Feasibility Study on the

Self-sustainability of Information Support Facilities In and Around SME Clusters

Study Report by

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8 Findings of the Study and Recommendations

8.1 Information Services have Become Dynamic and Proactive

(a) The information services offered by libraries and information centres have become highly dynamic and proactive all over the world including India, after the advent of the IT era. Libraries and Information centres now heavily use IT for providing exhaustive and value-added information services. Value addition to information essentially requires subject (domain) understanding and good expertise in information processing (indexing, preparing digests/summaries, etc.) and retrieval methods and techniques (database organization). Good communication skills are also an asset for repackaging and disseminating the information in a form and content convenient to the users. **Presently, even the Information and Facilitation Counter (IFC) of SIDO does not have well-qualified information specialists and also the Counter is too small in library collection and manpower to meet the information requirements of SMEs.**

(b) The traditional library services like providing books, journal articles, etc. are no longer welcome by industries. They need specific, accurate and timely information in a suitable form, and that would provide solutions to their information problems. Such solutions need analysis of information demands and also of the information collected against a requirement. If regular staff in the SME-promoting institutions are not adequate for information analysis, the services of retired domain experts may be obtained. But, payment to them must be on-the-spot as also for collecting charges from the SMEs. Also, information should be provided at the user-enterprises rather than expecting them to visit the information centres.

(c) An effective information centre (or information service facility) meant for serving SMEs should essentially have personnel with good qualification in a relevant domain discipline and in library/ information science. Alternatively, existing staff in SISIs and other SME-promoting institutions, with good qualifications in domain disciplines must be exposed to specialized courses in Information Services Management. Training institutions like NISIET, Hyderabad, or national information centres like NISCAIR (National Institute of Science Communication and Information Resources – a CSIR institution), New Delhi and academic and research institutions like DRTC (Documentation Research and Training Centre – a centre under Indian Statistical Institute), Bangalore should be able to provide such specialized courses. The Government must subsidise these courses to make them affordable to individuals and SSIs. The subsidy may be gradually withdrawn as the courses become popular.

8.2 Existing Information Support Facilities for SMEs and Suggested Improvements

(a) The present network of institutions like SISIs, NSIC, etc. that are meant for promoting SMEs, are not geared to meet their information challenges. The SMEs expect these institutions to maintain websites with current and relevant information and also provide access to information portals of relevance. They also expect to receive information through emails, bulletins, etc., from these institutions. Presently, access to the information held by the SME-promoting organizations is not very easy nor convenient to SMEs.

(b) Since much of the information collected by an information centre would be of interest to large industries also, a model of differential charges may be operated. Similarly, much of the information collected by an information centre would be of interest to several other SME clusters in other

States also. Thus, the customer/user base can be enlarged without much additional efforts.

(c) The information service bulletins that would be of much help to SMEs are:

(i) Digest service specific to each industry sector in the target cluster(s) (against subscription)

(ii) SDI (Selective Dissemination of Information) service monthly to each industry (against subscription)

(iii) Current awareness service covering survey reports, case studies, business trend reports, technology trend reports, etc.

The information centre may concentrate initially on a few sectors and gradually extend these services to other sectors. The priority areas may be decided based on a survey of the target industries. Indeed, it would be essential for an information centre to have frequent interactions with the target SMEs, industry associations, SISIs, Consultancy industries, etc., to keep in touch with the users' changing information requirements.

To assist in the preparation of information bulletins and in the operation of information services, graduate apprentices in technical disciplines and in Library/Information Science may be engaged. These apprentices after receiving practical training in information service may subsequently find regular jobs in the information services market. In addition, the information centre may also have provision for engaging contractual staff on job-work basis as and when necessary, out of its earnings to augment its services. To ensure competent and suitable persons are engaged for such contractual work, the Ministry of SSI may prescribe guidelines.

(d) The Ministry of SSI may provide financial assistance to independent agencies or information specialists to conduct user-evaluation studies of the services of the information centres and SME-promoting institutions. Even the information centres themselves may conduct such studies for further improving their services.

(e) The information centre should maintain a rigorous Performance Calendar covering key performance factors like the following:

(i) How many new requests for information were received during the previous month?

(ii) How many earlier customers approached again for information? (Fresh requests or continuation of earlier queries due to the incomplete satisfaction with the information already supplied?)

(iii) How many queries were answered? How many man-hours spent (query-wise proportion)?

(iv) What was the time taken for supply of information (query-wise)?

(v) What is the revenue earned?

(vi) What are the yearly and monthly targets? To what extent these have been met?

Since data compilation for these MIS reports is time-consuming, the compilation of operational details may be computerized. For the computerisation, initial financial support may be

provided by the government. Charges for the information services may be worked out based on time taken for literature search, digest/summary preparation/repacking the information, speed of service demanded, etc.

Contingency plans must be included in the planning as well as in the Performance Calendar to take care of absenteeism, turn-over of staff, etc. Also, incentives may be provided for exceeding the targets.

