

From the Director's Desk

## BANKING THE ENTREPRENEURIAL WAY

In any meeting or seminar where entrepreneurs and financial institutions come together, they invariably end up criticising each other. They both end up taking defensive positions. Entrepreneurs complain of working capital problems for which they hold the banks responsible. Bank representatives find faults with the entrepreneurs and their loan applications including project details and documents. The banker has to be the best friend of the entrepreneur if the enterprise is to come into existence, survive and grow. In reality, unfortunately the entrepreneurs consider the bank as one of their biggest hurdles. Since neither of them can do without each other, it is essential that a solution is found to ensure sound entrepreneurs and sound projects getting

timely and adequate finance.

Much has been written about the problem of new entrepreneurs and particularly small-scale industries in which working capital ranks high. Not much is known about why the banker is reacting to the entrepreneurs' problems and needs the way he does. We in the institute therefore decided to interact with a fairly large number of Branch Managers and Credit Officers who directly deal with the entrepreneurs and their projects in the field to understand their perceptions of the new small-scale entrepreneurs and locate reasons for the reportedly unfavourable and non-supportive attitude.

The Study, though limited in geographical coverage, thus provides a useful insight into the perceptions and problems at the bank

level. Lack of sufficient training in appraising the entrepreneur and the project, turns out to be a critical factor explaining a somewhat defensive, play-safe approach of the concerned Branch Manager/ Credit Officer. There are issues involved regarding appraisal of performance of these officers within the banking structure in which it pays to play safe and avoid defaults rather than take somewhat higher risk in extending credit support to the emerging generation of new entrepreneurs who do not have sufficient collaterals to offer but who are entering the entrepreneurial career based on a good business opportunity backed by their personal capabilities. As we deal with more and more young entrepreneurs including educated and uneducated youth, as we focus

on self-employment in rural and urban areas and as we try to widen the base of entrepreneurship in this country, funding of projects must increasingly focus upon the person behind the project and the viability of the enterprise proposed.

The Institute has now evolved a training module which focuses on required skills, knowledge and attitudes. The Institute hopes that the Study will generate interest among top level bankers and bankers' training organisations to strengthen their manpower development strategies and performance evaluation norms. We all look forward to the emergence of more and more Entrepreneurial Bankers.

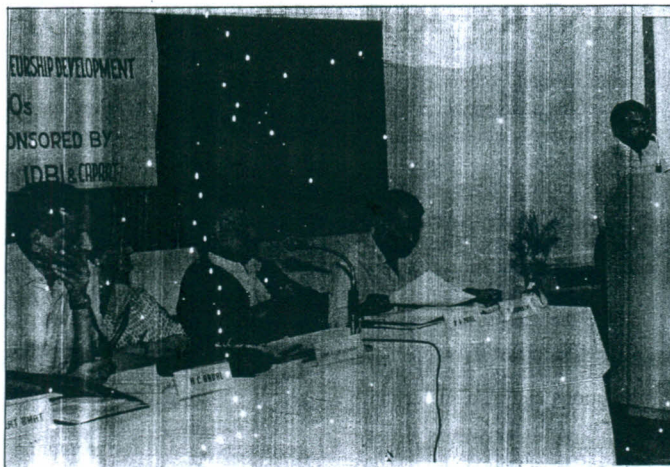
Dr. V. G. Patel

NATIONAL WORKSHOP OF VOLUNTARY ORGANISATIONS  
ON RURAL ENTREPRENEURSHIP DEVELOPMENT

A National Workshop of Voluntary Organisations on Rural Entrepreneurship Development was organised by the Institute at its campus from January 15 to 17, 1990. About 36 participants representing different PVOs/NGOs from various parts of the country attended the Workshop.

The Workshop was organised keeping in mind the need for generating productive employment and self-employment opportunities among the rural poor, particularly the mass depending upon agriculture and as this requires new experiments and innovations, future efforts would have to focus on the participation of local surplus manpower: economically viable, self-sustained, income-generating activities which the local population can exploit and a cross-culturally validated strategy so as to become a fairly well accepted tool for duplicating similar efforts in other institutions/ regions.

