**A study on**

**Role and Relevance of Entrepreneurial Development**

**Programme for a vibrant India**

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**Abstract**

Many developing countries including India are going through a transition phase. They are looking for overall economic development through industrialization. This may become possible with the emergence of a multitude of a small-scale and rural enterprise in all parts of the nation. It demands for developing entrepreneurial behavior among a wider base of population in the society. Entrepreneurship development is regarded as a prerequisite for the development of economy of any country. In our country India, mix economy system prevails which ensures involvement of both private and public sector. Entrepreneurial development is a tool of industrialization and a solution to the problem of unemployment. The primary objective of the study is to study the role and relevance of Entrepreneurship Development Programme required for making a vibrant India. Data are collected from secondary sources both from published and unpublished sources. Entrepreneurial development programme is the need of the hour. Drowning economy of the country in the post Covid era, can be revamped with a boom in new and vibrant entrepreneurial development that can be achieved through promotion of EDP among the prospective small and large investors across the country.

 **Key Words: Entrepreneurial Development Programme, Entrepreneurship, Entrepreneur**

**Introduction**

Many developing countries including India are going through a transition phase. They are looking for overall economic development through industrialization. This may become possible with the emergence of a multitude of a small-scale and rural enterprise in all parts of the nation. It demands for developing entrepreneurial behavior among a wider base of population in the society. Entrepreneurship development is regarded as a prerequisite for the development of economy of any country. In our country India, mix economy system prevails which ensures involvement of both private and public sector. Entrepreneurial development is a tool of industrialization and a solution to the problem of unemployment.

**Objective of the Study**

The primary objective of the study is to study the role and relevance of Entrepreneurship Development Programme required for making a vibrant India.

**Methodology**

Data are collected from secondary sources both from published and unpublished sources.

**Entrepreneurial Development Programme**

Entrepreneurial development programme may be defined as a programme that help persons in improving their entrepreneurial competency, skills, motives and capabilities required for being a successful entrepreneur.

According to NISIET, Hyderabad, Entrepreneurship development programme is an attempt to develop persons as entrepreneur through structural training. The main purpose of such entrepreneurship development programme is to widen the base of entrepreneurship by development achievement motivation and entrepreneurial skills among the less privileged sections of the society.

According to N.P.Singh, Entrepreneurship Development Programme is designed to help an individual in strengthening his entrepreneurial motive and in acquiring skills and capabilities necessary for playing his entrepreneurial role effectively.

**Need for Entrepreneurial Development Programme**

‘The old myth that Entrepreneurs are born and not made’ has long since lost its relevance. Over the past few years, it has been successfully demonstrated that entrepreneurs are not born but are grown and developed. Now the field is wide open and anybody who has interest can take training and develop the level of their entrepreneurial competence to become successful entrepreneur. Entrepreneurship development programme works as an important and effective mechanism for developing entrepreneurial competencies in human resources in our country. This leads to generation of employment, promotion of small scale enterprises, industrialization and overall economic development of the country. EDP is required for providing special training to the first generation entrepreneurs for being successful. It may be regarded as a continuous motivational force for the entrepreneurs. A successful entrepreneurship programme can be made by providing perfect training to the entrepreneurs. It helps them to solve many problems by getting proper knowledge and training. Entrepreneurship development programme enable an entrepreneur to face various adversities of business. EDP is a systematic and organized effort made by the business enterprises for promoting industrialization and developing economic conditions. By use of such programme, entrepreneurs can use various innovative ideas and techniques in to perfection. Entrepreneurship development programme provides motivation, knowledge and skill to the entrepreneurs. This may lead to reform in entrepreneurial behavior and developed their business operation. So it can be concluded that EDP is an integral part of the overall economic development of any country.

**Objectives of EDP**

Entrepreneurial development programme is highly required for developing human skills and knowledge horizon of entrepreneurs and for enhancing the entrepreneurial competencies and opportunities in diversified areas like electronic, medicine, food technology, packaging etc. According to National Institute of Entrepreneurship and Small Business Development (NIESBUD), a sound training programme should aim at selecting deserving entrepreneurs providing them required entrepreneurial skills for selection and formulation of projects, helping them understanding the set up procedures of a new business and to learn various pros and cons of entrepreneurship. Dr. M.M.P. Akhouri, one of its former Executives Director Identified the following as the basic roles of the EDP:

1. Stimulatory Role
2. Supportive Role
3. Sustaining Role
4. Socio-economic Role

On the basis of the above broad observations, it can be said that the following are the major objectives of the Entrepreneurship Development Programmes (EDPs) are:

1. To provide proper training to the potential entrepreneurs.
2. To acquaint them with basic managerial techniques to be used in business.
3. To give required knowledge and skills to the parties involved.
4. To assist by providing guidance in post training session.
5. To enhance the entrepreneurial competence
6. To help to analyze several environmental factors related to the business.
7. To help in selecting right project and product.
8. To understand the process, procedure and rules and regulations for setting up the project.
9. To know the pros and cons of being an entrepreneur.
10. To enable entrepreneurs for facing the uncertainty and risk involved in a business.
11. To help in taking various managerial decisions on his own.
12. To ensure an effective and proper means of communication.
13. To formulate a system for an effective and profitable project work.
14. To know the sources of help and incentive and subsidies from government of set up the project.
15. To make him subscribe to the industrial democracy.
16. To develop a clear idea about the business.
17. To become a part of modern industrialization.
18. To build a passion for integrity and honesty towards business.
19. To learn the compliance with law.
20. To analyze the environmental set up relating to the small industry and business projects.

