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Keywords: industrial unit, industrial town, exploitation, Ardabil

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The Study of Impediments to Successful Exploitation of Some Industrial Units in Ardabil Industrial Town

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Abstract - Industrial towns play an eminent role in industrial expansion of the region and the country (Iran). Moreover, these units increase the rates of employment. Industrial authorities and custodians have established many basic systems and services in these towns. Despite the existence of infrastructural facilities (such as water, electricity, gas, green field sites etc.) in Ardabil industrial towns, most of industrial units have stopped their activities or their activities are not continuous. The aim of this research is to study the reasons for failures of some industrial units in industrial towns of Ardabil province and to suggest some surveying procedures for decreasing these failures. The hypotheses of this research include difficulties affecting some of industrial units in industrial towns of Ardabil province which taken from research literature. The selected tool for testing research hypothesis was questionnaire, which included 30 questions related to designed hypotheses. These questionnaires were distributed among statistical population (production and business administrators of the industrial units, which stopped their activities). We used one-sampled T-test for testing of hypotheses, and Friedman's test for classifying of hypotheses. The results of hypotheses testing showed that some factors likeoutlet problems, difficulty in reimbursing of received facilities concerning primary investment, working capitals, and technological problems are effective in inactivity of Ardabil industrial units.

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I. INTRODUCTION:

\ urveying the experiences of countries which have been successful in the case of economical expansion indicate that these countries have tried a lot to create suitable base for attracting investors through procedures like designing industrial and developing towns and equipping this towns with the required facilities. In this regard, according to the Iran's law of establishing industrial towns and for suitable using of facilities in industrial towns, creating more infrastructural facilities, and presenting the required services for suppliants of industrial units' construction, the corporation forIran's industrial towns has established simultaneously with the

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approval of this law. According to the statute of industrial towns in Ardabil, the goals of establishing this corporation are the followings: construction of industrial towns in different areas of provinces which are of suitable capability, creating infrastructural facilities in these towns, conducting all tasks which provide harmony and suitable base for using facilities of industrial towns in an automatic way, taking possession of land according to law positive, submission of the exact lands or its profits and absolute transferring of the lands to the volunteers of establishing allowable industrial towns, and supplying of public services in the town such as supplying water, electricity, telephone, surfacing lands, creating main and subsidiary road networks, and constructing public buildings such as clinic, masque, school, green field etc.

Industrial towns have the following facilities and advantages which make them suitable for investment: the existence of suitable land, requiring no certificate from related organizations, exempting from municipality rules, issuing cost-free and in time construction certificate, easy access to internet, decreasing of investing costs due to using organized common services of these towns such as water, electricity, telephone, refinery, in cash or by installment payment of costs related to exploitation right of installations, tax exemption, possibility to rent or buy halls which are useful in accelerating exploitation of productive units etc. These advantages lead to more information exchange among industrial groups, prevent the scattering of industries and environment pollution (Management & Planning Organization, East Azerbaijan province, 2005, P 31).

II. RESEARCH SUBJECT:

In this essay we investigate the reason for the failures of some industrial units in Ardabil province. At the present condition in which the possibility of agricultural expansion is limited but the growth of servicing is very high, also with the growth of population in most of urban and rural area of the country and consequently the growth of unemployment especially among youth,undoubtedly the passivity of these units has a bad influence on Iran's economy. The best option for tackling these problems is to invest in industrial

section, preventing industrial units from stoppage, and planning by the related authorities to upgrade these units' activities. A financial problem is one of the main issues that the owners of industrial units face with. On the other hand we cannot ignore the role of other factors like nonexistence of correct and scientific marketing, scant perception of market, technical problems, and over-importing of allowable or contraband goods. In this article we investigate some factors like outlet, financial problems (inability in debt payments to individuals or banks, difficulty in accessing tobank facilities, and shortage of working capital), technical problems (old and out of use machinery, inaccessibility to modern machinery and technical deficiency in product line) and irregular importing. Moreover, we identified the related problems tackling which will lead to upgrading of employment level, attracting investors, and preventing industrial units from inactivity.

