

Role of MSME- Development Institute (MSME-DI) in Uttarakhand: Training Programmes for Human Resource Development

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Abstract

This paper discussed the role of Training Programmes to Human Resource Development through Micro, Small and Medium Enterprises Development Institute (MSME-DI) for the encouragement, growth and development of Micro, Small and Medium Enterprises (MSMEs) in the state of Uttarakhand. MSME-DI typically offers a variety of services to MSMEs, including training programs for human resource development. These training programs are designed to enhance the skills and capabilities of the workforce in MSMEs, enabling them to better contribute to the growth and competitiveness of the businesses. The current paper was discussed, analyzed and examined the wide range of training programs and schemes launched by the MSME-Development Institute in Uttarakhand. The MSME-DI performs a large range of activities all over Uttarakhand for the industrialization of the state. It implements a series of training programs every year. The training programs are adopted in various disciplines, depending upon the need of the area. It also implements many schemes of the Government of India. In addition to, it performs several awareness programs all over the State. Undoubtedly, the Institute has a large range of activities for the benefit and promotion of the MSMEs in Uttarakhand.

Keywords

Micro, Small, and Medium Enterprises-Development Institute (MSME-DI), Entrepreneurship Skill Development Programmes (ESDPs), Industrial Motivation Campaigns (MICs), Management Development Programmes (MDPs), Entrepreneurship Development Programmes (EDPs)

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Introduction

Micro, Small, and Medium Enterprises (MSMEs) form the backbone of many economies worldwide, contributing significantly to economic growth, employment generation, and innovation. In the context of India, MSMEs play a pivotal role in fostering entrepreneurship, regional development, and inclusive growth. These enterprises are often referred to as the “engine of growth” due to their ability to adapt quickly to changing market demands and their capacity to absorb a large workforce.

Skill development in the state is gaining momentum given the changing dynamics of the demography and the upcoming demand for skills and jobs in the future. Now more than ever, governments, institutions, employers, and individuals are realizing that industry-relevant skills and knowledge are of prime importance for both a sustainable livelihood and the development of the state. Lack of relevant skills and knowledge will result in greater consequences in the years to come, which may prove to be an uphill task for the state in generating adequate jobs. In light of the same, the Government of Uttarakhand is implementing various skill development initiatives for the youth. India comparatively has a less strong economy and belongs to the category of developing countries. Thus, there is a desperate need to set up institutions and organizations, both at the central and state levels for the proper growth, development and functioning of the micro, small and medium enterprises. This sector can be the largest employment generating agency and can also become the source of livelihood to immense number of vendors in the state of Uttarakhand. To this end, it is essential to set up broad-based institutional structure for the development and proper functioning of these industries. For the fulfillment of this objective, the Small Industries Development Organisation (SIDO) was set up in 1954 in India. Based on the recommendation of a team of experts nominated by the Government of India, the MSME-DI was institutionally set up. Initially, a support network called the Small Industries Service Institute (SISI) was created which was renamed as Micro, Small and Medium Enterprises (MSME-DI). The Micro, Small and Medium Enterprises (MSMEs) have recently arisen as a highly vibrant sector in the developing economy of India. It has emerged as one of the large employment providers when compared to large-scale industries. In addition, it has industrialized rural and backward areas, thereby contributing in a big way to retarding regional inequality and achieving the goal of equal distribution of the national wealth. Thus, the MSMEs are supplementary units that complement and provide a significant backing to the social as well as economic development of the country. MSME-DI conducts different training programs in the state of Uttarakhand that can benefit not only the emerging entrepreneurs but also the existing and experienced ones.

The most emergent responsibility of the State Governments is to support and assist the development of the MSME sector. The state government was benefited by a variety of policy initiatives adopted by the Government of India. Encouraging of entrepreneurial activities, helping micro start-ups, employment generation and creation of livelihood opportunities happens to be the objective of the Ministry of MSME and its ancillary organizations. This encourages competitiveness of the MSME sector thereby making the Indian economy a potent player in the international market as well.

