



GUIDELINES

ENTREPRENEURSHIP DEVELOPMENT PROGRAMME



Vaazhndhu Kaattuvom Project (VKP)

**ENTREPRENEURSHIP
DEVELOPMENT
PROGRAMME**

Guidelines

TABLE OF

CONTENTS

1. Introduction.....	5
About the Project.....	5
Component 3 - Skills and Jobs Opportunities.....	4
2. Entrepreneurship Development Programme (EDP)	5
3. Who is an entrepreneur?.....	5
4. Why we need Entrepreneurship Development programme?	6
5. Key Steps in EDP Training	9
6. Objectives of EDP training.....	10
7. Target Group.....	11
8. Implementation	14
9. Role of BPMU/DPMU	14
10. Proposal for EDP	14
11. Operation of the EDP	15
12. Training Collaboration	15
13. Content and Methodology for EDP training	16
14. Eligibility Criteria to select beneficiaries for EDP training	13
15. Materials and Services.....	20
16. Fund Flow	20
17. Review, Monitoring & Verification	20
18. Conclusion
Annexure	22
Sample of EDP Training Curriculum for 3 Days	22
DAY:1 22	
Introduction Session	22
Objectives	22
Qualities & Competencies of an Entrepreneur	22

Abbreviations

BPMU	- Block Project Management Unit
EDP	- Entrepreneurship Development Programme
EDII	- Entrepreneurship Development and Innovation Institute
DEO	- District Executive Officer
DPMU	- District Project Management Unit
EOS&J	- Executive Officer Skills and Jobs
MSME	- Micro, Small and Medium Enterprise
RSETI	- Rural Self-Employment Training Institute
SHG	- Self Help Group
SPMU	- State Project Management Unit
VKP	- Vaazhndhu Kaattuvom Project
SYMR	- Skilled Youth Migrant Returnee
VPRC	- Village Poverty Reduction Committee
PLF	- Panchayat Level Federation

Entrepreneurship Development Programme (EDP)

Guidelines

Introduction

About the Project

Vaazhndhu Kaattuvom Project (VKP) is a transformative project that looks beyond poverty alleviation by building sustainability and prosperity of rural communities through enterprise promotion, access to finance, and employment opportunities. The project will harness the institutional and knowledge capital for promoting inclusive economic development and growth for a transformative agenda in rural Tamil Nadu. The project development objective is to “Promote rural enterprises, access to finance and employment opportunities”. This is envisaged through components such as Rural Enterprise Ecosystem Development, Enterprise Business Plan, Skills and Jobs Opportunities in 3,994 village panchayats of 120 blocks in 31 Districts of Tamil Nadu.

Component – Skills and Jobs Opportunities

The Skills and Jobs opportunities component is the third component of the project that aims to create:

A

Sustainable wage and self-employment opportunities,

B

Promote relevant skills for higher value agriculture and allied activities, and

C

Enable entrepreneurship through market responsive skills and entrepreneurship development.

D

Project has a mandate to facilitate entrepreneurship development among project-promoted individual (nano, micro and small enterprises) and collective enterprises.

What is Entrepreneurship Development Programme (EDP)?

- It is a means of enhancing the knowledge and skill of entrepreneurs through several programmes and trainings.
- Its focus is to strengthen the entrepreneurs and help new firms or ventures get better in achieving their goals, improve business and the nation's economy.
- It is divided into General and Sector-wise EDP and beneficiaries can choose between either of the two.

General EDP

It provides the basic ideas of how to successfully run a business and achieve sustainability.

Sector-wise EDP

Sector-wise EDP training provides detailed training and possibilities of development for specific trades as required by the beneficiaries.

Apart from entrepreneur skill, it focuses on the administrative part of a business and day-to-day requirements such as legal entity, licence, working capital, book keeping, stock, inventory management, etc.

Who is an entrepreneur?

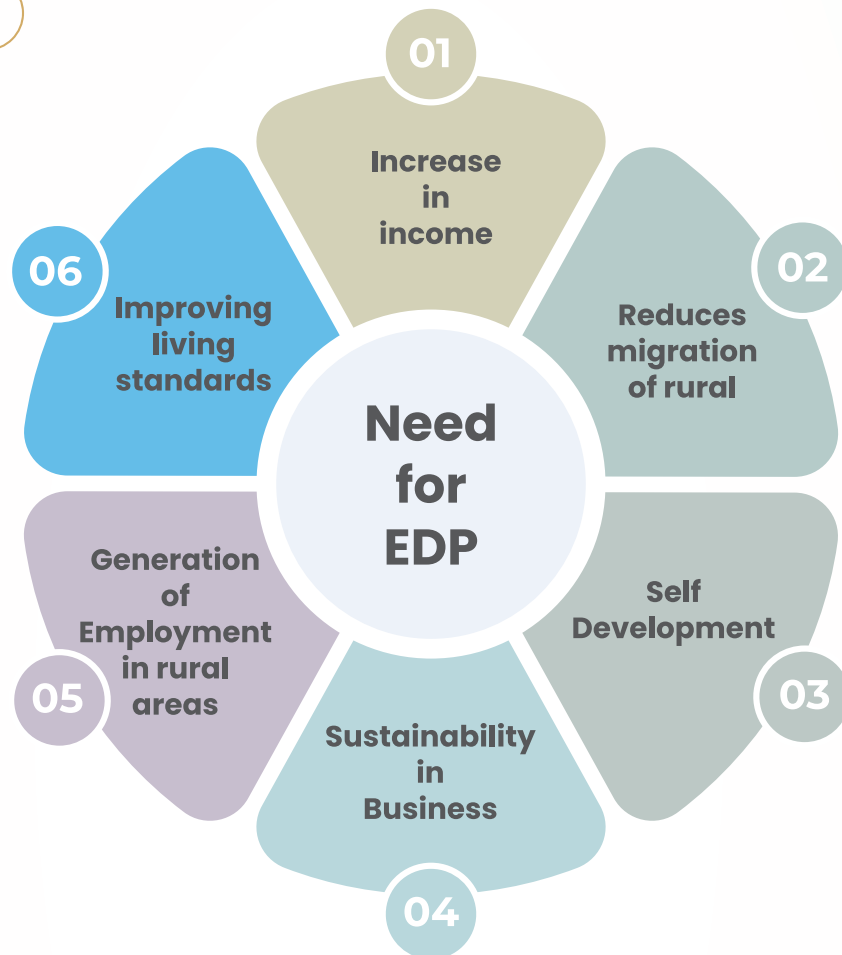
- A person who undertakes the risk of starting a new business venture is called an entrepreneur.
- He/she is an innovator, a source of new ideas, goods, services, and business/or procedures.