III. RESEARCH LITERATURE

Industrial towns and brunches plays an eminent role in industrial foundation of every country, and are regarded as elements which harmonize regional and national expansion plans. The effects of creating regions, industrial towns and brunches are considerable from different dimensions, and we discussed economical and industrial effects of it in this article which include:

Upgrading industrial capability through mutual relations of industries: Without conducting primary and comprehensive studies in all of its related matters, the success of an industrial town is not possible. One of the main issues which must be considered in these studies (Small Industry Organization Publications, 2001, PP 112-113) is the manner of making relationship among industrial units in the town and also between these industrial units and big industries in the vicinity of the town. Therefore, in designing industrial towns, we must consider the manner of these relationships completely. For conducting important productive activities, the neighboring big industrial units can, for example, allocate manufacturing of some of the required intermediary goods or semi-manufactured equipment to the units in industrial town. Meanwhile, the existing industrial units in town can enjoy from specialized and industrial services of these big industries. Moreover the located industries in the town can apply some of the big units' productions as raw materials in industries like petrochemical etc. About the relationship among units inside the town we can say that whatever the existing industries in the complex are more homogeneous, the more services and facilities will be presented and the more extended relationship will be created among industries. In this situation even buying of bulk raw

- material, common marketing and selling of products etc. are also possible. In fact, these exchanges and relationships lead to saving of place, moreover, another important matter about mutual relationship and cost reduction comes forth: the principle of product specialization. The prerequisite for product specialization in towns is to limit activities in one or two specialized industries. In developing countries, due to nonexistence of uniform and suitable work sharing, the possibility for product specialization is very low, and with regard to the kinds of need if we cannot make a balance between these issues and town specialization, the town may fail in absorbing capital and manpower (Small Industry Organization Publications, P 114).
- Acceleration of promoting industrial capabilities of the country: Industrial town play an important role in promoting the level of industrialization capabilities of every country. Becauseby establishment of towns, industrial expansion is followed from different dimension and with lesser costs, and if this is done through study, planning and comprehensive understanding of the matter, the industrial growth will be accelerated. Some factors like needs, facilities and capabilities of the region and also economical and industrial priorities of every country can be suitable guidelines for presenting a comprehensive plan for industrial towns. Therefore, industrial towns play an eminent role in planning and industrial expansion strategy of every country especially in accelerating the process industrialization.
- Increasing the level of employment in region and country: Unemployment is one of the main problems in in developing countries, and the main part of this unemployment is observed in undeveloped regions. Undoubtedly, establishment of industries in each region has a great effect on employment level, especially when these industries are concentrated in one area or town in the vicinity of the residential place of those unemployed people. In fact, these towns primarily attract labor force from their vicinity because it is economical. Of course, it is obvious that the degree of employment in an industrial town, due to using common facilities and services, is lower than the time when these units are distributed and not concentrated in a single town. But if we primarily localize industrial towns in a place with high number of manpower, we can take a big step toward eliminating unemployment problems. While distributed industries, create scattered and inhomogeneous employment, which is less effective (Alipour, 2008, PP 101 - 102).
- 4. Creating the bases for attracting capital: There are always floating capital in different areas of a country

which are absorbed by sections with low productivity and profitability. If in designing towns theproficiency of industries is considered with regard to region's requirement and towns' flexibility, then industrial towns will be a suitable base for absorbing private capitals. Some factors like suitability of land plots, the lowness of costs for different services such as supplying water, electricity, etc., rapid creation of infrastructural facilities, preparing land and plots, accessing to road networks, transportation and some other services can be very useful in absorbing capitals from the region (Alipour, 1387, P 105).

