

Analytical Study of Entrepreneurship Development Training Programmes (EDTP) Scheme Implemented by Government and Supporting Agencies in Maharashtra

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Abstract:- As a part of this initiative to promote self-employment in the state to overcome a problem of unemployment, Government of Maharashtra has launched Entrepreneurship Development Training Programme (EDTP) Scheme in the year 2002 for Schedule Caste educated unemployed youth and in 2007 for educated unemployed youth belongs to general category. Based on analysis in different projects, it was realized that there are some constraints in implementation of Entrepreneurship Development Training Programme (EDTP) Scheme which become problems in generating expected outcome from the training programme and the need of performance analyses of EDTP schemes was realized which will be helpful for improvement in implementation and generating desired outcome from EDTP scheme.

Keywords:- Entrepreneurship Development Training Programmes, Unemployment, Gross Domestic Product, Human Resource, Start Ups, MCED

I. INTRODUCTION

India is known for its youngest population in the world. About 62% of India's population is in the working age group (15-59 years), and more than 54% of the total population is below 25 years of age. It is estimated that average age of Indian population in 2020 will be 29 years where as in USA is 40 years, Europe 46 years & 47 years in Japan. It is expected that there will be cut off by 4% labour force in industrialized world in upcoming 20 years. To cope with the challenge and reap the benefit of demographic dividend, India needs equipped human resource with skills and knowledge through which they can contribute in economic development of the country.

After analyzing the facts, even wide support provided from government agencies and training organizations like MCED for entrepreneurship development in the state found that the result was not as per expectations. To improve this scenario, Directorate of Industries, Government of Maharashtra launched Entrepreneurship Development Training Programme (EDTP) scheme. To attract and increase participation of educated unemployed youth in Entrepreneurship Development Programme revised EDTP

scheme GR was passed on 2nd February 2002 for educated unemployed youths belongs to Schedule Caste and on 29th October 2007 for educated unemployed youths belong to general category.

II. STATEMENT OF THE RESEARCH PROBLEM

To resolve the problem of unemployment Government of Maharashtra has launched Entrepreneurship Development Training Programme (EDTP) Scheme to promote employment & self-employment opportunities by conducting Vocational Training Programmes (VTPs) & Residential Entrepreneurship Development Programmes (REDPs) in all over the Maharashtra. Government of Maharashtra taking efforts but due to constraints in the scheme & implementation process, the desired outcome is not generating. The study highlighted the factors will help in restructuring of the scheme & implementation process which ultimately results in increase the success rate in terms of generation of employment and self-employment.

III. REVIEW OF LITERATURE

➤ *The National Schedule Caste / Schedule Tribe Hub*

Government of India has setup the National Schedule Caste/Schedule Tribe Hub for providing marketing support to SC/ST owned enterprises and increase participation in national procurement policy and administered and governed by National Small Industries Corporation. There is good provision of fund for strengthening SC/ST entrepreneurs by capacity building and providing financial assistance for strengthening industrial development in the nation.

➤ *Subhashchandra Surana* in his Marathi article "Start-up Udyog: Sandhi ani Aavhan" to increase Maharashtra GDP share from 15% to 20%, Government of Maharashtra initiated the effort by providing support to skill youth and increasing the Industrial land in the state. It is proposed to start 15 incubation centers in next five years (2017 to 2022) by making capital provision of Rs. 5000 Crore to start new 10000 start-ups to generate employment about 5 Lakhs people.

- *Vidhya Yerwadekar*, Vice Chancellor (In-charge), Symbiosis International University, during her interview with Daily Sakal expresses her opinion about Symbiosis Centre for Entrepreneurship and Innovation. She has provided information about the available infrastructure at Symbiosis i.e. Technology Business Incubator sanctioned by Department of Science and Technology, Government of India.
- *T. M. Sujatha* “Empowering Disadvantaged Women: An analysis of Entrepreneurship Development Programmes in Karnataka State” Researcher studied the impact of Entrepreneurship Development Programme on empowerment of the disadvantaged women conducted in Karnataka state. For effective implementation of Entrepreneurship Development Programmes researcher suggested some policy recommendations.
- *Entrepreneurship Development Institute of India (EDI-I)*, Ahmedabad has develop one month Entrepreneurship Development Programme module, which is one of the best EDP module in India.

