

A KEY TO ENTREPRENEURSHIP PROMOTION : A 3D APPROACH

*Dr. P.H. Waghodekar,

ABSTRACT

This paper briefly presents the essentials of entrepreneurship promotion. For example, areas, like, types of entrepreneurs, qualities of entrepreneurs, etc., have been highlighted. It has been proposed that the education system, industries and Government are the three dimensions which can help generate a conducive social environment thereby promoting entrepreneurship cult in the masses. It is believed that this paper can be a thought provoking one for furthering the entrepreneurship promoting spirit in India.

Introduction :

The underdeveloped and developing countries are striving hard for their economic growth and development at a faster rate. Entrepreneurship development can be considered as one of the powerful means for such an economic development. Entrepreneur can be considered as an agent who purchases the factors of production, such as, labour techniques and methods, raw material, etc., and puts these together in order to produce the finished products. The prices of these finished goods are usually uncertain at the moment at which the entrepreneur commits himself to his manufacturing costs.

Entrepreneurs can broadly be classified as given below :

- **Inovative entrepreneurs :**

These are aggressive, prone to experimentation and readily put the attractive possibilities into practice.

- **Imitative entrepreneurs :**

These adopt the successful innovations initiated by the innovating entrepreneurs.

- **Fabian entrepreneurs :**

It is characterized by great caution and skepticism which introduces change only when the non-introduction leads to losses.

*Prof. in Mech. Engg., Govt. College of Engg. Karad

- **Done entrepreneurs :**

These refuse to try new methods even at the risk of loss.

Several theories of entrepreneurship development (ED) have been put forth (1). For example, to mention but a few, theory of development (by Schumpeter), theory of social change (by Max Weber, and Hagen), sociological theory of entrepreneurial supply (by Cochran), theory of solidarity (by Young), behavioural model (by Kunkel), n-achievement theory (by McClelland), etc. have been proposed revealing the nature and characteristics of effective entrepreneurs.

Despite of the differences brought out by these theories regarding the nature and behaviour of entrepreneurs, most entrepreneurs have certain common characteristics as given below :

- A flair for identifying and seizing opportunities for profit.
- An eye for possibility of new products, unexploited raw materials and untrapped markets.
- Willingness to take considerable risk.
- Vision, drive and initiative.
- The ability to devote their whole energies completely to attain their ends.

These qualities can be categorized into the following broad classes (2) :

- Leadership style.
- Administrative ability.
- Technical knowledge.
- Personality/personal skills.
- Relation with workers/unions.

It has been reported that the following five types of elites customarily and variously take the leadership of the industrialization process (3) :

- Dynastic elites.
- The middle class.
- The revolutionary intellectuals.
- The colonial administrators.
- The national leaders.

In the context of the Indian environment, the middle class and the nationalist leaders play the vital role in promoting ED. Keeping in view the concept of ED, the next section attempts to highlight some major components of ED.

The 3D Approach :

The presentation done earlier perhaps can make one to think that entrepreneurship is an art and he is a born one. However, it is beyond doubt that by appropriately educating the masses the cult of entrepreneurship in a desired direction over a planned horizon can be developed. Education system, industries and Government can be considered as the three vital dimensions

(3D) responsible for promoting entrepreneurship among the people. The 3D need to be coherent. These should be carefully co-ordinated so as to multiply the achievements of each. In other words, these must work as a whole, as system. Thus, integrated with each other, these can process the (social) environment so as to turn the social raw material into the finished product of a large number of entrepreneurs. Some of the major functional areas of each, therefore, are worth highlighting. (See Table 1)

Table 1. Functional Areas of 3D responsible for Promoting Entrepreneurship Development (ED).

3D for Promoting ED	
Education System	Industries (all sectors)
Government (ES)	(IS)(GT)
Interaction with GT & IS	Interaction with ES & GT
Students & counselling	coaching
ED Creation of environment	Sponsor social environment
Curriculum projects	Sponsor Funds to ES
development seminars	& IS
Faculty planning & development	development
Setting ED policies	Manpower policies
Organizing ED	Monitoring

programmes achievements

Functional areas of each dimension of ED have been briefly presented below.

