

Facilitating Business Development Services for micro Enterprises (BDS4ME) through promotion of Udyog Sathis in India



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Business Development Services for micro Enterprises (BDS4ME) refer to provision of services like sourcing of raw material, technology and equipments; support in design and development of products/services; facilitating marketing; improving processes; and developing business plan. BDS may be just sharing information related to micro Enterprises to counselling and even managing the micro Enterprises. BDS4ME as an intervention strategy is just evolving in India.

Most of the enterprises need Business Development Services. This is irrespective of size in terms of scale of operation and turnover; profile of ownership like proprietorship, cooperative, company; or nature of enterprises like formal or informal. In context of large enterprises, BDS is available in form of technical and management consultancy services. Consultancy services may be provided by individual experts, private consulting firms or Government Institutions generally on fee for service basis. BDS for large enterprises relate to specific services. Generally, these services are delivered in time bound through specific contracts. Such services include studies/research, outsourcing of specific activities, seeking strategic inputs and facilitating a business linkages.

However, BDS4ME is quite different. Micro Enterprises generally require holistic (not specific) and long term (not one off) services. Micro Entrepreneurs are keen to receive such services in an informal manner (not formal). Practically BDS4ME refer to counselling, mentoring and handholding (including management of micro Enterprises) services to micro Entrepreneurs and employees associated with micro Enterprises. Mutual trust between BDS Provider and the micro Entrepreneur is critical for success of BDS4ME. BDS4ME can best be provided by a person, on whom micro Entrepreneur has some degree of confidence and trust. BDS provider is like a friend, philosopher and guide to the micro Entrepreneur and employees associated with the micro Enterprise – like Udyog Sathi (Friend of Enterprise).

In the past, the role of a “Link Worker” has been critical for success of livelihood related interventions in India. This includes interventions through Link Worker Couple, Bare Foot Engineer, Para Vet Worker, Community Link Workers, Livelihood Promoters, Community Organizer and Animators. Generally, Link Worker is a person from the community who serves as an interface between project personnel and community in implementation of livelihood/development projects and delivery of livelihood services. Such workers have played a key role in sustainability of projects and in ensuring availability of services after the project. Considering the success of involving Link Workers, different Government Line Governments have developed a cadre of Link Workers in the regular extension/service delivery system. This includes Go Mitra in Veterinary department and Kisan Mitra in Agriculture Department. However, similar effort is yet to be seen in context of promotion of micro Enterprises.

BDS4ME is critical for promotion and strengthening of micro Enterprises. This can best be provided through a cadre of BDS Providers i. e. Udyog Sathis. Udyog Sathi could be Entrepreneur in the community who are already providing BDS in an informal manner OR educated youth having some understanding on micro Enterprises. Different Bilateral/Multilateral Livelihood Projects, International NGOs, and Government Departments associated with promotion of micro Enterprises may consider developing cadre of Udyog Sathis across villages in India.

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