



A CRITICAL ANALYSIS OF ENTREPRENEURSHIP TRAINING PROGRAMMES FOR BUSINESS START-UPS AND GROWTH IN ZIMBABWE

by

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SUMMARY

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With the background of global reports highlighting that a relationship exists between entrepreneurship education with entrepreneurial activity in an economy (Martinez, Levie, Kelley, Sæmundsson & Schøtt 2010) and that globally, small and medium enterprises (SMEs) play a major role in job creation and economic growth, this study seeks to establish the extent to which entrepreneurship training affects new venture formation and growth in Zimbabwe. The key research questions driving this study were:

- What skills training have businesses received to support start-up?
- What skills training have businesses received to support growth?
- To what extent do the selected entrepreneurship training programmes result in new business creation?
- To what extent do the entrepreneurship training programmes result in business growth?
- To what extent are training programmes content matched to enterprise needs?
- What factors have affected business performance in Zimbabwe for the startup and growing of businesses?

A review of literature on entrepreneurship, training, education and transfer of skills or competencies highlighted key constructs and concepts for the study. It emerged that entrepreneurship studies have adopted theories and concepts from other disciplines.

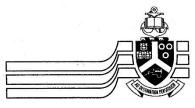


Entrepreneurship defined as a process of opportunity identification, evaluation and exploitation as well as for creating value or self-employment. There is consensus that certain facets of entrepreneurship can be taught. It was established that a well-designed programme uses a combination of didactics, skill-building and indicative learning strategies which combine knowledge, skill, competence and the attitude domain of learning. Of note is that the various skills required by entrepreneurs are technical, business management and personal entrepreneurial skills. The entrepreneurial process for new venture creation requires skills for its various stages.

The situation in Zimbabwe was investigated through empirical research on entrepreneurship training programmes for SMEs by studying entrepreneurs trained in the ILO and Empretec entrepreneurship programmes which are used globally and in African countries including Zimbabwe. Four entrepreneurship models developed in South Africa were reviewed as a basis for a framework to review the ILO and Empretec programmes implemented in Zimbabwe. The knowledge gap identified is that of the effectiveness and efficacy of the long established two globally implemented programmes for start-ups and growth and the relevance of entrepreneurship training programmes in developing countries particularly in Africa.

The theoretical perspective is positivism, research approach is deductive, using survey strategy and quantitative data for testing hypothesis. The main research findings and study contribution were five factors identified through factor analysis, namely business skills, entrepreneurial skills, business performance skills, business planning and presentation skills and the programme methodology. These skills or competencies are identified as some of the critical elements in the four training models reviewed and found to be necessary aspects of effective entrepreneurship training programmes. It was further established that pertaining to their design, content and structure, the ILO and Empretec training programmes need to include both key entrepreneurship and business skills during the core initial training, however both programmes resulted in business start-up rates and significant skills transfer, however limited on business growth and that demographic variables that are significant to entrepreneurship and business performance skills were the location/ place of business operation and the legal form of business. Policy makers, donors and sponsors should support more holistic and integrated programmes reflecting at a minimum the identified skills and competencies and appropriate methodologies.





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DECLARATION OF ORIGINAL WORK

I, Lucy Patricia Rungano Mandengenda declare that the thesis presented here is my original work except where indicated, which is submitted to the University of Pretoria in partial fulfilment of the requirements for the degree PhD in Entrepreneurship. This research work has not been presented to any university in the past.

