

Impact of Technology Adoption and Strategic Management Factors on MSME Self-Reliance (From Survival to Thriving) in Telangana State

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In order to achieve ongoing development, many organisations throughout the world are implementing strategic management approaches. An organization's approach to business activities is not determined by its size; however, strategies are more apparent in the case of huge corporations and companies, as they are brought to light through business and marketing communications. According to Michael Porter's book "Competitive Advantage," strategic management encompasses all aspects of a company's utilisation of resources to outperform its rivals in any given situation. The corporate offices of corporations, where important policy choices about investments and returns are decided, are increasingly giving strategic management a prominent place. Strategic management is all about maintaining a competitive edge, which means outperforming the competition in all areas of operation on a constant basis. Modern management promotes the integration of all these fields rather than focusing on excellence in just one of them (manufacturing, marketing, finance, human resources, engineering, etc.). Many variables, such as the ever-shifting business landscape, fierce rivalry, consumer dominance, government support and attention, social expectations, etc., have contributed to the dramatic evolution of business practices throughout the years. This research provides a review of the state of strategic management in micro, small, and medium-sized enterprises (MSMEs) in Telangana State.

Keywords: Strategy, Strategic Management, Micro, Small and Medium Enterprises, Telangana State.

1. Introduction

Increasingly, MSMEs in India and other nations are stepping up their efforts to increase their competitiveness and understand how to sustain or enhance their operations, marketing, and financial success. Some experts in strategic and policy management have urged companies to embrace strategic management in order to compete. A vibrant and competitive MSME

industry has grown in India during the past five decades [1].

MSMEs are expanding their variety of products and services in order to suit the needs of domestic and international markets (MSME report 2017–18). The failure rate of small and medium-sized businesses is so high that no nation can afford to ignore it. Boosting the economy to sustain long-term growth is a major concern for most leaders in charge of the affairs of the state [2]. Small and medium-sized businesses (MSMEs) are the driving force behind economic and social development in emerging countries. Small and medium-sized businesses (MSMEs) are diversifying their product and service offerings to fulfil the needs of both the domestic and global markets. Along with agriculture, it is a major contributor to the economic and social development of the country by encouraging entrepreneurship and offering the most job opportunities for the least amount of capital. Small and medium-sized enterprises (SMEs) play an important role in the country's inclusive industrial growth because they complement larger businesses [3]. [4]. However, even though this industry employs 69 million people in India (40%) and has 44 million enterprises, it has long been overlooked. In addition to providing a means of subsistence, they have raised the living standards of countless families over the years. The MSME manufacturing sector, which is slightly larger than the service sector, accounts for 90% of the total industrial units spread throughout India. 45% of the units are located in rural areas of states such as Telangana, Maharashtra, Tamil Nadu, West Bengal, Andhra Pradesh, Karnataka, etc. Only 55% of the total MSME units are located in urban areas. Like most developing countries, the MSME sector can also play a dynamic role in India, absorbing a large number of jobs and spending less in capital compared to heavy industries where initial investment is high. In those areas where regional inequalities have contributed to deprivation and backwardness, MSME has the potential to build job opportunities [5]. The most significant capability of the MSME sector is its capacity to create sustainable livelihoods for local people through both the provision of job opportunities and the provision of raw materials solely from local areas. This method decreases the cost of production, thus providing the goods with a competitive advantage for marketing [6].

2. Strategic Management Practices across the world

In order to achieve ongoing development, many organisations throughout the world are implementing strategic management approaches. While a company's size isn't always indicative of its strategy and approach to business operations, big corporations tend to have more obvious plans.