- 5. Creating the bases for the growth of small industries: In industrial expansion planning of developing countries, the growth of small industries is very important. Because in these countries due to the weakness of infrastructural facilities, the condition for the growth of small industries is very suitable than heavy industries. On the on hand the applied technology for these industries is very simple, and on the other hand small industries need not to amassive capitals. Therefore, in the case of technology they are relatively independent, and can launch their work simply with absorbing wandering capitals from private section. In fact, industrial towns are a complex of small and medium sized industries which are supplied according to needs and facilities of the region.
- Transferring of industries to poor areas and its different advantages: Industrial and economical growth and expansion in poor areas are not attainedspontaneously and without planning, because these areas have not the required potential for the growth. Therefore, these inequalities create a wideexpansion gap between different areas. For tackling such a problem, we most pay an especial attention to undeveloped areas, especially in long term. One of the methods for applying this policy is the establishment of industrial zones and towns in these regions. This is effective in industrial growth of these regions and in decreasing of expansion gap between different areas. Moreover, it is useful in increasing of employment level and upgrading of its potential which totally effect economical growth of the country and act as a factor which establishes regional balance in the country (Management and Planning Organization, East Azerbaijan, 2005, P 30).
- 7. Creating the basis for decreasing the content of primary investments in industrial units: One of the main factors in attracting industry owners' attention toward these towns is to reduce the content of primary investments. Establishment of common infrastructural facilities like supplying water, electricity, road etc., shares the costs of establishing these facilities among industrial units of the town and consequently reduces their primary

costs. Moreover, with regard to created facilities, the purchase prices of the plots become cheaper for the industry owners. These facilities act as a support for the lands, and generally increase their value. Moreover, the existence of common servicing and productive facilities in the towns such as repair shops, laboratories for quality controlling, utilities and training facilities etc., eliminate the need to establish them separately and consequently decrease the content of primary and productive investments. Therefore, we can conclude that, due to the existence of such common facilities and services the costs related to establishment, servicing and productive issues is very low in industrial complex. In fact, by establishing industrial towns we prevent reinvestmentsand consequently accelerate industrial expansion (Alipour, 2008, P

- 8. Saving time for investors: One of the main reasons for establishing industrial corporations is to absorb wandering capitals. Some factors like preparation of land, creating infrastructural facilities, and some other facilities are very useful in attaining to this goal. Because the creation of this facilities not only decrease the content of primary and productive investments, which motivate investors, but also save the time for investors in taking a suitable land for establishing productive unit and facilities like supplying water, electricity, road, etc. (Steel consultant engineers, 1988, Vahedi, 1990, PP 64 71).
- a. Commercial processes is primarily defined and then analyzed. If reformation or reengineering is needed, then with different scenarios we start the designing phase (Alipour, 2009, P 173). The criterion for evaluating the success of a plan can be determined through attaining to primary and predicted goals. It is obvious that the degree of success in expansion plan of industrial towns in every country depends on their special social, economical, and political conditions, and existence of the aforementioned differences makes it difficult to compare them exactly. Generally, according to experiences which obtained from activities related to industrial towns around the world, there are some factors which are effective in success or failure of industrial towns.

We can classify these factors according to the following four principles (Iran's corporation of industrial towns, 1986, Steel consultant engineers, 1988 P 87):

- 1. Town localizing: Identifying the location where industrial towns must be established is one of the main factors in their success.
- Support by government and related authorities: Government can support industry owners and motivate them to invest in the towns through the following ways: direct financial assistance through giving loan and credits for purchasing land, factory

and equipment, creating infrastructural facilities, and tax abatement etc.

- 3. Social and cultural factors.
- 4. Other factors which some of them include:

Executing explicit and consistent policies by government with regard to goals of industrial towns and its tendency to motivate investors, the existence of governmental companies which facilitate and accelerate programs related to industrial towns, the existence of financial companies which provide loans and credits with easy and suitable conditions for industrial units, the existence of suitable infrastructural facilities such as water, electricity, and road in the related areas, accessibility to local or near site raw material, accessibility to skilled labor force and training facilities, vicinity to clients and related markets, the possibility to exchange with corporations in and outside the town, and the capability of system in management and organization of industrial town etc. Moreover, there are some considerations in relation to selecting land usage and identifying the kinds of activities in industrial towns. Generally, these considerations are the following: (Management and Planning Organization, Azerbaijan, 2005, PP 111, 113):