31-08-2016

SIGNATURE

DATE



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Acronyms and Abbreviations

AMT	Achievement Motivation Training
BDS	Business Development Services
CEFE	Competency based Economies Formation of Enterprise
CZI	Confederation of Zimbabwe Industries
DTI	Department of Trade and Industry
EC	European Commission
EDI	Entrepreneurship Development Programme
EDP	Entrepreneurship Development Programme
EDW	Entrepreneurship Development Workshop
EE	Education in entrepreneurship
EET	Entrepreneurship and Education Training
EET	Entrepreneurship Education and Training
Empretec	Emprendedores Technologia
ESAP	Economic Structural Adjustment Programme
ETW	Entrepreneurship Training Workshop
EYB	Expand Your Business
GDP	Gross Domestic Product
GEM	Global Entrepreneurship Monitor
GTZ	German Technical Cooperation
GYB	Generate Your Business
HDI	Human Development Index
HND	Higher National Diploma
IFC	International Finance Corporation
ILO	International Labour Organisation
ILO-SIYB	ILO-Start and Improve Your Business
ISOP	Integrated Skills Outreach Programmes
IYB	Improve Your Business
KEI	Knowledge Economy Index
MEP	Micro Entrepreneurship Programme
MEP	Micro-entrepreneurship Programme
MoHTE	Ministry of Higher and Tertiary Education
MoHTE	Ministry of Higher and Tertiary Education



MoSMECD Ministry of Small and Medium Enterprises and Cooperative Development

MoWAGCD Ministry of Women Affairs, Gender and Community Development

- MoYDIE Ministry of Youth Development Empowerment, Indigenisation and Empowerment
- MSI Management Systems International
- MSME Micro, Small and Medium
- MT Master Trainers
- NC National Certificate
- ND National Diploma
- NFC National Foundation Certificate
- NGOs Non-governmental Organizations
- OECD Organisation for Economic Development
- PBC Private Business Corporation
- PEC Personal Entrepreneurial Competencies
- PVC Pre-Vocational Certificate
- RBZ Reserve Bank of Zimbabwe
- SEDCO Small Enterprise Development Corporation
- SIDA Swedish International Development Agency
- SIYB Start and Improve Your Business
- SMECD Ministry of Small, Medium Enterprises and Cooperative Development
- SMEDCO Small Medium Enterprise Development Corporation
- SMEs Small and Medium Enterprises
- SMMEs Small, Medium and Micro Enterprises
- SYB Start Your Business
- TVET Technical and Vocational Education and Training
- UNCTAD United Nations Conference for Trade and Development
- UNIDO United Nations Industrial Development Organisation
- VTC Vocational Training Centres
- WEF World Economic Forum
- YEN Youth Employment Network
- ZimAsset Zimbabwe Agenda for Sustainable Socio-economic Transformation
- ZIMQA Zimbabwe Qualifications Authority
- ZiNEPF Zimbabwe National Employment Policy Framework

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- ZIYEN Zimbabwe Youth Employment Network
- ZNCC Zimbabwe National Chamber of Commerce



CHAPTER 1 INTRODUCTION AND BACKGROUND TO STUDY

1.1 Introduction

In the field of entrepreneurship, the researcher observes that research in the area of entrepreneurship training and education has limited studies conducted in the developing world, particularly in Africa. The researcher is further interested in critically analysing entrepreneurship training programmes for Small and Medium Enterprises (SMEs) for both start-ups and existing businesses which have had global application, used in developing countries and in specific African countries. Both public and private funds has been channelled to the development and wide implementation of two selected globally used entrepreneurship training programmes. The doctoral study will focus on the International Labour Organisation and Empretec training programmes developed for training potential and existing entrepreneurs. The country context is Zimbabwe where these two global programmes have been implemented for more than 20 years. Deeper analysis on the extent to which these entrepreneurship training curricula have been effective in delivering to their training objectives, results and benefits derived trained entrepreneurs.

The problems that persist in Zimbabwe are the general lack of entrepreneurship training, its quality and standard resulting in a skills gap and the high business failure rates with poor business performance of SMEs. The effectiveness and efficacy of some of the entrepreneurship programmes in achieving their objectives for business start-up and growth raises a number of questions in relation to structure, content, methodology and outcomes.

