

# 14

## EDI REPORTS

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**Entrepreneurship  
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*Entrepreneurs of Mizoram EDP alongwith the Director Dr. V. G. Patel and their training incharge Mr. C. H. Pathak and Ms. Naline Contractor*



*Entrepreneurs of Nagaland EDP alongwith the Director Dr. V. G. Patel and their trainers Mr. C. H. Pathak and Mr. Jagat Patel*

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## FROM THE DIRECTOR'S DESK

### Entrepreneurship in Education

I had an opportunity recently to participate in a national workshop to discuss the curriculum and related aspects concerning entrepreneurship development courses to be introduced in the polytechnics and engineering colleges. The Department of Science and Technology (GOI) and the Technical Teachers' Training Institute (Chāndigarh), ably supported by a working group of experts, deserve compliments for the excellent course content developed for the target group.

Bringing entrepreneurship development inputs into education must become a national move. So far, the Entrepreneurship Development Programmes have waited for our youth to graduate, or drop out of school or college, stand in the employment/unemployment queue and think of self-employment and entrepreneurial alternative as a last resort. The EDPs then come on the scene to develop a few of these (disappointed, frustrated, angry, demoralised, confused) by instilling a spirit of enterprise in them, giving them direction towards independence. Odds are heavily loaded against the youth and the EDP, at this stage. What the family and the school/college did not do, the EDPs are then called upon to achieve, that too in a short duration of 3 to 6 months. That we are still able to develop entrepreneurs and enterprises out of them is a credit to the soundness of EDP strategy, the skills of the trainer-motivator-counsellor, and of course, the latent entrepreneurial energies of our youth.

It is, therefore, a logical and an essential "backward integration" process that development of entrepreneurial spirit and instilling a desire to take up a "venturesome" career is brought back to the educational stage itself. The objective should, however, be first to inculcate a spirit of enterprise in our youth

and then create an interest in and awareness about career alternatives including "doing something of my own..." Sociologists and behavioural scientists have talked of "early socialisation" process. From childhood, the thinking pattern and personality begin to take shape influenced by the surrounding environment. The stories that the grandma tells, the folklore our children are exposed to, the mythologies that the mother and the temple priest recite about, all play their role. What, however, does not happen in the family has to be somewhat made up in the education stage - both at school and college level. A long term need is to develop, and introduce in our textbooks and curriculum, stories and situations which highlight achievement, initiative, accepting challenges, independence, fighting against odds etc. and not just courage and valour.

In the short run, the entrepreneurship courses at highschool and college levels can create an awareness, supplemented by more direct inputs on the charms and prospects of becoming an entrepreneur ... Education, however, is no substitute for experience; and technical education is not adequate for business competencies. These limitations are often forgotten and we end up expecting too much from an entrepreneurship course ... just as EDPs, often are expected to perform miracles in 6 months, what the family, the teacher and the society could not do in 20 years of the boy/girl's life ... Education in entrepreneurship should be to develop certain which may facilitate choice among alternatives. It will be unrealistic to expect the ED course to turn out a ready entrepreneur with a sound project which can straight away be implemented. Some interaction with the real world is desirable, which will help firm up a choice and prepare the person better. At this stage, therefore, I opt for developing enterprising youth even if there are fewer enterprises emerging immediately.

**V. G. PATEL**

*"For me, entrepreneurs are those who understand that there is little difference between obstacle and opportunity and are able to turn both to their advantage."*

*— Victor Kiam,  
"Going for It : How To Succeed As An Entrepreneur"*



## STEPPING IN THE ABODE OF CLOUDS

S.B.Sareen

When I left Ahmedabad for Shillong to conduct S&T EDP there, it was just another programme for me. I started work in the same routined manner - contacting key officials of various government departments, social organisations, educational institutions. But what aroused me from the lethargy of this routine work was the monosyllable negative response from each corner. Nobody in anyway seemed to be favourably inclined for the programme.

I sat down in my room and started enlisting the arguments that I got from the cornered officers.

- EDPs conducted by various organisations drew a blank
- Hardly any Science and Technology graduates in the area
- Easy availability of good government jobs.
- Since outsiders cannot start any industry in their own name, plenty of money for the locals for lending name only
- Due to severe cold climate, the locals are less given to hard work and sustained efforts in anyone direction.

Besides, the matriarchal social system added to the difficulties with an insurmountable problem. Here females are active, they run the show and manage the affairs. After marriage it is the boy who goes to live with his wife and her family. Man is practically dependent upon women.

And so, on the whole, the very act of getting potential entrepreneurs amounted to getting women entrepreneurs in our region.

