

MICRO-ENTERPRISE
AND MICRO FINANCE
DIVISION OF EDI

and



INTER-REGIONAL CENTRE FOR
ENTREPRENEURSHIP AND
INVESTMENT TRAINING

— Sponsored by —



United Nations Industrial
Development Organization



Government of India

announces

AN INTERNATIONAL
PROGRAMME ON
**MANAGING
MICRO-ENTERPRISE
AND
MICRO-FINANCE
DEVELOPMENT**

FOR PROFESSIONALS
FROM GOVERNMENT
AND NON-GOVERNMENT/
VOLUNTARY
ORGANISATIONS

September 25- October-20,2000.



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About the Programme

Micro-enterprise and Micro-finance development have emerged as major strategies to combat the twin issues of poverty and unemployment that continue to pose a major threat to the polity and economy of both the developed and developing countries. These issues remain major challenges before the non-government organisations (NGOs) in creating a civil, just and equitable society. Various governments and NGOs have adopted several approaches and strategies to combat them. Micro-finance and micro enterprise development have emerged as major strategies that have been accepted the world over by governments and NGOs alike.

While micro-finance as a means to empower poor has been quite successful in many countries, the utilisation of credit for adequate income and employment generation is a cause of concern for most of the stakeholders. Moreover, there is a growing concern that micro-enterprise development programmes are not successful to a desired extent because of the lack of adequate and timely availability of credit. The missing link is that micro-enterprise and micro-finance, more often than not, have been dealt with in isolation without any synergy between the two.

A number of agencies and NGOs are getting involved in both these developmental initiatives. However, there is a critical capacity gap among the development agencies to manage these initiatives. This programme is developed to build managerial capacity of such development professionals to enable them acquire and develop management skills, review current developments and adopt the strategies to successfully implement the twin initiatives viz. Micro- Enterprise and Micro-finance.

Programme Objectives

The programme intends to bring about an understanding of these strategies towards a synergy by acquiring new skills to build the appropriate capacity to manage these initiatives.

- i) To facilitate the participants understanding special needs of different target groups – Youth, Unemployed and Women – as far as micro-enterprise, micro-credit and sustainable economic development are concerned.
- ii) To strengthen their knowledge and develop their skills, attitudes and behavioural attributes for initiating, planning and implementing micro-enterprise and micro-credit projects effectively.
- iii) To develop their capabilities in performing specific tasks related to micro-enterprise development such as, identification of viable business opportunities and linking the same with selected entrepreneurs, helping them in preparing business plans, introducing the entrepreneurs to key business management areas of finance and accounts, marketing, etc.
- iv) To expose them to methodologies of providing umbrella/escort services to their trainees for accessing financial and other supports, providing regular post-programme follow-up, etc.
- v) To equip them for counselling prospective entrepreneurs for successfully launching and managing micro-enterprises and forming savings and credit groups.
- vi) To develop their managerial capacities to initiate, manage and sustain micro-credit delivery systems.

Course Design

The participants will be exposed to fundamentals of micro-enterprises and micro-finance development and their application specifically to rural situations/local context. The following course content proposes to cover all the critical areas of promotion and management of micro-enterprises and micro-finance delivery.

Module – I : Inputs on Micro – Enterprise Development (MED)

(i) Entrepreneurship

Development Process

- ✦ Effective promotional methods for generating interest amongst potential entrepreneurs in micro-enterprise development programmes. (MEDPS)
- ✦ Effective interaction process for sensitizing the environment and support systems for MEDP.
- ✦ Assessing entrepreneurial potential and methodologies for selection of the trainees.
- ✦ Process of identifying the resources for micro-enterprises, including those available within the community.
- ✦ Process of identifying the key elements of an income generation project and facilitating the potential entrepreneurs develop sound business plans.
- ✦ Planning and implementation of the training programmes.
- ✦ Counselling potential entrepreneurs in launching and managing the same.
- ✦ Follow – up mechanism

(ii) Major Skill Development Inputs

- ✦ Communications Skills for confidence raising among youth and effective interaction with target groups and support agencies.
- ✦ Problem Solving Skills to identify and analyse the key elements in a problem/ situation and strategies for solving the same.

(iii) Achievement Motivation Training and Competencies Development

- ✦ This specific and intensive input is proposed to develop the required attitudes and traits in the trainers to play an effective role of change agents.

MODULE II: Micro-Credit Related Inputs

(i) *Exposing NGOs to Savings and Credit Systems*

- ★ Good practices in Micro-credit Management : International Experience
- ★ Formation, development & management of self-help Group.
- ★ Savings and credit schemes for self-help groups within the banking framework.

(ii) *Management of Savings & Credit Schemes*

- ★ Mobilisation of savings and returns thereon, and assessing viability of a micro-credit programme
- ★ Appraisal of micro enterprise projects, procedures for sanction and disbursement of funds and documentation thereof.
- ★ Post-sanction supervision and followup, including repayment and cost-effective management of funds.
- ★ Accounting systems for self-help savings and credit groups.
- ★ Audit of the accounts

Training Methodology

The programme focuses on development of skills, knowledge and attitudes necessary to become an effective trainer (all rounder) in developing potential rural entrepreneurs and facilitator of micro finance delivery.

