QUARTERLY 1988 Jan. Feb. March 1988

# **EDI REPORTS**

**Entrepreneurship Development Institute of India** 

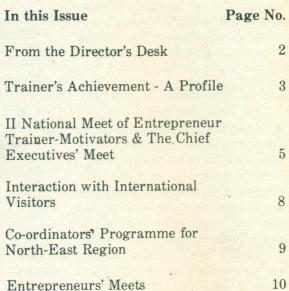
(Sponsored by IDBI, ICICI, IFCI & SBI)



Industries Minister Shaikh Hassan inaugurated the Entrepreneurs' Meet at Ponda on 11-2-88. Sitting from left are: Dr. H.C. Raval, Chief, Training, Dr. V.G. Patel, Director EDI Dr. P. Asthana, General Manager IDBI, Dr. J.C. Almeida, Managing Director, EDC, Dr. P. Deshpande.



Mr. Ramesh Dave, Sr. Training Faculty, EDI solving some of the problems & issues raised by the participants during the II National Trainers' Meet held at EDI Campus.





## **EDI MISSION AND STRATEGY**

The Institute has so far directed its training and research activities towards becoming a national resource organisation committed to make an impact on development of entrepreneurship by creating conditions and environment conducive for it particularly, in less developed regions and socially disadvantaged and other priority population groups. The Institute's strategy as reflected in the plan for the year focuses on strengthening its national resource role.

a. Institutionalising Entrepreneurship Development:

By developing a national network of organisations and institutions committed to and sharing EDI's mission to make an impact on entrepreneurship development in areas and for people that are scattered geographically and differ in their socio-economic and cultural backgrounds. All entrepreneurship development related activities must aim at strengthening institution building by ensuring progressively increasing involvement and committment of state level organisations in these activities.

The thrust, therefore, will be to progressively enlarge EDI's coordinator, supporter, resource institution roles more than the 'Doer' - role. Our focus will, therefore, continue to be on improving the effectiveness of local EDP organisations through manpower development and resource support programmes. These include long duration courses for enlarging and developing the new cadre of trainer-motivators and several functional, skill development programmes for existing trainers, counsellors etc. To initiate the institutionalising process in specific needy regions. EDPs will be conducted in

selected states by the Institute itself, such as in Mizoram, Nagaland, Pondicherry, Lakshwadeep etc.

Past experience has also shown that we must strengthen our regional presence to spread the entrepreneurship movement effectively. Awareness about the Institute as a national resource and it's impact through local organisations can be felt if our Regional Resource Person (RRP) concept is more effectively implemented, and more interactions take place at state level. The RRP strategy is proposed to be pursued with enhanced manpower committed to it. States selected for focus this year are: North East Region (particularly Mizoram and Nagaland), Orissa, Andhra Pradesh, Uttar Pradesh, Bihar, Himachal Pradesh, Tamilnadu

and Karnataka. A number of regional seminars, entrepreneurs' meets, institutional meetings, closer interaction with newly set up state centres or institutes of entrepreneurship development, particularly UP, Bihar and Orissa, have been planned.

b. Environment for Entrepreneurs:

We have realised that EDPs and institution building alone are not sufficient. The environment for entrepreneurs also deserves to be cultivated in the wider context of entrepreneurship development. Extension training to officers of support institutions, institutional meets to generate involvement and support of key agencies, and EDP appreciation seminars are planned. These would generate better perception of problems of first-generation entrepreneurs, support measures required to



Dr. V.G. Patel, Director EDI inaugurating the II National Meet of Trainer-Motivators. Sitting from Right to left: Dr. A.N. Oza, Chief, Research & Development Wing; Shri A.K. Sinha, Director, Xavier Institute of Social Service, Prof. Anil Trivedi and Prof. B.P. Murali of EDI who coordinated the Meet.

accelerate the process of entrepreneurship and project implementation and, therefore, will benefit entrepreneurship community as a whole, even if gradually.

c. Resource Building and Spread Research and Development:

It is imperative that EDI contributes new knowledge, new products, valuable cross-country data on entrepreneurship development, development of teaching kits and aids etc. Such contributions alone will make it possible for its national resource role to blossom and get accepted. We have a competent group of researchers, headed by a senior economist in undertaking a national study of impactgenerating self-made entrepreneur: implementation and documentation of a rural entrepreneurship strategy; McBer project on entrepreneurial competencies, evaluation of EDPs and validation of selection tools which would be of

considerable interest to policy makers, support institutions and researchers and trainers in the field of entrepreneurship.

