

EDI REPORTS



BIMONTHLY

**ENTREPRENEURSHIP DEVELOPMENT
INSTITUTE OF INDIA**

(Sponsored by IDBI, ICICI IFCI, & SBI)

MESSAGE FROM OUR PRESIDENT

Entrepreneurship is the sine qua non of industrial progress. With Government laying emphasis on the wider dispersal of ownership and control of industrial undertakings and also quicker industrialisation through encouraging a new class of entrepreneurs towards setting up small and medium enterprises, Entrepreneurship Development Programme (EDP) has assumed special significance. Although EDPs are being conducted by various agencies in India for more than a decade, these efforts have been sporadic and haphazard and, therefore, a need has been felt for an institutional mechanism to take up entrepreneurial development as an organised programme.

The financial institutions, especially IDBI, IFCI and ICICI attach considerable importance to EDPs, and they along with SBI and the Government of Gujarat have sponsored the EDI. This institution will inter alia undertake EDPs in less developed regions for special target groups, implement model demonstration programmes for improving the effectiveness of on-going training activities, develop trainers for EDPs and undertake research in critical areas of entrepreneurship development. 'EDI reports' is one of its organs to spread the message on its activities for sharing its experience with the rest of the country. It is a humble beginning directed at an entrepreneurial future.



M. R. B. PUNJA

President - EDI

(Chairman, Industrial Development
Bank of India)

DIRECTOR'S DESK

Entrepreneurship Development Institute of India is now almost one year old. As an all-India Institute which started with strong promoters and expert resources, EDI has already become known as a catalyst to human capital development, not only in India but also in other developing countries.

This one year was a landmark in Entrepreneurship Development in the country. Entrepreneurship Development model evolved by EDI has shown commendable results in diverse regions of the country, such as Andaman & Nicobar islands, Kerala, Goa, Chandigarh, etc. EDI is justifiably proud of this achievement. Several plans of research and training, seminars and workshops of national and international significance are under way.

It has been suggested that EDI should share its novel experiences through the print medium. As an all-India, specialised Institute, EDI is committed to disseminate information not only about its activities but also about entrepreneurship development as a whole. 'EDI Reports' is our first attempt in that direction. Apart from keeping you informed about EDI's activities, it will also delve into the human aspects of entrepreneurship, bring you the profiles of successful entrepreneurs and take you into the complex but fascinating world of entrepreneurship development process.

EDI family will be large and every member will be keen to know about the institutional activities rather than personal achievements. Therefore, though being an in-house bulletin, 'EDI Reports' will desist from being one of the genre of company house journals. It will act as an instrument of strengthening the linkage/bond with individuals, institutions and states, committed to entrepreneurship.

Dr. V. G. PATEL
DIRECTOR

EDI WELCOMES

EDI had the opportunity of welcoming a number of distinguished visitors in the first few months of 1984. These include Prof. David C. McClelland, Harvard University, USA; Prof. Malcolm Harper, Management Systems International, USA; Prof. Richard Mansfield, McBer & Co., USA; Dr. V. V. Bhatt, Economic Development Institute (World Bank), Washington; Shri P. H. Trivedi, Secretary, North-Eastern Council, Shillong; Shri L. P. Shahi, Minister for Industries, Govt. of Bihar, Shri P. N. Agrawal, Minister of State for Industries, Govt. of Bihar, CHOGRM working group delegation from Pacific island countries led by Mr. Wep Kanawi, and Shri S.S. Verma, Dir. Gen., AIR.



Dr. V. G. Patel, Director, EDI explaining EDI objectives to Shri L. P. Shahi (Left), Minister for Industries, Bihar. On extreme right is Shri H. C. Raval, Sr. Executive, EDI and Shri V. C. Raval, Managing Director, GITCO.

INTERFACE INTERFACE

STATE BANK COMES CLOSER

EDI as a national resource has initiated concrete steps to mobilise various organisations involved in entrepreneurship activity.

The curtain-raiser to this organised activity of sharing experiences and giving a boost to evolving coordinated entrepreneurship development programmes was the in-house workshop for executives of State Bank of India and EDI held on December 29 & 30, 1983 at Ahmedabad. It was recognised during the course of the workshop that well-organised training programmes ultimately leading to successful enterprises are the need of the day. The Director, EDI highlighted the burning need of a dedicated band of exclusive full time trainers for successful EDPs all over the country. Participants were cautioned against ad hoc cursory training programmes which might boomerang on the concept and add to the frustration of the youth of the country.

