

EDII 50 Reports

AUGUST '96 - NOVEMBER '96

ENTREPRENEURSHIP DEVELOPMENT INSTITUTE OF INDIA

From the Director's Desk

REFORMING SMALL INDUSTRIES POLICIES

The critical position that small scale industries and small business enterprises occupy in our economy can not be questioned. Their contribution to output, employment and income, and widening of entrepreneurial base have been significantly high. Whether these contributions will grow or fall, with the changing national and global economic realities in the future, will depend upon how the entrepreneurs and the policy makers readjust their strategies and policies respectively.

The first step will be to balance the past obsession with new enterprise creation and industry promotion by sufficient focus on growth needs of entrepreneurs already in business. For better competitive performance and growth, entrepreneurs will need new instruments of finance; such as venture capital, international market orientation, linkages among firms, information on technologies and counselling and training for planning and implementing growth.

It is on the technology front that the policy and institutional gap is quite wide. There is, in fact, no technology policy. There is also no organisation with an exclusive mandate for facilitating and promoting technology transfer to small and medium enterprises. In this context, the EDI-NSTEDB project under consideration to create a facility for collection and dissemination of information on innovative (new) products and processes, and promoting innovative enterprises will be of national interest.

Recent studies on industrial clusters initiated by the EDII also suggest that survival and growth of enterprises is facilitated by small firm networks. The new SSI policy ought to encourage clusters which must go beyond industrial estates and physical concentration of enterprises.

Policy reforms must be backed by institutional restructuring to respond to the changing needs. The existing support organisations (SIDO, DICs, TCOs, SFCs, Banks, etc.) will have to be far more efficient and entrepreneurial than in the past. It is not merely a matter of change of mind-set. It is a matter of updating of knowledge, concern for quality in their services, and being committed to the survival and growth of Indian entrepreneurs who are going to face an onslaught of international products and firms.

At the end, if the days of protection, subsidies and concessions are just about over, no one needs to panic. Our entrepreneurs are quite capable of meeting the competitive challenges. Neither the reservation policy, nor the price preference, nor financial concessions have been greatly responsible for the impressive growth of small scale sector and the emergence of new entrepreneurs. What they now need, is market information rather than market protection; adequate and timely capital rather than cheap credit; information and counselling rather than promises of subsidies; and perhaps most of all, is to be left alone - free from inspectors, harassments and irritations, time consuming procedures, formalities and the paper work. Liberalisation of the small scale sector means liberation from regulatory authorities and resulting corruption.

RECONSTITUTION OF NATIONAL SCIENCE & TECHNOLOGY ENTREPRENEURSHIP DEVELOPMENT BOARD (NSTEDB)

The Government of India has reconstituted the National Science & Technology Entrepreneurship Development Board. Dr. V.G. Patel, Director, EDII has been appointed a member of the Board. The Board will be chaired by Shri D. Bandyopadhyay, former secretary, GoI and will have several secretaries from various departments of the Government of India, as well as representatives from national financial institutions, educational as well as entrepreneurship institutions as members.

The major objectives of the Board would be as under :

- 1) To promote entrepreneurship development among S&T persons to help them in becoming 'job generators' rather than 'job seekers'.
- 2) To promote innovation based entrepreneurship through the development of techno-entrepreneurs.
- 3) To generate employment

opportunities through the intervention of science and technology and technical skill development.

4) To stimulate group self-employment.

5) To demonstrate capabilities of S&T interventions and scientific planning in generation of gainful employment in backward districts of the country.

6) To organise entrepreneurship development training through distance education and mass media.

7) To develop major programmes for rural entrepreneurship development through the use of science and technology.

8) To develop institutional facilities in different parts of the country, especially in academic institutions for entrepreneurship development.

9) To promote institute-industry linkages and new technology based enterprises.

10) To promote national and regional institutions for training in entrepreneurship and management skills.

11) To assist in the organisation of 'Entrepreneurship Awareness Camps' in academic institutions in different parts of the country.

12) To organise teachers training programme for developing faculty for entrepreneurship institutions.

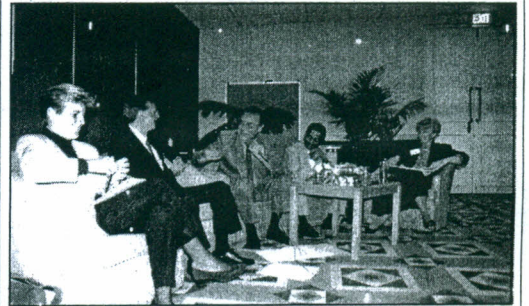
13) To promote technology development which could help in enterprise development.