As a resource organisation, the Institute is expected to document and share lessons and experiences through publications and facilitate state level organisations through training material and teaching aids.

d. Support to Developing Countries: Interaction with developing countries are also anticipated specially because the Institute is treated as a resource organisation by several developing countries and international development organisations. Selective but positive involvement in meeting the needs of developing countries will be continued. Ghana and Guinea are two countries which will call upon concrete support to the EDP process being implemented by them, funded by the Special Project Facility of the World Bank. Training of trainers for developing countries

including those of Ghana and Nigeria has been completed recently.

e. New Product-Markets:

In the matter of new product market segments, it is proposed to explore new vistas (target groups, technology etc), to pool knowledge in them and then share with others as a resource/lead organisation. Entrepreneurship in education, both in schools and colleges, is becoming more and more significant. As a national task, it is proposed to develop teachers of science and technical colleges and high schools to enable them teach entrepreneurship to students. Similarly, among new target groups, it is proposed to explore non-resident Indians and export oriented entrepreneurs, their profiles and needs if research funds are available. The new Focused Behavioural Interview technique for assessing entrepreneurs is new knowledge resource which will be of interest to financial institutions.

Risk-taking is the essence of innovation.

# TRAINER'S ACHIEVEMENT — A PROFILE

- Chandramouli Pathak

Belonging to the profession or cadre of Trainer-Motivators is a unique opportunity and challenge. I myself have been a Trainer-Motivator (T-M) for more than 12 years. The day you decide to become a T-M, all the excitement, challenge starts. But this excitement does involve unavoidable frustrations, feeling of helplessness and loneliness. Before you realise that you are really contributing to social, economical and industrial development of a society, you are caught in a series of blames from your supervisors, sponsoring agencies and so on !!!

I have always wondered how best one can really assess contribution of a developmental work. By remaining in the field of entrepreneurship, I think, I have understood how much a Trainer can enjoy satisfaction of achieving something. It is with this feeling and understanding that I want to share some of my views with my brother-colleagues, a distinct class of Trainer-Motivators.

I am proud of my work, role and profession and no criticism can affect it. Yes, it can strengthen my work. The experience and anxieties are so secret, that in fact each one of us thinks he or she is the only one who has ever felt it. But when I talk to my colleagues, I do realise, it is more or less the same. The time, conditions and degree of it differs. It may be failure on the part of a faculty to attend the session at the last minute, entrepreneurs approaching you late evenings for their personal problems, trying to convince a banker to help your entrepreneurs, travelling and staying in a centre where obtaining even a proper meal is a problem.

I am sure, all of you must have felt

that nobody is there to help you, "I alone have to do it". But surprisingly this has always led us to excel and work hard. This is what I mean by distinct breed or class of T-Ms.

Whatever, other people may say about Entrepreneurship Development as a trainer, I do have lot of faith in it. The environment! Yes, it bothers all of us. Someone had promised to give you support and has failed, someone guaranteed you to do something and has not done it. Of course the environment is really nonsupportive and that is 'the' main reason we have to work. Yes, you may feel nothing moves, but with fleet of trainers like us now can we not make things move?

Let me be very clear and frank that I do not mean to say that Trainers can perform miracles, though I have witnessed it happen sometimes. For instance, in a remote corner of Nagaland-Mokokchung, trainees, who have not even seen railways, think of becoming entrepreneurs, or in interior rural village of Ikauna, low income rural youth in his Dhoti and torn shirt, establishing venture of his own. I realise that I have yet not said anything to help you. I think the best way to do is to ask a question.

What can a Trainer achieve?