I digested the hard facts and brooded over another set of unfavourable circumstances - it being close to Christmas, all the educational institutions were closed. Everybody was in a festive mood. To talk of entrepreneurship would have been perhaps the most out of tune thing to do. So I refrained myself from the usual motion of putting in newspaper ads etc. Instead, I went to the Divisional Employment Exchange Office, dug out the names & addresses of science and technology graduates from their list; drafted a detailed personal letter about the programme and its promises and addressed and mailed the same to each one of them. While drafting the letter, I had kept in mind the excessive concern of the local people for self-respect and individualistic treatment.

After two days of posting the letters, I released a promotional cum announcement ad in English as well as the local language dailies. And next, I got the announcement included in the special bulletin for employment news of All India Radio, Shillong Station which remained on air for one full month.

In the meantime, I got four big cloth banners made and put them up at each of the four main junctions of the town so that every passerby saw and read them. Then I got the cinema slides shown in all the theatres in the city for one full month.

As a result of this fortification to bring home to the people the message about EDP paid rich dividends when I went to meet the students of the Shillong Polytechnic. They were already aware of the programme so they seemed to be listening to my talks with all intent and purposes.

In between my stint with the Polytechnic students, I wrote circular letters to all the Deputy Commissioners and Directors of Information and Public Relations requesting them to spread the message about the programme in their area of operation. A similar circular was also sent to the District Industries Centre and Commercial Banks.

I had decided upon this multipronged promotion strategy keeping in mind two hard facts about the place and the population - the place was small and uncondusive for easy entrepreneurial activities and the population was scattered in small pockets all over the area. In order to make the programme a success, therefore, the response had to be very, very good and then alone. selection could be made proper and potentials of the selected participants as entrepreneurs could be evaluated as per the needs of the place.

No sooner than the festive period was over, the response started gathering from all quarters. In all over 120 applications were collected, 87 received back duly filled, 70 called for behavioural tests, 78 appeared in the tests and out of that 23 Science and Technology graduates and diploma holders were finally selected for the programme and all of whom completed the programme with great enthusiasm and sustained interest in their new identity.

On the strength of my experience of conducting programmes in the north-eastern region, I am confident that at least 50% of the participants would set up their units within the first year of the completion of the programme.



## REACHING OUT TO NORTH-EAST INDIA

Acting as a national resource centre of expertise and know-how, EDI-I has taken Entrepreneurship Development Programmes to less developed states, where the need to locate and develop first generation entrepreneurs is not available immediately.

Looking at the larger context of Mizoram and Nagaland, we find that there are very limited. Material resources, the infrastructure facilities like power, transport, communication and water are poor. This provides little scope for project opportunities of even normal size to be viable.

Our Institute, therefore, undertook a detailed study of the situation and identified projects for local requirement, which required less power, greater utilization of local resources and better stress on self-employment opportunities.

While identifying viable project/business opportunities, the team realised manufacturing potentialities in two areas -- water conservation and wild banana plants. Due to dire need to store water, storage tanks are in great demand in Mizoram. At present they use tanks made of GI sheets that are heavy and unhygienic. These conventional tanks could be substituted by those of fibreglass reinforced plastics that are more hygienic, light weight, cheap and easily transportable. The manufacturing of these tanks too is not very complicated. The process can be picked-up after a short exposure.

The projects based on wild banana plant fibres struck the fancy of the local authorities, who were pleasantly surprised to hear about the economic value of the wild banana plants which are available throughout the state of Mizoram. During an off hand demonstration of the wild banana plant fibres they were found to have good lustre and strength. The EDI team suggested that a series of tiny and household units for extracting banana fibres and manufacturing decorative, fancy articles out of them could be set up. Ropes and twines could also be made out of them since the tensile strength of the fibres was many times more than that of the available ones. Both the Director of Industries and the Khadi & Village Industries Commission showed immense interest in the project ideas.

In Nagaland, the programme was scheduled for Kohima. But when the EDI trainer reached there, he found that EDP conducting agency (NISJET) had already initiated activities for launching a programme.

The EDI trainer made some preliminary survey, held discussions with local authorities and arrived at the conclusion that another EDP at Kohima was not feasible and that a programme at Mokokchung (population 70,000) would officially be a more welcome measure.

As in Mizoram, the EDI team decided to focus on self-employment kind of opportunities in Nagaland too. The local market being very small and resources being scarce, there was limited scope for organised small scale manufacturing units.

A glance at the selection procedure :

	Mizoram (Aizwal)	Nagaland (Mokokchung)
1. Called for behavioural test	100	75
2. Appeared	85	71
3. Called for interview	52	57
4. Appeared	29	49
5. Selected	16	31

After the first phase of preliminary training input covering information environmental analysis and the institutional facilities available, all the participants were brought to Ahmedabad for a fortnight of technical orientation and business exposure.