Who can be Supported as Entrepreneurs in the Project?

- It primarily targets the SHG households, created in the previous projects, who have basic level of assets, resources and skills.
- It will focus on women, scheduled tribes, scheduled caste, youth and differently-abled.
- Producer households across farm and non-farm sectors.
- Producer groups/producer federations and entrepreneurs in the selected project blocks.
- Project-identified potential entrepreneurs who are willing to grow their enterprise through financial linkages, capacity building and other convergence programmes.

Eligibility Criteria to Select Beneficiaries for EDP Training

- Nano, Micro & Small enterprises, either supported or identified to support through the project.
- 25% of total Skilled Youth Migrant Returnee (SYMR) candidates supported by the project.
- An individual aspiring to become a successful entrepreneur from SHG member's households, with relevant business skills and experience.
- Potential entrepreneurs identified for matching grant programme.
- Potential entrepreneurs identified for various other government subsidy-linked schemes.
- The entrepreneurs who have availed support from the project and identified for future support can be informed through project team, VPRC and PLF.
- Project team shall solicit willingness from entrepreneurs having nano, micro and small enterprises to undergo EDP training.



Increase in Income

Organizing the various factors of production and putting them into productive use by setting up enterprises, will lead to more production, employment and wealth generation.

Reduce migration of rural population

Rural youth face considerable challenges in accessing productive and decent employment opportunities and entrepreneurship helps create job opportunities in rural areas.

Self-Development

Helps the entrepreneurs to enhance their organizing and managerial abilities so that they can run their enterprise efficiently and successfully.

Sustainability in Business

EDP helps enterprises to achieve sustainability and improve rural population's socio-economic status.

Generation of Employment in rural areas

EDP enables prospective entrepreneurs in setting up of their own units, thus enabling them to get self-employment, and these entrepreneurs can in turn employ others.

Improving living standards

By adopting latest innovations, entrepreneurs help in the production of a variety of goods and services and offer them at lower costs by increasing production and thereby increase the standard of living of people.

Education about latest trends and innovations

To be successful in business, entrepreneurs need to be aware of the latest technologies and innovation and EDP provides this kind of training.

