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ABSTRACT

The concept of entrepreneurial development involves equipping a person with the required information and knowledge used for enterprise building and polishing his entrepreneurial skills. In these days, entrepreneurial development programmes are treated as an important tool of industrialisation, and a solution of unemployment problem of India. In the present paper an attempt has been made to study the entrepreneurship development (ED) process in India and the role of entrepreneurship development programme in the economic growth of a nation. The data used for the purpose of study are mainly from secondary source.

KEYWORDS

Entrepreneurship, Entrepreneurship development, Entrepreneurship development programmes, Economic growth.

I N T R O D U C T I O N

Entrepreneurs shape economic destiny of nations by creating wealth and employment, offering products and services and generating taxes for government because of which entrepreneurship has closely been linked to economic growth of a country. Entrepreneurs convert ideas into economic opportunities through innovations which are considered to be major source of competitiveness in an increasingly globalising world economy. Therefore, most governments in the world strive to augment supply of competent and globally competitive entrepreneurs in their respective countries.

Entrepreneurial development is a systematic and organized development of a person to an entrepreneur. The development of an entrepreneur refers to inculcate the entrepreneurial skills into a common person, providing the needed knowledge, developing the technical, financial, marketing and managerial skills, and building the entrepreneurial attitude. Entrepreneurial development programmes may be defined as a programme designed to help an individual in strengthening his entrepreneurial motive and in acquiring skills and capabilities necessary for playing his entrepreneurial role effectively.

OBJECTIVE OF THE PAPER:

The objective of the paper is:

1) To study the Entrepreneurship development process in India
2) To highlight the role of Entrepreneurship development programmes in the economic growth of a nation.

METHODOLOGY OF THE STUDY:

The data for the purpose of study has been collected through secondary sources, which mainly include websites.

ENTREPRENEURSHIP DEVELOPMENT PROCESS IN INDIA

Prof. David C. McClelland was the person who for the first time carried out Kakinada experiment on entrepreneurship development training during the mid 1960s. He postulated that (i) the need for high achievement was an essential ingredient for the emergence of entrepreneurs and (ii) that it could be developed. He tested hypothesis in a few training programs in Kakinada, Hyderabad and Bombay in India and Barcelona in Spain. The results indicated that it was possible to develop even the poor, illiterate, disadvantaged and other non-business communities into entrepreneurs and help them to set up and operate their own enterprises with appropriate training and counselling interventions.

A 3-month training approach known as entrepreneurship development programme (EDP) which laid emphasis on (i) setting up a small venture (ii) managing it; and (iii) making profits out of it, was evolved in Gujarat, during 1969-70. The programme was meant for new and selected entrepreneurs who had latent entrepreneurial potential. This programme which began as an experiment by Gujarat State Industrial Corporation started gaining momentum at the national level in the early seventies. There was a need to spread the programme to all the districts of Gujarat which ultimately led to the creation of the Centres for Entrepreneurship Development (CED) in Ahmedabad in 1979. It was the first specialized institute of its kind in the country, exclusively devoted to the task of entrepreneurship development.

Encouraged and impressed by the success of CED, All India Financial Institution, viz., Industrial Development Bank of India (IDBI), Industrial Financial Corporation of India (IFCI), Industrial Credit and Investment Corporation of India (ICICI) and State Bank of India(SBI) with active support of the Government of Gujarat, sponsored a national resource organization, viz., Entrepreneurship Development Institute of India(EDI-I) in 1983. It was entrusted with the task of spreading and institutionalizing ED activities in the country. The Government of India has set-up three national-level Entrepreneurship Development Institute in India. These are, the National Institute for Micro, Small and Medium Enterprises(NI-MSME), Hyderabad; the National Institute of Entrepreneurship and Small Business Development (NIESBUD) in NOIDA and the Indian Institute of Entrepreneurship Development (IIE) Guwahati. Subsequently, some of the state governments, with the support of all Indian financial institutions also took initiative in establishing state-level Institutes of Entrepreneurship Development (IEDs), like IED Lucknow, IED Bhubaneswar (Orissa), IED Patna(Bihar) or state centres such as Maharashtra Centre for Entrepreneurship Development, Bhopal, Centre for Entrepreneurship Development of Karnataka, Dharwad(Karnataka) in order to take the ED activities down to grass-roots level. Further, in order to improve the success rate of the EDP trainees in the establishment of new enterprises, the Ministry has recently launched a new scheme, namely, Rajiv Gandhi Udyami Mitra Yojana. The main objective of this scheme is to provide handholding support to first generation entrepreneurs, through designated lead agencies i.e., ‘Udyami Mitras’. Under this scheme, the ‘Udyami Mitras’ would provide guidance and assistance to the potential entrepreneurs registered with them, in preparation of project report, arranging finance, selection of technology, obtaining various approvals, clearances and NOCs etc. A brief description on national-level Entrepreneurship Development Institutes in India is presented below –

