

# EDI REPORTS



ENTREPRENEURSHIP DEVELOPMENT INSTITUTE OF INDIA  
FROM THE DIRECTOR'S DESK

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## Forging Ahead

The past three months were quite eventful for the Institute. Shri M. Damodaran, Chairman, UTI, an administrator of high caliber and repute and the 'UTI Turn Around' wizard took over as President of EDI and Chairman, IDBI from Shri PP Vora, on 1st October 2003. EDI looks forward to having his precious guidance to touch newer heights of professional excellence. We welcome Shri Damodaran as our new President and look forward to his innovative ideas in making the Institute, a centre of higher learning of international repute, as a Deemed University.

Shri PP Vora laid down his office as President of EDI, subsequent to his retirement from IDBI where he was at the helm of affairs for over two years as its Chairman. As President of EDI, he took great interest in the Institute's activities and steered it to new heights. He was a very inspiring leader. We owe a great deal to him. I am sure, his guidance will always be available to EDI. We wish him a very healthy and fruitful post retirement period.

We had the Convocation of our 5th batch of Post Graduate Diploma in Business Entrepreneurship and Management and Post Graduate Diploma in Management of NGOs on 13th September, 2003. Shri Anil Ambani, Vice Chairman and Managing Director, Reliance Industries Ltd. delivered the Convocation Address. It was indeed a treat to have the opportunity of being a listener to his very lucid and motivating speech.

Our sixth batch of PGPs started on 22nd September, with 112 bright students, who cleared the written test and interview. This year, the Faculty Council also took the decision to have separate sections of the business diplomas viz. PG Diploma in New Venture Creation and PG Diploma in Family Business Management. Though this has increased the workload of the faculty members, they took this well considered decision to ensure that teaching to these different stream students remains well focussed in terms of curriculum and pedagogy that might require different treatment. NGO Management was a separate course right from the beginning. Now, we have 44 students in New Venture Creation stream, 36 in Family Business and 32 in the NGO Management stream.

Our work on Cluster Development is forging ahead at Rajkot and Jamnagar. We have started getting results of our interventions in terms of enhanced productivity and increased marketing depth. Technology of about 1500 small and medium enterprises (SMEs) was upgraded to improve quality that led to remarkable results. A brief visit of these SME entrepreneurs to China was also a good value addition to the process. The work at Rajkot has just begun. We have already covered about 300 enterprises within a span of about three months.

We have been harping upon the issue of credit to SMEs. Despite several committees and reports, access of owner-managers of small enterprises to credit, from regular channels remains constrained. While micro credit addresses the entrepreneurs needing a few thousand rupees, credit is also available to relatively bigger of the small enterprises (Rs. 10 lakh +). Another window available to entrepreneurs is through government-sponsored schemes like PMRY. However, this leaves a big chunk of entrepreneurs who need relatively bigger amount than what is covered by PMRY but less than Rs. 10 lakh or so, or those who may not be able to fulfil the eligibility criteria of the government sponsored schemes. In all likelihood, growth will emanate from this segment in the days to come. It is high time that this issue is addressed and credit is facilitated to this vast segment of entrepreneurs. As an Institute set up with the mandate of fostering SME entrepreneurship, we propose to take up this issue at the policy level.

Realising the need of introducing Entrepreneurship in the education system, our agenda for the next three months is to make an attempt to sensitise political leadership and bureaucracy on the criticality of Entrepreneurship Education, at least in one state. Besides sensitization, efforts will also be directed towards necessitating development of material in local (vernacular) language and involvement of teaching community in this area. We also realise that media can play a very critical role in this process. Our endeavour will be to involve media in our efforts from the word go.

We are conscious of the importance of knowledge generation through research. We also believe that there is no better teacher than the 'field'. Therefore, we have launched two important studies related to SMEs. The first study is on The Impact of WTO on SMEs and the other is on The Dynamics of Growth and Decay of Industrial Clusters. We are sure, the studies will contribute a great deal to the competitiveness of SMEs in a global economy.

– Dinesh Awasthi

## **EDI Welcomes Shri M. Damodaran, President-EDI and Chairman-IDBI**



Born on May 4, 1947, Shri Damodaran has had an illustrious academic career prior to joining the Indian Administrative Services. A rank-holder in Economics from the University of Madras, Shri M. Damodaran subsequently graduated in Law in first division from the University of Delhi.

He also worked in various Ministries of the Government of India and Government of Tripura from 1979 to 2000 in several capacities, including the Chief Secretary of Tripura in the mid-80s. He returned to Delhi in the mid-1980s and joined the finance ministry as a Joint Secretary.

“The way he tackled the sickness of sick banks prompted the Finance Ministry to send him to salvage the UTI”, said an RBI official. No wonder, thousands of investors of UTI owe their happiness to Shri Damodaran.

Today, he has been given the extra charge of IDBI, so it is going to be another restructuring and confidence-building exercise for the bureaucrat-turned-fund manager-turned-development banker.

**Excerpts from the article titled 'Quick Gun Damodaran' published in The Sunday Express (The Indian Express) on October 5, 2003.**

“When Damodaran took over as UTI's Chairman two years ago, the mutual fund was in a great mess.... UTI had made wrong investments calls on both new projects as well as in the stock market operations. The investors, who were till date getting good returns, were taken aback when told that the trading on the scheme has been suspended due to huge losses... The government zeroed in on Damodaran who had by now accumulated rich experience in turnaround cases. His first big challenge was in the tiny North-Eastern state of Tripura where, as Chief Secretary, he had to hold elections during turbulent times. Later, as Officer on Special Duty in the Reserve Bank of India during 1999 and 2000, he was instrumental in getting three weak banks- UCO, Indian Bank and United Bank-out of the woods.

In fact, the steps initiated by Damodaran to salvage these three weak banks had already given him a tag “turnaround CEO” in the financial sector. The UTI experience reinforced this title. Finance gurus in Mumbai are now keenly waiting for his IDBI initiatives”.

“Damodaran will have a tough time managing the IDBI's affairs. But knowing his background and patient, but firm temperament, don't get surprised if you see a new IDBI two years from now”.

## **Message from the President**

Entrepreneurship scenario has changed dramatically since the process of globalization, liberalization and privatisation was ushered in, in the country during the early 90s. It has led to a host of new challenges as well as opportunities for new and existing entrepreneurs.

The coming times will beckon only the globally competitive entrepreneurs, equipped with the necessary business tools and strategies, besides ofcourse the fundamentals of business management to exploit the emerging opportunities. I am glad that EDI is making valuable contributions towards creation of this ilk of an entrepreneurial class. I am sure that the dynamism that it is imparting to entrepreneurs at various levels will surely bring about a sea change in the way businesses are being, and will be conducted in the country.

Our nation is fast moving on the growth track, and 'entrepreneurs of world class standard' is certainly the need of the hour. EDI is giving a tremendous spurt to this process. Its one-year unique educational programme known as 'Post Graduate Diploma in Business Entrepreneurship and Management (PGDBEM)' is fostering globally competitive entrepreneurs, ready to embark on an illustrious entrepreneurial career.