14) To undertake studies such as preparation of project profiles/business profiles, case studies, opportunity identification, surveys, etc.

15) To provide information on the self-employment avenues and schemes available in the country to unemployed S&T persons.

16) To act as a policy advisory body to the government in matters regarding S&T entrepreneurship development.

INTERNATIONAL SYMPOSIUM "Training for success"



Mr. B. P. Murali, senior faculty, EDII (second from right) interacting with other members.

An international symposium was held in Cape Town, South Africa between 9 - 12 September, 1996 on "Training for Success - Moving towards the Entrepreneurial Society". 90 delegates belonging to small business entrepreneurship training institutions, from 26 countries, participated in the said symposium. Mr. B.P.Murali, Senior Faculty, EDII presented the training approach of the institute to the delegates, which was greatly appreciated by all. The presentation focussed on the rationale, distinguishing elements of the EDII model and experiences. The EDII was one of the institutions to have participated in the 'concept gallery' where posters on various programmes were on display.

Mr.Murali was also one of the five member panel which deliberated on the merits of various approaches presented by CFEF (Germany), ILO, MSI (Washington) and EDII. It was agreed upon that a harmonious blend of soft skills and hard skills is an appropriate strategic approach. It was also agreed upon that

- given the nature of formal education system, right from the primary level, EDPs turnout a 'remedial measure', in the sense, that if the educational system could inculcate entrepreneurial spirit, there would have been little need for EDPs.

- ED institutions must now prepare to intervene significantly in the education system.

- ED institutions must see themselves as 'learning interface organisations' between small businesses and its stakeholders.

A consultative group has been set up to deliberate on the introduction of 'Entrepreneurship' in the 'Education System' at various levels. Recognising the contribution of EDII, Mr.Murali has been invited to be a member of the group. The first meeting is likely to take place during April 1997 in Germany. The Chief of GTZ, as well as a senior official from the German Government, have committed support to the process of introducing entrepreneurship in the education system.

'MEET' OF THE CHIEF EXECUTIVES OF E.D. ORGANISATIONS

With a view to bring all the Chief Executives of ED Organisations on a common platform to deliberate on emerging issues in the field of institution building, entrepreneurship development, networking and the like, EDII has been organising a 'Meet' as an annual event. One such 'Meet' took place at Bangalore, on 8th and 9th of August 1996. Representatives from NSTEDB, IDBI, SIDBI, ED institutions and the Director and senior faculty members from EDII attended the

meet. In all, 16 delegates participated in the 'Meet'. The deliberations covered the following areas:

- Financial stability
- Revenue related issues
- Autonomy at Institutional/Operational level
- Organisational set-up
- Trainer-related issues
- Multiplicity of ED Institutions
- Networking
- Support to EDP trainers
- Operating in 'liberalised environment'

(P.T.O. to 4 page)

TRAINING PROGRAMME ON INTRAPRENEURSHIP DEVELOPMENT :

"Reflections"

The Training Programme on 'Intrapreneurship Development', as I learnt, is not a crash course on business or management but a programme which aims at changing the mindset, to keep pace with the changing market scenario. Gone are the days when most entrepreneurs and executives like me would learn the ropes of business by observing people around us. The business scenario in today's India is changing fast. The moves that were successful yesterday are not going to be so today. And those who do not realise this may have to perish. To succeed in business today, one needs to study the changing trends and adapt oneself to it and take initiatives to see that the change process is well entrenched in the organisation he/she belongs to. I attended a training programme on intrapreneurship, at the EDII, during October 23 to 29, 1996. It was sponsored by Small Industries Development Bank of India (SIDBI). The programme was attended by 21 owner-managers and managers from all over the country. I would now like to reflect on the programme, which I am sure, would benefit executives of SMEs like me.

The programme introduced us to a new word and concept, 'the intrapreneur'. This brings us to the question, who is an intrapreneur? An intrapreneur means 'an entrepreneur within an organisation' and one who is also a creator turning ideas into a profitable reality. All executives must act as intrapreneurs, and identify and



You can see me (second line, third from left) with other participants of the Intrapreneurship Programme with Dr. V. G. Patel, Vice President and Director (fourth from right), the Programme Director, Dr. Sunil Shukla (third from right) and faculty members Dr. Dinesh Awasthi (third from left) and Madluchanda Sen (second from right).

utilise latent entrepreneurial potential for the benefit of the organisations, to render it capable to face challenges the future holds.

