Chapter 6

Summary of Findings, Suggestions and Conclusion.

6.1 Introduction

Entrepreneurship has become an important area of study and it is also considered to be a new way for creating wealth, generating employment and providing new and better goods services. So, initiating entrepreneurship is an important aspect of changing the rural world. The values, customs and traditions that gave continuity to rural life have been undergoing change. But, such changes depend on the socio-economic and cultural factors of the rural society. With changes like globalization, deregulation, open competition and technological change taking place, rural society is becoming an entrepreneurial society. Intimately, developing the spirit of entrepreneurship among the youth is very important for enhancing the scope of self employment among the rural and backward people. The present study explored the dynamics of entrepreneurship development among the people of Kerala. An attempt has been made through the study to map out the development and changes of entrepreneurial activities among the people of Kerala after attending the Entrepreneurship Development Programme conducted by MSME DI and KITCO Ltd.

A successful entrepreneur must have knowledge and skill. Knowledge means the collection and retention of information in one’s mind. Knowledge could be acquired by reading, interaction with environment, etc. Skill is the ability to translate the knowledge into action/practice.
6.2 Summary

MSME – Development Institute, Thrissur, is the field outfit of Development Commissioner (MSME) under the Ministry of MSME, Government of India to take care of the needs of MSME sector in the State of Kerala and the Union Territory of Lakshadweep in the area of Techno-economic and management consultancy services. MSME – Development Organisation, headed by the Development Commissioner (MSME) under the Ministry of MSME, Government of India, is an apex body as well as the Nodal Agency for formulating, co-ordinating and monitoring the policies and programmes meant for promotion and development of Micro, Small and Medium Enterprises throughout the country. MSME-DI, Thrissur, Kerala, started in 1956 is one of its kind in the State of Kerala. Apart from offering various consultancies and support services, the institute also conducts Entrepreneurial, Technical and Managerial training programmes for the benefit of prospective and existing entrepreneurs. A Nucleus Cell, Under the administrative control of MSME-DI, Thrissur, Kerala is functioning at Amini Island of Laskhadweep to look after the various needs of SSI Entrepreneurs in the Lakshadweep Islands. The services of MSME-DI, Thrissur, Kerala are mainly focused on helping the existing entrepreneurs to increase their productivity and prospective entrepreneurs to set up new units.

KITCO (formerly Kerala Industrial and Technical Consultancy Organisation Ltd.) established in 1972, is one of premier Engineering, Management & Project Consulting firm in India promoted by the company jointly with IDBI, ICICI and other State Level Institutions. Some of the key fields where KITCO Ltd. is a prominent player are Energy Studies, Skill Certification and Placement Services.
Entrepreneurial Development Programme means any programme which intends to develop entrepreneurship. It is designed to help a person in identifying and strengthening his entrepreneurial motives and worth. The programme enables a person to acquire skills and capabilities necessary for playing his entrepreneurial effective role effectively. These training programmes help the educated unemployed youth to set up their own business concerns on the self employment basis. EDPs comprise a number of programmes which provide the prospective entrepreneurs with information regarding the scope of new business, the process of starting new ventures, the mode of preparation of project reports, and the source of finance. As an educational process, entrepreneurial development programmes aim at developing human resources.

Entrepreneurship Development Programmes emphasis the importance of successful learning experience in generating and increasing interest in entrepreneurship. The entrepreneurial learning style preferences are consistent with active participation and hence learn from experience. The study is based on two frameworks of entrepreneurship development program. Firstly, it combines the dimensions of number of entrepreneurship course and degree of integration. Secondly, it combines the dimensions of a number of disciplines and transition stages in a firm. The value of models lies in their usefulness, individually or in combination in studying and designing entrepreneurship development programme. The framework of the study consists nine primary areas where successful entrepreneurs must be developed. The areas are behavioural change, administration, transfer of learning, soft skill development, personal facilities, marketing skills, financial literacy and technical skills.
The study deals with the Entrepreneurship Development Programmes provided by the MSME DI and KITCO Ltd. In Entrepreneurship Development Programmes, the trainees are exposed to rigorous theoretical and political training in the respective activity. Management aspects of banking, achievement motivation, Entrepreneurship, Customer relation, Marketing, Accounting & Bookkeeping, Project preparation and the trainees get enlightened information on Government assistance and support schemes that are discussed. The basic objective of EDPs is to provide training for their skill upgradation and to equip them with better and improved technological skills of production. Training and Development institutions are mainly engaged in providing various programmes for the entrepreneurs in the MSME sector of the state of Kerala. The specific tailor-made programmes for the skill development socially disadvantaged groups (SC and ST) are organized at free of cost; Government of India certificate will be issued to all successful candidates. The eligibility criteria are (I). Age: above 18 years old (ii) Educational qualification: Passed at least 8th Standard or equivalent.