A National Resource Institute, EDI, is aware of the fact that national competitiveness is primarily contingent upon growth of existing enterprises. Its efforts in this direction are commendable. The cluster development approach and the focus that it places on specific industrial sectors, such as the Food Processing Industries Sector, will certainly go a long way in strengthening the entrepreneurial community at large.

With its focus on alleviating rural and urban poverty through micro enterprise development, it is heartening to note how the Institute is tapping opportunities for entrepreneurship development in the newly created states and backward regions of the country. As a part of its corporate social responsibility, the role of the Institute in economic rehabilitation of the people of earthquake affected areas of Saurashtra and Kachchh in Gujarat is also worth the notice.

EDI's vision is firmly ensconced in building capabilities at all levels. As EDI's President, I am happy that I will be able to directly contribute to these nation-building efforts. It will be my endeavour to support such initiatives of the Institute. I only wish I can lead it to yet new accomplishments and successes.

## EDI Felicitates Shri P. P. Vora

Shri P.P. Vora, Chairman IDBI and President EDI laid down his office on 30th September, 2003. EDI honoured the outgoing President in a Felicitation-cum-Interaction Meet.



Dr. Dinesh Awasthi, Director-EDI, presenting a memento, to Shri P.P. Vora, President-EDI and Chairman-IDBI, as a humble token of EDI's gratitude for the support extended by him in the growth and development of the Institute.

Shri P.P. Vora addressing EDI employees during the Felicitation-cum-Interaction Meet.

Shri Vora threw light on the importance of entrepreneurship in an era, propelled by liberalisation, privatisation and globalisation. He appreciated the efforts of EDI towards diversification into new, upcoming and promising sectors. Shri Vora wished EDI success in its future endeavours.



## The 5th Convocation - Promising Indelible Entrepreneurial Accomplishments

*The ambience.... extremely positive and stimulating  
The procession.... a meaningful & purposeful journey  
Young faces.... marked by courage and confidence to take charge of their lives.*

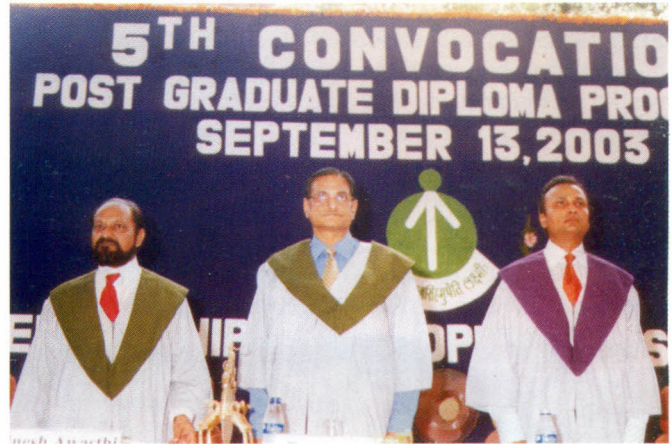
Truly, the elements of PG convocation, on the 13th of September 2003 send reasons to all to believe in the purpose that dictates entrepreneurship.

The fifth convocation of the **Post-Graduate Diploma in Business Entrepreneurship and Management** and **Post-Graduate Diploma in Management of NGOs** emanated a new entrepreneurial lease of life.

The Chief Guest for the function was **Shri Anil Ambani, Vice-Chairman & Managing Director, Reliance Industries Ltd, Mumbai**. In all, **72 students** successfully completed the course and were awarded the certificates : **21 in New Enterprise Creation, 22 in Family Business Management and 23 in Management of NGOs**.

The function began with the welcome address of Dr. Dinesh Awasthi, the Director of EDI. Dr. Awasthi said that the brilliance of the occasion was enhanced greatly by the stature of the Chief Guest, Shri Anil Ambani, whose company, Reliance Industries Ltd. has emerged as India's most admired business house for the third successive year in a TNS mode survey for the year 2003. Dr. Awasthi highlighted that the group's activities span exploration and production (E&P) of oil and gas, refining and marketing, petrochemicals (polyester, polymers and intermediates), textiles, financial services and insurance, power, telecom and infocom initiatives.

Shri Anil Ambani, he emphasised, as the Vice-Chairman & Managing Director of Reliance Industries Ltd. has taken the company beyond all standards of excellence. Shri Ambani, in view of his exemplary performance and abilities, has received several coveted and prestigious awards - from "India's most admired CEO" to the recent "MTV Youth Icon" award, emphasised Dr. Awasthi. Dr. Awasthi then introduced EDI's Governing Body Members to the guests.



Chief Guest for the 5th Convocation of EDI PG Programmes, Shri Anil Ambani, Vice Chairman and Managing Director, Reliance Industries Ltd. seen with (L-R) Dr. Dinesh Awasthi, Director, EDI and Shri PP Vora, President- EDI & Chairman-IDBI

Speaking on the present focus of EDI, Dr. Awasthi said that the same would be on accelerating the process of new enterprise creation and growth by entrepreneurship training and development. Besides promoting micro-enterprises, efforts will also be on the way to ensure that entrepreneurial knowledge becomes the hallmark of organizational dynamism, said Dr. Awasthi. He also highlighted EDI's emphasis on development of entrepreneurship in the food processing industries sector and research in the field of entrepreneurship.

Addressing the graduating students he wished that they reach the helm of affairs in whichever field they choose and urged them to make structured plan, and go on to construct enviable future for themselves and the nation.



Students seen during the Convocation Procession

Shri P.P. Vora, President-EDI & Chairman-IDBI, in his address, said that the event had become even more significant by the presence of the distinguished entrepreneur, Shri Anil Ambani, who has reached great heights on the national and international corporate scene. The President extended a hearty welcome to all.

Shri Vora said that despite the progressive and entrepreneur-friendly economic reforms and India's own liberalisation, the process of growth has been slow in the area of trade and business and that Excellence in Business to World Standard is the answer to combat such a situation. He congratulated EDI for playing such a significant role, adding that people with right training, knowledge and guidance are the ones who have the potential to become entrepreneurs.

Emphasising on the significance of entrepreneurs, he said that the overall development process would collapse in the absence of its 'drivers' i.e, our entrepreneurs. And added that, the level of entrepreneurship in a country decides its standing in the global economic environment.

Besides EDI's efforts towards creating new entrepreneurs, he highlighted its interventions in the areas of micro-enterprise & micro-finance, food processing, cluster development and research.

Talking about PGDBEM & PGDMN, the President said that this, year-long course covers all aspects of management to supplement entrepreneurial competencies and that the students of New Venture Creation stream have a bankable project report in their hands at the end of one year and those from the family business stream have a 5-year action plan demonstrating their clarity and certainty of purpose.

He urged the students to put their knowledge and learnings to use and carve a place for themselves in the days to come and wished them best of luck in all entrepreneurial endeavours that they undertake.

Shri Anil Ambani, awarded the diplomas to the students and the medals for best performance to meritorious students. The Bharti Best Student of the Year Award (sponsored by Bharti Telecommunications, New Delhi) was also presented to Mr. Siddarth Jain, student of PGDBEM with specialisation in Family Business Management.

