

Enabling Sustainable Growth of SME'S through Delivery Excellence and Intellectual Property

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Abstract: India's SME sector comprises of 30 million units employing nearly 60 million people and producing more than 8000 products. With changing global economic scenario, it is very appropriate to focus on growth that is economically, environmentally and socially sustainable. For competing in the global markets, efforts should be engaged in producing goods/services through lean approaches towards better, cheaper and smarter solutions to the customers. SME's need to explore options to invigorate their existing techno functional expertise and protect their firm's intangible assets. In this aspect awareness and understanding of Intellectual property aspects plays vital role primarily due to availability of rich repository which is being enriched with creativity and innovation. Intellectual property being a technological dimension needs to be integrated as a part of business strategy and organization's culture by augmenting the fruits of scientific endeavor, innovation and creativity. For developing countries like India, it is important to strengthen its productive capacity and strive for inclusive, sustainable and equitable economic growth in order to be a global economy player. In this work we present some of the global challenges faced by Indian SME's and propose a framework to leverage on innovation, delivery excellence and intellectual property towards sustainable growth.

Keywords: Intellectual property rights, SME, sustainable growth, innovation management.

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I. Introduction

Globalization provides challenging opportunities towards economic growth. India being a developing country the volatility in the market climate is influencing significantly the growth of SME's. Organizational strategy towards business investments, lean processes and practices to minimize operational cost and deliver quality play an important role and help in sustainable development of the organization keeping socio economic and environmental conditions. SME's being the major contributor to the Indian economy [1-3], it is justifiable to say that, this sector needs to develop a path to excellence in turn making a mark in the global economy. For this it is needless to say that SME's should understand their business in the perspective of internationalization and evaluate their business potential and associated risks as well. Delivery excellence is possible only through sustainability and inclusion which in turn can be achieved through understanding of organizational structure, delivery models connected with operational, pricing, marketing strategies leveraging existing knowledge and resources [4, 5].

In addition to delivery excellence, creativity and innovation drive the knowledge based economies through Intellectual property (IP) assets. The country's policies determine the business strategies and in this aspect IP acts as a tool for wealth creation in a country. These factors also have influence on India to be one of the signatory nations in TRIPS council [6]. But, as the studies indicate [7, 8] there is a lacuna in the SME's understanding and awareness regarding intellectual property rights. This is especially true for SME's present in the rural sector. For a developing country like India, that is rich in traditional, folklore, agricultural, traditional medication like Ayurveda, homeopathy, unani etc, there is a great need to develop a strategic, sustainable generic framework that is suitable for various sectors to adapt and evaluate their knowledge in the perspective of intellectual property. This is need of the hour to sustain in the global market as well as to generate wealth. Due to the rapid proliferation of the technology in this digital age, it is crucial that the SME sector brings its intangible mode of knowledge to the tangible mode through IP that acts as a catalyst in the progress of the nation economically.

In this present work, we try to give a generic frame work that might be adapted with modifications suitable to their business in general by the SME's present in the technical sector. Our basic motive in this work is to highlight integration of the delivery excellence that is crucial for business with Intellectual property to enhance/create knowledge assets for itself and in turn for the country.

II. Delivery excellence as growth driver

Various components in the delivery excellence are leadership, planning, information, people, process, customers and results [9, 10]. As a part of research and development, cross functional learning and collaborations are necessary.

Some of the factors influence the growth of SME's: (Fig: 1)

a) **Strategic Investments:**

Organization positioning towards embracing climate change, adhere to practices and processes, investing in areas of strategic positioning and build a skilled workforce through right investments in learning, leadership and development. Lean approaches like adoption to agile practices, creating a culture for core values of agile –Customer interaction over contract negotiation, focus on people, quality and delivery. Agile practices and principles [11] play an important role towards minimizing the operational cost and enable organizations deliver high business value to their customers. SME's need to leverage these values and principles through progressive adoption.

b) **Leadership pipe-line:** It is imperative for organisations to have clear vision and mission and a leadership that takes it to the people inspiring them to achieve the same. Good leadership shapes the organisation and takes it to the level of achievement. Identifying leaders early help the organizations enable team members to experience challenging opportunities and thereby sense of accomplishment. Young leaders are to be nurtured for continuous improvement. Interaction with the customers, partners and representatives is important to ensure organisational development at a regular pace. It is the responsibility of the leadership to ensure excellence as a culture throughout the organisation.

c) **Establish Brand Identity:** Strengthening existing brand through quality and established market can help SME's expand their market to other regions as well. Rural reach using social welfare programs as vehicle and subsequently complementing them with appropriate services of the SME's can help them expand their reach to gross root level and there by market share. Another aspect is contribution in corporate social responsibility initiatives –like green IT solutions, contribution to rural health care etc will help SME's to expand their regions.