Shri Harbhajan Singh, Chief Officer, SBI, Bombay narrated SBI's experiences in the field of entrepreneurship development. SBI participants presented their 1 month full time residential training model and it emerged that their Branch Manager is the Project Leader of EDP. SBI believes in generalist cadre and as such the concept of full time specialised trainers does not fit in their scheme of things.

Some areas of modification in the model and coordination were explored, viz: promotional activity, identification and development of a common training model, exchange of faculty, common pool of expertise and evaluation and research programmes. A decision was taken to involve SBI experts in ongoing EDI training programmes and SBI welcomed the idea of EDI training the trainers of SBI. Recently SBI has shown interest in conducting a joint EDP in Jammu & Kashmir.

TCO ROUND TABLE

Technical Consultancy Organisations (TCOs) of various states gathered for a round table workshop at EDI. As many as 14 Managing Directors and Senior Consultants of WEBCON, RAJCON, HIMCON, MPCON, MITCON, KITCO, GITCO, APITCO, J & KITCO alongwith Senior Executives of IDBI, ICICI and IFCI were *closeted for 2 days with experts of EDI to* evolve a concerted approach to successful EDPs in various states. TCOs have an important role to play in entrepreneurship development and it is through their efforts that this activity can be quickly institutionalised.



Tea break during TCO workshop. From left Sarvashri B. Banerjee, M.D., WEBCON, Dr. V. G. Patel, R. J. Bedekar, IDBI, G. S. Saxena, IFCI and V. Kolhapurkar IDBI.

The workshop was held on January 3 & 4 1984 at Ahmedabad. Director, EDI, exhorted TCO executives to take concrete steps to make entrepreneurship development an ongoing activity in their respective states. It was emphasised that a well prepared action plan cannot be ignored by the developmental agencies. EDI model for entrepreneurship development was presented and emphasis was laid on the efforts of the trainer for the success of an EDP. The need to train a good number of trainer-motivators was also discussed. EDI offered to train TCO consultants for EDPs and even create a panel of trainers who can be absorbed by TCOs. TCO participants narrated their EDP experiences, training models and target groups. Many of them provide stipends to trainee entrepreneurs and have different training models. But very few TCOs have full time trainers. It is the consultants who conduct the ED programmes.

It was clarified to the TCOs that EDI by advocating an EDP model which includes the project report preparation by entrepreneurs, will not cut into TCO's territory. EDI will only conduct demonstration programmes in various locations to prove the efficacy of its training model and it was upto the TCOs to modify and put it to good use. It was suggested that wherever possible, TCOs be identified as EDI's lead EDP agencies in various states.

The workshop provided a good platform for intensive interaction on various aspects of entrepreneurship, problems and prospects, tools and techniques and action has already been initiated by various TCOs to implement their schemes with the help of EDI's expert resources.

WORKSHOP FOR WOMEN POLYTECHNIC

A 5-day workshop for the teachers of New Delhi Polytechnic for Women was organised at Delhi from April 30 to May 4, 84 to orient them to introduce entrepreneurship in Polytechnic curricula and in conducting EDPs.

WORKSHOPS IN THE OFFING...

NODAL AGENCY WORKSHOP

National Science and Technology Entrepreneurship Development Board has identified Nodal Agencies in all the states to facilitate and if possible carry out entrepreneurship development work for young Scientists and Technologists. A National Workshop for these Nodal Agencies is scheduled for July 1984.

REFRESHER PROGRAMME FOR GOA ENTREPRENEURS

A 5-day Refresher Programme for existing entrepreneurs of Goa will be organised at Panaji, Goa in June 1984.

WORKSHOP ON ENTREPRENEURSHIP COURSE FOR ITIs

A national workshop for the Directors of Employment and Training of various states is planned. This is to familiarise them about entrepreneurship needs and strategies in relation to Industrial Training Institutes.



DEVELOPMENTAL TRAINING PROGRAMMES

EDI is growing with zest and zeal. As your very own organisation. Programme by programme. State by state. Crossing geographical limitations, cultural & linguistic barriers. Across the country. From Trivandrum in south to Chandigarh in the north, from Assam and Arunachal Pradesh in the north-east to Goa in south-west, and even far in the Bay of Bengal-Andaman & Nicobar islands.

