

An Overview on Entrepreneurship Development Programme

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Abstract:

Paper points out requirement of entrepreneurship development programme for economic development and employment generation. It also lays stress on the need to improve the entrepreneurship development programme in backward areas. Entrepreneurship development programme gives the opportunities to the potential entrepreneur to set up their small units and creation of self-employment. Entrepreneurship development programme helps the individual by giving information about subsidy, give training to potential entrepreneurs. The government of India and other several financial institutes plays an important role in entrepreneurship development. Entrepreneurship generates self-employment as well as creates job opportunities for others. Entrepreneurship development is very important for the country's development; it reduces poverty, Increase per capita income, uses local resources and creation of employment. The paper explains the overall concept of entrepreneurship Development. It includes the concept of entrepreneurship development, required factors for the development of entrepreneur, process of entrepreneurship development programme and entrepreneurship development programme and Role of Entrepreneurship development programme.

Key word: EDP, Employment, Economic growth.

1. Introduction

The word entrepreneur is derived from French word *entrepredre*, which means 'To undertake'. Entrepreneurship is a practice of actions of an entrepreneur who is a person always in search of something new and develops such ideas into gainful opportunities by taking risk and uncertainty with the enterprise.

Entrepreneur's development is a seed of industrial development and the grater the employment generation and increase in per capita income, high standard of living, increased individual savings and revenue to Government and balanced regional development are the fruits. The development of an entrepreneur refers to inculcate the entrepreneurial skills into a common person, providing the needed knowledge, developing the technical, financial, marketing and managerial skills, and building the entrepreneurial attitude.

Definition of Entrepreneurship Development Programme,

1. According to Small Industries Extension and Training Institute (SIET 1974), now National Institute of Small Industry Extension Training (NISIET), Hyderabad defined EDP as,

"An attempt to develop a person's as entrepreneur through structural training. The main purpose of such entrepreneurship development programme is to widen the base of entrepreneurship by development achievement motivation and entrepreneurial skills among the less privileged sections of the society."

2. According to N. P. Singh (1985), "Entrepreneurship Development Programme is designed to help an individual in strengthening his entrepreneurial motive and in acquiring skills and capabilities necessary for playing his

entrepreneurial role effectively. It is necessary to promote this understanding of motives and their impact on entrepreneurial values and behaviour for this purpose."

In simple word the Entrepreneurial development programme includes the development of an individual's skills, capacities and motivation to work effectively through training.

Economic development of the country is depends on the development of entrepreneurship it is a key factor for country's development. Regional growth, industrial development and employment generation depends on entrepreneurship development. Entrepreneurial development programmes are treated as an important tool of industrialization and a solution of unemployment problem of India.

❖ OBJECTIVES OF THE ENTREPRENEURSHIP DEVELOPMENT PROGRAMME (EDPs):

- Build up and reinforce the entrepreneurial quality.
- Analyse environmental set up regarding to small business and small industry.
- Select the product.
- Make them subscribe to the industrial democracy.
- Enlarge the passion for integrity and honesty.
- Make them learn compliance with law.
- Appreciate the needed entrepreneurial discipline.
- Help the entrepreneur to recognize their goal.
- Prepare them for uncertainty in running a business.
- Enable them to take decisions.
- Enable to communicate clearly and effectively.
- Make a plan for the product.

- Understand the procedure for setting up a small enterprise.
- To identify the sources and support the small scale industry.
- To obtain the necessary managerial skills required to run a small-scale industry.
- Know the advantages and limitations becoming an entrepreneur.
- Build up a broad vision about the business.

OBJECTIVES OF THE STUDY:

1. To study the concept of entrepreneurship development.
2. To know the objectives of Entrepreneurship development programme.
3. To highlight the role of Entrepreneurship development programme.

METHODS AND MATERIAL:

The study is based on secondary data collected from reputed articles published in research journals, books, and prominent sites.

❖ ROLE OF ENTREPRENEURSHIP DEVELOPMENT PROGRAMME (EDPs):

• Generating Employment Opportunities:

Unemployment is a worst problem of under developed country. Entrepreneurship Development Programme facilitates prospective entrepreneurs in setting their own business units. It is enabling them to get self-employment. The more and more establishment of small and large scale industries generates numerous job opportunities for the youth.

The government of India introduced several schemes like Nehru Rozgar Yojna, National Rural Employment Programme (NREP), and Integrated Rural Development Programme (IRDP) etc. The object of all these schemes is to eliminate poverty and generate gainful employment opportunities for the unemployed. Thus entrepreneur can play an effective role in reducing the problem of unemployment.

- **Helpful in achieving Regional Development:**

The significance of Entrepreneur development programmes (EDPs) arises in order to solve the problem of regional imbalances which is an important feature of underdeveloped nations. EDPs are basically provided to establish small scale industrial units in remote areas with little financial resources. Small scale units set up in backward area initiate the regional development. Small scale units are set up in industrially backward areas with limited financial resources. Successful EDP's speed up industrialization in backward areas it will help in economic growth of the region. State and central Government and several financial institutions give the various subsidies in backward area for their development.