The purpose of the study seeks to investigate the role and the extent to which entrepreneurship training programmes support businesses to start up, grow and contribute to employment. The study will be beneficial to policy makers, academics and donors, governments and private sector who sponsor the provision of entrepreneurship training programmes as well as those funding SMEs. The study will benefit both the ILO and Empretec programme in making appropriate revisions to the training



approaches and content for more programme effectiveness and impact. The promotion of an entrepreneurship culture in the Zimbabwean context becomes more critical.

The specific aim, objectives, research questions are detailed in this chapter. Chapter 1 outlines the literature review, background to the study, the problem statement, research questions and objectives, relevant literature review, hypotheses, constructs, concepts, the research methodology

Zimbabwe has experienced economic downturn, hyperinflation and political instability over the past 15 years. The problems of high unemployment, lack of skills training, proliferation of necessity businesses and poor business performance remain a challenge. The purpose of this study is to investigate entrepreneurship training for business start-up and growth of micro, small and medium (MSME) sized businesses. Specifically, the study is concerned with examining the role of entrepreneurship training programmes and the extent to which these support small business start-up, growth and job creation in Zimbabwe.

The underlying logic and hypothesis behind this study relates to the postulation by other researchers that there is "a relationship between entrepreneurship education with entrepreneurial activity in an economy" (Martinez, Levie, Kelley, Sæmundsson & Schøtt, 2010:43). The importance of entrepreneurship to the macro-economy is recognised. The authors Rideout & Gray (2013:329) and others indicate that small businesses are key drivers of economic growth, generating more new jobs than larger firms. A substantial body of evidence exists on the contribution of entrepreneurship education and training in developing entrepreneurs and entrepreneurial people (Azim & Al-kahtani, 2014:128).

The World Economic Forum (WEF) Global Education Initiative report (2009) argued that there is "strong evidence that entrepreneurship can boost economic growth and, in turn, alleviate poverty" (Martinez et al.,2010:14). However, the research question of this study is whether or not this relationship holds universally and the extent to which entrepreneurship training affects new venture formation and growth in Zimbabwe.



1.2 Background and Literature Review

Globally, Small and Medium Enterprises (SMEs) play a major role in job creation and economic growth. It has been reported that in Indonesia, Japan and Thailand, SMEs respectively account for 98%, 81% and 78% of employment creation and growth. SMEs represent over 95% of enterprises in Organisation for Economic Development (OECD) countries (Reserve Bank of Zimbabwe, 2006:3). It is also noted that in the USA, small businesses create 75% of the new jobs and employ 50% of the country's private workforce (Byrd & Megginson, 2009:5) while some are of the opinion that SMEs represent over 90% of private business and contribute to more than 50% of employment and of GDP in most African countries (Abor & Quartey, 2010: 219). In Zimbabwe "an estimated 5,7 million people work in the MSME sector, including 2,8 million MSME owners who are 18 years and older" (Finscope, 2012:8).

SMEs have not been spared as regards the problem of definition. Some definitions attempt to use the capital assets, skill of labour and turnover level. Others define SMEs in terms of their legal status and method of production. The Bolton Committee (1971) first formulated an "economic" and "statistical" definition of a small firm. The European Commission (EC) and UNIDO "define SMEs largely in terms of the number of employees" (Abor & Quartey, 2010: 219).

In Zimbabwe, an SME is a small to medium scale legal business entity defined by the following variables:

- "An enterprise must be independent of a large business organisation, that is, not a branch or subsidiary
- The number of permanent workers
- Registration; Capitalisation" (Republic of Zimbabwe, 2008: 19). According to section 6 of the Sedco Act (2011) micro, small and medium enterprises are defined to mean "a business entity, corporate or unincorporated, together with its any of its branches or subsidiaries that:

is managed by one person or jointly, carries on business predominantly in a sector or subsector of the economy and meets the criteria for classification relating to maximum employees, total annual turnover, maximum gross value of assets."



