

A STUDY ON THE INSTITUTES IMPARTING ENTREPRENEURSHIP AND SKILL DEVELOPMENT TRAINING With special reference to the Indian Institute of Entrepreneurship (IIE), Guwahati



Abstract:-

In the context of entrepreneurship, the term 'skill' generally refers to the required knowledge and capabilities needed for starting and running an enterprise. An entrepreneur is often termed as the "change agent". It is also said that an economy is the effect for which entrepreneurship is the cause. Entrepreneurship development has, therefore, become a matter of great concern in all developed and developing countries all over the world. Realizing such increasing importance of entrepreneurship in an economy, the Ministry of MSME, GoI has set up three National level Entrepreneurship Development Institutes namely The National Institute for Entrepreneurship and Small Business Development (NIESBUD), NOIDA, National Institute for Micro, Small and Medium Enterprises (NI-MSME), Hyderabad and Indian Institute of Entrepreneurship (IIE), Guwahati to undertake the task of entrepreneurship and skill development training on a regular basis. Out of these three institutes, the IIE is a premier one in the Northeastern region. The paper thus attempts to focus on the performance of IIE over a past few years and assess its contribution towards the upliftment of the society. The paper is based on secondary data.

Keywords:

Entrepreneur, Entrepreneurship development, Skill development.



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INTRODUCTION

The Micro, Small and Medium Enterprises (MSME) sector has emerged as a highly vibrant and dynamic sector of the Indian economy over the last five decades. MSMEs not only play a crucial role in providing large employment opportunities at a comparatively lower capital cost than large industries but also help in industrialization of rural & backward areas, thereby, reducing regional imbalances and assuring more equitable distribution of national income and wealth. MSMEs are complementary to large industries as ancillary units and contribute enormously to the socio-economic development of the country.

In view of such immense potential of the MSME sector, the Ministry of MSME, GoI promotes the development of micro and small enterprises in the country with the objective of creating self-employment opportunities and upgrading the relevant skills of existing and potential entrepreneurs. Entrepreneurship development is one of the key elements for promotion of micro and small enterprises, particularly, the first generation entrepreneurs. Entrepreneurship and resultant creation of employment and wealth, is a major means for inclusive development. Hence, entrepreneurship development has been one of the priorities in countries all over the world.

In order to ensure that the young entrepreneurs are encouraged and suitably equipped to go into new ventures, the Ministry has set up three National level Entrepreneurship Development Institutes namely The National Institute for Entrepreneurship and Small Business Development (NIESBUD), NOIDA, National Institute for Micro, Small and Medium Enterprises (NI-MSME), Hyderabad and Indian Institute of Entrepreneurship (IIE), Guwahati undertake the task of imparting specialized training to various categories of entrepreneurs and thereby contributing to their skill development.

2. LITERATURE REVIEW

Aruna Deb Roy and Rajat Bhattacharjee undertook a study on "Entrepreneurship Development in North-Eastern Region with special reference to IIE, Guwahati" (International Journal of Scientific Research, Vol:III, Issue:I, January 2014, ISSN: 2277-8179). The study focuses on the role of entrepreneurial institutes in the growth of entrepreneurship culture in the society. It also highlights the various challenges and opportunities that exist for the entrepreneurs in the North-eastern region of India.

JPS Associates (P) Ltd., New Delhi submitted a report to the Ministry of Micro, Small and Medium Enterprises (MSME) on "Evaluation of the Ongoing Scheme of Ministry of MSME- Assistance to Training Institutions" (June 2012). The report aimed at assessing the impact of the Scheme in the promotion of entrepreneurial culture in the country and suggesting ways and means thereof. Moreover, the report comprised of an evaluation of the Scheme to justify its inclusion in the 12th five year plan (2012-17).

Besides the above mentioned literatures, the annual reports of IIE, annual reports of MSME, a few articles and internet websites were also reviewed.

3. OBJECTIVES

The objectives of the present study are:

- i. To review the performance of IIE over the last three years; and
- ii. To assess the role played by IIE in the upliftment of the society.

4. SIGNIFICANCE OF THE STUDY

Poverty and Unemployment have been two pressing problems faced by the Indian economy since independence. Over the years, it has been realized that Self-employment is one of the best ways to get rid of these challenges. The Small scale sector with its huge potential, offers massive self-employment opportunities, mostly to the less-privileged sections of the society. It is against this background that the Government of India came up with the idea of setting up institutes for imparting entrepreneurship and skill development training to the interested masses. Consequently, several institutes, both at the central and state level, were established for the birth of new entrepreneurs as well as development of the existing entrepreneurs. The Indian Institute of Entrepreneurship (IIE) is one of its kinds, which mostly caters to the requirements of the entrepreneurs of the Northeastern region of India. Hence this paper is an endeavour to evaluate the activities of IIE and the extent of its contribution towards the development of the society.