- **Capital Formation:**

It is not possible to any entrepreneur to set up the industry without adequate funds. In a factory entrepreneur produces goods it requires a large capital which is own capital as well as borrowed from various resources. Entrepreneur mobilizes idle savings of the public and put them to productive use. In this way he helps in capital formation, which is so essential for the industrial and economic development of a country. The various development Bank like ICICI, IFCI, IDBI; SFCs, SIDCs are provide the finance for development of entrepreneurs.

- **Utilisation of Local Resources:**

In the absence of any initiative local resources are likely to remain unutilized. Proper use of these resources can result in the progress or development of the area and that too at lower cost. Effective EDPs can help in the proper use of local resources by providing guidance, assistance, education and training to the prospective entrepreneurs. EDPs help the entrepreneurs in harnessing the available local resources for creating a healthy base for sound economic growth and rapid industrialization. It

help in channelizing on right lines the talent and energies of unemployed youth. It thus helps in easing social tension.

- **Helps in removing Poverty:**

Entrepreneur development programmes (EDPs) are plays important role in removing poverty. Entrepreneur development programmes initiate the self-employment and creation of job opportunities for others. The vacant people get the job in industrial units it helps in removing the poverty.

- **Increase the per Capital Income:**

Entrepreneurs are always pay attention on opportunities. They explore and make use of the opportunities. Entrepreneurs use the various resources for production of goods and services. The factors used in the process of production generate employment. It will result in the increase in the overall productivity and per capita income in the country. Entrepreneurship development programme (EDPs) play a positive role in the setting of more units and thus help in generation of more employment and income.

- **Prevents Industrial Slums:**

Help in removing the industrial slums which are created in highly congested industrial areas. The entrepreneurs through Entrepreneurship development programme (EDPs) are able to set up their enterprises in different places best suited to their product. They learn through Entrepreneurship development programme (EDPs) about various schemes, incentives, facilities, infrastructural requirements etc. for their enterprise. This helps in the dispersal of industrial units which ultimately prevents growth of industrial slums and industrial pollution.

❖ **FACTORS OF ENTREPRENEURSHIP DEVELOPMENT:**

(A) **Personal factors:**

- Ability to cope with the situation
- Age
- Education

- Personality
- Intrapersonal communication ability
- Achievement motivation
- Self-confidence
- Competence
- Emotion
- Understanding capacity

(B) Environmental factors:

1. Socio-cultural factors:

- Religion
- Values
- Rural-urban orientation
- Marginality
- Education
- Tradition

2. Political and legal factors:

- Govt. legal bindings
- Govt. policies
- Rules and laws related to the industry and business

(C) Institutional factors:

- Financial institution
- Training and development institution
- Consulting firms
- Incubators organization (old & pioneer)
- Research organization

(D) Micro factors:

- Enterprise itself
- Suppliers
- Intermediaries
- Customers
- Competitors
- Public

(E) Macro factors:

- Demographic factors
- Economic factors
- Physical factors
- Technological factors
- Cultural/social factors

(F) Others:

- Venture capital
- Experience entrepreneurs
- Technically skilled labour force

- Supplier's accessibility
- Proximity to universities
- Availability of land facilities
- Accessibility of transportation
- Favourable loan and financial policies
- Availability of supportive
- Attractive living condition
- Capital intensiveness
- Research and development activities
- Capital incentive
- Proximity to corporate head quarters
- Competitive situation

❖ **ENTREPRENEURIAL**

DEVELOPMENT PROGRAMME

PROCESS:

1. Selection of potential entrepreneurs:

The first step of entrepreneurship development programme is to identify and select the potential entrepreneurs. In this stage the individual are find out to convert them in entrepreneurs. The right Entrepreneurs are selected for entrepreneurship development programme. Various modes of selections such as test, group discussions and interviews may be adopted in the selection of potential entrepreneurs. For selecting an entrepreneur keep this thing in mind is identification of entrepreneurial qualities and identification of suitable and viable opportunity for potential entrepreneurs. Before selecting the person for training following factors should be consider:

- His family background,
- Motivation level,
- Educational qualification
- Entrepreneurial skill and competencies.

2. Identification of entrepreneurial traits and skills:

Every entrepreneur has some eligibility to becoming an entrepreneur. Entrepreneur traits divided between two categories: family background and human resource factors.

- **Family background of Entrepreneur:**

The family background will help in the training of the entrepreneurs. So before starting this training programme the family background of participant entrepreneurs is explored by the entrepreneurship development programme committee.

- **Education level of Entrepreneur:**

The educational level of participant must be given due consideration. A minimum level of education and types of education play a very significant role in the success of new enterprise. It is very easy to train the educated people as compared to uneducated people.

