

CHAPTER- 12

Entrepreneurship Development Programme - Meaning, Objective and Importance

An entrepreneur has a special contribution in the economic development process of any nation. The entrepreneur is the carrier of economic development in which he uses the available resources in the country in national interest. The development of economy cannot be imagined without the development of entrepreneurship. In such situation, planned efforts must be made for the entrepreneurship development programme. The Entrepreneurship Development Programme is an attempt made in this direction only. This program creates new entrepreneurs, paves the way for the creation of a superior society and creates healthy and creative thinking among the entrepreneurs.

Meaning and Definition of EDP

In general terms, the Entrepreneurship Development Program is any such programme whose purpose is to find the potential entrepreneurs, develop entrepreneurial spirit in the mass group and to help them in establishing and operating their own ventures by providing technical and managerial training. Through these programs planned efforts are made for the development of industries and their proper and overall development is undertaken. Thus, the meaning of entrepreneurship development programme is through those efforts by which-

1. By imparting training to the entrepreneur, his intellectual technical and conceptual abilities are confined.
2. Through entrepreneurial activities, they are

supported in establishing their own ventures.

3. By Developing the entrepreneurs inner power and stimulating the motivation for entrepreneurship, entrepreneurs are encouraged to adopt the path of courage
4. Generating entrepreneurial behavior in daily activities and improvement is emphasized on the same.

Objectives of EDPs

Following are the objectives of Entrepreneurship Development Programme:

To Promote First Generation Businessmen & Industrialists

"Entrepreneurs are born cannot be developed." It is the objective of the Entrepreneurship Development Programme to change this ideology giving appropriate training for entrepreneurship. Motivating the generation who has never spoken of business at their home is the first objective of Entrepreneurship Development Programme.

1. To develop entrepreneurs' qualities:

Entrepreneurship development programme is designed and trained to identify persons with entrepreneurial motivation and an attempt is made to develop the essential qualities of entrepreneurship in them. The success of an entrepreneur depends on its qualities and development of these qualities is possible through these entrepreneurship development programmes.

2. To provide knowledge about Government Planning and Programmes:

It is also the objective of the Entrepreneurship Development Program to make information available of various government schemes and programs to the entrepreneurs and to create awareness about them. The purpose of the Entrepreneurship Development Program is to provide useful information such as how to use these schemes, where the trustful information about these schemes should be obtained from, and what information will be provided by which department.

3. To help in formulation of Projects:

Entrepreneurship Development Programme provides entrepreneurs with the necessary assistance in project formulation. It facilitates project construction by providing entrepreneurs with the necessary fundamental facts, synthesis, financial and government knowledge for building project.

4. To provide knowledge about advantages and disadvantages

The Entrepreneurship Development Programme makes entrepreneurs aware with the advantages and defects of entrepreneurship so that it become easy for them to combat with the difficulties coming in setting up and operating of any enterprise. What are the benefits of entrepreneurship and what are the potential challenges that are made aware to the entrepreneur with these programmes.

5. To develop enterprises in all areas of country

For the balanced economic development of the country, industries should be established in every sector. Entrepreneurs prefer to set up an enterprise where the enterprises are already

established, in such a case, entrepreneurs are encouraged to undertake ventures in under-developed areas.

6. To provide training to operate Business and Marketing

Entrepreneurship development programme also aims that entrepreneurs should be taught how to do business, how to develop a good relationship with different parties, how to do market analysis, how to counter the competition, what should be the method of sale, advertising and sales promotion for marketing of goods.

7. To develop small and cottage industries:

Entrepreneurship Development Programme aims to exploit locally available natural resources and provide motivation to set up small and cottage industry. Small and cottage industries has an important place in the country's economy and efforts are made to develop these industries by providing training and technical knowledge to the local community.

8. To provide solutions to entrepreneurs about doubts and problems:

When an entrepreneur establishes a business, he faces many doubts and problems. Effective diagnosis of these doubts and problems is also the main purpose of this program. Not only this, experts are also organized and entrepreneurs are invited to rectify their problems directly and also seek suggestions from entrepreneurs and implement them.

Importance/ Role of EDP's

Entrepreneurship programme plays an important role in economic and industrial development of the country. These programs have significant contribution in creating employment

opportunities in the country, balanced industrial development and making youth a business entrepreneur. According to Yale Bojan "Entrepreneurship development program is an integral part of economic development". Similarly, recognizing the social utility Arthur Coal has also written that "the study of entrepreneurship development programs helps in economic and social action". In essence its importance can be explained by the following points:

1.(Encouragement to innovation and product diversification)

Entrepreneurship development program encourages innovation and production diversification and by this it is possible to produce new items, use new technology, new instruments and machines. Through entrepreneurship development program research and investigation is promoted and new markets are tracked.

