

ENTREPRENEURSHIP DEVELOPMENT

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ABSTRACT

Introduction

Entrepreneurship is defined as one who undertakes innovations, finance and business acumen in an effort to transform innovation into economic growth. Educational interventions in entrepreneurship was given less importance but after a series of successful demonstration by scholar like Prof. David McClelland, it is proved that entrepreneurship could be created through teaching, training and counseling interventions as well as the program.

Problem statement

While large number of organizations are focusing on entrepreneurship, training, not much emphasis has been given to promote entrepreneurship through educational interventions, Entrepreneurship awareness programs particularly in our country.

Methodology/Solution

To motivate youth to undergo EDP, EAC, ESDP, MDP and enhance self employment opportunities.

Conclusion

The need of hour, therefore is to make Entrepreneurship Development more effective by imparting relevant education focusing on development entrepreneurial competencies Skills, in identifying a viable business opportunity and preparing business plan, knowledge on how to mobilize resources and manage an enterprise.

Entrepreneurship Development, on the basis of interventions with educationists, students and entrepreneurship professionals has to design a module on entrepreneurship development program and has to implement successfully across the country and elsewhere.

KEY WORDS:

(EAC) Entrepreneurship Awareness Camps, (EDP) Entrepreneurship Development Program, (ESDP) Entrepreneurship skill development program and (MDP) Management Development Programs.

INTRODUCTION

Entrepreneur is defined as one who undertake innovations, finance and business acumen in an effort to transform innovation into economic growth. Entrepreneurs are agents adding to the economic prosperity of any country and sustaining its socioeconomic development. There is a one-to-one relationship between globalization and entrepreneurship. Entrepreneurship is of top priority for a developing country and budding market like India. It is not only a challenge to the unemployed youth but also a career to them. Entrepreneurs are generally risk takers Risk taking is related to creativity and innovation and also to self confidence. The greater the confidence one has in his/her abilities the more is the willingness to take challenges that others view as risks.

Entrepreneurship Development Programmes are being organized regularly to nurture the talent of youth by enlightening them on various aspects of industrial activity

required for setting up Micro & Small Enterprise. These EDPs are generally conducted in ITIs, Polytechnics and other technical institutions, where skill is available to motivate them towards self-employment. Entrepreneurship Development Programmes are designed to provide useful information on product/process design, manufacturing practices involved, testing and quality control, selection and usage of appropriate machinery and equipments, project profile preparation, marketing avenues/techniques, product/service pricing, export opportunities, availability of infrastructure facilities and financial institutions, cash flow, etc

Development of entrepreneurship is the key to enhance productivity and competitiveness. Recognizing the size and complexity of this challenge, it is imperative that various factors in an economy-government, development partners, and private-sector institutions-formalize partnerships to work together towards common goals. The three basic

pillars of entrepreneurship are the availability of a level playing field, access to financing, and access to skills and knowledge. Since they carry the core responsibility for overall economic development and strengthening of the private sector in a country, governments need to assemble the basic pillars of entrepreneurship: a level playing field and a favorable environment with infrastructural and regulatory support. While governments are the main driver fostering an entrepreneurial society, public-private partnerships are essential for the provision of a broad range of financing facilities, skills, and knowledge. Entrepreneurship and leadership training, together with efficient networks and linkages to support technology and market development for SMEs, have removed traditional myths about entrepreneurs. Today entrepreneurs can be made. A focused, result-oriented and measurable entrepreneurship development approach is required to encourage an entrepreneurial culture, rather than aiming to achieve this end through a host of other SME development initiatives. Channeling the expertise of such initiatives across borders, sharing knowledge and successful experiences, can lead to the development of regional models, which can be replicated with adaptations to suit the local context and finally to strengthen entrepreneurial culture in the region.

PROMOTION OF ENTREPRENEURIAL CULTURE

Development of SMEs is strongly linked to the presence of a supportive environment.

Initiatives ranging from implementing a receptive regulatory environment to establishing access to technology and finance have been at the forefront. The government in each country has played an important role in promoting an entrepreneurial culture. In India, Malaysia, and the Philippines, private-sector organizations have also made efforts in this regard.