At the very outset, we were made to understand the concept of 'intrapreneurship' by Dr. Sunil Shukla, the Programme Director. Dr. Shukla explained it as adoption of various strategic modes by the firms in pursuit of technological and organisational innovation. We were also given valuable insight regarding the impacts of 'New Industrial Policy on Small Scale Enterprises' by Dr. Dinesh Awasthi. 'Management of Crises' by executives was one of

the best sessions and was taken by Dr. V.G. Patel, the Vice-President and Director of EDII. In fact, every session deserves special mention as it is through these that the true meaning and ways of speeding up innovation as well as responding to business challenges were learnt. The highlight of the programme were case studies of various enterprises that have made a "turn around" in the corporate field due to intrapreneuring practices. Their business strategies and accomplishments were discussed in detail. We were helped to explore various steps that could easily be taken

in our respective organisations and which, we had not given a thought to. We were also asked to prepare strategies for our own enterprises, to clarify our roles in initiating a change process in our respective organisations after the completion of the programme.

Thanks to EDII, each one of us is now keeping in constant touch with each other, and with EDII to follow up with the implementation of strategies. I would also like to share the way we spent the evenings. Our programme director would stay with us to sum the day's learning followed by various exercises and assignments. These

exercises helped to bring to our notice our drawbacks. Apart from the academics, the facilitating environment and other facilities made available on campus added to the success of the programme. My sincere compliments to EDII for maintaining such a huge sprawling campus and the services so well.

I have now learnt how to deliver results; how to convert my shortcomings into strengths; how to define the strategic focus and how to get things done within the organisation. Above all, how to convey my ideas to the management and help create a drive among others to look out for innovative ideas.

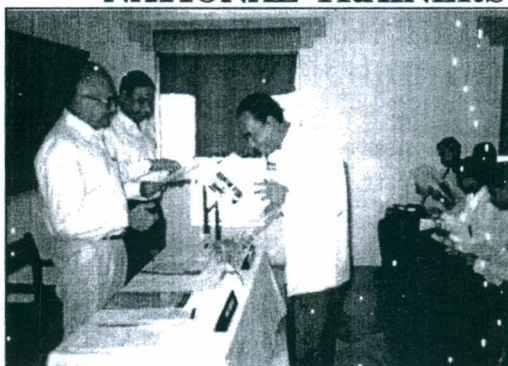
The Camaraderie that developed between all the participants is an emotion I fail to put into words. With a view to continue with this warm, wonderful association for years to come and to start professional interaction among participants of different EDII programmes, we thought of forming an 'Alumni Association'. We are happy to announce that it has already taken off. I would like to use this opportunity to convey to all like-minded EDII alumnus, who have participated in any programme organised by EDII, to get in touch with either Dr. Shukla at the Institute or with me. Needless to say, the EDII Alumni Association would benefit all of us, both professionally and personally.

Vineet Parikh
Pima Controls Pvt.Ltd.
(a participant)
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Perceiving the need for increasing the supply of entrepreneurs by tapping latent entrepreneurial potential amongst educated unemployed, rural youth, women, technicians, etc., in the light of limited employment opportunities, New Enterprise Creation (NEC) assumes enormous significance. It is in this context that an integrated and need based training programme was designed and developed, which would lead to converting a part of 'job seekers' as 'job creators' by utilising local talent and local resources.

To increase the spread of such NEC training programmes, a well-trained group of committed and competent small enterprise

NATIONAL TRAINERS' COURSE



Dr. V. G. Patel, Vice-President and Director, EDII handing over certificates to participants during valedictory. Standing beside him, to his left, is Shri Ramesh Dave, the Programme Director.

development professionals, viz. Entrepreneur-Trainer Motivators and Counsellors need to be

developed. In line with its mission, the EDII has been organising 'National Trainers'

Course every year, to contribute towards capacity building of ED organisations.