2. Rapid economic and balanced development of the nation:

Economic development of any nation depends on its entrepreneurs. Today, countries such as Japan and China have a place in the world economy due to their entrepreneurs. India is also progressing to stand in the line of developed nations by 2020. This is possible only when the new chain of entrepreneurs will be created in the country. Entrepreneurship Development Program can prove to be very helpful in creating new entrepreneurs.

Not only this, these programmes are pillar of balanced development, as entrepreneurs are ready to set up industries in undeveloped and underdeveloped areas, inspired by these programs

by which there is balanced economic development in the country. Professor Narksey has written "Entrepreneurs pave the way for balanced economic development".

3. Optimum utilization of resources:

The entrepreneurship development program teaches the methods and techniques for the best use of resources to entrepreneurs by which they try to combine different resources of production and make better use of them. Not only this, the entrepreneur receives each resource by giving money, so he always remains vigilant towards its maximum utilization.

4. Helpful in capital formation:

Our basic concept is "high income and low expenses". As a result of this, there is increase in savings. Entrepreneurs directly promote these savings using them as letter for loan etc and directly creates capital formation. They use these savings in productive work and increase the rate of capital formation.

5. Build Industrial Environment:

As a result of the Entrepreneurship Development Programme, entrepreneurs establish new business enterprises, produces new goods and services, discover and develop new markets, establishes industry ventures in less developed places, extend and renew existing undertakings, thereby increasing the industrial activities in the country and creating industrial environment.

6. Knowledge of Legal Provisions and Government Policies to Entrepreneurs:

The entrepreneurial development program gives entrepreneurs basic knowledge of legal provisions and key government policies by which establishment and operation of venture becomes

easy. Similarly, the various policies that are set by the Central and State Governments are also provided to the entrepreneurs, which facilitates their coordination and implementation easily.

7. Remedies of entrepreneurs' doubts and problems:

Entrepreneurs have to face different doubts and problems during the establishment and operation of the venture. Due to these doubts and problems, even new entrepreneurs discard the idea of setting up a new entrepreneurial enterprise. In such a situation, the Entrepreneurship Development Programme encourages them by diagnosing the doubts and problems of these entrepreneurs at a rapid pace.

8. Execution of Government Policies & Planning:

Entrepreneurship development programme plays an important role in the implementation of government policies and schemes. There are also some policies and schemes of the government that are very dependent on the implementation of entrepreneurship like reducing jobs, encouraging self-employment, selling loss-making public state ventures etc. Success of such schemes depends on entrepreneurship development programme.

9. Development of Small Scale & Cottage Industries:

The Entrepreneurship Development Program helps the local community to set up small and cottage industries by exploiting natural resources available in the local area. Through these program, they are trained on technology, market and get higher production at low cost.

10. Increase in Employment Opportunities:

Development of entrepreneurship creates direct and indirect employment opportunities in the country. The establishment of new industries in the country, expansion in the development of operational ventures, many employment opportunities get available due to the use of innovative and modern techniques, etc. This not only increases employment in the industrial sector, but also in agriculture, services, and business too. According to Ribson " Entrepreneur generates employment opportunities in the country".

11. High Standard of Living:

Due to entrepreneurship, there is availability of employment in the society and different products are available to many consumers in the market. Due to competition, entrepreneurs strive to make the best product available at the lowest price to the society. Employment, capital formation, availability of products at minimum value, availability of products according to consumer interest and fashion improves the standard of living of the public.

12. (Medium of Social Change)

Donald B. Tro has given an important statement which says "Entrepreneurship is an important means of establishing social change and entrepreneurial culture". Due to the entrepreneur, the establishment of a self-sufficient society is possible, society creates an industry-oriented society which reduces superstition and conservatism, Casteism/ Racism ends and promotes social harmony, new traditions and practices in society come in vogue. In essence, there is a positive change due to entrepreneurship in

living standards of society, ethics, food and meditation.

EXERCISE

Very Short Type Questions-

1. What do you mean by Entrepreneurship Development Programme ?
2. What is innovation ?
3. What is product diversification ?

Short Type Questions-

1. Explain the concept of EDP.
2. State the three objectives of EDP
3. Explain optimum utilization of resources.

Essay Type Question-

1. Define the term EDP explain its role in economic development.
2. Explain the importance and role of entrepreneurship Development Programme.