

3RD STAKEHOLDERS' CONSULTATION MEETING

Strategy-3: Human Resource and Women Entrepreneurship Development for SMEs

Venue: Ministry of Industry, Conference Room (2nd Floor)

Date: Monday, 4th April 2016

Time: 10.00 am – 1.00 pm

BACKGROUND:

Entrepreneurial, managerial and technical skills are major supply-side bottlenecks for the proper growth and development of the SME sector in Bangladesh. Various surveys and the recent INSPIRED SME Survey 2013 identified the lack of appropriate and skilled human resource as one of the important constraints for the growth of SMEs. Deficiencies of entrepreneurship education, business promotion and operational skill are some of the notable problems associated with human capital that need to be addressed for further growth of the sector.

A general understanding is that key competencies of entrepreneurship learning programs are not well introduced in the general and higher education system and there is lack of active collaboration with the private sector to develop curricula, research, customized training, coaching, internship, business awards and scholarships. Non-formal education in entrepreneurship and management of SMEs is also not well promoted.

While various institutions have been providing training on skill development, there exists mismatch between the required and realized skills. Thus, there is need for significant private and public sector initiative for planning and implementing business skill development programs. Matching grants from public and donor sources will help such programs get off the ground and be self-sustainable. The fashion and design institute set up by the Bangladesh Garment Manufacturer's and Exporter's Association (BGMEA) with support from the government and donors is a case in point. There is also the need for separate program for women entrepreneurship development.

The policies should also clearly articulate the linkages of entrepreneurial learning with SME, employment and R&D policy documents; they should be integrated within the overall National Development Plan and should include the planning and installation of a monitoring and evaluation system.

The goals in the strategy are set to make an enabling environment for SMEs with focus on two key aspects related to human capital development:

- Training on Business acquisition (management, accounting and marketing), and
- Entrepreneurship development

In line with the above objectives, time-bound activities with roles and responsibilities of implementing agencies are outlined below.

GOAL-1: DESIGN AND DEVELOP TAILOR-MADE BUSINESS TRAINING PROGRAMS FOR SMES

| Actions | Key areas of intervention | Time frame | Implementing Agency |
|---|--|------------|--|
| Design and develop training programs | <ul style="list-style-type: none"> Organize training programs for human resources involved in SMEs on various product quality control techniques and standards of testing procedures Organize training programs on software, computer literacy and trade related issues Training on accounting and financial management Organize training on business operations, entrepreneurship development, human resource managements, business rules and regulations Distant learning programs will be designed and offered | ST/MT | SMEF, MoI, BIM, BSCIC |
| Improve capacity of training/academic institutes | <ul style="list-style-type: none"> Improve training capacities of SMEF, BSCIC foundation, TVET, BGMEA Fashion Technology Institute, ICT Institutes and Skill Dev. Institutes Allocate additional resources (faculty and resources) for organizing more trainings Courses on free-lancing and outsourcing will be offered | ST | MoI, SMEF, BSCIC |
| Improve effective collaboration between training institutes | <ul style="list-style-type: none"> All public sector technical training institutions will be utilized to impart training and related activities for enhancing the efficiency and competitiveness of SMEs Improve effective collaboration between training institutes such as SMEF, BSCIC, TVET and other Institutes Sign MoUs between various institutes to organize and facilitate training on SME aspects Build close links with the relevant Ministries: Ministry of Education, Ministry of Labour, Ministry of Women and Children Affairs and other relevant ministries to ensure that close co-operation and coordination of TVET activities results in the provision of a better skilled workforce for SMEs linked to SME future employment needs Business-academia collaboration will be facilitated | ST/MT | MOI, SMEF, MoE and other respective Ministries |

GOAL-2: FACILITATE ENTREPRENEURSHIP DEVELOPMENT

| Actions | Key areas of intervention | Time frame | Implementing Agency |
|--|--|------------|---------------------------|
| Entrepreneurial Learning (EL) programs | <ul style="list-style-type: none"> • Inculcate through education, training and other programs values and attitudes that are conducive to development of entrepreneurship • Review school curricula to accommodate entrepreneurship development • Review college and university curricula on EL • Introduce entrepreneurial programs in vocational and technical training • Facilitate entrepreneurship development programs for selected target groups/sectors e.g school leavers. • Project or programs will be undertaken to facilitate entrepreneurship • An evaluation of the current curriculum in the light of entrepreneurial learning at the school, college and University level will be made. | ST | MoI, SMEF, MOFA, EPB, MoE |
| Women entrepreneurship development | <ul style="list-style-type: none"> • Specific and targeted training programs (both short and medium term) will be undertaken for women entrepreneurs • Initiate awards for innovative woman entrepreneurs • A certain number of scholarship will be awarded for woman entrepreneurs • Special preference will be given to women in case of foreign scholarships • Project/programs will be undertaken to promote women entrepreneurship | MT/LT | MoI, SMEF, BISCIC, MoE |
| IT Outsourcing and free-lancing | <ul style="list-style-type: none"> • Grant for young entrepreneurs • Training on IT outsourcing and free-lancing • A database of all IT training institutes will be created • Business-academia linkages will be created through BASIS, BCC etc. • Specific IT courses will be designed for women • Easy loan access for IT entrepreneurs | | |