The sixteenth programme, in this series, had been organised with fellowship support from NSTEDB during September 23 to October 18, 1996. 19 participants from 8 states, covering IEDs/ CEDs, Technical Consultancy Organisations, Bank and Small Industries Corporation participated in the said programme

Since the basic objective of the programme is to equip the participants with knowledge, skills and competencies required to initiate, plan and implement entrepreneurship development

activities and specifically, training programmes for potential entrepreneurs to facilitate new enterprise creation, the broad spectrum of the programme content covered - entrepreneurship development process; identification and selection of potential entrepreneurs; business opportunity identification; business plan preparation; behavioural inputs; management inputs; skill development inputs in the areas of interpersonal communication, problem-solving and counselling; and designing programme curriculum for various target groups. The EDII has, so far, developed 230 trainer-motivators at the national level through national trainers' course.

EXPERT COMMITTEE FOR SSI POLICY REVIEW

The Committee under Chairmanship of Shri Abid Hussain have met to interact with entrepreneurs and associations in Delhi, Madras and Bombay. The Director, EDII, who is a member has been

- 1) Investment Limit
 - 2) Reservation of Products and
 - 3) Removing the Inspector Raj
- The key issues on which strong views prevail are :
- 1) Whether to increase the SSI investment limit to Rs.3.00

enhancing tiny sector limit and calling it the (SSI sector) since 90% of SSI units and significant portion of production and employment is generated by this sector only ?

most SSI products are in the unreserved sector and there are no gains in performance e.g. capacity utilisation in the reserved sector versus the rest?

- 3) Should labour laws including

modified/ liberalised since bulk of harassment, corruption, etc. through Inspector Raj takes place because of these ?

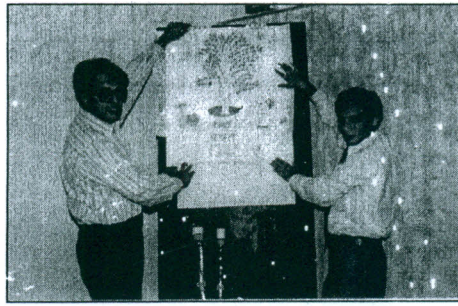
- 4) Should financial incentives (excise concessions, etc.) be time bound to encourage

TRAINING PROGRAMME ON INFORMAL MICRO CREDIT DELIVERY SYSTEM

EDII's exhaustive experience in promoting rural entrepreneurship is recognised throughout India. During the last 8 years, besides conducting 10 Trainers' Training Programmes and training about 235 functionaries, it has implemented more than 300 REDPs in collaboration with NGOs\VOs. While the issue of rural entrepreneurship development through training intervention has already been institutionalised, EDII is presently striving to institutionalise Informal Micro Credit Delivery System through training interventions for the functionaries of NGOs\VOs. If the rural poor join together in the form of self help groups (SHGs), mobilise their savings and link it with credit for getting loans; they can start their own enterprises and also generate employment. This, in turn, will result in improvement in their quality of life and social development and alleviation of poverty. EDII has successfully organised 4 workshops for Chief Executives of NGOs and 4 training programmes for the operational level functionaries, training about 115 functionaries all over India.

The recent training programme of 3 weeks, for functionaries of NGOs\VOs was sponsored by SIDBI. It was conducted at Dehradun from 11-29 September, 1996. 25 grassroot functionaries from 19 NGOs\VOs participated in the programme, representing the states of H.P., U.P., Haryana, Punjab and Rajasthan.

Drawing lessons from the feedback of earlier training programmes, the course contents of this programme were modified. The first week was devoted to 'Capacity Building of NGOs\VOs in terms of IMCDS'. Inputs on sustainability of development projects, investing in social sector, women empowerment and income generation activities, and rural marketing were incorporated.



Professor M. N. Panini of J.N.U. releasing poster picture stories on IMCD prepared by participants.

The second week was assigned to 'Preparation of Business Plan and Project Appraisal' while the third week was devoted to 'Managing Finance & Accounts of IMCD' by NGOs\VOs and SHGs, and 'Assessment of financial viability of a credit programme'.

A notable feature of this programme was to bridge the gap between social scientists and development functionaries. Professor M.N. Panini, a renowned sociologist from Jawaharlal Nehru University, New Delhi, was invited as Chief Guest for the valedictory function. His interaction with the participants proved to be very fruitful since the participants benefited by his vast experiences in the field. He appreciated the efforts of EDII for providing training to the NGOs\VOs on IMCDS throughout the country. According to him, time had come when sociologists needed to review their approach towards field work. Practicing Sociology has assumed importance in the light of the fact that sociologists can effectively

contribute to guiding development functionaries towards better community participation.