6.3 Findings of the Study

The focus of these analyses on three related concepts, namely ‘expectation’, ‘perception’ and ‘effectiveness’ of Entrepreneurship Development Programmes. The former refers to the ability or the process of understanding by means of the sense – it, hence points to a subjective and highly variable process across individuals. People have different abilities and sensory capabilities – hence perceptions are likely to differ across people, all other things being equal. The latter refers to an act or a process of anticipation – that is a view of the future held by an individual. In statistics and economics, the expectations means the product of the probability of an event
occurring and the value of that event summed over all possible events. The three concepts, hence have related but have different meanings. Furthermore, extreme events may impact differently one these three concepts, thus making a difference between these concepts is worthwhile (Timan Bruck, Fernanda Lussa and Jose Tavares, 2010). The study estimates how the events affect individual traits and expectations, which may then impact entrepreneurial activity. Secondly, the study provides entrepreneurial employability and its different effects across population groups. The major findings of the studies are:

1. The Compound Annual Growth Rate of the EDPs conducted by MSME DI and KITCO Limited was calculated. It had been found that the CAGR of EDPs KTICO Limited (0.894 per cent) and MSME DI (-2.127 per cent).

2. In the two Entrepreneurship Development Institutions, namely MSME DI and KITCO Limited there are more respondents in the middle (51.7%) age group.

3. Out of 460 respondents 283 (61.5%) are females and rest of 177 (38.5%) are males. It revealed that more females are attending in Entrepreneurship Development Programmes run by MSME DI and KITCO Ltd.

4. Entrepreneurship Development Programmes and educational qualification of the respondents are associated. The $p$-value Chi –Square is 0.009. In case of MSME DI 29.2% of respondents belongs to Higher Secondary Level, 28.5% belongs to SSLC and 18.2% belongs to Below SSLC. In the same way KITCO Limited, 25.1% belongs to SSLC, 22.9% belongs to Higher Secondary Level, 22.9% belongs to Graduation level. Technically qualified (B.Tech, Diploma & ITI) respondents are only 7.8% (33 out of 460).
5. Type of family of respondents revealed that 97.2% of respondents are from nuclear family and rest of 2.8% from joint family. In case of MSME DI 97.8% respondents belongs to nuclear family and rest of them (2.2%) belongs to joint family. In same way, KITCO Ltd. 96.9% respondents belong to nuclear family and rest of 3.3% belong to joint family.

6. Marital status of respondents revealed that 70% are married and 19.6% are single. Religions wise analysis illustrated 67.2% of respondents are from Hindu religion, 17.6% belongs to Christian and rest of 15.2% belongs to Muslim religion.

7. In both Entrepreneurship Development Institutions only 9.3% respondents had attended other EDPs and rest of 90.7% had not attended any other EDPs. Only 7.2% (33) of respondents are running own self-employment venture and rest of 92.8% respondents are not running self-employment venture. Out of 33 respondents, 93% (31) respondents opinioned that they acquired additional skills from EDPs and rest 7% (2) opinioned that they didn’t acquire any entrepreneurship skill from the EDPs.

8. The majority respondents (69%, out of 33) are running micro enterprises, 31% of respondents belong to running small scale business.

9. The overall expectation level about Entrepreneurship Development Progammes run by MSME-DI and KITCO Ltd. was very high. The mean score of MSME-DI 4.75 with S.D 0.539 and the mean score of KITCO Ltd 4.75 with S.D 0.542. The expectations levels variables are behaviour change, job performance, administration, transfer of learning, soft skill development, physical facilities, financial literacy, marketing skills and technical skills. For each variable expectation level are very much higher. Mann-Whitney U test reveals that there is
no significant difference between the expectation level of entrepreneurs towards Entrepreneurship Development Programmes delivered by MSME-DI and KITCO Ltd.

10. The study examined the perception level of Entrepreneurship Development Programme delivered by MSME DI and KITCO Ltd. The overall perception about the EDPs provided by the MSME-DI is 1.78 with S.D 0.411 and KITCO Ltd. 1.77 with S.D 0.432. The entrepreneurs perceive behavioural changes, administration skill, transfer of learning, soft skill development, personal facilities, marketing skills, financial literacy and technical skills were very low. The result of Mann-Whitney U test there is no significant difference in the perception level about Entrepreneurship Development Porgrammes run by MSME DI and KITCO Ltd. It reveals the instructional strategies and assessment techniques are ineffective.