In the recent past, considerable success has been achieved in developing the 'human capital' resource through Entrepreneurship Development Programme (EDP)



*Bharat Bhat introducing the Workshop agenda to the participants during the Workshop of NGOs and PVOs on the ED held at the Campus from Jan. 15 to 17, 1990 seated on the dias from left Dr. H. C. Raval, Ms. Kamla Chowdhary - Chief Guest, Dr. V. G. Patel & Dr. Dinesh Awasthi.*

approach which focusses on selectively utilising local manpower; appropriately developing it; linking it with relevant business opportunities and ending with setting up of various sizes of productive enterprises.

This has been encouraging in terms of socio-economic development. The Institute has spear-headed the entrepreneurship movement through its well-tested EDP approach for rural areas. However, our main

objective of the experiment is not only to develop tests and validate the training model for rural poor but also to involve local voluntary agencies and NGOs working at grass-root level in different parts of the country to replicate the same. This only would create an impact and contribute in the long run to rural development.

Besides voluntary organisations have their own credibility and reputation among the rural masses because of the committed and dedicated workers, they also have, an in-depth knowledge about what will work in the rural areas and what would not. Keeping this in mind, the Workshop was organised to achieve the following objectives:

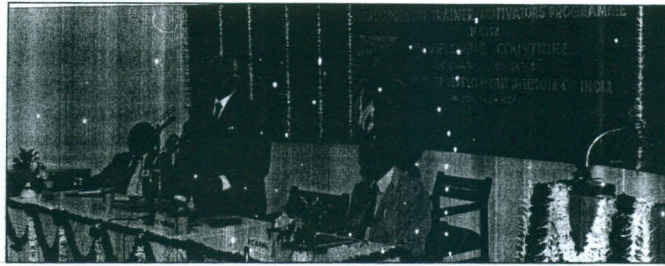
- \* sharing the Institute's experience and knowledge with voluntary organisations;
- \* learning from their experience, reactions and feedback on their working with the rural poor through various developmental projects at the grass-root level;
- \* deliberating on emerging issues so as to examine the possibility and need to modify the training model for the rural poor.

# ENTREPRENEUR TRAINER-MOTIVATORS' PROGRAMME FOR DEVELOPING COUNTRIES

Entrepreneurship Development Programmes can yield satisfactory results only if the activity of developing and training new entrepreneurs is taken up in an integrated form and not in an ad-hoc fashion. The process can be strengthened if organisations involved in entrepreneurship development activities have a band of committed professionals - the Entrepreneur Trainer-Motivators (ETMs).

The Institute visualised this need and has initiated the training of this professional cadre- ETMs, both for the country and other developing countries also. Through 4 earlier International Programmes 65 trainers representing Malawi, Senegal, Togo, Guinea, Ghana, Nigeria, Nepal, Sri Lanka, Zimbabwe and Philippines have been trained. These participants are actively involved in organising EDPs in their respective countries. Some of them have also taken up counselling work for small entrepreneurs through small industries development organisations or funding institutions.

The Fifth International ETMs Programme began at the Institute's campus on January 17, 1990 for a period of eight weeks. The programme was inaugurated by His Excellency Shri R.K. Trivedi, Governor of Gujarat. The programme was sponsored by the Commonwealth Fund for Technical Co-operation (CFTC) of the Commonwealth Secretariat, London.



*His Excellency, Shri R.K.Trivedi inaugurated the Entrepreneur Trainer-Motivators' Programme for Developing Countries on January 17, 1990 at the Institute's Campus, Seated from left to right are EDI staff members - Dr. P. N. Mishra , Dr. V. G. Patel and Dr. H. C. Raval.*

In all there were Nineteen participants representing Kenya, Uganda, Tanzania, Jamaica, Grenada, Gambia, Zambia, Trinidad & Tobago. Australia also showed keen interest in the programme and two participants representing its western region took part. They will motivate the native aborigines to take up self-employment activities. Four Indian participants from different engineering colleges and universities also participated. These officers will also carry out entrepreneurship development activities at the educational institutions in

collaboration with Department of Science & Technology, Government of India.

The objectives of this Trainer-Motivators' Programme was to equip the participants to initiate, plan and implement entrepreneurship development activities in their regions and to strengthen their knowledge and develop their skills and attitudes for launching EDPs effectively. The participants had presented their country situations highlighting the prevailing situation of industrial activities, financial services available, government

schemes, plan priorities, employment level, etc. Through these countries' situation papers, it was clear that almost all had visualised the importance of small industries development in the regions. However, they had yet to evolve any long-term formal industrial policy towards this. Participants were then exposed to Indian policy framework and support system involved in industrial development so that they can prepare a comparative note for policy makers of their own countries.