Programmes on IMCDS will eventually lead to creation of systems whereby employment generation and poverty alleviation will be made possible, through access to credit by the poor, on reasonable rate of interest and timely availability of loans without complex procedures. Proper utilisation of loans and follow up is also ensured. This holds great significance since research studies have shown that poor mobilise their savings far more as compared to the rich and that, recovery rate is higher among the poor.

The merit of such a programme is best expressed through the song written by Shri Munna Lal Rao of Adarsh Gyan Sandhan, Jaipur.

जनता की कर भागीदारी कुछ करके दिखलाना है ।
आया बदल जमाना है ॥

रहे परायी आश ताकते बेचारे लाचार हुए ।
दीन दलित का शोषण करके साहूकार बजाज हुए ॥
भान करा अपनी ताकत का, घर-घर अलख जमाना है ।
आया बदल जमाना है ॥

छोटी-छोटी बचत करो मिल स्वयं सहयोग समूह बना ।
चले परस्पर लैन-देन अपने ही धन से काम बना ॥
सुख की गंगा में गोता खा, बार-बार समझाना है ।
आया बदल जमाना है ॥

बचत समूह और बैंक व्यवस्था आपस में होगा नाता ।
मिटे गरीबी बेरोजगारी जाये अंधेरा सकुचाता ॥
सूक्ष्म ऋण व्यवसाय, इ.डी.आई. का फरमाना है ।
आया बदल जमाना है ॥

उद्यमिता की बैठ रेल में समुखि का टिकट कटा ।
धीरे-धीरे संकट हल हो सबमें अपना हाथ बटा ॥
'मुन्ना राव' हो पार नाव, नही संशय कर घबराना है ।
आया बदल जमाना है ॥

MANAGING ORGANISATIONS FOR SUSTAINABLE DEVELOPMENT

A Programme for Capacity Building
Non-Government Organisations(NGOs)

EDII has been engaged in promoting rural entrepreneurship in different parts of the country, for well over a decade, in close association with Non-Government Organisations (NGOs). EDII has so far organised more than 300 Rural Entrepreneurship Development Programmes (REDPs) in collaboration with about 150 NGOs in different rural locations, which has resulted in an average success rate of about 50% in terms of number of units set up by entrepreneurs trained in these programmes. Continuous interactions with NGOs indicate that there is a much felt need to initiate the process of institution building and sustainability among NGOs, through training interventions, to help them aptly respond to the changing scenario. It has also been found that quite a few NGOs are operating with a lack of direction, good management practices and specific mission. As a result, despite their intention, they are finding it difficult to sustain in the long run, which includes sustainability of the organisation as well as sustainability of projects. At a time, when greater participation of the NGO sector is being emphasised upon in the development process, and having to face resultant changes in the environment, it becomes essential for the NGOs to adopt better management practices to

cope up with situations as well as manage their affairs in an effective manner.

Keeping this in view, the EDII has designed and developed a unique programme for capacity building of NGOs, with the support of Friedrich Naumann Stiftung (FNSt), New Delhi. The programme is divided in 5 phases and has been initially launched in 4 states in Northern India, viz. Uttar Pradesh, Himachal Pradesh, Haryana and Rajasthan. The major objectives of the programme are:

- 1) To facilitate the participants (NGO Chief Executives) to understand the changing role of NGOs in a turbulent socio-economic environment.
- 2) To expose them to the process of strategic decision making and prioritisation of developmental initiatives; given the strengths and weaknesses of the NGO.
- 3) To develop their capabilities to manage projects in terms of their implementation, monitoring, documentation and evaluation, keeping sustainability of projects in view and
- 4) To develop skills such as sound managerial practices in the participants for administration and organisational development of NGOs.

In order to make the programme

strategy effective and impact making, in the first phase, the EDII has developed a draft training manual for training the Chief Executives of NGOs at the field level. For a multiplier effect of the strategy and for a greater participation of the NGO sector, resource persons from the NGO sector have been trained at the EDII in the second phase. They, in turn, will work as a team in their respective areas of operation for organising further field level programmes. In the third phase, three field level programmes have been organised by the resource NGO teams, with support from EDII, in U.P., H.P. and Rajasthan. A review meeting of all the NGO resource persons was held at the EDII, in the fourth phase, to discuss the feedback received from the field level programmes in terms of the efficacy of the training manual, and to decide whether any modifications in the training manual as well as the training approach is needed. Based on the feedback received from the NGOs, the training manual has been formalised by EDII in phase five.