On 2nd July, 1983 the Micro, Small and Medium Enterprises Development Institute (MSME-DI) was established at Haldwani in Uttarakhand. Later, on 15th June, 2001 it was upgraded to a full-fledged independently working institution. Working as the Office of Development Commissioner (MSME) under Ministry of Micro, Small and Medium Enterprises (MSME), the Micro, Small and Medium Enterprises Development Institute (MSME-DI), Haldwani is a field level Institute of the Government of India (GOI). The Office of Development Commissioner (MSME) under the guidance of Ministry of MSME primarily functions as the apex body for policy formulation and planning to MSME in the country

Review of Literature

Pema Lama (2012-13) analyzed the definition, role and performance of MSMEs in India. She also highlighted government policies towards MSMEs as well as the various challenges and opportunities associated with MSMEs in India.

Ashok Kumar Panigrahi (2012) highlights that proper training and development for enhancing the manager's knowledge and awareness about risk management can help in the systematic handling of risks in MSMEs.

Deepti Bhargava (2012) explained the main factors related to the success of different business categories and also evaluated the problems suffered by entrepreneurs in small industrial businesses in the rural area of Rajsamand District. This paper elaborated that the products were associated with marketing and training programs at par. Marketing of rural products and skill development of entrepreneurs were perceived as the major issues.

The Objective of the Study

To study the role of MSME-Development Institute (MSME-DI) for the development of human resources through training programs in Uttarakhand.

The Hypothesis of the Study

The role of the MSME-Development Institute (MSME-DI) is not favorable for the development of human resources through training programs in Uttarakhand.

Research Methodology:

The paper focuses on secondary data collected from various books, magazines, journals, websites, various annual report of MSME-DI, Haldwani, annual reports from District Industrial Centre (DIC), Ministry of MSMEs (Development Commission and Development Institute) and Directorate of Industries (DOI), Dehradun, Uttarakhand.

At specific intervals, MSME-DI organizes a good number of training and capacity-building programs to train up new start-up enterprises for the spread and adoption of knowledge used by the previously established and successful entrepreneurs. This kind of knowledge includes both managerial skills and technological know-how to encourage and promote ventures in enterprises of micro and small level. Existing entrepreneurs are also benefitted from the program for awareness generation regarding various schemes and incentives available to them. Knowledge up-gradation and effectiveness of improved managerial skills happen to be the most important aim of the schemes and programs organized by MSME-DI.

Every year, with the motive to train up the entrepreneurs, The MSME-Development Institute conducts several training programs in collaboration with various technical institutions such as IITs, Polytechnic Institute and NGOs. Training programs are conducted for different strata of society in order to make them self-dependent and make them employable. Its branches are well equipped in both theoretical and practical knowledge in their respective fields.

Training Programmes:

The following important training programs are conducted by the Institute:

Entrepreneurship Development Programmes (EDPs):

Entrepreneurship Development Programmes are conducted for the educated unemployed youth to develop an entrepreneurial culture in them. This program provides knowledge on product/focus design, manufacturing techniques, technical knowledge of machinery, marketing strategies, and infrastructure required for the financial institute.

Entrepreneurship Skill Development Programmes (ESDPs):

Entrepreneurship Skill Development Programmes (ESDPs) is a new concept introduced in the year 2007-2008. During that year, the Institute was assigned a target of five Entrepreneurship Skill Development Programmes, out of which one program was meant for the weaker sections, especially women, SC/ST, OBC, minorities and physically handicapped. This program extended a nominal monetary benefit to the target group by providing a monthly stipend of INR 500 per individual. A non-stipend program was also conducted for the weaker section; three other programs were

organized for the unemployed youth to achieve self-employment. It also focuses on entrepreneurial skill development by improving managerial quality, skill enhancement and decision-making capacity by way of motivating the old and new entrepreneurs.

Industrial Motivation Campaigns (IMC) :

The objective of Industrial Motivation Campaigns (IMC) was to develop entrepreneurial skills among youth and to create awareness about the need for industrialization for a balanced and equitable socio-economic development of the state. For this purpose, the Institute conducts a number of motivational campaigns at different places. Divergent categories ranging from women, poor and exploited to the so-called lower castes to the educated unemployed youth and also the semi-skilled and unskilled artisans, including the marginalized section of the society are basically targeted by these campaigns organized by the MSME-DI.