11. To assess the effectiveness of EDPs on the basis of behavioural change. Overall mean score of the behavioural changes in MSME-DI 1.65 with S.D 0.411 and KITCO Ltd. mean score 1.65 with S.D 0.440. This reveals that there is low influence in the behavioural changes. It doesn’t increase the entrepreneur confidence level, leadership quality, morale, creativity, team building and manage stress and time. Mann-Whitney U test explained that there is no significant difference between the effectiveness of the EDPs on the behavioural change. Both institutions are not much influenced by entrepreneurs on the basis of behavioural changes.

12. To evaluate the effectiveness of the EDPs on the basis of the job performance. The overall mean score of job performance is very low namely MSME-DI (mean score, 1.59 with S.D 0.500) and KITCO Ltd. (mean score, 1.57 with S.D 0.509).
The entrepreneurs are dissatisfied about job performance aspects of EDPs delivered by MSME-DI and KITCO Ltd. The Mann-Whitney U test explained that there is no significant difference in the effectiveness of the job performance on the basis of employability aspects delivered by MSME-DI and KITCO Ltd. The entrepreneur’s decision making skill, knowledge level about the specific tasks, attitude to work, the productivity of the concern, social security and job satisfaction level, quality of the job performance has not much improved through EDPs delivered by MSME-DI and KITCO Ltd.

13. The overall effectiveness of the administration skills of Entrepreneurship Development Programmes delivered by MSME-DI and KITCO Ltd. are very low. The low mean score for administration skill of MSMDI (mean score 1.65 with S.D 0.480) and KITCO Ltd. (mean score 1.63, with S.D 0.494). Mann Whitney U test informed that there is no significant difference in effectiveness of EDPs on the basis of administration skills delivered by MSME-DI and KITCO Ltd.

14. To evaluate the effectiveness of EDPs on the basis of Soft Skill Development conducted by MSME-DI and KITCO Ltd. The entrepreneurs did not improve their analytical skill, systematic approach to leaders, approaching government officials, verbal and non-verbal communication skills, leadership team work or more optimistic than before. Mann-Whitney U test reveal there is no significant difference between the effectiveness of soft skill development on the basis of Entrepreneurship Development Programmes delivered by MSME DI and KITCO Ltd.

15. The effectiveness of transfer of learning skills in EDPs delivered by MSME DI and KITCO Ltd is very weak. The entrepreneurs didn’t acquire much about the
transfer of learning in the EDPs. The mean score is low for the variables like to share experience and idea with others, innovative ideas, change the existing way of thing, quality of work life, good rapport between subordinates. Mann-Whitney U test revealed that there is no significant difference between learning skills acquired by participants in both the institutions.

16. To differentiate the performance of the two institutions on the basis of effectiveness of physical facilities on EDPs. The sub variables mean score are very low; like, knowledge level about source of raw materials, knowledge level about work/office sites, knowledge level about specific skills to work, machines/equipment need to run my business, knowledge about availability of labour and particularly skilled labour. The Mann-Whitney U test results revealed that there is no significant difference in effectiveness of the physical facilities provided by the two institutions.

17. To compare the performance of the two institutions on the basis of effectiveness of financial literacy acquired by EDPs delivered by them. The entrepreneurs for the financial literacy acquired from EDPs are dissatisfied (MSME DI means score 1.66, with S.D 0.487 and KITCO Ltd mean score 1.65, with S.D 0.496). The Mann Whitney U test informed that there is no significant difference between financial literacy acquired from the EDPs.

18. To distinguish the effectiveness of marketing skills acquired from EDPs delivered by MSME DI and KITCO Ltd. The entrepreneurs are dissatisfied about the acquired skilled from MSME DI(Means Score 1.67 with S.D 0.477) and KITCO Ltd (Mean score 1.71 with S.D 0.514). Non parametric test revealed that there is
no significant difference between the effectiveness of marketing skills acquired from EDPs delivered by MSME DI and KITCO Ltd.

19. To differentiate the acquired technical skills from EDPs conducted by MSME DI and KITCO Ltd. The entrepreneur’s dissatisfaction about the technical skills acquired from the training and development institutions, viz., MSME DI (Mean Score 1.63 with SD 0.484) and KITCO Ltd. (Mean Score 1.65 with S.D 0.482). The Mann – Whitney U test revealed that there is no significant difference in acquiring technical skill from EDPs delivered by the institutions.

20. The comparative study identified the gap between expectation and perception level of EDPs delivered by MSME DI and KITCO Ltd. The entrepreneur’s high expectation before joining the EDPs has declined after the programmes.