Shri Ambani in his convocation address said that India is a land of great opportunities and that the students are lucky to be starting their life, at an exciting time like this when the world's eyes are on India, new business opportunities are unlimited, and economic reforms have unshackled the chains on creativity and innovation. "We are a very young nation", he said, "just over 55 years since independence, setting out on a path of sustained economic growth, for decades to come". India's domestic consumption, he mentioned, in virtually any sector, has

the potential to at least double, or treble, from the current levels - perhaps, just to catch up with a country like China. And then, there is the entire global opportunity, added Shri Ambani. Across diverse sectors internationally, the "Made in India" tag is now an increasingly respected brand, valued for quality, reliability, and competitiveness, emphasised Shri Ambani.

Quoting his father as the greatest example of entrepreneurship, he said that Dhirubhai Ambani built Reliance, into one of the world's 200 most profitable companies. Shri Ambani said that Dhirubhai created Reliance, a Rs. 75,000 crore enterprise, in a single lifetime and that we must, each one of us, take inspiration from Dhirubhai's extraordinary life, and challenge ourselves, to build on his achievements, to fulfil his desire, of making India an economic super power. Sharing his own thoughts on entrepreneurship, he mentioned that the first and perhaps the most important, requirement for success, as an entrepreneur, is passion for work, to be able to look forward to every new day of work, with a sense of optimism, with a sense of purpose, with a sense of challenge, and with a view to enjoying the work one is doing.

Shri Ambani pointed out how at Reliance new knowledge and new core competencies are built around people, fostering a spirit of teamwork and performance, across the entire organisation.

He said that it is a constant and infinite flow of energy that differentiates most successful entrepreneurial organisations, from the rest of the pack. What is ultimately required, he stated, is hard action and results. Good entrepreneurs, he said, have the ability to effectively marshal resources to achieve end objectives to ensure that there is no gap, between what the entrepreneur wants to achieve and the ability of the organisation to deliver it, said Shri Ambani.

He then talked about an entrepreneur's approach to evaluating risk, mentioning that all entrepreneurs are faced with adversity at some point of time. The secret is to convert every adversity into opportunity, and keep moving on, he stressed. He also emphasised on the importance of understanding the democratic and parliamentary



Siddarth Jain, Student of PGDBEM receiving the 'Bharti Student of the Year Award' from Shri Anil Ambani, Chief Guest of the Convocation

system in India, as also the complex direct and indirect tax systems and procedures, customs, excise, sales tax, income tax - all major determinants of success and profitability, as Shri Ambani called these, of any business. The Chief Guest highlighted relationship and trust as the foundations of success and that if one works with determination and perfection, success always follows. Beating deadlines is what is required, he said.

He urged all students to derive inspiration from Shri Dhirubhai's life and deeds - and accomplish his dream of making India an economic super power, and extended his warmest congratulations to all.

The function ended with a vote of thanks by Dr. Dinesh Awasthi, Director, EDI.

## Bharti Entrepreneur of the Year Award - 2003



Shri P.P. Vora, President-EDI & Chairman-IDBI presenting the Best Bharti Entrepreneur of the Year Award-2003 to Shri R. S. Khadwalia of Indo Farm Equipment Ltd., Chandigarh.

### Awards to Meritorious Students



Best Bharti Student of the Year Award for All-Rounder of the PG Programmes and Shri Rajnikant Worah Gold Medal for Scholastic Performance in Family Business Management

– Siddharth Jain



Silver Medal for Scholastic Performance in Family Business Management

– Nitin Chimnani



Swargiya Madhubhai Manibhai Gold Medal for Scholastic Performance in New Enterprise Creation

– Naina Gupta



Swargiya Chanchalben Madhubhai Patel Gold Medal for Scholastic Performance in Management of NGOs

- Shafqat Hussain



Silver Medal for Scholastic Performance in Management of NGOs

– Shalabh Mittal

Growth of a nation is primarily contingent upon the level of entrepreneurship in a society. Entrepreneurs render a definite momentum to the pace of growth of an economy. It is, therefore, important to encourage a large number of people to pursue entrepreneurship as a career option. This trend can be set by implementing effective training interventions and inculcating the spirit of entrepreneurship in the youth of today. Effective promotion of entrepreneurial activities at a national level can imbibe, in the youth, the motivation to achieve.

Evidences also bear out the achievements of Entrepreneurship Development Programmes conducted across the country by esteemed ED institutions. Several entrepreneurs, upon having undergone this training intervention have reached an enviable status today. It is, therefore, important to reward these EDP trained entrepreneurs so that the society at large recognises them, as also the significance of entrepreneurship training. This will motivate more and more people to pursue entrepreneurship. The uniqueness also lies in the fact that this award is the first-of-its kind to honour an EDP trained successful entrepreneur. Whereas, a number of institutions/ organizations recognize 'successful' entrepreneurs, this award for the first time ever honours a trained entrepreneur.

Bharti Centre for Entrepreneurial Initiatives, sponsored by Bharti Foundation, New Delhi, has been set up at EDI to increase the supply of entrepreneurs in the society. One of the activities that the Centre institutionalised for the year 2003, to achieve its objectives was the announcement of the Bharti Entrepreneur of the Year Award - 2003. This award which comprised Rs. 1 lac cash, a trophy and a citation was presented during the 5th Convocation of EDI PG Programmes.

Participation in the contest was open to EDP trained first generation entrepreneurs emerging from preferably a non-business community and possessing experience of five successful years in business. EDI received 61 nominations and the distinguished jury members comprising eminent professionals and educationists, including Dr. V.G. Patel, Former Director, EDI and Chairman of the Committee; Prof. D.D. Trivedi, leading management consultant; Mr. Piyush Palkiwala, leading entrepreneur; Dr. Anoop Singh, Director, Nirma Institute of Management; Dr. Sarla Achuthan, Director, B.K. School of Management; and Dr. Dinesh Awasthi, Director, EDI, evaluated and assessed the candidates on parameters which included entrepreneurial indications such as personal profile, entry conditions, etc.; enterprise formation which comprised factors such as project choice, size, location, etc., project formation under which growth in investment & employment, profitability, diversification were considered and of course the social responsibility shouldered by the nominee. The shortlisted candidates were interviewed by the jury at Ahmedabad campus to gauge the roadmap and strategies conceived by them to tackle crisis in business as also to understand their future directions and plans. Mr. S.B. Sareen, Associate Sr. Trainer, EDI, was the Convenor-Award Committee.

The Bharti Entrepreneur of the Year Award-2003 was presented to Mr. R.S. Khadwalia of Indo Farm Equipment Ltd. Mr. Khadwalia's success story is inspiring and his vision and strategies, a learning experience. His phenomenal success is especially an honour for EDI as he is a participant of the EDP programme conducted by EDI in 1984. Mr. Khadwalia started his venture with just Rs. 25,000 and today his tractor manufacturing company boasts of a turnover of around Rs. 24 crores.

His company has entered into a Foreign collaboration with M/s. URSUS Diesel Co. Ltd., Poland and today manufactures high featured tractors which are fuel efficient designed in a modest way, using latest technology. His company's tractors have the distinction of passing the 100% Minimum Performance Standards (MPS) set up by the Ministry of Agriculture and have been recommended by NABARD for finance by all the banks. His ambitious future plans towards expansion & diversification are also based on solid planks and are guided by his winning foresight & vision.