Accordingly, inputs were planned in the area of entrepreneurship development process covering identification of potential entrepreneurs, application of selection tools and techniques, identification of opportunities, preparation of project report, selection of managerial & financial resources, enterprise launching and management, etc. Participants were also provided training on achievement motivation and skill development like, problem-solving, counselling, interpersonal communication, feasibility evaluation etc. The participants then prepared a detailed plan visualising the needs of their own country, facilities available for starting entrepreneurial activities, changes required at policy level, problems likely to come in implementing the action plan and their possible solutions.



*A participant from Western Australia seen receiving the certificate of accreditation and gift memento from the Director.*

## TRAINERS' ROLE BEYOND EDPs :

The Trainer-Motivator is considered as the backbone for entrepreneurship development programme. The role of a trainer-motivator varies with the changing needs of the programme, the centre and the target group. He is one person in whom the needs of the programme have to find atleast some fulfilment, if the programme is to be successful. In the last decade a new cadre of professionally trained trainer-motivators has emerged on the national scene. The Trainer-Motivator has to play multi-dimensional roles as an administrator, liaison officer, training manager, counsellor, motivator, advisor and promoter all rolled into one.

Why should all these roles be limited to EDPs only ?

Entrepreneurship Development itself also extends much beyond conducting EDPs and so is the role of trainer-motivator. In developing spirit of entrepreneurship and creating awareness at various levels in our society, trainer-motivators can

contribute in many other areas.

Some of the areas in which trainers can effectively contribute are :

- (1) In Education Field : Inculcating spirit of entrepreneurship at an early age by creating awareness and orientation towards entrepreneurship in education is a new avenue for trainers. Trainers can involve themselves in creating such awareness amongst students, teachers, educational institutions and also society in general.
- (2) A Small Business Counsellor : With the increasing trend of self-employment and acute problem of unemployment there is a need for providing counselling to large number of people, who may not go through EDPs. The right kind of motivation, information and counselling, if provided, to variety of target groups like youth, women, educated unemployed, economically entrepreneurs, can effectively contribute as good small busi-

ness counsellors.

- backward class, etc. they may be able to take up self-employment or small business. Trainers with their attitude to extend their resources and with the experiences of developing
- (3) As Researcher: Developing entrepreneurs and promoting small industries involves lot of information data and updating knowledge. Trainers can initiate and act as researchers to strengthen the knowledge and resources needed for promoting entrepreneurs. They can get better insight into the constraints and problems associated with entrepreneurs coming from different segments of our society. This role of researcher will bring awareness and understanding for improving performance and up lifting the status of entrepreneurship development in our country.
- (4) As Environment Sensitisor :

Trainers alone may not be able

to influence and achieve desired results. He can very effectively contribute as an environment sensitisor by creating appreciation and awareness amongst all those who are promoting and supporting entrepreneurs. There is a need to share the intensive work and efforts done in EDP, as well as constraints and difficulties involved in promoting first generation entrepreneurs amongst the others who matter. Trainers can act as a link between the promoter (Govt.) and beneficiary group (support agencies) by sensitising the environment at both levels.

The above areas where trainers can contribute and extend this role beyond EDP will enable to add to their work (job) satisfaction and will fulfil their desire to take up new challenges. Needless to say opening new vistas for a career in entrepreneurship.

**Chandramauli Pathak**

# OUR SALUTE TO THE MEMORY OF BHARATBHAI



BHARATBHAI

*The sweet memories of your presence shall always be with us.*

*-EDI family*

I joined EDI in the last week of August 1986. I was fortunate to be put to work on an action based research project, immediately after joining. I was more fortunate to have had an opportunity to work on this project with Mr. Bharat Bhat, a very committed and dedicated trainer in EDI who had his heart at the right place. At that time, I could never imagine, even in my wildest dreams, that I will be writing these lines on Bharat who is no more with us but whose vacuum I feel day in and out whenever I talk on Rural Entrepreneurship Development Experiment (REDE). For, he was the spirit, the soul behind this endeavour. Bharat was a versatile personality with many facets. It is difficult to honestly recapitulate his versatility in words. It could only be felt - his integrity, his honesty, his boundless love and concern for the rural poor which always kept him head and shoulder above all of us.

