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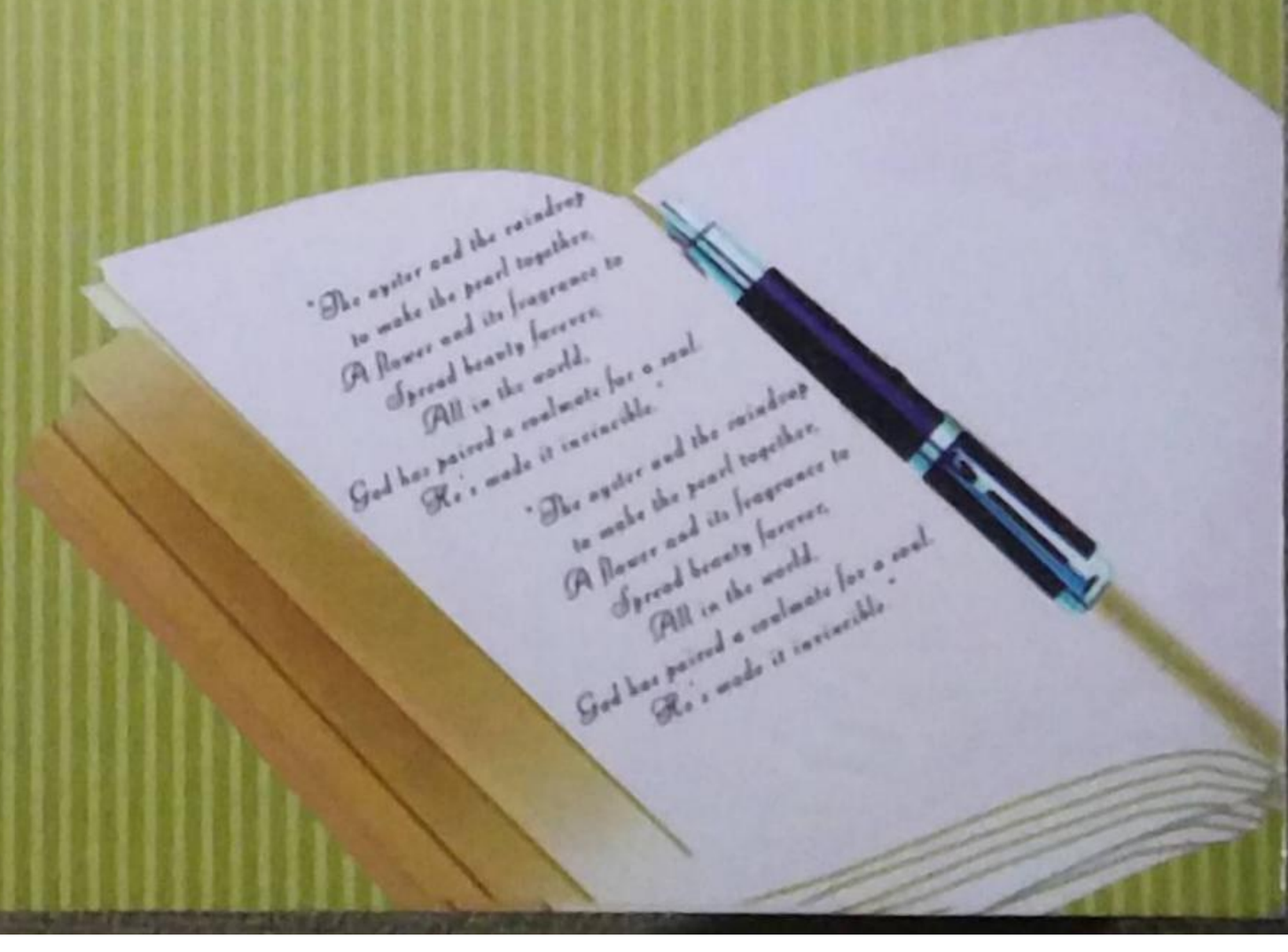

An Investigation into the Effect of Risk Productivity in Selected Industrial Units in Chandrapur District–A Strategic Management Centered Approach

❑ Kapil A. Chouriy
Researche
❑ Dr. Rajesh S. Bahurup
Supervise
Bhivapur Mahavidyalaya, Bhivapu

Abstract : The present study was make an attempt to identify the various industrial unit in Chandrapur district includes towns Like; Ghugus, Korpana, Rajura, Ballarpur, Bramhapuri, Chimur, Warora etc.The study also identifies the strategic risk management in industrial units due to assistance of local bodies in Chandrapur district.