During their Ahmedabad visit, the participants were helped and guided in finalising their small business venture. And to help them in getting exposed to industrial environment, they were taken to small industrial units in Ahmedabad. As a result of this exposure many of them changed their project ideas and opted for ventures more suitable for their environment and strength. This exposure to the industrial environment inspired the participants with greater confidence and awareness about various problems involved in project formulation, implementation and operation.

Their new found understanding was further strengthened by various developmental inputs in marketing and working capital management. Special inputs on skill development like interpersonal skill, communication skill and motivational training were also provided to help them develop their entrepreneurial capabilities.

The last phase of the training programme is yet to be completed at the respective centres during which the participants would prepare their business plans and implement the same.

Jackie Andrews



## **CIRCLES WITHIN THE CIRCLE : PROFILE OF AN INDIAN VILLAGE**

### **An Excerpt from the Rural Entrepreneurship Development Project**

Regional economic disparities have been subjected to rigorous analysis by economists and sociologists alike. However, very little effort has gone in direction of understanding this phenomenon below the level of Taluka or Tehsil boundaries. This note attempts to highlight the socio-economic disparities prevailing at that level.

I had an opportunity to visit some villages in Bahraich district of Uttar Pradesh during September '86 in connection with a Research study. I visited Itwaria village in Ikauna Block of the district. The village consists of 12 Purvas (hamlets/hutments) unlike contiguous compact village as conceived usually, about 350 households and 1,545 persons. Male-female distribution is 830 and 715 respectively as per population census 1981. It is spread over a geographical area of 1,417 acres and situated on the northern periphery of the Ikauna town. On the north of village is engulfed by the river Rapti which has been quite devastating for this village. One can call it the 'HWANG-GO' of Itwaria. It has changed its course almost 14 times in the last 20 years. One of the Purvas of this village has even the name 'LAIBUDWA' meaning thereby 'submerged under the water alongwith ! This Purva, I was told, had to be shifted 4 times in the last 6 years and the immediately preceding location is around 10 metres submerged under the river, which has not only wiped out houses but engulfed most of the land belonging to the farmers.

While, 'LAIBUDWA' is inhabited by the 'landless owners' who are half-starved, ill-clothed, staying in thatched and virually without any job; Bhaipara symbolises prosperity, power and affluence of Brahmin landlords. Their presence in the village is a sort of remote control because most of them stay in the nearby town Ikauna and maintain their pucca minihavelis of Bhaipara. This Purva has primary school with a pucca approach road. Most of these absentee landlords employ agricultural workers from LAIBUDWA as share-croppers. However, unemployment is a rampant in this Purva also. What an anomaly? May be, it is an outcome of the social values of the Brahmins for whom holding the plough is a taboo.

Brahmins dominate, politically as well as econo-

mically, in the village followed by Ahirs (Yadavs) and the rest of the population is living under grinding poverty, working as landless agricultural labourers and earning a pittance not worth mentioning. This is reflected even by the constitution of the Village Panchayat where 4 out of 12 members are Brahmins including the Village Pradhan.

Major crops are wheat, rice and pulses. Most of the foodgrains and other agriculture products are sold in Ikauna itself, because hardly 10% of the total output turns out to be marketable surplus. I found a very interesting thing about the land prices. The prices of the best quality of land has shot up by 400% within a span of 5 years; whereas, the lowest quality of land is sold at a price almost 400% less, compared to the price before 5 years, because the river has changed its course and the land has become totally unproductive. Thus, within one single village, we witness two starkly different situations. The gap is enormous. In LAIBUDWA, where people these days are just waiting for the river to flood them do not have any regular source of income. Most of the land is either submerged under the river or the river Rapti has left 2 ft. to 2½ ft. thick layer of sand on its northern bank from where it has shifted. Consequently, nothing can be grown on either side. On the sandy tracks, a type of grass known as 'Bajahra' (some kind of wild grass) grows, which has no economic use - not even animals can eat it. Sometimes, of course, people use it for making tatias (grass walls) and thatching. Thus, in this Purva, by and large, nothing grows, except Bajahra and misfortune.

I was told that despite this situation, farmers are required to pay land revenue. Most of the farmers are small and marginal land-holders. Hardely any farmer has land more than 3 acres and that too where nothing can be done, even then they have to pay land revenue. Rationale is beyond logic. This is the first time where I came across a situation where like 'jhooming cultivation' people go for 'jhooming housing', shifting each time their house site, and apathy of the Government is that they do not even bother to subsidise these poor people in this 'jhooming' process.

