



Department of Empowerment of Persons with Disabilities (Divyangjan)
Ministry of Social Justice & Empowerment



Participant Handbook

Sector

Apparel, Made-ups and Home Furnishing

Sub-Sector

Apparel, Made-ups and Home Furnishing

Occupation

Packer



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NSQF Level : 3

Packer

(Divyangjan)

for Locomotor Disability (LD)
for Speech and Hearing Impaired (SHI)
for Low Vision (LV)

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Phone: 011 - 4358 5858, 2328 5568 Fax 011 - 2324 3519, 4311 5858

Email: info@rachnasagar.in, rachnasagar@hotmail.com

Website: www.rachnasagar.in

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Apparel Made-ups & Home Furnishing Sector Skill Council

Indian Buildings Congress, 1st Floor, Sector-6, R K Puram

Kama Koti Marg, New Delhi-110 022

Email: info@sscamh.com

Website: www.sscamh.com

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Note: SCPwD

SCPwD has borrowed the qualification of Packer from Apparel, Made-Ups & Home Furnishing Sector Skill Council which is approved by NCVET in the 04th meeting of NSQC on 24th December, 2020 (Link of MOM)

<https://ncvet.gov.in/wp-content/uploads/2023/01/Minutes-of-4th-NSQC-Meeting.pdf>

And uploaded on NQR WWW.nqr.gov.in

The book caters to the job role aligned to the following disabilities as per the NQR codes mentioned below.

LD - 2020/PWD/SCPWD/04035

SHI - 2020/PWD/SCPWD/04034

LV - 2020/PWD/SCPWD/04033





Shri Narendra Modi
Prime Minister of India

“ Skilling is building a better India.
If we have to move India towards
development then Skill Development
should be our mission. ”



Certificate

COMPLIANCE TO QUALIFICATION PACK – NATIONAL OCCUPATIONAL STANDARDS

is hereby issued by the

Skill Council for Persons with Disability

for

SKILLING CONTENT: PARTICIPANT HANDBOOK

Complying to National Occupational Standards of

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About this book

This Participant Handbook is designed to enable training for the specific Qualification Pack(QP). Each National Occupational (NOS) is covered across Unit/s.

Key Learning Objectives for the specific NOS mark the beginning of the Unit/s for that NOS.

- Plan and Organize packing processes
- Carry out the process of packing
- Maintain health, safety and security in the packing department
- Maintain workarea, tools and machines
- Comply with industry, regulatory and organizational requirements

Symbols used in the book have been listed below.

Symbols Used



Key Learning
Outcomes



Steps



Time



Tips



Notes



Unit
Objectives



Exercise



1. Orientation and Introduction

Unit 1.1 - Apparel Industry and Role of a Packer



Key Learning Outcomes

At the end of the module, you will be able to:

1. Familiarise with the Apparel Sector
2. Identify the roles and responsibilities of a Packer

UNIT 1.1: Apparel Industry and Role of a Packer

Unit Objectives

At the end of this unit, you will be able to:

1. Familiarise with the Apparel Sector
2. Identify the roles and responsibilities of a Packer

1.1.1 Apparel Sector – Industry Overview

Indian Textile and Clothing (Apparel) industry is the second largest manufacturer in the world. The Indian textiles and clothing sector is expected to grow at 10.01 percent in the next 10 years from the current value of INR3.92 lakh crores in 2012–13 to INR10.54 lakh crores in 2021–22. Of these, the garments sector is estimated to grow at an average rate of 15.44 percent over the years, thereby accounting for about 70 percent of the total production. The demand for domestic consumption for home textiles and garments is expected to increase rapidly. In fact, the garments sub-sector alone is estimated to increase by seven times from INR 51400 crores in 2012–13 to INR3.70 lakh crores in 2021–22.

The Indian textile sub-sector has traditionally been contributing significantly to the economy and manpower as well as to the structural changes in the manufacturing sector. As of 2012, the sector contributed 4 percent of the GDP, 32 percent of the manufacturing sector and 9 percent of total exports. The sector's output is expected to grow at an annual average rate of 10 percent in the next 10 years, thereby increasing its worth to INR 10.5 lakh crores in 2022. Several factors that would contribute to the growth would include:

- Rising income levels are expected to increase the demand for home textiles and garments from domestic consumers is expected to increase.
- Free trade agreements provide India a comparative advantage in the export segment as compared to its competitors – China, Bangladesh and Pakistan – as they create opportunities for manufacturers to supply to potential markets in East Asia.
- Low production cost continues to be an advantage for the sector and, consequently, demand from existing foreign markets continues to increase.
- Structural changes in the sector, with a shift from vertically disintegrated to integrated large firms, with automated machines for yarn and fabric production.
- Increased spending on research and development to enter the specialized fabrics and technical textiles sector.
- Favourable policy environment to support domestic and foreign investments and the implementation of schemes to enhance the production capacity and improve technology.

Ready Made Garments

The ready-made garments section has grown rapidly in the last few years. Both exports and domestic demands shall drive sector growth in future.

The ready-made garments segment comprises men's, women's and kid's clothing, which may be used for either private (home/office wear) or commercial (uniforms for school, waiters and flight crew) purposes.

- Men's wear is the biggest segment in the ready-made garment segment, comprising about 43 percent of its share in the total revenue generated. This is followed by women's wear, with a share of 38 percent; 10

percent share of boys wear and 9 percent for girls wear in the total revenue generated by the ready-made garment segment.

- Changing lifestyles and consumption patterns are expected to drive the sector's supply of casual wear with an 11 percent growth, which would drive demand for workforce with specialised skills in western formals design, blended fabrics and increased application work on clothes.