This Paper present result of data collected from industrial management authorities, insurance agents as well as local bodies in Chandrapur District and interpretation of results obtained after analysis of data. For the study purpose, 200 industrial units were selected from Chandrapur District. In addition to this, 100 insurance agents associated with different insurance companies as well as 15 local bodies representative 1 from each tehsil. Hence, data from total 315 (200+100+15) respondents was collected in the study. The collected data was analysed by using appropriate statistical tools. Descriptive statistics such as frequency and percentage, mean etc.

Introduction : Risk management is an activity which integrates recognition of risk, risk assessment, developing strategies to manage it, and mitigation of risk using managerial resources. Some traditional risk managements are focused on risks stemming from physical or legal causes (e.g. natural disasters or fires, accidents, death). Financial risk management, on the other hand, focuses on risks that can be managed using traded financial instruments. Objective of risk management is to reduce different risks related to a pre-selected domain to an acceptable. It may refer to numerous types of threats caused by environment, technology, humans, organizations and politics. Present research is to make an attempt to identify the risks faced by the various Industrial units in Chandrapur district and examined the different Strategies adopted by industry for risk management.

Risk : Risk is unavoidable and present in every human situation. It is present in daily lives, public and private sector organizations. Depending on the context (insurance, stakeholder, technical causes), there are many accepted definitions of risk in use.

The common concept in all definitions is uncer tainty of outcomes. Where they differ is in how the characterize outcomes. Some describe risk as havin only adverse consequences, while others are neutra

One description of risk is the following: risk re fers to the uncertainty that surrounds future event and outcomes. It is the expression of the likelihoo and impact of an event with the potential to influ ence the achievement of an organization's objectives

The phrase "the expression of the likelihood an impact of an event" implies that, as a minimum, som form of quantitative or qualitative analysis is require for making decisions concerning major risks or threat to the achievement of an organization's objectives For each risk, two calculations are required: its like lihood or probability; and the extent of the impact o consequences.

Finally, it is recognized that for some organiza tions, risk management is applied to issues predeter mined to result in adverse or unwanted consequences For these organizations, the definition of risk which refers to risk as "a function of the probability (chance likelihood) of an adverse or unwanted event, and th severity or magnitude of the consequences of tha event" will be more relevant to their particular pub lic decision-making contexts.

Williams and Schroder (1999) claimed that risk is a very broad subject because everything we do ha an element of risk. It is a complex concept, which does not easily lend itself to a neat, one line defini tion (Cross, 2000). Understandably, there are many different definitions of risk.

Fleisher (1990) suggested that although there i no universally accepted definition of risk, several working definitions are commonly used. He went further to indicate risk as a situation in which the resolution of uncertainty will affect the well-being of a firm or decision maker and which involves the chance of gain or loss. Krause (1995) defined risk as the estimated measure, or probability, of something happening. According to Cooper et al. (1993) and Williams and Schroder (1999), a state of risk is con-

sidered to exist whenever knowledge of the situation enables the likelihood of the various possible events to be assessed in advance.

Risk is used by some authors to describe situations where one can attach probabilities to the occurrence of events influencing the outcome of a decision (Mishra, 1996). Likewise, Just et al. (2003) referred to risk as situations in which the objective probability distribution of outcomes is known by the decision-maker. In other words, risk is considered as uncertainty with consequences (Blackburn et al., 1994; Hardaker et al., 1997; Cross, 2000). Risk occurs when there is a chance of something happening that will have an impact upon objectives.