5. METHODOLOGY

The present study is confined to the MSMEs of India. In order to fulfill the aforesaid objectives, data have been obtained from secondary sources like annual reports of the Ministry of Micro, Small and Medium Enterprises, Government of India; annual reports of IIE, Guwahati; articles; Reports; Journals etc.

6. IIE- a brief overview

Indian Institute of Entrepreneurship (IIE) is an autonomous national level ISO 9001:2008 Certified Institute under the administrative control of the Ministry of Micro, Small and Medium Enterprises (MSME), Government of India. The Institute was established in the year 1993 in Guwahati by the erstwhile Ministry of Industry (now the Ministry of MSME), GoI. It started functioning as an independent entity from April 1994 with the North Eastern Council (NEC), Government of Assam, Arunachal Pradesh and Nagaland and SIDBI as its stakeholders. IIE focuses on the development of enterprise and entrepreneurship with special thrust on the Northeastern region of India. The core working areas of the Institute can be broadly classified into three categories- training, research and consultancy in the MSME sector and area approach projects.

The activities of the Institute include identification of training needs, designing and organizing programmes both for development functionaries and entrepreneurs; evolving effective training strategies and methodologies for different target groups and locations; organise seminars, workshops and conferences for providing forum for interaction and exchange of views by various agencies and entrepreneurs; undertaking research on entrepreneurship development, documenting and disseminating information needed for policy formulation and implementation on self-employment and entrepreneurship. The Institute also helps other Entrepreneurship Development Institutions, Colleges and Universities in various ways, such as by developing syllabi for entrepreneurship for different target groups, imparting training to the faculty, developing training aids, etc.

The various training courses offered by the institute include:

- Faculty Development Programme in Entrepreneurship
- Entrepreneurship Development Program
- TEDP Herbal Medicine & Aromatic
- Entrepreneurship Awareness Programme
- TEDP on Gems & Jewellery
- TEDP on Woollen Garment Industry
- Training Programme on Cluster Development Approach for Urban Poor
- Regional Workshop on Empowerment of Women through Development of Micro Enterprises
- Project Identification, Formulation and Appraisal on Micro Enterprises for Urban Poor
- New Enterprise Creation
- Women EDP

7. ACHIEVEMENTS OF IIE- an analysis

The Institute since its establishment has conducted 4312 programmes/workshops/ seminars/meets and trained 1,45,508 persons. The following table depicts the performance of IIE over the years 2010-11, 2011-12 and 2012-13.

**Table 7.1
Performance of IIE**

Type of programmes	2010-11		2011-12		2012-13			
	No. of programmes	No. of participants	No. of programmes	No. of participants	From 1.4.12 to 31.12.12 (actual)		From 1.1.13-31.3.13 (projections)	
					No. of programmes	No. of participants	No. of programmes	No. of participants
Entrepreneurship Development Programmes (EDPs)	121	3246	91	2839	9	233	5	150
Entrepreneurship and Skill Development Programmes (ESDPs) and Skill Development Programmes (SDPs)	350	9393	625	17983	947	27905	304	9120
Management Development Programmes (MDPs)	20	568	10	234	7	187	15	450
Others	65	3630	89	5528	45	2487	5	84
Total	556	16837	815	26584	1008	30812	329	9804

Source: Annual report IIE 2011-12 and Annual report MSME 2012-13

The above table indicates that the number of training programmes conducted by IIE increased by about 47% from 2010-11 to 2011-12 and by about 64% from 2011-12 to 2012-13. Besides, the rate of increase in the number of participants is about 58% in 2011-12 and 53% in 2012-13. Hence it can be inferred that although there has been a steep rise in the number of trainings, the rate of rise in the number of participants is not encouraging.

However, on having a look at the category-wise break-up of the training programmes, it is found that the incidence of the EDPs is very poor and that of the MDPs and other programmes is not very satisfactory. Whereas the ESDPs and SDPs have registered fair amount of growth over the years.

8. COVERAGE OF STATES BY IIE

IIE as a national institution for training has been slowly intensifying its efforts to serve the people of various underdeveloped regions of the country. Towards this initiative, IIE has increased its reach to 16 states of India. This includes 8 states each from the North-eastern region and Northern region of India respectively.

