



Shri Jairam Krishnan (right) with Dr. V.G. Patel, Director, EDI-I

A SCHOOL FOR FUTURE TYCOONS

By
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No imposing portals greet you nor does the edifice inspire awe. Tucked away in a quiet residential quarter of Ahmedabad, nevertheless, an unique institute is making waves within and outside the country.

Entrepreneurship Development Institute of India (EDI) is truly a school for tycoons because that is precisely what it does. Train a new generation of entrepreneurs, thereby exploding a few myths that entrepreneurs are born not made and that entrepreneurship is inherent only in a few castes and communities and found exclusively in some states.

Dr. Vihari G. Patel, 45, the man who started the movement of training entrepreneurs some two decades back and now director of EDI, avers that proper identification and selection of individuals with some entrepreneurial traits and potentials, quick counselling on opportunities, backed by a sound and committed approach for imparting various inputs to strengthen competence of the trainees and confidence building have proved that entrepreneurial potential can be found and developed in most places irrespective of age, qualification, experience or socio-economic background.

And as if to prove Dr. Patel's observations, the Institute has trained entrepreneurs in diverse regions like the Andamans, Kerala, Goa, Sikkim, Bihar and Arunachal which do not have a history of industrial or other types of entrepreneurial activity.

A proper insight into what the institute strives to do is best done in the words of Ramesh Dave, a veteran trainer-motivator at only 35 and with experiences of conducting EDPs (entrepreneur development programmes) in particularly enterprise-lacking regions like Sikkim and the Andamans. His story in Andamans :

"Jasbir Singh, a Punjabi non-matriculate settled in Andamans with his elder sister, was an ace motor mechanic and worked in a garage. When I announced my EDP in Port Blair, Jasbir was interested but shy and hesitant about participating. But a little bit of coaxing did the trick. Having technical experience and with the discussion during opportunity guidance, he finalised the project report for an automobile repair shop with special facilities of engine boring hitherto not available in the Island and for which purpose engines had to be sent to the mainland at an exhorbitant cost.

During the third phase of the programme, Jasbir had finalised a rented premise in the commercial centre. His loan application with State Bank of India was also sanctioned within seven days. At this success of Jasbir, the landlord got wise and demanding a higher rent he locked up the premises. Instead of setting up a business, Jasbir found himself a litigant.

Though I tried to talk to the landlord out of the impasse nothing much came of it. But the motivation training he had received would not allow Jasbir to give up easily. He finally managed to construct his own shed at a nearby location. Soon with the receipt of machinery and equipment, Jasbir was in business. Now he is in the process of expansion."

The modern-day missionaries : The myth-breakers that entrepreneurs are born as such, are men like Dave who are trained to conduct result-oriented EDPs in their respective areas in a systematic and methodical manner, adjusting the same to suit the intellectual level and socio-economic background of the target groups.

EDP is now well-established as the thing to promote small-scale industries in industrially backward and rural areas and for developing local human resources for the same. It strengthens motivation and sharpens awareness enabling one to use one's skill more professionally and profitably.

EDI being conscious of this versatility of EDPs, offers its expert services to conduct demonstration EDPs for organisations which plan to institutionalise these activities. Special EDPs are conducted for particular target groups: science and technology graduates, women, for rural self-employment and existing entrepreneurs. Extension Motivation Programmes are held for officers of financial institutions and development organisations. EDI also provides expertise for the selection of entrepreneurs, achievement motivation training (AMT) and pre-programme promotional activities.

Since its inception in May 1983, EDI has undertaken the single-most vital task of its existence; of training a new cadre of professionals, the trainer-motivators, whose task it would be as modern-day missionaries to spread the concept of entrepreneurship and the creation of entrepreneurs country-wide.

EDI's accredited trainers' course (ATC), the first of its kind worldwide, has its vitality in what it reaches out to achieve: to develop human resource (trainer-motivators) for conducting EDPs, which in turn develops human resource for small-scale industries, which in its turn, develops opportunities for employment, self-employment and productive uses of skills rusting in the far-flung underdeveloped and undeveloped regions of the country.

If EDI alone were to conduct EDPs with its small band of 15 trainer-motivators, it would take decades to make a dent. For a real impact, Dr. Patel says, at least one professionally developed motivator has to be there in each district which is over 450 in number. Apart from such a vast opening in the main area of EDP activities, the potential for them exists in ex-servicemen, rehabilitation, employment exchanges, TRYSEM and other rehabilitation areas and as promoters of entrepreneurship. They

are also professionally suitable to work as extension and development officers in governments, financial institutions, banks and rural development organisations.