**Role and Relevance of EDP**

Entrepreneurship development programme contributes significantly in the process of economic development of any country. The primary objective of this programme is to motivate people for pursuing entrepreneurship as carrier and utilizing the opportunities for setting up new business. For being successful in any field, knowledge and training are indispensable. In case of entrepreneurship, Entrepreneurship development programme provides adequate training to the upcoming entrepreneurs of the country. So EDP has become a much needed programme for all the developed and developing countries around the world. This programme helps in the elevation of poverty and unemployment, promotes balanced regional development, helps in reducing industrial slums, and facilitating utilization of locally available resources and settling social disputes.

EDP enables entrepreneurs in stimulating and sustaining the progress of economic development in the following ways.

**Employment Generation:-**

At present, the problem of unemployment is a major issue for all the developing countries around the world. Entrepreneurship development programme may help in creating employment opportunities in the country by making them self employed. EDP motivates people to accept entrepreneurship as a career option. By accepting this as career, a person become an entrepreneur and provides a platform for many people to work by setting up his own enterprise. It helps the entrepreneurs to become self dependent. There are number of programmes like National Rural Employment Programme (NREP), Integrated Rural Development Programme (IRDP), 20 point programme etc. introduced by the government of India to promote entrepreneurship. Such schemes implemented by the government intended to elevate poverty in the country by creating number of employment opportunities.

**Productive use of funds**

It is always important to have sufficient funds for setting up a new business unit and its smooth operation. Entrepreneur has to arrange the financial requirements of the business from several sources i.e. own funds and borrowed funds. It is the responsibility of the entrepreneurs to mobilize public investments and use in a productive manner. There are number of development banks like ICICI, IFCI, IDBI, and SFCs provides extended support towards promotion of entrepreneurship. Financial support and assistance provided to new entrepreneurs are productivity put to use for value addition by him.

**Balanced Regional Growth:-**

Entrepreneurship Development Programme helps in accelerating the process of industrialization in the underdeveloped areas and reduces the concentration of economic power in the hands of a few people. Because of EDP, Small scale industries can be easily established in remote locations with minimum financial resources which lead to achievement of balanced regional development. This may not happen with medium and large scale industries that may not decrease the disparities in income and wealth of the people. For this, small scale industries are preferred over medium and large scale industries.

**Optimum utilization of available Resources:-**

Locally available resources can be better utilized by the entrepreneurs to create a healthy base for economic development and enhancing the process of industrialization. An effective programme of entrepreneurship development may elevate industrial slums by introducing several schemes in the form of incentives, subsidies and infrastructural facilities to establish new units in remote areas. EDP plays an important role in the proper use of local resources by providing guidance, assistance, education and training to the prospective entrepreneurs.

**Increased per capita income:-**

Entrepreneurs can easily explore and utilize various business opportunities effectively. They consider several factors of production while setting up of new enterprises. This may result in enhancing productivity and per capita income in the country. Entrepreneurship development programme works as a guide to the entrepreneurs in setting of new business units and in generation of more employment and income.

**Improvement in standard of living:-**

A successful entrepreneur can make proper utilization of available resources. It helps in growth and development of the business. Customers may get better quality products at economical price. As a result of this, standard of living of the people increases. Entrepreneurship development programme provide all the required support to entrepreneurs by educating them about the latest innovations and market trends.

**Economic Independence:-**

It is required to produce wide variety of quality products and services at reasonable prices in a country to maintain equilibrium in demand and supply. An entrepreneur deals in international trade helps in earning foreign exchange required for economic development of the country. Export promotion and import substitution thus helps in promoting economic independence of the economy. EDP helps in promoting foreign trade which leads to economic independence of a country.

**Elevating Industrial Slums:-**

Industrial slums are generally located in urban areas. It demands for decentralization of industries for relocating such slums. Entrepreneurship development programme may help in removal of industrial slums by providing various incentives subsides and infrastructural support to entrepreneurs for setting up their enterprises in industrially backward areas.

**Minimizes Social Tension:-**

In a growing economy, employment opportunities play a key role. Unemployment in the society creates social tensions among the people specially youth. Entrepreneurship Development Programmes help in utilizing the talent of this section of society in the right direction through guidance, training and support for setting up their business units. This results in generation of employment and defusing social tension and unrest among youth.