FIRST DEMONSTRATION EDP AT TRIVANDRUM

Kerala people with their high rate of literacy are entrepreneurs too. Let us go to the coconut land Trivandrum and witness the triumph of EDI's first comprehensive demonstration programme, which commenced on Oct. 3, 1983 and concluded in the first week of January, 84. Centre for Entrepreneurship Development, Ahmedabad was a close companion for this programme. Govt. of Kerala selected Centre for Management Development (CMD) as the agency to work with EDI.



EDI trainer Shri Ramesh Dave demonstrating a motivation exercise to trainees at Trivandrum. To his left is Shri B. P. Murali, EDI trainer.

CMD had selected two trainers in consultation with EDI and they were trained at Ahmedabad to develop this activity. An EDI trainer camped at Trivandrum for 6 months. Intelligent promotional work by EDI trainers led to

The programme had encouraging response and out of 40 trainees, 35 have already finalised their project reports which include pro-technical products like abrasive material, micro-nutrients, F.H.P. motors, cold forging nuts, cutting tools, veterinary drugs, tractor parts, etc. Programme ended on May 19. Two units are on stream and remaining are in various stages of implementation. All local financial institutions have welcomed the programme and have promised to help trained entrepreneurs.

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EDPs FOR SCIENCE & TECHNOLOGY GRADUATES

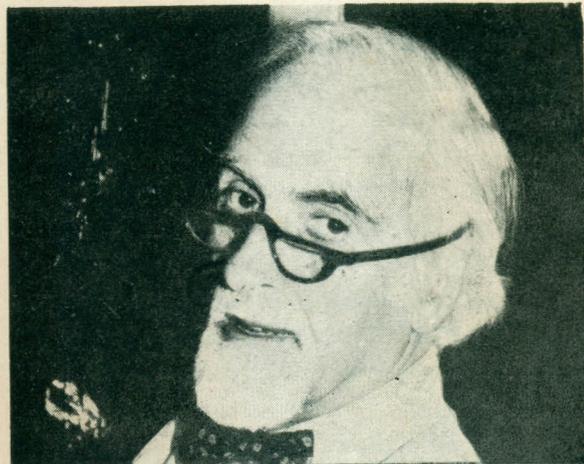
The Department of Science and Technology, Govt. of India has set up a National Science & Technology Entrepreneurship Development Board to channelise the talent of Science & Technology graduates and diploma holders to productive entrepreneurial ventures. EDI in collaboration with this Board has organised 2 such EDPs at Trivandrum and Goa.

S & T EDP at Trivandrum began on November 14, 1983 and concluded on February 2, 1984. 24 young candidates coming from various parts of Kerala and having heterogeneous educational and family backgrounds participated in the training programme. It is interesting to note that 12 of them did not have any kind of experience and were fresh first-timers. During the second phase of the training all trainees were in Ahmedabad for 4 weeks for technical orientation and achievement motivation training. Their small scale units with the product range of TV boosters, surgical rubber gloves, voltage stabilisers, elastic braidings, PVC pipes, dimmer stats, printing ink, ayurvedic medicines, prawn culture, etc. are in various stages of implementation.

Goa S & T EDP commenced at Panaji, Goa on March 29, 1984. 21 graduates and post-graduates in science, technology and pharmacy were selected. Out of these 8 were employed in various places, 6 were engaged in their own business and 7 were unemployed. Project identification work for this EDP was done by GITCO, Ahmedabad. After undergoing the first phase of the programme at Panaji, the trainees visited Ahmedabad for in-plant and motivation training. This gave them appropriate exposure to the industrial culture.

An exclusive S & T EDP for women is soon to begin at Delhi in association with New Delhi Polytechnic for Women.