Therefore, while planning any strategy for rural development through developing rural entrepreneurship, we have to keep the scenerio in mind. Probably, thrust on manufacturing activity in such villages might turn out to be somewhat frustrating. May be one can think of some group activities which have close linkages with the local resources and the available human capital.

DINESH N. AWASTHY





## SPECIAL SECTION : BUSINESS OPPORTUNITIES GUIDANCE

### INDICATING A BUSINESS OPPORTUNITY

– ASHOK K. SINHA

A business opportunity is a means to an end which is either to produce something or render some service for the ultimate monetary gains. It is a part of the environment and in relation to the end (monetary gains), it depends on the competencies of the entrepreneur working on it and the kind of the support system available in the environment to facilitate translating the “project idea” into action.

All opportunities are abstract entities and call for certain physical conditions for its concretisation leading to monetary gains.

So, when an entrepreneur is **guided** towards a business opportunity, two things should have already been assessed—the opportunity bearingness of the environment and the conditions required to gainfully materialise the same.

But there is another angle from which these opportunities have to be looked at—it is the entrepreneur's.

The entrepreneurs selected for an EDP are supposed to be new, the first-timers, that is beginners. And like all beginners, in order to really lead them into action, they have to be initially given simple and straightforward opportunities, just as a primary class student is given two or three-lettered words to write, read and remember.

Now, the question is : What is a simple, straightforward opportunity? (This is difficult to spell out but can be suggestively answered).

A child is given to read and write first alphabets and along with that he is taught numbers. Then, he is taught to put two letters together and how one plus one become two. In the same way, an “infant” entrepreneur has to be, first of all, initiated in the ‘alphabets’ and ‘numbers’ of entrepreneurial activities and then be given to putting two and two together.

Second, the opportunities suggested should be

harmonious with the entrepreneur's background, his competencies and the environmental factors within which the enterprise has to flourish. For example, for a new entrepreneur living in a hilly terrain, setting up a flour mill is easy and simple. He has just to buy a mill, get a power connection and start doing business. His market is assured and lasting. His efforts bear fruits immediately : the return on his investment is quick and in cash. Once his entrepreneurial interest is thus consolidated, he will naturally start perceiving whatever other opportunities are available in the environment. But, if the same entrepreneur is suggested to work on washing soap, he is sure to give up in the middle in spite of having a lot of potential as an entrepreneur. He would be lost as such for all the time to come, simply because the OG expert imposed upon him a product for which the potential entrepreneur was not by growth grooming ready.

Similarly, a young man living in a remote village where people still pay land revenue to the government for land submerged for years in a river, can easily handle, one or two, cows or buffaloes, milch them and start his business straightway. But given to work on a fruit or agricultural based product, he sure would love to have the river swallow the opportunity! Business opportunity can be easy or difficult depending upon the fact whether they are the products of the environment or that of the imagination of the OG expert the imagination being independent of the environmental factors and entrepreneurial competencies that decide the success of the venture. All business opportunities derived from the environment are necessarily easy, for the simple reason that being a part of the environment, they have been coming in way of the people in one form or another. For example, in spite of having a heavy amount of rain, the people of Mizoram have been suffering from the scarcity of water. Owing to this, the local population is so mobile that even those employed in offices cannot be in their chair for an hour at one stretch. Now, if a potential entrepreneur from this environment is asked to work on textile printing, it would be simply suicidal. But if the same entrepreneur is given a project related to conservation of water he would pounce on that and put his heart and soul in the project for the opportunity has been a part of the environment he has grown in—although negatively.



Business opportunities imposed upon the environment are always difficult because by them entrepreneurs attempt at thrusting a new element against which the environment is bound to resist with all its might. For example, the business opportunity to manufacture ready-made garments in Andaman & Nicobar Islands is a difficult proposition. The cost of shipment both for getting the material as well as sending the finished garments would be so immense that a unit cannot even take off. But if, as in the case of Fiji Islands, the skilled labour is cheap, good material come to the island in abundance on duty free rates, then the same ready-made garment unit become viable although there is no inland market for the same. In this case the environment has been subdued by certain policies in favour of such an imposition or inducement. But here again a new entrepreneur cannot be the right choice because he cannot circumvent the resistance of the environment.

