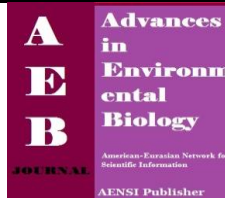




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## Entrepreneurship Development Through Education and Training-Bangladesh Experience

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### ABSTRACT

Developing countries are confronted with serious unemployment and underemployment problems. This problem is particularly crucial among the educated youths of these countries. One of the major reasons for this situation is that the education system is not designed in a way to motivate the graduates to take businesses profession as an alternative source of employment. Moreover the support services towards this end are not adequate. Entrepreneurship education which aims at creating awareness and motivating the graduates to take business as profession has not been widely included in the various level of education system. Training is particularly important for developing skills. As a result the graduates rush to the opportunities for salaried jobs, the market of which is already saturated. The main objectives of the study will be to review the existing education and training system, identify the areas of education in which entrepreneurship courses taught or not, course contents, methodology of teaching, support services available, entrepreneurship development policy and related problems. In preparing the paper the methodology suggested guideline will be followed. While preparing the paper the existing education system will be critically evaluated as well as the experience of scholars working on entrepreneurship education and problems in different counties. Based on the findings of the study an attempt will be made to suggest some measures to reform the education system and action programs to implement the suggested measures.

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## INTRODUCTION

Entrepreneurship is a key factor in the economic development process of a country. Its role is particularly important for industrialization of an economy. Study of economic development history of developed countries shows that present status of their development lies in the active role of the entrepreneurs. The role of entrepreneurs in perceiving business opportunities, bringing together inputs of production to produce the desired product/service, taking risk, decision making, technology transfer and adaptation, overcoming obstacles, response to change and transforming innovative activities into reality is indeed great. Entrepreneurship and self employed are often misunderstood. A self employed is a person who earn his livelihood by selling his serves, on the other hand an entrepreneurs is a person who builds an organization and runs it successfully and thereby create employment opportunity for self and others. Entrepreneurship is growth orientated activity, generating incremental growth resulting in economic high growth and creating employment opportunities. The impact of these activities is high standard of living for the people. Entrepreneurship is the engine of growth of an economy. Entrepreneurship works as catalyst in the economic development process of a country.

The role of the entrepreneur is particularly important for generating employment opportunities and reducing the extent of under employment and unemployment and in providing the strategy for developing agro-based and other business in the country. Unemployment and under employment are most crucial in developing countries. The dimensions of the problem are increasing day by day with the growth of population and complexity in the job market. The creation of job opportunities lags behind demand for the job. The youths, generally 16 to 25 years of age who form the major part of labor-force are the victims of this problem. The disadvantaged or under-privileged groups consisting of landless laborers, marginal farmers and educated unemployed youths form the substantial part of the labor force. It is the normal duty of the nation to offer productive and income generating

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activities for the mass unemployed persons, so that they get access to the basic necessities of life like food, cloth, shelter, health and education.

### *02. Background & Objectives of the Study:*

Bangladesh came into existence as an independent state on December 16, 1971 after a war of liberation. The total area of Bangladesh is 147570 square kilo meters surrounded by India in the West and North, India and Myanmar in the East and the Bay of Bengal in the South. Bangladesh has received special importance due to its strategic location in the South-East region of the world. It has a population of 150.60 million (2011) with an annual growth rate of about 1.37 percent. The sex ratio is 103 males per 100 females.

The economy of Bangladesh was initially characterized by a dominant agriculture sector, low industrial base, acute unemployment and under employment and low per capita income. But over the years there has been significant structural change in the economy. The structural changes of the share of broad sectors of GDP are as 19.29% in 2011-2012 from 33.0% in 1980-81 in agriculture and 31.26% in 2011-2012 from 17.31% in 1980-81 in industry sector. Service sector remains almost constant and stands at 49.45% in 2011-2012 from 49.62% in 1980-81 at constant price over 1995-96.