Let me clarify. I am raising this question for myself and not for sponsoring agencies or their chiefs. I take this of ortunity to share my views, based on the following points:

1. Identifying potentiality and creating awareness amongst those deprived of entrepreneurial opportunity so far, for exploration of possible entrepreneurial opportunities/career;

- 2. Leading and motivating young people (women, S&T, tribal etc.) from different segments of society, who on their own perhaps will not become entrepreneurs;
- 3. Establishing faith in society and amongst support agencies for first generation entrepreneurs;
- 4. Facilitating and accelerating the process of becoming entrepreneurs and setting up on new entrepreneurial ventures;
- 5. Making the support structure sensitive and responsive to first generation entrepreneurs;
- Creating an impact and initiating entrepreneurship, in the region/community;
- 7. Co-ordination and linking up various activities of entrepreneurs to facilitate their procedural work;
- 8. To equip and prepare potential entrepreneurs to man the environment and develop their entrepreneurial and managerial capabilities;

The above points are a combination of tangible and intangible achievements, T-M can achieve. Though, the end result is number of units established, one need not be confined to it. It needs to be seen how this activity has created an impact in process of entrepreneurship development.

I have no intention of elaborating and justifying these points because I am confident that all T-Ms would agree to it without much fuss over it.

At this point of time I would also like to give a word of caution to my fellow trainers. This is specially with a view to avoid limiting trainer's contribution to only part of EDP— i.e. training. Many of us get involved into day to day training to such at extent that we loose overall focus. And like all new entrepreneurs, we also realise our mistakes at a late stage. It adds to our common feeling that we have worked so hard, so much, but still people and organisations are not happy-and don't think everyone can contribute equally in all aspects. Even if you think of your contribution in few selected areas, it is worth concentrating, your efforts in these directions/areas.

To end, or should I say initiate, I tak liberty of giving few words of caution to you.

- \* Don't create dependency; development confidence in your trainees to manage on their own;
- \* Do not dominate as an "expert but act as a real 'counsellor';
- \* Let entrepreneurs decide, traine should give only alternatives t him and check the choice th former has made;
- \* The role of a trainer i participative and not authoritative;
- \* You are dealing with adul potential entrepreneurs, no students:
- \* Success in an EDP is not one tim success. Not only one factor is responsible for its success Success is a matter of combination of various factor and the art of trainer-motivato lies in combining these factor realistically to achieve desire results;
- \* The effectiveness of training is not what you have taught, bu what entrepreneurs have learn

The only way you can motivate people is to communicate with them.

# II NATIONAL MEET OF ENTREPRENEUR TRAINER-MOTIVATORS

## THE CHIEF EXECUTIVES' MEET

(MARCH 15-17)

In keeping with the promises made by the Institute to hold the National Meet of Trainer-Motivators annually, the Second Meet was held at the Campus with a view to exchange experiences, up-date knowledge on pre-identified themes and also give a particular direction to this new cadre of trainers.

The deliberations held during the three days of intensive interactions assumed special significance since they were also finally discussed in the two-day Chief Executives' Meet which was, for this very purpose, telescoped with the National Meet of Trainers.

The Chief Executives of EDP-conducting organisations discussed the course of action based on the trainers' deliberations and thrashed out major issues concerning entrepreneurship development and ED related activities.

The National Meet was attended by 29 trainers from TCOs, IEDs, CEDs, Commercial Banks, Colleges and Voluntary Organisations.

The Chief Executives' Meet was attended by 13 Heads and Seniorlevel Officers of IDBI and IFCI. Executive Director of NIESBUD and the Institute led the interaction with the Chief Executives.

The Trainers' Meet highlighted the growing confidence, competence and commitment of the new cadre of Trainer-Motivators who reported improved performance and clearer perceptions about what needs to be done to achieve better results. Most critical problems faced by trainers were:

the organisational pressure to complete more than reasonable number of EDPs in a given time frame thereby not allowing adequate preparations and time for promotional work, good selection, sufficient training and counselling.