A Study on Entrepreneurship Development Process in India
NATIONAL INSTITUTE FOR MICRO, SMALL AND MEDIUM ENTERPRISES (NI – MSME) HYDERABAD

NI – MSME, formerly known as National institute of small industry Extension training (NISET), was set up in 1960 at New Delhi as a Department of Central government under the Ministry of Commerce and Industry and was initially known as Central Industrial Extension training Institute (CIET). Subsequently, in 1962, it was shifted to Hyderabad and converted into an autonomous society. In 1984, the institute was renamed as National Institute of Small Industry Extension training (NISET). After enactment of the MSMED Act, 2006, the institute has been renamed as National Institute for Micro, Small and Medium Enterprises (NI – MSME), w.e.f 11th April 2007, the institute is constantly evolving in accordance with the changing times, modifying its focus with the emerging needs of MSMEs and providing solutions in the form of consultancy, training, research, and education. NI-MSME’s programmes are designed to have universal relevance for successfully training the entrepreneurs to face challenges and emerging competition in the era of globalization. NI – MSME has always been conceiving specialized need based programmes, workshops and seminars in tune with the changing policy and economic scenario. The primary aim of these activities has been to enable the enterprises and the supporting systems to deal effectively with aspects that directly or indirectly affect the success of enterprises.

INDIAN INSTITUTE OF ENTREPRENEURSHIP (IIE) GUWAHATI

The Indian Institute of Entrepreneurship (IIE) was set up at Guwahati in 1993. During the period, the Institute has expanded its activities to a great extent covering all facets of MSME activities. The institute regularly organizes training programmes and undertakes research and consultancy services in the field of promotion of MSMEs and entrepreneurship. The promotion of new entrepreneurs has been the major focus of training activities organized by the Institute. In order to promote new entrepreneurs, the institute organizes rural, general and women EDPs and sector specific EDPs. Besides, while continuing with its Rural Industries programme (RIP) in Meghalaya, Manipur and Assam, the institute also started its RIP at Nongpoh in Meghalaya with the help of SIDBI. Creating awareness amongst college and University teachers and students about entrepreneurship has been one of the focus areas of the Institute. The Institute has also been instrumental in setting up Information and Career Guidance Cell (ICGC) in a number of colleges through its Teachers Training programmes.

The government of India has launched Scheme of Fund for Regeneration of Traditional Industries (SFURTI), a mega project with industrial cluster development approach. This project aims to adopt 10 clusters in North East Region under traditional industry sector and showcase them as the success stories. IIE has been identified as the Technical Agency under this scheme for eastern India.

NATIONAL INSTITUTE FOR ENTREPRENEURSHIP AND SMALL BUSINESS DEVELOPMENT (NIESBUD), NOIDA

The national Institute for Entrepreneurship and small business Development (NIESBUD), NOIDA was set up in 1983 as an apex institution in the field of entrepreneurship development to promote, support and sustain entrepreneurship and small business through training, education, research and consultancy services. The major activities of the Institute include evolving syllabi for training various target groups; providing effective training strategies, methodologies, manuals and tools; facilitating and supporting central / state Governments and other agencies in executing programmes of entrepreneurship and small business development; maximizing benefits and accelerating the process of entrepreneurship development; and conducting programs for motivations, training and entrepreneurs.

ROLE AND RELEVANCE OF ENTREPRENEURIAL DEVELOPMENT PROGRAMME IN THE ECONOMIC GROWTH OF A NATION

Role and relevance of Entrepreneurial Development Pro-
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