IV. OBJECTIVES OF THE STUDY

- To study the EDTP (Entrepreneurship Development Training Programme) scheme and its implementation process
- To understand the role of implementing agency and supporting organization in the performance of EDTP Scheme
- Analyze the degree of efficacy of Entrepreneurship Development Training Programmes (EDTPs) scheme in terms of employment, self-employment.
- Evaluate the contribution of Entrepreneurship Development Training Programmes (EDTPs) scheme in terms of salary received by employed trainees and their turnover
- Find out the factors responsible for success of Entrepreneurship Development Training Programmes (EDTPs).

V. HYPOTHESIS OF THE STUDY

- H_0 : There is not significant role of EDP component of EDTP Scheme in Entrepreneurship Development

- H_1 : There is a significant role of EDP component of EDTP Scheme in Entrepreneurship Development
- H_0 : There is no relationship between proper planning and implementation of training programme and increase in the success rate of EDTP Scheme.
- H_2 : There is a relationship between proper planning and implementation of training programme and increase in the success rate of EDTP Scheme.

VI. UNIVERSE AND SAMPLE DESIGN

➤ Universe:

This study covers performance analysis of participants trained under Entrepreneurship Development Training Programme (EDTP) Scheme in terms of unit setup and employment achievement in Maharashtra state. Study covers the total no. of 1,03,552 participants trained in 3521 programmes.

Table 1 Year Wise Trained Participants

Year	No. of Programme	No. of Participants Trained	
2009-10	454	12540	8
2010-11	381	10723	9
2011-12	352	10231	10
2012-13	481	14172	11
2013-14	575	17380	12
2014-15	641	19516	13
2015-16	637	18990	14
Total	3521	103552	

(12 days Residential EDP-69 Programmes, 15 Days VTPs-72 Programmes, 30 Days VTPs-2700 Programmes, 45 Days VTPs-294 Programmes & 2 months VTPs-386 Programmes) by MCED during 2009-10 to 2015-16.

➤ Sample Design:

For the sample design, stratified random sampling method has been used for selection of sample. Trained beneficiaries were sub divided into eight different strata based on MCED regional offices (Aurangabad, Nanded, Nashik, Pune, Kolhapur, Mumbai, Nagpur & Amravati) where Entrepreneurship Development Training Programme (EDTP) Scheme was implemented. 1036 beneficiaries (1% of total trained beneficiaries) from 8 strata were selected as sample.

Table 2 Strata Wise Sample Design

Sr.No	Strata's	Total Trained Participants	Samples Requested	Samples Received
1	Aurangabad	13725	159	134
2	Nanded	15986	182	161
3	Nashik	12846	149	125
4	Mumbai	8600	121	92
5	Pune	9962	123	102
6	Kolhapur	12985	155	135
7	Amravati	15287	172	149
8	Nagpur	14161	163	138
Total		103552	1224	1036

➤ *Study Period:*

Data of Entrepreneurship Development Training Programs conducted for seven years from 2014-15 to 2020-21 period under EDTP scheme is considered for the research.

VII. METHODS USED FOR DATA COLLECTION➤ *Primary Data:*

Primary data has been collected by schedule survey by filling the questionnaire (Open ended & close ended) & depth interview and informal interaction.

➤ *Secondary Data :*

The secondary data has collected from MCED (Maharashtra Centre for Entrepreneurship Development), DIC (District Industries Centers) and other entrepreneurship promoting offices & their websites. The researcher visited following organizations to collect the EDTP data.

- Maharashtra Centre for Entrepreneurship Development (MCED) Regional Offices spread all over Maharashtra (Aurangabad, Nanded, Nashik, Pune, Kolhapur, Mumbai, Nagpur & Amravati)
- District Industries Centre's & Joint Directors of Industries offices spread all over Maharashtra.

- National Institute for Entrepreneurship and Small Business Development (NIESBUD), Noida.
- Entrepreneurship Development Institute of India (EDI-I), Ahmadabad.
- National Institute for Micro, Small & Medium Enterprises (NIMSME), Hyderabad Similarly, the researcher has reviewed books, Magazines, newspapers, journals, research papers, thesis, websites, Government Resolutions, and expert views.