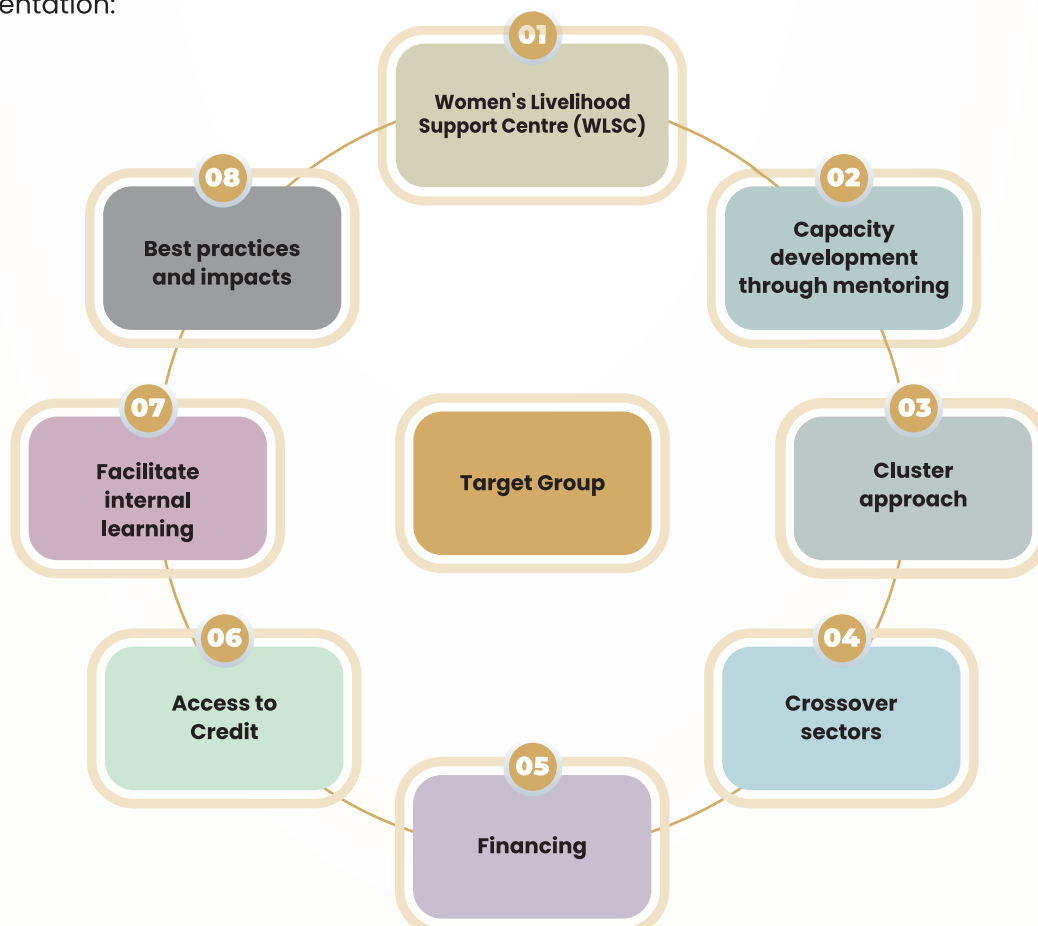
Objectives of EDP training

- To create awareness about availability of resources and opportunities.
- To understand management concepts, tools and methods for Strategic Planning of Business, Trouble Shooting, Management tools for Costing, Financial Management, Inventory, Vendor and Customer Management, Accounting, and other topics.
- To understand rules, processes, procedures and regulations for running an enterprise.
- To impart basic managerial skills and understanding to run the business efficiently and effectively.
- To develop and fortify entrepreneurial quality, i.e., motivation or need for achievement.
- To develop necessary knowledge and skills among the participants.
- To provide knowledge about government plans and programmes.
- To prepare individuals to accept the uncertainty involved in running a business.
- To develop managerial skills among small entrepreneurs for improving the performance of small-scale industries.
- To develop entrepreneurs in project areas of Tamil Nadu.

Target Group

- Training for 8,135 entrepreneurs and service providers – 6,000 Nano, 500 Micro, 120 Small, 500 SPARKs and 1,015 Skilled Youth Migrant Returnee (SYMR) beneficiaries.
- To ensure inclusivity, the project will keep target as 65% women and 5% differently-abled and tribal communities.

In order to ensure women's participation, steps will be taken up at all stages of planning and implementation:



Targeting -

- Women entrepreneurs in Self Help Groups who have confidence in negotiating social norms; have basic assets – physical, skills, knowledge, and/or resources including financial management, decision making, and access to some social networks and information.

Women's Livelihood Support Centre (WLSC) or Magalir Vaazhavadhara Sevai Maiyam (formerly OSF) -

- provides a package of services to address women's needs and constraints, to enhance their level of investment and risk-taking, decision to compete, the degree of sophistication and formalization of their activity, and the type of activities and sectors in which they engage.

Capacity development through mentoring

- will provide an enabling space to entrepreneurs, on-going support to micro and small entrepreneurs for increased profitability, better survival rates, employee management, and a growth trajectory.

Cluster approach

- ensures access to networks and information; increase access to networks of suppliers and reduce (gender-sensitive and financial) costs of accessing them.

Crossover sectors

- assist women to enter male dominated sectors with the support of mentors –mostly men – which could potentially be more profitable.

Financing

- ensure that women entrepreneurs have access to a separate savings account and the project funds for their enterprises through a matching grant that would enable investment in enterprise, control over income and assets, and effective separation between business and household budgets.

Access to Credit

- will provide capacity building to target HHs and develop a system to ensure financial discipline among women. Advocacy and partnership with banking institutions for supporting women-led new enterprises is one of the promotional supports from the project.

Facilitate internal learning

- internal learning through workshops among women enterprises, project staff to gain knowledge and co-learning from the other women enterprise holders.

Best practices and impacts

- documented and shared across the project through knowledge-sharing workshops.

Key Steps in EDP



1. Identification of partners

- The SPMU/DPMU will identify recognised training institute (private or government organization) across Tamil Nadu, that has the appropriate potential to train the candidates.
- Project staff will conduct a meeting with the identified institute to understand various terms and conditions for conducting the training.
- The selected institute(s) shall conduct training initially on a pilot basis which will be evaluated to identify the quality of the training received.
- MoU will be signed with the institutions.

2. Mobilising candidates

- The DEOs will ensure that each candidate passes the criterion which is mentioned in the guidelines.
- The list of candidates selected will be shared to SMPU as per the timeline and after proper analysis.
- The same list is shared with the proposed training institute to conduct training at district level.

3. Conducting EDP Training

- Training shall be conducted at a convenient location proposed by the candidates.
- Usually, training shall take place in the Block office or District office.
- Officials from the EDP training institute will provide training in either General or Sector-wise for a batch of 30 candidates for 3 days.