- Population and social context of the region: population is in direct relation with employment, and employment is one of the main goals which are followed by establishing industrial towns. Population and social context of the region have a great effect on the manner of selecting land usage and industrial activities of the town. In selecting the kind of activity we must consider the potential labor force of urban and rural population centers around the town as a main factor.
- 2. Productive tendencies of applicants of establishing industry and industry owners: creating new industries in a region and maximum exploitation of the region's capacities and facilitiesis among the main goals of establishing industrial towns. Productive tendencies of applicants of establishing industry, which appear in different forms, are one of the most important parameters in selecting an industry. Because these tendencies show the region's capacity in relation to raw material, facilities, skilled labor force, and different bases which are not suitably exploited so far.
- 3. The region's capacities in industry, mine, and agriculture: Recognizingthe region's capacities in industry, mine, and agriculture plays an eminent role in choosing the kind of activity in industrial towns. Because the main part of supplying raw materials, which are among the major tasks of industrial units, is provided by agriculture and mines' sections. Therefore, industrial activities must be in conformity with the region's capacities and capabilities.
- 4. Preparation and supplying markets: the other thing that we must consider in this regard is the vicinity to

- supplying centers of raw materials. That is, selecting the place of industries in the town must be in a manner that at least provides the main part of the required raw materials for industrial units from the centers around the town. Meanwhile, the produced material and products in the town must also have markets in the vicinity. Of course, we can not expect that all of the town's products are absorbed by markets and areas around it. But the main part of towns' products can be used by big industrial units around the town in semi-constructed or intermediate form. Generally we must not ignore the economical aspects of the recent method in establishing industrial towns and choosing their activities.
- Industrial towns' organization and management: In industrial towns, we can apply management in two distinct bases: a) management during construction or project construction; b) management during function and responsibility of usage. The management in these two periods with regard to their identified goals is different. On the other hand, the responsibility of project manager in its primary form can be limited to providing land, primary surfacing, and its submission to applicants and in its final form can include land preparation, road construction, supplying water, electricity, post services etc. Similarly the management during usage in its primary stage can act as a mayor and its responsibility just limited to some services like submission of land, water, electricity etc., and managing town's public places like restaurant. hotels, salesrooms etc. There must be a difference between long term and short term goals, and also among values, policies and activities that must be changed or eliminated and those which must be continued. It is possible that the majority of a corporation accepts a change, but they are not completely aware of its possible benefits in the long Ghambari, (Alipour, 2007, Management of usage period in an industrial town, besides presenting the abovementioned services, in an ideal form can assist the industry owners by the following ways: supplying financial resources, providing the required stuff and tools for operation of industrial units, providing raw materials, providing services about planning and production control, repairing and maintenance planning, ... and the required courses for training stuffs in industrial units. Industrial towns, due to providing intensive services for industrial units, have a positive impact on decreasing their costs (Asghari, 1998, P 54). Also with regard to the concentration of industries in industrial towns, organizing the services is done more easily and burden costs of production such as transportation which contain an important value in firms' expenditure, due to neighboring of industrial units eliminated or decrease intensely (Management

and Planning Organization of Ardabil province, 2006, P 65).

IV. THE IMPEDIMENTS OF EXPANDING INDUSTRIAL TOWNS IN SMALL AND MEDIUM SIZED INDUSTRIES:

If the firm's tasks and measures are done by its own agents they are called internal, otherwise they are considered external. These measures are invasive, if taken for power increasing and for overcoming to challenges, and if are taken for decreasing difficulties and charges, to distance from threats, decreasing or eliminating weakness or deficiencies and for controlling limitations, they are considered defensive (Alipour et al, 2009, P 281).

The main bottlenecks on the way of small and medium sized companies are the followings:

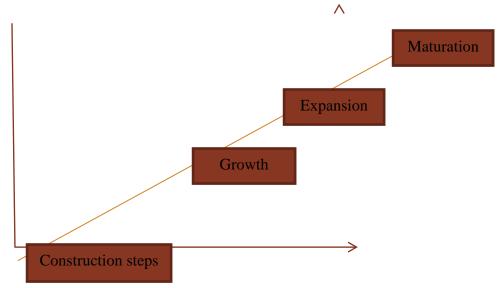
- 1. Market impediments: There are someimpediments in marketing of industrial towns:
 - a. The complex nature of contracts between these industries and big ones.
 - b. The existence of exclusive markets in different sections.
 - The fluctuation in supply and demand, especially in food industry which is affected by agricultural products.
 - d. Government's subsidies to state firms which create unequal competition.
 - e. Nonexistence of marketing mechanism and consequently weakness in accessibility to national and international distribution channels.
 - f. Purchasing raw material in small scales, which severely affects product processes by fluctuations in raw materials price (Arah, 2001, P 184).
- 2. Financial bottlenecks: These impediments are because of the followings:
 - Nonexistence of specializedbanks for supporting small and medium sized companies by giving loan.
 - b. Smaller companies have more problems in providing the required bank assurance for taking loan.
 - c. Increasing financial pressure on small and medium sized companies followinggovernment's deflation policies of macroeconomics.
 - d. Delay in receiving incomes from soled products, inability of banks in supplying loan and finance for these companies which leads them toward unofficial and more expensive markets.
 - e. Weakness in foreign investment and shortage of governmental facilities.
 - f. Weak business environment for small and medium sized companies (Codbury, 1992, P 71).
- 3. Inaccessibility to different information including:
 - a. Marketing information (about foreign and

- domestic markets, pricing and packaging requirement etc.
- b. Information about technological and financial condition for assisting investors in choosing sound businesses for investment, and technical and practical information.
- c. Informationabout purchasers and providers of raw material (Adams, And Zanzia, 2001, P 134).
- 4. Government's policies which include:
 - Policies which are harmful for small and medium sized companies like assigning subsidies to state firms.
 - b. Small and medium sized industries must refer to different state companies for different reasons; while they are often do not have the required labor force or official skills for effective negotiation with these companies.
 - c. Although the rate of tax is not high in Iran, but its unequal receiving pose some burden on companies with unclear income condition, which encourages tax evasion policies. Generally, the activities in product section are more transparent than trade section.
 - d. Official impediments for receiving charges, and absence of considering and solving of claims stemming from judgment rules (Codbury, 1998, P 18).
- 5. Legal impediments, which include:
 - a. The complexity of enrolment in economical bids;
 - b. Time-consuming aspect of registering process which last several month;
 - c. Nonexistence of special courts for considering business discrepancies;
 - d. Deterrent business rules;
 - e. Absence of meaningful encoding systems;
 - f. Absence of comprehensive and fixed legal frameworks for small and medium sized companies;
 - g. Equality of tax rules for small, medium, and big industries:
 - h. Abstract and inflexible labor rule (Hampel, 1998, P 18).

Sometimes, we need to specify the main objective of our corporation. One of the ways which leads us to this objective is to design a marketing plan. It is happen very rarely that management consultants choose the best way. They can help in the area of design's process and structure, special investigations for supporting the design or presenting scientific and constructive criticisms for improving the plan.

General guidelines for small and medium sized industries:

1. Guidelines for removing impediments on the way of small and medium sized industries: Reformation and creation of the required infrastructures for expanding small and medium sized industries (Jester and Hussey, 2001, PP 93 – 97).



2. Steps in expansion of an organization

Reformation of rules and procedures for facilitation and expansion of small and medium sized industries, assistance in establishing back up nongovernmental organizations and companies like centers which provide consultation services and road maps for investments, transferring technology, reduction in wastage and production costs, increasing productivity and improving the quality, informing, establishing funds for assuring investing activities, expansion of product chains for developing technology, expanding financial resources through establishing the required monetary and financial centers for small and medium size industries, assisting to technology upgrading, etc.

- Developing small and medium knowledge-based industries: One of the main factors in establishing knowledge-based units is the presence of entrepreneurs who beside their suitable educations have the capability to create an industrial unit. We consider training entrepreneurs must entrepreneurship as a main strategy in this arena. The costs for establishing such centers, which are done by the cooperation of reliable universities, must be provided by the qualified centers. Establishment and expansion of incubators for increasing the growth and expansion of small knowledge-based units; these centers which act as supporting agents and provide some parts of primary requirements for industrial towns, do the following activities:
- a. Providing services for improving product quality and increasing productivity in emerging productive units;
- b. Providing informational services and assisting the expansion of product chains;
- c. Training services for expansion of entrepreneurship

