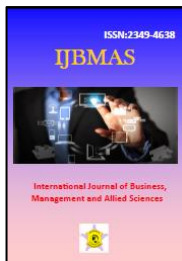

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**A COMPREHENSIVE ANALYSIS ON ENTREPRENEURSHIP DEVELOPMENT
PROGRAMMES (EDEPs)**

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ABSTRACT

Entrepreneurial development programme (EDP) is a comprehensive programme which lays emphasis on the development of entrepreneurs so that industry can be developed. EDP's are based on the thinking that the attitude of the people can be changed by developing their skills. These are not just training programmes but it is a technique which helps to increase motivation, working capacity and knowledge of the prospective entrepreneurs. The main objective of the study is to analyze the role of EDP's in the growth of entrepreneurship in India. Innovative preparing goes for stimulating and transforming the pioneering conduct in the everyday exercises and helping them build up their very own endeavors or ventures because of their learning or preparing. Improvement of a business person implies teaching enterprising attributes in an individual, bestowing imperative information, building up the specialized, administrative, money related and promoting abilities and building the innovative mentality. The procedure of innovative preparing includes furnishing an individual with the data required for big business fabricating and honing his enterprising aptitudes. Business enterprise Development Programs are being composed routinely to support the ability of youth by edifying them on different parts of modern action required for setting up MSEs. These EDPs are generally conducted in ITIs , Polytechnics and other technical institutions, where skill is available to motivate them towards self-employment. The Govt. of India has established specialized institutions to boost up the rate of entrepreneurial development in India like NIESBUD in Noida, MSME-DI for small scale industries, NIMSME in Yousufguda, Hyderabad, EDI, NSTEDB, IED and CED in different states. The overall aim of an entrepreneurial development programme is to stimulate a person for adopting entrepreneurship as a career and to make him able to identify and exploit the opportunities successfully for new ventures.

INTRODUCTION

The word entrepreneur originates from the French word, entrepreneur, which means "to undertake." In a business context, it means to start a business. The Merriam-Webster Dictionary presents the definition of an entrepreneur as one who organizes, manages, and assumes the risks of a business or enterprise.

Entrepreneurial development (ED) is an educational process and efforts in HRD. Learning is a continuous process and ED is part of it. Human being is considered as physical resources and therefore its development is necessary. Human being can be developed through HRD techniques, but it requires an environment that facilitates entrepreneurs to learn and discharge their functions effectively and efficiently. ED has now a days become extremely important in achieving the goals of all-round development in the country. Joseph E. Stepanek identifies intelligence, motivation, knowledge and opportunity as the prerequisites for entrepreneurial development. ED is an organised and systematic development. It is a tool of industrialization and a solution to unemployment problem for any country. The objective of entrepreneurial development is to motivate a person for entrepreneurial career and to make him capable of perceiving and exploiting successfully opportunities for business enterprises. One trained entrepreneur can guide others on how to start their own business and approach various institutions for help assistance and counselling related to business functions. Trained entrepreneurs become catalysts of developing industry and economic growth and progress. As the term itself denotes, EDP is a programme meant to develop entrepreneurial abilities among the people. In other words, it refers to inculcation, development, and polishing of entrepreneurial skills into a person needed to establish and successfully run his / her enterprise. Thus, the concept of entrepreneurship development programme involves equipping a person with the required skills and knowledge needed for starting and running the enterprise.

The impact of India's EDP movement is borne by the fact that the Indian model of entrepreneurship development is being adopted by some of the developing countries of Asia and Africa. Programmes similar to India's EDPs are conducted in other countries also, for example, 'Junior Achievement Programme' based on the principle of 'catch them young' in USA and 'Young Enterprises' in the U. K.

In India, since the sixties, well-conceived and cross culturally validated models of Entrepreneurship Development Programmes (EDPs) are being used to generate the entrepreneurial flow mainly to establish small industries. Later, in the eighties, EDPs were extended to promote self-employment among the specific target groups - less educated youth, rural and urban poor, women, tribals, ex-servicemen etc. Such an extension was required to fight the growing menace of unemployment and poverty. Entrepreneurism must be practiced to be learned. It is experiential. Just as you can't learn to swim at the library, you can't learn what entrepreneurship is about unless you have experienced it. We are putting programs in place now to add an experiential dimension to our entrepreneurship and innovation curriculum.

