



ISED

Business Development Services Center



Institute of Small Enterprises & Development

ISED House, ISED Enclave, ISED Road, Cochin - 682028, India

Email: info@isedonline.org

URL : www.isedonline.org

Background

In the global discussions on Enterprise Development, 'Business Development Services (BDS), as a generic term, come to prominence. In the absence of an umbrella concept, each subject/function, such as motivation, mentoring, project report preparation, marketing, and escort services, will stand apart. Naturally, enterprises, and more specifically start ups, are likely to remain incapacitated from a sustainability angle.

The term 'Business Development Services' was originally defined and brought to prominence by the Donor Committee in the year 2003. According to the Committee, the term implies "services that improve the performance of the enterprise, its access to market, and its ability to compete" The Donor Committee presumes that these various activities should ideally work as per market principles. In India, the term BDS is still in its infancy stage, both at the conceptual level and in practice. A more broad based definition was given by the ISED in 2015, which includes along with strategic and operational services, those services that contribute to influence the eco system and policy making.

In India, business related services have traditionally been considered as an engineering concept. This concept, subsequently, got institutionalised in the form of Technical Consultancy Organisations (TCOs).

Demand-Supply Gap

As the economy grows, structural changes also take place, which requires the services of BDS providers in an accelerated fashion. Such vital services include both strategic and operational services. The spectrum of services include, startup training, mentoring, escort services, preparation and documentation of registration papers, market studies, feasibility studies, preparation of area development plans and local economic development strategies, Institution development, policy advisory services etc. However, the supply remains relatively inadequate today. This critical gap demands more coordinated institutional initiatives that should come into play. It is in this context that the Institute has set up the ISED Business Development Services Center.

Vision of the Centre

The Institute of Small Enterprises and Development, as also the ISED BDS Center considers Business Development Services, as a vital input in enterprise development, that need to flow as per market principles. They consider BDS as a means of channelising knowledge to the service of business.

Capabilities

The ability to easily access business development services is vital for the success of MSMEs. Such support extended by the Centre includes, information, advisory services necessary to improve the entrepreneur's personal and organizational effectiveness, as also policy changes, monitoring and training. These services form an important part of the "market support structure" that helps build SME competitiveness.

Business Development Services are of three types: (a) operational; (b) strategic, and (c) ecosystem management. The common parlance and practice of BDS is operational, i.e., providing services mainly for setting up a unit. Strategic services,

which are more comprehensive, encompasses the variety of services needed for day-to-day problem solving. Eco system management involves all kinds of interventions and support helps to change the policy and environment in which the enterprises work.

Track

Enterprises and entrepreneurship are the thrusts of the Institute's mandate. SMEs, atomic by nature, need to have professional support to analyse their own environment, to articulate their needs, and to understand the impact of policies that get shape there from. On the other hand, government, business associations and donors alike, need to have professionally sound communication with industry, such that policies are shaped in the right manner, and their impact is realistically understood at the right time. ISED responds to such emerging needs by:

- Prediction on the shape of things to come and suggestions on what to do; and
- Extension of direct professional services relating to preparation of business plan, marketing solutions and finance.
- Training and escort services.

Range of Services and Projects

The Centre's clientele includes both individuals and institutions:

Individual Projects

Projects under this category include the following:

Start-up Projects: For those with investible funds, but not having a clear project idea, or that there is a project idea, but not having clarity on funding, the Centre extends its support services.

Business Upscaling: Solutions are offered for existing firms seeking to upscale their activity through new technology and innovation.

Enterprise Revival Package: Increasing levels of enterprise morbidity is a matter of concern for businesses, promotional agencies and banks today. Therefore, from point of view of private sector development, it is important to have health/revival packages both for individual businesses and clusters. The Institute offers services this area.

Umbrella Projects

Start-up promotion is an emerging area of interest for many institutions, public and private. However, the necessary capabilities of design of programmes and their implementation or resources is often lacking. The ISED BDS Centre extends support to such institutions, in order to design such programmes. It also extends operational support.