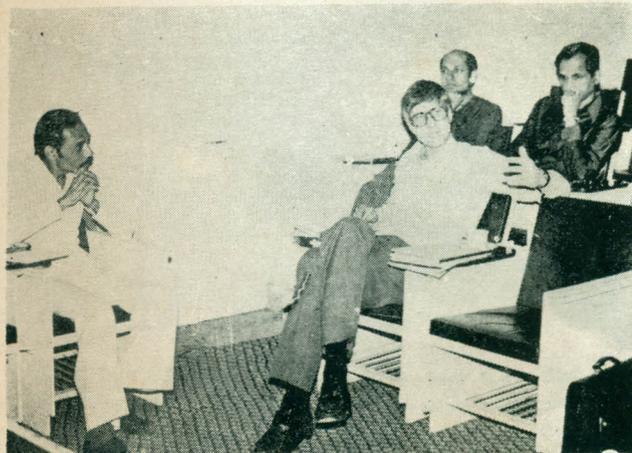
ENTRE-SEARCH



Prof. David C. McClelland

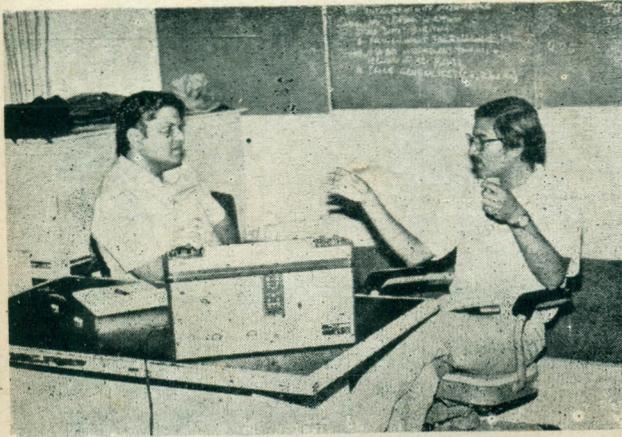
IDENTIFICATION OF PERSONAL ENTREPRENEURIAL CHARACTERISTICS

A research project of national and international significance has begun in a big way. Prof. David C. McClelland, the world renowned Behavioural Scientist of Harvard University, USA has undertaken the gigantic task of identifying and cross culturally validating personal entrepreneurial characteristics which help in predicting small business success so that subsequently an integrated model for selection and training of potential entrepreneurs in less developed countries could be developed. This research project of 3 years duration will be conducted in Asia, Africa and Latin America.



Prof. Richard Mansfield of McBer & Co., USA making a point during a training session. Seated behind him are Prof. Pradip Khandwala, Research Director and Faculty member, IIM Ahmedabad, and Shri H.C. Raval. On extreme left is Shri B. J. Trivedi, researcher.

EDI is organising Indian part of this research project. During the initial discussions Prof. McClelland was accompanied by Prof. Malcolm Harper representing Management Systems International, USA. A special training programme for the research team was organised at EDI in the last week of February and the team



A successful entrepreneur Shri Rajendra Shah being interviewed by a researcher.

was trained in Behavioural Event Interview (BEI) technique by Prof. McClelland and Richard Mansfield. EDI researchers have started using this technique to elicit information from various entrepreneurs. The project being conducted in Gujarat, Maharashtra, Bihar, Tamil Nadu and Kerala has received approval by the Govt. of India.

About 90 top and average performer entrepreneurs are being identified through nomination techniques developed by Prof. McClelland and his associates. The selected entrepreneurs are being extensively interviewed through BEI technique and the text will be coded to identify the personal entrepreneurial characteristics (PECs) and later tools and techniques for measuring these PECs will be developed for the benefit of training institutions.

DOCUMENTATION OF EDPs

EDI as a national focal point for pooling of resources and expertise has launched an ambitious national documentation programme with a primary focus on the entrepreneurship programmes conducted by various Technical Consultancy Organisations (TCOs), State Bank of India (SBI), Small Industry Service Institutes (SISIs) and voluntary organisations. Several research teams and organisations are associated in this programme. Instruments, methodology and plans for this research activity have been finalised and the research team has started its work in M.P. and U.P. .

WHAT'S COMING???

Several states have evinced keen interest in EDI training programmes and plans are under way to organise EDPs in Bihar, Himachal Pradesh, Andhra Pradesh, Lakshadweep, North-Eastern Region, Arunachal Pradesh, Sikkim and Nepal etc. in the coming months.

TRAINING OF TRAINERS

To institutionalise the entrepreneurship activity various state organisations need well-trained trainers. EDI has finalised a training programme to train 20 trainers of Technical Consultancy Organisations (TCOs), Technical Teachers Training Institute (TTTI) and some state organisations. Three weeks training will groom these trainers in all aspects of entrepreneurship development. The programme begins on June 18, 1984. Nominations are open.

ACCREDITED COURSE FOR EDP TRAINERS

A pioneering scheme to create a cadre of dedicated, competent EDP trainers/motivators to supply to any state/organisation involved in entrepreneurship development programmes, has been planned by EDI. Under this scheme EDI, at its cost, will train trainers in advance of demand. So come on! Plan your EDP schemes, book your demand and rest assured of getting well-trained ready trainers to implement your long term EDP plans effectively.