Objectives of EDP:

The major objectives of the Entrepreneurship Development Programmes (EDPs) are to:

- Develop and strengthen the entrepreneurial quality, i.e. motivation or need for achievement.
- Analyse environmental set up relating to small industry and small business.
- Select the product.
- Formulate proposal for the product.
- Understand the process and procedure involved in setting up a small enterprise.
- Know the sources of help and support available for starting a small scale industry.
- Acquire the necessary managerial skills required to run a small-scale industry.
- Know the pros and cons in becoming an entrepreneur.
- Appreciate the needed entrepreneurial discipline.
- Besides, some of the other important objectives of the EDPs are to:
 - Let the entrepreneur himself / herself set or reset objectives for his / her enterprise and strive for their realization.
 - Prepare him / her to accept the uncertainty in running a business.
 - Enable him / her to take decisions.
 - Enable to communicate clearly and effectively.
 - Develop a broad vision about the business.

Following are some of the factors, which facilitate the development of entrepreneurship.

- i. Individuals - who initiate, establish, maintain, and expand new enterprise.
- ii. Socio-political - economic conditions.

- iii. The availability of industrial technology and know-how,
- iv. State of art and culture of business and trading e.g., "Give a man orders, and he will do the task reasonably well. But let him set his own targets, give him freedom and authority and his task will become a personal mission" .
- v. Existence of markets for products and services - creation and developing of new markets and demands.
- vi. Incentive and facilities available for starting new business and industry. Such incentive and facilities are provided by Government and non-Government institution agencies, corporations, schemes, etc.

Objective of the Study

The objective of the paper is:

1. To study the Entrepreneurship development process in India
2. To highlight the role of Entrepreneurship development programmes in the economic growth of a nation.
3. To establish relevance between Entrepreneurship Development Programmes (EDPs) and development of Small Industries in India

Methodology:

The data for the purpose of the study has been collected through secondary sources, which mainly include websites.

Scope of the Study

The scope of the study has been determined in terms of geographical area to be covered, and other aspects like duration of EDPs included in the study, nature of the EDPs, contents of syllabi, methodology of instructions etc and the extent of sickness in small-scale sector. This study is aimed at covering only those EDPs, which aimed at entrepreneurship development in small-scale sector and were of at least 1-month duration because, in the modules adopted for such EDPs, the course contents covered the essential inputs on knowledge, skills and attitude.

Period of Study: For the purpose of this study, EDPs conducted during 2010-2013 were included.

Review of Literature

Role of EDPs in developing Small Scale Industries, an attempt has made to scan through and review the literature on the following two relevant areas. From the literature that has been published in the late sixties and seventies, it appears that a lot of effort has gone into conducting research in entrepreneurship, developing tools, techniques and methodologies in the area of motivation, achievement and the training of entrepreneurs. An insight into the growth of entrepreneurship literature can also be had by looking at SIET's involvement in entrepreneurship development as given below in the areas of research, training for entrepreneurial development, and training entrepreneurs. Many training institutions put into practice a training model developed by Pareek and Nadkarni for entrepreneurial development. This model contains three stages, which an entrepreneur has to pass; these are identity search, identity formation and identity establishment. The National Institute for Entrepreneurship and Small Business Development (NIESBUD) scanned the experiences gathered by various organisations and with the help of experts from all over the country, evolved a model syllabus to conduct Entrepreneurship Development Training Programmes (EDTP) for different target groups, such as general entrepreneurs, science & technology entrepreneurs, women entrepreneurs, educated unemployed youth, ex-servicemen entrepreneurs and physically handicapped entrepreneurs. The models were released in November 1985. Naude (2011) contends that global development is entering a phase, where entrepreneurship will increasingly play a more important role. He adduces three reasons for this development. The first is that the managed economy of the 1970s – 2000 in the West, characterized by reliance on big business and mass production, has given way to a so-called entrepreneurial economy, where knowledge-driven goods and services are more flexibly provided by smaller creative class. Secondly, impressive growth in the emerging economies, notably Brazil, Russia, India and China, has been driven by innovative entrepreneurial revolution. Thirdly, in the least developed countries, where dependency is high, donor agencies have been shifting emphasis in development cooperation towards private sector

development. Naude (2011) draws the conclusion that entrepreneurship will contribute to growth and employment creation in advanced, emerging and least developed economies alike.