The programme has been very well received both by the NGO resource persons and Chief Executives of NGOs who have participated in the field level programmes at U.P., H.P. and Rajasthan. So far, 45 NGO Chief Executives have been trained in three field level programmes

INDO-NEPAL INSTITUTIONAL CO-OPERATION IN ENTREPRENEURSHIP DEVELOPMENT



MoU being signed between EDII, ILO and IEDC Kathmandu, Nepal for INTERMAN exchange of excellence.

Under the sponsorship of ILO, South Asian Multi Disciplinary Advisory Team (SAAT), interactions took place between EDII and the Industrial Enterprise Development Centre (IEDC), Nepal. A delegation from IEDC visited EDII during August 1996 followed by the visit of a delegation from EDII to IEDC, at Kathmandu. The visits were exploratory in nature, with the objective of working out ways and means of pooling institutional capabilities for mutual benefit.

On 27th September, a MoU was signed by the representatives of IEDC, EDII and endorsed by the repre-

ntative of ILO-SAAT, New Delhi. The MoU provided for faculty exchange programmes, organising training programmes/workshops in Nepal and other developing countries, jointly by EDII and IEDC. The delegation from EDII and IEDC met the Secretary General, SAARC to apprise the Secretariat about the MoU and seek support. A proposal for organising an 'Achievement Camp' in Nepal, for youth from SAARC countries was also discussed. In the next six months, EDII and IEDC will together implement the exchange programme and certain other training programmes.

besides 11 NGO resource persons being developed by the EDII. More such programmes will be organised in the coming years, thereby not only training more NGOs in these regions alone, but also initiating this

process in other parts of the country.

The programme was co-ordinated by Mr. Raman Jaggi, with support from Mr. Rajesh Patel, both faculty members of EDIE.

FORTHCOMING CONFERENCES/PROGRAMMES

- Microcredit Summit**
(2 - 4 February 1997)
To promote credit for self-employment to 100 million of the world's poorest women by 2005. For further information, contact : Microcredit Summit, C/o. RESULTS Educational Fund, 236 Massachusetts Avenue NE # 300, Washington DC 20002, USA.
- Microenterprise Finance : Management and Design Programme**
(20 January - 15 March 1997)
This course aims to provide training for staff of public and private credit institutions of transitional and developing countries, and their sponsoring agencies. Contents include: approaches to institutional design, appraisal of borrowers and schemes, and financial management of banks. For further information, contact : International Development Centre, University of Reading, PO Box 218, Whiteknights, Reading RG6 6AA, UK.
Fax : +44 1189 750236
E-Mail : e.h.stuteley@reading.ac.uk
- ICSB 42nd World Conference**
(21 - 24 June 1997)
Theme : Entrepreneurship - The Engine of Global Economic Development.
The conference of the ICSB, hosted by USASBE, will be held in San Francisco. For further information contact: Dr. Charles W. Hofer, 1997 ICSB World Conference, Terry College of Business, University of Georgia, Athens, Georgia 30602, USA.
Tel. : (706) 542 3724
Fax : (706) 542 3743
- SBIDA Orlando 1997**
(6-8 February 1997)
The Small Business Institute Directors' Association presents the 21st Annual Small Business Conference (6-8 February 1997) and the Case Development and Analysis Pre-Conference (5 February 1997) in Orlando, Florida. For more information, contact: Randalei Ellis, Program Chair, Black Hills State University, 1200 University, University Station Box 9006, Spearfish, S.D. 57799-9006, USA.
Tel. : (605) 642 6091
Fax : (605) 642 6273
- 1997 Entrepreneurship Doctoral Consortium**
The Entrepreneurship Doctoral Consortium, held in conjunction with the Babson College, Kaufman Foundation Entrepreneurship Research Conference will take place in Wellesley, Massachusetts on April 16 - 20, 1997. Applicants should be currently enrolled in an academic or professional program of doctoral studies with an emphasis on entrepreneurship or small business. For more information, contact : Irene M. McCarthy, Conference Coordinator, Center for Entrepreneurial Studies, Babson College, Babson Park, MA 02157.
Tel. : (617) 239 4332
Fax : (617) 239 4178
- European Doctoral Program in Entrepreneurship and Small Business**
The program, initiated by the European Council for Small Business, has three main objectives. The first one is to offer graduate students the opportunity to study three interrelated subjects: entrepreneurship and enterprise formation; small business management and development; and SME in economic and regional development. The second objective is to promote and coach the participants individual thesis work. The third objective is to strengthen the development of common research themes throughout Europe in the general field of entrepreneurship and small business. For more information, contact : Prof. Bengt G. Johannisson, Vaxjo University, School of Management and Economics, S-351 95 Vaxjo, Sweden.
Tel. : 46 470 70 80 00
Fax : 46 470 821 23