Companies, as they are brought to light via corporate and marketing communications, According to Michael Porter's book "Competitive Advantage," strategic management encompasses all aspects of a company's utilisation of resources to outperform its rivals in any given situation. Companies' strategic management methods now have an additional dimension because of the transformation in internet commerce [7]. These companies are increasingly ignoring conventional ways of doing business in favour of doing transactions online. When engaging with many stakeholders, we find that significant use of IT (information technology) provides speed, accuracy, and ease. Some businesses adhere to the theory of continuous growth, which is defined as development at a regular rate with periodic pauses; others, however, adhere to the theory of continuous growth, which is defined as constant expansion

throughout time. Both forms of growth have been roughly equally prioritised by the researchers [8]. Exhibits of growth plans of the continuous kind include the recent decisions of several American and European corporations to establish manufacturing operations, research centres, marketing hubs, etc. in rising markets such as India, China, and Southeast Asian nations.

3. Strategic Management Practices in India:

The Indian government has been actively pursuing economic reforms since the early 1990s, and as a result, many formerly closed industries are now welcoming new private ventures from both local and international businesses, including MNCs. Indian companies have emerged from the protection period, but they are still struggling to accept the reality that government help will be minimal. To thrive in the new economic climate, they must be self-reliant and aggressive. In the past, there were businesses that would create, test, produce, and sell things that would remain in circulation for extended periods of time. Today, however, everything is different. Product life cycles, including introduction, growth, maturity, and decline, are notoriously difficult to forecast, both in terms of total product lifetime and individual product years spent in each stage [9]. Customers now have more options than ever before in terms of goods and brands because of the proliferation of both domestic and international competition.

Customers have grown more demanding due to factors such as rising salaries, changing lifestyles, easier access to financing, etc. The boardrooms of corporations, where important policy choices about investments and returns are decided, are increasingly giving strategic management a prominent place[10].

Strategic management is all about maintaining a competitive edge, which means outperforming the competition in all areas of operation on a constant basis. These days, top-notch management isn't limited to just one area of expertise; rather, it advocates for a holistic approach that draws from manufacturing, marketing, finance, HR, engineering, etc. No matter the size or kind of company, every entrepreneur relies on a set of management principles to keep things running smoothly. Due to a number of causes, including a dynamic corporate environment, fierce rivalry, consumer dominance, government support and attention, social expectations, etc., business practices have evolved significantly over the years [11]. Keeping a strategic eye on company operations is something many industrialists have thought is necessary for development and competitiveness. Increased sales, improved profitability, return on invested capital, and contentment with little else used to be the primary goals of any given industrial unit or company [12]. The guiding variables for assessing a business unit's performance have altered dramatically due to different developments in the external and internal environments. Given the future's unpredictability and the challenges of staying alive, strategic management is considered essential. A lot of company owners and managers plan for the near future, thinking about what their companies can do this year and the year or two after that.

4. Literature Review

IrianingSuparlinah et al (2019)Examining what drives female entrepreneurship in Banyumas
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Regency to improve the performance of micro, small, and medium-sized enterprises (MSMEs) is the primary goal of this research. The quantitative approach employing a regression model was used in this investigation. The data was collected utilising a questionnaire instrument from 75 individuals, all of whom were either the owner or manager of MSMEs. Regression study revealed that female entrepreneurs in Banyumas Regency may improve the performance of their micro, small, and medium-sized enterprises (MSMEs) by improving their access to capital, their level of financial literacy, and the size of their businesses. The improvement in MSME performance is unaffected by three more factors: human resource competency, entrepreneurial spirit, and cost management.

BambangJatmiko et.al (2020) claims that the primary goal of this research is to provide recommendations on how micro, small, and medium-sized businesses (MSMBs) might use the SWOT analysis to gain a competitive edge in the long run. Thus, the primary issues addressed by this research are as follows: a) the fact that a large portion of micro, small, and medium-sized enterprises (MSMEs) in Kulonprogo regency still do not have access to bank financing; b) a dearth of understanding when it comes to production technology; c) the fact that most MSMEs are still structured as incorporated legal entities; d) the absence of an effective system for financial administration and management within MSMEs; e) the lack of integration of coordination among MSMEs stakeholders; f) the limited facilities and infrastructure of micro, mostly in relation to technological tools; and g) the fact that micro, small, and medium-sized enterprises have limited access to high-quality raw materials due to a lack of supply. Questionnaires and interviews were used as part of the survey methodology in this research..