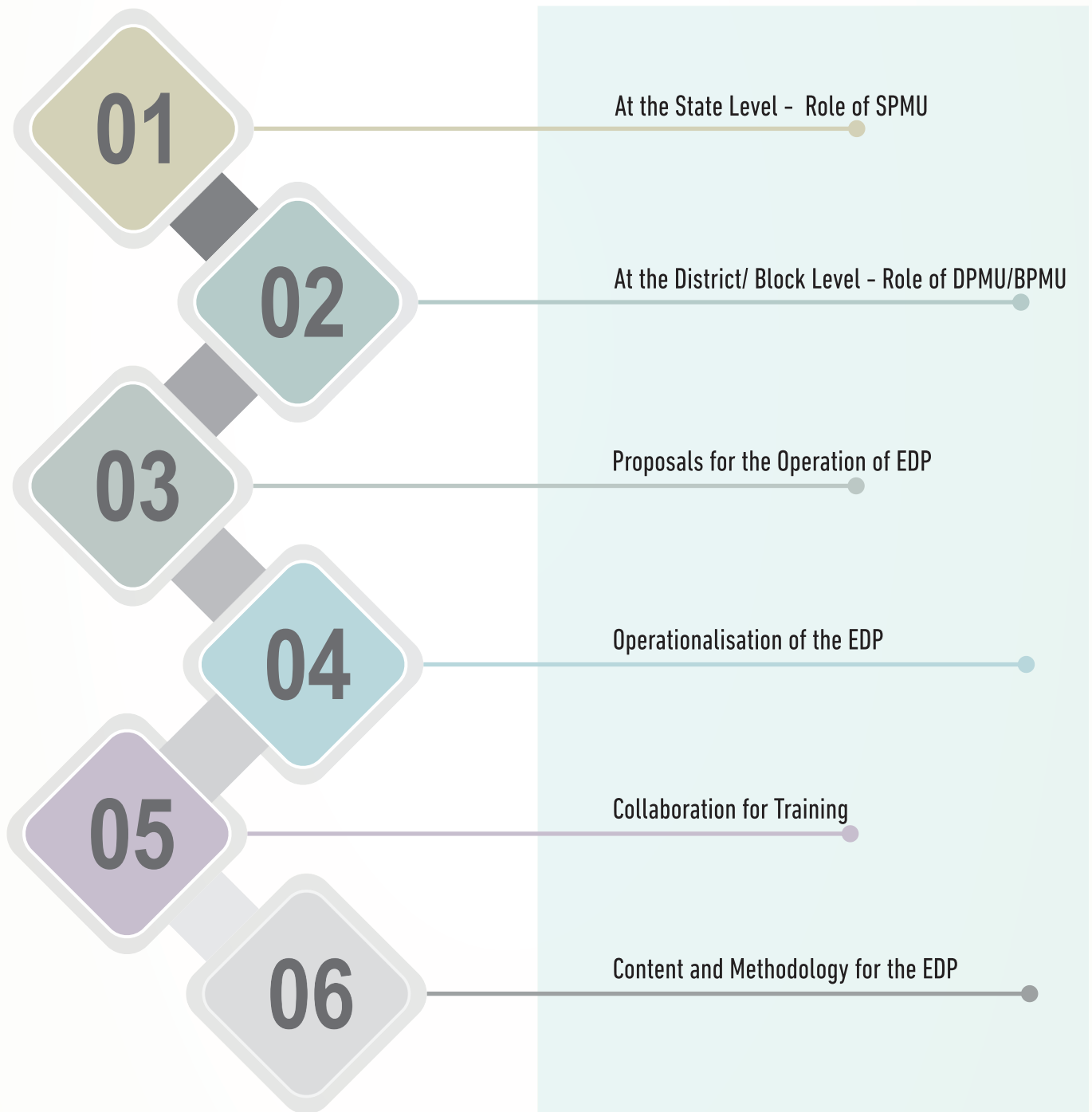
4. Monitoring and Evaluation

- The DEOs and other project staff will monitor the training to make sure the candidates utilise the training effectively.
- Trainers prepare a feedback based on the candidate's performance.
- Trainee's feedbacks will also be collected from each individual to make further developments in the training.
- Trainers will send the report to SPMU for further analysis.

5. Post-training Activities

- The district level staffs will make sure the attendance and other aspects of the training are maintained well.
- The feedbacks from the candidates should be collected on the last day of the training.
- The EOs have to send the faculty feedback forms and do regular follow up with the trainers to collect the forms.
- After the training is completed, DPMU will prepare a report of the training along with the details of the participants and submit to SPMU within 3 days.
- The candidates will receive certificates that will help them avail various government schemes in the future.

Implementation



At the State Level – Role of SPMU

- The SPMU is the nodal body to implement the EDP.
- Its role is to guide, coordinate at state level, release funds and monitor the overall implementation of EDP across the state.
- SPMU will identify various EDP training institutions and assist in coordinating & facilitating of training at the district level.

At the District/ Block Level – Role of DPMU/BPMU

- DPMU shall execute an agreement with the training institute.
- The project team will physically inspect the training activities and monitor the activities carried as per plan.
- BPMU shall collect the periodic report and submit it to DPMU. The same shall be analysed and submitted to SPMU at regular intervals.
- BPMU/DPMU shall ensure proper utilization of funds.
- Periodical reviews and monitoring shall be carried out by the project team.

Proposals for the Operation of EDP

- The DPMU in consultation with institute(s) will prepare the proposal along with the budget and submit to SPMU.
- The SPMU will analyse the proposal for the release of funds.
- The Institute needs to be approached by DPMU and project staff to develop the proposal.
- All applications received from the districts will be appraised by the SPMU before issuing the clearance.
- The DEO will constitute a committee to finalise the proposals and the list of candidates before sending it to SPMU.
- The list of sectors proposed and candidates should be approved by the District Collector.

Operationalisation of the EDP

- Identification and selection of entrepreneurs/ service providers will be done by the BPMU under the guidance of DPMU.
- Based on assessment (number of SYMR candidates, the interest of a large number of youths, and availability of Training Institutes) and prospecting from the ECPs, the DPMU along with BPMU will shortlist the candidates.

Collaboration for Training

- The project can collaborate both with government and private entrepreneurship training institutions at state and district level.
- The selected training institute, which is identified after a rigorous process, will provide training, assessment, and certification to the selected candidates.
- The project has engaged EDII (Entrepreneurship Development and Innovation Institute) which is having more than hundreds of resource persons with experience of more than two decades in EDP trainings across Tamil Nadu.
- Apart from this, the Project has engaged with agencies such as MSSW, TABIF & Edified has evolved training modules, which help in customising training modules.

Content and Methodology for the EDP

- The trainings are usually conducted through offline mode in the institution/Block/District levels or online based on situation.
- The duration of the EDP training programme will vary based on the trade.
- The candidates can either opt for General EDP or Sector-wise EDP.
- The institutions require a minimum number of 30 candidates to start a batch.