The country as a nation faces massive problem of unemployment and underemployment. The problem of unemployment is particularly crucial among the educated youths from the major part of labor force. According to Labor force survey 2010, total active manpower is 5.41 crore. The economy in its present structure of investment and industrial growth is unable to create matching salary employment for more than a fraction of the total unemployed youths. In many countries, attempts have been made to attract educated youth to take entrepreneurship as a profession by introducing entrepreneurship course in the education system as well as entrepreneurship development training programs for the youths. In Bangladesh entrepreneurship course has been introduced in limited scale in the education system recently. Entrepreneurship training is organized by some organization sporadically. The impact of these activities is yet to be evaluated properly.

The main objectives of the present paper are to review the present status of entrepreneurship education and training, identify the weaknesses of the education and training systems, and suggest some measures to strengthen the programs.

### *03. Entrepreneurial Qualities:*

The overriding importance of entrepreneurship in the economic development processes motivated the scholars interested in the subject to seek the answer of the question what qualities of a person make him a successful entrepreneur. After thorough research in the subject they identified some qualities and traits which make one a successful entrepreneur. The attributes are high need for achievement, high need for power, commitment of to the task, taking calculated risk, seizing opportunities, objectivity, need for feedback, optimism in novel institutions attitude toward money, proactive management, capacity to influence others, motivation for independence, innovative and creative, perceptive, concern for improvement etc. In addition successful entrepreneurs were capable for preparing business plan, managing growth and development, planning for competitive advantage. The competency of the successful entrepreneur was also excellent.

To be a success entrepreneur the above qualities are required. However, all these qualities may not be present in one individual. But a good mix of the qualities can be found in a man, who may be developed as an Entrepreneur through concerted efforts. Some of the qualities are inborn or inherited by birth; some can be acquired through training and education.

There exists a belief in the mind of some that "entrepreneurs are born and not made". They mean that entrepreneurial qualities are born and cannot be developed by education, training or any other means. This myth is no longer true. It is now evidently proved that some qualities can be developed and improved by education, training and support assistance. It is of course true, to become an entrepreneur one must have some qualities (e.g. high need for achievement motivation, common sense) but there are many other qualities, say, management technique could be learned. In fact many entrepreneurial are acquired knowledge.

### *04. Entrepreneurship Development Potentiality in Bangladesh:*

Bangladesh is a relatively young nation although its people inherit a country which looks back upon a rich cultural heritage. Innovative industrial activities date back to ancient period, when the manufacture "Muslin" fabric earned fame throughout the known world. Due to the country's central position in the Bay of Bengal and its many waterways, trade and commerce have a long tradition. Needless to say that the colonial period and the subsequent partition of Bengal between India and Pakistan did not support a healthy and self-reliant economic development. In the wake of the independence war, that led to the establishment of the people's Republic of Bangladesh, the newly-born nation did not only suffer from physical destruction, but also from managerial brain-drain.

Bangladesh's industrial development efforts initially focused on public enterprises, to the extent that even a number of small enterprises were taken over and managed by the Government following independence. Results

were discouraging, and starting from the late seventies increasing emphasis were placed on enhancing the role of the private sector in economic development. However, many observers feel that Bangladeshis are still averse to long-term investments and risk-taking.

Yet, one could say that Bangladeshis are among the greatest risk takers in the world, and the way they live and survive on a land exposed to natural calamities shows some truly entrepreneurial trait. Ethnic or religious variations have not been occupational barriers, although power structures at the village level still tend to impede the upward social mobility of the poor. The country is rich in agricultural and human resources and offers a potentially vast domestic market. Bangladesh's relative proximity to the booming East and South explored. However, whereas earlier studies found that entrepreneurial spirit and initiative is existing among the people of Bangladesh, it was also observed that in many cases entrepreneurs who showed great enthusiasm in setting up an industrial venture later retreated from the field on account of a multitude of problems faced in carrying through the paper.

The major contribution of entrepreneurs towards socio-economic development can be seen in the maximization of opportunities, which includes observing the environment for venture with growth potential, securing capital, adapting technologies and combining production factors in an efficient manner. The useful role entrepreneurs can play as change-agents in socio-economic development and employment generation is generally accepted. It needs to be clearly stated at this point, that the majority of Bangladesh entrepreneurs are first generation entrepreneurs. The development of the entrepreneurial class however does take time and is subject to skill and capital constraints.