Ciekanowski Z &Wyrębek H et.al(2020)Every state has the fundamental responsibility to guarantee the safety of its inhabitants. Its level is influenced by economic variables as much as by political and military ones. A growing number of economic and security researchers are interested in micro, small, and medium-sized enterprises (MSME). The establishment of micro, small, and medium-sized companies (MSME) as the cornerstones of the private sector was an inevitable byproduct of economic transition, which also gave birth to huge state-owned firms. Finding and analysing elements that condition the competitiveness and entrepreneurship of MSME and evaluating their functioning in terms of their impact on economic security is the primary goal of the research. Expert evaluation (the Delphi method) and logical inference were the main tools used in the study process, along with a critical review of relevant literature.

Rudresha C. E , Dr. Chndrashekarappa U et.al (2021)When it comes to India's lofty aim of being self-sufficient, the micro, small, and medium business (MSME) sector is crucial. Nevertheless, in order for micro, small, and medium-sized enterprises (MSMEs) to thrive, there are three crucial factors that must be met: access to sufficient capital, a pool of qualified workers, and the competitiveness of their goods in the market. For India to realise its vision of "Atmanirbhar Bharat," or complete independence, the country's indigenous industry must be fortified and given more international recognition. In this context, the current research examines how MSMEs might contribute to India being self-sufficient.

5. MSMEs in Telangana

With Hyderabad in the forefront, Telangana has become a major centre for the IT sector, which

is growing at a fast pace. The state's efforts in the field of information technology and IT enabled services (ITES) have played a crucial role in elevating India to the forefront of global IT. By creating Export Oriented Units (EOUs), Software Technology Parks (STPs), and Special Economic Zones (SEZs), the government of Telangana has taken the initiative to encourage the expansion of the information technology industry. Hyderabad is already a major participant in the information technology sector, but the declaration that the national government would be establishing an ITIR near the city further solidifies its position. An astounding 1.5 million direct employment and 5.3 million indirect jobs in the IT industry are projected to be created over the next five years by the ITIR plan. The state of Telangana is already a frontrunner in India's information technology (IT) sector, and it's only going to get better thanks to the state's welcoming investment environment and the government's aggressive initiatives.

With over 1500 enterprises employing more than 5.8 lakh professionals directly and over 7 lakh people indirectly, the IT/ITeS sector is a significant economic driver in Telangana. Invest Telangana reports that IT/ITeS exports from Telangana have grown at a pace of 17.93%, which is higher than both the national average of 8.09% and the average growth rate for the whole country of 6.92%.

The proportion of India's exports attributable to Telangana has risen from 10.6% to 11.6%, and the state's contribution to the growth of exports throughout the country this year is an impressive 23.5%. To further strengthen the state's position in the IT/ITeS sector and attract additional investment to the area, the Telangana government is adopting aggressive steps.

6. Opportunities & Challenges to the MSME in Telangana:

The newly created Telangana state government has passed a number of industrial laws that would help the state's burgeoning industrial sector reap several advantages. Among the several industrial policies, TS-iPASS offers tremendous support to businesses in the international market.

- Industrial policy framework – Entrepreneurship Development
- TS- iPASS Act,2014 – Industrial Project Approval & Self Certification Scheme
- T-IDEA Scheme, 2014 – Industrial Development & Entrepreneur Advancement
- T-PRIDE Scheme, 2014 – Program for Rapid Incubation of Dalit Entrepreneur Incentive Scheme

7. Conclusion

The impact of strategic management factors on MSME self-reliance in Telangana State is profound and multi-faceted. By embracing strategic management practices that emphasize vision alignment, market orientation, innovation, resource allocation, and competitive positioning, MSMEs can enhance their self-reliance, contribute to economic growth, and foster socio-economic development in the region.

Conflicts of Interest

The authors declare that they have no competing interests.

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