Module Outline for Nano Entrepreneurs eligible for MGP

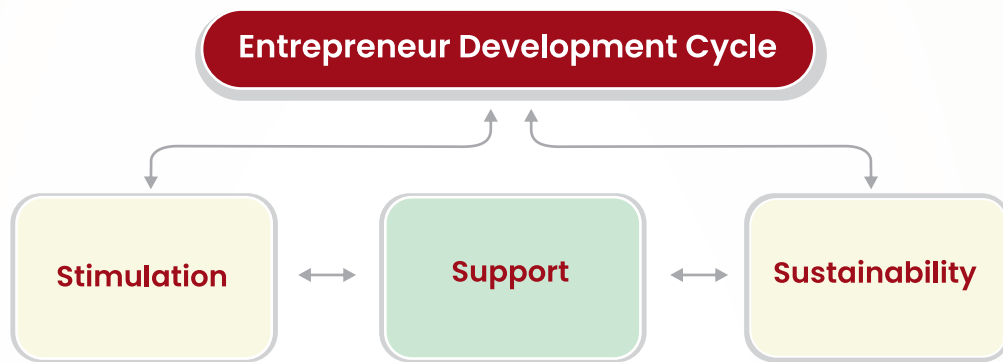
Day	Module	Title	Duration
1	I	Basic concepts of Entrepreneurship – Definition of concepts	1 hr 30 min
	II	Qualities of an entrepreneur	1 hr 30 min
	III	Generating a business idea	1 hr 30 min
	IV	Developing a business idea	1 hr 30 min
2	V	Market analysis	1 hr 30 min
	VI	Financial analysis	1 hr 30 min
	VII	Realistic planning	1 hr 30 min
	VIII	Basics of marketing	1 hr 30 min
3	IX	Costing and pricing	1 hr 30 min
	X	operational management	1 hr 30 min
	XI	Record keeping	1 hr 30 min
	XII	Review and feedback	1 hr 30 min
4	XIII	Case Study on Nano Entrepreneurs	-

Module Outline for Micro & Small Entrepreneurs Eligible for MGP

S.No.	Topics for EDP Training	S.No.	Business Validation Process
1	Starting a new venture – Micro & Small	1	Goals & Assumptions
2	Business registration & various statutory bodies	2	Market Size and Share
3	Entrepreneur's skill set	3	Technical Validation
4	Establishing the enterprise	4	Customer Validation
5	Operations and supply chain management	5	Testing
6	Branding & Marketing		
7	Banking & Funding		
8	Taxation & GST		
9	Sustainability & growth of business		
10	Start-up India, Start-up TN & DPIIT (Department for Promotion of Industry and Internal Trade)		

Session Plan for Nano enterprises, SYMR & SPARKs

Day	Session	Topic
1	I	Registration, Inauguration, introduction
	II	Entrepreneurship <ul style="list-style-type: none"> • Who is an Entrepreneur? • Charms of Entrepreneurship • Qualities & Competencies of an Entrepreneur • The community-based entrepreneur ecosystem that is currently available through the SHG movement at each village. • SWOT Analysis
	III	Pre-Launch steps of Enterprises <ul style="list-style-type: none"> • Uniqueness of Micro and Nano enterprises • Business priorities and schemes that aid Micro and Nano enterprises. • MSME – Classification, Registration • MSME-Support system, supporting organizations • Steps to start an Enterprise
	IV	Project Report Preparation <ul style="list-style-type: none"> • Introduction • Contents, Elements
	I-II	Resource Mobilization <ul style="list-style-type: none"> • Subsidy-based financial assistance schemes of GoTN & Gol • Other Financial institutions/Govt. Agencies • Schemes & Services of Banks for Nano, Micro & Small enterprises. • MUDRA
	III-IV	<ul style="list-style-type: none"> • Banking procedures and practice
	I-III	Marketing & Branding <ul style="list-style-type: none"> • Definition of Marketing • Difference between marketing and sales • Buying Process • Lead Generation • Marketing Strategy • Marketing Methods and Distribution Channels • Pricing Policy • Supply Chain Management • Customer Acquisition & Retention • Unique Selling Proposition (USP) • 4 Ps of Marketing (Product, promotion, place and price)
	IV	Winding up <ul style="list-style-type: none"> • Feedback • Valediction • Certificate distribution



Entrepreneur Development Cycle

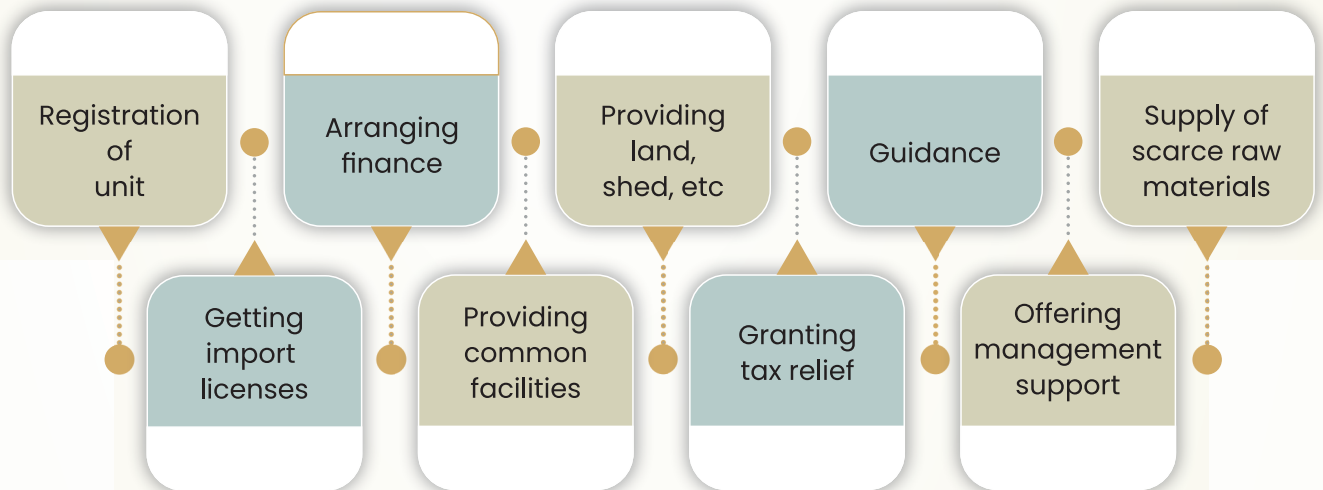
It consists of the 3S i.e. stimulation, support and sustainability.