This situation gives rise to another question: Whether EDP is suitable for promoting easy opportunities only. The answer is 'yes' if it means opportunities available in the environment. It is 'no' if by 'easy' one means flour mills, cow-rearing and soapmaking units. For an environment is such a complicated but subtle sum of people, place and policies, that even a slight change in any one of the three, relatively changes the total environment. Then opportunities present in one case may not be there after the change. So the 'easy' connotation of an opportunity varies from people from people, place to place, policy to policy. A graduate from Delhi University may be intellectually far superior to one from another university, Ahmedabad is industrially more conducive than Aijwal; state policy in Gujarat is more encouraging for entrepreneurs than in many other states. These are the facts that affects the total environment upon which depend the availability of business opportunities.

Since the people, the place and the policies are the three major constituents of the environment, a business opportunity can be nearer to any one of these. Opportunities nearer to people are need-based; those dependent upon 'place' are resource-based; and those derived from 'policies' are source-based.

Need-based opportunities bring into play entrepreneurship of the highest order and deepest kind. Those Indians who were displaced after partition excelled in entrepreneurship in every respect.

Greater the need, better is the entrepreneurship.

Resource-based opportunities attract entrepreneurship of the select kind. The iron-ores of Jamshedpur drew the first TATA from Gujarat and cotton market of Calcutta called the first BIRLA from Rajasthan. More specialised one's entrepreneurship is, the farther be transcend time and space. And source-based opportunities give rise to the entrepreneurship of an inferior kind and of temporal nature. Such entrepreneurs remain in look out for one Government incentive or another and like moles work in the dark and move by the walls. Twisting certain provisions is their strength; surging ahead on that is their entrepreneurship !

So, if the main objective of an EDP is to develop **new** and **local** entrepreneurs and if need-based opportunities bring into play entrepreneurship of the highest order and deepest kind, then it would be a lot easier and more productive if such opportunities are preferred for the potentials to take up.

### ATTENTION NEW ENTREPRENEURS !

EDII Ahmedabad brings to you "A Handbook for New Entrepreneurs" (With special reference to Science & Technology Target Group). The publication of which has been sponsored by :

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Avail the opportunity of in-depth information, guidance and counselling for your maiden business venture, through enriched experiences of practitioners and real life situation of existing entrepreneurs, managers, chartered accountants, counsellors and decision makers

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No more doubts then !!!



## **OPPORTUNITY GUIDANCE IN EDP'S – A DIFFERENT VIEW**

By

H. C. RAVAL

### **Introduction**

Business opportunity input/opportunity guidance or counselling participants on business opportunity has been considered as a most crucial input in EDPs. But, unfortunately, the way it is presently provided has helped the trainers and agencies organising EDPs more than the participants!

### **Present Status**

Once the participants are identified and selected, they are immediately made to select a product for their venture on the basis of whatever information is provided for the same. This is followed by inputs on preparing preliminary project report. The sole objective behind this pick-up-and-prepare practices is to ensure that maximum number of participants select their projects in the initial period itself and their preparations for project reports may begin immediately. The prime objective here is to motivate and help the participants in selecting a product and not of developing their ability to perceive an opportunity.

In order to get completed maximum number of project reports, followed by setting up of units, the agencies organising EDPs and other trainer like to carry out product identification exercise even before the commencement of the programme. This approach of identifying products in advance is considered as an ideal approach for conducting result-oriented EDPs. The trainers survey the location where EDP is to be conducted and identify at least 35 to 30 viable products before the commencement of the programmes so that the participants can be counselled (burdened?) and thereafter no time is wasted in the project report manufacturing process. Now, the objection is not against carrying out survey or product identification exercise but against the practice of influencing the participants in their product selection and not providing them freedom, to select a project of their choice. Neither inputs and opportunities are provided to develop their ability to perceive opportunities.

The irony is that in their excitement about this exercise, neither the agencies nor the trainers are worried about the target group, and the background of the participants. They just make a list of viable product

along with details on each item and in case the selected entrepreneur's background is found different, the entire inventory of products identified either remains in the EDP bag or if the trainer is extra enterprising, he imposes the items on the participants without caring about their background or the fatal consequences of such super-impositions of opportunities.

The trainer is indirectly forced to make the participants select a product so that each one is finally linked up with a project. Besides, the time spent on opportunity guidance for helping the participants in selecting the product in the total training input package is comparatively more. Apart from AMT, this is the only input in which individual attention is paid. Each participant is counselled personally on the product selected by them or the trainer has in his EDP bag. In the training input of 153 hrs., almost around 15 hours are spent on opportunity guidance.

The basic objective of organising EDPs is to identify those who have latent entrepreneurial traits and can be developed through EDPs. Therefore, the basic issue is to build up the entrepreneurial capabilities so that the participants accept entrepreneurial activity as a career. Thus, in this process, 'entrepreneur building' must be given preference. Unfortunately the opportunity guidance process adopted by various agencies as explained above is not conducive for the same. It is high time that the trainers/agencies organising EDPs should pay more attention on 'creating a will to perceive opportunity' among the participants rather than feeding the participants with various opportunities. The feeding of opportunities cannot be of any use if an urge to perceive an opportunity is not created.

