



A Framework for Measuring the Effectiveness of Entrepreneurship Training Programmes

Dr. Prakash Vadavadagi

Associate Professor

B.V.V. Sangha's

Institute of Management Studies,

Bagalkot, Karnataka, India

(Affiliated to Rani Chennamma University, Belagavi)

vadavadagip@gmail.com

Abstract

Entrepreneurship Development Programmes (EDPs) are vital for nurturing entrepreneurial talent and driving economic progress. However, evaluating the effectiveness of these programmes remains a challenge due to the complex and multifaceted nature of entrepreneurship. This paper presents a comprehensive framework for measuring the effectiveness of EDPs, focusing on critical components such as inputs, activities, outputs, outcomes, and long-term impacts. The framework is determined based on Reaction measures, learning measures and Behavioral measures.

Keywords: EDP, Training, effectiveness, achievement motivation

Introduction

EDP is a programme meant to develop entrepreneurial abilities among the people. In other words, it refers to inculcation, development, and polishing of entrepreneurial skills into a person needed to establish and successfully run his / her enterprise. Thus, the concept of entrepreneurship development programme involves equipping a person with the required skills and knowledge needed for starting and running the enterprise.

Small Industries Extension and Training Institute (SIET 1974), now National Institute of Small Industry Extension Training (NISIET), Hyderabad defined EDP as an attempt to develop a person as entrepreneur through structural training.

The main purpose of entrepreneurship development programme is to widen the base of entrepreneurship by development achievement motivation and entrepreneurial skills among the less privileged sections of the society.

According to N. P. Singh (1985), "Entrepreneurship Development Programme is designed to help an individual in strengthening his entrepreneurial motive and in acquiring skills and

capabilities necessary for playing his entrepreneurial role effectively. It is necessary to promote this understanding of motives and their impact on entrepreneurial values and behaviour for this purpose.” Now, we can easily define EDP as a planned effort to identify, inculcate, develop, and polish the capabilities and skills as the prerequisites of a person to become and behave as an entrepreneur.

Need for EDPs:

Entrepreneurs possess certain competencies or traits. These competencies or traits are the underlying characteristics of the entrepreneurs which result in superior performance and which distinguish successful entrepreneurs from the unsuccessful ones.

Then, the important question arises is: where do these traits come from? Or, whether these traits are in born in the entrepreneurs or can be induced and developed? In other words, whether the entrepreneurs are born or made? Behavioural scientists have tried to seek answers to these questions.

A well-known behavioural scientist David C. McClelland (1961) at Harvard University made an interesting investigation-cum-experiment into why certain societies displayed great creative powers at particular periods of their history? What was the cause of these creative bursts of energy? He found that ‘the need for achievement (n’ ach factor)’ was the answer to this question. It was the need for achievement that motivates people to work hard. According to him, money- making was incidental. It was only a measure of achievement, not its motivation.

In order to answer the next question whether this need for achievement could be induced, he conducted a five-year experimental study in Kakinada, i.e. one of the prosperous districts of Andhra Pradesh in India in collaboration with Small Industries Extension and Training Institute (SIET), Hyderabad.

This experiment is popularly known as ‘Kakinada Experiment’. Under this experiment, young persons were selected and put through a three-month training programme and motivated to see fresh goals.

One of the significant conclusions of the experiment was that the traditional beliefs did not seem to inhibit an entrepreneur and that the suitable training can provide the necessary motivation to the entrepreneurs (McClelland & Winter 1969). The achievement motivation had a positive impact on the performance of entrepreneurs.

In fact, the ‘Kakinada Experiment’ could be treated as a precursor to the present day EDP inputs on behavioural aspects. In a sense, ‘Kakinada Experiment’ is considered as the seed for the Entrepreneurship Development Programmes (EDPs) in India.

The fact remains that it was the ‘Kakinada Experiment’ that made people appreciate the need for and importance of the entrepreneurial training, now popularly known as ‘EDPs’, to induce motivation and competence among the young prospective entrepreneurs.

Based on this, it was the Gujarat Industrial Investment Corporation (GIIC) which, for the first time, started a three-month training programmes on entrepreneurship development. Impressed by the results of GIIC’s this training programme, the Government of India embarked, in 1971, on a massive programme on entrepreneurship development. Since then, there is no looking back in this front. By now, there are some 686 all-India and State level

institutions engaged in conducting EDPs in hundreds imparting training to the candidates in thousands.

Till now, 12 State Governments have established state-level Centre for Entrepreneurship Development (CED) or Institute of Entrepreneurship Development (IED) to develop entrepreneurship by conducting EDPs. Today, the EDP in India has proliferated to such a magnitude that it has emerged as a national movement. It is worth mentioning that India operates the oldest and largest programmes for entrepreneurship development in any developing country.

The impact of India's EDP movement is borne by the fact that the Indian model of entrepreneurship development is being adopted by some of the developing countries of Asia and Africa. Programmes similar to India's EDPs are conducted in other countries also, for example, 'Junior Achievement Programme' based on the principle of 'catch them young' in USA and 'Young Enterprises' in the U. K.

