

EDI REPORTS

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Entrepreneurship
Development
Institute of India

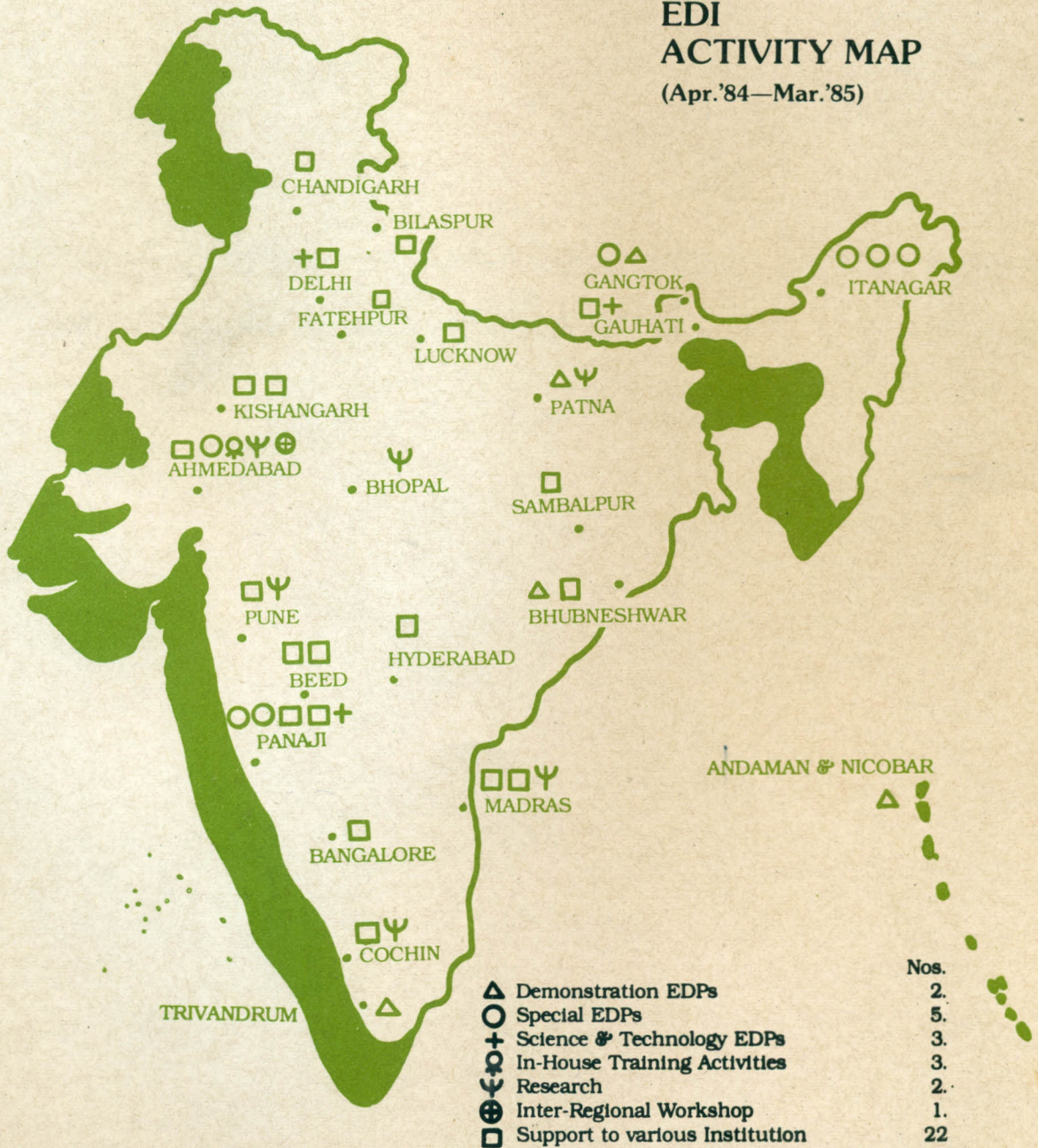
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EDI ACTIVITY MAP

(Apr.'84—Mar.'85)



SPREADING THE EDP MOVEMENT ABROAD

The success of the first Inter-Regional Workshop on Entrepreneurship Development for African Countries hosted by the Institute has generated unprecedented interests in the entrepreneurship development activities, specially among the developing countries.