Research Objectives

1. To study the risk management tasks and roles in industrial units.

2. To study the insurance covered by the industries for all operations.

3. To evaluate role of employees in industrial unit regarding risk management activity.

Research Hypothesis

1. Risk management tasks and roles are clearly defined in industrial units.

2. Industrial units in Chandrapur District have right insurance cover for all operations.

3. Employees in industrial unit participate in risk management activity.

Awareness of risk management members for consulting specialist for getting information about risk management in the unit

Table 1: Information regarding awareness of risk management members for consulting specialist for getting information about risk management in the unit

Awareness of risk management members about getting information regarding risk management and which specialist to contact	Frequency	Percentage
Yes	162	81.0
No	10	5.0
	28	14.0
Total	200	100
Chi Square	df	Sig.
48.13	2	0.000

Above Table No. 1 illustrates responses of authorities of industrial units in Chandrapur District regarding awareness of risk management members for consulting specialist and for getting information about risk management in the unit. It is evident from the information that according to 81% authority risk management members are aware about contacting concerned person from which they can get information of risk management whereas 14% authorities are uncertain regarding awareness of risk management members in the unit about contacting concerned person for getting information about risk management. In addition to this, 5% authorities reported that employees working in the unit are not aware of contacting concerned person for getting information about risk management. The non-parametric chi square statistics demonstrate that there is significant (Chi Sq. – 48.13; df- 2; $P<0.05$) difference among opinion of industry representatives about awareness of risk management members for consulting specialist and for getting information about risk management. Thus, it is evident from the above information that risk management members working in significantly ($P<0.05$) high percentage of industrial units in Chandrapur District are aware of contacting concerned person for getting information about risk management.

Risk management tasks and roles clearly defined in the unit

Table no 2: Information about defining risk management tasks and roles clearly in the unit

Defining risk management tasks and roles clearly in the unit	Frequency	Percentage
Yes	179	89.5
No	4	2.0
Can't Say	17	8.5
Total	200	100
Chi Square	df	Sig.
60.81	2	0.000

Above Table No. 2 illustrates responses of authorities of industrial units in Chandrapur District about defining risk management tasks and roles clearly in the unit. It is evident from the information that according to 89.5% authority, risk management tasks and roles are clearly defined in the unit whereas 8.5% authorities are uncertain regarding risk management tasks and roles clearly defined in the unit. In addition to this, 2% authorities reported that risk management tasks and roles are not clearly defined in the unit. The non-parametric chi square statistics demonstrate that there is significant (Chi Sq. – 60.81; df- 2;

P<0.05) difference among opinion of industry representatives about defining risk management tasks and roles clearly in the unit. Thus, it is evident from the above information that risk management tasks and roles clearly defined to the employees working in substantially (P<0.05) high percentage of industrial units in Chandrapur District.

Table No. 3: Information regarding participation of employees in the risk management activities in the unit

Participation of employees in the risk management activities	Frequency	Percentage
Yes	132	66.0
No	22	11.0
Can't Say	46	23.0
Total	**200**	**100**
Chi Square	**df**	**Sig.**
12.19	**2**	**0.000**

Above Table No. 3 illustrates responses of authorities of industrial units in Chandrapur District regarding participation of employees in the risk management activities in the unit. It is evident from the information that according to 66.0% authority employees participate in risk management activities whereas 23.0% authorities are uncertain about participation of employees in risk management activities. In addition to it according to 11.0% authorities employees do not participate in risk management activities. The non-parametric chi square statistics demonstrate that there is significant (Chi Sq. – 12.19; df- 2; P<0.05) difference among opinion of industry representatives about participation of employees in the risk management activity. Thus, it is evident from the above information that considerably (P<0.05) high percentage of employees of the industrial units in Chandrapur District participate in risk management activities.

Conclusion

Employees working in most of the industrial units in Chandrapur District are aware regarding risk management. Risk management is followed in industrial units. Risk management is very important for industries. Industrial units in Chandrapur District get support from management about risk management. General policies of risk management is included in the operational policy of industrial units in Chandrapur District. Individual risk management control measures are carried in industrial units. Improvement in process is done before problems arise in industrial units. Risk management training is provided by in industrial units to the employees. Risk management members working in industrial units are aware of contacting concerned person for getting information about risk management. Risk management tasks and roles clearly defined to the employees working in industrial units.

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