1.2.1 The role and importance of small and medium enterprises in job creation and growth, globally and in Zimbabwe

The importance of SMEs in various countries is widely acknowledged and captured below in the SME policy from some regions:

- Japanese SMEs are actively cultivated by the "Keiretsu" who maintain a strategy of contracting out, where the "Keiretsu" are enterprises linked by shareholding and business relationships
- In India, the informal sector contributes 70% of the country's Gross Domestic Product
- The small proprietor business sector in northern Italy is the source of major innovation in the Italian economy (Republic of Zimbabwe, 2008: 10).

MSMEs make a major contribution to economic growth, employment creation and poverty reduction. In various countries they contribute the following:

- Provide around 50% of productive employment, (UK: 45%, EU: 66%, Japan: 72% and in developing countries: 50%-70%).
- In South Africa, statistics show that SMEs in 2005 absorbed nearly 57% of the people employed in the private sector and contributed 42% of formal total Gross Domestic Product.
- SMEs' contributions to GDP account for an average of 51% in high income countries, 39% in medium income countries and 16% in low income countries (Republic of Zimbabwe, 2014:9).

In Zimbabwe the first SME policy of 2002, which was extended up till 2012, highlighted the following potential benefits of SME development to be:

- Creating employment opportunities for large numbers of people
- Mobilising and stimulating their significant potential for entrepreneurship
- Facilitating a wide economic base and creation of wealth
- Increasing the nation's wealth through fuller utilisation of the country's human resource capabilities
- Developing an economic structure that is self-sustaining with a high degree of sectorial linkages (Republic of Zimbabwe, 2008: 10).

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SMEs are faced with constraints that stifle their development and growth. These challenges are diverse and relate to the policy, regulatory, institutional and capacity issues (Republic of Zimbabwe, 2008:11). The Finscope 2012 MSME report (2012:9) notes that the main challenges reported by MSME owners in Zimbabwe relate to access to finance, lack of raw materials, operational space and informality and that the sector is driven by individual entrepreneurs and micro-enterprises. It is also indicated that the majority of business activities in Zimbabwe may be characterised as necessity driven businesses. The authors Ledriz-Zeparu, (2013:22) add that 2,8 million MSME owners own an estimated 3,5 million businesses (some have more than one business): about 71% are individual entrepreneurs without employees, while 23% are micro-businesses with 1-5 employees. The businesses are largely informal where 85% are not registered or licensed.

Other researchers in other countries indicate that related to economic growth and the growth of a business, high expectation entrepreneurs who represent a small proportion of all entrepreneurial activity are responsible for up to 80 percent of jobs created by entrepreneurs (Urban, Van Vuuren & Barreira, 2008:59). The majority of "job creating firms are fast growing businesses, known as gazelles" (Kuratko & Hodgetts, 2007:11). It is also noted that small and start-up firms created the majority of net new jobs in the USA. Furthermore, it is argued that the growth discussion has moved from size alone to include business age (Headd & Kirchoff, 2009:1).

Few firms experience sustained growth throughout their life cycle (Blackburn, Hart & Wainwright, 2013:9). Growth is a dynamic process and it represents development of organisations and changes in the environment. It is noted that there are multidimensions of measuring growth through employment, sales, profit, assets and cash-flow (Deschryvere, 2008:2). Dobbs and Hamilton (2007:312) add that new firms grow quickly from start-up and tend to stagnate once the firm reaches a sufficient scale. Such firms provide new jobs at all points of the economic cycle (Dale & Morgan 2001:10), but employment growth is almost never a goal in itself (Davidsson, Delmar & Wiklund, 2006:53). Research on size and age of enterprises indicates that older and larger firms are likely to have lower growth rates. As a result, some of the growth literature suggests that newer, smaller firms are more flexible, able to discover new



opportunities that enable them to understand bursts of growth, where larger firms are slower to react (Blackburn, Hart & Wainwright, 2013:10).