Actual and Projected size of Indian Textile Industry

In 2011 global trade in textiles and apparel was around US\$ 705 billion. This was approximately 4% of the total global trade of all commodities estimated at ~ US\$ 15 trillion. During the period 2000 to 2010 the textile and apparel trade has grown at a modest CAGR of 6.4% per annum. Further, the Global Textile and Apparel, or T&A, trade is expected to grow to USD 1 trillion by 2020.

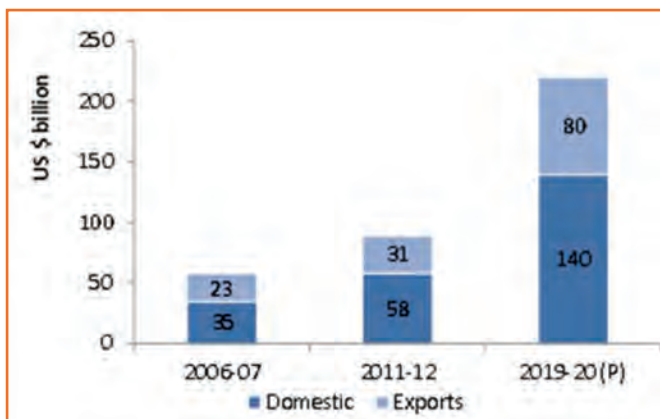


Fig 1.1.1: Major Textile Exporters to the World (% share)

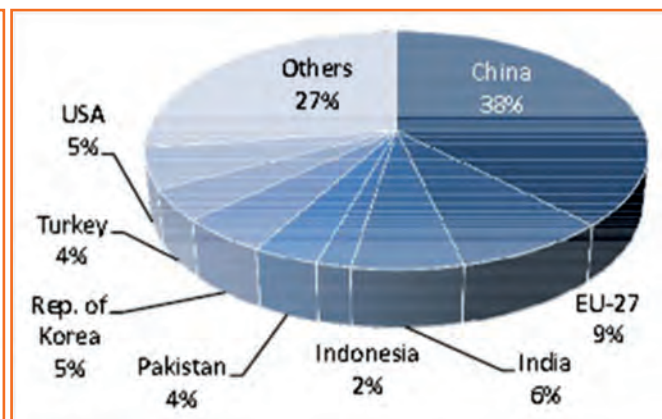


Fig 1.1.2: Major Textiles and Clothing Regions in India

Source: Office of Textile Commissioner and IMAcS Analysis

- **Gujarat and Maharashtra:** Most large companies across all sectors of the value chain, including spinning, weaving, home textiles and garments, are located here. Key players include Aravind Mills, Raymond, Welspun, Bombay Dyeing, Alok, Century Textiles.
- **Karnataka and Kerala:** Bangalore and Mysore have a few garment firms. Some major garment exporters include Gokaldas Exports and Shahi Exports.
- **Tamil Nadu:** Major cities that serve as textile hubs are Tirupur, Coimbatore, Madurai and Karur; known for apparels, spinning mills, silk and home textile units, respectively. Key players include Loyal Textiles, KG Denim, Asian Fabric. Tamil Nadu accounts for the largest textiles and clothing production of INR 761820 crores, which also employs the largest number of workers (2.63 million) in textile factories. This state is followed by Gujarat, which has an annual textile production valued at INR 49165 crores.
- **There are more than 70 textiles and clothing clusters in India** accounting for about 80 percent of the total production. There are 39 power loom clusters and 13 ready-made garment clusters in India.
- **Bhiwandi and Malegaon** are the two largest power loom clusters. Major ready-made garments clusters are located in Delhi, Mumbai, Gurgaon, Nagpur, Madurai and Salem, with annual turnover of more than INR 1000 crores since 2003. The state of Maharashtra has 10 textile clusters. Other major states in terms of the number clusters are Tamil Nadu, Andhra Pradesh, Karnataka, Kerala and Uttar Pradesh (seven clusters each).

Employment Scenario in the Sector

It also provides employment to approximately 35 million persons directly & approximately 55 million persons indirectly. India is among the very few countries which have presence across the entire supply chain, from natural and synthetic fibres right up to finished goods manufacturing. It has presence in organised mill sector as well as decentralised sectors like handloom, power loom, silk, etc.

Currently, 15.23 million people are employed in the textile sub-sector across yarn and fabric, home textiles, technical textiles and readymade garments. Fifty-one percent of the total workforce is engaged in the manufacturing of readymade garments, followed by yarn and fabrics with 26 percent. Human resource requirement in the sector is expected to reach

21.54 million by 2022 translating into 6.31 million additional employment opportunities during the period 2013-22.

Sub Sector	Employment in Millions	
	2017	2022
Spinning Weaving and Finishing of Textiles	3.14	3.18
Manufacture of Other Textiles	10.64	13.78
Manufacture of Wearing Apparel	4.28	4.58
Overall	18.06	21.54

Fig 1.1.3: Sub Sectors in Apparel Industry

1.1.2 Made-ups and Home Furnishings

The made-ups sub-sector is growing at a steadily increasing pace in the country. The wide variety of products that come under this sub-sector are not only include necessities but also functional and luxury products. Made-ups sub-sector is divided into three (3) broad categories:

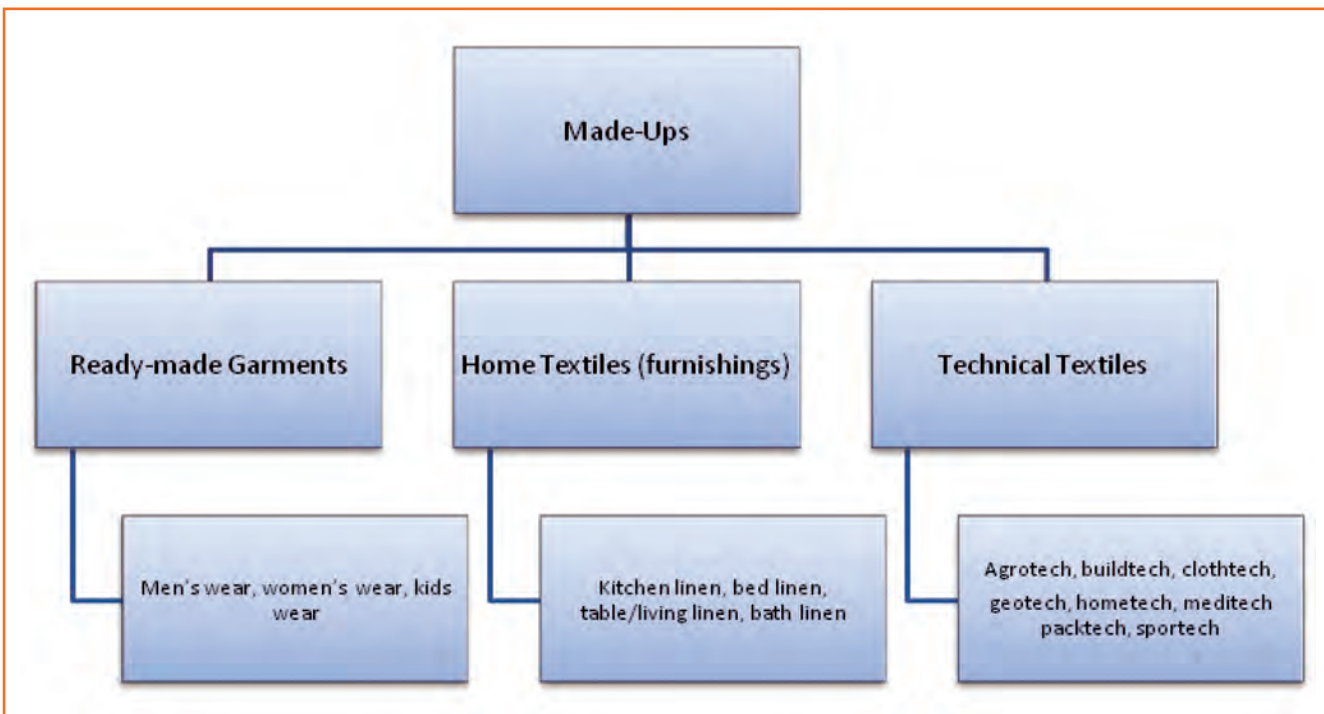


Fig 1.1.4: Made-ups and Home Furnishing Sub-sector

Indian is among one of the biggest exporters in Apparel and Made-ups industry. In Home Textiles India is second only to China in global exports, whereas in apparels, India is among the top 10.

Product	Total World Export	Major Contributor			India's Contribution		Other Competing Countries
		Country	Share & Value	Ranks	Share & Value	Ranks	
Apparel	193400159	China	6 1 2 2 4 3 6 0 (31.65%)	1	7 4 2 9 9 7 5 (3.8%)	7	Italy, Bangladesh, HK, Vietnam
Home Textiles	55921991	China	2 4 0 1 5 8 5 3 (42094%)	1	3 9 7 3 0 4 2 (7.10%)	2	

Fig 1.1.5: Textile Exports by Major Countries and India ('000 USD) * Source NSDC Skill Gap Study – Textile & Clothing

As evident from the Figs above, India is fast becoming one of the leading global players in the Home Furnishings/Textile. Home Furnishings industry offers wide varieties of products like bedspreads, furnishing fabrics, curtains, rugs, cushion covers etc. Indian Home Furnishings Market is forecasted to increase at an annual growth rate (CAGR) of 8 percent over next five years. The industry will reach a value of approximately US \$5.29 billion by 2018. The Indian Home Furnishing industry provides a unique blend of modern technology and ethnic techniques to bring out products that are one of the best



Fig 1.1.6: Home Furnishing

in the world. The increase in the spending power of the Indian working class is also expected to contribute in the growth of domestic consumption of made-ups and home furnishings industry