A. Stimulation :

This module consists of :

- Entrepreneurship education.
- Planned publicity for entrepreneurial opportunities.
- Motivational training.
- Help and guidance in selecting products and preparing project reports.
- Making available techno-economic information and product profits.
- Evolving new products and processes.
- Availability of local agencies with trained personnel.
- Recognition of skills

B. Support consists of :



C. Sustainability :

This component is required for the following reasons:

- To help modernization
- To help diversification /expansion/substitute production.
- Additional financing for full capacity utilization.
- Differing repayment interest.
- Diagnostic industrial extension.
- Production unit's legislation.
- Quality testing and improving services.
- Need-based common facilities centre.

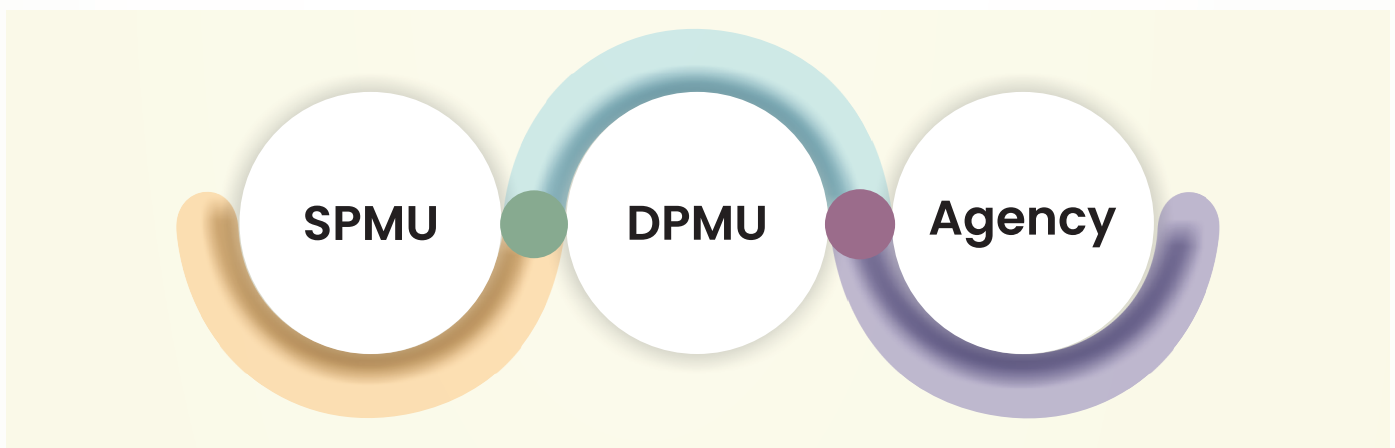
Materials and Services Required to Conduct EDP

This module consists of:

- Reference materials will be provided by the training institutes which contains subject details, training procedures, and list of documents to be prepared.
- The training material as well as the medium of training will be Tamil.
- The training materials will be sent to the location of the training or District office one day prior to the training based of the request from the DPMU/SPMU.
- Each candidate will be provided with a booklet as reference during the training.
- Stationery along with lunch and refreshments will be provided by the DMPU.