SME Councils/Departments

The Asian governments have established councils/agencies specifically geared towards promoting SME development and entrepreneurial culture in their respective countries. The Ministry of Small Scale Industries (MoSSI) in India, the National SME Council, Small and Medium Industries Development Corporation (SMIDEC) and the Malaysia External Trade Development Corporation (MATRADE) in Malaysia, the Small and Medium Enterprise Development

Authority (SMEDA) in Pakistan, the Small and Medium Enterprise Development (SMED) Council in the Philippines, the Bangladesh Small and Cottage Industries Corporation (BSCIC) and subsequently the SME Cell in the Ministry of Industries in Bangladesh, the Ministry of Industries and Trade in Indonesia, the Industrial Promotional Board in Nepal, and the SME Promotion Council in Vietnam have placed SME development at the center of their agendas. In addition to these public-sector departments, private-sector institutions in Malaysia and India are also involved in SME development.

"Entrepreneurship": A Part of the National Action Plan

Entrepreneurship development within SMEs has been made part of the development Action Plan at the national level by India, Malaysia, Pakistan, and the Philippines. Similar initiatives are being taken by Bangladesh and Nepal. Promotion of entrepreneurship among small-scale industries is widely handled through a combination of public and public-private sector organizations in different countries. In Bangladesh, India, Malaysia, Pakistan, and the Philippines, the Prime Ministers or Presidents have emphasized in speeches the importance of developing entrepreneurship. The entrepreneurship movement in India began in the 1960s with the establishment of the National Institute of Small Industry Extension Training (NISIET). NISIET was the first institution to develop an Entrepreneurship Development Program (EDP) model in India. At present, the Ministry of Small Scale Industries (MoSSI) and the Ministry of Agro and Rural Industries (ARI) are the two institutions promoting small-scale industries in India. Under these ministries, the following organizations are responsible for promotion of small-scale enterprises: the Small Industries Development Organization (SIDO), the National Small Industries Corporation (NSIC), the Khadi and Village Industries Commission (KVIC).

NATIONAL ENTREPRENEURSHIP PROFILE

The SMIDEC and National Productivity Council (NPC) in Malaysia have evolved to promote the Malay Entrepreneurship Profile for SMEs, while NISIET has developed a profile for Indian entrepreneurs. The Bangladesh Small and Cottage Industries Corporation (BSCIC) has been working in SME development for the past 35 years and has developed an Entrepreneurship Profile

for small and cottage industries resulting in a number of success stories. Nepal has also taken the initiative to develop an Entrepreneurship Profile based on the general characteristics of its entrepreneurs.

Skill Development Programs

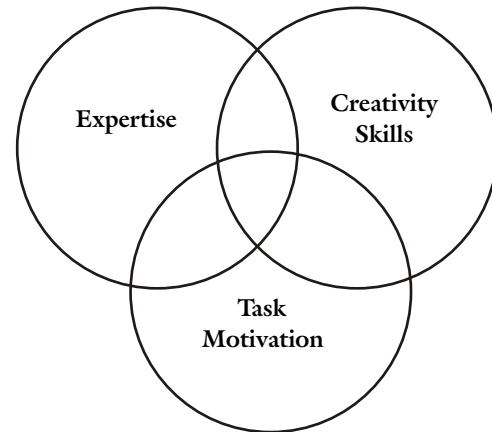
Creating a multiplier effect on opportunities of self-employment, augmenting the supply of competent entrepreneurs through training, augmenting the supply of entrepreneur trainer-motivators, participating in institution building efforts, inculcating the spirit of 'Entrepreneurship' in youth, promoting micro enterprises at rural level, developing and disseminating new knowledge and insights in entrepreneurial theory and practice through research, facilitating corporate excellence through creating intrapreneurs (entrepreneurial managers), improving managerial capabilities of small scale industries, sensitizing the support system to facilitate potential and existing entrepreneurs establish and manage their enterprises, collaborating with similar organizations in India and other developing countries.

Training is the best tool to enhance the entrepreneurship skills. Developing and disseminating new knowledge and insights in entrepreneurial theory and practice through research. Facilitating corporate excellence through creating intrapreneurs (entrepreneurial managers) improving managerial capabilities of small scale industries. Sensitizing the support system to facilitate potential and existing Entrepreneurs establish and manage their enterprises. Entrepreneurship training can lead to bigger profits. ABC's of Entrepreneurship-entrepreneurship training teaches three crucial things, how to manage themselves, how to manage others, and how to manage business.

The main objective of developing Entrepreneurship skills are

- (i) To promote entrepreneurship for creating self-employment through enterprise creation;
- (ii) To facilitate creation of training infrastructure; and
- (iii) To Support research on entrepreneurship related issues.