REDE project consisted of three phases: (a) evolving a training model to develop rural poor as entrepreneurs in the first phase; (b) modifying that model thus developed in the second phase; and (c) validating it in the third. Accordingly, we decided to work on the first phase at Ikauna, District Bahraich (UP) in September 1986. Bharat was out on a follow-up visit to Indore. I was cautioned by a few of my colleagues about his tough stands. Though the memory over time has become blurred, I remember to have met him in the cellar of our old EDI Campus and we clicked as a team drawing strength with each passing day till destiny snatched him away from all of us on 14th February 1990 in the air-crash at Bangalore.

He had crystal clear ideas about the future of the project and he had committed himself to the task of upliftment of the rural poor. From the day one, he had started planning even for the last phase. In retrospect, I realise how correct he was in his assessment that to undertake rural EDPs on a regular basis is not EDI's cup of tea and if this approach is to be adopted on a wider plane, we will

have to rope in Voluntary Organisations. I remember how hard he tried to promote one Voluntary Organisation in Ikauna because there was none. We could not succeed in our attempts and as a consequence, Bharat himself became a one-man Voluntary Organisation working in the villages of Ikauna Block, unfazed by the heat of Ikauna, when mercury used to touch 49°C, Bharat would be found in some kuchcha lane of some village talking to the people and convincing them of entrepreneurship activity. He was found of giving pleasant surprises to everybody and never spared even villagers by reaching on time for conducting meetings even at 9 O' Clock in the night when it used to be dark, sometimes compounded by heavy rains. I am one of those fortunate ones who had an opportunity to witness his such endeavours. It was Bharat who taught me modesty and fought with my arrogance. Whenever I dissuaded him not to take up such endeavours, he reprimanded me.

But he would never violate rules and help anybody by breaking them. I remember an instance, when two of the trainees showed their inability to continue in the training because they just had enough to fall back upon and were the only bread winners of their families. Since we had decided not to pay any stipend, Bharat came up with a novel idea of getting contributions from all the other participants and contributed to the pool his one day DA. I had to follow suit, but the result was that these trainees not only completed the training but today are successful entrepreneurs. This simple act not only helped shaping life of these two trainees but also created a strong good bondage amongst all the trainees. He was so concerned about these boys that he would keep awake till late night and keep on planning for them. I and Akbar my other colleague have witnessed his restlessness whenever something went wrong for the trainees.

He was a thorough professional and a great innovator. It was in the experimental stage, when we found that structured Achievement Motivation Training did not work he just abandoned it and replaced AMT package by small dozes which were imparted regularly throughout the programme. He had a knack of converting real life situations into achievement training. Though very soft by heart, sometimes he used to take very tough stands but very judiciously. Once he virtually threw a trainee out of the class and asked him to go and complete the work. Bharat instructed him not to come to the class till the task was over. We al-

most reached to the conclusion that we will loose this trainee. But what a pleasant surprise it was when the trainee came back brimming with a smile and informed us that he could accomplish the task. This instance taught us that sometimes there is need in taking a firm stand with the trainees when need be.

What a dare devil was Bharat that he would not hesitate in verbally giving back to any person who was not logical; be it his friend, or a Senior Secretary to the Government, he had the courage to tell a Secretary to the U.P. Government that the bureaucracy at the higher level was incompetent and incapable to appreciate the problems of rural poor and as a consequence, the schemes which were chalked out sitting in airconditioned offices could hardly benefit the poor.

He had a long association with Voluntary Organisations as he had worked with a few of them for almost five to six years. He could speak their language and could talk to them at their wave length. We would falter while talking to Voluntary Organisation personnel but not Bharat. I always found him brutally frank with Voluntary Organisations while discussing entrepreneurship approach. Lucky are those who have witnessed him arguing with the Voluntary Organisations in the National workshop of Voluntary Organisations on Rural Entrepreneurship Development which he organised at EDI only a month before his sad demise.