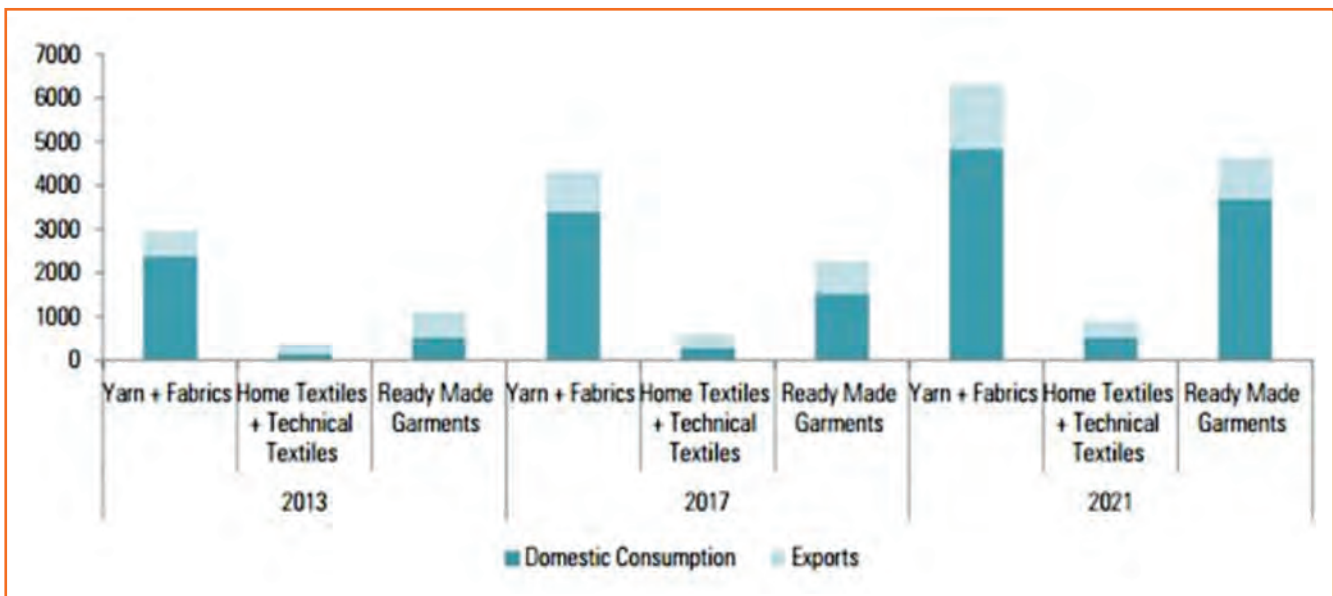


Fig 1.1.7: Estimated Domestic Consumption of Indian Textile Production (in INR '000) * Source NSDC Skill Gap Study – Textile & Clothing

With increased demand and competition from countries like China, the demand of skilled workforce/kaarigars in the Home Furnishings industry is bound to increase in coming years.



Fig 1.1.8: Apparel Made-ups

1.1.3 Packer

A Packer in the finishing department is responsible for packing finished garments, home furnishing and made up articles, in polybags and cartons according to their colours and sizes as given in the order details. The packer plays an important role in the finishing department of a garment industry. He is responsible for checking and ensuring that correct labels, packaging, cartons etc. are used as per the buyer's instructions.



Fig.1.1.9: Packer

1.1.3.1 Role and Responsibilities of a Packer

- Understand the packing mode and styles as per customer instructions.
- Arrange for all essential materials and accessories required for packing.
- Identify the tools and equipment's required for packing.
- Identify the buyer's needs and follow the checklist for packing.
- Segregate damaged and defective goods and rectify repairable faults.
- Maintain accurate packing records.
- Ensure that the packed materials are stored safely and securely in the warehouse.
- Weigh packed materials and arrange them in cartons.
- Mark and label cartons.
- Measure, weigh, and count products and materials.
- Record product, packaging, and order information on specified forms and records.
- Prepare for the dispatch of the materials.
- Communicate effectively with supervisors and co-workers.

UNIT 7.7: Time Management

Unit Objectives

At the end of this unit, you will be able to:

1. Understand the importance of time management.
2. Develop time management skills.
3. Learn about effective time planning.

7.7.1 Time Management

Time management is the process of planning and practicing control over the time given to a specific task, especially to increase effectiveness, efficiency and productivity. It is an activity with the goal to increase the overall advantage of a set of activities within the limited condition of a limited time.

Some effective time management

- Delegate tasks.
- Identify time wasters.
- Combine activities – Plan for them.
- Break down big tasks down to the smallest task possible.
- Accomplish them one by one.
- At the end of the day conduct a simple analysis to see which activity took time.



Fig.7.7.1: Time management

7.7.2 Time Robbers

Time robbers are those activities which create interruption at the workplace. These activities create a deviation from the objectives which needs to be achieved. Time Robbers could be:

- Poor personal planning and scheduling.
- Interruptions by people without appointments.
- Poor delegation.
- Poor use of the media: Telephone, Mobile, e-mail, and fax, etc.
- Reading junk mail.
- Lack of concern for god time management.
- Lack of clear priorities

The Time Robbers can be avoided by:

- Be active all the time.
- Develop and maintain an organized personal activity schedule.
- Set your priorities.
- Proper delegation.
- Utilize modern technical media.

7.7.3 Pareto Analysis

- According to this 80% of the tasks can be completed in 20% of the time. The remaining 20 % of the tasks take 80 % of your time. And the task which should fall in first category should be given a higher priority.
- Time also depends on the type of method adopted to process the task. Methods should always be simpler and easier to complete the task. If we use difficult ways, it shall be result the waste of time. One should always try to find out alternate ways to complete a task.

Urgent Important Matrix

1.The Urgent and Important Tasks	2. The Non Urgent but Important Tasks
DO NOW <ul style="list-style-type: none"> • Emergencies, complaints and crisis issues • Superiors desire • Planned tasks or project work now due • Meetings with superiors/colleagues 	PLAN TO DO THEM <ul style="list-style-type: none"> • Planning, preparation • Scheduling • Designing, testing • Thinking, creating, modeling the data
3. The Non Important but Urgent Tasks	4. The Non Important and non-Urgent Tasks
REJECT AND EXPLAIN <ul style="list-style-type: none"> • Small requests from others • Ostensible emergencies • Misunderstandings rising in work • Pointless routines or activities 	RESIST AND CEASE <ul style="list-style-type: none"> • Comfort' activities, computer • Games, net surfing, excessive • Cigarette breaks • Chat, gossip, social • Communications • Reading irrelevant and useless material

*Fig.7.7.2: Urgent Important Matrix***This matrix helps you understand:**

- What should be done
- What should be planned
- What should be resisted
- What should be rejected

The simplest method of managing time is to create a general to do list. Prioritize the task list:

- A daily list of things to do, numbered in the order of their priority
- Start with the most unpleasant and difficult task first latter will completed easily and quickly.
- Map out everything while making a task list
- Learn to say “No” to unimportant things
- Strikeout the things completed so that you are familiar what have been completed and what needs to be completed.

List down the routine activities that you perform in a day.

.....

.....

.....

.....

Prioritize the above mentioned activities in the following heads.

Important Tasks	Unimportant Tasks	Urgent Tasks	Not Urgent Tasks

UNIT 7.8: Resume Preparation

Unit Objectives

At the end of this unit, you will be able to:

1. Understand the importance of resume.
2. Learn how to prepare a resume.

7.8.1 Introduction

A resume is a self-declaration which once done properly shows how an individual's skills, experience and achievements matches the need of the work that they wish to get. The sole purpose of a resume is one to win an interview. It convinces the future employer what he wants from the prospective employee in new career or position.