The educational system is so designed that it does not encourage students to be entrepreneurial in the pursuits of their lives. Rather, it orientates graduates towards wage employment instead of self-employment as an alternative source of income.

Inefficiencies in managerial functions were identified as major small enterprise growth constraints in many developing countries. A country like Bangladesh equipped with abundant human and relatively limited natural resources, is challenged to make the best possible use of this potential. This implies concerted efforts into manpower development through education and training, whereby promotion of entrepreneurship should be awarded strategic importance. Experience from other developing countries has clearly demonstrated that the growth of an entrepreneurial class can be accelerated by specifically designed programmes geared at this target group.

The major source of entrepreneurs could be passed out university and college graduates, drop outs and educated youths in general. In a country where industrial experience is low. This educated graduates may be the target groups. But unfortunately educational programs do not include such inputs to create awareness about the entrepreneurial career. As a result there is great need to reform education system. So that students with entrepreneurial quality could be motivated towards this career.

#### *05. Education System of Bangladesh:*

Education plays a vital role in the development of awareness among the students for taking entrepreneurship as a career. Education system in Bangladesh may broadly be classified into two divisions, namely, General Education, Technical Education and Madrasha Education.

##### *5.1 General Education:*

Again the general education system in Bangladesh is divided into three phases: Primary, Secondary and Higher Education. Primary education is a 5-year cycle while secondary education is a 7- year one with three sub-stages: 3 years of junior secondary, 2 years of secondary and 2 years of higher secondary. The higher education (3-5 years) is provided through universities (34 public and 60 private universities) affiliated under the supervision of University Grants Commission. On the other hand near about 2500 higher educational college and institute affiliated under the academic and administrative supervision of National University. Establishment of National University and private universities has gained momentum in recent years.

##### *5.2 Technical Education:*

Technical education in Bangladesh is organized in three phases: Via Certificate, Diploma and Degrees. The Certificate Course which prepare skilled workers in different trades of two years duration after 8<sup>th</sup> grade of schooling imparted in Vocational Training Institutes (VTI) and technical training centers (TTC). Polytechnic Institutes and Monotechnique Institutes offer Diploma courses in Engineering, Commerce and Industry subjects. The duration of polytechnic courses is four years. The duration of Commercial courses is two years after secondary school certificates examination. The Engineering University, Institute of Technologies offer degree courses of technical education system. The Engineering University and the BIT council awards degrees respectively. Bangladesh Technical Education Board awards diploma certificates to the students who passes the public examination held at the end of terminal year of the course. The Board has full academic control over vocational and institutes which require its affiliation for all academic purposes.

### 5.3 Madrasa Education:

There are also Madrasah (religiously inclined) and which are enrolled under Madrasah Education Board. Madrasa education also perform three phases: Primary, Secondary And Higher Education. Primary education is a 5-year cycle while secondary education is a 7- year one with three sub-stages: 3 years of junior secondary, 2 years of secondary and 2 years of higher secondary.

Entrepreneurship course has been included in undergraduate and post graduate level business education in universities and colleges. This course not yet been included in under graduate and graduate programs in Science, Arts, Social Science, Engendering and Medical education. In Higher secondary Level Entrepreneurship is taught as optional subject in business as a compulsory subject in business studies discipline. In the Madrasa education Entrepreneurship subject is totally absent from their curriculum.

### 06. Present Status of Entrepreneurship Education and Training in Bangladesh:

Entrepreneurship education creates awareness about entrepreneurship as a career plan and motivates students towards this career. But to become an entrepreneur particularly those are first generation entrepreneurs need training to need acquire skill to prepare business plan and management skill. Training is particularly important for acquiring skill in specific trade or business management. At present some organizations like Small and Cottage Training Institute, Micro Industries Development Societies and some other private organization offer training on specific areas of entrepreneurship development. Training programs for more educated youths are sporadic. The scale of unmet needs appears enormous. It means entrepreneurship development training is partial but not comprehensive.