**We interviewed Shri Khadwalia in order to get a glimpse into his inner entrepreneurial spirit and urge. Here's what he has to say :**

**1. Why did you decide on becoming an entrepreneur during a time when job-seeking mentality reigned high in the minds of the people?**

It had always been my ambition to have my own business but during my initial days, I had to take up a

job as finance was a major constraint then. I started my career with Eicher Tractors Ltd. but even during those days becoming an entrepreneur was always first on my mind.

**2. How did you shortlist the business opportunity / line of business ?**

During my tenure with Eicher Tractors for 4 years, I was involved in planning tools used in the production of tractors. It was at that time that the idea of business of tools came in my mind and in 1984, I started marketing of cutting tools of Widia India Ltd. and later on added a number of industrial products of various multinational companies.

**3. What were some of the initial crises that you faced and how did you tackle these?**

Those were the starting problems a new entrepreneur normally faces, particularly with reference to raising finance from financial institutions. However, with proper planning and strategy all the problems got solved, of course, after some struggle.

**4. What sort of support have you received from your family, society, government, financial institutions and colleagues.**

I got a capital of Rs. 25,000/- from my family in 1984 to start my own business. My friends and relatives were kind enough to help me in my venture and I am also thankful to the government agencies and financial institutions for their need based help from time to time.

**5. How has the training in Entrepreneurship Development Programme helped you till now in your business ?**

During my training in EDP, I learned the basics of business which helped me in establishing my business successfully in the initial stages and these basics have helped me in my business till date. I learnt all about planning and managing an enterprise and I must say, these learnings have helped me tackle obstacles, and work towards sustaining the growth of my enterprise.

**6. What are the qualities one requires to become an entrepreneur ?**

In my opinion, proper planning and implementation of right strategies at the right time are the two major qualities that an entrepreneur must possess to be successful in business.

**7. What is your message to the new entrants in business ?**

Have a definite goal and target it with determination and courage. You can achieve it.

## The Youth Learn to Command a Futuristic Vision

"Hon'ble President of India, Dr. Abdul Kalam once remarked, "When I travel across our nation, when I hear the sound of waves of the three seas around the shores of my country, when I experience the breeze of winds from the mighty Himalayas, when I see the bio-diversity of North-East and our islands and when I feel the warmth from the Western desert, I hear the voice of the Youth : 'When can I sing the song of India ?'"

Certainly, our youth can build the country, give it a beautiful, growing thrust, transform it, so that its tales could be sung by one and all. Today's youth is a 'thinking' one and it would just be right to groom them in a way that they have the might to hold the reins of the country in their hands.

The qualities required for such an outlook are encased in the word 'entrepreneurship' which encompasses within its fold the spirit of leadership, creativity, innovation, problem solving skills, resourcefulness, attitude of positivity and opportunity seeking.

With this in close perspective, EDI conducted its 12th Summer Camp on Entrepreneurial Orientation for Youths from across the country. 29 youths participated from places, such as Ahmedabad, Noida, Delhi, Bareilly, Karnal, Vallabh Vidyanagar, Mumbai, Baroda, Chennai, Bangalore, Amrawati, Indore, Navsari and Rajkot.

The objective of the camp was to motivate the youth and foster entrepreneurial traits in them, thus providing them with an opportunity to develop high achievement and enterprising values. Consistent with the objective the camp focused on entrepreneurial motivation development exercises, evaluation and development of entrepreneurial traits and competencies, visits to institutions of repute, exposure to potential career opportunities, self assessment through specifically designed tests and instruments and career/psychological counselling.

Interaction with achievers from different walks of life was a major highlight of the camp and left a positive impact on students about the approaches to critical situations in life and the fact that success lies in putting into practice an entrepreneurial attitude.

The participants also benefited from career counselling which was imparted by Dr. Kalpana Mishra, Director, Indira Gandhi National Open University.

The field visits helped the participants come face-to-face with things in progress / action. The learnings derived are indeed practical and effective if cultivated and implemented, opined the students. They added that these new learnings have now become an inseparable part of their life and have, already started reflecting in their approach and attitude.

Dr. Sunil Shukla, the Camp Leader stated that the entire effort was directed towards making the youth progressive and developing in them the capacity to forge ahead against odds. He expressed satisfaction over the success of the camp.

## Feedback of a Participant



The change that I experience in my personality is truly amazing; I have gained the confidence to face people; I have certainly become more outgoing and resourceful. I have also developed a very happy and motivated attitude.

–Pavithra S.  
Bangalore

EDI also organised a 'Summer Camp on Entrepreneurial Stimulation for Children', in the age group of 12-16 years, during April 28-May 3rd, 2003.

Mr. Parthiv Patel, the renowned cricketer was amongst some of the high flying achievers who visited the participants and motivated them by the stories of their hard work and conviction. Mr. Patel highlighted how success always follows commitment to the goal, single-minded focus and loads of determination.



Participants of the Camp seen with (3rd from right) Dr. Dinesh Awasthi, Director, EDI, (4th from R) Dr. Kalpana Mishra, Director, IGNOU (2nd from L) Dr. Sunil Shukla, Camp Leader & Sr. Faculty, EDI and other EDI Faculty Members.



# INITIATIVES IN THE FOOD PROCESSING INDUSTRY SECTOR

## Floating New Vision to Strengthen the Food Processing Industry Sector

The economic scenario of India is looking up, with various sectors unfolding enormous scope for growth and creation of employment opportunities on a large scale. India has graduated to a level where it is building its competitive advantage across several industry sectors; Food Processing being one of these.



Shri A. K. Sinha, inaugurating the Stakeholders' Workshop organised at Ahmedabad. Also seen are (L-R) Dr. Dinesh Awasthi, Director, EDI and Mr. S. B. Sareen, Associate Sr. Trainer & National Co-ordinator, Food Processing Project



Shri Sinha addressing the participants focused on four major points concerning food processing (a) what is food processing? (b) how is it necessary and inevitable? (c) what are the consequences, and (d) what is the industry doing. He emphasized that the food processing industry is a necessity and that it is bound to grow. Shri Sinha highlighted better prices to farmers and good quality to consumers as the major objectives behind promoting this industry.

Where on one hand this yet unexploited sector of Food Processing has opportunities galore, on the other, the more encouraging fact is that it is also drawing financial and other forms of support for its enhancement. Efforts are in place to expand as also improve the status of this industry.

EDI has been appointed as a Nodal Agency by the Ministry of Food Processing Industry, Govt. of India to promote new ventures in the Food Processing Industry. Mr. S.B. Sareen, Associate Senior Trainer, EDI, is the National Co-ordinator of the Project.

Experiences of the Institute and over 300 of its network organisations all over the country indicate that it is both possible and feasible to create first generation entrepreneurs through well thought-out training interventions, thus facilitating them to launch and effectively manage their food processing ventures in a globally competitive market.