It also establishes an individual as a professional person with high standards and excellent writing skills based on the fact that his resume is written well. It also helps you clarify your direction, qualifications and strengths, boost your confidence or to start out the process of committing to a job or a career modification.

One must know about a resume that:

- Your resume is an instrument to get you an interview but not a job
- Employer will be screen your resume for just 15-20 seconds. That's the time your resume will make an impact on employer.

There are different sections on the resume in the same order as mentioned under:

Section	What is the employer looking for
Header	Your identity and to contact you
Objective	To check if their requirement and your objective match
Education	To check if you have the basic qualification for the job/ internship you are applying for
Practical Experience/Projects	To see if you have done anything that reflects your potential capability. Also to see how different you are from your peers.
Skills	How equipped you are in terms of your personality traits as well as occupational skills
Interests	Professional aspects apart, how meaningful is your life?
Other	Is there anything else significant and relevant you want to showcase, that will add value to your resume.

Fig.7.8.2: Different sections on the resume



Fig.7.8.1: A resume

Preparation work and important tips

Before you start preparing your resume make sure to follow the checklist:

- Educational documents from class ten onwards to calculate scores
- Make list of all things that you need to add to your resume. Like internships, projects, part time jobs, extracurricular activities, sports, training, skills, interests etc. the list doesn't need to be complete, you'll always add to the list as you go.

Before preparing resume always remember:

- Every point in your resume should be specific and must be supported by a number of factual information.
- Use action verbs in all your points. They catch attention immediately and make your sentences clear.
- Use bullets not paragraphs.
- Do not mention your responsibilities mention what you have accomplished.
- A common mistake we make while constructing the resume is to copy the format from our friends resume and built it based on that.

7.8.1.1 Resume Header

Purpose: You have to provide some information about yourself, so that the employer can reach you.

Mandatory fields include: Name, current address, email id, phone number, date of birth. Your name should be written in bigger font.

Do Not:

- Include your photo.
- Write RESUME as heading to the file.
- Give details like family information, marital status, etc.
- Add these details to the bottom of your resume or occupy more space to fill up these details.

7.8.1.2 Framing the Objective

Purpose: To convey the employer what goals you have. The focus should be towards getting a particular position in a specific industry.

Always remember:

Your objective should include the following:

- Position wanted
- Functional area

- Industry wanted
- Be specific and restrict it to minimum words.
- Your objective should be different to each role you apply to
- While writing the objective, keep the employer's requirement in mind. The objective is not what you desire from the company, it's about the company's need.

7.8.1.3 Education

The next section in your resume is to highlight your educational qualifications.

Purpose: For the employer to know whether you have basic qualification for the job for which you are applying or not.

Always Remember:

- To write all educational qualifications from class 10 to highest education.
- For class 10 and 12 – include school/college name, Board, Stream/Specialization (If any), year of study, Marks.
- For undergraduate – include College name, University name, Degree and Specialization, year of study.
- Write all your qualifications in reverse chronological order, i.e. the latest qualification on top.
- You may write the educational qualifications in a tabular format or in a simple one after the other order.

7.8.1.4 Projects and Internships

The next part of your resume includes the hands on work that you have done, like projects, internships, in-plant training, part time jobs, volunteering, starting up a company and other initiatives. The number and the nature of initiatives taken defines whether to keep one heading or detail them under different headings.

Purpose: This is a mandatory part of a resume, as your hands on work and the initiatives you have taken apart from your curriculum in what will reflect your real strength as well as separate your resume from your peers.

Remember:

- The heading should be – title / project name, role, company/organisation name, -2 lines description about the specific time period.
- Time period is must.
- The entries under each heading must be in reverse chronological order.
- Be very specific on what you have accomplished. Add numbers and facts wherever possible.

Do Not:

- Do not write simple statements. It does not give employer a clear picture of the work you have done. Thus the employer can assume that you have done an internship for the certificate.

7.8.1.5 Skills

Heading: You can have multiple headings under skills. Common heading can include:

- **Soft Skills:** must include, they showcase your personality traits.
- **Core occupational skills:** Optional include if you possess any core skills. These are skills you possess relevant to the role you are applying for.
- **IT Skills:** Optional, suggestive to include if you are applying for IT/software related roles.

Remember:

- List your skill and add a point which supports your skill the best.
- Make specific points. Add numbers and facts wherever possible.
- Pick only three to four soft skills that describes you the best.
- Dig your past to discover the best of these skills you possess and the best example you can quote to support it.

7.8.1.6 Interests

In this section of your resume carefully choose which of interests you want to showcase on your resume so that they can make your life seem meaningful.

The interests you showcase talk about your character. These interests frequently come up as a subject of discussions during the interviews, therefore sagely choose what to show.

Remember:

- List interests which are meaningful and display some learning.
- Support the interest you have listed
- Make points specific and add supporting fact to it.
- Do not just list random cluster of interests like: adventure, guitar, reading, environment
- Never include interests like partying, watching movies etc. they create wrong impression.

7.8.1.7 References

Give References

The very last thing on your resume ought to be a list of 2-4 professional references. These are all those who you're not related to, but whom you have handled in a professional manner. you would possibly think about previous leader, faculty member or volunteer coordinator to include on your reference page.

- Include the name of the reference, their relationship to you, mailing address, e mail and telephone number.
- The place you're applying to could contact these people, therefore always call them in advance to allow them to understand that you are using them for a reference and are presently applying for a job.