Entrepreneurship research and authors place emphasis on firm growth as indicators of business success (Wright & Stigliani, 2012:4). Some are of the opinion that firm growth is a function of the vision and foresight of entrepreneurs and a defining feature of entrepreneurship and it is noted that all ventures have to pass through the business-venture life-cycle (Van Aardt, Van Aardt, Bezuidenhout & Mumba,2008:276-277). Several growth models exist for the life-cycle of the small business firms. The authors Katz and Green (2007:638), Nieman and Bennett (2006:55) add that growth models divide the stages somewhat differently; however, all models have the same general ideas: (1) There are multiple stages; (2) the key issues, actions, and lessons at each stage are different from the other stages, and (3) the level of risk the business faces changes from stage to stage. Blackburn, Hart and Wainwright (2013:23) contend that how we measure performance is critical in consideration of employment, turnover or profits as measures used singly, by themselves, do have limitations.

1.3 The Zimbabwean Economy

In analysing the performance of the economy and labour market in Zimbabwe over time, it is important to take note of the various changes in terms of economic policy frameworks. Three distinct epochs can be identified in Zimbabwe's development trajectory: These are described as "the control regime period (1980-1990), the liberalisation period (1991-1996) and the deepening crisis period (1997-2009)"; (Kanyenze, 2009: 4; Ledriz-Zeparu, 2013:11).

1.3.1 Macro-economy

The first phase covering the period 1980 to 1990 was characterised by Government intervention in the economy which had a strong focus on social provisioning. The political philosophy in Zimbabwe was one of socialism. The second phase came into being as the "budget deficits became unsustainable at over 10 percent of GDP, coupled with depressed investment and employment creation and shortages of foreign currency, during which time the Government adopted economic reforms (the Economic Structural Adjustment Programme - ESAP) of the IMF and World Bank in



1991". The third phase is associated with the onset and deepening of the "economic crisis since 1997 and was characterised by the re-introduction of controls with respect to pricing (including the exchange rate), within a difficult context as donors withdrew funding." (Republic of Zimbabwe, 2009: 5). It is said that the real GDP growth, which averaged 4.6 percent during 1986-1990, declined to 2.8 percent during the reform period 1990-1996 and to minus 2.9 percent during the crisis period 1997-2004. It is also indicated that employment growth decelerated from an average annual rate of growth of 2.5 percent during the period 1986-1990 to 1.2 percent during the reform period to minus 1.6 percent during the crisis period, 1997-2009 (Kanyenze, 2009: 4).

It is noted that at the epicentre of the economic crisis in Zimbabwe from 2000 to 2008, were unprecedented levels of hyper-inflation reported to have peaked at 231 million percent, and a sustained period of negative Gross Domestic Product (GDP) growth rates recorded at minus 12%. There was a massive devaluation of the local currency, de-industrialisation and low productive capacity around 20-50%, leading to the loss of jobs and unemployment of 80%. The Short-Term Recovery Programme (STERP) policy indicates that on the social side there were chronic food shortages, poverty and general despondency (Republic of Zimbabwe, 2009:12). The official inflation rates rose from "32% in 1998 to 133% in 2004, passing 1000% in 2006" (Ncube, Richards & Yau, 2009:5). In late 2008, hyperinflation led to abandonment of the Zimbabwe dollar in transactions and de facto widespread dollarisation in February 2009, when authorities established a multicurrency system. The said system fostered the remonetisation of the economy and financial reintermediation (Kramarenko, Engstrom, Verdier, Fernandez, Oppers, Hughes, McHugh & Coats, 2010:3). The Reserve Bank of Zimbabwe (Reserve Bank of Zimbabwe, 2011:4) stated that signals of economic recovery were a positive GDP of 5.6%, rising to 8,1% in 2010 and an annual inflation of around 6% in May 2010, dropping to 2.5% in May 2011. The year on year inflation closed at 2,91% in 2012 and deflation set in, due to deflationary effects of food and non-food items with inflation at minus 1,3% January 2015, ending at minus 2,5% in December (Reserve Bank of Zimbabwe, 2013:20; Reserve Bank of Zimbabwe, 2016:25). Furthermore, a multi-currency regime of dollarisation was established in February 2009 and persists to date while the demonetisation of the Zimbabwe dollar was effected mid 2016.