In the sequel came the request to EDI-I from the Development Bank of Mauritius to conduct a one-week EDP for some thirty entrepreneurs being financed by the Bank. Subsequently, a delegation consisting of the Director of the Institute and a Senior Faculty left for Mauritius.

During their six days stay, the EDI team conducted the demonstration programme consisting of intensive entrepreneurial behaviour inputs and counselling on project selection, project planning and key managerial orientations. The audio-visual presentation of the success stories produced by the Publicity & Promotion Division of EDI, was also shown during the training programme. It received excellent appreciation as a motivational medium and imbued in them an unforeseen enthusiasm for the activities.

Another off-shoot of the Inter-Regional Workshop was the invitation of the EDI-Washington and the World Bank to EDII to conduct seminar in Washington to expose the EDI-W staff and the World Bank officials to the EDP approach. The World Bank has planned two such seminars spread over two weeks so that maximum number of officials of the Bank could participate in the same.

During the free days in between the seminars, various Asian and African country Vice-Presidents of the Bank propose to have detailed discussions with the EDII team so that closer interactions could be worked out for future plans.

On their way to Washington, the EDII team, at the invitation of the Research Institute for Management Science, proceeded to Delft, the Netherlands, to participate in the International Seminar on Entrepreneurship Development. The conference was held between May 1 to 3.

On their way back, the team is spending two days at the Eastern And Southern African Management Institute, Arusha (Tanzania) where EDI-W is conducting a six-weeks training programme for development organisations to acquaint them with EDP approach.



Mr.C. Antonio, the UNIDO Representative in Vienna, trying his hand at Ring Toss Game (an interesting report on Page 5)

SUPPORT TO VARIOUS INSTITUTIONS

I have done three short-term assignments recently. One was to chalk out promotional activities and prepare a calendar for a proposed S&T programme at Ludhiana. With EDI's assistance in specific areas viz. Promotional Activities, selection, achievement motivation, the programme is going to be conducted by NITCO.

Second one was to conduct Achievement Motivation Training at Mandi between 22nd and 25th April 1985. Apart from that I also helped HIMCON in the evaluation of the programme.

The third assignment was again to conduct AMT at Hamirpur and Chaubepur where UPICO is conducting EDPs for general target groups.

— Bharat Bhat
Training Faculty



Achievement Motivation Training (AMT) in progress at Mandi.



SPECIAL FEATURE : RAJCON



MR. K.B. SINGH, M.D., RAJCON

RAJCON - Combining Enterprise with Expertise

Set up in August, 1978, RAJCON has been consistently working for the identification, training and promotion of small entrepreneurs, particularly in the small and tiny sectors.

In spite of working in a competitive environment, the organisation has completed 437 pre-investment and 23 post-investment assignments out of which 370 are in the private, 82 in the public and 8 in the co-operative sector.

In a period of six years, more than 100 units in the small scale and 5 in the medium scale sectors have gone into commercial production under the auspices of this comparatively young technical consultancy organisation. These successfully run units are located in developed as well as underdeveloped areas of Rajasthan. The investments gone into these units add up to Rs. 16.85 million and employment opportunities generated shared by 3,819 people.

IN MOMENTUM

The Rajasthan Government has made a provision of Rs. 3 million for entrepreneurship development activities in the state during the 7th five year plan.

In the wake of the provision, the Rajasthan Directorate of Industries is willing to offer suitable accommodation for such a centre for entrepreneurship development in the Industrial Estate in Jaipur (South). Encouraged by the financial allocation for EDP activities and special facilities available, RAJCON is working on a proposal for the consideration of the State Industries Department and also intends to approach IDBI for a matching contribution for institutionalising the EDP activities in the state.

"Two of our officers have been trained at EDI-I and I am proposing to send a couple of more officers for training in the Accredited Trainers' Course so that we have four trainer-motivators fully trained at EDI-I to initiate, plan, organise and conduct EDPs on a regular and whole time basis, devoting clusive and full attention to EDP activity itself."

Mr. K.B. SINGH, Managing Director, Rajasthan Consultancy Organisation Limited (RAJCON), is a Post-Graduate in Commerce with a degree in Law (to add legal dimension to his commercial acumen). He has been heading RAJCON since its inception in 1978.

During his 34 years of work experience, Mr. Singh has achieved a quantum jump from the position of a lecturer to the post of the Chief Executive of a highly professional organisation. In between, he has held key positions in Small Industries Development Corporation and Rajasthan Finance Corporation.