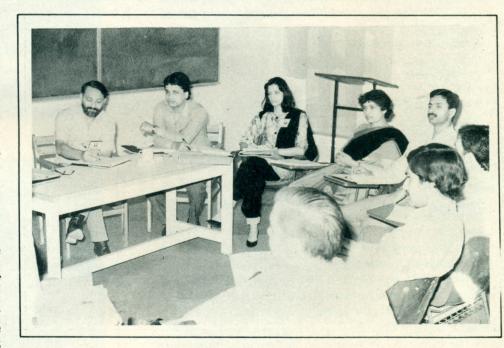
— the presence of a variety of organisations conducting unplanned, ad hoc, EDPs primarily to pocket the training subsidies which caused more damage to the EDP movement.

In view of the above two major problems faced by the professional trainer-motivators a better screening of organisations and programmes by the EDP sponsoring organisations and laying down of tighter conditions regarding professional capabilities, curriculum, duration, length of follow-up etc. were considered most essential.

the existing publications and produce the new ones suitable for the local conditions.

The Meet of the Chief Executives which was initially addressed by the Director of EDI and NIESBUD deliberated upon developing stronger linkages between the national organisations, on the one hand, and the state-level agencies on the other and thereby make the organisations aware of their objectives and strategies. In the process good possibilities of better co-ordination between NIESBUD and EDI were also perceived.

The Chief Executives' Meet was also addressed by senior officials of IDBI and IFCI. On behalf of the EDP



Trainers in a group discussion

Another missing link which was widely discussed was the training and counselling literature in local languages. Both EDI and NIESBUD responded to fill the void by encouraging trainers to translate

sponsoring organisations they assured that EDPs will continue to remain important, that support in terms of training grants will

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# Highlights of the Trainers' Meet

- 1. Concern was expressed on inadequate time being provided towards pre-training preparation and follow-up support. They also felt that in case sufficient response for a given EDP was not forthcoming neither the trainer nor EDP conducting agency should hesitate to postpone or abandon the programme.
- 2. A need was expressed to involve appropriate selection tools & techniques, EDP curriculum, training material etc., with reference to various target groups and their needs rather than adopting a stereo-typed approach. It was also conveyed to prepare training material in vernacular languages wherever possible. The members were of the opinion that national institutions like EDI/NIESBUD could focus more on these issues. EDI/NIESBUD welcomed the idea of translating the material that they have developed in local languages and they would be very happy to give their consent to state level agencies for translating the material.
- 3. It was mentioned that the present approach of imparting AMT needs modification to suit the requirements of various target groups. It was felt that experienced professional trainers need to be involved in imparting this training.
- 4. It was also suggested to impart motivational inputs to decision-makers within the family of first-generation entrepreneurs so as to create motivational support to them.
- 5. To increase the credibility of EDPs, it was suggested that short duration awareness programmes should not be labelled as EDPs. Moreover, several agencies conducting EDPs at one place within a short span of time needs to be avoided.
- 6. Regarding new avenues in the area of ED, it was suggested that certain new target groups such as slum-dwellers, small time retailers, destitute women etc., be brought under the umbrella of EDPs. Considering that it is not feasible to concentrate on manufacturing/service ventures in depressed rural areas, tribal areas etc., it was suggested that scope of entrepreneurship be extended to cover activities such as trading, sericulture, aquaculture etc.
- 7. As a part of inculcating Entrepreneurship at an early stage, it was suggested that comics/magazines be published for children with folk stories containing elements of entrepreneurship. Teachers and parents be also trained to inculcate the spirit of entrepreneurship in children as a part of early socialisation. There were interesting discussions about EDPs for promoting co-operatives and voluntary social/developmental agencies.

8. As regards certain issues connected with career of trainers, there was a feeling amongst the trainers that there was no uniform pattern either regarding their status in the organisational hierarchy or the salary structure. In agencies like TCOs, it was felt that promotional avenues be opened for trainers by equating them to a given cadre in the organisational mainstream. The practice of appointing trainers on contractural basis was commented upon, considering the perceived insecurity of job, which would make it difficult for the trainers to exhibit the commitment.



Mr. Rajiv M. Srivastava, State Bank of India, New Delhi being awarded the first prize for article on "Innovative Experiments in Entrepreneurship Development."