Two phases of REDE are over and the third phase is on in Bidar District of Karnataka. Pramod, a young graduate whom Bharat groomed into an excellent trainer is working in this phase. Who knew he will no more get the seasoned advice of his 'Guru' in future? I find myself at a loss in expressing what I lost. Words fall short in expressing the feelings. His friends lost a wonderful friend, his colleagues lost an excellent colleague, EDI lost a wonderful trainer, ED movement lost a missionary and Rural Entrepreneurship Development lost a 'Messiah', and his family . . .

My salute to Bharat, to the departed soul, to the missionary, to a wonderful friend and colleague. Bharat, the seed which you have sown will flourish. We promise, we will water it and try to nurture it to the best of our abilities and commitment.

**-Dinesh Awasthi**

Bharatbhai' was lovable and charming human being, what secured a unique place for him in the hearts of his friends and associates and what one could distinguish him from others was his exceptional human quality. In fact, what set him apart as a unique trainer and catalyst of the entrepreneurship movement was not only his technical expertise but his ability to transfer his personal values and belief to his role of trainer-motivator.

He was a man who always practised rather than preach, persuade rather than impose, inspire rather than direct and with a natural ease. In my association with him for a period of more than 8 years I have always seen him lending a helping-hand to all around him believing strongly in giving without any expectations of returns. Bharatbhai has gone, but he has left us a legacy of his good work and the principles for which he stood unflinching. I express my heart felt gratitude for all he stood for and I will continue to carry on his good work. I offer this as my salute to the memory of my beloved friend Bharatbhai.

**A. K. Singh  
IED-UP**

## TRAINERS FORUM FINALISED

During the National Trainers' Meet the National Trainers' Forum was formed under the name of "Indian Society for Entrepreneurship Trainers". The forum will provide professional linkage, guide-lines for by-laws/ memorandum and the tentative activity planned for the year 1990-91.

The executive committee has been constituted with regional representations which include professionals from Orissa, Delhi, Andhra Pradesh, Maharashtra, Chandigarh, Tamil Nadu & U.P.

The draft memorandum has been approved in the first meeting of the Governing Body/ Council of this society and the same has been submitted for registration under the Society Registration Act. The forum will be an autonomous body managed by the trainers.

# FOURTH NATIONAL TRAINERS MEET AND THIRD ANNUAL CONFERENCE OF CHIEF EXECUTIVES OF ED ORGANISATIONS

The Institute has taken lead in organising Annual Meets of Trainer-Motivators to provide a common platform for interaction among EDP trainers with a view to recognise and strengthen this new emerging cadre of professionals.

The Fourth such Meet was held from 09th to 11th January, 1990 at the Institute's campus. It was sponsored by IDBI.

Various themes for the Meet and interaction amongst the trainers were identified to help share the rich experiences of all trainers and also to identify problem areas of various organisations and the trainer-motivators themselves. The themes identified were :

\* EDP Model- Reality and Issues : Identify the scope for modification with reference to operational constraints. The different types of variations needed, the implementation and impact and the scope for creativity and innovation.

\* Alternatives to Follow-up : which included role of support system, expectation and fulfilment, co-ordination between institutions and linkages between EDP conducting organisations and support agencies.

\* Extending trainer-motivators' contribution beyond EDPs : specially beyond tiny and small industries and also with voluntary organisations/NGOs, educational institutions, industry/trade associations, co-operatives etc. and the organisational support needed vs. feasible.

About 39 trainers representing different Technical Consultancy Organisations, Technical Training Institutions, Banks, Industrial Development Corporations, IEDs, Technical Teachers Institutions, Govt. Institutions like SISI and Representatives from VOs and Director of Industries participated in the meet. While inaugurating the Meet, the Chief Guest Shri M.S. Nadkarni stressed the need for extending Entrepreneurship Development to education for healthy industrial development. The interactions amongst the trainers brought out following observations.

(a) While discussing on specific target groups of entrepreneurs like women, rural & Science & Technology, it was felt that the need of design specialised inputs required by them as also to inculcate new techniques and promotional measures for creating awareness amongst people towards Entrepreneurship. It was also felt that in the case of developing

rural poor group entrepreneurship rather than individual entrepreneurship should be encouraged. The trainers also highlighted the need for developing appropriate training material and teaching aids for effective development of entrepreneurship among the different target groups.

(b) With regard to follow-up, the trainers expressed their concern about the lack of desirable support from various institutions for finance, infrastructure and better coordination among EDP conducting agencies and support agencies. They also expressed the need for designing the training content and approach in such a way that the trainees should become capable of managing on their own after the EDP, however, counselling and support in dealing with various procedural formalities must be provided continuously to entrepreneurs.

