MAPPING OF TECHNOLOGICAL MODERNIZATION AND PRODUCT PROCESS INNOVATION IN PUNE FOOD PROCESSING CLUSTER FOR GIZ

INDIA
Pune

Description of the Project

This assignment aimed at mapping innovation potential of the Micro Small and Medium Enterprises (MSMEs) working in the food processing cluster of Pune. Analysis involved both technological and process related aspects of innovation. The study involved identification and submission of few feasible projects. Our team provided services like Action Research, Diagnostic, Situational Analysis, and pilot project identification and preparing action plan as part of the assignment.

Technical Knowledge Applied

Analysis of both technological and marketing aspect of innovation.

Feasible Projects identified and submitted to improve the technical capability among the units and induce innovation.

Action Pan Prepared

Diagnostic

Research

Project Identification

Situational Analysis

Activities Carried out

- Data collection at the unit level.
- Analysis to derive typical pattern in challenges faced by MSMEs while innovating.
- 100 enterprises identified to carry out a further onsite technical assessment of product, process, and business model for assessing the innovation potential.
- Identification of 10 joint projects for partnership with local/national/German institutions.
- Identification and discussion with local institutions.
- Mapping key buyers requirements to identify their level of engagement with MSMEs in the Cluster, their performance standards, their vendor selection process and vendor development practices.

Overview

The development of the innovative capacity often is a bottleneck for the growth of MSME. Companies are unable to generate, absorb and integrate innovations; supporting services as they are often inadequate or inefficient. There are many factors responsible for this state of affairs of MSMEs. One crucial factor is policy perspective. Most of the field staff of MSME Development Institutes of the Ministry of MSME, Cluster Development Agencies that are entrusted by public authorities and start-up centers that are mostly associated with universities, lack the capability to deliver efficiently. They ignore the fact that many companies require rather "soft factors" such as management skills and the ability to organize themselves. They mostly focus on the physical infrastructure and technology and promote individual companies, rather than to create markets for services of private providers. They often do not build synergies with other institutions, and barely cater to the unique demands and needs of companies. Against this background, the project was done to encourage technological modernization and process and product innovations, consequently enabling MSMEs to become more competitive and efficient in their use resources and to develop their innovative capacity to a full. Cluster- and network-based approaches have been identified to be active in promoting innovation in MSMEs

To start first activities in these clusters which help to leverage the innovation capacity of enterprises and facilitate the development of linkages between academia, industry, associations and service providers. It was, therefore, necessary to map the firm level innovation potential and develop joint innovation projects between academia and industry for implementation in food processing cluster. This offered opportunities for Indian MSMEs to strengthen their innovative capacity and hence to be more competitive in the market. Finally, these projects were matched with European partners and sent for EU Funding by Government of India GITA (gita.org.in) program.