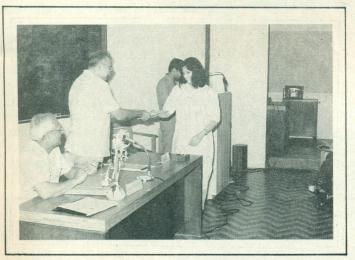
Ms. Aruna Kaulgud, Entrepreneurship & Marketing Development Organisation, Bombay being awarded the second prize for article on "Do women Entrepreneurs need special treatment in launching Enterprises?"

# Highlights of the Chief Executives' Conference:

- 1. At the outset, Dr. V.G.Patel and Dr. MMP Akhouri outlined the approach and strategy of EDI and NIESBUD respectively emphasising on the resource-building role of the national agencies. Considering that EDP was a grassroot level activity which had to be taken to district/taluka level, it was felt that there was a need to build up trained manpower resources.
- 2. It was felt that there was a need to create a conducive environment for promoting ED and it could best be



Mr. J.B. Sahoo, State Bank of India, Guwahati being awarded the second prize for article on "Own Source of Finance—a New Perception".



Ms. Madhuri Lele, Entrepreneurship & Marketing Development Organisation, Bombay being awarded the Consolation prize for article on "Early Socialisation as a source of building entrepreneurial personality".

- done by organising Extension Motivation Programmes for officers of support system to orient their values towards nurturing entrepreneurial talents.
- 3. Attempts should be made to introduce Entrepreneurship as a subject in education system.
- 4. A need was expressed to develop training modules for existing entrepreneurs particularly for those whose units have become sick.
- 5. As regards project appraisal, there was a suggestion that national institutions like EDI/NIESBUD should jointly frame guidelines for appraisal of projects of first-generation entrepreneurs and provide the same to SFC/commercial banks.
- 6. EDPs should be evaluated periodically and IDBI should sponsor such evaluation projects.
- 7. While expressing concern on some of the agencies going ahead with an EDP even when the response from potential entrepreneurs was inadequate, it was mentioned that sponsoring agencies would appreciate EDP conducting agencies abandoning or postponing such an EDP and would be prepared to reimburse the initial expenses towards promotional work in such a case.
- 8. As regards funding EDPs, it was indicated that sponsoring agencies would welcome a long-term EDP plan from EDP conducting agencies. Expressing concern over information gap on the part of officials of financial institutions as also potential entrepreneurs as regards certain schemes of assistance for entrepreneurs, it was suggested that financial institutions can meet jointly to provide publicity to various schemes. In this matter, EDP appreciation programme for officials of the support system could play a major role.
- 9. It was felt that the trainer is oriented towards 'people development' aspect of EDP whereas consultants in TCOs are more oriented towards the project development. Hence there was a need to develop 'people orientation' amongst consultants in TCOs engaged in EDPs for which, specific training programmes need to be developed.
- 10. It was suggested that EDP was not to be treated as an isolated activity but be made part and parcel of the state policy which would involve convincing decision-makers at the state government level. On this ground, the Director, EDI, offered assistance in conducting state-level meetings to muster support from concerned departments.

continue but both these mostly depended upon the effectiveness of EDPs in terms of results and costeffectiveness.

The Chief Executives, in turn, appreciated the assurances given and on their part decided to systematically compile and provide data on programmes conducted. It was decided then that an evaluation

of EDPs will be undertaken jointly by NIESBUD and EDI.

But the most passionately debated issue in both the Trainers' and Chief Executives' Meet was the future career prospects of this new cadre of professionals. What pricked the trainers was the unfavourable professional and financial treatment meted out to them. What worried them was the absence of any growth prospects within the organisations.

What delighted them was the prospects of this cadre getting national recognition and status and the possibilities of their growth prospects getting chartered with the creation of state level CEDs/IEDs.

To encourage trainers in sharing their experiences Best Paper Awards were announced. Four trainers were given awards for their respective papers in this Meet.

# INTERACTION WITH INTERNATIONAL VISITORS

The Commowealth Secretariat has initiated a project for developing curriculum guidelines for introduction of Entrepreneurship in the education system in developing member countries. As a part of the project, it is proposed to prepare case studies of successful experiences of ED efforts in cross-cultural conditions.