- management and increasing technical and specialized skills of staffs;
- d. Providing laboratory services and services for centers with common controlling (Jester and Hussey, 2001, PP 93 97).
- 3. Guidelines for increasing productivity in small and medium sized industries: Creating comprehensive informational centers by government for connecting small and medium sized industries to informational networks, developing instruction in small and medium sized industrial units, upgrading technology and updating technological capacity in small and medium sized units, assistance in creation of nongovernmental companies (Porter, 1980, P 121).
- Guidelines for connecting small and medium sized industries to big ones and to each other, which include the followings: creation and expansion of industrial branches, establishing native, regional, national, and international industrial branches are among the major ways for connecting small and medium sized industries and they must be considered for empowering industrial units, informing industry owners from the advantages of the existing industrial branches, assistance in creating nongovernmental back up companies, assistance in upgrading systems of quality management in contracting industries, leading supports toward contracting and industrial branches in steed of individual industry (Porter, 1980, P 122).

Therefor, following policies are presented for small and medium sized industries:

 Removing obstacles which prevent the growth of productive companies in Iran's small and medium sized industries through: establishing Capital markets suitable for small and medium sized industries, assistance in creation of companies like

- insurance companies which present loan assurance, assistance in creation of consultant companies for giving suggestion in marketing, technical and management issues, presenting financial incentives for upgrading technology and training manpower.
- Connecting small and medium sized industries to big ones and to each other, assistance in establishing industrial contracting company, assistance in creation of informational networks in small and medium sized industries, passing rules related to commitments of both sides in industrial branches and contracting relationships, passing rules about delay in payments for contractors, assistance in establishment of business corporations, presenting financial incentives in the of industrial branches, assistance establishment of companies which give consultation to industrial branches and contractors.
- Policies for increasing productivity in small and medium sized industries with observing the followings: presenting financial incentives for technology upgrading, presenting financial incentives for training, assistance in establishment of consulting companies.
- 4. Policies for expanding knowledge-based small and medium sized industries with observing the followings: presenting entrepreneurship training and providing business plans in universities, creating incubators (technological parks) related to universities, presenting consulting, informational, technical and marketing services to knowledgebased industries in the form of incubators (Alipour, 2008, PP 45 – 57).

V. OBJECTIVES

- 1. To study the reasons for failures of some industrial units in Ardabil industrial towns.
- 2. Presenting some strategies for abating the impediments which prevent Ardabil industrial towns from successful operation.

VI. HYPOTHESES

Outlet problems (such as transportation costs, distance from selling origins, and the absence of demands from province) are effective in stoppage and inactivity of Ardabil industrial towns.

Problems related to facilities of working capitals (due to their shortage and long period of repayments) are effective in stoppage and inactivity of Ardabil industrial towns.

- 1. Problems related to repayment of received facilities, accrued liabilities and their penalties are effective in stoppage and inactivity of Ardabil industrial towns.
- 2. Technical problems (old and out of use machineries, inaccessibility to modern machineries

in product line, and technical deficiency in product line) are effective in stoppage and inactivity of Ardabil industrial towns.

VII. RESEARCH METHODOLOGY

We use descriptive-surveying method in this research and with regard to obviousness of volume in statistical population (the number of inactive companies) we use the following formula:

In which:

N is Population volume:

n is sample volume;

p is proportion in population and q=1-p;

d is maximum estimated error which is predefined;

z is a value of standard normal distribution which is identified with regard to assurance level.

Since the value of p is not known, we set it in 0.5 and by this way we obtain the maximum value of sample volume.

N	n	Relative error D	Assurance level 1- α	Z
250	70	0.1	0.95	1.96

As stated before we choose 70 companies with simple random sampling, and then commerce and product managers were taken as final sample. We distribute 140 questionnaires, that is 2 questionnaires for each company and collect 108 numbers of them. Research method was in surveying-descriptive mood and the Cronbach alpha is as the following table for each hypothesis:

Hypotheses	Cronbach alpha		
Outlet problems	77		
Working capital's problems	81		
Problems of reimbursing	83		
facilities			
Technical problems	76		

In conducting the present research we faced with different limitations which include:

- Due to the fact that managers did not trusted to the previous researches about the industrial towns they hardly accept to fill the questionnaires in a way that we had to refer several times to the towns for receiving the filled questionnaires and even some refrain from filling them.
- Geographical dispersion of industrial towns in different areas of the province slackened the process.

