ENTREPRENEURSHIP AND SKILLS DEVELOPMENT

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Abstract

In the wake of recent economic development and government initiatives like “Make in India”, the emphasis is to develop entrepreneurs, earlier the main focus area was to create jobs for the youth, no doubt it is a crucial area where government is working tremendously and by the development such of entrepreneurial programs, government will not need to create jobs but it’s the youth or the entrepreneur himself/ herself will create the job for the others, various kinds of programmes for training, knowledge, funds, platforms for showing skills, international engagement etc. has been developed by the government of India. Many programmes like MAKE IN INDIA, SKILL INDIA MISSION etc has been introduced and individuals are benefitted by these. In this backdrop will we cover the initiatives which are taken to work on entrepreneurship development in India.

Keywords- Entrepreneurship, Skills development, Make in India

2. Introduction

Unemployment is a major issue of any developing country like India, also the individuals who have aspiration to do something in the area of business and have new ideas are not able to promote their business or idea due to lack of knowledge about how to proceed in terms of venture capital, marketing, skills required, land, foreign integration, technology etc. which always pose hindrance for such aspirants, and hence it is always required to develop a platform where all these solutions can be provided under one roof by the experts. Since independence these kind of initiative are often launched but until late 80’s some other priorities were there is front of government, but in 1990-1991 after Liberalisation, Globalisation and Privatisation (LPG) various foreign companies have entered in the market and affected the standard of living of Indian masses. Over the period of time it was realized that these companies are making very huge profit and draining the Indian money in their countries, secondary these companies entered in the market with their obsolete technology or products which are banned in their countries.

While seeing this kind of scenario in the Indian market it was the need of the hour to promote the industry and business activities in our own country to create employment, infrastructural development, keep the funds in own country, protect the environment and to keep a tab on brain drain also. In the last one decade a drastic change has been seen in these kind of

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practices as government is providing more and more support to the capable individuals, while seeing their capabilities various organizations like National Skill Development Corporation (NSDC), National Skill Development agency (NSDA), National skill Development Fund, Skill India Mission, Indian Institute of Entrepreneurship (IIE), Entrepreneurship and skill Development Programmes (ESDP) etc. has been introduced or set up to promote the business activities in India and make a beginning towards self-sufficiency.

Not only in the area of economy development but this concept has also contributed in the Academic research, it has contributed significant knowledge to understand the causes of entrepreneurial propensity (Gartner 1985; Brockhaus and Horwitz 1986; Bygrave 1989; Baumol 1993; Young and Sexton 1997; Timmons 1999; Rae 2000). As per the research the major problem is to define an entrepreneur. As per studies an entrepreneur is a person who is innovative, responsible, risk taking, decision maker, ambitious, power seeker, having personal values etc.

3. Objectives of the study

1. To gain insight about the infrastructural framework for promotion of entrepreneurship and skills development
2. To study the role of Entrepreneurship development Programmes in India.

4. Research Methodology

The data for the study has been collected through secondary sources mainly from electronic databases and research papers of repute.

5. Beginning of Entrepreneurial development Programmes in India

In 1960’s Prof. David C. McClelland has done an experiment in Kakinada, Hyderabad, Bombay, Barcelona in Spain and postulated that it is possible to develop an illiterate, poor, disadvantaged and other non business communities by the way of appropriate training and counseling. It resultant laid emphasis on 1.) Setting up small business units 2.) Managing it and 3.) Making profit. This project was started in Gujarat as pilot project and started gaining national momentum in early seventies. Various institutions have been set up to give a push to these kind of business practices like i) Centers for entrepreneurship development (CED) ii) Industrial development bank of India (IDBI) iii) Industrial credit and investment corporation of India (ICICI) iv) Entrepreneurship development institute of India (EDI-I), afterwards government of India has set up some more national level institute for the growth of

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Entrepreneurship like National institute for Micro, Small and Medium Enterprises (NI-MSME) in Hyderabad, National Institute of Entrepreneurship and small business Development (NIESBUD) in Noida, and the Indian Institute of Entrepreneurship (IIE) in Guwahati. Afterwards some state level institute have also been developed to promote states like Institute of entrepreneurship development (IED), IED Lucknow, Bhuwneshwar, Patna etc. Various institute and organization has been setup time to time to promote these kinds of activities.

Current Scenario
Various institute and agencies has been setup and are actively working in promoting entrepreneurship and providing skill development programmes, but the apex bodies are:

1. NATIONAL LEVEL INSTITUTES FOR DEVELOPMENT
2. AGENCIES FOR SKILL DEVELOPMENT

NATIONAL LEVEL INSTITUTES FOR DEVELOPMENT

National Institute for Micro, Small And Medium Enterprises (Ni – MSME) Hyderabad
NI – MSME, formerly known as National institute of small industry Extension training (NISIET), was set up in 1960 at New Delhi as a Department of Central government under the Ministry of Commerce and Industry. This institute focuses with the emerging needs of MSMEs and providing solutions in the form of consultancy, training, research, and education. NI–MSME’s programmes are designed to have universal relevance for successfully training the entrepreneurs to face challenges and emerging competition in the era of globalization.

