

Entrepreneurial Education for a Sustainable Future

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Abstract

Svayam is a movement working for self-sustainable entrepreneurship development the Indian youth with a special focus on select environmentally sensitive rural and tribal areas.

Our objective is to conserve forests and develop the other natural resources of their environment while facilitating alternative eco friendly sources of livelihood among the local youth.

Svayam has worked for five years on Sustainable Development (SD) in a forest village called Jummapatti, near Matheran (one of the most eco sensitive areas near Mumbai), which is under joint forest management by the Forest Division of Raigad (Maharashtra).

A few highlights of the village development project:

- Converting the woodcutters' village (earlier declared most unfriendly to forest activities by the forest division) into a tree-growers' village.
- Making entrepreneurs of tribal youth, who now employ other villagers, which is a reversal of the previous scenario.
- The entire village runs its own developmental activities on their own savings.

Svayam has enhanced its scope by educational innovation in the last three years, covering 23 districts of Maharashtra and 18 states.

This unique educational intervention with the twin objectives of Natural Resource Development and Human Resource Development has had wonderful results. The educational model revolves around participative development of local resources and talent through its entrepreneurial development workshops. The educational model, declared one of the best models on self-business planning by a variety of academic authorities ranging from the NCC (National cadet Corps) , engineering institutes, management institutes, the ITI Directorate, Mumbai, to NGOs working in tribal and rural India, including colleges of social work, working for SD in the region.

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Introduction

Facilitating a sustainable future is a process of enabling people to improve their lives and develop their communities themselves. This task can be undertaken by a mature leader who can successfully perform the final test of leadership i.e. to inspire others to be leaders. Godrej has always upheld its philosophy of freedom through self-reliance. Svayam started its journey towards community empowerment for a sustainable future under the banner of the Pirojsha Godrej Foundation, in the year 2000.

Motto

Sustainable Development through Self-Reliance

Aim

To facilitate self-reliance via education and mentoring in environment friendly entrepreneurs so that individuals become capable of leading their own futures sustainably. This induces constructive and creative utilization of locally available natural, social and human resources with special focus on select rural and tribal areas that are environmentally sensitive.

Purpose of the case study

We at Svayam are a very small team of two who facilitate youth entrepreneurship at the rate of only 300 entrepreneurs per year. Our work is new, unique and important, but it needs to be taken up on a larger scale. This is possible if it is shared with like-minded people committed to the same cause.

The Beginning

The Youth Entrepreneurship Development program started with only a financial assistance scheme in the year 2000. The scheme focused on talented youth (between the age group of 18 to 35 years, residing in or around Mumbai and belonging to the lower middle class) wanting to start or expand their businesses in the service or manufacturing sectors in or around Mumbai. The merit of each applicant was tested through a stringent yet swift process of site verification and technical evaluation. Finally, deserving cases were presented to the Entrepreneur Selection Panel comprising of appropriate experts who approved soft loans of up to Rs. 50,000. These loans were provided without any security or collateral, with a customized loan repayment plan, need-based business monitoring and free of cost mentoring to the entrepreneur.

In the year 2001, the first annual review of the financial assistance scheme clearly indicated the need for introducing more proactive educational intervention as an integrated part of the program. The intervention was in the form of customized educational modules on the subject of entrepreneurship. The education modules have two main objectives:

- To inculcate entrepreneurial qualities and competencies among youth when they are reaching the final stage of their formal education. This is the time when they are at the peak of their enthusiasm, ambition and risk-taking abilities—the ideal time to invest in the foundation of their future sustainability.
- To enhance the image and accessibility of entrepreneurship for college youth, so that they perceive entrepreneurship not only as a respectable career option, but also as a well-recognized route towards sustainability in the long run for the self, the family, society and the environment.

Outline of the education modules

These educational modules are developed in consultation with the respective academic authorities of partner educational institutions. The methodology of the modules includes actual business planning by each participant, indoor and outdoor games, group discussions, and presentations by participants, field visits and questionnaires. Special focus is given to developing the entrepreneurial spirit through experiential learning.

The module ensures the complete involvement of each participant in actually developing an innovative business idea of his/her own—right from its conceptualization to a complete business plan. The plans are then assessed and rated by a panel of appropriate experts to test their creativity and business feasibility. Every business plan and awareness effort approved by the panel is recognized by a certificate, awarded at a special convocation program organised in the presence of eminent officials.