Meanwhile, the analyzer must collect the data related to system's inputs and outputs, and the data related to different components of the system, and must have a close relationship with them. Therefore, he is interested in collecting quantitative and qualitativedata and must choose the required dataand decide whether

the data are suitable and acceptable according to his predefined objectives; he must also choose the manner in which the data must be collected (Alipour et al, 2009, P 268).

VIII. HYPOTHESES TESTING

We used one-sampled t-test for hypotheses testing and its integrated table is as the following. We have compared practical and theoretical mean values in this test and approved all of hypotheses.

Hypothesis title Outlet problems	Sample number	Sample mean	Standard deviation 0.1861	t-test's statistical value 69.405	Degree of freedom	p- value	result The hypothesis is proved
Working capital's problems	108	4.3611	0.2224	63.606	107	0.000	The hypothesis is proved
Problems of reimbursing facilities	108	4.4870	0.3036	50.903	107	0.000	The hypothesis is proved
Technical problems	108	4.0895	0.1926	58.795	107	0.000	The hypothesis is proved

For proving the hypothesis "Outlet problems (such as transportation costs, distance from selling origins, and the absence of demands from province) are effective in stoppage and inactivity of Ardabil industrial towns" we refer to p-value or so called "sig", and with regard to theoretical mean value which was 3 and the practical or observed mean value we can demonstrate that this hypothesis is proved. For proving other hypotheses which include "Problems related to facilities of working capitals (due to their shortage and long period of repayment) are effective in stoppage and inactivity of Ardabil industrial towns; Problems related to

repayment of received facilities, accrued liabilities and their penalties are effective in stoppage and inactivity of Ardabil industrial towns; Technical problems (old and out of use machineries, inaccessibility to modern machineries in product line, and technicaldeficiency in product line) are effective in stoppage and inactivity of Ardabil industrial towns;" we refer to sig value and practical mean value which was bigger than 3. Therefore, these hypotheses are also proved. For classifying the hypotheses we used Friedman's test. The results are indicated in the following table:

sample number n	Test statistic Chi-square	Degree of freedom	p-value	result
108	101.997	3	0.000	The H₀ is rejected

Hypothesis titles (independent variables)	Classifying mean values			
1 st Hypothesis (Outlet problems)	2.33			
2 nd Hypothesis(Working capital's problems)	2.82			
3 rd Hypothesis (Problems of reimbursing facilities)	3.26			
4 th Hypothesis (Technical problems)	1.58			

As you see from the above table the p-value is zero, therefore, we can conclude that the $H_{\text{\tiny 0}}$ is rejected at the meaningful level of 5 percent and $H_{\text{\tiny 1}}$ i.e. the hypothesis related to inequality of classifying in

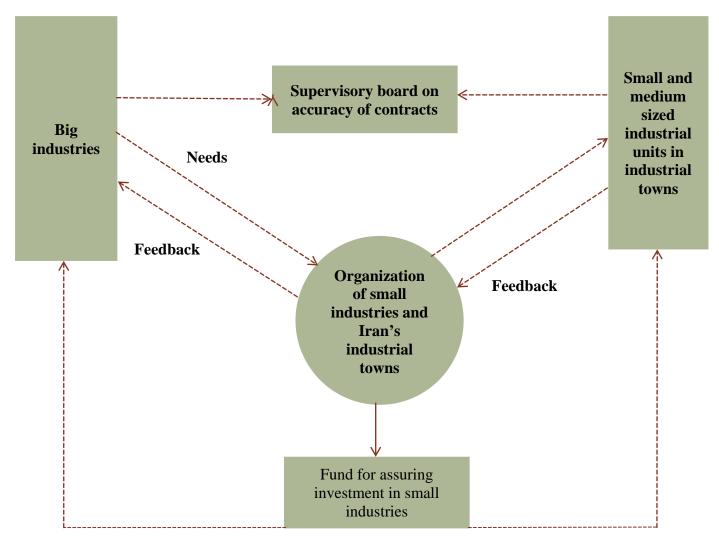
hypotheses is proved by the studied sample. Prioritization of hypotheses according to Friedman's test:

- 1. 3rd Hypothesis (Problems of reimbursing facilities);
- 2. 2nd Hypothesis (Working capital's problems);
- 3. 1st Hypothesis (Outlet problems);
- 4. 4th Hypothesis (Technical problems).