Management Development Programmes (MDPs):

The lack of managerial skills is found to be the major reason for the failure resulting in premature shutdown and sickness of the Small-Scale Industries (SSI). Keeping this in mind, the institute started to conduct a number of Management Development Programmes (MDPs) in different regions of the state under study. The MDPs are introduced by the Institute with a view to improving managerial qualities in existing entrepreneurs. This includes information about tax, management qualities, and packaging knowledge and marketing skills.

Different training programs conducted by the institute between the years 2011 to 2017 in Uttarakhand are listed in Table 1.

Table 1: Various Type of Training Programmes (EDPs/ESDPs/IMC and MDPs) Conducted during the years (2011-12 to 2016-17).

Years	Training Programme				
	EDP	ESDP	INC	MDP	TOTAL
2011-12	05	24	17	05	51
2012-13	08	20	26	04	58
2013-14	08	20	26	04	58
2014-15	02	17	08	01	28
2015-16	12	-	12	-	24
2016-17	02	05	06	-	13
TOTAL	37	86	95	14	232

Source: Various Annual Report of MSME-DI, Haldwani, Uttarakhand and Annual Progress Reports (during 2011 -12 to 2016-17)

The above table1 depicts that MSME-DI organized 232 training programmes in Uttarakhand during the year 2011-12 to 2016-17. Out of them, maximum numbers of training programs, i.e., 58 each during the period 2012-13 and 2013-14 were organized,

followed by 51 during the period 2011-12 whereas the least number, i.e., 13 programs had been organized during the year 2016-17. It is also seen that during the period from 2014-15 and 2015-16 only 28 and 24 training programmes were organised by MSMS-DI at different corners in Uttarakhand. It is also observed that out of a total of 232 training programs organized during the 6-year of period, 37 programs were conducted in the field of EDP, 86 in ESDP, 95 in IMC and the rest 14 were related to MDP.

The above finding illustrates the fact that after 2013-14, training programmes organised by MSME-DI were decreasing till 2016-17. It clearly shows that the MSME-DI is not paying adequate attention to training up entrepreneurs for the development of enterprises in Uttarakhand.

Table 2: Shows Year Wise Distribution of Various Training Programmes According to Different Categories along with Participants:

Year	Training programme			Between the category				Benefited (Persons)
	Type	Number	Stipend	General	SC	ST	PH/ wom en	
2011-12	EDPs	05	With	01	-	-	-	2056
			Without	04	-	-	-	
	ESDPs	24	With	-	01	02	03	
			Without	07	09	02	-	
	IMCs	17	-	-	-	-	-	
2012-13	MDPs	05	-	-	-	-	-	1984
	EDPs	08	With	-	-	01	-	
			Without	01	05	01	-	
	ESDPs	20	With	-	02	02	-	
			Without	01	07	07	01	
2013-14	INC	26	-	-	-	-	-	2368
	MDP	05	-	-	-	-	-	
	EDPs	08	With	NA				
			Without					
	ESDPs	20	With	NA				
2014-15			Without					852
	INC	26	Without	NA				
	MDP	04	Without	NA				
	EDPs	02	With	-	-	01	-	
			Without	01	-	-	-	
2015-16	ESDPs	17	With	-	01	01	01	925
			Without	05	06	03	-	
	INC	08	Without	02	04	02	-	
	MDP	01	Without	-	-	01	-	
	EDPs	12	With	-	01	01	01	
2016-17			Without	03	03	03	-	411
	ESDPs	00	With	-	-	-	-	
			Without	-	-	-	-	
	INC	12	Without	04	04	04	-	
	MDP	00	Without	-	-	-	-	
TOTAL	EDPs	02	With	-	-	-	-	8596
			Without	01	01	-	-	
	ESDPs	05	With	-	01	-	01	
			Without	02	01	-	-	
	INC	06	Without	03	02	01	-	
TOTAL	MDP	00	Without	-	-	-	-	8596
	232	-	-	-	-	-	-	

Source: Annual Reports of MSME-DI, Haldwani, Uttarakhand and Annual Progress Reports during 2011 -12 and 2016-17

The above table 2 reveals that the MSME-DI conducted 51 training programmes which include 5 EDPs, 24 ESDPs, 17 related IMCs and 5 MDPs during the year 2011-12. A total of 2056 participants participated in the respective training programs. It was also found that the participants of the different training programmes were from different levels of economic condition both from weaker and marginalised sections and different castes. It has been found that most of them were either new entrepreneurs or unemployed youth of different areas of Uttarakhand. Similarly, the year 2012-13 saw the organisation of 59 training programmes amongst which 8, 20, 26 and 5 were related to EDPs, ESDPs, IMCs and MDPs respectively. 1784 persons are believed to have benefited from the specified training programs.

