

Ref. No: 28/5029

27 March 06

Mr. K.L. Mina I.A.S
Commissioner & Director of
Industries, U.P.
Directorate of Industries.
G.T. Road, Kanpur

Subject: Improvement in the system & quality of EDP's in U.P.

Dear Sir,

With refer to the meeting President IIA & Executive Directory IIA had with you on the above subject on 21st March 06 in your office at Kanpur.

As desired by you we have prepared a paper on critical analysis of the existing system, suggestions to improve the system & quality and IIA involvement in the process.

The paper is enclosed at **Annexure –I** for your kind perusal & necessary action.

Thanking you,

Yours faithfully,

D.S. Verma
Executive Director

Encl: As above

IIA RECOMMENDATIONS FOR IMPROVEMENT OF THE QUALITY OF EDP'S IN U.P.

PREAMBLE

Entrepreneurship Development Programme(EDP) are intended to motivate educated youth to opt for self employment. EDP's are sponsored and supported by the Government both at Central as well as State Level through various departments. In Uttar Pradesh, the Government is supporting EDP's through Directorate of Industries in a big way since 1991.

EDP's supported by Directorate of Industries are allotted to the Institutions/NGO's all over the State. Short duration programme (one day awareness programme) are however conducted directly by the G.M. DIC's in various districts. The EDP's allotted to the Institutions/NGO's are of 2 weeks/4 weeks/6 weeks duration.

CRITICAL ANALYSIS OF THE SYSTEM OF EDP'S AS IT EXISTS TODAY

1. **Need identification**

Need identification is not based on scientific and periodical study of the business/manufacturing/ services potential existing in the State of Uttar Pradesh.

2. **Project Profiles**

Based on the need identification, project profiles in sufficient numbers are ideally needed for discussions and awareness of the EDP participants. For preparing project profiles, involvement of experts from various field is needed. This step is missing in the present system of EDP's .

3. **EDP Curriculum**

Different products/business/services need a tailor made curriculum. The EDP curriculum essentially need to cover the following broad areas:-

- (a) General EDP inputs i.e. Entrepreneurial Motivation, Enterprises Launching & resourcing, Enterprise Management and Social Responsibility etc.
- (b) Technical inputs i.e. know how and know why alongwith experiential and practical exposure.
- (c) Periodical troubleshooting support after the regular training as at a & b above.

Design of the curriculum for each category of Products/Business/Services again require specialist including practitioners. Such Curriculums should also be ready well before conducting the EDP.

Structured and well documented curriculum for EDP's conducted in U.P are not available.

4. **Selection of Institutions/NGO's for conducting EDP's**

Majority of EDP's of Directorate of Industries U.P are allotted to IED and UPICO. However substantial number EDP's are allotted to NGO's and other institutions also which are located at different parts of the State. Selection of these NGO's & other institutions is done on the basis of their application and interviews etc.

It is observed that none of the institution conducting EDP's in U.P. are equipped to implement the EDP curriculum in totality as stated at 3 above.

As such EDP has to be conducted jointly by specialist institutions/organizations.

There is a need for standard guidelines for selection of EDP institutions and a State level committee to periodically assess the capabilities and adequacy of facilities of such institutions.

5. **Selection of EDP participants**

News paper advertisements are released by few EDP institutions to attract EDP participants however it is observed that potential & prospective entrepreneurs are not getting enrolled for EDP's. EDP institutions are generally worried to fill up the required number of seats for the programme. Majority of the participants in EDP's therefore are there either to pass time or get a certificate.

While selecting participants for EDP's, their aptitude and capabilities are required to be assessed systematically through properly designed aptitude & psychometric tests and questioner. Designing of aptitude & psychometric tests and questioners require involvement of specialists. EDP institutions in U.P lack such expertise, if it is available it is not practiced.

6. **Execution /Implementation of EDP's**

In execution of EDP's generally lot of thrust is on the inauguration and closing ceremonies. These ceremonies ultimately become a means to publish the photographs and names of few dignitaries alongwith stereotyped speeches in the news papers. EDP institutions are executing the programmes as per their own curriculum and convenience. The course material generally is not upto the mark. It is difficult to get specialist faculty, hence institution generally compromise. Since the curriculums in itself are week, therefore we are producing week entrepreneur at the end of the programme.

7. **Evaluation of EDP's**

There is no system of evaluation of EDP's. Since 1991 we have been counting the number of trainees trained, number of training programme and the amount spent. Figures such as how many trainees actually ventured for setting up their enterprise and how many of them are successful are not available.

There is a provision for follow up after the EDP in long term EDP's and funds are also allotted to the EDP institutions to carry out this activity. However, even if there is a follow up it is limited to sending a letter/fixing a date for the follow up. It is observed that very few EDP participants turnout for such follow up sessions.

8. **Post EDP activities**

Except for one or two follow up sessions there is no post EDP activity for helping the prospective entrepreneur. Once an entrepreneurs decided to set up an enterprise, he/she encounter several problems related to all aspects of the business. He/she therefore need a regular mentor/guide for solving the day to day problems. None of the EDP institutions are equipped to support the budding entrepreneur on this aspect.

SUGGESTIONS FOR IMPROVEMENT OF THE SYSTEM AND QUALITY OF EDP'S

1. An organization may be identified, which is capable of carrying out periodical studies say once in a year to identify the potential products and services opportunities, wherein entrepreneur may venture into in the State of Uttar Pradesh.
2. Based on the potential products and services identified, project profiles should also be prepared preferably by the organisation who have conducted the Study. Such project profiles also need revision at least once in 6 months.
3. IED U.P should be entrusted the job of design of the curriculum and EDP course materials for different categories of products and services.
While doing so, IED should invite experts from outside also including industry associations.
4. Standard guidelines for selection of EDP institutions and availability of infrastructure, experts & equipments etc therein should be prepared for each category of Product or Services. If all the facilities are not available with one institution then EDP may be conducted jointly by more than one institution on cost sharing basis.
5. After selection of suitable institutions and allotment of EDP's to them, a joint advertisement for attracting the participants may be released by Directorate of Industries on DAVP rates and applications may be invited at a Central Place (s) where facilities & expertise for proper screening, aptitude tests, psychometric test etc exists. After selection of suitable candidates a refundable security money should be obtained from the participant for ensuring his/her seriousness in the programme.
Selected candidates may then be allotted to EDP institutions with their data available at the central place for post EDP evaluation and monitoring.
6. Guidelines for execution of the programme may also be prepared such that more time and energy is spent on the quality of inputs to the participants rather than on inaugural and closing ceremonies.
7. The task of follow up and evaluation of EDP's should be entrusted to an independent organization which has a concern for promotion and development of industries in U.P.
8. For day to day support for Setting up a enterprise and solving the operational problems of the budding entrepreneurs IIA in the State of Uttar Pradesh is fully equipped to provide all kinds of help. However the prospective entrepreneur will be required to become the member of Small Industry Information Service Centre (A joint venture of SIDBI & IIA)

ROLE OFFER OF IIA FOR IMPROVING THE SYSTEM AND QUALITY OF EDP'S IN U.P

Based on IIA's strength, IIA can take up suggested activities as at 1,2, 7 8 above exclusively. However, IIA can also participate in all other suggested actions alongwith the organisation/agency selected for carrying out the activities.

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