

EDP Evaluation Studies in India – An Introspection

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Abstract

Entrepreneurship is considered an accelerator of economic advancement. India to accomplish its economic and welfare goals has to produce more job givers than job seekers. Entrepreneurship imbibes a stipulated set of skills to be embedded in prospective entrepreneurs through training effort. In India, the entrepreneurship development programs are offered through a mechanism of Rural Development and Self Employment Training Institutes sponsored by public sector banks and governed by the Ministry of Rural Development. The primary focus of these institutes located in each district is to promote self-employment, leading to the creation of entrepreneurship. Academic research on entrepreneurship is in its infant stage with only 7% total social sciences doctoral studies. Among these, there are evaluation studies on the performance of entrepreneurship development programs. The article has made an attempt to study the contributions of such research to the academic community and policymakers. The study is conceptual and descriptive in nature. A review of earlier literature on the evaluation of entrepreneurship development programs was undertaken for the purpose. As an outcome of the study, the fruits of the evaluation were identified and future scope for research was earmarked which in turn helps prospective researchers to take up further studies and contribute to the field. The current research would guide educators and public policymakers to enhance their judgments on entrepreneurship training and economic growth.

Keywords: Entrepreneurs, Entrepreneurship Development, Performance Evaluation, Training Institute

1. Introduction

Joseph Schumpeter states that the rate of economic growth of a country depends upon its pace of novelty which in turn depends upon the delivery of Entrepreneurial aptitude in the populace. The Entrepreneur is the key to the conception and development of new enterprise that energizes the economy and rejuvenates the established enterprises. A great number of institutions are engaged in conducting training and investigations that could enhance the entrepreneurship capability of the country. Lakhs of prospective entrepreneurs are trained at a cost of exchequer so as to reap the benefits of entrepreneurship and economic development.

In spite of the boost in EDP's in the country, it is pragmatic that efforts have remained inadequate. The programs organized by different agencies differ in time, assortment procedures, course itinerary. Their involvement is uneven among geographies. Their dispersion in backward areas is not up to the mark. The EDP should result in the need for achievement among trainees than only we can state that EDP is effective. This is known as a qualitative evaluation of EDP. In case the impact of EDP is measured with the indices as to the entrepreneurial behavior then it is called a behavioral experiment.

With the advent of free economic policies, EDPs have occupied a great place in the economic development of the country. Training institutions have been established in each district of our country and the training offered is completely sponsored by the government. They have assumed the greater role, but without all-inclusive measurement of evaluation. Various questions in this direction are what is the effectiveness of entrepreneurship development programs? What are their impacts in terms of diversifying sources of entrepreneurship, the formation of new enterprises, setting up of tiny industries, generating new employment opportunities? Ultimately what is the worth of investment being made in training youth expecting them to be entrepreneurs? Such questions pose an important dimension that is how we can improve the quality of the EDP's.

Raposo and do Paco (2011) reported that there are little studies on the evaluation of the effectiveness of entrepreneurship training organizations and programs which could be attributed to a lack of appropriate tools and measurement methodologies.

David McKenzie and Christopher Woodruff (2012) pointed out various shortcomings of training evaluations around the world. They critically reviewed the evaluations and found the limited usage of conclusions in policy formulation. They also expressed concern over methodological aspects of measuring the success of entrepreneurship training programs and their heterogeneity leading to complications in comparison.

Keeping the above observations in mind the researchers conducted a literature study on the evaluation of EDP's in India during the last two decades.

2. Study Objectives

The study has been approached with the following objectives.

- * To review the studies taken up on EDP evaluation
- * To emphasize on lessons or findings of these studies and
- * To embrace the future scope of research in the area

3. Research Methodology

3.1 Scope of Study

The study considers the various contributions of EDP evaluation studies conducted in India. This included doctoral thesis and articles published in various journals.

3.2 Sources of Data

The present study is based on secondary sources of data. An extensive literature survey was conducted for the purpose of deriving lessons from EDP evaluation studies in Indian universities and higher educational institutions. The articles published in the span of two decades (from the year 2000 to 2020) were considered for the study. Shobha Ganga and Shodha Sindhu along with other research databases were searched for dissertations and synopsis. The research databases include Scopus, Research Gate, and Google Scholar.

3.3 Reference Period

The time period under consideration is twenty years from 2000 to 2020.

3.4 Statistical Tools used

This is a theoretical literature study based on secondary data. Hence no quantitative tools are used. Qualitative and subjective analysis of data is used to understand and explore the suggestions and conclusions of the study.