7.8.1.8 Points to Remember

- Make sure that the length of your resume doesn't exceed a pair of pages.
- Do a thorough recheck and confirm there are fully no errors in your resume. No grammatical errors, no spelling mistakes, no punctuation errors.
- Run through your resume time and again for to create enhancements and phrasing sentences better.
- Choose a professional font in a size eleven or twelve. You can use multiple fonts for different elements of resume, but try to limit it most of two fonts. Instead changing between fonts, strive creating specific sections bold or italicized instead.
- The font size of your header and the introduction to a part may be a size fourteen or sixteen.
- Your text should be printed in solid black ink. Ensure to deactivate any hyperlinks so that they don't print in blue or other contrastive colour.
- Your page ought to have one inch margin all the way around with 1.5 or 2 point line spacing. The body of your resume ought to align left and your header should be centred at the top of the page.

UNIT 7.9: Interview Preparation

Unit Objectives

At the end of this unit, you will be able to:

1. Understand the procedure of interview.
2. Go thorough mock interviews.
3. Understand how to present themselves during an interview.
4. Motivated to work after the training period is over.

7.9.1 Interview

An interview is a conversation between two or more individuals (the interviewer(s) and the interviewee) wherever queries are asked by the interviewer to get information from the interviewee. An interview is the first and last hurdle you need to cross in order to get employment.



Fig.7.9.1: Interview

Common Types of Interview

1. **Traditional HR Interview:** Most of the interviews are face to face interviews. The most traditional is a one-to-one conversation with the Human Resources Executive where the candidate's focus should be on the person asking question. You are advised to maintain good eye contact, listen keenly and answer promptly.
2. **Panel Interview:** In this situation, there is more than one interviewer. A panel ranging from two to ten members may conduct this part of the selection process. This is an ideal chance for you to display group management and group presentation skills.
3. **Technical interview:** The objective of this interview is to basically evaluate technical knowledge. Majority of the questions will be based on the skills sets mentioned in the candidate's resume.
4. **Telephonic Interview:** Telephonic interviews are used for initial screening of candidates who live far away from the job site.

Before going for an interview, it is important to have clarity of the role you are applying for. It's also important that for you to know where you are applying and whom will you be talking to. Your answers should tell the employer that you are the match they are looking for.

10.6.4 Business Plan: Why Set Goals

Setting goals is important because it gives you long-term vision and short-term motivation. Goals can be short term, medium term and long term.

Short-Term Goals

- These are specific goals for the immediate future. Example: Repairing a machine that has failed. Medium-Term Goals
- These goals are built on your short term goals.
- They do not need to be as specific as your short term goals.

Example: Arranging for a service contract to ensure that your machines don't fail again.

Long-Term Goals

These goals require time and planning. They usually take a year or more to achieve.

Example: Planning your expenses so you can buy new machinery

Why Create a Business Plan

A business plan is a tool for understanding how your business is put together. It can be used to monitor progress, foster accountable and control the fate of the business. It usually offers a 3-5 year projection and outlines the plan that the company intends to follow to grow its revenues. A business plan is also a very important tool for getting the interest of key employees or future investors.

A business plan typically comprises of eight elements.

10.6.4.1 Elements of a Business Plan

Executive Summary

The executive summary follows the title page. The summary should clearly state your desires as the business owner in a short and businesslike way. It is an overview of your business and your plans. Ideally this should not be more than 1-2 pages.

Your Executive Summary should include:

- **The Mission Statement:** Explain what your business is all about.

Example: Nike's Mission Statement

Nike's mission statement is "To bring inspiration and innovation to every athlete in the world."

- **Company Information:** Provide information like when your business was formed, the names and roles of the founders, the number of employees, your business location(s) etc.
- **Growth Highlights:** Mention examples of company growth. Use graphs and charts where possible.
- **Your Products/Services:** Describe the products or services provided.
- **Financial Information:** Provide details on current bank and investors.
- **Summarize future plans:** Describe where you see your business in the future.

Business Description

The second section of your business plan needs to provide a detailed review of the different elements of your business. This will help potential investors to correctly understand your business goal and the uniqueness of your offering.

Your Business Description should include:

- A description of the nature of your business
- The market needs that you are aiming to satisfy
- The ways in which your products and services meet these needs
- The specific consumers and organizations that you intend to serve
- Your specific competitive advantages

Market Analysis

The market analysis section usually follows the business description. The aim of this section is to showcase your industry and market knowledge. This is also the section where you should lay down your research findings and conclusions.

Your Market Analysis should include:

- Your industry description and outlook
- Information on your target market
- The needs and demographics of your target audience
- The size of your target market
- The amount of market share you want to capture
- Your pricing structure
- Your competitive analysis
- Any regulatory requirements

Organization & Management

This section should come immediately after the Market Analysis. Your Organization & Management section should include:

- Your company's organizational structure
- Details of your company's ownership
- Details of your management team
- Qualifications of your board of directors
- Detailed descriptions of each division/department and its function
- The salary and benefits package that you offer your people
- The incentives that you offer

Service or Product Line

The next section is the service or product line section. This is where you describe your service or product, and stress on their benefits to potential and current customers. Explain in detail why your product of choice will fulfill the needs of your target audience.

Your Service or Product Line section should include:

- A description of your product/service
- A description of your product or service's life cycle

- A list of any copyright or patent filings
- A description of any R&D activities that you are involved in or planning

Marketing & Sales

Once the Service or Product Line section of your plan has been completed, you should start on the description of the marketing and sales management strategy for your business.

Your Marketing section should include the following strategies:

- **Market penetration strategy:** This strategy focuses on selling your existing products or services in existing markets, in order to increase your market share.
- **Growth strategy:** This strategy focuses on increasing the amount of market share, even if it reduces earnings in the short-term.
- **Channels of distribution strategy:** These can be wholesalers, retailers, distributors and even the internet.
- **Communication strategy:** These can be written strategies (e-mail, text, chat), oral strategies (phone calls, video chats, face-to-face conversations), non-verbal strategies (body language, facial expressions, tone of voice) and visual strategies (signs, webpages, illustrations).