Hypotheses

This study is ex-post facto and exploratory in nature. It was not possible to formulate hypothesis for each and every objective. However, the following hypotheses were formulated to differentiate between performance of trained and untrained entrepreneurs:

H1: There is no significant difference in average time taken in project implementation by trained and untrained entrepreneurs.

H2: There is no significant difference in average investment per job generated in enterprises established by trained and untrained entrepreneurs.

Sampling of Districts for the Study

The state of Andhra Pradesh comprised of 23 districts at the time of planning of this study. It was not possible to carry out the study in all the districts. Therefore, it was decided to carry out the study in three districts. Total area for the study thus comprised of 6 districts. With a view to give this study a regional character it was decided to include two industrially and commercially developed districts with high concentration of small-scale industry and one relatively lesser-developed district from each state. Developed and lesser-developed status of the districts was decided on the basis of number registered small-scale industries in those districts. District - wise breakup of number of registered SSI units in the state of AP as on 2011 is given in Table 1. On application of the above criteria, Hyderabad, Krishna, Visakha Patnam, Tirupathi, and Medak could be categorized as developed districts and all other districts as relatively lesser developed. On the basis of random sample method, Ludhiana and Jalandhar from among the developed districts and Prakasam from among the relatively lesser-developed districts were identified for this study.

Table 1: District- Wise Number of SSI Units in Andhra Pradesh

Sr.No	District	As on 31-3-2011
1	Hyderabad	69399
2	Medak	26823
3	Guntur	12730
4	Chittor	14175
5	Tirupati	16902
6	Krishna	12466
7	Adilabad	9838
8	Ananthapuram	3008
9	Prakasam	8415
10	Nellore	45611

Source. Department of Industries, AP

Discussion

Small scale industries and small business enterprises are contributing to the national economy in a big way but, barring a few exceptions, their productivity and quality are not at par with those of medium and large scale units. Due to the process of opening up of domestic economy with market forces being allowed free play progressively, the small scale industry has started feeling the impact of global competition. The Small Scale Sector has to adapt to the emerging environment to survive. Well, realizing the importance of small scale sector to the economy, particularly the significance of small-scale industries, institutional structure had been created by the Government of India to provide advisory services and financial assistance. In the bandwagon of institutions, the voluntary organisations have also joined with enthusiasm. It is considered necessary to give description of the institutions having responsibility, among other things, for providing entrepreneurship development support, for proper evaluation of EDPs and to suggest modification in their programmes, etc. One of the major objectives of the present study was to find out the practices of entrepreneurship development followed in the sample districts and their contribution towards the development of SSI units.

ORGANISATIONS SPONSORING EDPs

Eight types / groups of institutions were found to have sponsored EDPs in the target area of the study. These are

- [1]. Development Banks (Group)
 - a. Small Industry Development Bank of India. (SIDBI)
 - b. Industrial Development Bank of India (IDBI), Industrial Financial Corporation of India (IFCI) & Industrial Credit & Investment Corporation of India (ICICI)
 - c. National Bank for Agriculture and Rural Development (NABARD)
- [2]. Commercial Banks (Group)
 - a. State Bank of India
 - b. Punjab & Sind Bank
 - c. Canara Bank.
- [3]. National Science and Technology Entrepreneurship Development Board, Government of India, New Delhi.
- [4]. Development Commissioner (SSI), Ministry of Small Scale Industry and Agro and Rural Industries, Government of India, New Delhi.
- [5]. Directorate General Rehabilitation (DGR) - Ministry of Defense, Government of India, New Delhi.
- [6]. Ministry of Food and Agro - Processing, Government of India, New Delhi.
- [7]. District Industries Centre (DIC)
- [8]. National Minority Development and Financial Corporation