4. Analysis of Data

Awasthi and Sebastian observed the need for evaluation of EDP's way back in 1996. They gave an account of evaluation studies up to date and observed the need for a detailed study on a continuous basis. They quoted that EDP's are most important to our economy to promote entrepreneurs. But only 3 out of 10 trained candidates could successfully start their ventures. The other side of this observation is there is significant performance, success, or failure of trained versus non trained entrepreneurs. They concluded that the majority of EDP's are wrapped in the ferocious circle of underperformance. This study envisages the need for continuous evaluation of EDP's in India.

Bartakke, Rajendra P. (2007) conducted an empirical study of the effects of EDP with an objective to find the major constraints for the success of EDP as perceived by the trainees of MCED, Aurangabad, Maharashtra state. Along with numerous others, the study suggested continuous evaluation of entrepreneurship development programs which would help the improvement and further success of the training organization. Another major suggestion was regarding the follow- up support which remained greatly ignored by the organization as well as the trainees. The study offered many research areas where further studies can be done in the field of

entrepreneurship. Studying the success and failure candidates, especially women trainees, selection methods, etc were some of the areas for research.

Badatya and Reddy (2008) researched and reported that the settlement rate was lowest for farm activities (14.9%) and highest for non-agricultural activities (55.6%). They also highlighted the rationale for the poor performance of training institutes which was due to insufficient offering of follow-up support in the creation of enterprise.

Laxmana. P and Ishwara P. (2008) contended that evaluation of Entrepreneurial Development Programmes is done by the training agencies themselves. Therefore, the result of the evaluation always goes with the vested interest of the training institute. The assessment of the EDPs conducted by various ED Organizations for the development of entrepreneurial and managerial talents in the country should be done by a competent authority. They suggest that the authority should be an impartial and objective measure which would help to discover the operational efficiency and weakness of EDPs ultimately leading to remedial measures for the development of EDP institutions and training for entrepreneurship

Moodithaya M.S (2009) conducted an appraisal of Rural Self Employment Programmes in India and concluded that these programs are a necessity for Indian deprived youth. The sample data analysis suggested an overall 70 percent settlement rate as self-employed who are expected to turn up as entrepreneurs. That too, majority of trainees were from weaker sections of the society. He suggested linking employment guarantee schemes and self-help groups to training institutions so as to support the trained ones after training.

Aggarwal, Anil Kumar (2013) in their doctoral dissertation intended to evaluate the performance of both entrepreneurship training institutions and programs. The findings of the study clearly noted that only 12% of the beneficiaries could convert their efforts into financial wellbeing. There is a mismatch between training needs and expected benefits of training. Linking of financial facilities and training resulted in defaulters as they didn't deserve, leading to business failures. Ultimately the poor performance of programs was opined by respondents due to lack of coordination between training agencies and facilitating organizations.

Jewlikar, Sarang S. and Haldar, O.P., (2014) concluded that there are problems in EDP's on the part of all those who are implicated in the process. ED institutions need sincerity and commitment while trainers need to be motivated. Non-conducive environment and constraints add to this leading to obstacles in the success of entrepreneurs. Finally, the inadvertent attitude of supporting agencies heckles prospective entrepreneurs. The study found an effectiveness rate of 26% of EDP. The study stressed the need for further evaluation of entrepreneurship training programs.

Batthini, Ganapathi and Saxena, (2016) studied Entrepreneurial Research and Doctoral Dissertations in Indian Universities and found that research on entrepreneurship between the years 2000 to 2015 is still in its early stages. Only 9% of universities (66 out of 740) have contributed to the field with 14.31% (177/20541) doctoral dissertations out of social sciences. The positive aspect is that there is more research on women entrepreneurship research. There are only a few (approximately 08) studies on evaluation/impact/role/performance of EDP's and 01 on agencies involved in EDP.

Sinha, Pankaj Kumar, (2016) conducted a study of Capacity Building Programmes of RUDSETI for Rural Youth. The main objective is to evaluate the training processes and assess the effectiveness of training programs organized by two RUDSETI's. The data was collected from the farm and non-farm trainees so as to achieve the objectives of the research. It was found that the most severe constraints need of enterprising culture in our society. Along with this, there are various other constraints faced by trainees in starting their own ventures. Those constraints need to be addressed by the training institutions and related authorities. It is to be noted that the trainees did not have any other option for livelihood, so opted to start their own business. So, it was suggested that training institutions should take measures to improve their effectiveness. They stressed the need for skill improvement among entrepreneurs with support of government and the creation of a conducive environment for entrepreneurship.