The three component model of creativity essentially requires expertise, creative thinking and intrinsic task motivation. Creative thinking include the personality characteristics related to creativity. Intrinsic task motivation is required to convert the potential for creativity to actual creative ideas.



Entrepreneurial skills and thinking are actively sought by more competitive and profitable growing businesses. "The special strength of this program is that it combines theory with practice, providing individuals, the opportunity to test the theories, models, and strategies learned in the classroom by creating real business plans, working on other field projects, and gaining access and insight from leaders in the entrepreneurial business community".

Entrepreneurship development aim at developing conceptual understanding for setting-up one's own business venture/enterprise. This aspect of Human Resource Development has become equally important in the era, when wage employment prospects have become meager. Both the subject areas are supplementary to each other and soft skills are required to be developed in persons for enhancing their employability and self confidence.

Everyone can be productive, if given the opportunity and support to

- Express creativity where learning should be for all members of society who become co-creators of knowledge. School programs should be geared towards encouraging individuals to be creative and innovative.
- Choose activities and level of participation (learner centered approach) where learning should develop the organization or group and society. The society should reward, promote and support learning of different skills.

An integrated approach is necessary to incorporate all members of a society in knowledge acquisition and management of competencies. Studies have shown that even mentally retarded individuals can be empowered through learning and entrepreneurship to be productive

members of society. The basic tool that should be used to enable individuals to explore and improve personal competencies.

Entrepreneurial Skill Development Programme (ESDP) is comprehensive training programme organized to upgrade skills of prospective entrepreneurs, with the basic objective to provide training for their skill upgradation and to equip them with better and improved technological skills of production.

Business Skill Development Programme (BSDP) has been introduced for new Entrepreneurs through Business Schools / Technical Institutions etc. The programme has been devised to encourage educated unemployed youth basically from Business Schools / Technical Institutes to start self-employment ventures of Micro or Small Enterprises and thus instrumental in employment generation.

The objective of imparting training on management practice system is to improve the decision-making capabilities of existing & potential entrepreneurs resulting in higher productivity and profitability. Inputs on a variety of topics of managerial functions are provided to the participants in short duration training programmes through Management Development Programmes (MDPs)

Entrepreneurial Capabilities:

While many studies have been done on the subject, there are no real definitive answers. What we do now, is that, the successful business owners seem to have certain traits in common. These traits fall into four categories:

- Personal Skills.
- Interpersonal Skills.
- Critical and Creative Thinking Skills.
- Practical Skills.
- Conceptual Skills.
- Human Skills.

Personal Skills: The first things to look at is their personal characteristics, values, and beliefs. Do they have the inner spirit characteristic of successful entrepreneurs like vision, persistence, initiative, commitment, control, risk tolerance resilience and self determination.

Interpersonal Skills: The types of interpersonal skills they need to be good at Communication skills, Listening, Team work, leadership, motivation, conflict resolution, personal

relations, negotiation and ethics

Critical and Creative Thinking Skills: Entrepreneurs need a well-developed set of critical thinking skills to organize and administer a successful venture. As an entrepreneur, they must be able to find the necessary information to support decisions about a venture by creative thinking, problem solving, opportunity identification. Creativity and innovation require discipline and are based on a discrete set of skills.

Practical Skills: The final components of entrepreneurial skills are the practical skills and knowledge they need to produce goods or services effectively, and run a company.

- Goal setting ,Planning and organizing, Decision making ,Knowledge Entrepreneurial knowledge , Opportunity-specific knowledge, Venture-specific knowledge.
- Entrepreneurial Skills, Self-Motivation, Self-Confidence, Ethics & Morals, Time Management, Sales, Finance, Technical Skills, Conceptual Skills, Human Skills

Conceptual skills: Conceptual skills are ability or knowledge of managers for abstract thinking that mean to see the whole through analysis and diagnose of different states and to predict the future state of the business as a whole. Conceptual skills are most needed for top managers, little for mid-level managers, and it is not needed for first-level managers. As we go from a bottom of the managerial hierarchy to the top, significance of these skills is increasing.

Human Skills: Human skills are knowledge of managers to work with people. The most important task for managers is to work with people. Without people, there is not needed for management and managers. These skills will enable managers to become leaders, to motivate employees for better accomplishment of their tasks, to make more effective use of human potential in the business. These are most important skills for managers. Human skills are needed equally on all hierarchical levels of management.