Indian Institute Of Entrepreneurship ( IIE) Guwahati
The Indian Institute of Entrepreneurship (IIE) was set up at Guwahati in 1993. During the period, the Institute has expanded its activities and cover all the MSME activities. The institute regularly organizes training programmes and undertakes research and consultancy services in the field of promotion of MSMEs and entrepreneurship. IIE has also been identified as technical support agent to support North east region.

National Institute For Entrepreneurship And Small Business Development (NIESBUD), Noida
The national Institute for Entrepreneurship and small business Development (NIESBUD), NOIDHA was set up in 1983 as an apex institution in the field of entrepreneurship
development to promote, support and sustain entrepreneurship and small business through training, education, research and consultancy services.

**AGENCIES FOR SKILL DEVELOPMENT**

**National Skill Development Agency (NSDA)**

This agency was set up in 1860 and it’s a part of Ministry of Skill development & entrepreneurship (MSDE), following activities are undertaken by this agency:

1. Rationalization of the Skill Development Schemes of the Government of India
2. Creation of an integrated Labour Market Information System
3. Engagement with States
4. Skills Innovation Initiative

**National Skill Development Corporation**

The National Skill Development Corporation India (NSDC) was setup as a one of its kind, Public Private Partnership Company with the primary mandate of catalyzing the skills landscape in India. NSDC works on following pillars:

1. **Create:** Proactively catalyse creation of large, quality vocational training institutions.
2. **Fund:** Reduce risk by providing patient capital, including grants and equity.
3. **Enable:** the creation and sustainability of support systems required for skill development. This includes the Industry led Sector Skill Councils.

**The main objectives of the NSDC are to:**

1. Upgrade skills to international standards, Industry involvement and quality assurance
2. Enhance, support and coordinate private sector initiatives for skill development through appropriate Public-Private Partnership (PPP) models
3. Play the role of a "market-maker" by bringing financing, particularly in sectors where market mechanisms are ineffective or missing

**Achievements**

1. Over 5.2 million students trained
2. 235 private sector partnerships for training and capacity building, each to train at least 50,000 persons over a 10-year period.
3. 38 Sector Skill Councils (SSC) approved in services, manufacturing, agriculture & allied services, and informal sectors. Sectors include 19 of 20 high priority sectors identified by the Government and 25 of the sectors under Make in India initiative.

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4. 1386 Qualification Packs with 6,744 unique National Occupational Standards (NOS). These have been validated by over 1000 companies.

5. Vocational training introduced in 10 States, covering 2400+ schools, 2 Boards, benefitting over 2.5 lakh students. Curriculum based on National Occupational Standards (NOS) and SSC certification. NSDC is working with 21 universities, Community Colleges under UGC/AICTE for alignment of education and training to NSQF.

6. Designated implementation agency for the largest voucher-based skill development program, Pradhan Mantri Kaushal Vikas Yojana.

7. Skill Development Management System (SDMS) with 1400 training partners, 28179 training centres, 16479 trainers, 20 Job portals, 77 assessment agencies and 4983 empanelled assessors. Hosting infrastructure certified by ISO 20000/27000 supported by dedicated personnel.[1]

**National Skill Development Fund**

The National Skill Development Fund was set up in 2009 by the Government of India for raising funds both from Government and Non Government sectors for skill development in the country. A public Trust set up by the Government of India is the custodian of the Fund. The Fund is operated and managed by the Board of Trustees. The Fund meets its objectives through National Skill Development Corporation (NSDC) which is an industry led ‘Not For Profit Company’ set up for building skill development capacity and forging strong linkages with the market. The role of NSDC has already been discussed. It also develops appropriate models to enhance, support and coordinate private sector initiatives.

**Achievements**

Till 31st March 2015, NSDF has released Rs. 2333 crore to NSDC towards skill development programmes including National Skill Certification and Monetary Reward Scheme (STAR) and UDAAN Scheme (J&K oriented). NSDC with 160 training partners and 1722 training centres has so far trained around 35 lakh persons across India.

Accounts of the Trust are subject to CAG Audit and are also audited by a Chartered Accountant for every financial year and in such manner as may be directed by GOI.
Pradhan Mantri Kaushal Vikas Yojana (PMKVY)

Pradhan Mantri Kaushal Vikas Yojana (PMKVY) is the flagship scheme of the Ministry of Skill Development & Entrepreneurship (MSDE). The objective of this Skill Certification Scheme is to enable a large number of Indian youth to take up industry-relevant skill training that will help them in securing a better livelihood. Individuals with prior learning experience or skills will also be assessed and certified under Recognition of Prior Learning (RPL). Under this Scheme, Training and Assessment fees are completely paid by the Government.