Svayam provides the training (remuneration to the team of trainers, their transportation costs and training material) free of cost with the commitment of 100 per cent attendance from participants and hosting arrangements by the local institution.

Scope

Svayam is based in Maharashtra and has been consistently enhancing its movement throughout India since the last four years. As a result, it has already covered 18 states of India and 25 districts of Maharashtra.

Institutional Stakeholders

The educational model functions in partnership with government and private academic institutes ranging from ITIs, NCC, to colleges for social work, and engineering and management students. Special priority is given to institutes working in rural and tribal areas. For example, precedence is given to institutes working in and around Gadchiroli district—a forest and tribal district of Maharashtra. The program also runs its model tribal village project within the eco-sensitive region near Mumbai, in collaboration with the Forest Department and the Khadi and Village Industries Commission.

Who is it for

Anybody between the ages of 18 to 35, who is interested in and has the aptitude to start his/her own business venture utilizing his/her own resources.

The Education Process

Phase I

The process begins with entrepreneurial awareness generation activity, with special focus on the final year students of partner institutes. The awareness activity emphasises the need for educating oneself in entrepreneurship, as it is the most self-sustainable career option.

Phase II

Interested candidates are interviewed to assess their entrepreneurial aptitude. The number of selected candidates is limited to 20 to 30 participants, who are then trained in business planning skills through a basic entrepreneurship workshop spread over two weeks.

Phase III

The workshop is held at a site provided by the host institute. This site includes a lecture room and adequate open space for indoor and outdoor games.

The duration and methodology of the workshop

The workshop lasts for 10 days, with a two-hour session a day. An hour is spent in group discussion and in planning. This is followed by an hour of indoor and outdoor management games and presentations by the participants on themes related to the first part of the session.

The content of the workshop

The workshop facilitates an individualized business planning process with the help of common planning tools, business management principles, checklists and management games. This also includes a Do it Yourself module with actual experience of identifying, planning and presenting a business plan.

The workshop module includes:

- Emphasising the importance of a positive self image in building a successful personality followed by self analysis of each participant, identifying their qualities and specialties.
- Identification and quality analysis by each participant individually of his/her successful entrepreneurial role model who had started his/her business with less educational, social and financial support than the participant.
- Identifying three business choices per participant based on the depth and intensity of their interest, capabilities and resources in those business areas.
- Rating these choices against five essential conditions for business success in order of priority, namely, appropriate levels of interest, demand, talent, contacts and finance,

and analyzing how the chances of overall success can be maintained in the beginning of a new venture inspite of lower scores in the later conditions (i.e. contacts and finance) by compensating through a better performance in the earlier conditions (i.e. interest, demand, talent).

- Factors to be considered while deciding on a business idea, and actually deciding on one based on a checklist of danger indicators.
- Creating the basic identity of the chosen business: title, nature, motto, symbol, business cards and pamphlets.
- Identifying the U.S.P.(Unique Selling Proposition) of the chosen business for each of its stakeholders, namely suppliers, financiers, infrastructure providers, customers, dealers and teammates.
- Group advertisement presentation of the chosen business, testing their marketing skills, presentability, and the confidence, clarity, creativity and conviction in their communication.
- Designing a core team—identifying potential team members in mentoring, production and marketing, based on their capabilities and expected roles, and designing their monetary and non-monetary rewards.
- Conceptual and practical clarity about the need for replacing competition with collaboration, emphasizing a consistent focus on a win-win situation for every stakeholder, including the environment and competitors.
- Quality analysis—the essential qualities of entrepreneurship, including business ethics and testing one’s own entrepreneurial potential.
- Preparing a cash flow statement to arrive at a minimum initial fund requirement followed by Svayam’s plan for raising the money through personal earnings and future savings.

Phase IV

Each participant is given an individual assignment of earning Rs.50 within three days through a unique value adding business chosen specially for the assignment by themselves without a single rupee investment or credit.