(c) For better career prospects and to extend the role of trainer-motivators beyond EDPs, various new avenues were identified like education, HRD, research, publications, developing teaching aids and material.

(d) In order to widen the Entrepreneurship Development network, it was suggested to actively involve the participants of voluntary organisations, industry/trade associations and other related local institutions. During the Meet, various new experiments and innovative programmes conducted by some institutions/trainers were discussed like industry based programme conducted in Bihar by charging fees to give a commercial outlook to EDPs and also the programme conducted by MCED where participants themselves conducted the sessions and used the experimental learning. The institute also shared its experiences in conducting experiential programme like Ex-servicemen EDP, Competency Based EDP and Extension Motivation Programmes.

Following papers contributed by trainers were given awards :

(a) Experiences of Delhi University in introducing Entrepreneurship Development Course in the College.

(b) Trainers Role : How challenging & Attractive.

(c) Factors affecting success of women EDPs.

All the other trainers who presented papers were given appreciation letters.

First day of the Chief Executives Conference coincided with the

last day of the Trainers Meet. This conference aimed at giving common platform for interactions of the trainers with the chief executives so as to appreciate the problems and issues involved in planning and conducting EDPs.

More than 19 executives attended the conference. This conference was also attended by representatives from Directorate of Industries. Open house discussion with reference to issues like constraints and problems in EDP funding, co-ordination of EDP agencies at state level and role of DIs, IEDs and TCOs and adhocism in EDPs took place.

Some very relevant observations which were made during the sessions were :

\* Number of programmes and statistical data of trained entrepreneurs is on the increase which prove that there was an increase in the awareness about EDPs in the country but there was definitely a dearth of well-trained trainers. The success

rate of EDPs was uneven and there is a need to strengthen and improve existing programmes.

\* There is a need to develop special programmes for specific target groups other than general EDPs.

\* ED will also have to cater to the needs of villages and small town and hence the future thrust should be on village industries self-employment and tiny sector.

\* There is a dire need to have definite programmes for developing existing entrepreneurs as well as for renewal of sick units.

\* The conference reiterated the need for better involvement and co-ordination amongst EDP conducting agencies and support agencies like DICs, Industrial Development Corporations and Banks.

\* A need was also felt to promote S&T entrepreneurs with collaboration of Science & Technology Parks (STEPS) in order to develop new technologies and products for this target group

## EDI PUBLICATION & AUDIO VISUALS

### Publications

1. Entrepreneurship Development Programme in India & Its Relevance to Developing Countries -V.G.Patel  
Pg. No. 97 Rs.130/US \$ 25
2. Developing New Entrepreneurs Pg. No. 226  
Rs. 200/US \$ 40
3. Self-made Impact Making Entrepreneurs -Gautam R. Jain & M. Akbar Ansari ( Research team )  
Pg. No. 220 Rs. 250/US \$ 45
4. National Directory of Entrepreneur Trainer - Motivators (1989) Rs. 80 /
5. Entrepreneurship Bibliography Rs. 55/US \$ 11
6. Strategy of Success in Business and Industry (Hindi) - V.G.Patel, 1975, Pg. 153, Price : Rs.50.00/

### Papers

1. Potentials of Ex-Servicemen for Entrepreneurship : A Study - Gautam R.Jain, 1989, Pg. 53, Rs. 48.00/
2. Course for Entrepreneurial Succession in Family Business : A Feasibility Study - Gautam R.Jain, 1989, Pg.46, Price: Rs. 43.00 /
3. The Missionaries - A Study of Entrepreneur Trainer-Motivators in India - Dinesh Awasthi 1989, Pg. 85, Price: Rs. 72.00/
4. Proceeding of National Workshop on Developing Research Agenda on Entrepreneurship- Gautam R.Jain &Dinesh Awasthi, 1989, Pg. 97 Price:Rs. 81.00/

### Video Cassettes

1. Five Success Stories of First Generation Entrepreneurs Rs. 1000/- US \$ 100
2. Assessing Entrepreneurial Competencies Rs. 1000/- US \$ 100
3. Business Opportunity Selection and Guidance Rs. 750/- US \$ 75