

Policies and Practices of Entrepreneurship Development Programmes in Himachal Pradesh

Paper ID	IJIFR/V5/ E1/ 012	Page No.	8710- 8718	Subject Area	Commerce
Key Words	Enterprises, Entrepreneurial Process, Problems				

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Abstract

Entrepreneurship involves a set of values, norms and traits that are conducive to the growth of a business enterprise. Entrepreneurship development Programmes with view to introducing the entrepreneurial culture at the grass root level and to promote self employment through establishment of tiny or cottage industries. Entrepreneurship development programmes and industrial awareness programmes are organized at various places across the state for the benefit of rural educated unemployed youth. In this paper attempts has been made to study the policies and practices to conduct entrepreneurship development Programs (EDPs) and current status of Entrepreneurship development programs. The study was based on secondary data. The secondary data have been collected from journals, internet, magazines, newspaper annual reports etc. The result shows that the maximum numbers of EDPs Organised in the year 2012-13 (21.53%) and maximum numbers of persons trained in the year 2012-13 (22.42%).The following years 2009 to 2013 by Institution organized EDPs are increasing and the participants are also interested to have undergone training under these Programmes. The government needs to provide financial as well as others facilities like transport, communication, land, building, technology advancement and organize entrepreneurship development programmes or awareness programmes on different promotional activities and credit facilities for further expansion.

I. INTRODUCTION

The concept of entrepreneurship has been around for a very long time. In the last two decades it has resurged. The concept of entrepreneurship is an age-old phenomenon that relates to the vision of an entrepreneur as well as its implementation by him. Entrepreneurship is a creative and innovative response to the environment. It is also the process of setting up a new venture. Entrepreneurship is a composite skill that is a mixture of many qualities and traits such as imagination, risk taking, ability to harness factors of production, i.e., land labour, technology and various intangible factors.

Usually any one who runs a business is called an entrepreneur. The more precise meaning of entrepreneur is one who creates his own business, i.e., a person who organises, operates and assumes the risk of a business venture. An entrepreneur is a person who perceives a need and then brings together manpower, material and capital required to meet that need.

Entrepreneurship implies a set of values, norms and traits that are conducive to the growth of a business enterprise. It is the organisational culture that focuses on new opportunities and creation of an organisation where these opportunities can be perused earnestly. An entrepreneur seeks the opportunities, looks for ways and means to capitalise on the newer opportunities by organising the structure and the resources and gaining control on them. As against this, a manager is primarily concerned with the resources under his control, the structure of his organisation and its relations to the market. He is also concerned with matching the opportunities with organisational abilities. The entrepreneurs are driven by the perception of opportunities. They seek changes in the political rules, social values, consumer preferences, technology etc. On the other hand resources like money, manpower and material they control, drive the managers.

1.2 Entrepreneurship: Definitions and Concept

Entrepreneurship is an elusive concept that cannot be defined precisely. However, people having different interests have defined 'entrepreneurship' in a number of ways.

- Psychologists and sociologists are interested in why entrepreneurs act.
- Economists focus on "what happens when entrepreneurs act"
- Management experts focus on how the entrepreneurs act, in the characteristics of entrepreneurs and the manner in which they achieve their goals.

II. REVIEW OF LITERATURE

- **Choudhar and Prakash (2010)** in their research entitled, " Entrepreneurship development: Progress or Process, they investigate the less than acceptable performances of rural entrepreneurship development programmes in the state of Rajasthan (India). The study shows that identification of several areas of inadequate performance choice and deployment of faculty, course material expectations of the participants, timing delivery and focus of the program. The study suggested that some disparate improvements against the immediate problems identified.