In this context, Ms. Hena Mukherjee, Chief Project Officer of HRD Group of Commonwealth Secretariat, London, visited EDI during February 1988 along with Dr. Cream Wright. Consultant.

Given EDI involvement in ED efforts, the Commonwealth Secretariat has decided to award the contract to EDI for preparing a case study on successful ED efforts taken up in a given region for a given target group consistently over a period of time.

Fifteen case studies from different countries would be collected and analysed to arrive at the conclusion as to what constitutes successful ED efforts and the same would be shared among member countries. EDI's Work will be to prepare a case study by June/July 1988. The formal contract from the Secretariat is awaited.

EDI faculty had interaction with Mr. Faisal S. Ali, Consultant, ILO, Sudan, who visited India during March 1988 on an exploratory mission which would help in arriving at appropriate strategy for Small Business Development in Sudan.

It was indicated that as of now, there were more than a million refugees in Sudan who formed the target group for ILO Programme involving small business development.

Initial experiments in the area of small business development have resulted in about 100 manufacturing/service ventures being promoted by refugees.

Encouraged by the response, keen interest has been shown by international agencies including the World Bank for enhancing the scope

of the programme to cover wider target groups including local Sudanis youth.

EDI faculty explained the work that EDI has accomplished in international scene so far. Suggestions were made regarding appropriate course of action for initiating ED efforts in Sudan which could involve at the outset primafacie assessment of industrial environment and institutional infrastructure.

A competent group of local officials could be selected to be trained as ETMs at EDI. This could be followed by identification of business plans in a given location in Sudan and launching of a Demonstration EDP which could later be replicated in the country by local trainers. The suggestions were well received by the ILO representative and he indicated that efforts would be made to incorporate the same in his report to the Govt. of Sudan and would be followed up.

The most important single thing is having an idea and putting it into practice and seeing it bear fruit.

# CO-ORDINATORS' PROGRAMME FOR NORTH- EAST REGION

It has been increasingly realised that given adequate time and manpower resources towards proper coordination and follow-up, the results of an EDP can be definitely improved.

In view of this, the concept of creating a cadre of co-ordinators from Directorate of Industries/DICs to provide support to the trainers in performing key tasks of an EDP and also to carry out the follow-up work on a regular basis was developed.

NEITCO, Guwahati, took the lead and arranged to have an exclusive training programme for NER coordinators from February 1-20, 1988 to be organised by EDI at its Campus.

In all 14 officers participated in the programme representing Nagaland, Manipur, Tripura, Mizoram, Asssam and Meghalaya.

The participants were imparted



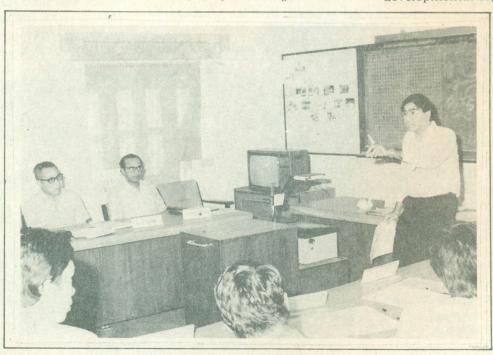
A participant in the midst of the ring toss exercise which is a part of the Achievement Motivation Training.

Others in the group are keenly observing the proceedings.

inputs on EDP Approach and Model, Selection Tools & Techniques, Business Opportunity Guidance, AMT, Skill Development, Project Report Preparation and Follow-up strategies.

The feedback on the programme indicated that these trained officers were confident about providing necessary support to EDP trainers and would be able to look after follow-up activities, counselling of participants, project report preparation and preparation of loan applications for financial assistance.

The Institute plans to follow-up the contribution made by these trained co-ordinators and if found successful, it would replicate this model in other states as well so that there would be a proper linkage among trainers, entrepreneurs and various developmental organisations.



Mr. Romesh Sood, M.D., NEITCO discussing the role of co-ordinators in EDPs in the NER with the participants.