It has been pointed out that economies with higher entry costs are associated with a larger informal sector and a smaller number of legally registered firms (International Finance Corporation, 2011: 6). It is further noted that by 2011, Zimbabwe had eased business start-up through the reduction of registration fees, speeding up the name search process, company and tax registration. In Zimbabwe, the corporate income tax rate reduced from 30% to 25%, the capital gains tax from 20% to 5%, and the payment of corporate income tax was simplified by allowing quarterly payment through commercial banks (International Finance Corporation: 2011:72).

1.3.2 Population demographics

According to the 2012 population census, the Zimbabwean national population is almost 13 million, 6.7 million of whom are females (51.9 percent) and 49.1 males. The population is youthful, as reflected in the median age of 18.6 years in the 2011 LFS (Ledriz-Zeparu, 2013:2). The authors Ncube, Richards & Yau (2009: 2) add that the Zimbabwean population is predominantly African, comprising Shona 71%, Ndebele 16% and other Africans 11%, White 1% as well as Mixed and Asian 1%. Zimbabweans have two major language groups, represented by several ethnic groups. The Population Growth Rate is estimated to be 1.53% with the age structure being 38% 0-14yrs, 58% 15-60yrs.

The 2002 population census recorded the rate of unemployment as 22% of the 3 500 000 economically active people in Zimbabwe (of those unemployed, the bulk were youth, graduated from the education and training system) with the highest proportion employed in agriculture (43%), followed by services (13%) and 8% in manufacturing (Nell and Shapiro, 2009: 12). The UN adopted the Youth Employment Network (YEN) in 2001, which was domesticated into the Zimbabwe Youth Employment Network (ZIYEN) and formally approved by Cabinet in 2006. Importantly, "therefore, the Zimbabwean Government seeks to fulfil its commitments by explicitly placing employment creation at the centre of its development policy" (Republic of Zimbabwe, 2009: 5).



1.3.3 The labour market and entrepreneurial activity in Zimbabwe

Limited opportunities in the formal sector and high unemployment rates in many African countries have led to increased attention to the micro- and small-enterprise (MSE) sector. Research reports that over 40 percent of the increase in the labour force in the 1980s was absorbed by the MSE sector in five countries in southern and eastern Africa. This raises several questions: Are MSEs driven by surplus labour or market demand? Do people turn to the MSE sector as a means of survival during difficult economic times or are new firms driven by consumer demand for MSE products? The results of Daniels's research suggest that both labour surplus and market demand play a role in firm entry (Daniels, 2003: 675).

Micro and Small Enterprises (MSEs) are said to grow more rapidly in periods of economic growth, whereas the overall sector expands during economic downturns due to an increase of survivalist or necessity type activities (Nichter & Goldmark, 2009:1459). As previously indicated, the Zimbabwean economy experienced such an economic downturn from 2000-2010, and survivalist strategies of the nature described by Nichter & Goldmark (2009) took hold. However, what remains unclear is whether MSEs have continued to grow quickly in a more stable economic environment and if so, whether entrepreneurship training and education has anything to do with it. "The survivalist nature of entrepreneurship in Africa is emphasised by some researchers as a weakness of entrepreneurship, with the implication that SMEs might not be leading economic growth but following it" (Naude & Havenga, 2005: 2; Herrington, Kew & Kew, 2010:46).

Data from the three Zimbabwe national surveys for micro and small enterprises indicate that there was an 8.5% increase in the overall number of MSEs between 1991 and the 1993 surveys and an 8.7 percent decrease in the number of MSEs between the 1993 and 1998 surveys. It is also argued that these statistics support the labour-surplus hypothesis: that MSEs are established in difficult economic times as a means of survival, supported by the information that Zimbabwe experienced a drought and a nine percent decrease in real GDP in the 1991 to 1993 period (Daniels, 2003: 681). "Capital-intensive industries appear to expand in good economic times, which is consistent with the market-demand hypothesis. Alternatively, labour-intensive



industries expand during poor economic times, which is consistent with the laboursurplus hypothesis" (Daniels, 2003: 683).