The Institute will promote new ventures in the food processing sector in 6 states viz. Gujarat, Uttar Pradesh, Bihar, Maharashtra, Uttaranchal and Jharkhand. These states, endowed with natural resources, technical changes and adaptations, can indeed translate their



For the 1st Trainers' Training Programme on Promotion of Food Processing Units through EDP Strategy, the Chief Guest was Shri Vijay Kumar Gupta, Chairman and Managing Director, Gujarat Ambuja Exports Ltd. Also Seen on the dais are (R-L) Dr. Dinesh Awasthi, Director, EDI (extreme right) and Mr. Manoj Mishra, Programme Director. In his inaugural address, Shri Gupta, expressed happiness over the thrust being placed by the Ministry of Food Processing Industry to develop and promote this sector. He also appreciated the efforts of EDI in this direction and urged the trainers to adopt the role of knowledge providers so that entrepreneurs in the field benefit greatly and grow. He concluded by highlighting the need to strengthen the Food Processing Industry Sector Base in the Country

potential into worthwhile advantages. The objective would be achieved by conducting Entrepreneurship Development Programmes and Capacity Building of Stakeholders/Implementing Agencies. Thus, as a part of the project, the Institute organised Stakeholders' Workshops at Ahmedabad, Pune, Lucknow and Patna.

### **Stakeholders' Workshops**

The process of development of entrepreneurship in any sector depends upon the socio-economic environment of the region, among other factors. The entrepreneurial class is generally faced with a force of formidable problems related to market, technology, training, human resource etc.

And it is during such times that all stakeholders, like the state government, banks, NGOs and other development agencies come to play a critical role. The one-day Stakeholders' Workshops were organised with the objective of bringing all key stakeholders on a common platform to deliberate on the possibilities of their support in the efforts of the Ministry towards promoting Food Processing units in the country through EDPs.

In the process, the workshops attained some specific landmarks. Adequate awareness about the potential of Food Processing sector in India was created and co-operation between the Ministry, EDI, respective state level government agencies, nodal agencies of the Ministry and other stakeholders was ensured. The stakeholders also acquired awareness about the schemes evolved for supporting the emergence and growth of new ventures in the food processing industry sector.

The potential is immense and, therefore, the Ministry and EDI stress the need to float around 2000 growth-oriented enterprises in a span of two years, while simultaneously addressing the issues of quality parameters and enhancement in product quality so that a boost is experienced in terms of 'export' also.

**Trainers' Training Programmes :** The obstacles and rigidities that inhibit entrepreneurship are many but at the base of it all is the inability of a potential entrepreneur to access resources that facilitate setting up of a venture. This also results in low levels of motivation in potential entrepreneurs. What we, therefore, require are catalytic agents who can arouse the latent entrepreneurial spirit in prospective entrepreneurs and impart guidance to them.

These trainer-motivators, in training and guiding potential entrepreneurs, also bring to the fore their creative ingenuity, vision and foresight - important for success of any enterprise. In order to train and motivate people to set up enterprises in the food processing industry sector, EDI has adopted the methodology of reaching the beneficiaries through EDI trained trainer-motivators.

EDI conducted two specially designed Entrepreneurship and Business Counsellors' Training Programmes (EBCTP) for professionals of implementing agencies.

Each programme covered 25 trainees and sought to bring about an understanding of ideal programme promotion strategies and trainee selection modes, besides the design of a programme based on special needs of different target groups, investment potential, regional market and economic circumstances.

100 EDPs in the food processing sector in a span of one year, will be implemented in Gujarat, Maharashtra, Uttar Pradesh, Bihar, Uttaranchal and Jharkhand. Potential locations for implementing EDPs have been identified in the six states covered under this pilot project. Deliberations with Chief Executives / Heads of Organisations to ensure right support to the trainers have been encouraging and have also put in place the schedule and strategy of conducting EDPs at various locations.

The specific achievements were as follows :

- ☞ Developed entrepreneurship and business counsellors (EBCs) from amongst organisations to be involved in food processing EDPs,
- ☞ Imbined the concept of identification of business opportunities,
- ☞ Developed capabilities in performing specific tasks related to micro, small and medium enterprises,
- ☞ Enabled identification of viable business opportunities in the sector, based on resource-economy-market circumstances, linked the same with selected entrepreneurs and helped them prepare business plans,
- ☞ Equipped participants on various aspects of business decision making in SMEs and helped them understand options of productive integration,
- ☞ Inculcated an idea of providing umbrella / escort services and helped them develop into business counsellors in all functional areas,
- ☞ Developed an understanding on planning and implementation of training programmes effectively, and helped them understand the special needs of different target groups.

Classroom lectures, group discussions, case studies, games/simulation exercises, audio-visual presentation and role-plays were the methodologies implemented to accomplish the objectives.

The Institute has also collected and compiled useful material on food-processing sector. The identified business opportunities and the practical inputs in the area would help the trainers in extending expert guidance to the EDP trainees. A total of 250 project profiles and 50 detailed project reports have been prepared in the food processing industry sector.

The participants expressed great satisfaction over the exposure received, mentioning that all learnings derived in relation to floating micro enterprises in the food processing industry sector, understanding the problems and working out solutions will help them foster entrepreneurship which is a necessity for the economy of the country.

# PERFORMANCE IMPROVEMENT OF EXISTING ENTREPRENEURS

## Entrepreneurs remodelling Growth Strategies

Profitability and success of any enterprise are mirrored in the capabilities of its entrepreneur. However, drawing on the experiences of prosperous and growing businesses, one can say that there is at any point in time, an evolution taking place in any business. This evolution or growth from one level to another could be immensely fast in case of entrepreneurs who are mindful of expansion and do not get into the trap of complacency. An entrepreneur's capabilities of innovation, promotion, risk taking, assembling material and labour should always be at play, thus, at all levels making a conscious attempt to take the enterprise to new heights of success.

In order to help entrepreneurs understand the key external and internal factors that influence the growth process, EDI conducted a 3-month Growth-cum-Counsellors' programme, for entrepreneurs, of the Scientific Instruments' Cluster, Ambala.

About 30 entrepreneurs were trained in the programme. They took an objective look into their enterprises, thus understanding the optimal potential of their business, necessary and sufficient conditions to exploit export markets, competencies that contribute towards top performance besides chalking out clear cut growth / change plans for taking business to new heights of success.

This programme, divided into 3 phases, emphasised on giving an understanding on the 'Performance and Potential base' of the venture so that the entrepreneur could understand the present level of venture that would facilitate realistic goal setting for growth and change. Focus was also on inculcating hard skills, covering key areas of enterprise management; delegation and leadership, interpersonal relationship and employee motivation, key entrepreneurial competencies in addition to export-oriented inputs.

A main aspect of the programme was to provide one-to-one counselling services to the participants (the existing entrepreneurs). In a separate programme termed as the Training Programme on 'Effective Business Counselling', small enterprise consultants' business counselling skills were honed so that they could provide the much needed counselling services to entrepreneurs trained in 'Growth Programme' in order to facilitate the objective of the course, i.e. consolidation and growth of small enterprises in the Scientific Instruments' cluster.

The Counsellors' programme imparted learnings to several private and public business development service (BDS) providers on 'exports' and SME counselling. About 10 support institutions including National Productivity Council (NPC), North India Technical Consultancy Organisation (NITCON), MM Engineering College & Entrepreneurship Development Cell, District Industries Centre (DIC), Instruments Design Development & Facilities Centre etc. nominated their senior officers for participation in the Counsellors' programme. The participants also interacted with CAs, Management Expert Consultants and the like.