Entrepreneurial development has to be viewed from behavioural aspect and therefore, creating an urge to perceive opportunities is more consistent with the behavioural/psychological composition of participant and his identity. If this is accomplished, a person will always have a burning desire to look for new opportunities. That is why prominent industrialists like Tatas, Birlas and Mafatlals are always looking for opportunities not only for achieving something but also to satisfy their urge to perceive opportunities. If this urge to perceive an opportunity is created, an entrepreneur's development would not stop with starting of an enterprise but would rather grow into more and more opportunities as a result of that urge and skill to perceive —

The basic issue of opportunity guidance, therefore,



should not be to provide information but to arouse the participant's desire to perceive an opportunity through psychological and behavioural inputs. Once such a desire is created, it should be followed by inputs for developing the skills to perceive more and more opportunities.

### **How to Develop the will to Perceive an Opportunity?**

Research in behavioural science has proved that creating an urge to take calculated risk, need for achievement, initiative and independence can be developed. In the same way, it is possible to create an urge to perceive opportunities. This can be done through various psychological and behavioural exercises. During these structured exercises, their thinking patterns could be analysed and they could be helped in internalising the new thinking (i. e. an urge to perceive opportunities). For this purpose various exercises are available which can be administered. This input should be a part of entrepreneurial motivation development package.

### **Developing Skills to Perceive Opportunities**

Once the participants are exposed to certain

entrepreneurial motivation exercises and the new thinking is inculcated in them, various class room sessions and exercises can be administered to develop their skills to identify more and more opportunities. A detailed training input for creating the will to perceive an opportunity and developing skills for perceiving opportunities has been tried out and has given excellent results.

If trainers and training institutions are geared to the objective of 'entrepreneur building' followed by 'enterprise building' they would find this approach more appropriate. However, there is one drawback. This approach may reduce their success in the initial stage as the number of trained entrepreneurs will take more time than at present in setting up their units. But this will certainly help them in accomplishing entrepreneurial development and not merely 'enterprise development'. This will make the participants understand their project in the right perspective and the burning desire created in them will enable them to further expand their entrepreneurial activity.

*"Opportunity isn't a polite thing. It won't don white tie, tails and a top hat and arrive at some mutually agreed time. It's a slippery streater. You must be quick, grabbing it by any available part of its anatomy as it whooses past you. You'll need stamina, allowing you to grab it without fear of its wrestling free".*

Victor Kiam,  
("Going for It :  
How to Succeed As an Entrepreneur")

*"The 'limits' to growth become merely its frontiers. From the awesome reaches of the universe to the micro-electronic galaxies of inner space, from microbiology to petroleum geology, the world opens its portals, sloughs off limits and boundaries and overcomes the 'closing circles' of ecological expertise with ever-widening spiral of possibility"*

- George Gilder  
"The Spirit of Enterprise"



## DEVELOPING NEW ENTREPRENEURS BUSINESS OPPORTUNITY GUIDANCE

C. H. PATHAK

The structure of a new venture rests on the bed-rocks of business opportunities and the entrepreneur's response to them. If the foundation is not properly aligned and thus is weak, the structure may well collapse or require extensive repairs and support efforts in course of time.

In promoting new entrepreneurs and conducting EDPs, the critical input of business opportunity guidance plays a very important role. It is needless to say that neither a good entrepreneur with a bad product can go far, nor a very attractive product with a weak entrepreneur can succeed. It is only the combination and synchronisation of both the entrepreneurial capabilities and feasible product which can yield results. Specially with the first timer and new entrepreneurs, the enthusiasm to do something on their own is so strong that to weigh prospective opportunities objectively is simply not possible for them. Though entrepreneurs are basically opportunity seekers, any systematic efforts for developing them must take sufficient care in offering appropriate opportunities to them.

In entrepreneurship development programmes, even considering the sequential need for an entrepreneur, the first requirement is to select an appropriate business. However, the dilemma at this stage for the promoter (trainer) can be up to what extent the entrepreneur should be helped in selecting a business opportunity vs. leave him on his own to do the same. Therefore, the idea is not to force a decision or choice on an entrepreneur. The decision has to be of his own in the sense that he should feel responsible for it and must pursue it with commitment and conviction. This is not possible unless he himself goes through the whole process and makes a choice based on what he has experienced. In this regard what an EDP trainer can do is to facilitate and accelerate the decision-making process and caution him against a false trail.