Your Sales section should include the following information:

- **A salesforce strategy:** This strategy focuses on increasing the revenue of the enterprise.
- A breakdown of your sales activities: **This means detailing out how you intend to sell your products or services** – will you sell it offline or online, how many units do you intend to sell, what price do you plan to sell each unit at, etc.

Funding Request

This section is specifically for those who require funding for their venture. The Funding Request section should include the following information:

- How much funding you currently require.
- How much funding you will require over the next five years. This will depend on your long-term goals.
- The type of funding you want and how you plan to use it. Do you want funding that can be used only for a specific purpose, or funding that can be used for any kind of requirement?
- Strategic plans for the future. This will involve detailing out your long-term plans – what these plans are and how much money you will require to put these plans in motions.
- Historical and prospective financial information. This can be done by creating and maintaining all your financial records, right from the moment your enterprise started, to the present day. Documents required for this are your balance sheet which contains details of your company's assets and liabilities, your income statement which lists your company's revenues, expenses and net income for the year, your tax returns (usually for the last three years) and your cash flow budget which lists the cash that came in, the cash that went out and states whether you had a cash deficit (negative balance) or surplus (positive balance) at the end of each month.

Financial Planning

Before you begin building your enterprise, you need to plan your finances. Take a look at the steps for financial planning:

- **Step 1:** Create a financial plan. This should include your goals, strategies and timelines for accomplishing these goals.

- **Step 2:** Organize all your important financial documents. Maintain a file to hold your investment details, bank statements, tax papers, credit card bills, insurance papers and any other financial records.
- **Step 3:** Calculate your net worth. This means figure out what you own (assets like your house, bank accounts, investments etc.), and then subtract what you owe (liabilities like loans, pending credit card amounts etc.) the amount you are left with is your net worth.
- **Step 4:** Make a spending plan. This means write down in detail where your money will come from, and where it will go.
- **Step 5:** Build an emergency fund. A good emergency fund contains enough money to cover at least 6 months' worth of expenses.
- **Step 6:** Set up your insurance. Insurance provides long term financial security and protects you against risk.

Risk Management

As an entrepreneur, it is critical that you evaluate the risks involved with the type of enterprise that you want to start, before you begin setting up your company. Once you have identified potential risks, you can take steps to reduce them. Some ways to manage risks are:

- Research similar business and find out about their risks and how they were minimized.
- Evaluate current market trends and find out if similar products or services that launched a while ago are still being well received by the public.
- Think about whether you really have the required expertise to launch your product or service.
- Examine your finances and see if you have enough income to start your enterprise.
- Be aware of the current state of the economy, consider how the economy may change over time, and think about how your enterprise will be affected by any of those changes.
- Create a detailed business plan.

10.6.4.2 Tips

- Ensure all the important elements are covered in your plan.
- Scrutinize the numbers thoroughly.
- Be concise and realistic.
- Be conservative in your approach and your projections.
- Use visuals like charts, graphs and images wherever possible.

10.6.5 Procedure and Formalities for Bank Finance

The Need for Bank Finance

For entrepreneurs, one of the most difficult challenges faced involves securing funds for startups. With numerous funding options available, entrepreneurs need to take a close look at which funding methodology works best for them. In India, banks are one of the largest funders of startups, offering funding to thousands of startups every year.

10.6.5.1 What Information Should Entrepreneurs Offer Banks for Funding

When approaching a bank, entrepreneurs must have a clear idea of the different criteria that banks use to screen, rate and process loan applications. Entrepreneurs must also be aware of the importance of providing banks with accurate and correct information. It is now easier than ever for financial institutions to track any default behaviour of loan applicants. Entrepreneurs looking for funding from banks must provide banks with information relating to their general credentials, **financial situation** and guarantees or collaterals that can be offered.

General Credentials

This is where you, as an entrepreneur, provide the bank with background information on yourself. Such information includes:

- **Letter(s) of Introduction:** This letter should be written by a respected business person who knows you well enough to introduce you. The aim of this letter is set across your achievements and vouch for your character and integrity.
- **Your Profile:** This is basically your resume. You need to give the bank a good idea of your educational achievements, professional training, qualifications, employment record and achievements.
- **Business Brochure:** A business brochure typically provides information on company products, clients, how long the business has been running for etc.
- **Bank and Other References:** If you have an account with another bank, providing those bank references is a good idea.
- **Proof of Company Ownership or Registration:** In some cases, you may need to provide the bank with proof of company ownership and registration. A list of assets and liabilities may also be required.

Financial Situation

Banks will expect current financial information on your enterprise. The standard financial reports you should be prepared with are:

- Balance Sheet
- Profit-and-Loss Account
- Cash-Flow Statement
- Projected Sales and Revenues
- Business Plan
- Feasibility Study

Guarantees or Collaterals

Usually banks will refuse to grant you a loan without security. You can offer assets which the bank can seize and sell off if you do not repay the loan. Fixed assets like machinery, equipment, vehicles etc. are also considered to be security for loans.

10.6.5.2 The Lending Criteria of Banks

Your request for funding will have a higher chance of success if you can satisfy the following lending criteria:

- Good cash flow
- Adequate shareholders' funds
- Adequate security

- Experience in business
- Good reputation

The Procedure

To apply for funding the following procedure will need to be followed.

- Submit your application form and all other required documents to the bank.
- The bank will carefully assess your credit worthiness and assign ratings by analyzing your business information with respect to parameters like management, financial, operational and industry information as well as past loan performance.
- The bank will make a decision as to whether or not you should be given funding.

10.6.5.3 Tips

- Get advice on funding options from experienced bankers.
- Be cautious and avoid borrowing more than you need, for longer than you need, at an interest rate that is higher than you are comfortable with.

10.6.6 Enterprise Management - An Overview

To manage your enterprise effectively you need to look at many different aspects, right from managing the day-to-day activities to figuring out how to handle a large scale event. Let's take a look at some simple steps to manage your company effectively.