What Dr. Patel observes in fact opens up many exciting avenues for self-help. For instance, the ex-servicemen rehabilitation offices can get their own people selected and trained as trainer-motivators who, in turn, can conduct EDPs for their fellow-men, war widows, young sons and daughters of disabled or dead soldiers and thereby properly help them in settling on their own.

Suitable candidates for the course, selected under the guidance of the institute, are first employed by EDP conducting organisations and then they are sent for training to the Institute. While the minimum qualification to join the course is a degree in any discipline, the major basis of selection are the qualities of motivation, behavioural skills and leadership in a candidate; the ability to communicate and influence others. Ajay Dixit, project leader with the experience of conducting two ATCs (Accredited Trainers' Course) behind him, says: "In almost all cases, the attraction for this new job (as trainer-motivator) was the same: power motivation, latent desire to help others and love for interpersonal relationship."

These qualities show up in the trainer-motivator Ganatra's story: "Mahendra Mashru of Keshod village, an unemployed youth and son of a humble panchayat worker, always wanted to do something different, but 'what' he did not know.

One day he chanced upon a newspaper advertisement which promised to help out those who wished to help themselves. Curious, Mahendra rushed to Junagadh and contacted the advertiser, Ganatra, who was to conduct an entrepreneurship development programme (EDP) in the area. The initial screening revealed that though Mahendra had latent entrepreneurial skill, he lacked a few valuable requisites (inputs). Besides being low on confidence and motivation, a number of uncertainties clouded his mind. **What business to set up? How can I run the unit? How to go about it? Who can help for what? What formalities procedures?**

But then Mahendra had run into a trained motivator whose business was to unknot the ambiguities men like him faced while wanting to set up something of their own.

Mahendra was one of the thirty whom Ganatra was putting through the paces as future entrepreneurs based on local conditions. But even at the end of it all, Mahendra was hazy about the product he would take up for manufacture. Ganatra had recommended a few. But these failed to enthuse Mahendra until one day Ganatra chanced upon an idea while helping himself to a mouth freshner, the popular Gujarati "dhana dal"

after a meal in a restaurant. Yes! this was the product for Mahendra.

Mahendra was soon let loose to conduct his own market survey. He found that the main manufacturer was in Ahmedabad, so he went over. But access to information was hard. He loitered around the establishment for days on end until he came across a talkative worker who not only gave information about the process details of making "dhana dal" but also put him in touch with the machinery supplier. In the course of his survey, Mahendra found that there was no "dhana dal" manufacturer in the whole of Saurashtra, a region where his market would lay. This was in 1979."

Today, Mahendra is thinking in terms of expansion and diversification. With a 1984 turnover of Rs. 1.4 million, his unit is the second largest of its kind in Gujarat.

Ashok Sinha, P & P Executive of EDI, explains that a trainer-motivator's job is not an employment but an involvement. For nothing less than that can induce him to carry over 40 Kg. weight (of written materials, training kits and his own baggage) on his head and wade through waist-high water in a fast flowing river in an unknown land and then stride through 12 Km. of distance - only to start an EDP in time! It cannot be anything less than self-abnegation that would make a person run under the shadow of big boulders hurtling down the hill and unaware of how closely a huge rock missed him, rush to meet a small group of tribals to make them aware of what good EDP held for them!

It cannot be anything other than the missionary zeal which would fill one with worries for a trainee-entrepreneur and inspite of having been abused by the trainee's wife and father, go on meeting and encouraging him to keep up his spirit and see that his loan was sanctioned, the unit was set up and started running profitably!

Such are these new professionals whom the country needs in plenty - and the absurdity of the situation is that inspite of there being no dearth of such committed, selfless and dedicated young men and women, there are hardly 50 of them to depend upon.

Only if organisations come forward to get such versatile manpower trained that enterprise can reach the remotest of the remote corners, making life a lot more easier than it is. EDI, in a sense, is handicapped because individuals can by themselves hardly afford the cost of 12 weeks training which works to around Rs. 10,000 to 12,000 per trainer-motivator, and Rs. 60,000 for a on-the-job training (by conducting an EDP for 25 persons). Therefore, the need for institutional sponsorship, EDI has already trained the first four batches of trainer-motivators and a fifth is under way.