### ENTREPRENEURS' MEETS

The Institute's direct involvement in conducting of EDPs in a variety of areas and for different target groups led to the realisation—that the environment has to be necessarily improved if the first generation entrepreneurs have to blossom. For that a two way communication channel has to be opened so that the new entrepreneurs develop confidence and faith in the existing machinery and system and the system and machinery may have trust and good will for the budding entrepreneurs.

With this realisation and objective in mind the Institute launched a series of State-level Entrepreneurs' Meet. The strategy was to provide a platform for new entrepreneurs to interact with the representative officers of all concerned organisations and appraise them with the kind of problems they faced and also to know what the concerned officers had to say about those problems and how they felt and what they had in store for them.

In fine, the strategy was aimed at solving the problems presently faced and thereby develop mutual trust between the system and the aspiring entrepreneurs.

#### **GUWAHATI**

were present.

The Entrepreneurs' Meet in Guwahati was organised in collaboration with NEITCO and NISIET. A questionnaire was sent to over 100 trained entrepreneurs to collect data about the problems that they faced in implementing their project plans. Out of them forty entrepreneurs responded with adequate details and thirty seven attended the meet. From the institution's side officer from the Directorate of Industries, AFC, AIDC, IDBI, SBI, IFCI, NABARD, KVIC, NEC, NEITCO and NISIET

The main issues that emerged were:

— delay in getting allotment of land
(to an extent of even 5 yrs.)

problem in getting subsidy

- problem in availing seed capital
- problem in getting scarce rawmaterials
- -- indifference of the implementation-level officers.

After the Meet a proposal was made by the Institute to reserve 15% of land/sheds for trained entrepreneurs. The Director of Indsutries and the Infrastructural Corporation of the Govt. of Assam assured to move the proposal with appropriate authorities. Some of the questions that begged for an answer and were posed by the Institute:

- (i) Is it proper for organisations to conduct EDP without considering the availability of infrastructural facilities?
- (ii) In view of the infrastructural constraints, do we select only those potential entrepreneurs who have or can arrange their own infrastructural facilities?
- (iii) And for the same reason should

we promote only such projects the do not call for special infrastructure facilities?

The major problem encountered be entrepreneurs of this region we non-availability of subsidy in time. While deliberating on this issue, was revealed that due to paucity funds and delay in availing reimbursement of subsidy from the central government, the state we not in a position to disburse subside. No genuine solution to this proble could be sighted since it involves tate-centre political and economic equations.

Another common problem was about the state government's scheme of seed capital operated through AID. The rate of interest being 17%, the whole purpose of the scheme will defeated.

#### GOA

At Ponda, Goa, the Entrepreneumet was inaugurated by the Staminister for Industries and presiduover by the General Manager IDBI. The Meet was well-attend



Entrepreneurs interacting among themselves at the Bangalore Meet.

by 30 promising entrepreneurs and brought to light some of the major irritants in the up-coming of new entrepreneurs. The problems were mostly related to infrastructure—water, power supply and communication.

The Minister, in his inaugural speech, stressed the state's preferences to promote pollution free units and pointed out that sales-tax holiday for small sector in the state was fifteen years. He assured that at the earliest possible, all bureaucratic bottlenecks will be cleared and steps to introduce entrepreneurship as a subject in Higher Secondary Schools will be taken.

Some of the problems highlighted were:

- Procedural delay in registration of the unit
- Non-availability of the infrastructural facilities
- Non-availability of transport facilities to and communications facilities in the industrial estates.
- Enormous delay in the disbursement of loans due to complicated procedures.

#### HYDERABAD

In order to have an extensive coverage of the problems and issues involved in project implementation, over 400 entrepreneurs trained by APITCO through EDPs were contacted and a well-designed questionnaire was mailed to them to elicit data on their experience in setting up their enterrises.

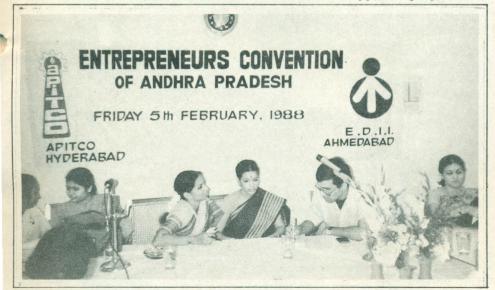
Over 150 entrepreneurs responded through which the Institute was able to analyse and understand the nature of problems faced by them. A crosssection of these entrepreneurs participated in the meet.