For example, ISED has a collaborative agreement with the Coconut Development Board, under which the



**Coconut
Development
Board**

Institute's services are extended to the projects under the National Coconut Development Mission. Entrepreneurs and potential entrepreneurs, desirous of starting new projects/

expand their projects, can contact the Institute directly, for support in project development and related areas.

The ISED BDS Centre is an accredited Handholding Organisation of the Small Industries Development Bank of India, for the 'Stand-up India' Programme, under 'SIDBI Stand-up Mitra'. Applicants and potential applicants for finance under 'Stand-up India' can approach the Centre for various business related services.



Cluster Development

The latest thinking on the strategy of enterprise development is anchored on the theory of 'collective efficiency', which gets strategised in the form of cluster development programs.. ISED has pioneered some practical initiatives in this area since 1995

ISED's initiatives on cluster development have been based on its enquiries on local economic development, which dates back to the early half of 1990's. Having globalisation as a relatively new experience in the Indian context, it was appropriate to think of its, impact on local economic development. The enquiries of ISED ended up in its finding on 'entrepreneurial atomism' as the key driver of local economic development. Where governments progressively move out of the scene, capabilities embedded in the atomic entrepreneurs need to be unleashed. Cluster is a viable strategy in this regard. Some of the examples of ISED initiatives in the area belong to the following categories:

Bamboo Village Network (BVN)

Jointly with the Small Industries Development Bank of India (SIDBI), this ISED initiated model gained international recognition through the Oshikawa International Award by the Asian Productivity Organisation (APO), Tokyo

Beads Cluster Models

Traditional beads making is a women-dominant rural craft. Having a highly segmented market, this craft, of late, is facing severe strains. ISED developed a programme for technology upgradation and organizational reforms in this sub sector. The industry is now in the process of being reorganized under a Craftsmen Producers' Association.

Craft Cluster Models

Jointly with the Ministry of Textiles, Government of India, ISED modelled a Craft Cluster Development Model, which was subsequently experimental in various parts of the country. The Ambedkar Hasthkala Vikas Yojana of the Office of the Development Commissioner (Handicrafts) was evolved out of these early initiatives.

Urban Micro Enterprise Development Programme (UMEDP)

The problem of urban poverty in India has traditionally been considered as an individual specific issue, for which stand-alone solution were recommended. Jointly with the DFID, the Institute modelled an intervention programme called Urban Micro Enterprise Development Programme (UMEDP), which was subsequently experimented in various cities. This model is

the predecessor of the Kudumbashree project in Kerala.

Data Products

The ISED Small Enterprise Observatory (ISED-SEO) maintains a variety of data resources that are directly useful to entrepreneurs, financial institutions, and other stake holders. These resources are also accessible to the Centre.

CSR Programme

The Government of India has, under its CSR Policy, identified and listed a set of areas where the corporates can utilise their CSR funds. While ISED has special expertise in CSR and Responsible Business, the Centre joins with the Institute to assist the corporates in developing enterprise and skill development related CSR programmes.

Edupreneurship Lab

The mission of this Lab is to promote entrepreneurship sparks in educational institutions through research, training, mentoring, and support to Institution Development. The various Knowledge Centres of the ISED extend their support and services to this Lab.

Non commercial Business Development Services

A large number of entrepreneurs need business information and strategic services, preferably at affordable rates. ISED addresses this problem through its special window for Non-commercial Business Development Services (NCBDS). NCBDS implies, Business Development Services meant for those SMEs who cannot afford such services at market rates. ISED, through its international networks channelizes world class BDS to the requirements of SMEs in India.

ISED also engages in non commercial BDS, in its role as a responsible Institute. In the role, the Institute engages in Volunteering Services, on its own, as also with International Volunteering Organisations.

How it Functions

The Center functions as a particular wing of the ISED Center for Enterprise Development. The services of the Center are offered both on a commercial and social responsibility basis.

