

## INSTITUTION BASED ENTREPRENEURSHIP IN

### INDIA – A CASE STUDY OF EDII

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#### ABSTRACT

India is at a winning edge against all other countries of the world in terms of demographic dividend due to its large working population. The benefits of demographic dividend can be reaped if coupled with adequate employment opportunities. However, unemployment has emerged as a big problem across the globe. In this situation, where jobs are inadequate, creating self-employment opportunities i.e. entrepreneurship development seems to be the best possible solution. Entrepreneurship is the most powerful weapon in the hands of a country. It can play multiple roles by providing multiple benefits for the development of the Indian economy. There are several institutions in the country which are actively involved in the development of entrepreneurship. A large number of people join these institutions and their programmes which lay the foundation stone for their entrepreneurial growth journey. Therefore, this paper makes an attempt to assess the functioning of a National Level Entrepreneurship Development Institution in India. For this purpose, case study of Entrepreneurship Development Institution of India (EDII) has been discussed in detail. The findings of the study reveals that EDII organizes a large number of programmes and carries out activities concentrating on entrepreneurial education, research and training etc. through its six centres viz. Entrepreneurship Education and Research; Micro Enterprises, Micro Finance and Sustainable Livelihood; SMEs and Business Development Services; Cluster Competitiveness, Growth and Technology; Social Entrepreneurship and Corporate Social Responsibility (CSR); and Women Entrepreneurship and Gender Studies.

#### I. INTRODUCTION

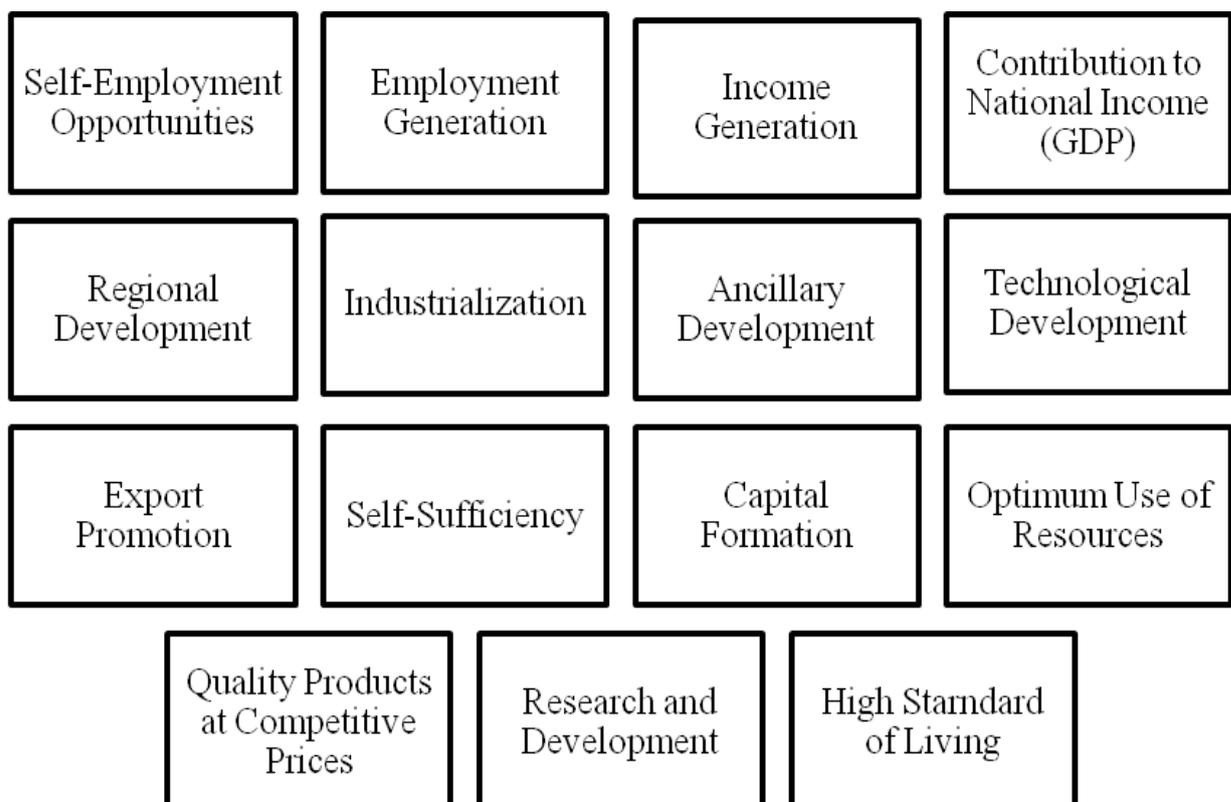
India is the second most populous country in the world, with over 1.3 billion people, accounting to 18 percent of the world's population. India has more than 50 percent of its population below the age of 25 and more than 65 percent below the age of 35 (Wikipedia, 2016). With such large 'working population', India is at a winning edge against all other countries of the world in terms of 'demographic dividend'. However, the demographic dividend can be gained only if India is able to provide its population with adequate employment opportunities. On the other hand, unemployment and underemployment is a growing global phenomenon and virtually every country in the world is struggling to cope with it (Kamdar, 2012). Unemployment rate in India has shot up to a five-year high of 5 per cent in 2015-16, with the figure significantly higher at 8.7 per cent for women as compared to 4.3 per cent for men, as given in report by Labour Bureau (PTI, 2016). This clearly indicates that while the general educational level is going up, there is no corresponding creation of job opportunities resulting in high unemployment especially at the entry level (Kamdar, 2012). Also, the employment opportunities in the public