It is also observed that the Institute reported having conducted a total of 58 training programs during 2013-14 among which 8 training programs were performed for EDPs, 20 for ESDPs and 26 and 4 training programs were in connection to IMC and MDP, respectively. 2368 persons are reported to have participated in different training programs to have adequate and relevant knowledge, awareness and benefits. The year 2014-15 experienced 28 programs for training by the institute which includes 2 EDPs, 17 on ESD while remaining 8 and only 1 training program on IMCs and MDPs, respectively. The total number of persons benefited by the training programs was found to be 852.

The Institute conducted 24 training programs during 2015-16, such as 12 in the area of ED and 12 in the area of IMCs while there were no training programs organized in the field of ESD and MD, respectively. 925 participants participated in these 24 training schedules. It is noticed that only 13 training programmes were performed by MSME-DI in the year 2016-17 among which 2 were in the area of ED, 5 in the area of ESD and 6 training programmes related to IMCs. There was no training program in the area of MDP conducted by the institute during this period. A total 411 persons got the benefited from these training programs.

Analyzing the above training programs, it was found that the training programs organized by the institute were found to be lesser which is 65 during the three years of 2014-15 to 2016-17, in comparison to the beginning three years i.e., 2011-12 to 2013-14 when 167 numbers of programs were conducted. It was further found that there were no training programmes conducted in the area of ESDPs and MDP in the year 2015-16 and only 1 MDP was organised during the year 2016-17. The result clearly shows through 232 training programs organized by the institute in different disciplines, a total of 8596 persons were benefited during six years of periods. The average number of training programs in different fields per year was

found to be 38 to 39 in which on an average 1432 persons participated per year. It was also found that on an average 37 persons participated in every training program which was organized by the institute in the study area, i.e., the state of Uttarakhand.

Finding

The paper describes in detail the role of Micro, Small and Medium Enterprises Development Institute (MSME-DI) for the promotion and development of MSMEs through training programs in Uttarakhand. The findings can briefly be summarised as follows:

It is found that MSME-DI organized total 232 training programs in Uttarakhand State during six years of periods (2011-12 to 2016-17), out of the 37 training programs were in the field of Entrepreneurship Development Programme (EDP), 86 Entrepreneurship Skill Development Programme (ESDP), 95 in Management Development Programme (MDP), and remaining 4 were related with Industrial Motivation Campaign (IMC), respectively.

It is seen that after the period of 2013-14 a decreasing trend is observed up to 2016-17, organized by MSME-DI in Uttarakhand. It clearly shows that the MSME-DI is paying least attention to training programs of entrepreneurs for the improvement of enterprises in Uttarakhand the result clarifies the fact that total 8596 participants benefited in 232 training programmes organized by the MSME-DI during six years of periods.

The MSME-DI performed various types of activities all over Uttarakhand State for industrialization and it implements a series of awareness and training programs every year. The awareness and training programs were adopted in various disciplines, depending upon the need of the area. Therefore, the research hypothesis has been rejected that the role of the MSME-Development Institute (MSME-DI) is not favorable for the development of human resources through training programs in Uttarakhand.

Conclusion

The MSME-DI performs a large range of activities all over Uttarakhand for the industrialization of the state. It implements a series of training programs every year. The training programs are adopted in various disciplines, depending upon the need of the area. It also does the implementation of many schemes of the Government of India. In addition to, it performs several awareness programs all over the State. Undoubtedly, the Institute has a large range of activities for the benefit and promotion of the MSMEs in Uttarakhand. As we delve into the role of the MSME-Development Institute (MSME-DI) in Uttarakhand's Training Programme for Human Resource Development, we further unravel the mechanisms that empower these enterprises to thrive and contribute meaningfully to the nation's progress.

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