**Facilitating growth and development:-**

Entrepreneurship Development Programme enables entrepreneurs to make various changes in the existing pattern of business system which may sometime results in chain reaction. A successful entrepreneur helps in developing various innovating modes of operating a venture becomes example for others to follow. They build an environment of enthusiasm and develop a sense of purpose or intent. This may result in the overall development of that particular area.

**Problems in implementing Entrepreneurship Development**

The following are various problems faced at the time of implementing EDP in India.

**1. Absence of National policy**

In India, there are no specific policies framed by the central government for entrepreneurship development and its promotion. Hence, it is highly required to formulate and enforce a national policy for entrepreneurship with an objective to promote balanced regional development of various areas.

**2. Issues during pre-training phase:**

Identification of business opportunities, finding and locating target group, selection of trainee and trainers etc. are basic problems faced at entrepreneurial pre-training phase.

**3. Wrong estimation of skill of trainees:**

Sometime, agencies providing EDP wrongly estimates the skills and capabilities of the educated youth to become entrepreneur.

**4. Time limit of EDPs:**

Duration of most of the EDPs generally varies between 4 to 6 weeks. Such period is very short for developing entrepreneurial skills in the participants i.e. potential entrepreneurs.

**5. Lack of infrastructural facilities:**

EDPs organized in under developed areas face various problems due to non-availability of adequate infrastructural facilities like training rooms, boarding and lodging of guest speakers etc.

**6. No standardized procedure:**

Entrepreneurship Development Programmes are not maintaining a standardized procedure and course inputs. The agencies providing EDP do not possess a clear idea about their goal and the process adopted for attainment of that.

**7. Selection Procedure:**

In EDP, no uniform procedures are adopted by agencies in the process of selecting the prospective entrepreneurs. There are number of service providing organizations conducting EDPs give preference to individuals equipped with own project ideas.

**8. Lack of competent Trainers:**

EDPs provided by several organizations may get affected by the absence of qualified professional and experienced trainers. It is very important to have equipped and versatile faculty members to train the prospective entrepreneurs.

**9. Less support of Financial Institutions:**

It is not always possible and easy for an entrepreneur to give collateral security against loan taken from the bank. Banks generally do not want to go for risky investment in newly set up business units. As a result, they grant loans in favour of the new entrants in the market as entrepreneurs with several conditions. In this situation, all the entrepreneurs may not be able to fulfill the conditions imposed by banks results in facing problems of financing. So it is required to get support from the financial intermediaries for promoting entrepreneurship and industrialization in the country.

**Stages in Entrepreneurial Development Programme**

EDP is basically prepared to induce motivation and competence in the prospective entrepreneurs. Entrepreneurship Development Programme should be designed to cover the following aspects:

* It will provide basic information about entrepreneurship.
* It will train and motivate the prospective entrepreneurs.
* It will work for enhancing managerial skill of the entrepreneur,
* It helps the entrepreneur in gaining expert knowledge on several support systems and procedure of the business.
* It may provide basic idea on project feasibility study.
* It advocates the programme of plant visit among entrepreneurs to provide them practical knowledge.

There are three different stages involved in the process of EDP which are discussed below:

1. Pre-training phase
2. Training phase
3. Follow-up phase

**1. Pre-training phase:**

Pre-training phase is the first phase of EDP. This involves various activities and preparation to launch the required training programme for the prospective entrepreneurs. Pre-training phase of EDP includes the following activities:

* Preparing the course curriculum and time table.
* Selection of prospective entrepreneurs for the training programme.
* Selecting the place for providing training.
* Finalizing the list of guest faculty for the programme from education industry and banks.
* Taking required steps for the inaugural function of programme.
* Formation of a selection committee to select trainees from the programme.
* Making all arrangements for publicity and campaigning for the programme.

**2. Training Phase:**

The main objective of training programme is to allow and motivate the youth to take up entrepreneurship as a career and to develop the required skill or competency. In this process optimum care should be taken for imparting both theoretical and practical knowledge to various trainees. The training phase of EDP includes the following points:

(a) Administration of the career curriculum.

(b) Acceptance of entrepreneurship as a career by the prospective entrepreneur.

(c) Providing guidelines to the trainee for behaving like an entrepreneur.

(d) Ensure dissemination of adequate knowledge on resources and technology to the prospective entrepreneur.

(e) Steps taken for set up of major entrepreneurial traits.

**3. Follow-up Phase:**

Follow up phase of EDP is otherwise regarded as post-training phase. The ultimate objective is to develop entrepreneurial competencies which will help them to start up new project. Post-training phase or follow up phase is treated as a review phase of training programme. It consists of reviewing of work in the following respects:

* Review of pre-training phase
* Review of actual training programme undertaken
* Review of post training programme to evaluate the cost effectiveness of the current programme.

**Conclusion**

Entrepreneurial development programme is the need of the hour. Drowning economy of the country in the post Covid era, can be revamped with a boom in new and vibrant entrepreneurial development that can be achieved through promotion of EDP among the prospective small and large investors across the country.