VIII. DATA ANALYSIS

The primary data has been properly tabulated and simple tools of analysis like average, percentage, ratio, correlation; frequency distribution & Chi-square tests are applied.

A. *Hypothesis Testing:*➤ *Hypothesis 1:*

- *Hypothesis H₀:* There is no significant role of EDP component of EDTP Scheme in Entrepreneurship Development.
- *Hypothesis H₁:* There is a significant role of EDP component of EDTP Scheme in Entrepreneurship Development.

Table 3 Region wise enterprise started after undergone EDP (Observed Frequencies)

Region	No. of Respondent's Response Yes (A)	No. of Respondent's Response No (B)	Total Respondent's
Aurangabad	2	4	6
Nanded	2	4	6
Nashik	2	4	6
Mumbai	1	3	4
Pune	3	6	9
Kolhapur	4	7	11
Amravati	7	9	16
Nagpur	5	8	13
Total	26	45	71

➤ *Applying χ^2 Test*

$$\text{Expectation of (A B)} = \frac{(A) \times (B)}{N}$$

$$= \frac{26 \times 6}{71}$$

Expected Frequencies

2.20	3.80	6
2.20	3.80	6
2.20	3.80	6
1.46	2.54	4
3.30	5.70	9
4.03	6.97	11
5.86	10.14	16
4.76	8.24	13

Applying χ^2 Test

O	E	(O-E) ²	(O-E) ² /E
2	2.197	0.039	0.018
2	2.197	0.039	0.018
2	2.197	0.039	0.018
1	1.465	0.216	0.147
3	3.296	0.087	0.027
4	4.028	0.001	0.000
7	5.859	1.302	0.222
5	4.761	0.057	0.012
4	3.803	0.039	0.010
4	3.803	0.039	0.010
4	3.803	0.039	0.010
3	2.535	0.216	0.085
6	5.704	0.087	0.015
7	6.972	0.001	0.000
9	10.141	1.302	0.128
8	8.239	0.057	0.007
			$\Sigma(O-E)^2/E = 0.728$

- $\chi^2 = \Sigma (O-E)^2/E = 0.728$
- $v = (r-1)(c-1)$
- $v = (16-1)(2-1)$
- $v = (15 \times 1) = 15$
- For $v = 15$, $\chi^2 = 0.05 = \underline{25.0}$ Table Value

➤ **Conclusion:**

The calculated value of χ^2 (**0.728**) is less than the table value (25). The hypothesis H_1 i.e. there is a significant role of EDP component of EDTP Scheme in Entrepreneurship

Development is accepted and automatically null hypothesis (H_0) is rejected.

➤ **Hypothesis 2:**

- **Hypothesis H_0 :** There is no relationship between proper planning and implementation of training programme and increase in the success rate of EDTP Scheme.
- **Hypothesis H_2 :** There is a relationship between proper planning and implementation of training programme and increase in the success rate of EDTP Scheme.

Table 4 Proper Planning and Implementation of Training Programme and Increase in the Success Rate of EDTP Scheme

Region	No. of Respondent's Response Yes (A)	No. of Respondent's Response No (B)	Total Respondent's
Aurangabad	105	29	134
Nanded	127	34	161
Nashik	98	27	125
Mumbai	73	19	92
Pune	90	12	102
Kolhapur	118	17	135
Amravati	121	28	149
Nagpur	115	23	138
Total	847	189	1036

➤ **Applying χ^2 Test**

$$\text{Expectation of (A B)} = \frac{(A) \times (B)}{N}$$

$$= \frac{847 \times 137}{1036}$$

Expected Frequencies

109.55	24.45	134
131.63	29.37	161
102.20	22.80	125
75.22	16.78	92
83.39	18.61	102
110.37	24.63	135
121.82	27.18	149
112.82	25.18	138

Applying χ^2 Test

O	E	(O-E) ²	(O-E) ² /E
105	109.554	20.739	0.189
127	131.628	21.422	0.163
98	102.196	17.606	0.172
73	75.216	4.912	0.065
90	83.392	43.667	0.524
118	110.372	58.192	0.527
121	121.818	0.668	0.005
115	112.824	4.734	0.042
29	24.446	20.739	0.848
34	29.372	21.422	0.729
27	22.804	17.606	0.772
19	16.784	4.912	0.293