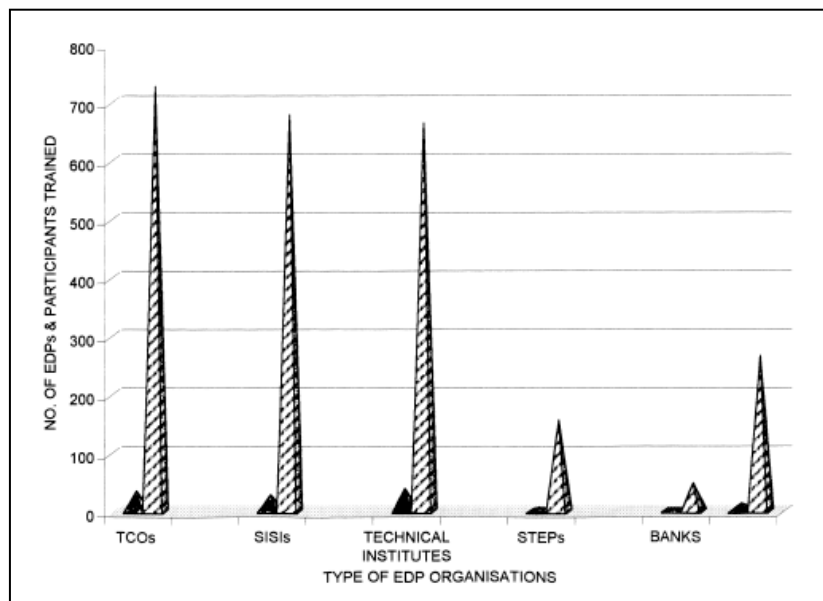
Organisations Conducting Entrepreneurship Development Programmes (EDPS)

More than Twenty organisations are involved in conducting entrepreneurship development programmes in Andhra Pradesh. These have been categorized under six broad heads. The details of the organisations are as follows

- [1]. Technical Consultancy Organisations (TCOs): As an effort to provide a package of services and to cater to the needs of entrepreneurs in a well spread out network of consultancy organisations in the decentralized sector, All India Development Banks initiated action to establish a well spread out network of Technical Consultancy Organisations. The focus of this effort has been on industrial promotion on a dispersed yet viable basis. The activities of TCOs cover all the stages of project cycle, starting from the stage of identification of project ideas by the entrepreneurs, to project implementation and operation. Thus their activities include:
 - (i) Undertaking Industrial Potential Surveys.
 - (ii) Preparation of profiles and conducting feasibility studies.
 - (iii) Evaluation of projects referred to them by financial institutions.
 - (iv) Conduct of entrepreneurship development programmes.
 - (v) Provision of technical and administrative assistance to small / medium enterprises, where necessary.
 - (vi) Assisting such entrepreneurs in their modernisation, technical upgradation and rehabilitation programmes, etc
- [2]. Small Industries Service Institutes (SISIs): Eighteen Small Industries Service Institutes and fifteen branch SISIs are operational throughout the country. Apart from conducting EDPs, the main functions performed by the SISIs are to facilitate interface between the Central and State Governments, extension of Technical Support Services and Consultancy Services, Dissemination of Economic Information, Export Promotion and Liaison Activities and Ancillary Development. The SISI's emphasis is on the implementation of programmes on modernization, energy conservation, quality control / upgradation and pollution control for the benefit of the entrepreneurs.
- [3]. Engineering Colleges and Technical Institutes: Four organizations are covered under this category, which conducted 13 EDPs providing training to 257 participants. The maximum number of 11 EDPs was conducted by Instruments Design Development and Facility Centre (IDDFC), Hyderabad, covering 197 participants, followed by Centre for Electronics Development & Training Institute (CEDTI), Mohali, which conducted 11 EDPs covering 214 participants; 4 EDPs each were conducted by Technical

- Teachers Training Institute (TTTI), Chandigarh, covering 110 participants; Science & Technology Entrepreneurship Development Centre (STED), Hyderabad, covering 54 participants
- [4]. Science and Technology Entrepreneurs Parks (STEFs): Science Parks were originally developed in America as far back as 1948 for meeting the needs of entrepreneurial minded academics. In the U.K., the Science Parks were established in 1971. By 1990, there were 39 Science Parks with over 1000 companies employing nearly 15,000 people. Germany, France Ireland, Australia, Singapore and Japan were the other developed countries to establish such Science Parks. At present, there are about 500 such parks in operation around the world. During the same period, India also felt the need to establish Science Parks for industrial and technological development to take the benefits of fast changing era of innovation and technical development. At the behest of the Department of Science and Technology (DST), Government of India, with the active support and participation of state governments and such financial institutions as IDBI, IFCI and ICICI, six such centres were initially set in the country.
- [5]. Banks: Commercial and Development Banks, being in the public sector, were expected to plan for providing entrepreneurs with the financial assistance after identifying them in their areas of operations. A few commercial banks and development banks arranged suitable ED programmes. Although lead was taken by State Bank of India, Canara Bank, and Punjab & Sind Bank, at selected centres considering their branch concentration yet notable progress could not be made. However, one EDP each by Punjab National Bank and State Bank of India were conducted in 1995, in which 23 and 24 participants, respectively, were trained.