(f) The information centre must first identify key customers who are keen in using the services of the centre and also have interest in promoting the information services. They will be the campaigners for the centre if they are satisfied with the services. Satisfied customers may even sponsor interactive sessions between the centre and the users.

(g) Under the present system, each SME-promoting institute like SISI, offices of NSIC tries to maintain a library for providing information. It would not be possible for each of these offices to build-up a good collection of information resources (like books, journals, databases, etc.) in view of their large number. Instead, an information network can be organized building the network around the existing information support centres. These centres must develop digital libraries with exhaustive information relevant to SMEs and provide online access to it through the centres' websites. Cooperation of the institutions having rich information resources may also be obtained for providing access to their resources for the SMEs through the network. These would provide robust back-end support to the information network. Suitable revenue-sharing system may be gradually implemented as the revenues from information services go up substantially. If genuine information service entrepreneurs come forward for organizing information centres at SME clusters, government may extend the incentives/facilities that are given to SSIs, to them also. In addition, active industry associations like AIEMA and CODISIA may be encouraged to join the network for operating information services.

(h) Each information centre (or information support facility) may develop expertise in a niche area of interest to local SMEs. SENDOC/NISIET, as a national documentation centre for SMEs, should be able to cover the subject disciplines not covered by other information centres. It would be very appropriate if SENDOC is assigned the responsibility of coordinating the information network for SMEs mentioned above. Also, the responsibilities of the coordinating centre and of the participating nodes in the information network should be clearly spelt out in formal cooperation agreements. The promotional literature should clearly explain the role of each node and of the coordinating centre.

(i) For the network-based information system, any of the following models may be considered:

(i) An information centre in a government-supported institution like SENDOC/NISIET taking management initiative and entering into formal tie-up with other libraries and information centres on revenue-sharing basis.

(ii) A consortium model with participatory management – taking policy decisions by consensus and with a possibility of changing the coordination role among the participating institutions.

(iii) One or more information service initiatives/enterprises functioning on its/their own, procuring information not available with it and supplying to users.

The first two models may have the advantage of drawing upon the information and human resources of the participant institutions. However, if any entrepreneurs come forward for implementing the third model, government may extend support/incentives to them.

(j) The content of the websites is to be edited by professional editors to make it easily comprehensible. Also, the website content needs to be updated regularly and frequently which is not the case with several websites of the SME-promoting institutions.

(k) There may be competition from private information providers coming up in due course. But, their charges are likely to be higher than the government-supported information providers because the latter are in a better position to draw upon the information resources of government institutions. However, the private services may also try to tap the information resources of government institutions by entering into tie-ups with these institutions. But, with equally aggressive business development approach and efficiency and with the advantage of higher confidence of SMEs in government institutions, the government-supported information systems (or centres) should be able to do much better.

(l) The Government of India has already been promoting library and information networks/consortia like INFLIBNET of the UGC, INDEST of the IITs, NITs and other technical institutions of higher learning for sharing the information resources held by them. Taking cue form this, the SMEs-supporting information centres also should join these networks for drawing upon their information resources.

(m) The information support system presently available in the SME-promoting institutions does not have the strength to provide effective support to the target industries. A detailed plan is to be worked out for revamping and mordenising the information services. To make a detailed study of the existing system and for working out such a plan, an Expert Committee may be appointed by the Ministry of Small Scale Industries. The Committee may comprise members from subject domain specialists, information specialists/librarians from modern information support systems like those of DRDO, CSIR/DSIR, IITs, etc., and computer networks specialists from NIC.

8.3 Technical Support and Training

(a) A number of SMEs expressed the need for further upgradation of availability of competent technical support – like advice on technologies to be adopted, techno-economic aspects, commercial aspects, etc. Since it would not be possible for the SME-promoting institutions to have deep domain expertise in several subject domains, panels of experts from academic and R&D institutions must be maintained to help the SMEs on their technical and business problems. Guidelines may be prepared by the Ministry of SSI (in consultation with domain experts) for the consultancy charges which may be attractive enough for the domain experts. The government may have to subsidise the charges to make them affordable to SMEs, particularly SSIs.

(b) There exists a high demand from the SMEs for training for their operators and also technical executives. This demand needs to be met by providing effective, practical-oriented (on live situations and not on demonstrations) training courses. **The training programmes conducted by SISIs and other SME-promoting institutions need review periodically in terms of demand for specific courses, course content, quality of practical training and other relevant factors**. Several SMEs have expressed the need for such review. Also, several SSIs expect very low charges or training free of charge. They are, of course, willing to pay if the courses are really productive. For meeting the demand for high quality training programmes both the Central and the State governments must encourage the domain experts available in their organizations to participate in these training programmes as faculty and suitable incentives may be provided for such participation. The faculty for the training programmes must also be drawn from the industry to get practical inputs to the programmes.