Table 8.1
State-wise trainings and number of trainees

States (NER)	Assam	Arunachal Pradesh	Meghalaya	Manipur	Mizoram	Nagaland	Sikkim	Tripura
Trainings	227	31	42	49	23	40	39	31
No. of trainees	7227	935	1498	1459	676	1247	1573	931
States (Non-NER)	Uttarakhand	Uttar Pradesh	Rajasthan	Punjab	West Bengal	Haryana	Himachal Pradesh	Maharashtra
Trainings	257	32	22	9	7	4	1	1
No. of trainees	8881	885	655	253	210	110	14	30

Source: Annual report IIE 2011-12

The above table reveals that during the year 2011-12, out of 815 programmes with 26584 participants, IIE conducted 482 (59.14%) programmes across the eight states of NER and the rest 333 (40.86%) programmes in the other eight non-NER states with 15546 (58.5%) participants in the eight NER states and 11028 (41.5%) participants in the non-NER states. It implies that although the special thrust of IIE is upon the NER states, the number of participants attracted towards its training programmes in the aforementioned region is less as compared to that of the non-NER states. Thus it can be inferred that the entrepreneurial culture is more dominant in the non-NER states.

9. ROLE OF IIE IN SOCIAL DEVELOPMENT

IIE plays a significant role in the upliftment of the society by emphasizing on the concept of gender equality. The institute organizes programmes not only for the male trainees but also for the female trainees.

Table 9.1
Category wise trainee details

Programmes	Male	Female
EDPs	1477	1362
ESDPs and SDPs	6822	11161
MDPs	215	19
Others	2876	2652
Total	11390	15194

Source: Annual report IIE 2011-12

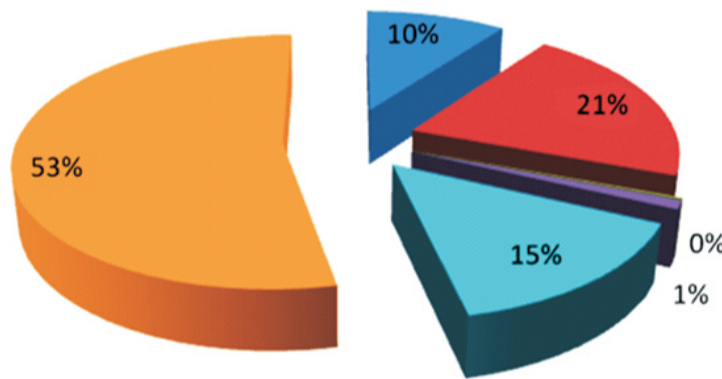
The above table shows that female participation in ESDPs and SDPs is almost double that of males, while in the other three categories, male participation is higher.

Apart from concentrating on the women beneficiaries, the institute also gives special importance to the down-trodden and weaker sections of the society by organizing programmes for them, which is depicted below:

Chart 9.1

Caste Classification of Trainees

■ SC ■ ST ■ PH ■ Minorities ■ OBC ■ Others (Gen)



Source: Annual report MSME 2012-13

10. SUMMARY OF FINDINGS

The findings generated by the present study are summarized below:

- i. The training programmes imparted by IIE can be broadly classified into four categories, namely, Entrepreneurship Development Programmes (EDPs), Entrepreneurship and Skill Development Programmes (ESDPs) and Skill Development Programmes (SDPs), Management Development Programmes (MDPs) and other programmes.
- ii. The total number of trainings conducted by the institute has been increasing over the last three years but the rate of increase in 2012-13 is low as compared to that in 2011-12.
- iii. In the category-wise break-up of programmes, the ESDPs and SDPs have an increasing trend. Whereas the trend is opposite in case of the other three types of programmes.
- iv. IIE programmes cover 16 states, eight states each of the North-eastern region and the Northern region of India respectively. The NER states rank first in the incidence of higher number of trainings than the non-NER states. On the other hand, the number of participants is higher in the latter.
- v. IIE also contributes towards the upliftment of the society by taking particular care in organizing programmes for the backward classes, such as ST, SC, etc. Besides, the programmes are designed for both male and female participants.

11. CONCLUSION

The Indian Institute of Entrepreneurship, Guwahati acts as a facilitator to economic upliftment of the country by promoting and developing entrepreneurship through various training programmes. But some studies have revealed that these programmes are not much effective. Such ineffectiveness may be due to lacunae on the part of all those who are involved in the process, be it the trainers and the trainees, the Entrepreneurship Development organizations, the supporting organizations and the Government. It is the need of the hour that the concerned parties pay immediate heed to the task that needs to be done on their parts.

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