21. The effectiveness level analysis revealed that EDPs conducted by the two institutions are very weak. Discriminant analysis revealed that Entrepreneurship Development Programmes delivered by the MSME DI is slightly better than KITCO Ltd.

22. The Regression analysis used to assess reason for ineffectiveness of EDPs in Kerala. The regression equation notice that all the factors have a low positive impact on level of satisfaction on the respondents. Three fourth of the respondents have negatively responds about the satisfaction level of Entrepreneurship Development Programme delivered by MSME DI and KITCO Ltd. However, seventy eight percent of selected respondents have expressed dissatisfaction about the method of conducting the programme, course content, duration of programme, faculties involved in the programme, place where programmes conducted, feedback after training programme, method of teaching, and follow-up activities.
6.4 Suggestions of the Study

For improving the quality of Entrepreneurship Development Programmes delivered by MSME DI Thrissur and KITCO Ltd. and also to direct their efforts to fulfil the national economic and social goals in the time perspective, we hereby suggest the following steps to be taken by the MSME DI and KITCO Ltd. for improving their operational activities. The following suggestions are in addition to the suggestions made at the time of drawing conclusions.

It is fact that MSME DI Thrissur and KITCO Ltd. have been playing a special role in the promotion of entrepreneurship development, Micro, Small and Medium Enterprises development and a balanced development of the industries in different states. Their role is crucial and more deliberate in the case of a developing state like Kerala. These intuitions are working closely with government and nongovernmental agencies in a co-ordinate manner and formulating suitable policies for the development of the integrated structure of industrial base of the country as a whole and the state in which they operate in particular.

1. The study suggests that the provision of adequate resources is very necessary for effective teaching and learning the Entrepreneurship Development Course.

2. Conduct Modified Entrepreneurship Development Programmes by the Training and Development Institutions aims at promoting viable rural enterprises leading to employment generation in Kerala by the facilitating availability of business services.

3. Proper financial literacy provided to the participants in the areas of cost of the project, source of finance, government subsidies /incentives, preparation of
project reports, preparation of accounts, working capital management and various taxes applicable to the business unit.

4. Provide proper guidance and support in the area of marketing products, fixation of selling price, and update the changes in marketing environment.

5. Provide proper knowledge about the technical areas like innovative technologies used in the business unit, source of technologies and regulations relating to the own/hire technologies, ensure proper guidance and support from the trainers.

6. Proper follow up of the participants after the Entrepreneurship Development Programme.

6.5 Conclusion

It is said that “Entrepreneurs are born, not made”, but history has been a witness to the fact that proper formal education and exposure to some self-development programmes complementing a basic entrepreneurial attitude is the backbone for a successful entrepreneur. Every individual is born with certain inherent attitude, and all the aspects of entrepreneurship cannot be taught. However, various educational and development institutions need to recognize the positivity of attitude and enhance the skills of an individual by formal methods. MSME DI and KITCO Ltd. have major role to play in the development of the state as they are the proliferation grounds for future entrepreneurs. They have the potential to develop not only winning personal qualities but also provide an opportunity to create employment for self and for others. Entrepreneurship, self employment and enterprise creation provide a solution to the crises of both unemployment and underemployment. The MSME DI and KITCO Ltd. are helping to increase knowledge base, by identifying opportunities,
and by pointing out ways to overcome barriers imposed by one's environment. They have a definite role in enhancing entrepreneurship by enlarging the pool of entrepreneurs in the society. Any form of entrepreneurship that is worth promoting broadly must be about establishing new and better ways to improve a society. Entrepreneurship Development Institutions implement innovative programmes, organization structures, or resource strategies that increase their chances of achieving deep, broad, lasting and cost effective social impact. Therefore, the state and the central government should take appropriate measures to promote and develop entrepreneurial education in India.

6.6 Scope for Further Research

Undoubtedly, the above catalogue of suggestions is not exhaustive. It is only a modest attempt to provide a motivational trust for further research. The scope for further research areas on the basis of suggestions are the following:

1. The scope of the study can be extended by studying the impact of Women Entrepreneurship Development Programmes (WEDPs) delivered by the MSMEs Training and Development Institutions in Kerala.

2. A study of entrepreneurial attitude among Technical graduates. The technical courses like engineering and polytechnic are such vocational streams designed to cultivate the entrepreneurship attitude among all the youth so that they would promote self-employment and entrepreneurship.

3. A study of entrepreneurial attitude among minorities in Kerala. From an economic standpoint, it can be argued that the ability of any economy to be enterprise based depends on their ability to encourage and support entrepreneurship in all sections of society including minorities.