An important outcome of the "Growth-cum-Counsellors' Programme" was formation of Consortia of participating SMEs based on minimum viable size for pursuing common business interests. Consortium representatives have already initiated export promotion missions in neighbouring countries. Common publicity, common product catalogue, collective participation in international trade fairs, hiring BDS providers and procuring raw material collectively are activities being taken up by these Consortia.

Medilab Exports Consortium formed as a result of this intervention has successfully executed its first export order.

Linkages with international Business Service Organisations like Netherlands Management Cooperation Programme (NMCP), Senior Experten Services (SES), Centre for promotion of imports from developing countries (CBI) and Indo German Export Project (IGEP) were also facilitated over the programme. A senior expert on International Marketing from SES, Germany visited Ambala to advise Medilab Exports Consortium on export marketing. Based on expert's advice, the consortium has crystallised its export marketing and sales strategies. Progressing a step further, they also identified target markets and market entry strategy. The expert advised the consortium in areas such as preparation of publicity material, price lists, dealer / distributor agreement, general terms, reference proposal, etc. He also facilitated business development cum exposure visit of one of the consortium members to ACEMA trade fair in Germany. Involving the SES expert, a half-day workshop was organised to benefit a large number of participants. The workshop was attended by 24 delegates representing entrepreneurs and business counsellors. Another objective of the workshop was to sensitise participants about consortium approach by demonstrating live examples. Medilab Exports Consortium was cited as a model that could be replicated by others.

The programme received encouraging feedback from participants who opined that the learnings helped them remodel their strategies so that they could introduce meaningful improvements and growth in business.

The programme was conducted by Mr. Kunal Sood, Faculty Member, EDI.

## Revitalizing the Brass Parts Cluster

The brass parts cluster of Jamnagar is in urgent need of interventions, focussing on upgradation and innovation, for its growth and transformation. The cluster has an important bearing on the economy of the country and needs a fillip to strengthen its cornerstones.

EDI intervened to bring about upgradation in the cluster on the fronts of technology, marketing, export and environment. The project has been assigned to EDI by the Industries Commissionerate, Govt. of Gujarat. As of now, the team of technology experts from the Institute have addressed several technology related problems which came forth as barriers in maintaining a consistent level of production and quality. The entrepreneurs of the cluster were also personally counselled. Higher productivity and improved quality have already been set. For tangible impact, the engineers also implemented the UNIDO methodology to cluster development. Some of the recent achievements could be outlined as below :

- ❖ International marketing is one of the important initiatives in the Brass Parts Cluster, Jamnagar. Special efforts have, therefore, been directed towards improving the export performance of this cluster. EDI utilized its resources in getting information about the existing and potential importers of brass parts in different countries. Apart from collecting information from secondary sources, Indian Embassies in different countries were also contacted to collect the list of brass parts importers in their countries. A workshop on 'Export Marketing' was organised where entrepreneurs were informed about procedures and formalities of export marketing and export documentation. Information was also imparted to them on importers of brass parts, world wide.

The workshop facilitated linkages between some entrepreneurs and brass parts importers abroad. The above initiative is expected to reduce dependence on merchant exporters located in cities like Kolkata, Delhi and Mumbai. The Institute will work towards finalising more such linkages and tie-ups so that there is long term benefit of the initiative.

- ❖ 'Diversification' by using the same plants, machinery and labour force was also targetted. Some product

Inventions in this area are beryllium copper, marine hardware, defense parts and equipment, brazing fillers, etc. A seminar (on 'Diversification') was organised where entrepreneurs were made aware of diversification opportunities. The entrepreneurs gathered that these products fetch higher price in the market and a lot of such products are imported because of non-availability in the domestic market.

- ❖ Some of the brass parts are rejected in the international market because of their inability to maintain the 'tolerances' (precision measurement) as per the requirement of the customers. As a result, business of precision brass parts manufacturing sector, which is a sub-sector in this cluster, is getting affected. A critical analysis of this problem revealed that some of the measuring (to check the dimension & quality of final products) instruments are not up to the mark. Therefore, in association with Electronics & Quality Development Centre (EQDC), Gandhinagar, a "Calibration Camp" was organised at Jamnagar. The entrepreneurs learnt how to calibrate their measuring instruments and utilise the facilities available with EQDC in this respect.
- ❖ One of the problems faced by the entrepreneurs in the machining units is that of not getting proper speed, feed and depth of cut. This results in wastage of time, money and labour. The problem arises because the entrepreneurs lack knowledge of cutting oil to be used in a particular (machining) operation. In order to address this problem a seminar was organised where the entrepreneurs were informed about the application of proper cutting oil while machining brass.

Besides these initiatives, the entrepreneurs were counselled personally to solve their marketing, export, technology and health and safety related problems. Support was also extended to them in adopting latest technologies resulting in improvement in quality and productivity. Efforts were also initiated in the direction of sensitizing them on the importance of 'niche marketing' and ways to encourage quality-based competition instead of cost based competition.

It was revealed during Diagnostic Study and subsequent interventions that Common Facility Centre (CFC) is an indispensable requirement for technology upgradation of the brass parts cluster. A proposal was prepared and submitted to Govt. of Gujarat for establishing CFC in this cluster. It is interesting to note that Govt. of Gujarat has agreed to provide a grant of Rs. 1 crore for this CFC. The CFC will facilitate;

- ☞ Technology upgradation
- ☞ Training of entrepreneurs and workers in the cluster
- ☞ Job work facility
- ☞ 'Demonstration effect' (pro-active entrepreneurs will be encouraged to install some of these plants and machines in their factory premises to get better quality products).

## Technology Complementing Entrepreneurial Capability

Entrepreneurial talent is the most significant factor in the success of any venture. Amidst intense competition it is only an able entrepreneur's competence that designs strategies and succeeds on the fronts of innovation, technology, product positioning, etc. While the various optimisation techniques bring in success for the enterprise, one factor that yields results by facilitating optimum utilisation of the production capacity is "technical upgradation". In a world which beckons only the technologically aware, it is important for entrepreneurs to sharpen their technical acumen. Department of Science and Technology, Gol is, therefore, with the support of EDI, promoting enterprises with technology as their cornerstone. The project launched in the states of Hazaribaug, Moradabad, Pithoragarh and Bageshwar is called the Science & Technology Entrepreneurship Development Project.

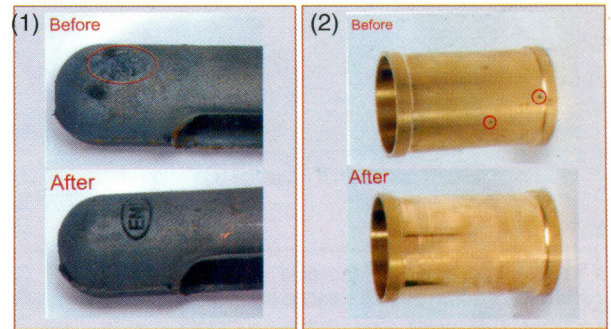
**STED Project, Hazaribaug:** A total of 20 new enterprises were promoted thereby generating gainful employment opportunities for local persons. Further, a 6-day EDP organised in association with Birsa Munda Institute for Entrepreneurship Development was attended by 19 unemployed youths of Banadag village of Katkamsandi block. Besides the EDP, 10 Awareness Generation Meetings and 3 Entrepreneurship Awareness Camps were organised, which helped over 350 local persons develop an understanding of the ED process. The STED Project team also assisted nine entrepreneurs in setting up their Sanitary-ware Production Centres at block level, to ensure supply of low cost sanitation products at the district.