EDI TO HOST INTERNATIONAL WORKSHOP

EDI is making extensive plans to host an International Workshop on Entrepreneurship Development for less developed African countries, which will be sponsored by Economic Development Institute (World Bank), Washington and IDBI. Participants from African countries, Burma, Sri Lanka, Nepal etc. will come to Ahmedabad for two weeks in January 1985 to interact with EDI experts and other Indian specialists. Senior representatives from development banks, ministries responsible for small industrial development, industrial promotion organisations, chambers of commerce, EDP organisations etc. will discuss strategic factors in economic development, identification of areas of small enterprise, problems of small industry finance, experiences of SSI development in various countries and EDI-India experiences in the field of entrepreneurial identification and development.

ANDAMAN EXPERIENCE

By RAMESH DAVE

During the month of September 83, I was asked to go to Andaman & Nicobar islands. My colleagues asked me, "Only the criminals were sent there during the Raj. Why you?" I smiled. Having worked in the hilly areas of Assam amidst violence, I wanted to take up the challenge of these tribal islands.

I landed there on September 9, 1983 on the interesting assignment of a special EDP.

My very first impression about the people being primitive proved wrong. They are co-operative, simple and eager to know new things. I liked the islands and the people.

During the promotional phase of the EDP, I met various officials and the fact came to the fore that there are only 7 big timber industries and all others are tiny industries. The small scale sector is **totally absent**. I was told that development of this sector will be very difficult due to inadequate transport and communication facilities with the main land and between islands. As people are satisfied with what they are, entrepreneurship will be hard to find.

A real challenge was lying ahead. How to convince people, businessmen and various authorities!

I was hopeful because of the fact that

inspite of numerous problems, people from various parts of India had migrated here with the settlers but also the businessmen. I met a very wealthy

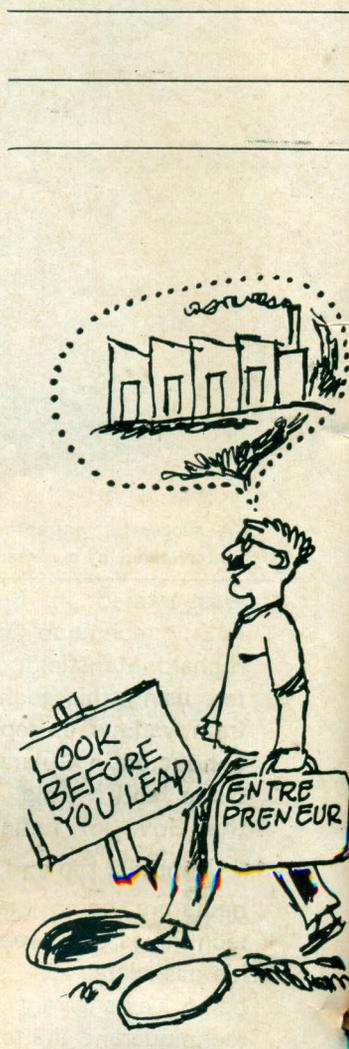
trader of the island who wanted to set up a small manufacturing unit. "Why?" I asked him. Back came the answer, "Because inspite of earning lots of money, I am not an industrialist". That gave the clue. He organised a meeting of all the traders and representatives of his community. I motivated him to narrate his experiences and

feelings so that others can be motivated. I described the hardships faced by people hundred years back and the facilities made available now. people were enthusiastic. I started talking to individuals about the programme and the opportunity of technical training at Abmedabad. Port Blair town was small and market in a limited place. It helped me in meeting individuals quickly. Broadcasting the message on radio generated good response and the support of local bankers was reassuring. I also compiled a list of items having potential in the islands.

My efforts brought results in the form of applicants not only from Port Blair but also from distant Diglipur, an island in north Andamans. The programme with 30 trainees commenced on October 3, 1983. Once the programme got under way, several organisations, institutions and banks came along, their initial misgivings had given way to trust in the local people and at the end of the programme on January 28, 1984 all were convinced about this activity which will develop local resources, speed up small industry development and generate employment. Already 3 units have started production and more are under implementation in the field of soft drinks, cane processing and cane articles, automobile repair shop, match splints, poultry feed, sports goods, pencil slates, paints and varnish, confectionery, biscuits, etc.

I was immensely happy at the outcome. Cheering response, dedicated involvement and entrepreneurship of the people,

tunity.



FILL UP
THE BLANKS.
SEND US
AND
FOR
A GOOD ONE
GET
A GIFT.

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