Mr. K.B. Singh has immense knowledge about the various facets of industrial development in small-scale sector and its possibilities in Rajasthan. His strengths, valid as they are, lie in the fields of industrial extension work, industrial promotion, training for development and many more. His weakness, human as it is, lies in getting moved by tears—perhaps a little too soon and too often !!

RAJCON PERFORMANCE IN FIGURES (Till December - 1984)

Details of assignments completed	No. of assignments
PRE-INVESTMENT CONSULTANCY	
1. Industrial Potential Surveys/ Industry Status Report/ Economic Studies.	17
2. Project Profiles	52
3. Project Reports/ Feasibility studies.	330
4. Escort Services.	15
5. Others	23
CLASSIFICATION OF ASSIGNMENTS COMPLETED	
Private	370
Co-operative	8
Joint	
Public	82

EVALUATION OF ASSIGNMENTS IN TERMS OF INVESTMENT, EMPLOYMENT AND TURNOVER.	
Number of assignments involving investments completed	353
Investment involved	Rs 71.67 million
Employment Potential (Nos)	10501
Expected Turn-over	153.70 million

RAJCON & EDP

RAJCON's faith in Entrepreneurship Development Programme (EDP) is more than half a decade old. They have so far conducted eight EDPs out of which two have been organised with EDI-I providing expert services in specialised inputs. One of the two EDPs conducted in association with EDI-I, was for general target group in the rural area of Kishangarhbas and the second for science & technology graduates and diploma holders in Jaipur.

"In fact, a lesson I have personally learnt, from the collaboration of EDI-I with RAJCON" Mr. K.B. Singh said, "is that follow-up during the post-programme period is the most critical factor used. It is this factor which makes all the difference in getting results".

In this context Mr. Singh appreciated SBI. "Their follow-up is also very well organised and extends over a period of two years at interval of 3 months."

"In the EDI-EDP model pre-programme promotion activities, selection of trainee - entrepreneurs, choice of faculty and opportunity guidance leading to the preparation of project reports and then the follow-up — these are the five levels of involvement. In which area as a TCO you would like to play a leading role?"

"Since EDP is a local activity, mostly, and TCOs have local jurisdiction, probably in the pre-programme promotional stage, they can play a major role. Their network is fairly spread in their respective state and therefore they enjoy a point of advantage in carrying out this work intensively. Switching from the Pre-programme promotional work, it is in the follow-up stage again that the TCOs, with their backup support of technical expertise and local net-work, will again be in advantageous position to execute. In the rest of the areas like selection of candidates and that of faculty and training inputs and expert, institution like EDI-I with its specialised expertise and experience is better placed to take the lead. The contribution of EDI-I trainer-motivator has been, frankly speaking, quite educative for me and other members of the Selection Committee. In the selection of faculty, it has almost been standardised by EDI-I and we follow-up the same depending upon the nature of inputs to be provided."

Regarding the "input, content or syllabus" part of an entrepreneurship development programme Mr. Singh felt that they required some "pruning". "It is better that factory visits are organised almost everyday where learning in an appropriate atmosphere is more effective and realistic." In the same context, Mr. Singh spoke of "another factor...the audio-visual aids". He opined that "the audio-visual aids will leave deeper impact and motivation will be greater on the part of the trainee-entrepreneurs".

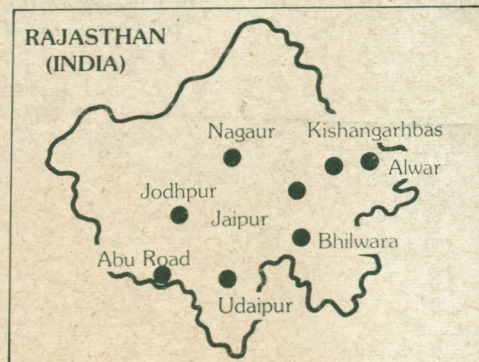
Commenting on the two models, in terms of duration — one, full time 6 weeks programme and the other, a part-time 12 weeks programme - Mr. Singh said, "probably the 3 months duration course may yield better results as the time will be adequate for creating required impact on those who are trained, since their involvement with the training and the trainers will extend to a longer period". He further said, "Interaction between the trainer, the faculty and the trainees will be longer in the case of 3 months programme and as a consequence the impact will be deeper."