**STED Project, Moradabad :** In Moradabad 5 Awareness Generation Meetings and 4 Entrepreneurship Awareness Camps were organised. These were attended by about 300 potential entrepreneurs. Besides, the project team facilitated establishment of 11 technology-based enterprises, generating employment opportunities for 17 local persons.

**STED Project, Pithoragarh & Bageshwar:** The STED Project Team initiated preparations for conducting product-specific EDPs in the areas of fisheries, fruit processing, low-cost building material, micro hydel and floriculture / de-hydrated flowers. Tie-ups were explored with technical support institutions such as; Birla Institute of Applied Sciences-Bhimtal, National Botanical Research Institute-Lucknow and Fisheries Board-Pithoragarh.

## Revivifying the Engineering Cluster, Rajkot

Planning, marketing, negotiation techniques, technology, finance and HRD management are the prime movers of any business. Most SMEs, however, are faced with constraints on these counts and crumble under the pressure to keep up with world trends. However, results depict that if entrepreneurs facing common challenges as also opportunities are addressed collectively and brought together in a conglomeration,



EDI experts addressed some technology related problems in the cluster, thus reducing rejection (in the first case) from 17% to 1% and, (in the second case) from 19% to 2%. The photographs that are captioned 'before' show technological problems (identified by EDI experts) which have been set right as shown in photographs captioned 'After'. 600 enterprises, as against the target of 2000, have been approached for technological advancement

edge and the advantages increase for all. The overall Efficiency of these agglomeration of firms is improved and their operational deficiencies are removed.

And this major spur to the modernisation process of SMEs of a given field or cluster comes from the Institute's cluster development approach.

The Institute's initiatives in several clusters, like the Knitwear in Ludhiana, Machine Tools in Bangalore, Pharmaceuticals in Ahmedabad, Leather in Chennai, Seafood in Cochin, Scientific & Medical Instruments' cluster in Ambala have made the enterprises of an inter-dependent network, growth-oriented rather than survival-oriented.

The Institute is presently working towards the development of the Diesel Engines-cum-Engineering Industry Cluster at Rajkot (Gujarat). The project is sponsored by DCSSI and ICICI Ltd., Govt. of India. Rajkot houses clusters that comprise SSEs producing Diesel Engines, Precision Bearing, Machine Tools and Agricultural Implements. Although the products of these units are marketed across India and exported to the Middle-East & Africa, they possess the potential to develop immensely if supported on the fronts of technology, marketing, export, etc.

Subsequent to the diagnosis of problems, the Institute implemented a host of activities to benefit the 2000 enterprises being targetted through the project. A group of engineers-cum-technical investigators have been recruited to implement the upgradation programme. These engineers are being groomed to provide Technical Business Development Services to the cluster and thus help the SMEs combat problems related to marketing, technology, export, health, safety etc. The entrepreneurs will also be counselled personally besides being imparted training and guidance on enhancing growth and competitiveness.

The project is thus on its way of witnessing improvement in quality and productivity leading to improved marketability of the final products, development of a databank of BDS providers so as to ensure a multiplier effect, networking among cluster actors and formation of consortia in addition to exploring avenues of diversification. The two-year project is being carried out under the leadership of Mr. K.K. Shaw, Faculty Member, EDI.

## FORTHCOMING EDI PROGRAMMES

	Name of the Programme	Duration/Period	Target Group	Objectives & Outcome
1.	Training Seminar on Industrial Project Preparation and Appraisal	6 Weeks Feb. 16-March 26, 2004	Appraisal Officers from financial institutions in Developing countries	To improve and update project appraisal techniques and decision making process so that there is improved viability and returns.
2.	Training Programme on Managing Micro Enterprise & Micro Finance Development	6 Weeks Jan. 05-Feb. 13, 2004	Senior Officials/ Functionaries of NGOs in developing countries	Capacity building of NGOs of developing countries to enable them to initiate micro enterprise development related activities in a sustainable way.
3.	New Enterprise Creation (NEC) Training Programme for Trainers of Developing Countries	6 Weeks Jan. 27-March 05, 2004	Professionals engaged in Women Entrepreneurship	A comprehensive training package to train Entrepreneur Trainer-Motivators and Business Counsellors for initiating, planning and grooming them for effective business Counselling in developing countries.
4.	Award for Best ETMs	1 Day Dec. 22, 2003	ETMs of ED institutions	To enthuse and motivate ETMs to make further meaningful contributions towards entrepreneurship development.
5.	Award for Best Women ETMs.	1 Day Dec. 22, 2003	ETMs conducting EDPs for women	To enthuse and motivate ETMs to contribute more towards women Entrepreneurship development.
6.	National Convention of ETMs	2 Days Dec. 22-23, 2003	ETMs of ED institutions	A forum to bring trainers of ED organisations on a common platform for experience sharing and discussion on emerging issues in the field of entrepreneurship.
7.	National Meet of RETMs and Micro Finance Managers	2 Days Dec. 22-23, 2003	NGO RETMs and Micro Finance Managers	To provide a platform for experience sharing and to bring the cadre face-to-face with new developments in the field
8.	EDI Awards for Best RETMs	Dec. 22, 2003	RETMs	To recognise the contribution of RETMs and to motivate them further to take up micro enterprise development.
9.	EDI Awards for Best Bankers	Dec. 22, 2003	Bankers	To recognise the contribution of Bankers and to motivate them further to take up micro enterprise development.

## FORTHCOMING INTERNATIONAL PROGRAMMES

### – ICSB 49th World Conference 2004

Conference Dates : June 20-23, 2004

Call for papers :

#### “Globalisation and the Impact on Entrepreneurship and Small Business Development in the Developing World”

Please submit your abstracts, papers, symposia and workshop proposals to : Dr. Danisa Baloyi or Conference Coordinator : Parktown PO Box 1507, 2193 Gallo Manor, Johannesburg 2052  
Tel : +27 11 717-3605 or Tel : +27 11 728 0431  
Fax : +27 11 728 0431 E-mail : debaloyi@mweb.co.za

### – USASBE Conference

“Deep in the Heart of Entrepreneurship”

United States Association for Small Business and Entrepreneurship. JAN 15-JAN 18, 2004, Dallas, Texas USA.  
Website: <http://www.usasbe.org/conference/2004/index.asp>

### – 2004 Entrepreneurial Summit

Affiliate of the International Council For Small Business for Puerto Rico & Caribbean  
APRIL 23, 2004

### – The 49th ICSB World Conference

South African Entrepreneurship and Small Business Association

JUN 20- JUN 23, 2004

Johannesburg, South Africa

website:<http://www.icsb.org/conferences/SAESBACFP.html>

### – Call for papers

2004 Babson Kauffman Entrepreneurship Research Conference, co-hosted by the Hunter Centre for Entrepreneurship at Strathclyde University of Strathclyde, Glasgow, Scotland

The conference will begin on Thursday, June 3rd, and end on Saturday, June 5th, 2004. The Doctoral Consortium held in conjunction with the BKERC is scheduled to begin on Wednesday, June 2nd, and will end on Sunday noon, June 6th, 2004.