sector are not increasing at the same rate at which the number of unemployed persons is increasing (Kanoi S., 2011). Hence, unemployment has emerged as a big national problem. In this situation, where jobs are inadequate to absorb the educated unemployed people of the country, creating self-employment opportunities i.e. entrepreneurship development seems to be the best possible solution to this problem.

## II. ROLE OF ENTREPRENEURSHIP

Entrepreneurship is the process of creating and managing an innovative organization by taking calculated risks for carrying out business activities with a purpose of generating wealth. Entrepreneurship is considered as a vital component of an economy. It plays a significant role in the economic development of a country. Entrepreneurship is the most powerful weapon in the hands of one to fight against poverty and unemployment. It is widely accepted by every, big or small country, that well motivated entrepreneurs are must for accelerating the process of economic development (Kanoi S., 2011). In India, entrepreneurship can do wonders by creating self-employment opportunities and driving industrialization. The intensity of impact of entrepreneurship may vary from country to country. However, entrepreneurship acts as a catalyst for the economic prosperity of every nation. Figure 1 clearly indicates the role of entrepreneurship in the development of a county.

Figure 1: Role of Entrepreneurship



Source: Author

Therefore, entrepreneurship can play multiple roles by providing multiple benefits for the development of Indian economy. It is a one-stop solution to all the problems of the country as it has potential to tackle unemployment, poverty, high imports, low technological improvement, high prices of products, unutilized resources, imbalanced regional development etc.

### III. NEED AND OBJECTIVE OF THE STUDY

Considering the benefits of entrepreneurship in a country like India, various initiatives have been taken by the government from time to time for entrepreneurship development in the country such as Industrial Policies and Plans for development of small business, setting up of Special Economic Zones (SEZs), setting up specialized Entrepreneurship Development Institutions, implementing customized Schemes and Programmes etc. However, in spite of the initiatives taken by the government, entrepreneurs still face certain problems like lack of availability of finance, lack of technical knowledge, lack of managerial skills, lack of availability of raw materials and infrastructure, lack of awareness, lack of market linkage etc. which obstruct the growth and development of entrepreneurship in the country. In this context, the role of entrepreneurship development institutions becomes very relevant because these institutions have the potential to solve all the major problems of entrepreneurs. These institutions rope in to impart knowledge, training, skills and mentorships related to various domains like managerial, financial, technical, legal, market etc. besides providing financial, research, infrastructural, technical and marketing assistance. Literature also highlights the importance of entrepreneurial education and training in the promotion and development of entrepreneurs (cited in Rao, 2008; Baruah, 2005 and cited in Mali, 2002).

There are several institutions in the country which are actively involved in the development of entrepreneurship. A large number of people join these institutions and their programmes which lay the foundation stone for their entrepreneurial growth journey. Therefore, the objective of this study is:

- To assess the functioning of a National Level Entrepreneurship Development Institution in India.

### IV. ENTREPRENEURSHIP DEVELOPMENT INSTITUTIONS IN INDIA

There exist a vast network of institutions in India which aims to render assistance and provide a comprehensive range of services and common facilities for the development of entrepreneurship. These entrepreneurship promoting institutions can be broadly classified as national level institutions/agencies, state level institutions/agencies, non government organisations, industry associations and research and development institutions. The list of some of such institutions is depicted in Table 1.