About ISED

The Institute of Small Enterprises and Development (ISED) is a Center for advanced learning and practice in the area of industrial development, with thrust on micro, small and medium enterprises (MSMEs). The Institute's mission is to advance the theory and practice of development, and especially of enterprise development, among civil society, enterprises, policy makers, international partners, media, and other practitioners. The Institute's vision and mission are grounded on innovations in development interventions: research, business development services, publication, networking, policy dialogue, and advocacy.

More details, & request for services:
Please contact the Coordinator, ISED BDS Centre
Email: info@isedonline.org Ph: 0484 2808171



Dr. P.M. Mathew: Senior Fellow and Director, ISED, Mathew is an economist and policy analyst. Has had key advisory positions with the Government of India and the Reserve Bank of India. He also has consultative role with several international organisations.



Dr. J.M.I. Sait : Senior Fellow of the Institute, J.M.I. Sait is a financial expert specialising on industrial policy and planning, local economic development, marketing and SME finance. A consultant to several international organizations, Dr. Sait was Chief Technical Advisor and Country Director at the United Nations Industrial Development Organisation (UNIDO). He is a Consultant to the ILO.



K.M. Nair: Senior Consultant at the Institute, K.M Nair is a financial expert and practitioner. Mr. Nair has a long stint of administrative and professional background in MSME finance and development by virtue of his service with RBI, IDBI, SIDBI, RIICO & KFC. He was Chief General Manager, Small Industries Development Bank of India (SIDBI), and Managing Director, Kerala Financial Corporation.

Thus they Speak.....



"The work of specialist institutions like ISED is of great relevance to entrepreneurs and policy makers alike....."

Shri. Narendra Modi, Prime Minister of India.



"The Planning Commission has, of course, benefited from the work of I SED Small Enterprise Observatory....."

Dr. S.P. Gupta, Member, Planning Commission



"Understanding the MSME sector in its entirety is a complex task. Therefore, ISED and its work has great relevance today."

Mr Rajanikant Marfatia, Member, National Executive Committee, FICCI.



"This great work of ISED is laudable....At the Federal Bank, we are proud to partner with the Institute and the India MSME Communication Programme."

Mr. Shyam Srinivasan, CEO, The Federal Bank



"NPA creation is not a sin. Informed decision making and hand holding are critical in ensuring in MSME health..... The rich work of ISED in this regard is commendable."

Mr. S.S Mundra, Deputy Governor, Reserve Bank of India



"The work of the ISED Small Enterprise Observatory is unique among Commonwealth countries....."

Jose Maurel, Director, Commonwealth Secretariat, London

"The uniqueness of the India MSME Report Series is that, it is being brought out by a world-class knowledge platform, the Small Enterprise Observatory....."

Global Business Review

"The work done by ISED Small Enterprise Observatory is really significant and unique....."

Manpower Journal

"The work of ISED Small Enterprise Observatory is laudable....."

The Economic Times

"This exclusive knowledge platform for SMEs has several innovative things to offer....."

Global MSME, Kuala Lumpur

"The special feature and strength of the India MSME Report is the umbrella platform that supports it: the Observatory....."

The Economist, London

"Beyond the regular reporting by the India MSME Report, the ISED Small Enterprise Observatory is expected to contribute much more valuable inputs for planning and policy making in the country....."

The Business Line



"The initiative of the Institute is commendable. It helps the Ministry of MSME to shape its policies, as also to review such policies from time to time....."

Mr. Madhav Lal, Secretary, Ministry of MSME, Government of India



"India MSME Report is, of course, a rich source of information and insights.....It helps entrepreneurs and people like us in Government, immensely....."

Mr. Saurabh Patel, Minister for Finance, Government of Gujarat



" But even in this era of globalization, we live in neighbourhoods and communities. The 'Small Enterprise Observatory' at the ISED and the Darshan Series reminds us of that..."

Padmabhushan Mark Tully, veteran Journalist and author.

Institute of Small Enterprises and Development (ISED) is an interdisciplinary Centre with small enterprises as its key constituency. Along with research, policy advice, advocacy, networking, training and consultancy, the Institute is a participant to policy dialogue on small enterprises within India and internationally.