- **Bashar et.al. (2013)** examined the entrepreneurship training and development Programms in East Cost Economic Regions (ECER), Malaysia. Entrepreneurship education is an important factor for sustainable economic growth by the creation of a critical mass of trained, skilled and knowledgeable workers in Malaysia. The study revealed that the entrepreneurship training programs have a significant role in developing and encourage students to become a self dependent entrepreneur and provide them the necessary knowledge and training for using their time and opportunities in the productive income generating activities. Finally the study concluded that the entrepreneurship training programs play a significant role and promote youth educated people to start their own business and become successful entrepreneurs. It is most appropriate to reduce the unemployment from the country.
- **Rena, (2014)** investigates the views of small and medium enterprises (SMEs) and those responsible for three small and medium enterprises Programme, training and whether they are aware of the training objectives and understand their roles and their significance. The study also highlighted the strengths and weakness of these training strategies. The study focused on improvements as well as suggestions and might have to improve their business. It is observed from the study that small and medium enterprises training and development is a critical shortcoming in the Windhoek area, due to an increasing number of small and medium enterprises that are developing in the area. The study shows that there is a great need for training and development of existing entrepreneurs. The study suggests that training and development lead to higher small and medium enterprises' performances. Therefore the study concludes that there is a need for training and development for small and medium enterprises.
- **Legas Habtamu, (2015)** conducted a study on “Challenges to Entrepreneurial Success in Sub-Saharan Africa: A Comparative Perspective”. The objective of study was to explore and put in perspective the critical challenges entrepreneurs in Sub-Saharan Africa frequently face gaining ground to start a firm. The results show that cumbersome laws and regulations, corruption, poor infrastructure, lack of finance, lack of strong entrepreneurial training and small market came out as basic obstacles to entrepreneurial success.
- **Sunita and Srija, (2016)** conducted a study on Entrepreneurship Development in India-the Focus on Start-ups. They quote from the Indian Industrial commission Report (1916-1918) at a time when the west of Europe, the birth place of modern industrial system, was inhabited by uncivilized tribes, India was famous for the wealth of her rulers and for high artistic skill of her craftsmen. And even at a much later period, when the merchant adventures from the west made their first appearance in India, the industrial development of this country was, at any rate, not inferior to that of the more advanced European nations. The study found that, a startup ecosystem has been created through the new policy initiatives which would not only promote startups particularly in the manufacturing sector but also the micro units would be able to graduate faster as small and medium units. If this objective is

achieved the goal of job realization through self-employment would be complete as self-employment is the answer to providing jobs to the huge proportion of population in the economically active age group.

III. RESEARCH METHODOLOGY

The main purpose of this paper was to study the policies and practices conducted by Entrepreneurship Development Programmes (EDPs). The present paper is based on secondary sources. Secondary data has been collected, Himachal Pradesh Centre for Entrepreneurship Development (HPCED), Himachal Consultancy Organization (HIMCON), Himachal Productivity Council (HPC), Small Industries Service Institute (SISI), Chambaghat Soaln, websites and annual reports.

IV. OBJECTIVES OF THE STUDY

- To study the current status of Entrepreneurship development programmes.
- To Analyze the Policies and Practices to Conduct Entrepreneurship Development Programmes (EDPs)

V. ANALYSIS AND INTERPRETATION

5.1 Entrepreneurship development Programmes

Entrepreneurship development Programmes/Training programmes with view to introducing the entrepreneurial culture at the grass root level and to promote self employment through establishment of tiny or cottage industries. Entrepreneurship development programmes and industrial awareness programmes are organized at various places across the state for the benefit of rural educated unemployed youth. The main objective of such industrial promotion programmes is to develop the entrepreneurial traits amongst the local rural educated unemployed youth to take up self employment ventures. The establishments of self employments ventures have the potential to generate vast employment opportunities for the rural youth near their habitations in entrepreneurship development programmes. Women are given special preference and sometimes special entrepreneurship development programmes are organized especially for the women candidates.

5.2 Types of Training Programmes

With a view to introducing the entrepreneurial culture at the grass root level and to promote self-employment through the establishment of tiny/cottage industries, Entrepreneurship Development Programmes/ Industrial Awareness Programmes are organized at various places across the State for the benefit of rural educated unemployed youth. The main objective of such industrial promotion programmes is to develop the entrepreneurial traits amongst the local rural educated unemployed youth to take up self-employment ventures. The establishments of self-employment ventures have the potential to generate vast employment opportunities for the rural youth near their habitations. In Entrepreneurship Development Programmes women are given special preference and

sometimes special Entrepreneurship Development Programmes (EDPs) are organized especially for the women candidates.

5.3 Name of training programme and duration:

- Industrial Awareness Programme - 3 days.
- Short term EDP - 7 days.
- Short term product specific EDP - 14 days.
- Long term product specific EDP - 30 day
- **Industrial Awareness Programmes (IAPs):** Industrial Awareness Programmes are organized in different parts of the State to generate industrial/business awareness and to educate the prospective entrepreneurs about the latest incentives and facilities offered by the support system. The duration of each programme is three days.
- **Short Term Entrepreneurship Development Programme (EDPs):** The short term Entrepreneurship development programmes are conducted so that the message of industrialization is carried to the general masses, especially to the rural educated youth, who are unaware of the self employment opportunities provided by the industries. The duration of Short Term Entrepreneurship Development Programme is one week.
- **Short term product specific EDP:** The short term product specific EDPs are organized for a duration of 2 weeks in which practical training is provided to the trainees in respect of product specific trades such as computer application, mobile repair, fruit and vegetable processing, bag making etc.
- **Long term product specific EDP:** Long term EDPs are organized for a period of one month in which detailed practical training is provided to the participants in the trades of Screen Printing, beauty parlours, auto repairs Fashion designing etc.