IX. CONCLUSION

For presenting a comprehensive strategy according to the abovementioned hypotheses and for solving problems related to small and medium sized industries (in comparison to big ones) we present the following model along with some suggestions. With regard to inequality of power in competition

between small and big industries, and due to existence of inequality in using financial, technical, technological, and marketing facilities between them which increase the burden on small industries, it is necessary for industrial and economical planners to decrease the gap between these two important industrial sections through developing cooperation and increasing exchanges between them. In this case we presented the following model which includes big industries, small industries, supervisory board on accuracy of contracts, fund for assuring investment in small industries, organization of small industries and industrial towns:



Paraphrasing and description on components of exchange model between small and medium sized industries in industrial towns, and big industries:

Big industries: According to some technical and specialized reasons, not all of the components and pieces of product machineries are produced in product units of big industries, and manufacturing them is delegated to small and medium sized industries.

Small and medium sized industrial units, which are specialized in given operations and processescan customize orders of big industries.

Organization for Iran's industrial towns and small industries has the following responsibilities: supervision on the accuracy of contracts between small and big industries, decreasing the discrepancy between these industries, and identifying small and medium

sized industries which meet the needs of some special big industries.

Fund for assuring investment in small industries has the following responsibilities: ensuring the quality of produced goods by small industries, in time delivery of these goods to big industries, ensuring the payments of received goods by big industries, transferring technical knowledge to small industries, and ensuring loan taking by small industries.

By presenting the above model, we introduced a comprehensive strategy about industrial towns and big industries. Now we present some suggestions according to research hypotheses:

- Presenting some encouraging and executive strategies by industrial towns of Ardabil province for establishing counseling units, which provide marketing, technical, purchasing and buying services, etc.;
- Industrial custodians in Iran must take some serious measures for preventing irregular entrance of cheep and unqualified goods from some countries and also for preventing contrabands which their importers do not pay any charges, taxes and assurance etc.
- Creating the required mechanisms for producing goods for export and improving foreign relationships through tax free policies and purposive law of subsidies for exporting companies.
- Correct using of propaganda tools by industrial units like having a codified, comprehensive, and continuous strategy for publicizing, honesty in publicizing, stating the product's distinctness and its competitive advantages etc.
- 5. It is suggested that somespecial credited facilities is placed at the disposal of industrial towns, which would be used during financial crisis and prevent the towns from stagnation.
- It is suggested that management of industrial towns' corporation in Ardabil province takes the required measures for establishing a fund for securing the donated facilities to industrial units.
- 7. The time for reimbursing fixed capital's (primary investment's)facilities must be identified according to rate of return in a way that during the primary years of product units' activity in which the return is not complete, the reimbursing amount must be small but increases gradually by the increasing of rate of return. Moreover, it is necessary for legislator to take some measures for decreasing and indulgence of reimbursing amount, andremitting penalties related to accrued installments.
- 8. It is suggested that the amount of working facilities must be large enough to prevent industrial units from stoppage, also the consumption of these facilities must be under the supervision of bank experts, and the amounts must be used in line with the goals.
- The managers of industrial units must keep the amount of working capital in a favorable level to use

- it in the arising opportunities for investment purchasing raw materials etc. and managed them correctly.
- 10. There needs financial supports through special facilities for establishing units of Research and Development (R & D) in small and medium sized industrial units, activating the inactive units, and observing product standards like ISO etc. by industrial units.
- 11. It is suggested that for prevention and management of unexpected problems, some technical, productive, and qualitative evaluations must be taken randomly and intangibly by technical experts in industrial towns of Ardabil province.
- 12. It is suggested that for establishing system of value chain in similar, homogeneous, and related industries the level of specialty in producing, and selling of industrial units' products must be increased.

X. RESOURCES

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