In Zimbabwe, the McPherson 1998 Nationwide Survey of Micro and Small Enterprises (MSE) established that there were 860,000 manufacturing, commercial and service MSEs employing almost 1.65 million people in Zimbabwe. Others are of the opinion that the labour-absorptive capacity of the small business sector is higher than that of other size-classes. The average capital cost of a job created in the SMME sector is lower than in the big business sector (Nieman, 2006:12). The authors Kanyenze (2009:4), Mambo (2010:11) and Nell et al., (2009:2) add that while in 2004, four out of every five jobs were to be found in the informal economy, employment growth had decelerated from an average annual rate of growth of 2.5% during the period 1986-1990 to minus 1.6% during the crisis period, 1997-2004. At Independence, 1980, the informal sector was small, accounting for less than 10% of the labour force. According to the Poverty Income Consumer Expenditure Survey (2011/12) report, the total value added for the informal sector is \$1, 7 billion, constituting 5% of the 2011 GDP. The said report revealed that 3,7 million of the Zimbabwean population are involved in the informal sector, of whom 54,6% are female and 50,5% are aged 15-34 in the sector, reflecting the role played by the informal sector in generating jobs for youth. The youth (15-24 years) accounted for 29% of the employed: 33% of those were in informal employment while only 7% of them were formally employed (Ledriz-Zeparu, 2013:24).

1.3.4 Government policies and SME support frameworks in Zimbabwe

In 2002, a dedicated Ministry of Small, Micro and Medium Enterprises and Cooperative Development was established, having evolved from a department of the Ministry of Trade and Industry. After the 1999 White Paper the first SME policy of 2002-2007 emphasised the development and growth of the SME sector (Republic of Zimbabwe, 2002:05). Government adopted the Small, Micro and Medium Enterprises (SMMEs) Policy and Strategy Framework and developed an Action Plan for 2002-2007. The policy focused on addressing the following:



 To create an enabling legal and regulatory environment to simplify the complex regulations, remove the multiplicity of bureaucratic requirements and establish the Small Business Act to provide an effective mechanism for giving incentives to SMMEs (Republic of Zimbabwe, 2009:19).

The 2002-2007 SME policy was further extended to 2012 before the promulgation of the second policy of 2014-2018 post the 2009 dollarisation period.

The goals of the 2014-2018 SME policy focus on stimulating economic growth and create wealth; creating sustainable employment opportunities, poverty reduction and promoting awareness of environmental issues and practices among MSMEs. The major objectives are to:

- "Ensure co-ordination of different policies, legislations and programmes at national level;
- Provide an appropriate institutional mechanism to facilitate MSMEs growth and graduation from informal, small to medium enterprises and the implementation of MSMEs development efforts;
- Set priorities and ensure access to limited public resources and coordinate resource mobilisation strategies;
- Ensure access to markets and market development, and export promotion;
- Support value addition using environmentally compliant technologies (green economy), and
- Ensure gender sensitivity and adherence to good corporate governance" (Republic of Zimbabwe, 2014:24).

The Sedco Act (2011) which is a legal instrument for the promotion of the small business sector, was prepared, reviewed and passed into an Act of Parliament. In addition, small businesses are benefiting from the Private Business Corporation (PBC) Act as a registration tool that contains simplified company formation procedures (Republic of Zimbabwe, 2008: 12)



The Zimbabwe Agenda for Sustainable Socio-Economic Transformation (Zim Asset) government blueprint (2013-2018) is a result based plan. The vision is "Towards an empowered society and a growing economy" with a mission "To provide an enabling environment for sustainable economic empowerment and social transformation to the people of Zimbabwe". Zim Asset is built around four strategic clusters: Food Security and Nutrition; Social Services and Poverty Eradication; Infrastructure and Utilities as well as Value Addition and Beneficiation (Republic of Zimbabwe, 2013:9).