Mr. S.C. Sehgal, Consultant (Textiles) has 20 years experience in industry and industrial & management consultancy. Now he has an additional involvement in conducting Entrepreneurship Development Programmes which he finds "more satisfying and meaningful".



Mrs. Neela Sharma, Consultant (Chemicals) has 14 years experience in Project Engineering Development and Consultancy. Her deep commitment and involvement in her work makes her an ideal candidate to specialise in EDPs for women.



Places where RAJCON has conducted EDPs.

ASIDES !

"An EDP Model is not something static. It is not a scripture. It is to be adapted in relation to the target group in view, the area where the EDP is to be conducted, the socio-economic state wherein the level of development or response has been targeted".

* * *

"TCOs are the arms and limbs of the All India Financial Institutions, the State-level financial institutions and the Banks...and therefore greater co-ordination and inter-action between EDI-I and TCOs will lead to better results in that direction."

* * *

"EDP activity is a senior level job. Its direction must be at a senior level until the young trainers are fully trained up and acquire not only skill in imparting the training but also a sense of commitment, because EDP calls for commitment and only committed and dedicated trainer motivators can carry the activity forward in a meaningful manner."

* * *

"In fact, with their own consulting staff in various disciplines.... they (TCOs) are in the most advantageous position to offer individual counselling to entrepreneurs and also help them in identifying suitable projects and preparing viable project reports for the consideration of financial institutions. Even during implementation the consulting staff will be able to provide them the technical support in a manner that many of the pitfalls that generally occur during the project implementation stage would be avoided."

— Mr. K.B. SINGH



Mr. M.L. Gupta, Consultant (Mechanical) has 15 years experience in production, maintenance, projects and consultancy. He is known for adjusting his wave length to suit the one he is talking to — the one quality that is bound to take him a long way in the areas of rural EDPs.

A TALK WITH
MR. GERRIT B.H. RENGER
DIVISION CHIEF, EDI—Washington

Mr. Gerrit B.H. Renger, Chief of the Industry & Finance Management Division of the Economic Development Institute of the World Bank recently visited the Institute on his way to various South East Asian countries and China. An excerpt from the conversation that we had with him during the visit.



Sitting from Left to Right :

Dr. V.V. Bhat, Mrs. Renger, Mr. Renger, Dr. V.G. Patel and Shri H.C. Raval, Sr. Faculty EDII.

A LATE TALE

It was 21st of February 1985. The International Workshop on Sharing Expertise and Experience amongst Small Industrial Enterprises in Developing Countries organised in collaboration with UNIDO by the Small Industries Development Organisation, Govt. of India, was over in New Delhi.

But not for us in Ahmedabad.

Some of the delegates to the Workshop who were specially interested in the entrepreneurship development activities had continued their search for expertise and experience in that area. Under the leadership of Mr. C. Antonio, the UNIDO Representative in Vienna, they visited various organisations conducting EDPs in the country and finally arrived here to visit our Institute. Even while I was in the process of receiving them, one of the delegates quipped, "Another place with the same reverberations about EDPs!"

I smiled but said nothing. For not only his looks but also his voice, betrayed the boredom and tiredness that normally creeps in when one, day-in-and-day-out, goes through excess of even excellent experiences.

Since they were supposed to be with us only for four hours, we had organised for them audio-visual presentation of the success stories, two brief sessions on EDI-EDP model and lastly, the Ring Toss Game.

The change of mood which the audio-visual presentation so happily initiated was further blossomed towards the end by the analytical session, after the Ring Toss Game, wherein the delegates personally experienced how a simple game like the ring toss could be transformed into a serious self-realisation activity.

The deft handling of the cross-examination part of the analysis by Mr. H.C. Raval, Sr. Training Faculty, EDI-I and his subtle suggestions about individual weaknesses and strengths as revealed by the game specially impressed the participants most. The freshness and satisfaction could be seen writ large on their faces.

When I met the gentleman again in the evening while seeing them off, he grinned and said, "I feel so fresh and different". After pausing for a while he added, "Both about the Institute and myself!"

— ASHOK K. SINHA

AKS : Compared to other countries you have so far visited, how do you find India in matters of entrepreneurship development?

GBHR : This particular programme here in EDI-I, I think, is unique. I have never found something similar in any other part of the world.

AKS : After the success of the first Inter-Regional Workshop for African countries, how EDI-Washington proposes to take care of the interests generated and to consolidate and channelise them in the right direction?

GBHR : It created so much interest that we have now invited Dr. Patel and one of his colleagues to come over to Washington and give some talk to those in the World Bank dealing with various regions.