To facilitate the development of these competencies, the training approach will be based on Adult Learning Principles/Experiential Learning. Recently developed EDI Training Manual will be used extensively.

Who could participate?

The programme is open to senior and middle level professionals of NGOs and government/bank functionaries who are, or are likely to be engaged in managing micro-enterprise and micro-finance development.

The participants should have sufficiently good command of written and spoken English to take optimal benefit of the interactions.

The maximum number of participants in the programme will be twenty five.

Duration and Venue

The programme will be conducted at Entrepreneurship Development Institute of India, Ahmedabad (India), from September 25 - October 20, 2000.

Programme Fees

The course fee for this 4-week programme is US \$ 2,500. The fee is inclusive of a nominal registration fee, tuition fee, cost of course material, access to computer and library facilities, lodging/boarding and field visits. Single, air-conditioned accommodation will be provided on campus.

The course fee for participants availing double occupancy rooms will be US \$ 2250.

Travel cost between the participants' home country and Ahmedabad (India) is to be borne by the participants or their sponsors.

Sponsorship

Please note that EDI is unable to provide any financial support to the participants.

The organisations nominating their employees should endorse the application that they will be paying the course fees. In case they are unable to pay the fees, they are requested to apply to an appropriate agency (preferably to their donor partners) for the same.

A few funding sources that offer fellowships are the Commonwealth Foundation, The Ford Foundation, USAID, CIDA, the European Union, NORAD, NOVIB, SIDA, ILO, UNIDO, UNDP, etc.

The candidates who plan to seek outside funding support must apply at the earliest possible to the respective agencies, as it might take some time to get the fellowship. Please mark a copy of your application for external funding support also to us.

Travel Plans and Accommodation Facilities

EDI campus is situated approximately 5 kms. from the Ahmedabad Airport which is connected with all major cities of the country by air.

As per the EDI policy, the accommodation will be made available to all the participants a day prior to the commencement of the course. The participants are expected to vacate the accommodation the next day of conclusion of the programme. Please note that the accommodation will be provided only to the participants.

How to Apply?

The candidates are requested to send duly completed application form (enclosed) along with the non-refundable registration fee of US \$ 100 per participants latest by 20th August 2000, to the programme Director. Please note that the admission will be confirmed only after we receive firm commitment from the candidate/sponsor/organisation about payment of fees.

For registration and further information, please contact :

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Micro-Enterprise and Micro-Finance Development Division of EDI

Entrepreneurship Development Institute of India (EDI), set up by all India Financial Institutions viz. Industrial Development Bank of India (IDBI), Industrial Credit & Investment Corporation of India (ICICI), Industrial Finance Corporation of India (IFCI) and State Bank of India (SBI), is an international resource organisation for training, teaching and research in entrepreneurship development. One of the priority areas for EDI is to identify, motivate, train and create micro and rural entrepreneurs through self employment and small business development programmes that is executed by Micro-Enterprise & Micro-Finance Development Division of the Institute. EDI, with the valuable support of The Ford Foundation, undertook a pioneering three-year three-state experiment to develop a replicable model for Rural Entrepreneurship Development, during 1986-90. It has successfully developed a replicable training model for micro and rural enterprise development that is being implemented by about 150 Voluntary Organisations. Micro-Enterprise & Micro-Finance Development Division of the Institute has completed 13 years of fruitful partnership with NGOs in implementing MEDPs and other related programmes, particularly in rural areas.

The Institute has conducted 435 MEDPs during the decade, training 10,017 rural youth, of which 52.18% have successfully launched their ventures with an average investment of US\$ 800 and employment of over 2 persons per venture. On an average, each MEDP generated an investment of US\$ 10,000 at a direct cost of about US\$ 1500 leading to US\$ 6.67 investment for every Dollar spent on training.

Besides MEDPs, the Division has also been working in the area of capacity building of NGOs and sensitising environment and support system. So far, the Division has trained 325 trainer-motivators from over 200 NGOs. More than 150 NGOs are actively engaged in organising MEDPs, either in collaboration with EDI or independently. In various workshops about 250 Chief Executives of NGOs were sensitised on the strategy of micro-enterprise development. In the programmes on micro-credit, about 100 professionals from NGO sector have been developed to manage the credit operations. To facilitate smooth flow of credit, EDI has also been sensitising bankers, through sponsored NGO-BANKER Interface. In three such programmes, we have sensitised 40 bank managers towards the needs of the MED trainees. Under the managerial capacity building programmes targeted towards sustainable development of NGOs, more than 100 Chief Executives / Senior Functionaries of NGOs were trained in the states of U.P, H.P, Rajasthan and Haryana.

Since the last 13 years, the Institute's rural entrepreneurship work has brought it very close to the problems and needs of rural poor. With valuable support of funding organisations like SIDBI, NABARD, RGVN, KVIC, Central Silk Board, The Ford Foundation, Fredrich Naumann Stiftung, Germany etc. the active involvement of NGOs; and a well qualified, experienced and committed team of 14 full time faculty members, EDI is set to make a long lasting contribution towards the goals of employment creation and poverty alleviation through promotion of micro-enterprise and micro-finance development.

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