GROWTH CUM COUNSELLING PROGRAMME FOR EXISTING SMALL SCALE ENTREPRENEURS

It is now being widely accepted that skills and competencies required for new enterprise creation have to be reinforced with new skills, with the stabilisation of the performance of a unit as it enters the take-off stage. In the case of small scale firms, the entrepreneur performs a variety of roles and the need for this reinforcement becomes critical to the long-term viability of the enterprise.

In their preoccupation with day-to-day activities, most entrepreneurs tend to pay mere lip service to the need for a change in the management style as well as acquiring new skills, even though they recognize their crucial importance. Evidences reveal that facilitation in the form of training interventions and business counselling result in the entrepreneur embarking on a route to planned and controlled growth, rather than merely reacting to market opportunities.

"Growth" or "Change" in an enterprise can be described as moving from one place, i.e., where the enterprise is; to another place, i.e., where the enterprise ought to be at a future point of time. This could involve expansion, diversification, new product development, quality improvement, cost reduction etc. Some entrepreneurs are clear about their



Valedictory Function of the "BUSINESS COUNSELLORS" PROGRAMME" held at Calcutta, on May 31, 1996.

destination and travel towards it in a purposeful manner, whereas others drift aimlessly. The latter category of entrepreneurs may achieve accidental growth, but experiences prove that this sort of growth is not sustainable.

Entrepreneurship Development Institute of India, recognising the strategic importance of encouraging planned growth among existing small scale enterprises, has taken the initiative to formulate a growth-cum-counselling programme in collaboration with Durham University Business School, U.K., suitably modified to Indian conditions.

A Growth-cum-Counselling programme was conducted in Calcutta, between May 27 and August 22, 1996. A total of 29 participants drawn from consultants, government officials

as well as entrepreneurs attended the programme. It was conducted in collaboration with the Bengal National Chamber of Commerce and Industry, a premier industry association of Eastern India.

The unique feature of this programme was the one-to-one link up between the entrepreneur and the counsellor, based on the former's perceived requirements as well as the latter's skill to meet those requirements. This culminated in the preparation of enterprise-specific growth plans.

Judging by the enthusiasm shown by the participants during and after the programme, it seems to have had a beneficial impact. Some of the interactions have also resulted in long-term linkages between the counsellors and the entrepreneurs.

EDII ON INTERNET

With effect from 9th of September, EDII is on the Internet at the following address:

<http://www.allindia.com/edii>

This is expected to facilitate networking between EDII and other such institutions elsewhere in the world.

'MEET' OF THE CHIEF EXECUTIVES

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Following are the key recommendations that emerged from the 'Meet'.

- Service rules be formulated and approval from the concerned governing boards be sought.
- A corpus fund be created, tapping on a variety of sources including apex financial institutions.
- A request be made to SIDBI to provide soft loan (akin to working capital) to alleviate the cash flow problems.
- Funding sources for ED activities be diversified by approaching various Ministries/Departments/Corporations at the State-level.
- IEDs/CEDs to focus on certain 'value-added' programmes such as technology-based EDPs, Intrapreneurship programmes, etc.
- IEDs/CEDs not having decentralised set-up may explore the possibility of re-orienting the organisational structure providing for regional/district level offices.
- In-house HRD efforts be intensified to develop second line management and core faculty.
- Appropriate reward systems and promotional policies be formulated to attract/retain talented professionals and boost the motivational level of the trainers.
- A reasonable standard with flexibility be worked out to arrive at the remuneration of the Chief Executives of ED institutions.
- With slight adjustments to suit local conditions, there is a need to have uniform pay scales for trainers.
- IEDs/CEDs may seek 'nodal agency status' from the concerned governments.
- The state-level ED institutions are required to offer support to other local ED institutions so as to bring in 'quality control' in the activities of the latter.
- As a part of networking among IEDs/CEDs, information pertaining to project profiles, innovative programmes and the like be shared.
- ED institutions should compile data of loan repayment performance of EDP trainees, so as to mobilise support from financial institutions, especially commercial banks.