The terms and conditions within which the assignment needs to be completed:

- The net profit has to be Rs.50 starting with zero investment of money or material.
 - It must be earned through business only i.e. in the manufacturing or service sector and not from trading commissions or jobs or charity or any other means of income generation.
 - Participants cannot use available materials, tools, machinery, resources or even contacts.
 - The customer must be a stranger to the participant.
 - Tuition and commissions are not allowed, and nor is partnership.
 - Advance money or material can be taken from the customer only.
 - No borrowing of material, machinery or tools from suppliers.
 - Pending orders cannot be fulfilled as a part of the assignment.
 - The idea has to be unique. To ensure that no two participants are working on the same or similar assignments, every participant has to patent his/her assignment idea in advance.
 - More than one business cycle and idea can be used to earn the amount.
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- Introduce the customer and show the product sample to the training coordinators before final delivery.

- Participants should present themselves as entrepreneurs, not as students working on class assignments.
- Spend returns on any cause or person other than the self or other participants.

This is one of the most important and unique aspects of the workshop as it provides multifold experiential insight into important entrepreneurial concepts and skills such as:

1. The ability to identify:
 - Unique and feasible business ideas within any given constraints of resources
 - Hidden business opportunities
 - Methods of converting wealth out of waste or freely available resources
2. Dignity of labour
3. The realization that for successfully running a business, the main issue is not that of finance but of creativity, planning, hard work and marketing perseverance.
4. Realizing the real value of the resources at one's own disposal that were so far being taken for granted (money, material, natural resources and contacts), and the need to cherish and conserve the same for their own future sustainability.

Phase V

Recording, evaluating and grading each business plan and assignment, resulting in the awarding of certificates recognising the performance and potential of participants scoring 50 per cent and above.

Phase VI

A lifetime commitment by Svayam to provide need-based support to the entrepreneurial struggle of each certificate holder. The support includes:

- Individual counseling and entrepreneurial personality development through advanced residential camps on entrepreneurship for interested and selected certificate holders of the basic program.
- Providing business mentors appropriate to the needs of participants.
- Facilitating social support for their business ventures by interacting with their family and friends.
- Helping the candidates gain financial assistance from the best possible sources, if required.
- Other kinds of business help.

The educational model was declared one of the best models of self sustainable business planning by a variety of academic authorities ranging from the NCC and the ITIs to reputed engineering and management institutes in India.

The highlight of the program is that Svayam induces participants to start their ventures with their own resources. This training emphasises the creative and constructive utilization of available resources. Of the students trained by Svayam as many as 41 per cent start their businesses by the date stated in their business plan.

Our learning

The activity did start as a movement for economic self reliance but it has further implications in improving the overall self sustainability of the local environment, as we implement this programme in rural and tribal areas.

In other words it contributes to a sustainable future at many levels.

- It ensures the economic sustainability of the individual in his/her own locality, thus indirectly reducing the migration of talent and resources from tribal and rural India to already overcrowded metros.
- It serves families directly by enhancing the appreciation of family resources, thus indirectly strengthening family ties.
- It creates a local network of upcoming entrepreneurs working in mutually complementary businesses, struggling together to establish their local group, promoting collaboration over competition.
- It validates the educational system by creating self-sustainable careers for students.
- It creates micro entrepreneurial role models for others to follow.
- It sets up a local entrepreneurial base in the area—the best way to sustain the economy in times of uncertainty, fluctuation and crises.
- It utilizes indigenous talent, reducing the brain drain.
- It reinforces our fundamental right to design and control our own careers and thereby our lives.

For environmental sustainability it helps in

- Reducing pollutants caused by the frequent migration of humans and local resources in search for gainful employment.
- Better utilization of local resources, as for example, by remote area participants involved in assembling and recycling home appliances in the rising second hand market of tribal India.
- Providing constructive alternatives to the destructive practices adopted by communities in search of employment, for example, the launch of a non-violent honey collection process by Svayam, diverting the wood cutters' destructive profession towards planting trees of diversified species suitable for honey bees.
- Providing economic incentives for environment conservation efforts, for example, the development of eco-tourism, nature camps with plantation drives in forest villages led and managed by a local network of participant entrepreneurs.

Svayam is also increasingly sought by NGOs and academic institutes for conducting train the trainers programs for their teams of professionals.

Conclusion

- Customized education can facilitate entrepreneurship if inculcated among the youth in their final years of formal education.
- Ethical and local entrepreneurship can contribute to a sustainable future, not only financially but also socially and environmentally.