of artisanal units to use quantitative approach in selling. The study ascertained that the majority of the choice manufacturers are non-professionals, and United Nations agency lack the ability to implement the concepts into its observation. Apparently, they fail to observe quantitative selling approach owing to the gap exists between concepts and implementation. The explanations for this gap areas follows:

Lack of understanding: Absence of data on selling theories and talent to exercise marketing and managerial skill techniques are the most important constraint known within the day-after-day management of those units. Interviews with the functionaries discovered that up to now no social control or market research coaching has been done by them to achieve information to assess the strength or weakness of their business enterprises [8-14].

#### 3. Issues associated with Handicraft Industry

The various issues associated with handicraft industry are as follows:

- 1. **Lack of exposure**: Artisans/workers in particular just come and do their work. They don't know the worth of their craftsmanship because; they work under someone who pays them for their work.
- 2. **Low income**: They are paid surprisingly small amounts for the excellent work they do (bulk production; paid based on the quantity of the products you create); while the owners who employ these workers sell the goods made by them at very high prices (profits).
- 3. **Lack of business and managerial skill**: Most of the times these workers know their worth but; they don't have necessary skills to start independently and stand on their own. Marketing and managerial skills play a crucial role.
- 4. **Financial constraints**: Even if they're willing to start afresh, they should be equipped enough to purchase the raw materials this is one of the biggest hurdles.
- 5. Contacts to purchase raw materials: Even if they have the financial support, the craftsmen should be aware of raw material suppliers around their localities. This is very important because only when you knew many; you can choose the best quality suppliers to purchase the required materials. Ultimately, it's all to attract the customers and they'll not get attracted unless your products are better to your competitors.
- 6. **Client coverage**: Since they only do the craftsmanship part; they're not that much aware of the clients whom to approach, how to attract customers, how to retain them & how to build a huge customer base.
- 7. **Lack of coordination**: There is lack of co-ordination within various agency about the implementation of social development welfare policy regarding the artisan which will stop the growth their growth which will lead to loss in economy and man power [7-9]

#### Other issues associated with handicraft are:

- Few opportunity in finance
- Old methods and technology for production
- Quality issue in product
- Lack in availability of Raw material
- Competitiveness with other market product.

The handicraft industry is a high risk occupation to develop various types of occupational disorders, respiratory disorders, injuries, eyesight problems, nerve disorders, skin problems. Lack of awareness's among the workers already existing problems in these handicraft industries. Most of these diseases and health risk factors found in these industries can be avoided by proper precautions. Awareness programs and local group discussions are essential for improving the health status of these among workers. There must be some provision of protecting equipment's e.g. face masks, first aid facility, gloves and proper uniform, for the protection of workers ofhandicraft industry. There should be proper lighting at the place of work so that eye strain can be avoided. It was found that the majority of ergonomics shortcomings originated from ill-designed weaving workstation.

The most important things which guide the customersare brand images of the products but handicraft productshave their not any specific brand name because this is anunorganized industry and millions of artisans are engage in the production of the handicraft products their own place. There is no any uniformity regarding brands of the products. So, it faces problems regarding the penetration of the marketsamong the different competitors. The large industry has their own fix criteria regarding the pricing of the products but Handicraft products have no any

fixed criteria regarding pricing and its pricing totally dependupon the bargaining of the customers. The manufactures of the handicraft sell their productson credits basis because the retailers avoid giving cashon delivery due to less demand in the markets. The manufacturer of the products could notprovide the good quality product due to lack of moneyas they started lendingmoney from money lenders at high interest, which adversely affect the production of the handicraft products. The working condition of the artisans found to be different due to decreasing skilled workers, different environmental condition, and lack of availability of the recourse. So, it is very tough job to maintain the superior quality of the products, there is not a specific method to test the quality of the products and lack of evaluating equipment. The availability of the good quality of the raw materials very important for good finished products throughmanufacturing process, but the handicraft industry is suffering from unavailability of the raw material due to decreasing. The artisan of the generally use recycled raw material for the production process and due to this reasons the quality of thehandicraft product not up to the marks. The foreign exchange is one of the main constraints in the exporting of the handicraft products because the export targets small profits when the value of the rupees decreases in the international market.

Various Indian states like Jammu & Kashmir, Uttrakhandhas not been able to attract various investments from Public

and private sector and it is remain behind due to its lack in implementation of advanced technology in manufacturing sector of handicraft. Other issue associated with its remote and poor connection of transport medium. The lack of proper infrastructure and hilly terrain make the matter worse in term of implementation of policy. The lack of proper knowledge to the people in these remote areas difficult to enhance the production of desired output in the handicraft sector [1-4].

Cottage and small scale handicraft industries are mostly run by the small businessmen having no exposure of training and management of organization. How these small industries, therefore, can stand before the large scale industries which are managed and organized by the expert of that small field. The small-scale industries also faced the large number of problem of marketing their products. The problems arises from such factors as small scale of production, lack of efficient units, lack of market knowledge and standardization of various products, competition from technically more efficient units, deficient demand, etc[3-7,15].

#### 4. Conclusion

The study shows to look at the challenges of mistreatment existing ability sets and hands resources optimally whereas reviewing the potential of the handicraft sector in making sizable amount of employment opportunities and to observe and analyze the gaps between coming up with and implementation by learning varied existing schemes and policies of the govt. To develop important thinking and action coming up with skills, whereas characteristic biological process desires and suggesting new and innovative pathways through that varied agencies (such as government / non-public sector / social entrepreneurs/ non-government organization's etc) may be concerned within the biological process comes of the handicraft artisans this can cause the country's economic process and cultural preservation.

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