- **Size and type of Entrepreneurs family :**

The size and types of entrepreneur's family must also be considered. A joint family has generally a greater risk-bearing capacity as compared to small family.

- **Age of Entrepreneur:**

The studies proved that the age of entrepreneur is most important because the younger people are successful and risk taker as compared to old people. Younger people always try for trying something innovative and creative.

- **Social participation of Entrepreneur:**

The human is social animal. The participation of an entrepreneur in a society is also matter in entrepreneurship development programme. The social status of entrepreneur influences the success of entrepreneurs.

Therefore, priority should be given to those persons having experience in business, a functional level of education, young, family and financial support while selecting candidates for EDP.

- **Working hands in the family of Entrepreneur:**

The working hands of entrepreneurs in family are most important. The working hand of family member of a potential entrepreneur also counts much.

- (b) **Human Resource Factors:**

These are the inherited or acquired skills of an entrepreneur. The following human resource factors must be considered:

- **Need of Achievement:**

The need of achievement is very important factor because entrepreneurship of an entrepreneur with high need achievement succeeds better. It involves both personal achievement and social achievement.

- **Willingness to take risk of Entrepreneur:**

The entrepreneurship development depends on the risk taking of the entrepreneur greater the risk will give more profit. Risk-taking willingness refers to seek change in business activity. The person perceiving greater amount of risk in the venture has the higher risk taking willingness.

- **Influencing ability of entrepreneur:**

The entrepreneur would need adequate motivation to both influence and control the people and environment to achieve the end to successful.

- **Personal efficiency of entrepreneur:**

Personal efficacy is a significant factor contributing to entrepreneurial behaviour of a person. It represents the potential effectiveness present at the inner level. The roots of efficiency of a person lie in his perceptions and beliefs about himself.

- **Ambition:**

Ambition is goal statements relating to future level of achievement. These are relating to future prospects of an individual's desire.

3. Identification of enterprise:

Identification of enterprise is most important factor for potential entrepreneur. For selecting an appropriate enterprise entrepreneur have to analyze the personal, social, political, environmental factors. After the analysis of all factors entrepreneur select the best from it.

4. Contents of training programme:

In entrepreneurship development programme

various types of entrepreneurs are involve. For the development of entrepreneurs in training programme includes the following contents:

(a) Technical knowledge and skills:

After selection of a particular enterprise it is a need to gain the depth knowledge of that enterprises technical skill for production of goods and services. The required knowledge and skills are developed in training programme.

(b) Achievement motivation training:

The main aim of achievement motivation training is to develop the need and desire to achieve, risk-taking, initiative and other such personal behavioural qualities, the self-awareness and self-confidence can be created among the participants through an achievement motivation programme which enable them to think positively and realistically.

(c) Support systems and procedures:

Support system helps the entrepreneur to understand the functioning of various agencies like commercial banks and financial institutions, industrial service corporations and other institutions dealing with supply of raw materials, equipment, marketing etc.

(d) Market survey:

For every successful enterprises the market study is very important for sale their product market survey gives the actual position of the market. It will help in deciding the enterprises policies. For that purpose the training programme give the opportunity to participant to survey the market.

(e) Managerial skill:

An entrepreneur requires some managerial skills to start the enterprise. It involves planning, organization, coordination, leadership, supervision, control etc. The main aim of managerial training is to enable the participants to run the enterprise successfully.

5. Support system:

Support system is the important part of the Entrepreneur Development Programme. It is

considered the backbone of an EDP. The new entrepreneur is ready at this stage to set up his new venture. He requires some type of assistance and support of many agencies in order to launch his new venture. These support systems provide variety of information relating to credit, finance, marketing service etc.

6. Production:

After set up of an enterprise production starts. At this stage the managerial and technological skill are required this skills are taught in training programme are very much useful in production. Once the production starts the entrepreneur has to initiate supply of products through suitable marketing channel. The production and marketing are the most crucial stage in an Entrepreneurial Endeavour. Failure in either would mean a breakdown in EDP.

7. Monitoring and follow-up:

In Entrepreneurial development Continuous monitoring and follow up is essential for the success. At every stage the entrepreneurship development programme helps the entrepreneur in detecting and monitoring the problem and solves them by using proper monitoring system. Monitoring should provide continuous guidance to ensure better results. The monitoring and follow up should be conducted during each stage of pre-training and post-training of EDP. Pre-training follow up includes evaluation of training infrastructure and training syllabus.

CONCLUSION AND SUGGESTIONS:

Economic development of the country is depends on the development of entrepreneurship it is a key factor for country's development. Regional growth, industrial development and employment generation depends on entrepreneurship development. Entrepreneurial development programmes are treated as an important tool of industrialization and a solution of unemployment problem of India.

The government of India has to think forward

for the development of entrepreneurs. The government take workshop, seminars in backward region and colleges because the college

going students are the potential entrepreneurs of the country. The government of India also start the courses in colleges for self-employment.

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