12	18.608	43.667	2.347
17	24.628	58.192	2.363
28	27.182	0.668	0.025
23	25.176	4.734	0.188
			$\Sigma(O-E)^2/E = 9.252$

- $\chi^2 = \Sigma (O-E)^2/E = 9.252$
- $v = (r-1)(c-1)$
- $v = (16-1)(2-1)$
- $v = (15 \times 1) = 15$
- For $v = 15$, $\chi^2 = 0.05 = \underline{25.0}$ Table Value

➤ **Conclusion:-**

The computed value of χ^2 (**9.252**) is less than the table value (25). The hypothesis H_1 i.e. there is a relationship between proper planning and implementation of training programme and increase in the success rate of EDTP Scheme is accepted.

• **Scope of the Study:**

- ✓ **Geographical Scope:** The study is confined to Maharashtra State, as per MCED Regional Offices at eight regions: Aurangabad, Nanded, Nashik, Mumbai, Pune, Kolhapur, Amravati & Nagpur.
- ✓ **Temporal Scope:** The study covered the seven years period (i.e. 2014-15 to 2020-21) for the purpose of primary & secondary data collection..
- ✓ **Operational Scope:** The study covered the various aspects of EDTP scheme, its implementation process and role of various support agencies.

- *Limitations of the Study:*

The research has conducted systematically, since it has some limitations, the research is limited only to sample of 1036 trainees undergone through VTPs & REDPs in comparison with total no. of 103552 trained beneficiaries. Study covers the geographical area of whole Maharashtra to collect the data from such wide area was one of the major limitation of the study. Most of the Government officials reluctant to provide the information, hence researcher could collect the data from some government officials is another major limitation for our study. Time & huge cost for collection of data is also limitation for the study. Despite the limitations the efforts have been taken to maintain the quality of the research.

- *Major Findings:*

- ✓ Type of Training Programme: There are two types of programmes conducted under EDTP scheme i.e. Vocational Training Programme (VTP) and Residential Entrepreneurship Development Programme (REDP) duration ranging from 15 days to 2 months for VTP and 12 days REDP. Majority of trainees i.e. 770 (74.32%) have undergone 30 days vocational training programme, followed by 101 trainees (9.75%) in 60 days VTPs, 91 trainees (8.78%) have undergone 45 days VTPs, 71 trainees (6.85%) in REDPs, and only 3 trainees (0.29%) have undergone 15 days VTPs. Majority of trainees have undergone through 30 days VTP
- ✓ Trades of Training Programme: Majority of trainees i.e. 708 (73.37%) were undergone training programme belongs to Apparel, IT & ITeS, Electronic and Electrical, Agro & Agriculture Allied Trades, Food Processing, Beauty and Wellness & leather products trades. In total 549 (52.99%) of total trainees are women trainees in overall training programme, predominance of women trainees are observed, particularly in the programmes related to trades which are women centric such as beauty Parlor, cookery, garments, etc.
- ✓ Budget for Training Programme: There is no adequate budget for conducting quality training programme as scheme was launched in 2002 for SC and in 2007 for General category and still the rate of sponsorship per participant is same. In comparison with the inflation, the programmes budget is inadequate. At present DIC provides Rs. 1500/- for 15 days programme including stipend amount Rs. 500 to be paid to each participant. Rs. 3000/- for 30 days programme including stipend amount Rs. 1000/-. Rs. 4500/- for 45 days programme including stipend amount Rs. 1500/-, Rs. 6000/- for 60 days programme including stipend amount Rs. 2000/- & Rs. 4000/- for 12 days Residential Entrepreneurship Development Programme including Lodging, boarding and training expenses.
- ✓ Status of Residential EDP Participants after training: In total, 26 trainees (36.62%) who were undergone through 12 days Residential Entrepreneurship Development Programmes have started their enterprise

after completion of training programme. 12 (46.15%) trainees have started manufacturing enterprises, 10 (38.46%) trainees have started service enterprises and 4 (15.38%) trainees enterprises belongs to trading.