**Table 1: Entrepreneurship Development Institutions in India**

Associated Chamber of Commerce and Industry of India (ASSOCHAM)	Confederation of Indian Industry (CII)
Council of Scientific and Industrial Research (CSIR)	Entrepreneurship Development Institute of India (EDII)
Federation of Indian Chambers of Commerce and Industry (FICCI)	Indian Institute of Entrepreneurship (IIE)
Khadi and Village Industries Commission (KVIC)	National Bank for Agricultural and Rural Development (NABARD)

World Association for Small and Medium Enterprises (WASME)	National Institute for Entrepreneurship and Small Business Development (NIESBUD)
National Institute for Micro, Small and Medium Enterprises (NIMSME)	National Small Industries Corporation (NSIC)
National Science and Technology Entrepreneurship Development Board (NSTEDB)	Small Industries Development Bank of India (SIDBI)
Small Industries Development Centre (SIDC)	Centre for Innovation, Incubation and Entrepreneurship (CIIE)

## V. SCOPE OF THE STUDY

For the purpose of this study, Entrepreneurship Development Institution of India (EDII) has been selected to assess the functioning of a National Level Entrepreneurship Development Institution in India. The case study of EDII has been discussed in detail. The secondary data has been collected from the website of EDII and from various reports, articles, brochures published by the same. The data up till the year 2016 has been considered for the purpose of the study.

## VI. ENTREPRENEURSHIP DEVELOPMENT INSTITUTE OF INDIA (EDII)

The Entrepreneurship Development Institute of India (EDII), set up in 1983 is an autonomous and not-for-profit institution, sponsored by apex financial institutions, namely the IDBI Bank Ltd., IFCI Ltd., ICICI Ltd. and State Bank of India (SBI). The Institute is registered under the Societies Registration Act 1860 and the Public Trust Act 1950. The EDII campus has been set up on twenty-three acres of land in Ahmadabad pledged by the Government of Gujarat. The main aim of the institution is to become a catalyst in facilitating emergence of competent first generation entrepreneurs and transition of existing SMEs into growth-oriented enterprises through entrepreneurship education, training, research & institution building.

EDII has been set up on certain beliefs and all its activities are based on these beliefs which are given as under:

- Entrepreneurship is a vital tool that facilitates inclusive growth of society.
- Entrepreneurship education, training and counselling can hasten the emergence of progressive entrepreneurs.
- Entrepreneurship encourages youth to seek innovations and challenges, thus, leading to optimal utilization of resources and wealth creation.
- Increased incidence of entrepreneurship is an indicator of national economic growth.
- The nation can be placed on a high growth trajectory by unleashing its enormous growth potential.

EDII operates through its well-planned centres to generate awareness, sensitize environment, strengthen institutional linkages and networking, and impart training in specialized areas. It organizes a large number of programmes and carries out activities in different thrust areas through these centres:

### A. Entrepreneurship Education and Research

The purpose of this centre is to augment the supply of new entrepreneurs through entrepreneurial education, research and training. With the help of this centre, EDII took entrepreneurship to a large number of schools, colleges, science and technology institutions and management schools in several states by including entrepreneurship inputs in their curricula. It specially designed curriculum for UGC and developed text books for vocational stream for Gujarat Text Book Board on entrepreneurship. EDII provides entrepreneurial education through a variety of programmes. The brief detail of these programmes is given as under:

- On Campus Long Duration Programmes i.e. Fellow Programme in Management (FPM) and Post Graduate Diploma in Management – Business Entrepreneurship (PGDM-BE)
- Open and Distance Learning Diploma/Certificate Programmes:
  - Special Programmes for Family Business Succession Programme, Programme for Chinese students and officials etc.
  - Sector-specific Programmes like for Tourism, Healthcare etc.
  - Skill Training Programme on different kinds of technologies like plastic technology, solar technology etc.
  - Online Programmes
- Capacity Building Programmes in Entrepreneurship Education like Faculty Development Programmes (FDPs), Programme on Business Research Methodology and Data Analysis, Teachers Training Programmes, Career Counselling, Certified Entrepreneur Programme etc.
- Camps like Summer and Winter Camps for children and youth, Awareness Camps etc.
- Off-Campus Joint Programmes with few institutions across India

Besides, organizing above programmes, EDII is extensively involved in research and development activities. It publishes the Journal of Entrepreneurship, since 1992 besides other research publications like working papers, case studies, manuals etc. It organizes International Biennial Conference on Entrepreneurship Research along with other seminars and workshops to provide an interface platform to researchers and experts. It also extends fellowship support to encourage scholars to take up research in entrepreneurship. It is involved in conducting various survey studies like Global Entrepreneurship Monitor (GEM) India survey, India Entrepreneurship Monitor etc.