In fact, even before guidance is provided to an entrepreneur in selecting appropriate business opportunity, lot of pre-training preparations and work will have to be put into. Potential business opportunities suitable for the target group in an area will have to be identified. It will be very difficult to standardise the intensity of the input in view of the very complex process involved in selecting a busi-

ness opportunity by an entrepreneur. The basic question involved is "What is a good opportunity?" In simple terms, opportunity is an **attractive project idea which an entrepreneur accepts for investment on the basis of certain assumptions about the feasibility of the project.** But mere possibility has to be distinguished from the real opportunity. The answer to this question has to be found by entrepreneur himself and efforts in all directions to understand the expectations, peculiarities and limitations of entrepreneur capabilities should be made by the counsellor/trainer.

Therefore, the first stage of the input will concentrate on personal counselling and assessment of the prevailing conditions. But for a new entrepreneur, it is equally important to have adequate knowledge about various business opportunities that he can explore. Therefore, in an EDP, **a basketful of new business opportunity is to be offered to attract and convince the first timer entrepreneur to help him become an entrepreneur.** This calls for intensive and systematic study to identify various business opportunities in a given centre for a given target group. However, care at this stage has to be taken that it is only a selection of a product by an entrepreneur which is important and not an exhaustive feasibility report.

**TABLE 'A'**

### SUPPLEMENTARY TRAINING RESOURCES FOR BOG

(1) EXPERT FACULTY MEMBERS	<ul style="list-style-type: none"> <li>— Consultants</li> <li>— Technical Advisors</li> <li>— Existing Entrepreneurs</li> <li>— Traders/Salesmen/Commission Agents etc.</li> <li>— Purchase Officers and Store-keepers of big companies</li> <li>— Officers of Banks and Financial Institutions</li> <li>— Industry Promotion Officers</li> </ul>
(2) INSTITUTIONAL	<ul style="list-style-type: none"> <li>— Research Institutional/Laboratories</li> <li>— Technical Institutions</li> <li>— Government Departments</li> </ul>
(3) LITERATURE	<ul style="list-style-type: none"> <li>— Tenders of Public Company or Government Purchase</li> <li>— Statistical Reports-Districtwise, Industrywise etc.</li> <li>— Directorate of Industry</li> <li>— Project Profiles/Products Data</li> <li>— Magazines and Periodicals</li> <li>— Project Report of financed units, Trainees, Clients etc.</li> <li>— Govt. Plans and Budgets (State and Central)</li> <li>— Special Survey conducted by Agencies like Bank etc.</li> <li>— Consultancy Firms</li> </ul>



**Table B**  
**SOURCES OF INFORMATION FOR IDENTIFYING BUSINESS OPPORTUNITIES**

		Availability		Reliability	Areas in which helpful and its degree		
		For Entrepreneur	For Trainer		In identifying product	In getting relevant information	
				Technical		Market	
<b>Individual Contacts</b>							
(a) Traders	Merchants/Com. agents/ Salesmen/Dealers/ Distributors	Good	Good	High	Very High	Low	High
(b) Purchase Officers		Diff	Fair	High	Very High	Moderate	High
(c) Consultants	Private/Government/ Freelance	Good	Fair	Medium	Moderate	Good	Good
(d) Industrialists		Good	Good	High	High	Good	Moderate
(e) Technicians		Fair	Good	Medium	Moderate	High	Low
<b>Institutional</b>							
(a) Research Institutions		Diff	Fair	Low	High	Moderate	Low
(b) Technical Institutes		Diff	Fair	Low	Low	Moderate	Low
(c) Govt. & Public Limited Co.	Fin. Inst./Consultancy Regulatory Agencies etc.	Diff	Good	High	High	Low	Moderate
(d) Promotional Agencies		Fair	Good	Moderate	Moderate	High	High
(e) Individual Association	Genl. & specialised	Fair	Fair	Low	Low	Moderate	High
<b>Publications/Literature</b>							
(a) Magazines	Invention magazines Bulletins	Diff	Fair	Moderate	Moderate	Low	Low
(b) Directories	Industrial	Diff	Good	Moderate	Moderate	Moderate	Moderate
(c) Govt. Publications	Policy level/Import Export/Statistical	Diff	Good	Moderate	Moderate	Low	Low
(d) Ready Profiles		Diff	Good	Good	Good	Moderate	Moderate

Once an entrepreneur is convinced about a business opportunity, he must on his own assess the viability and feasibility of the project. Therefore, opportunity guidance is an input which is catalytic in giving various alternatives to entrepreneurs. The training input should, thus, equip and develop the capability of an entrepreneur to help him develop specific skills like information seeking, inter-personal relationship, communication skill and skills to conduct market survey. This will help develop individual skills to identify and select business opportunity and in case of one opportunity not found suitable, he on his own can repeat the process to reach a suitable decision. Thus the two facet approach—one, offering attractive feasible project ideas and second, counselling and guiding entrepreneurs in selecting the appropriate business opportunity—is the crux of BOG. Thereafter, it is a matter of time and innovative efforts of an entrepreneur that can decide his modus-operandi.