Importance of EDP's

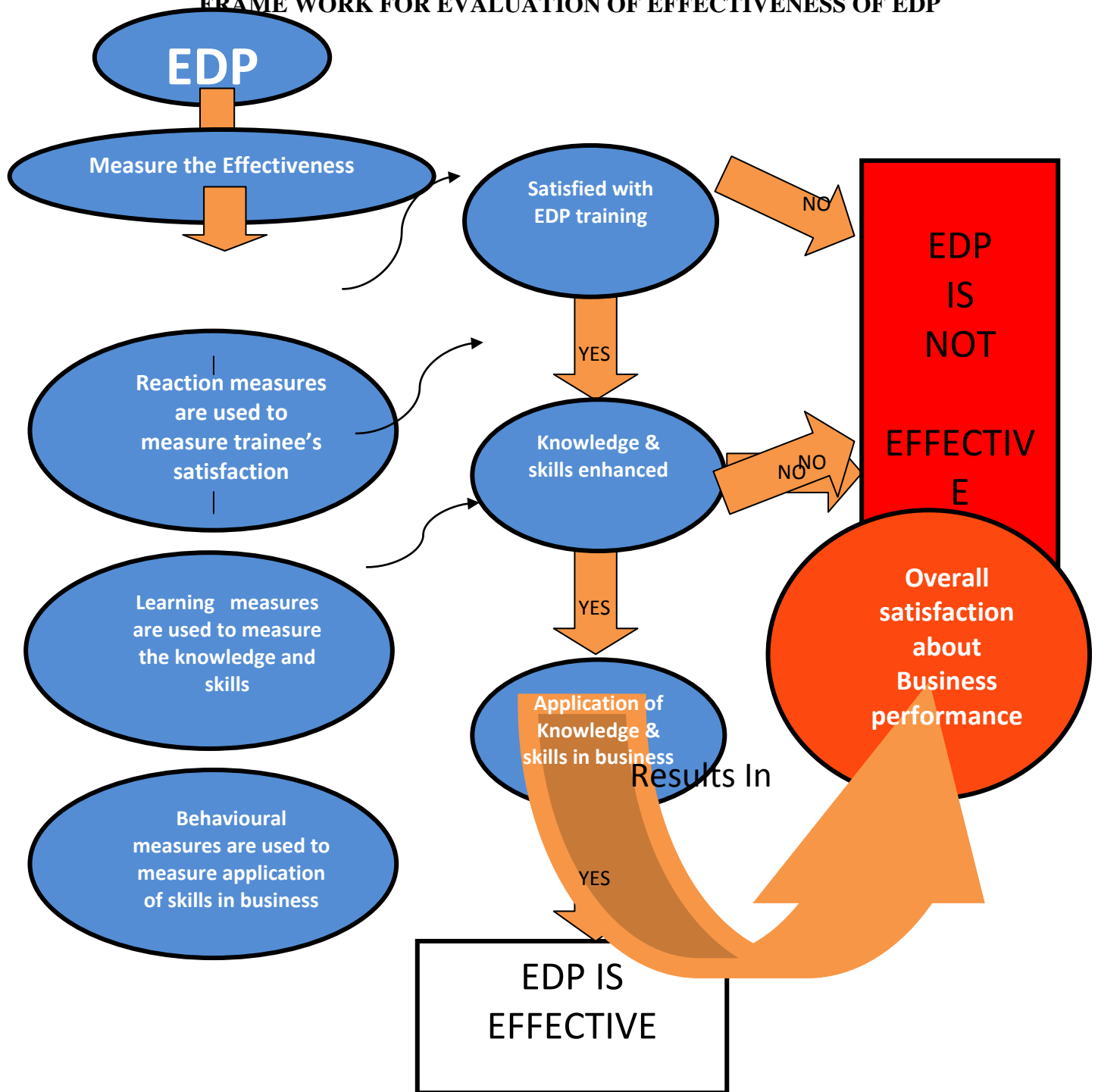
Entrepreneurs are considered as agents of economic growth. They create wealth, generate employment, provide new goods and services and raise the standard of living. EDP is an effective way to develop entrepreneurs which can help in accelerating the pace of socio-economic development, balanced regional growth, and exploitation of locally available resources. It can also create gainful self-employment. An EDP equips entrepreneurs and makes them competent to anticipate and deal with a variety of problems that any entrepreneur may have to face. It gives confidence to the entrepreneur to face uncertainties and take profitable risks. It prepares them to deserve and make good use of various forms of assistance.

EDP can be beneficial in the following ways:

- **Economic Growth:** EDP is a tool of industrialisation and path to economic growth through entrepreneurship.
- **Balanced Regional Development:** EDP helps in dispersal of economic activities in different regions by providing training and other support to local people.
- **Eliminates Poverty and Unemployment :** EDPs provide opportunities for self-employment and entrepreneurial careers.
- **Optimum use of Local Resources :** The optimum use of natural, financial and human resources can be made in a country by training and educating the entrepreneurs.
- **Successful Launching of New Unit :** EDP develops motivation, competence and skills necessary for successful launching, management and growth of the enterprise.
- **Empowers New Generation Entrepreneurs:** EDP, by inculcating entrepreneurial capabilities and skill in the trainees, create new generation entrepreneur who hitherto was not an entrepreneur.

Objective: To draft a framework for Measuring the Effectiveness of Entrepreneurship Training Programmes.

FRAME WORK FOR EVALUATION OF EFFECTIVENESS OF EDP



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