5.4 Numbers of programmes organised and Numbers of beneficiaries’ undergone training under these entrepreneurship development programmes are given below

Year	Number of EDPs	Total No. of Persons
2009-10	49 (14.45)	1253 (15.79)
2010-11	65 (19.18)	1479 (18.64)
2011-12	70 (20.65)	1600 (20.16)
2012-13	73 (21.53)	1780 (22.42)
2013-14	51 (15.05)	1228 (15.47)
2014-15	31 (9.14)	597 (7.52)
Total	339 (100.0)	7937 (100.0)

Source: Government of Himachal Pradesh, Industries department Annual Administrative, Report 2014-15.

Figure 1 shows that the maximum numbers of EDPs Organised in the year 2012-13 (21.53%) and maximum numbers of persons trained in the year 2012-13 (22.42%).The following years 2009 to 2013 by Institution organized EDPs are increasing and the participants are also interested to have undergone training under these Programmes. Further the study reveals that the minimum numbers of EDPs Organised in the year 2014-

15 (9.14%) and minimum numbers of persons trained in the year 2014-15 (22.42%) and remaining years number of trainee are also increases. The study shows that from the year 2013 to 2015 numbers of EDPs are decreasing and the participants are not interested to have undergone training under these Programmes.

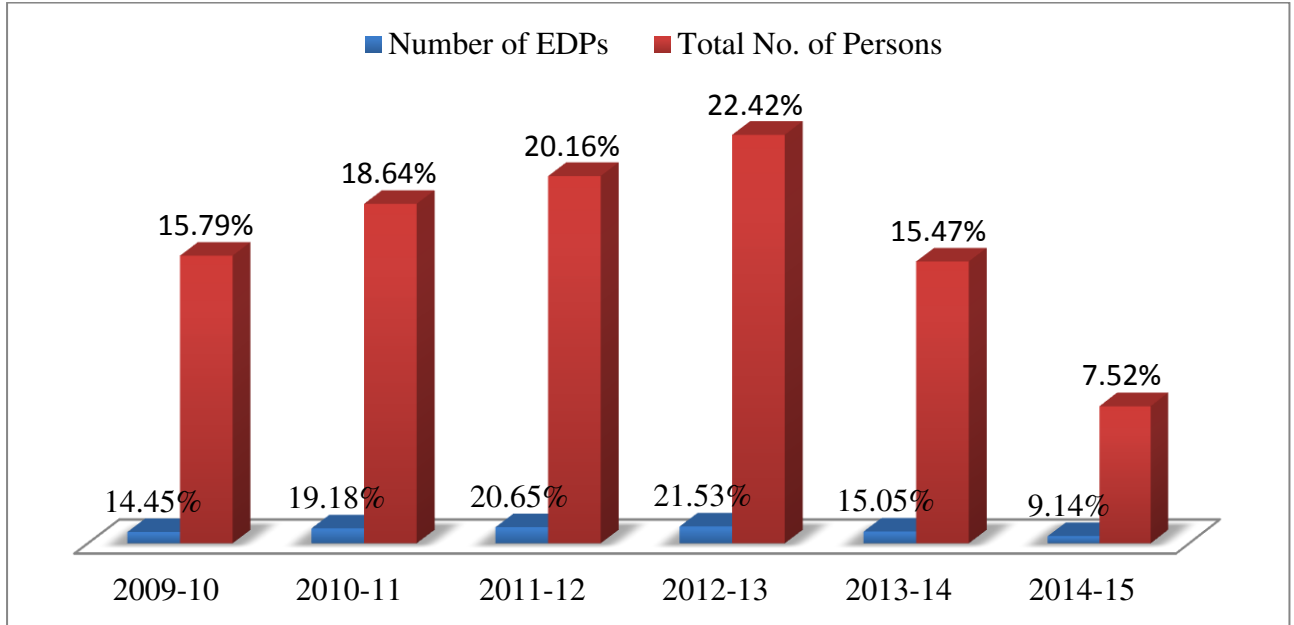


Figure 1: Numbers of programs organized and Numbers of beneficiaries' undergone training under these entrepreneurship development programs.

5.6 Policies and Practices to Conduct Entrepreneurship Development Programmes (EDPs)

The development of entrepreneurship is considered as an engine or harbinger of growth to accelerate the overall and diversified industrial and economic development of a nation. In fact, industrial development cannot prosper without development of skilled and trained entrepreneurship. The promotion and development of small scale industries is intimately linked with development of entrepreneurship.

It is true that entrepreneurial development as an organised programme is comparatively recent origin. The government of India is actively associated with the entrepreneurial development because the programmes of entrepreneurial development are broadening the entrepreneurial base and encouraging the rapid growth of small, medium and tiny sector entrepreneurs. Thus the potential entrepreneurship necessarily ensures entrepreneurial success.