However, in the matters of BOG, our experience in dealing with new entrepreneurs suggests the following :

1. An expert team to counsel entrepreneurs involving local traders, existing entrepreneurs, technical advisers, purchase officers etc., has to be involved.

Supplementary training resources for BOG are given in detail in Table 'A'.

2. Sequentially, BOG input should precede all further training inputs by simultaneously providing the information inputs. The number of sessions or training hours can vary between 7-15.

However, class-room inputs should be supplemented by the field visits and exposure to various business opportunities.

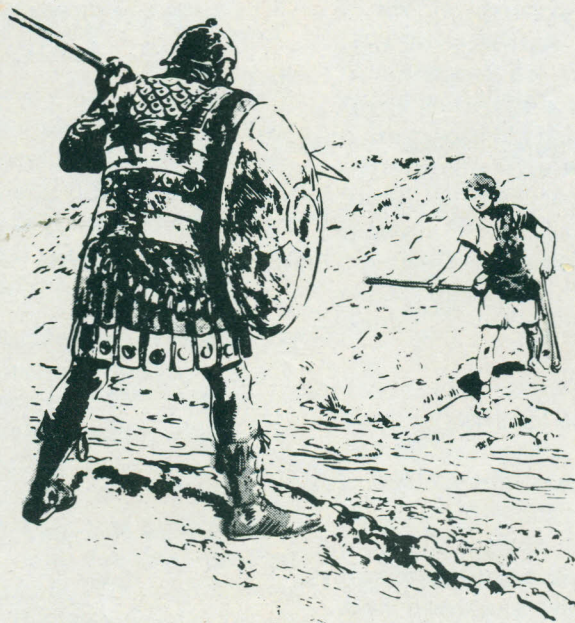
3. Individual counselling should be provided at a stage where the entrepreneur has a range of projects/products in her/his mind to have a final selection, i.e. something to select from.

Though it is a very specialised field, all those involved in promoting new entrepreneurs will have to face and deal with it one way or the other. The various sources of information for identifying business opportunities both for a trainer and an entrepreneur is given in Table 'B'

It will not be an exaggeration if we say that half the success is achieved if proper efforts are made for business opportunity guidance. Many EDPs, surprisingly end with majority of the trainees not even having selected their business opportunities! That ultimately leads to the question : how are we developing them ?



## DAVID - the brave entrepreneur



David was a young shepherd who used to visit his brothers at the battle front to see how they fared.

During one of his visits, David saw Goliath, the giant, come out, as usual, from the enemy camp, hurl his insulting and contemptuous remarks and challenge everyone for a fight.

And David saw that his brothers and other soldi were dismayed by his awesome presence and shook with fear. Nobody was willing to take risks.

The entrepreneurial spirit of young David was moved by the miserable plight of his brethren and the inequality prevalent in the environment. He decided to accept Goliath's challenge and sought the permission of the king to fight out the giant....

In the arena, entirely on his own, David beheld Goliath, clad in armour of enormous weight from head to foot - a brazen helmet on his head, a brazen shield on his shoulder, the weave of brass on his legs and the staff of his spear like a weaver's beam.

In contrast the staff which David always held in his hand, looked like a straw. And the five smooth stones in his scrips and the sling in his

hand made him look so unworthy of the entrepreneurial encounter.

Goliath scornfully looked at David, who undaunted by what he faced, said, "Thou comest with the sword and spear with all intentions to destroy me. But I come in the name of the Lord... *(of those for whom work is their worship; honesty is their weapon; sincerity is their shield; calculated risk is the name of their game; aspiration for achievement is their life-blood)...*" And saying so, David saw the bare forehead of Goliath, the only vulnerable part of his steel - entrenched body, the only viable opportunity to hit him.

Goliath rose at once and got ready to fight. But before he could move, David had hastened to meet the giant in his own humble manner. David quickly took a stone from his scrip, laid it in his sling and, swinging it a few times about, aimed and struck Goliath so violently in the forehead that he reeled and fell on his face upon the earth....

A small entrepreneur is like David in taking advantage of the environment where it is most vulnerable..... in his agility of movement, audacity of purpose and exactness in implementing his plans.....

— Ashok K.Sinha