Major activities undertaken by Institute and skill development agencies

1. Training
2. Research/Evaluation studies
3. Development of curriculum courses
4. Publications and training aids
5. Cluster interventions
6. Incubation centers
7. Intellectual property facilitation center
8. E learning modules
9. Regional training centers
10. Collaborative activities
11. Hand holding for assistance
12. International activities
13. Consultancy services (national and international)
14. Venture capital
15. Imparting vocational studies

6. Progress in India due to all these Programmes

Percentage of employees having difficulty in filling jobs

Source: EY consulting firms reports
This study shows that India lags far behind in inculcating and imparting skill training as compared to other countries. A majority of entrants do not have opportunity for skill development. Another analysis based on the schemes and initiatives taken is shown in the table below:

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Work</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Make in India programme 2014</td>
<td>Received US$63 billion in FDI, more than USA and China</td>
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<td>2.</td>
<td>World rank in ease of doing business in 2016</td>
<td>130th out of 190th countries as per world bank</td>
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<td>3.</td>
<td>January 2015 Spice group and UP government agreement</td>
<td>Mobile phone manufacturing started with a capital of US$78 Million</td>
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<tr>
<td>4.</td>
<td>January 2015 discussion between president and CEO of Samsung and Union minister MSME</td>
<td>Want to start 10 MSME Samsung technical school and will manufacture Z1 in Noida</td>
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<td>5.</td>
<td>February 2015 Huawei group</td>
<td>Opened a R&amp;D center in Bangaluru</td>
</tr>
<tr>
<td>6.</td>
<td>8 August 2015, Foxconn</td>
<td>announced that it would invest US$5 billion over five years to set up a research and development and hi-tech semiconductor manufacturing facility in Maharashtra</td>
</tr>
<tr>
<td>7.</td>
<td>Trained Indian population</td>
<td>Grown by 36.8% from 0.76 crores to 1.04 crores in FY 2014-15</td>
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<tr>
<td>8.</td>
<td>Manufacturing job roles</td>
<td>7.22 lakh candidates trained in manufacturing job roles</td>
</tr>
<tr>
<td>9.</td>
<td>Training institute</td>
<td>MSDE set up 8 vocational training centers and 2 for women</td>
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<tr>
<td>10.</td>
<td>Job offered</td>
<td>233000 youth were awarded certification and 18000 jobs has been provided</td>
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<tr>
<td>11.</td>
<td>Trainers training</td>
<td>18000 trainers has been trained in last 2 years</td>
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<tr>
<td>12.</td>
<td>ITI’s in Country</td>
<td>ITI’s has been increased from 10750 to 13105</td>
</tr>
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<td>13.</td>
<td>Small scale</td>
<td>14 new SSC’s has been setup</td>
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<td>14.</td>
<td>Textile sector</td>
<td>8.61 lakhs has been trained in textile industry</td>
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<tr>
<td>15.</td>
<td>Skill loans</td>
<td>Skill loan amount from 5000 to 1.5 lakh is started for the new entrepreneur</td>
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<tr>
<td>16.</td>
<td>Women empowerment</td>
<td>155236 women candidate has been trained and 54456 has been placed</td>
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<tr>
<td>17.</td>
<td>Logistic sector</td>
<td>233072 candidate enrolled and 175056 certified</td>
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<tr>
<td>18.</td>
<td>Automotive sector</td>
<td>110626 enrolled and 68306 certified</td>
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<tr>
<td>19.</td>
<td>Tourism and hospitality</td>
<td>66238 enrolled and 41338 certified</td>
</tr>
</tbody>
</table>
Source: Ministry of skill development and entrepreneurship

Analyzing current reports and other publications it can be said that even though government is taking initiative to promote new schemes to create entrepreneurial opportunities, the basic need to address the challenge of automation. The next step is to impart skills in the areas where artificial intelligence has fewer roles to play. Another challenge is to propagate the schemes, initiatives and projects through effective communication challenge. Ultimately, when you are supporting a small business, you are supporting a dream.

7. Conclusion

India is a fast moving economy and to accelerate the growth index it’s the need of the hour to develop entrepreneurship in culture, so that more avenues can be created in terms of employment generation, infrastructural development, raising the standard of living, poverty.
alleviation, increase literacy etc. these are the major issues which can be resolved by pushing this concept of skill development. Despite these programs, awareness is an essential factor which needs to be introduced, so that the prospective individuals or associations can take advantage of these activities.

**Abbreviation Used**

MSME- Micro, Small and medium enterprises  
FDI- Foreign Direct Investment  
CAG-Comptroller and Auditor general of India  
GOI- Government of India  
FY- Financial year

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