Selection, not rejection :A trainer-motivator after having chosen his target areas to conduct EDP announces the fact through all available

local means to select his target group. A four-tier selection system is used to select prospective entrepreneurs : special application form, behavioural tests, group discussions and personal interview.

The selected group undergoes a three-month training programme in three phases. Mrs. Hina Shah, a veteran trainer-motivator with experience of training both men and women entrepreneurs, says the idea is to select (developable) prospective entrepreneurs, from among the applicants and not reject them.

In the very early phase of the programme, sessions are held to enable the prospective entrepreneurs to select appropriate industrial opportunities keeping in mind the market, economic and technical feasibility and the trainee's own competence and capacity. With this the specific economic goal of an independent venture is identified towards which the trainee's motivation is directed. They are also told about the help available through the government and various agencies.

Achievement motivation, specially devised for industry/business entrepreneurship to develop essential entrepreneurial capability in the trainees, such as need to achieve, risk-taking ability, positive self-concept, initiative and independence and time-bound planning. The duration of achievement motivation training lasts for four to five full days.

In the second phase, the trainees are exposed to the various aspects of project feasibility and preparing a project report, which is scrutinised by the trainer-in-charge and the project formulator. Necessary financial and industrial infrastructure assistance on the basis of the project report is sought by the trainer, so that the entrepreneurs can smoothly set up their units in a short time. To familiarise with the industry, the trainees are brought to Ahmedabad, if the need be, and let loose in industries where their future course of enterprise lies. But more than the know-how of the industry, the idea is for the prospective entrepreneurs to imbibe the devotion to business shown by the achievers.

The third phase gives business management know-how to set up a unit and to operate it successfully. But the trainer-motivator's role does not end there. He has to take follow-up measures to see that the entrepreneurs set up their projects.

Narrating his experience in Sikkim where he conducted EDP in December 1984, Dave says, of the 25 participants 12 had started their enterprises while three were awaiting their machinery and another three their loan sanction. Five applications were pending because of change in project. There was only one drop-out. The projects are diverse: washing soap, ice-cream, snack products, soft drinks, TV repair and servicing, surgical bandage and woollen socks.

The other benefits flowing from the programme is also immense. The Sikkim government seeing the success of the EDP is setting up an entrepreneur development board. At present, the infrastructural support is bad with frequent disruption of transport due to landslides. The problems of marketing are also big with the nearest centre being Siliguri. The government itself is the biggest purchaser there.

In Andamans, where Dave conducted his EDP during 1983-84, 14 entrepreneurs out of the 26 trained have set up their units while a few are in the pipeline. The industries here are mostly revolving around ship repair because it is the biggest base for the Indian Navy. Fabricating, auto-servicing, engine boring, machine shops, TV agency, auto agency and stationery articles are some of the projects that have come up. A cattle and poultry feed unit has also been set up.

With growing awareness towards industrial promotion, a subsidy for inter-island ferry may be introduced while from the mainland and fro, the subsidy is to be raised from 75 per cent to 100 per cent. Two additional industrial estates are planned for which land has been acquired.

Expertise abroad : EDI has been invited to conduct two EDPs in Africa: Ghana under World Bank sponsorship and Zambia under Commonwealth Secretariat, Mr. H.C. Raval, Senior Faculty, says the programme in Zambia could follow the one in Ghana so that experiences gained in Ghana could be beneficially utilised. EDI experts will be shortly touring these places to study the environment for drawing up an appropriate programme. Elaborating on this, he says India is unique in that it utilises technologies of a vast period as the need be-like the 17th century bullock cart is the most predominant means of transport in villages, the rickshaw in towns and automobiles in the cities. When local skills do not match with the employed technology, we face problems. Therefore, while developing entrepreneurs in Africa, the key to success may lie in identifying the right technology and the appropriate equipment.

With the experience of participating in two seminars at World Bank, Washington and Nairobi, Kenya, Mr. Raval thinks as such entrepreneurship qualities are not lacking in African countries. But the governments needed to change certain policies to attract entrepreneurs. A major input, thus, required here would be the extension input for officials and perhaps, the motivation ingredient would need adjustments to suit local conditions.

At the World Bank seminar, senior economists and officials in charge of African countries were the major participants. The Kenya seminar held by the Industrial Development Bank there was unique because all the development organisations in that country had come together on a common platform for the first time.