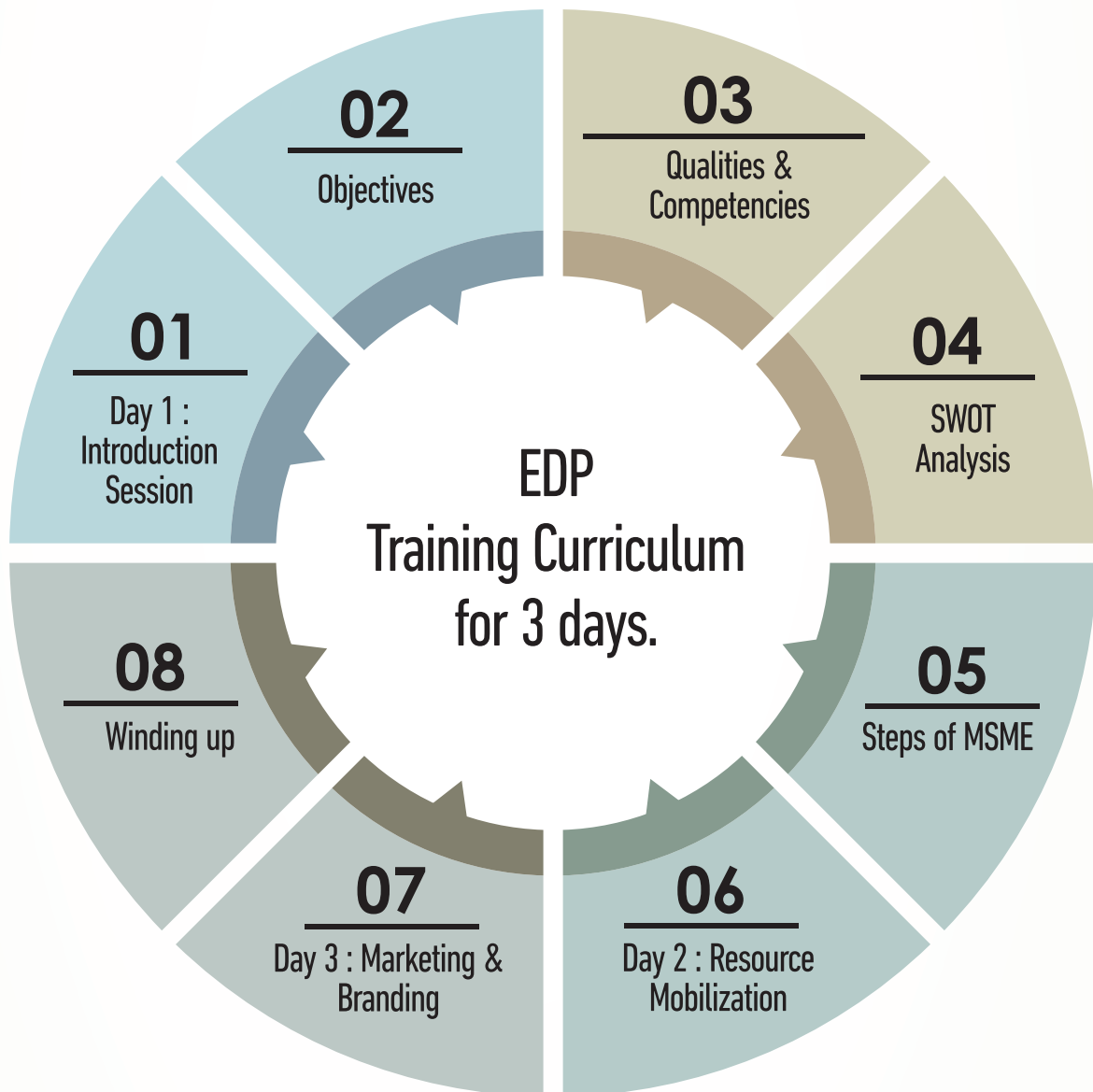
Fund Flow

- Based on the proposal submitted by the Project, identified agency or the DPMU, the fundswill be released to the agency or DPMU. In case of DPMU, it will release the funds to EDP training Institute.



Review, Monitoring & Verification

- The progress of the EDP training will be reviewed by the CEO at the review meetings conducted periodically with District Executive Officers.
- Both scheduled and unscheduled monitoring visits will be done by the officials across all levels to the Institutes or Block Office during implementation.
- Initial, Interim, and completion reports need to be submitted by the Training Institute.
- Nodal officers from SPMU will monitor the district level activities while those DPMU will monitor the block level activities. The Block Team will monitor the village level activities, community professionals, and skill trainers.



Sample of EDP Training Curriculum for 3 days.

Introduction Session

It is necessary because the youth, especially with rural background, are found to be relatively introverted and shy in nature. They may not mix freely with new faces and that may likely hinder the learning process. Unless they are psychologically prepared, their apprehensions are shed and their resistances are lowered, the participant may not derive benefit from the training programme. They need to be motivated and opened to the learning process, if they have to actively participate in the training programme.

Objectives

- To familiarize the participants with each other.
- To make the heterogeneous group into a homogenous group.
- To build expectations about the training programme.
- To describe the importance of interaction in the learning process.

Qualities & Competencies of an Entrepreneur

- This is to make the participants internalize the entrepreneurial competencies and
- To motivate them to sincerely put in their efforts to develop the required competencies, through class room exercise of analysing a case study.
- The success of an enterprise depends on the inherent viability of the project and the way the project is planned, implemented and managed.
- It is the entrepreneur who acts as a driving force behind the performance of these tasks and to carry them out efficiently, the entrepreneur needs to have certain knowledge, skills and a positive personality profile.

Objectives

- To understand the purpose of enterprise promotion as part of economic development.
- To know the traits of a successful entrepreneur.
- To know the relevance of entrepreneurial competencies at different stages of enterprise launching and management.
- To know the details and impact of different competencies.
- To identify entrepreneurial competencies in a successful entrepreneur through a case study.
- To understand the environmental and ethical imperatives of an entrepreneur.

SWOT Analysis

SWOT Analysis is a simple but useful framework for analysing your organization's strengths, weaknesses, opportunities, and threats. It helps you to build on what you do well, to address what you're lacking, to minimize risks, and to take the greatest possible advantage of chances for success. The entrepreneur will be facilitated to do a SWOT on his enterprise idea with the help of the faculty members.

Strengths

- If you have an advantage, is it sustainable in the long run?
- Do you have the relevant knowledge or skills necessary for managing your intended enterprise?
- Are you able to attract ideal customers?
- Do you have access to expertise that would enhance your efficiency & productivity?
- Do you have the contacts needed to fuel and grow your enterprise?

Weaknesses

- If you are operating on borrowed funds, what burdens would those impose on your enterprise?
- Are you affected by any industrial barriers of entry? Legitimately, or not?
- What competitive disadvantages would you suffer from?
- Is your business model aligned with the current economic climate?
- Do you need to rely on others to run your enterprise?
- Do you have existing financial obligations that would weaken your ability to weather a period of low or no income?

Opportunities

- What are the emerging opportunities in the market that provides you new openings?
- What are the various government schemes, grants or loans that you can benefit from?
- What developing social trends could your intended business benefit from?
- Are there any manpower talents or technological benefits that you could utilize?