The focus of the conference is on current research. Theoretical papers will be considered for the 2004 conference.

The BKERC will accept theoretical papers on an experimental basis for the 2004 conference.

For information on the submission of abstracts, please go to the conference website [www.bkerc.com](http://www.bkerc.com) and click on “Abstract Guidelines Information”.

## Developing Facilitators for New Enterprise Creation

Entrepreneurs have shown to have a positive effect on the economy of a country. Growth, development and stability accompany widespread entrepreneurial resourcefulness. The need to view new opportunities with a global mindset is more pressing on developing countries. The changing business contour embodies in its fold a wave of new opportunities which need to be explored thus widening the entrepreneurial horizon.

With the objective of developing a core group of professionals equipped with skills to identify investment opportunities, prepare opportunity studies and screen them for the benefit of indigenous entrepreneurs to invest in new projects, EDI conducted a training programme on 'Industrial Project Identification, Formulation & Screening in Jeddah'. This was a step towards the capacity building of Saudi Entrepreneurship Development Institute in institutionalising entrepreneurship development & investment promotion activities. With support from UNIDO, the programme was organised by Saudi Entrepreneurship Development Institute. UNIDO assigned the task of conducting the programme, to EDI.

The 18 participants from premier institutions were introduced to all basic and integral aspects of Project Development Cycle, Industrial Opportunity Identification, Project Formulation and Screening.

Against the understanding that opportunities have to be identified within the context of the overall economic conditions, the participants were introduced to the macro economic context covering mainly the national economic policies that have an impact on investments. Also adequate emphasis was placed on issues related to strengths and weaknesses of the project sponsors as also opportunities and threats that they foresee.

A proper understanding of all concepts was ensured by way of case studies, discussions and exercises.

Easy comprehension was also facilitated on matters relating to financial statements and financial parameters for screening product ideas. Field work was a significant method to recapitulate the lessons and learnings. It focussed on collection of relevant information and its compilation; identification of project opportunities based

on analysis of all information; preliminary screening of opportunities based on certain non-financial parameters, preparation of project profiles and screening based on financial parameters.

The participants expressed confidence in being able to identify project opportunities as a result of the skills imparted to them during the training programme, adding that the practical experience during field visits concretized their learning. Right from the time the programme was conceived, it was felt that the participants must apply skills of opportunity identification in real life situations. A systematic approach was, therefore, adopted whereby the participants were required to operate in small groups for about 8 to 10 weeks subsequent to the conclusion of the programme. As a result, the final output was a list of business opportunities and project profiles relevant to local conditions prevalent in the kingdom.

The programme was conducted by EDI Chief Faculty, Mr.B.P.Murali who opined that the participants understood the significance of the entire programme and so there is now in place, a group of motivated Saudi professionals with skills in SME Development.

## Developing Expertise for Saudi Arabia

Economic health of any country is rooted in the growth of entrepreneurship in the region. Entrepreneurs provide stimulus to economic development and are central to the entire process. Tapping such potential in people, nurturing and guiding them to set up enterprises thus taking up tasks, right from the stage of opportunity identification to project implementation, calls for well equipped trainers/ facilitators. A programme to develop a resource pool of facilitators for Saudi Arabia was, therefore, scheduled in Jeddah.

The programme organised by Saudi Entrepreneurship Development Institute, Jeddah, was conducted by EDI Faculty members - Prof. B.P.Murali and Prof. Mayank Upadhyay.

The objectives of this programme, organised during July 26 - August 7, 2003, were to help all 18 participants understand the process of Entrepreneurship Development and equip them with necessary competencies in the areas of identifying, selecting,

entrepreneurs so that these potential entrepreneurs set up their own small enterprises.

The participants represented institutions of repute, such as; King Abdul Aziz University, Saudi Arabian General Investment Authority, the Supreme Commission of Tourism, Jeddah Chamber of Commerce and Industry, Eastern Province Chamber of Commerce and Industry, Council of Saudi Chamber of Commerce and Industry, Ministry of Commerce and Industry, private consultants and SEDI faculty members.

Some of the major issues that formed a part of the programme deliberations were :

- Discussion on various stages of Entrepreneurship Development (ED) starting right from early stages to growth.

- The need for an integral approach covering the enterprise, the entrepreneur and the environment was emphasised upon. While certain ED tasks such as assistance in opportunity identification and business plan formulation could be taken up on one-to-one basis, it was agreed that a comprehensive approach to ED at micro level calls for a package consisting of training, counselling and support interventions.

- The genesis of the EDP for New Enterprise Creation in the country was deliberated upon, in addition to the typical EDI-EDP Model that involves pre-training, training and post training phases. The participants were given to understand that any training intervention for Entrepreneurship Development should lead not only to New Enterprise Creation but also to strengthening of the competencies of the entrepreneurs, so essential for sustenance and growth.

- A crucial part of any comprehensive ED intervention is to facilitate development of soft skills among the target group. The process of competency development was illustrated through a variety of simulation exercises. It was

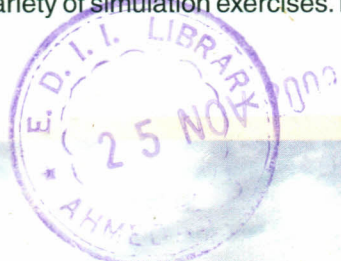
emphasized that competency development inputs are not to be confined to standard simulation exercises rather it is a process that has to commence right from the beginning of an EDP and be linked with all the activities.

- The need for an approach to formulation of a business plan of a small enterprise was driven home through illustrations. Participants joined hands in preparing model business plans based on case studies.

In addition, the participants acquired knowledge on the integrated approach to conducting an Entrepreneurship Development Programme and its various crucial components.

As a culmination of the two-week programme, the participants were asked to prepare action plans stating their ideas of cementing entrepreneurship development in their field of work. While one participant outlined his plans to introduce a course on Entrepreneurship at the undergraduate level, other groups planned to organise demonstration programmes on entrepreneurship development. The lady participants presented their plans to organise one such programme for potential women entrepreneurs in Riyadh. The participants appreciated the concern of faculty members to give them a broader view of Entrepreneurship Development and pledged to maximise entrepreneurial growth in their respective regions.

The country has immense potential to nurture the SME sector, which in turn would lead to generation of employment opportunities, equitable distribution of the benefits of development and proper utilisation of resources. Given such a scenario, the benefits of the programme would be best realised when a series of EDPs are organised throughout the country to develop potential entrepreneurs. The participants have prepared specific actions plans to conduct EDPs for New Enterprise Creation. The SEDI faculty members, in association with the Chambers of Commerce are already in the process of finalising a few EDPs.



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