The support system was duly represented by top officers from banks, small industries corporation, state finance corporation and the development banks. The key issues discussed during the meet were:

- Project Identification and Report preparation
- Procedures and formalities involved in clearing of term loan
- Working capital
- Infrastructure
- Procedures and formalities for initiating the project implementation plan.

Some of the problems of the entrepreneurs were solved on the spot.

As a result of the representations made during the meet APPC has agreed to have an Entrepreneur-Trainer-Motivator on the panel constituted to appraise projects.



Entrepreneurs interacting among themselves at the Hyderabad Meet.

#### BANGALORE

In this meet of first generation entrepreneurs trained by TECSOK, out of 100 contacted 42 turned up to attend. In all over Twenty officers from IDBI, KSFC, KSSIDC, SBI, State Bank of Mysore, KAIDB Directorate of Industries, TECSOK participated in the deliberations.

The budding entrepreneurs who interacted on various aspects of their enterprise-building efforts had to face the following major problems:

- Lack of information which made the whole enterprise building effort an exercise in first-findthen-do, which resulted in waste of time in general and wrong selection of enterprise in particular.
- Complicated and confusing procedures that were more or less demoralising and demotivating.
- Checklist for financial assistance contained long-drawn requirements, for example: letters of assurance from prospective buyers, three years balance sheet for getting financial assistance for expansions, letter of intent from a Bank for granting term loan whereas the bank asking the entrepreneurs to get a letter from KSFC regarding the sanction of loan before sanctioning the working capital.
- Enormous and unnecessary delay in sanction and disbursement of loan
- Asking for Urban Land Ceiling (ULC) clearance even when the government agency itself was clearing the land.
- Delay and discrimination in giving power connections, allotment of sheds.

The Meet was quite successful in sensitising all concerned about various problems involved in the emergence of first generation entrepreneurs. The best part of its was generating a positive approach in the officers and confidence in the entrepreneurs.

# **EDI-I PUBLICATIONS**

# ENTREPRENEURSHIP DEVELOPMENT PROGRAMME IN INDIA & ITS RELEVANCE TO DEVELOPING COUNTRIES

By Dr. V.G. Patel

#### About the Book

Because of... the Indian Experiment in successfully implementing Entrepreneurship Development Programmes (EDPs) and its relevance to other developing countries, the Economic Development Institute of the World Bank specially requested Dr. V.G. Patel to prepare a self-contained monograph on EDP in India. The result is this monograph, in which Dr. Patel has presented the Indian experience in a candid and comprehensive manner and indicated also the manner in which

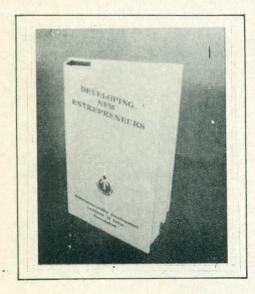
the Indian model can be adapted to the specific contexts of the other developing countries on the basis of his personal experience in several developing Countries. This monograph will certainly be useful and illuminating to all individuals and agencies in the developing countries that are working in the field of entrepreneurial training and small enterprise development.

— Dr. V.V. Bhatt, EDI-W Washington

No. of Pages: 97 Price. Rs.: 130



# DEVELOPING NEW ENTREPRENEURS



#### About the Book

Entrepreneurship Development
Programmes, EDPs, have now
become an almost household word in
the industrial promotion area. The
success of the Indian experiences
has now spread to developing
countries and international
development agencies are actively
seeking the Indian expertise for the
benefit of other developing countries
who are on the look out for
strategies to develop local
entrepreneurs.

This book which focuses on the approach and techniques of

developing new entrepreneurs is, therefore, a significant addition to our knowledge in understanding the entrepreneurs recognising the effectiveness of a well-tested Entrepreneurship Development Programme and pre-requisites of success in implementing EDPs..."

— S.S. Nadkarni Chairman IDBI & President, EDI-I

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