As a second phase, we could like to intensify, probably first in Africa, the collaboration between EDI-I and local institutions. One possibility could be that staff from EDI-I, visits a number of African countries to give seminars to interested parties there. Another variation could be that special training sessions are held at Ahmedabad in the Institute to train the trainer-motivators from these countries.

AKS : How the World Bank can help EDI-India in initiating some of the follow up measures which the Institute feels should be taken to further motivate the developing countries towards implementing EDP activities?

GBHR : We in EDI-W do not have really the means to finance such a detailed follow-up. It is much more for the operational part of the Bank, most probably, the Industrial & Finance Division to search for financing which could be very well done, for example, out of the technical assistance components of the World Bank loans made specifically for small industry development.

AKS : Apart from organising such Inter-Regional Workshops, what other activities EDI-Washington has for the promotion of entrepreneurship in developing countries?

GBHR : At the moment we don't have any such activities because the Workshop held here was very much as a first experiment. Now, we have to organise ourselves more to see if there is a role for EDI-Washington to play ! I think, there is in the sense that we may want to join with the EDI-I in having one or two more Workshops of the kind we had last January. But more detailed follow-up falls outside the EDI-W's ground and is more the responsibility of other parts of the Bank, as I mentioned above.

EDI's EXPERIMENTAL RURAL ENTREPRENEURSHIP DEVELOPMENT PROGRAMME

HIGHLIGHTS

Area : 83,578 Sq.Km.; Population : 6,31,839.
Literacy : 20.09 percent; Capital : Itanagar. 70% of
its land covered with forest; no railway in the
state, even the capital, Itanagar still unconnected
by air.

Inhabited by 43 tribes living in 2973 villages most
of whom cannot speak one another's language.

Even in the capital city, many people still roam in
traditional tribal costumes. Generally people
scrape a meagre livelihood by shifting agriculture
(jhuming), tree cutting and keeping a few
livestock.



Villagers of Pachin (Arunachal Pradesh) assembled for a promotional meeting being conducted by Tame Yam (sitting on bench at extreme right), the trainer of the Arunachal Institute of Excellence.

In course of the pre-programme promotional activities for a General EDP at Itanagar, I had a desire to conduct an experimental EDP for simple, uneducated tribal youths.

Irked by the unwillingness of the official local agencies to financially associate in such an unorthodox venture, I started looking for some private bodies to help in this novel exercise. Such a help was expressly required since, first the programme had to be conducted in the local link language and second, the financial collaboration too was to be taken care of.

In the meantime, Mr. K.B. Chakravarty (locally known as 'Dadu') a retired government officer, Tame Yam, the local co-operative instructress, and some others had formed a voluntary body called the Arunachal Institute of Excellence with a view to take up and encourage educational activities among the local youth. One of the proposed activities was entrepreneurship development. I approached Dadu, who had been associated with the General EDP at Itanagar and finalised the collaboration.

Modifying the selection technique of EDII to suit the desired target group, the thirty trainees between the age group of 18-35 were selected. The number of men and women candidates was almost equal. The enterprises selected ranged from animal husbandry and agricultural projects to cottage and service industries like machine knitting, laundry, restaurant, etc.

The four weeks of part-time class room training were followed by two weeks of technical training. All aspects of the regular EDP were covered, although in a simplified and condensed form to suit the trainees' literacy level and project sizes. For example, concepts in accounting were taught with the help of beads and leaves. All trainees could thus easily grasp subtle nuances of the subjects taught.

The enthusiasm of the participants could be well judged by the fact that they on their own levied fines for late and irregular attendance, collected the same internally, and used them to finance their tea breaks !

Even while the first EDP was on, a two week experimental rural EDP aiming at live stock activities was also run and was found to be very successful.

The EDP training has increased the confidence and awareness of these Arunachal youths. Most of them have already started taking various requisite steps to start their business.

Spurred by the happy change in them, their clan members and friends are now banging on Dadu's door to speed up the next programme.

— RAHUL
Training Faculty

The Lighter side

The classes were held from 6.00 AM to 9.30 AM, since many participants had jobs or petty contracts or cultivation or household work to do during the day.

When Rahul as per normal practice suggested to hold the classes in the evening, he was told, "There is a local tradition of drinking from the late afternoon onwards. So during the hours you have suggested for holding the classes, you will have to drain not train us !"