Through the initiatives taken by this centre of EDII, 1286 students have graduated from Post Graduate Programs, 12770 learners have registered for Open Learning Programs and 2645 Teachers/Faculty have benefitted. Around 6000 Entrepreneurship Awareness Programmes have been organized till now from which 4.5 lakh students have been oriented towards Entrepreneurship.

## ***B. Micro Enterprises, Micro Finance and Sustainable Livelihood***

The centre aims to become an acknowledged resource, action research & policy advocacy centre for institutions promoting micro enterprise, micro finance & sustainable livelihood. Through this centre, EDII provides support to various organizations, conduct different kinds of programmes and carries out research activities to promote the development of micro enterprises and create a sustainable livelihood for entrepreneurs. The support provided by EDII to various organizations helps in creation of village entrepreneurs, rural enterprises, and micro enterprises besides providing job opportunities for sustainable livelihood specifically in rural areas. EDII conducts Sector-specific Programmes like Micro Enterprise and Promotion Programme, Technical

Entrepreneurship Development Programme (EDP), Trainers' Training Programme etc. to encourage potential entrepreneurs to set up new enterprises and to enhance skill-set of officials and trainers. Besides this, it also organizes various Management Development Programmes (MDPs) and International Programmes. As far as

research is concerned, this centre is actively involved in development of Cottage and Rural Industrial Policy in select states, Manual for Village Entrepreneur Soft Skill development etc.

This centre has contributed in training 19107 Micro Entrepreneurs, developing 1045 Micro Entrepreneur Trainer-Motivators and creating 146 Rural Business Development Service Providers

### ***C. SMEs and Business Development Services***

With the view to encourage entrepreneurs to set up small enterprises and develop already existing entrepreneurs, this centre was set up by EDII to organize quality training interventions to help SMEs acquire required competencies to Go Global. This centre organized various kinds of programmes such as Programmes for New Enterprise Creation (Ex. Science and Technology based EDP, Business Plan Preparation Programme etc.), Programme for Existing Entrepreneurs (Ex. Skill Training Programme, MDPs for SMEs, Consultancy services etc.), Programme for Corporate Sector (Ex. Training Programmes for bank employees, scientists and corporate employees), Capacity Building Programmes for State Entrepreneurship Development Institutions, EDPs for Special Target Groups (Ex. SC/ST, North-Eastern Region, Unemployed Youth etc.) and International Programmes (Ex. Entrepreneurship & Innovation through Incubation, Entrepreneurship & Small Business Promotion, SME Banking & Financial Services, Agri-Entrepreneurship and Supply Chain Management etc.)

Besides, this centre also organizes various workshops and seminars on different themes of entrepreneurship and conducts various research studies like Study on 'Role of Science & Technology for the success of *'Make In India'* initiative of Govt. of India, Study on 'Bench Marking of MSMEs in NER' etc. The contribution of this centre towards entrepreneurship development has been enormous. The programmes of this centre led to training of 280 Family Business Successors, 6506 Existing Entrepreneurs, 10029 Entrepreneurs, 1043 Entrepreneur Trainer Motivator and 2960 officials.

### ***D. Cluster Competitiveness, Growth and Technology***

EDII has set up this centre to foster global competitiveness and growth of Micro, Small & Medium Enterprise (MSME) clusters. Through this centre, EDII facilitates Cluster Development Activities under State Governments and organize Cluster Development Programmes for various MSME clusters (like pottery, jewellery, handicrafts, engineering etc.) in different regions. These activities and programmes aims for holistic development and productivity improvement of the clusters by providing skill upgradation, market intervention, export development, technology intervention, soft skills development etc. Through all these efforts, EDII has revitalized 15 Industrial and 55 Artisanal Clusters through training, technical and marketing support and mentored 158 handloom clusters across the country.

This centre also supports clusters by developing marketing consortium, credit rating and promoting innovations. Till now, 2 patents have been registered and 8 patents have been applied through this centre. Besides this,

Capacity Building activities are undertaken for efficient and effective development of clusters which led to creation of 771 Cluster Development Executives at national and international levels.