5.7 Pre-Independence Governments Policy towards entrepreneurship Development Programmes

The concept of entrepreneur and entrepreneurship in small scale sector is of recent origin. The development of entrepreneurship is regarded as the micro-focus of industrial development and has been receiving attention of the policy makers, economists, industrial engineers and social scientists. It is unanimously held by all classes of thinkers that development of successful entrepreneurship is the only panacea for the development

of industrial progress and other social and economic ills prevailing in the country. The researchers till now have concentrated their efforts only to the growth of small scale industries and their relevance in Indian economy. The reference to entrepreneurship is peripheral in character. However, some empirical studies had been taking entrepreneurial development as their major focus among these mention may be made of study by James J. Berna works by UNESCO research centre and one by Mecrory. However, these studies were completed either in late fifties or early sixties. Thus, a gap was created. Therefore, it is the only motivational factors which activated me to undertake the work on the growth and development of entrepreneurial programmes and entrepreneurship in seventies and early eighties.

5.8 Post-Independence Governments Policy towards entrepreneurial Development Programme

India achieved political independence on august 15, 1947. A new era of economic awakening started. To cherish the dreams of new and independent India, late Pandit Jawahar Lal Nehru initiated the concept of five year plans for the upliftment and amelioration of old India. Industrial policy was declared in 1948 for the first time. In order to renovate and accelerate the process of industrial and economic development in the country. This policy of industrial development was also revised in subsequent years namely in 1956, 1970, 1973, 1977, 1980 and 1985 in order to make it more beneficial and congenial for the rapid growth of entrepreneurship and industrialization in the country.

Small scale entrepreneurship has always been considered the mother of medium scale and large scale entrepreneurship all over the world. In India the favour for small scale industries is advocated on three principal grounds namely idealistic base, relief-oriented base or welfare state and economic base. The principal objective behind the promotion development and growth of small scale industries was to diversify the entrepreneurial base in every nook and corner of India.

The latent and open desire of the various industrial policy resolutions has always been to foster efficient entrepreneurs and skilled entrepreneurship from amongst the castes classes and professions which have hitherto not contributed or contributed poorly to the entrepreneurial class in India. These include apart from others scheduled castes/tribes, backward/poor-classes, technicians and other professionals etc.

5.9 Planning Policies Regarding the Promotion and Development of Entrepreneurship

A study of the industrial policy document reveals that small industry has been assigned an important role throughout the period since Independence. Thus, for example, protection and promotion of small industry has all along been listed as a major objective in all of the industrial policy documents. The policy statements also indicate the lines on which the Government have been taking or contemplating concrete steps. This point may be highlighted by referring to the main industrial policy resolutions statements of different years.

VI. CONCLUSIONS AND SUGGESTIONS

Entrepreneurship has been considered the backbone of economic development. It has been well established that the level of economic growth of a region to a large extent, depends on the level of entrepreneurial activities in the region. The myth that entrepreneurs are born, no more holds good, rather it is well recognized now that the entrepreneurs can be created and nurtured through appropriate interventions in the form of entrepreneurship. In the era of liberalization, privatization and globalization along with ongoing IT revolution, capable entrepreneurs are making use of the opportunities emerging from the evolving scenario. However, a large segment of the population, particularly in the industrially rural areas generally lags behind in taking advantage of these opportunities. Therefore, there is a need to provide skill development and entrepreneurship development training to such people in order to mainstream them in the ongoing process of economic growth. In order to make the entrepreneurship development programmes more effective, meaningful and purposeful a few suggestions are given below, keeping in view the objectives of these programmes and the experiences gained in the past, while implementing these programmes and the accumulation of problems that are encountered in the course of the execution of these programmes and the imminent need to eliminate the various structural, operational and other limitations of these programmes, a few suggestions are given.

- i.) Evolving a system to maintain and implementing the programme throughout the country.
- ii.) Arranging translation of all training materials into regional languages in order to achieve the above objective.
- iii.) Evaluating the entrepreneurship development programmes on a continuing basis and suggesting modification in the programmes from time to time;
- iv.) Extending the coverage of the entrepreneurship development programmes through the technical institutions and considering the technically qualified persons are some of the other suggestions which deserve serious consideration in this context.
- v.) Encouraging and facilitating the adoption of regional languages as a medium for entrepreneurship development programmes in order to extend the benefit of the programmes to Non- English knowing rural youth.

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TO CITE THIS PAPER

Lal, N. , Sharma, M. (2017) :: “Policies and Practices of Entrepreneurship Development Programmes in Himachal Pradesh” *International Journal of Informative & Futuristic Research (ISSN: 2347-1697)*, Vol. (5) No. (1), September 2017, pp. 8710- 8718, Paper ID: IJIFR/V5/E1/012. Available online through- <http://www.ijifr.com/searchjournal.aspx>