Education System :

Education system encompasses both technical and general education. Efficient and effective entrepreneurs can be generated through these two broad disciplines. However, both of these need two major components to turn good entrepreneurs, namely, theoretical and practical components. It is felt that out of these two components, the practical component plays a vital role in producing such entrepreneurs. For example, mere introduction of one or more papers related to ED can hardly reap the desired fruits. To cite an example, introduction of vocational courses at the + 2 level has not brought out the expected results. And now the trend of offering vocational subjects is likely to be reversed in the foreseeable future in the sense that these subjects are likely to be less offered on a large scale by the students community (and in turn by the society). as these cannot be further used as a short cut for entry in higher technical education. It is to be always borne in mind that in India, the education system has to work under severe limitations and constraints and it has been merely reduced to a body executing the policies set by the Government in the framing of which the education system has got hardly any say.

As regards the role of the educa-

tion system in promoting ED is concerned, instead of introducing separate paper(s) on ED, it is desirable that appropriate ED topics should be combined (which do exist in the present curriculum) with a few other subjects giving due emphasis on ED. This is so durable because introduction of one or more papers on ED can cause either removal or compression of some other core papers. It is like proudly mentioning that a mechanical engineering graduate knows several broad areas, such as communication skill, engineering economics, operations research, industrial engineering/management, mathematics, ED and little from the mother discipline. The same can be said regarding other general education, if one is not aware of the pitfalls. A few suggestions are listed below in the matter :

1. Theoretical component should be as minimum as possible.
2. Instead of introducing one or more separate papers on ED, it is desirable that the relevant topics on ED should be clubbed with the existing papers updating these so as to give the due stress on ED. For example, the ED components, like, human relations, organizational behaviour, decision making, marketing, estimation and costing, productivity improvement techniques, etc., can be conveniently incorporated in the existing papers. Board of Studies, Faculty, Academic Council and the like bodies responsible for curriculum development can play

a key role in formulating such structures.

3. Theoretical component has its own role to play. However, it is misleading to assure that whatever has been imparted through class instructions is enough to turn our young generation for social and economic development. In real-life situation, these may prove abortive. And precisely here the practical component plays its vital role.
4. It is all the while beneficial to push a young man to the swimming pool for making him to learn how to swim rather than excellent score in a paper on swimming. This can be achieved through several means. A few of these are:
 - Motivating students to present seminars on ED.
 - Undertaking students projects and surveys on ED.
 - Organizing industrial visits.
 - Organizing informal programmes on ED and related areas based on local needs rather than organizing tailor made or conventional ED programmes.
 - Teaching faculty should be motivated to update their knowledge in ED and related areas by giving them incentives, like, promotions, rewards, incre-

ments, etc.

- Motivating the students association to actively undertake the ED promotional activities.
- Encouraging the institutions to undertake activities related to ED as social obligations. This is to be adopted in spirit rather than in letters.
- Balancing the academic achievement and ED promotion.
- The ED programmes and instructions should be so designed that only ED awareness amongst the students is created. A few more ideas and concepts can be had from the published literature (4, 5, 6, 7, 8).

Industries :

The word industries has been used here in its broadest sense. It encompasses all sectors responsible for economic development, such as, agriculture, manufacturing, service, and several others. It is obvious that the education system can hardly provide the finished product to all these sectors. What the education system can do is to bring the students to the requisite mental and physical abilities. This semi-finished product needs final processing in the individual sectors as per their requirements. However, it's feasible that the students can be brought to a certain level as far as ED is concerned. Students can be exposed to real-life to a certain

extent during their study periods. And industries can prove of immense help to the students during and after their study periods. However, it is necessary at this stage to understand what exactly we mean by ED, whether we consider this in the area of small or cottage industries and some other areas. There appears to be two extremes in this regards : traditional profession and heavy industries. Whether promoting the conventional trades/professions like tailoring, pottery, smithy and several others can bring about the desired change? Are we really serious enough to reduce the pay back period for the national investment done on such enterprises? The industries and Government will have to find out appropriate areas like electronics, computers etc. for new enterprises and need to monitor manpower planning and development accordingly. Education system, industries and Government should come on the same platform if ED has to be effectively introduced. On one hand the industries have to be in close association with the education system in formulating its curriculum, sponsoring seminars, projects and other ED related programmes, in formulating some policies for mutual exchange of faculties, and on the other hand the industries should participate in formulating national economic development strategies and policies (6).