Step 1: Use your leadership skills and ask for advice when required.

Let's take the example of Ramu, an entrepreneur who has recently started his own enterprise. Ramu has good leadership skills – he is honest, communicates well, knows how to delegate work etc. These leadership skills definitely help Ramu in the management of his enterprise. However, sometimes Ramu comes across situations that he is unsure how to handle. What should Ramu do in this case? One solution is for him to find a more experienced manager who is willing to mentor him. Another solution is for Ramu to use his networking skills so that he can connect with managers from other organizations, who can give him advice on how to handle such situations.

Step 2: Divide your work amongst others – realize that you cannot handle everything yourself.

Even the most skilled manager in the world will not be able to manage every single task that an enterprise will demand of him. A smart manager needs to realize that the key to managing his enterprise lies in his dividing all his work between those around him. This is known as delegation. However, delegating is not enough. A manager must delegate effectively if he wants to see results. This is important because delegating, when done incorrectly, can result in you creating even more work for yourself. To delegate effectively, you can start by making two lists. One list should contain the things that you know you need to handle yourself. The second list should contain the things that you are confident can be given to others to manage and handle. Besides incorrect delegation, another issue that may arise is over-delegation. This means giving away too many of your tasks to others. The problem with this is, the more tasks you delegate, the more time you will spend tracking and monitoring the work progress of those you have handed the tasks to. This will leave you with very little time to finish your own work.

Step 3: Hire the right people for the job.

Hiring the right people goes a long way towards effectively managing your enterprise. To hire the best people suited for the job, you need to be very careful with your interview process. You should ask potential candidates the right questions and evaluate their answers carefully. Carrying out background checks is always a good practice. Running a credit check is also a good idea, especially if the people you are planning to hire will be handling your money. Create a detailed job description for each role that you want filled and ensure that all candidates have a clear and correct understanding of the job description. You should also have an employee manual in place, where you put down every expectation that you have from your employees. All these actions will help ensure that the right people are approached for running your enterprise.

Step 4: Motivate your employees and train them well.

Your enterprise can only be managed effectively if your employees are motivated to work hard for your enterprise. Part of being motivated involves your employees believing in the vision and mission of your enterprise and genuinely wanting to make efforts towards pursuing the same. You can motivate your employees with recognition, bonuses and rewards for achievements. You can also motivate them by telling them about how their efforts have led to the company's success. This will help them feel pride and give them a sense of responsibility that will increase their motivation.

Besides motivating your people, your employees should be constantly trained in new practices and technologies. Remember, training is not a one-time effort. It is a consistent effort that needs to be carried out regularly.

Step 5: Train your people to handle your customers well.

Your employees need to be well-versed in the art of customer management. This means they should be able to understand what their customers want, and also know how to satisfy their needs. For them to truly understand this, they need to see how you deal effectively with customers. This is called leading by example. Show them how you sincerely listen to your clients and the efforts that you put into understand their requirements. Let them listen to the type of questions that you ask your clients so they understand which questions are appropriate.

Step 6: Market your enterprise effectively.

Use all your skills and the skills of your employees to market your enterprise in an effective manner. You can also hire a marketing agency if you feel you need help in this area.

Now that you know what is required to run your enterprise effectively, put these steps into play, and see how much easier managing your enterprise becomes!

10.6.6.1 Tips 

- Get advice on funding options from experienced bankers.
- Be cautious and avoid borrowing more than you need, for longer than you need, at an interest rate that is higher than you are comfortable with.

10.6.7 Considering Entrepreneurship

Questions to Ask Yourself Before Considering Entrepreneurship

- Why am I starting a business?
- What problem am I solving?

- Have others attempted to solve this problem before? Did they succeed or fail?
- Do I have a mentor¹ or industry expert that I can call on?
- Who is my ideal customer²?
- Who are my competitors³?
- What makes my business idea different from other business ideas?
- What are the key features of my product or service?
- Have I done a SWOT⁴ analysis?
- What is the size of the market that will buy my product or service?
- What would it take to build a minimum viable product⁵ to test the market?
- How much money do I need to get started?
- Will I need to get a loan?
- How soon will my products or services be available?
- When will I break even⁶ or make a profit?
- How will those who invest in my idea make a profit?
- How should I set up the legal structure⁷ of my business?
- What taxes⁸ will I need to pay?
- What kind of insurance⁹ will I need?
- Have I reached out to potential customers for feedback

10.6.7.1 Tips

- It is very important to validate your business ideas before you invest significant time, money and resources into it.
- The more questions you ask yourself, the more prepared you will be to handle the highs and lows of starting an enterprise.

Footnotes:

1. A mentor is a trusted and experienced person who is willing to coach and guide you.
2. A customer is someone who buys goods and/or services.
3. A competitor is a person or company that sells products and/or services similar to your products and/or services.
4. SWOT stands for Strengths, Weaknesses, Opportunities and Threats. To conduct a SWOT analysis of your company, you need to list down all the strengths and weaknesses of your company, the opportunities that are present for your company and the threats faced by your company.
5. A minimum viable product is a product that has the fewest possible features, that can be sold to customers, for the purpose of getting feedback from customers on the product.
6. A company is said to break even when the profits of the company are equal to the costs.

7. The legal structure could be a sole proprietorship, partnership or limited liability partnership.
8. There are two types of taxes – direct taxes payable by a person or a company, or indirect taxes charged on goods and/or services.
9. There are two types of insurance – life insurance and general insurance. Life insurance covers human life while general insurance covers assets like animals, goods, cars etc.



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Sector Skill Council Contact Details:

Address: 501, City Centre, Plot No. 5 Sector 12 Dwarka New Delhi - 110075

Website: www.scpwd.in

Phone: 01120892791

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