### ***E. Social Entrepreneurship and Corporate Social Responsibility (CSR)***

In spite of just focussing on entrepreneurship, EDII has contributed towards the social aspects of business by setting up this centre which aims to achieve excellence in promoting social entrepreneurship and wide-spreading benefits of corporate social responsibility (CSR) through activities pertaining to education, research and training. This centre develops course material and conducts seminars, lectures and conferences on social entrepreneurship and CSR. Special courses and Skill Development Programmes are organized to develop social entrepreneurs and CSR professionals at national and international level which resulted in developing 178 students as Social Entrepreneurs and training 6455 youths under CSR support of corporates. This centre is also engaged in providing consultancy to organizations for their CSR activities.

### ***F. Women Entrepreneurship and Gender Studies***

In order to promote entrepreneurship among women, EDII set up this centre which aims to act as a repository of knowledge in the area of women entrepreneurship development. This centre organizes various programmes for developing new and existing women entrepreneurs at national and international level along with publishing case studies of successful women entrepreneurs. Some of the programmes organized by the centre are Women EDPs, Training Programmes for special target groups (like SHGs, Women Scientists etc.), MDPs, Programmes on themes affecting Women Entrepreneurs, Technology Orientation Programmes, Skill-based Training Programmes, Workshops and Seminars on Women Entrepreneurship. These activities has trained 83 Women Scientists and Technologists in entrepreneurship and developed Cadre of 60 Women Entrepreneur Trainer Motivator.

EDII operates not only at national level but has a vast reach globally as well. It contributed in institutionalizing entrepreneurship education in technical and vocational streams in the Islamic Republic of Iran. It undertakes capacity building, in various facets of entrepreneurship, of around 300 professionals from nearly 60 developing countries, every year. It has earned accolades and support from the World Bank, Commonwealth Secretariat, UNIDO, ILO, FNSt, British Council, Ford Foundation, European Union, ASEAN Secretariat and several other renowned agencies for implementing various projects. The Ministry of External Affairs, Govt. of India has also assigned EDII to set up Entrepreneurship Development Centers in Cambodia, Lao PDR, Myanmar and Vietnam and Uzbekistan etc.

EDII has collaborated with various organizations/agencies/institutions to promote entrepreneurship across the globe. EDII has been appointed as Nodal Institute for Start-ups by Government of Gujarat under the Start-ups/Innovation Scheme. It is a nodal agency for Government of India's Ministries of External Affairs, Textiles, Food Processing, Science & Technology, DC (Handicrafts), MSME, Rural Development, Housing & Urban Poverty Alleviation, SIDBI, NABARD, Panchayati Raj, Skill Development & Entrepreneurship and various

state governments. It is also working closely with Gujarat Technological University to facilitate Technology-Business Incubation & Knowledge Partner for setting up Techno Social Business Incubator. It has strategic alliances with Kunming University of Science and Technology, China; Yunnan University of Finance and Economics, China; South West University of Finance and Technology, China; Newcastle University Business School, UK., University of West of Scotland & Oklahoma State University, Stillwater, USA. Besides this, it is partner to various Government/Non Government, Multi Nationals, Industry Associations, Business Organisations and Academic Institutions.

EDII has been acknowledged with many awards for its contribution in entrepreneurship development like DNA Education Leadership Award 2014, Dainik Bhaskar National Education Leadership Award 2013, United States Association for Small Business and Entrepreneurship (USASBE) Outstanding Entrepreneurship Program Abroad Award etc.

(Source: Website of EDII)

## VII. CONCLUSION

Indian economy on one hand has benefit of demographic dividend due to large population while on the other hand suffers from the blight of high unemployment. In this scenario, entrepreneurship seems to be the most adequate available solution as it has advantage of providing multiple benefits solving many problems of Indian economy besides unemployment. Entrepreneurship development institutions play a very important in this regard in promoting, nurturing and developing entrepreneurs. The case study of EDII showcased a classic example of a national level institution engaged in entrepreneurship development. It provides a range activities through various programmes concentrating on entrepreneurial education, research and training etc. Besides this, it has been actively collaborating with government, private sector and international agencies for enhancing the scope of entrepreneurship in India and abroad. It focuses on prime areas related with entrepreneurship like entrepreneurship education and research, micro enterprises and micro finance, SMEs, cluster development, social entrepreneurship and CSR, and women entrepreneurship through its six well planned centres. It is suggested that branches of EDII shall be opened at various geographic locations to expand its horizon to unexplored areas so as to ensure its utilization by those who are unaware and unable to access its benefits. Therefore, EDII can be said as an ideal national level institution which provides mentorship, education and training to budding and existing entrepreneurs and contribute extensively towards the entrepreneurship development of the country.

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