- a) Identification of local entrepreneurship skill levels and gaps (business planning, risk assessment, team building, etc.) and of the contribution of local entrepreneurship training policies.
- b) Assessment of the scope and quality of entrepreneurship training delivered locally. This will help identify which skills are being delivered and to what extent and which skills are conversely being overlooked
- c) Understanding of how to integrate the provision of new entrepreneurship skills in training programmes originally designed to address more traditional business management competences and how to coordinate the provision of entrepreneurship training with other measures of entrepreneurship support such as incubators, spin-off schemes, business financing measures, etc
- d) OECD recommendations for future policy improvements based on an assessment of local needs and provision and an international benchmarking exercise
- e) The possibility to focus on a specific area of entrepreneurship training (i.e. In vocational education colleges or in universities) or to keep a broader approach in which more than one target will be subject of analysis.

Entrepreneurship Development Courses

Entrepreneurship development is included in courses offered by Bangladesh Institute of Management (BIM) under the Ministry of Industries. Entrepreneurship is also taught at some of the best public and private universities as part of BBA and MBA courses. In addition, the National Productivity Organization (NPO), also under the MOI, actively seeks to enhance the standards of quality administration in practice in the country. In Nepal, similar initiatives have been taken up by various universities and colleges, especially by Kathmandu University and Tribhuvan University in their BBA and MBA courses. Since 1993, the Vietnam Cooperative Alliance has organized a series of 82 training courses for cooperatives' managers and staff in almost all provinces and cities and has sponsored various vocational programs. Over the project's 10-year span, 18,000 enterprises have been direct beneficiaries and more than 100,000 enterprises have been indirect beneficiaries; 12,000 enterprise owners have been trained in

how to start up and to promote their current business. Additionally, SMELINK focuses on management training of entrepreneurs and universities instructors to develop a cadre of local business plan consultants and technical experts. Entrepreneurship training and awareness programs are organized jointly by SMEDA and Tameer in the major cities of Pakistan to promote youth entrepreneurship. SMEDA also offers a range of training programs for developing SMEs in the country, for example in productivity, quality, competitiveness, sustainability, and knowledge management of SMEs, to promote an easier and faster path to ISO compliance and WTO requirements. During the year 2005, 158 short-duration training programs were organized by SMEDA in different cities. Productivity and quality training programs are also organized by NPO-Pakistan on a regular basis throughout the country. Some private-sector consulting and training firms also offer entrepreneurship training development programs for the corporate sector.

Management Educational Institutions should provide opportunities for students to develop intrapreneurship through empowering work practices. Communicate to create trust and commitment on the part of learners at all levels. Self-determination is encouraged through training, work practices and experimentation. Self-efficacy is encouraged through learner-centered approach to learning and teaching. It is important for educators to appreciate individual from diverse background as people who have specific talents and skills that can be nurtured for the good of the society. The educator should act as a coach or mentor and not the sole owner of information. This will foster self-confidence that is needed for individuals to take initiative to be creative/ innovative, self-confidence, set career goals and understand the importance of social responsibility and community ownership.

As per the national policy eradicating poverty & removal of drudgery, GOI has launched Entrepreneurship Development Programmes under guidance and assistance of National Science & Technology Entrepreneurship Development Board (NSTEDB), Department of Science & Technology, Government of India, New Delhi. To achieve the goal various programmes are organized as follows.

Entrepreneurship Development Programme (EDP)
 Rural Entrepreneurship Development Programme (REDP)
 Entrepreneurship Awareness Camps (EAC)

Entrepreneurship Motivation Camps (EMC)

Efforts are being made to organize result oriented activities by involving small scale industrial sector of the state as well as financial institutions for tapping natural/financial resources available within the State. Thus, enable to generate "Self Employment" opportunities and generate a feeling of "SELF RELIANCE" among youth.

All students/persons from the faculties of science /technology, for Development Programme or EDP on specific subject, student of Industrial Training Institute/Recognized Institute of specific branches may be considered or specified for the particular programme to develop the skills in entrepreneurship.