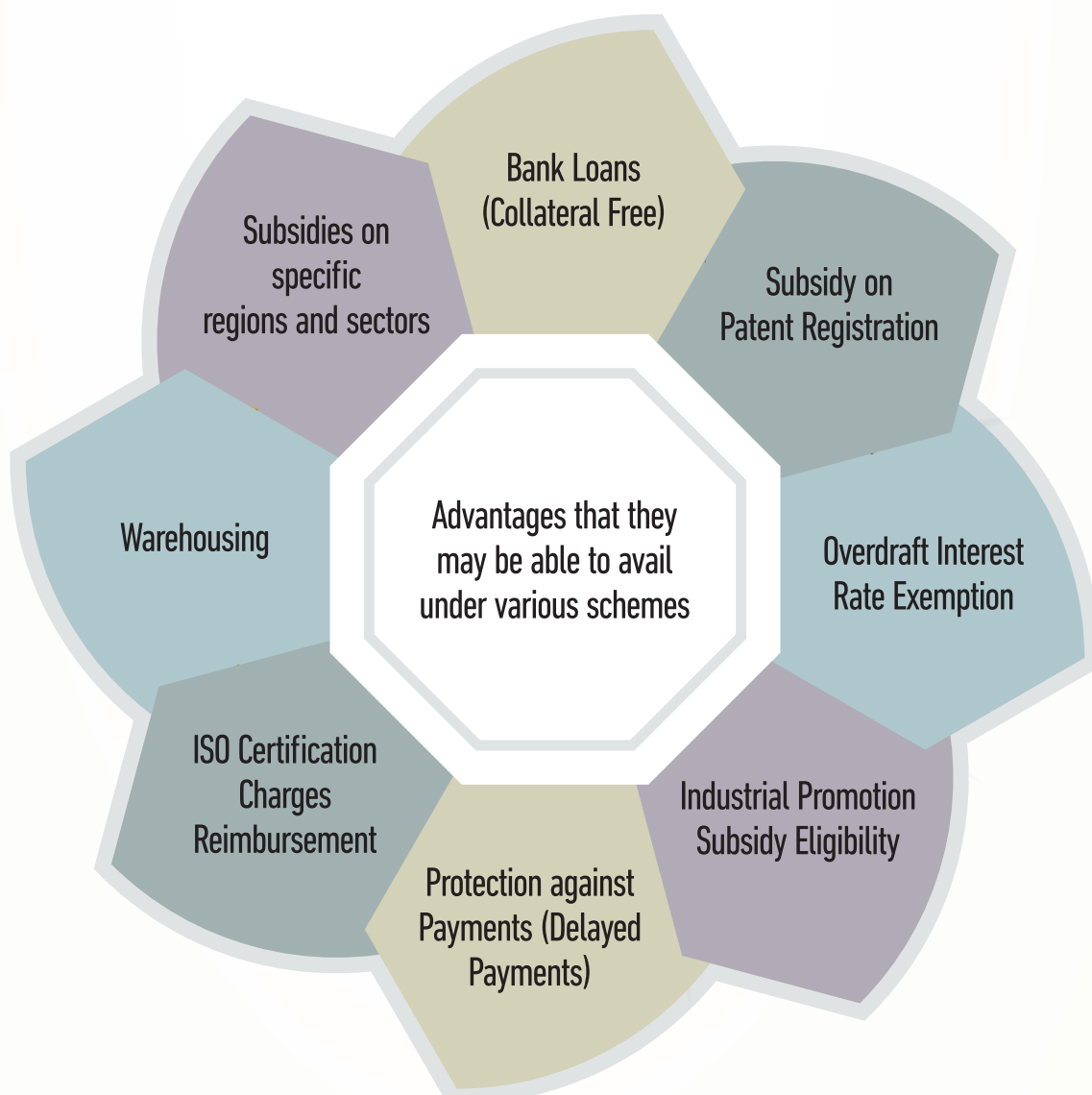
Threats

- What government regulations would negatively affect your enterprise?
- Are there ethical, equity and environmental factors that could undermine your business in the long run?
- Are there any projected downturns that could severely impact you?
- Would any form of technological development, or advancement, severely impact you?
- Do you have personal commitments that might compete with your enterprise for your time and attention?
- Is your current socio-political environment detrimental to your aspirations to be an entrepreneur?

Pre-Launch Steps of MSME

- Micro, Small and Medium Enterprises (MSME) is a branch of the Government of India for the formulation and administration of rules, regulations and laws relating to micro, small and medium enterprises in India.
- The scheme facilitates / boosts the promotion, development and the competitiveness of micro, small and medium enterprises. Along with the Nano segment, the focus of VKP is on the micro and small enterprises.
- This session will have detailed discussion regarding various benefits that can be utilized by candidates to support their enterprise.
- Currently under the start-up ecosystem, Make in India and other several initiatives, there is a push towards start-up ecosystem promotion in the country.

Following are the advantages that they may be able to avail under various schemes:



Resource Mobilization

1

This session aims at linking the potential candidates with various government schemes, government agencies and other financial institutions that will support their enterprise.

2

The candidates will get more clarity and understand the procedures on how to avail loans through banks and other government schemes.

3

The session consists of knowledge building on various government schemes like MUDRA, regarding how the scheme works, how to avail their services, etc.

4

It will provide them case studies of various schemes and how to apply for them using real time enterprises as example.

Day - 3

Marketing & Branding

Marketing is defined as the set of tools, processes, and strategies you use to actively promote your product, service, and enterprise. Branding, on the other hand, is the marketing practice of actively shaping your brand.

Topics discussed under this session are as follows:

1

How to do Market Research

6

Marketing Strategy

2

Understanding the Market Calendar and Seasonality for products / services.

7

Marketing Methods and Distribution Channels

3

Difference between marketing and sales

8

Pricing Policy

4

Buying Process

9

Customer Acquisition & Retention

5

Lead Generation

10

Unique Selling Proposition (USP)

11

4 Ps of Marketing
(Product, Promotion, Place, Price)

Winding up

Once the 3-day EDP training is completed, the trainers are required to fill a feedback form regarding the competency of the candidates and submit the report to DPMU. For e.g., who are the potential candidates, who requires more training, what are the common drawbacks found in the candidates, etc. Based on the report, further action will be

The feedback of the training will also be collected from each candidate to identify various gaps in the trainings.

The government approved certificates will be issued to the candidates who have successfully completed the 3-day EDP training which will help them to avail various bank loans and other governmentschemes.



Notes



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