Sinha Pankaj Kumar (2016) evaluated the training process and effectiveness of training programs conducted by RUDSETI's. The settlement ratio as reflected by reports of training institutes and the present study was high. The main cause behind this was due to the fact that the majority of them were either nominated by banks to become eligible for loans or occupied in their business or sought to get the required skill to amplify their income. The settlement ratio calculated by institutes included those settled in their own existing farms and ventures and even self-employed. The study concluded that there is an imperative to build capacity and provide essential entrepreneurial skill among the deprived youth for realizing the available entrepreneurial talent.

Himani, Maggo Kumar (2017) stressed the need for and importance of entrepreneurial development programs in the economic and industrial development of any country. He mentioned that for a developing country like India, to be successful in its growth path requires developing more entrepreneurs. But, no doubt regarding these programs which are instrumental in developing entrepreneurs in recent years, but the expected success is not much. Hence, there is a need for evaluation of entrepreneurship training institutions from time to time and the implementation of suggestions for the enhancement of their performance.

Rana, Sarita Solanki et. al., (2018) conducted a study to determine the impact of entrepreneurship orientation on prospective entrepreneurs. In particular, the study considers the perceived benefits before and after the particular training. It maps the gap between apparent and actual benefits. The study identified that the gap exists in three key areas of the training program, namely marketing research, Network building, and Leadership skills. The study concluded that only 9% of participants started new ventures after the training which is considerably low. So it was suggested that the organizing institutions should focus on improving the effectiveness of the training to prospective entrepreneurs.

Sarita Devi Srivastava and Srivastava, Sanvedana (2018) conducted a study that indicated that many successful entrepreneurs have learnt technical and soft skills at these training institutes. This helped them in successful venture creation and operation. The study concluded that RSETI's can prove as a grin of optimism for the women and jobless youth of the rural and suburban areas to become the new generation entrepreneurs.

5. Major Findings

- * There must be a good match between training need assessment, training offered, and market opportunities along with economic development policies.
- * The expected success is not achieved with reference to entrepreneurship training institutes and programs. Hence, there is a need for evaluation of entrepreneurship training institutions and programs.
- * There are little studies on the evaluation of the effectiveness of entrepreneurship training organizations due to lack of appropriate tools and measurement methodologies.
- * Evaluation of the Entrepreneurial Development Programmes if done by the training agencies themselves would not serve the purpose of enhancing the quality of training.
- * There is an absence of any external mechanism to measure, monitor, and evaluate the results of entrepreneurship development programs in India.
- * There is a need to promote and sustain entrepreneurship training institutions to encourage entrepreneurial culture among the educated and unemployed young population of the country.
- * A significant observation of some studies is that EDPs are viewed in isolation. But the nurturing of an enterprise is the output of roles played by a number of interacting agencies including training institutes, funding agencies, and government support, which in turn is positioned in a broad socio-economic background.
- * Above all, the literature highlights the evaluation of Entrepreneurship Development Programs and there is a need for evaluating the entrepreneurship training institutions.

6. Suggestions

The policies and decisions of the government should focus to create a favorable entrepreneurship environment and culture across the nation to promote and uphold entrepreneurship amongst the youth. This will lead to the creation of valuable human assets and in turn, rejoicing the fruits of demographic dividends. In this backdrop, the present study suggests conducting evaluation studies on EDP with a holistic approach. The recommendations of the study should reach the policymakers and institutes so that they can consider them in their decision processes.

Program evaluation studies are conducted to get feedback about programs and their pertinent merits and demerits. But, evaluation of training institutions would help in getting a broader scope and outputs which would help in policymaking by internal and external stakeholders. It offers even assessment of institutions if done on a large scale which would help prospective entrepreneurs in deciding about training.

7. Conclusion

There is a need for carrying out research on various facets of entrepreneurship training and development and its evaluation. Studies can be conducted by giving systematic approaches in terms of methods, sources, and data analysis. Studies are also required to understand the opinions and perceptions of various stakeholders keeping the prospective entrepreneurs at the center. Evaluation of venture creation systems would help the institutes in enhancing their performance. Researchers are expected to interact with the training institutes and vice versa will contribute significantly to the effectiveness of any kind of training program.

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