Table 2: Organisation Conducting EDPs In The Ten Districts Under Study



Entrepreneurship Development Programmes

The major findings with respect to the qualitative areas of entrepreneurship development programmes are presented below under the following heads:

- I. Pre-training Promotional Phase
- II. Training Phase - Methodology and Inputs
- III. Post training follow up Phase

The pre-training phase is started with the agency proposing to conduct the EDP by submitting 'Centre Feasibility Study' to the sponsoring agency. The idea behind the feasibility study is to scan the environment in terms of local resources available, identification of viable venture opportunities, identifying the potentials in terms of product / projects, infrastructure support, institutional framework etc. On receipt of sanction from the sponsoring agency, the EDP conducting agency starts the marketing of the EDP. However, it was observed that preparation of the 'Centre Feasibility Report' was carried out by only eight out of 16 EDP conducting organisations (50%). The purpose of identifying venture opportunities in advance was to help the EDP

participants in identification of projects, which could match their skills and temperament. With a view to prepare a list of viable projects in the districts, the EDP conducting organizations visited major industries around, made use of secondary data from various sources and then decided the projects which could be taken up by the trainees. This exercise was done by 5 out of 16 agencies conducting EDPs (31%).

Programme Inputs

The Entrepreneurship Development Programmes (EDPs) are conducted to create awareness about the enabling environment as well as to bring forth sensitivity in the participants in the highly changing world scenario. The training inputs have, therefore to be a package aimed at blossoming the latent motivational traits, reorienting attitudes, sharpening skills, and enhancing the dimensions of knowledge and awareness. As each individual is a unique human being and to find out his or her potential is highly complex activity, a package of various relevant inputs for EDPs is carefully formulated to achieve the training objectives. It is observed that training package was not reviewed periodically and not also tailor-made to suit each individual trainee. Heterogeneity in training groups was the hindering factor in this respect.

In India, since the sixties, well-conceived and cross culturally validated models of Entrepreneurship Development Programmes are in use to generate the entrepreneurial flow mainly to establish small industries. It began with an experiment by Andhra Pradesh State Industrial Development Corporation and gained momentum in the eighties, when it was extended to promote self-employment amongst the specific target groups - less educated youth, rural and urban poor, women, tribals, ex-servicemen etc. Keeping in mind the new clientele and their value systems, the conventional EDPs were modified in regard to the contents, inputs and delivery mechanism.

Major Findings of the Study

There are 16 EDP conducting agencies in the area of the study; out of them 2 agencies are Non-Government Organisations (NGOs). While the majority (14 out of 16) is in the Government Sector (87.5%), the rest (2) are in the Private Sector (12.5%). The entrepreneurship training movement in the area of study is largely being carried out by Technical Consultancy Organisations (TCOs), Specialised Technical Training Institutes, Small Industries Service Institutes (SISIs), Science and Technology Entrepreneurs Parks (STEPs), District Industries Centres (DICs), National and State Level Financial Institutions, Government Departments and Voluntary Organisations. As per the study conducted in the selected geographical area, 32% of the programmes were conducted by Specialized Training Institutes, 28% of the programmes by Technical Consultancy Organisations, 22% programmes by Small Industries Service Institutes, 6% by Science and Technology Entrepreneurs Parks and the remaining by other institutions.

Conclusion

Efforts made by various governments in India over the years to develop entrepreneurship have not yielded the desired results. One major reason is the treatment of all small businesses as entrepreneurial firms and implementation of policies and programmes across the board. The second set of problems relate to economic, social and political factors that create hostile environment inimical to the development of entrepreneurial firms and other small businesses. Finally, government should strive to reduce the cost of doing business in India, to the benefit of both entrepreneurial firms and other small businesses, by providing conducive environment. The present system has no doubt contributed towards entrepreneurship development but the true spirit of mission and dedication is missing. In view of the fast changing environment, structural change may bring about good success of SSI enterprises. Therefore, single all inclusive organisation in the private sector with professional approach and specialised faculty, committed to establishment of successful SSI units is the right option. The approach to EDP has to be holistic. To achieve this objective, infrastructural facilities, including good road network, stable power and water supply should be provided as a matter of priority. Security should be beefed up in both urban and rural communities and the problem of corruption should be realistically addressed.

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