The contents of the Entrepreneurship development course include-among others concept, entrepreneurship as career plan, entrepreneurship theory, entrepreneurial motivation, business environment, the role of entrepreneurs in economic development, project ideas generation, selection of project, preparation of business plan, Project management, social responsibility of the Entrepreneurs in developed & newly industrialized countries, Entrepreneurship, development programs. The courses for different levels of education have been designed keeping in view the requirements and absorbing capacity of the students. However, inconsistency exists in the course contents of the curriculum.

Text books and reading materials for the courses are very scarce. Entrepreneurship course is a special type of education. To teach this course trained and experienced teachers are needed. There is an absolute shortage of trained teachers for this course. Moreover, there is no provision for assistance for those students who are willing to entrepreneurship as a career. In the Present curriculum teaching is mainly theory-based rather than practical. As a result this education is not so effective for taking entrepreneurship as a Career.

Teaching & training methodologies are wide ranging. For better delivery of training programmes the trainers should be equipped with the knowledge of different training approaches and be capable to select the right methodology keeping in vie the skill level of participants and depth of training required. The trainer may select any combination the following methods: (i) Lectures, (ii) Case studies (iii) business games, (iv) problem oriented exercises and projects, (v) syndicate methods (vi) films (vii) T. group, (viii) role play, (ix) industry visits, (xi) internship program. The most common methods used in Bangladesh are lectures, case studies, industry visits, which however, need strengthening and adaptation to Bangladesh conditions. Necessary initiatives should be taken to apply other methods as and when necessary.

An effective curriculum for an Entrepreneurship Education Development Program should be able to help the potential entrepreneurs to (i) strengthen their entrepreneurial quality/motivation, (ii) analyze the environment related to small industry and small business, (iii) select a project/product, (iv) formulate a project plan (v) understand the process and procedures of setting up a small enterprise, (vi) know and the sources of support available for launching an enterprise (vii) acquire basic management skills, (viii) know the pros and cons of being an entrepreneur, and (ix) acquire and appreciate social responsibility. However, in order to make an Entrepreneurship Development Program even more effective, it should be followed up by appropriate support and sustaining assistance.

### 07. Major Gaps in the Areas of Entrepreneurship Education and Training:

Following are the major gaps in the education and training programs:

- Missing needed attention at the policy level;
- Lack of program relevant research and training needs analysis;
- Virtual absence of comprehensive advanced entrepreneurship development programs with outreach and regularity;
- Hardly any programs are geared at entrepreneurs who want to graduate out of income generating activities;
- Shortage of qualified trainers and motivators;
- Insufficient application of innovative training methods and materials;
- Entrepreneurship development training programs in most cases were not followed by support and sustaining assistance which are vitally important for the sound promotion of Entrepreneurship;

- Lack of coordination between concerned institutions;
- Absence of course entrepreneurship courses at different level of education system;
- Inadequate investment in entrepreneurship education, training and research.
- Lack of co-ordination between concerned institutions at National, Regional and International level.

#### *08. Conclusion and Recommendations:*

##### *8.1 Conclusion:*

To sum up experiences of the programs of entrepreneurship education and training, it may be stated that it has not yet received due attention at the policy level as a strategy of human resource development. This is also reflected in the educational curriculum and inadequate training provisions in the country. General awareness of entrepreneurial attitude and motivation are required to be developed during the learning periods of the students. Entrepreneurship course has not yet been included in the curriculum at all levels of education system in our country. This shortfall can be dealt by bringing reforms in the Education system of our country. Lack of trained and experienced teachers, absence of quality text books and reading materials exposing Bangladesh situation, inconsistencies and over-lapping of course contents and absence of positive attitude of concerned authorities appear to be major problems for effective delivery of entrepreneurship education. However, it is observed from the experience of few seminars organized by NGOs and institutional heads that the attitude towards entrepreneurship education is changing in a positive direction. Regarding entrepreneurship training, it appears that the country featured a number of innovative income generating programs for the poor organized by NGOs. Their programs include training for creating awareness on group activity and skill development. The experiences of the programs may be used for more advanced level training program for educated youths.