- ✓ Financial Assistance to EDP Participants: Out of 71 EDP trained beneficiaries 49 (69.01%) have applied for loan for starting enterprise, 8 (16.33%) beneficiaries received the loan from financial institution. 8 (100%) beneficiaries get the benefits of subsidy. 100% trainees who avail the loan are regular in repayment of loan and they don't have any outstanding amount related to loan.
- ✓ Participation of Socially Backward Community: There is a good participation of socially backward class community trainees, in total 71 percent of total trainees are belongs to Schedule Caste, Schedule Tribes, Other Backward Class, Nomadic Tribes and Special Backward Class.
- ✓ Post Training Support: 976 (94.25%) trainees received the post training and follow-up support in terms of follow-up meeting followed by guidance sessions for starting self-employment and for employment opportunities. 640 (i.e. 65.57%) trainees received PTS for two follow-up meetings, 320 (i.e. 32.79%) were called for one follow-up meeting and only 16 (i.e. 1.64%) were called for three follow-up meetings.
- ✓ Training Infrastructure: The MCED outsource training infrastructures, this resulted inadequate control on training inputs, quality of programmes, follow-up of programmes, networking with bank or financial institutions and ultimately result in poor output of programme.
- ✓ Follow-up Policy: MCED is having the sound follow-up policy for providing post training support to trainees.
- ✓ Trainee Migration: Trainee migration was a big problem which happened due to, women trainees who got married after undergoing the programme, transfer of parents working with Govt./Semi Govt. organizations, Pursuing further education in other cities and draught situation particularly in Marathwada, some parts of North Maharashtra & Vidarbha.

IX. CONCLUSION AND RECOMMENDATIONS

- There is good participation of socially backward class trainees in the programme. Predominance of women trainees are observed, particularly in the programmes related to trades which are women centric such as beauty Parlor, cookery, garments, etc.
- Programmes trade finalized by Task Force Committee. District Industries Centers conducts TFC meeting once in six months.
- There is a significant role of EDP component of EDTP Scheme in Entrepreneurship Development & VTP component of EDTP Scheme in Employment & Self Employment Generation in the state.
- The Scheme failed in providing financial assistance to trainees. Only 8(16.33% of loan applied trainees) EDP beneficiaries received the loan from financial institution for starting enterprises & only 30 (i.e. 8.52% of loan applied trainees) VTP beneficiaries received the loan from financial institution for starting self-enterprise

- Trainees those who are started their enterprise/self-employment are contributing in nations economy by way of turnover and employment generation for unemployed youth.
- Majority of trainees visited the industries during training programme & received post training support in the form of follow-up meeting followed by guidance session. As they need support in terms of backward-forward linkages, business plan preparation, knowledge transfer platform, licensing, marketing, etc.
- MCED outsource training infrastructures for conducting training programme, sometime it fails to gain the desired outcomes. Hence, MCED should develop sound infrastructure as well as standard, updated training modules, case studies, faculties, Audio Visual Equipments etc.
- As Vocational Training Programmes are non-residential in nature but there is need to modify scheme and conduct residential Vocational Training Programmes. The provision for toolkit for VTP trainees must be there.
- Selection of project is crucial task as it defines the success of an enterprise. In fact the entire success of EDP is largely depends on aligning potential business opportunity. Business Opportunities Guidance found inadequate, hence MCED should give more focus on Business Opportunity Guidance (BOG) and develop sector wise resource persons bank to guide in each programme.
- Success rate of the training programme is depend upon the trainees, it is found that the trainees selection is done through traditional methods i.e. interview. MCED needs to adopt scientific method of trainee selection.
- Duration of REDP should be increased from 12 days to one month on the basis of EDI-I Ahmadabad EDP Module.
- MCED is conducting training programme under revised EDTP scheme since last 16 years and it is observed that there were no adequate records with district offices. So the MCED should focus on proper documentation along with progress card of each trainee.
- MCED should create First Generation Entrepreneurs Platform (FGEP) to associate first generation entrepreneurs to share their issues with industry experts/stakeholders and get it resolved. MCED should provide consultancy services through this platform to trained participants.

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