III. Intellectual Property Rights and creating intellectual property rights through delivery excellence

To achieve delivery excellence, and strive in the competitive business one has to leverage on the technology leading to the creation of intellectual property assets. This is reflected in the number of patents that are granted year after year globally [12]. On the path of achieving delivery excellence, cross functional learning and collaborations become an integral part of the organization during which the responsible personnel in the organization needs to evaluate the technology with due diligence for its potential for IP protection. An entrepreneur turned SME starts with an idea and for surviving in the market, devices various strategies and during this process he needs to use the repository of the patent data bases and nurture a technology that is sustainable. This entire process involves serious team work involving cross professional intellectuals who have expertise in their respective fields. This is the place where innovation management comes into play and it is an integral part of entire research and development process. This will take the idea to the implementation level gearing towards intellectual property rights. The entire work will be driven by a leader who is a visionary and has the ability to map the technology at national and international level. This is again a part of the delivery excellence that churns out IP protection.

Creativity and innovation in the organization impart changes in products, services, processes, technologies and management practices to satisfy the stake holders. So it has to be a daily work and everyone in the organization should be involved. During this, future requirement of the clientele will be known and these challenges become the thinking parameters for creativity and innovation. In spite of all this, it is crucial for the organizations to be agile to combat unforeseen circumstances that can be taken care by mutual cooperation of delivery excellence and IP portfolio of the organization. The dimensions mentioned above help SME's in reflecting upon TOWS matrix [13] in strategic planning, forecast and investments as proposed below: (figure 2).

Strength and Opportunities Quadrant:

Protect products/frameworks/tools developed within the system by leveraging Intellectual property norms and procedures. Leveraging and protecting such assets of SME's through IP rights, SME's can explore opportunities for partnerships and collaboration as well.

Opportunities and Weaknesses Quadrant:

Encourage thought leadership and nurture young minds in the lower middle level of organization helps in base-lining the skills and provide right opportunities for the employees through customized learning interventions and certifications. A holistic approach towards such skill development helps in asset creation and

knowledge base thereby improves overall intellectual capital of the organization. This will help in creating the brand by presenting papers and best practices in external forums that helps in repositioning and expanding the business in new spheres.

Strengths and Threats quadrant:

Creating self organized and self managed teams involves substantial investments and protecting both assets and human capital. SME’s can explore patent procedures to safeguard critical breakthroughs and best practices to minimize the threats due to breach of conduct.

Weakness and Threats quadrant:

Adopting agile practices with competent workforce helps in embracing the customer change requirements, minimization of costs. By capturing these practices and methods SME’s can get protection through IP laws and norms.

IV. Figures and Tables

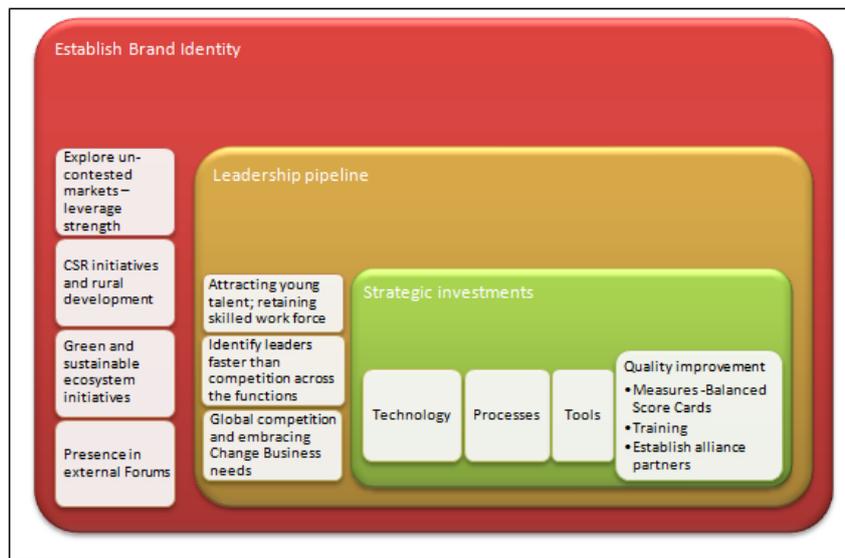


Figure 1: Factors of influence on SME Growth



Figure 2: Strategy planning for SME Growth

V. Conclusion

- A business frame work needs to integrate both IP portfolio as well as delivery excellence.
- SME sector needs to set global standards for itself and continuously strive towards achieving them.
- Organisational structure needs to involve everyone in the process of delivery excellence
- The frame work (both delivery and assessment) needs to motivate and inspire the staff towards excellence

- There needs to be an urge towards innovation and the system needs to be knowledge driven then IP is automatically generated through excellence.
- Capabilities of the individuals across the organisation should be stimulated through learning.
- Innovation management needs to be integral part of the organisation where an idea will be taken from inception to the implementation level.
- Identifying requirement of the future clientele is important for gaining competitive edge over others at national and international level.

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