##### *8.2 Recommendations:*

Despite these limitations, the study of the programs for entrepreneurship education and training indicates the proposition that given the motivational training and key inputs, the educated youth particularly having entrepreneurial qualities could be attracted to entrepreneurial activities and lured to undertake small ventures. Bangladesh has immense potentiality in terms of resource endowments both material and human for entrepreneurship development. What is needed is to devise appropriate policy and implementation measures for the improvement of entrepreneurship education and training in the country. For developing sound entrepreneurship education and training, the following measures are recommended:

- a. Entrepreneurship education and training should be recognized as an important component of human resource development policy in the country. This should be reflected in the education and development policy of the country.
- b. In order to create general awareness on the subject entrepreneurship course should be introduced in the curriculum at different levels of educational system in all disciplines. The courses should be designed by experts and offered by trained teachers. The graduates intending to take entrepreneurship by starting small ventures should be provided by required support & sustaining assistance.
- c. Short term training course should be designed and organized for different target groups and offered by trained motivated and trained/trainers. While designing the training programs, specific needs of the target group are required to be identified by appropriate means. Needless to say that the training program should be supported by appropriate assistance.
- d. Training of trainers and motivators is essential for organizing successful operation of entrepreneurship Education and training. Teachers and Trainers of entrepreneurship development must have aptitudes, commitment and motivation towards entrepreneurship teaching and training.
- e. Special entrepreneurship development training program may be designed and organized for those who have already acquired some knowledge and skill through education.
- f. Provision should be made for improving the capability of existing training institutions by providing needed assistance.
- g. Business school should have separate unit for entrepreneurship and small business development.
- h. A separate training institute for entrepreneurship development should be established at national level. Establishment of new training institutions particularly in the private sector should be encouraged by taking policy initiative and promotional assistance.
- i. Special program should be designed for those beneficiaries who want to graduate themselves out of income generating activities in the country.
- j. Appropriate mechanism should be developed to establish effective linkage with institutions (including universities, donor agencies) engaged in entrepreneurship education and training at national, regional, and international level for strengthening existing and new approaches in bringing qualitative improvement in force.
- k. Investment in entrepreneurship education & training should be made at both public and private sector level.

- l. A brain storming seminar may be organized to devise strategy and policy for entrepreneurship development keeping in view the changing needs of the country. For sharing experiences or ideas specialist from international organizations should be invited.
- m. The curriculum on entrepreneurship should be developed by an expert committee.
- n. Reading, instructional materials, and teaching aids for the course should also be developed by specialists in the area of entrepreneurship, small business management, behavioral science.
- o. An intensive short term entrepreneurship training program should be offered for Technical graduates and others living in the immediate vicinity of the technical centers who are unemployed and interested in starting micro-enterprises and small business ventures. An integrated package of assistance in terms of capital, kits, etc. may be designed and made available to the graduates motivated to take up self-employment or start a small business venture.
- p. Developing Information and Communication Technology (ICT) based entrepreneurship curriculum for education and training program.
- q. There is a need for a regular comprehensive entrepreneurship development program that would cater for the needs of the brightest and most talented individuals who would like to engage in innovative ventures which require careful preparation and planning.
- r. There must be constant evaluation as to how people after training are doing in terms of employment, income generating and setting up new enterprise.
- s. Entrepreneurship development training should be followed up by needed support and sustaining assistance. The support and help to entrepreneurship development must be multi- componential.
- t. A vacuum exists in the area of project ideas, project design and appraisal as far as entrepreneurs are concerned. Such vacuum can be removed through establishment of an information service centre or a specialized institute. Technical assistance from donors can be used for this purpose.

It should be noted that the entrepreneurship education and training, although it receives prime attention in this paper, is no panacea to address all problems related to entrepreneurship and small enterprise development. Other factors, such as the policy, regulatory measures, environmental conditions, support and sustaining assistance are of parallel importance.

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