Government :

Government can be considered as the enterprise at the highest level in a country. It has been pointed out earlier that nationalist leaders constitute one of

the major elite group supplying entrepreneurs. Government naturally has to bear a great responsibility in creating the conducive social environment in order to achieve economic development. Government of India has been shouldering this responsibility at its best level. However, many a times it appears that an integrated approach for promoting ED in the country is somewhat missing. Participation of industries and education system in ED has been observed to be meager while making ED policies at the Government level. It is, therefore, necessary that administrators and executives should come on the same platform so as to deliver the expected goods. Policies laid down by the Government are rarely executed in a desired spirit because of several limitations and constraints at the execution level (9, 10, 11). This formal link between the policy makers and executives needs to be transmitted into informal one. This can help understand the clear picture of the state of affairs in the country. Otherwise, the results would not be much different from what we have been getting in the last 40 years or so. Some of the functional areas of Government for promoting ED are presented below.

1. Motivating industries and education system for their active participation in ED programmes.
2. Instituting appropriate incentive schemes for industry and educational personnel who contribute to ED.
3. Yearly objective assessment of

the ED achievements/non achievements should be done and accordingly future plan of action should be monitored.

4. Education promotion like defence should have a top priority at the Government level and its funds allocation should be raised to something like 2% every year up to 25% over a span of 10 years.
5. Every effort should be put in to attract talents from industries and bright students to the education system. At present, all over India, technical institutions including IITs are finding acute shortage of faculty, and as good as 40% vacancies of the sanctioned posts exist in such organizations.
6. Government is the key agency responsible for creating healthy and sound environment in a society. This responsibility assumes a new enhanced dimension when we consider in the Indian context, the high illiteracy rate, formidable unemployment problem, a sizable section of the society living below the poverty line and being socially and economically backward.

Conclusion :

This paper is an attempt to highlight the three dimensions of entrepreneurship development. In order to conceptualize what we mean by entrepreneur, a brief presentation in this

regards has been done. Based on this, it has been proposed that Education System, Industries and Government constitute these three dimensions of entrepreneurship development. Entrepreneurship has been considered as a vital area for economic development of a country. The functional areas of each dimension have been highlighted. It has been suggested that unless these three components work together as a system we cannot deliver the expected goods. It is believed that this paper shall prove thought provoking.

Reference :

- 1) Lakshman Rao, 1986, Industrial Entrepreneurship in India, Allahabad; Chug Publications.
- 2) Venkoba Rao, 1989, Abilities/Qualities Expected of a Chief Executive, Industrial Engg. J., XVIII (7), 1-3.
- 3) Bimmer A F, 1955, The Setting of Entrepreneurship in India, J. of Economics, XXIX.
- 4) Waghodekar P H, 1986, Challenge of Education : A Meditation, J. Engg Education, Aug, I, 21-27.
- 5) Waghodekar P H, 1987, The Promised Programme of Action : A Structural Approach, J. Engg Education, May, II, 5-7.
- 6) Waghodekar P H, 1988, On Some Aspects of Institution-Industry Interaction, J. Engg Education, June, I (4), 43-48.
- 7) Waghodekar P H, 1988, Training of Engineering Teachers : A Normative Theory Approach, Proceedings of the XVIII Annual ISTE National Convention, 22-23 December, Pune.
- 8) Waghodekar P H, 1988, The Technical Education : The Role of Teachers, J. Engg Education, Jan, III, 15-19.
- 9) Waghodekar P H, 1989, On some aspects of Entrepreneurship Development, J. Engg Education, Dec.
- 10) Dhar P N and Lydal H F, 1976, The Role of Small Enterprises in Indian Economic Development, New Delhi : Navrang.
- 11) Sundarshan Lal, 1961, Loans to Small Industries and Small Borrowers, New Delhi : Asia Publishing House.

* * *