Rural and Women Entrepreneurship (RWE) Program contributes to poverty reduction through entrepreneurship development program with a focus on rural development and gender equality. Individual entrepreneurs are a driving force for competitive MSEs as a growth base. However, the policy and institutional framework needs to be conducive to entrepreneurial initiatives. Human capabilities and the right institutional framework are necessary conditions for entrepreneurship to flourish, particularly in rural areas. Therefore, the essential elements in this Program are to create a business environment that encourages the initiatives of rural, young and women entrepreneurs and to enhance the human and institutional capacities required to foster entrepreneurial dynamism and enhance the productivity.

The RWE's Entrepreneurship and Skills Development Program focuses on Strengthening the public administration to make the regulatory and administrative environment more conducive for rural, young and women entrepreneurs, Human resource development for increased competitive entrepreneurship, technology absorbing capacities and women's control over asset management, Development of the policy advocacy and the collective self-help capacities of rural, young and women entrepreneurs.

FINDINGS

"Entrepreneurship is the ability to "create and build something from practically nothing. It is initiating, doing, achieving and building an enterprise or organization, rather than just watching, analyzing or describing one. It is the knack of sensing an opportunity where others see chaos,

contradiction and confusion. It is the ability to build a founding team to complement their own skills and talents. It is the know-how to find, marshal and control resources and to make sure they don't run out of money when they need it most. Finally, it is the willingness to take calculated risks, both personal and financial, and then to do everything possible to get the odds in their favor" (Jeffrey Timmons, Professor of Entrepreneurship, Babson College 1989)

A recent study has reported that the Indian economy has grown steadily because of the diversity and global exposure of 30% women workforce and new 45%entrants which including people with voluntary retirement, contributing constantly.

The teachers unanimously reiterated the fact that today's generation of students posses more entrepreneurial potential than those of previous generations.

The respondents were required to prioritize the entrepreneurial traits that they believe tare essential to students. Below Table presents the different entrepreneurial traits rated by the teachers.

Entrepreneurial Orientation

Entrepreneurial Traits	Opinion in %age
Risk Taking attitude	88
Creativity, Self confidence	65
Decision-Making ability	60
Wide Vision, Foresight ness	52
Leadership	51
Need to achieve	50
Communication skills, average Intelligence, Knowledge	
About the Market, Perseverance	48
Managing skills	45
Sincerity, Self Motivation	43
Willingness to Learn,	
Good Interpersonal Skills, Diligence	41

As they work through their analysis, a decision will probably come to them. Possessing or nurturing these traits before going into business will help ensure a successful outcome. So long as they have an excellent salable idea and these entrepreneurial traits, nothing can stop them from doing their best.

Many management educational institutions must incorporate training programs in management education as a part of syllabus, such that interested students can choose

Entrepreneurship and develop his/her skills accordingly.

CONCLUSION

Entrepreneurship Development Division main objectives are

- Generating "self employment" and to develop the spirit of self reliance among the students personals with special reference to youths & rural masses
- Creating awareness among Students, motivating them to choose entrepreneurship as a career and to provide support in establishing them over SSI units

Most of the universities in India are not having entrepreneurship in their curriculum and are not focusing on entrepreneurship. Though AICTE is extending grants for organizing entrepreneurship training programmes, in reality, the programmes are not entrepreneur oriented and has become ritual. The handholding after the training is also a nightmare. In universities, where this subject is one of the curriculums, no special attention is given. Only theoretical concepts are taught leaving the practical aspect which is much more important than the classroom study. There are specialized institutes in India like The National Institute of Micro, Small and Medium Enterprises(NIMSME), National Institute of Small Business Development (NISBUD), Micro, Small and Medium Enterprise of Government of India, EDP Institutes of various states,etc, which are imparting training on EDPs besides Non-Governmental Organizations. These institutes extend free training programmes to faculty of various engineering and management colleges. Most of the colleges do not give much importance to this concept and do not send their faculty for training. As result, they teach only the curriculum prescribed by the University/Institute without looking into the practical aspects which is very much essential. The Government is also concentrating on the quantitative targets rather than the qualitative which is very much visible in schemes like PMREGP, Rajiv Yuvasakthi and other schemes like SGSY,etc., Every college should start Entrepreneur Development Cell in their colleges and management should explore the possibility of getting funds from either AICTE or UGC or any other central government organizations to develop "Entrepreneurship". More number of entrepreneurship awareness camps and motivation camps should be conducted by private and public industrial training institutions.

Entrepreneurship Development, on the basis of interventions with educationists, students and entrepreneurship professionals has to design a module to develop and to implement successfully across the country and elsewhere.

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