1.4 The Zimbabwe Enabling Environment

As articulated in the 2002-2007 SME policy, government agencies, parastatals and national associations were created to facilitate SME development by the Ministry of SMEs. Table 1.1 below, outlines the key institutions in Zimbabwe for SME support.

Support Institution	Objectives and Key functions	
Small Enterprise	It was established as a statutory body in 1984 to provide loans for SMEs,	
Development	management and entrepreneurial training, business counselling, provide	
Corporation	business information to SMEs and facilitation of infrastructure provision	
(SEDCO	(Republic of Zimbabwe, 2008: 36). SEDCO was amended to Small and	
	Medium Enterprise Development Corporation (SMEDCO) (Sedco Act,	
	2011)	
Small and Medium	A public-private partnership was established for the development of SMEs.	
Enterprises	The council provides advice to the Ministry of SMEs and collaborates with	
Advisory Council	various Ministries involved in supporting enterprise development in	
,		
(SMEAC	Zimbabwe	
ZimTrade	ZimTrade is the trade promotion body, established under an Act of	
	Parliament. It strengthens SMEs by providing training and support to	
	SME exporters and provides comprehensive market intelligence on a	
	sector basis	
The Scientific	SIRDC provides comprehensive information on new technologies and	
Industrial	will continue to provide hands-on technical assistance to SMEs to	
Development and	improve productivity. It develops concepts and prototypes and works	
Research Centre	with Institutions of higher learning in doing technological research and	
(SIRDC)	development that can be used and commercialised by SMEs	

Table 1.1 Key Small and Medium Enterprise support institutions in Zimbabwe.



Standards	SAZ assists SMEs to develop quality assurance systems and procedures.	
Association of	Relationships will be established with local authorities in developing	
Zimbabwe (SAZ)	infrastructure and structuring business zones, licensing and developmen	
	SMEs	
Financial Sector	There are various types of institutions in the financial sector in Zimbabwe,	
	with diverse types of financial intermediaries. There are 17 Commercial	
	Banks, 4 Merchant Banks, 4 Building Societies, 1 Savings Bank, no Finance	
	Houses or Discount Houses. There is a total of 22 Banking Institutions, 16	
	Asset Management Companies and 150 Microfinance Institutions (RBZ,	
	2013: 20).	

1.5 Definitions of Constructs and Concepts

A literature review establishes the theoretical framework for a study, justifying the significance of one's research against previous research (Bak, 2009:18) whereas the conceptual framework aligns key concepts of the study (Henning, Rensburg & Smit, 2010:25-26). For this study, the literature review outlined the theoretical framework, key constructs, concepts and definitions in the field of entrepreneurship and training. These informed the empirical work undertaken in the Zimbabwe context.

The following section outlines the key constructs, concepts and definitions used for this study. Chapter 2 and Chapter 3 provide detail on the theoretical framework of the study.

1.5.1 Entrepreneurship

There is no commonly accepted definition of entrepreneurship. It is a young field. The concept defies easy measurement and it is multidimensional, depending upon the research area. It is noted that for a new field of research to be useful and achieve legitimacy, it must employ a conceptual framework that explains and provides for empirical phenomena which are not explained in previously existing conceptual frameworks (Sanchez, 2011:428). To capture the concept of entrepreneurship, a number of definitions are proffered here. It is said that entrepreneurship is the process of creating something new with value by devoting time and effort, assuming the accompanying financial, psychic and social risks and uncertainties and receiving the



rewards of monetary and personal satisfaction (Hisrich, Peters & Shepherd, 2010:6; Naude & Havenga, 2005:1). It is also described as a way of thinking, consisting of opportunity obsessed leadership balanced to attain value creation and capture (Timmons & Spinelli, 2009:101). Others have noted that the entrepreneurial process involves opportunity identification, business plan development, acquiring resources and managing the enterprise (Hisrich, Peters & Shepherd, 2010:7) while some are of the opinion that it involves the entrepreneur, organisation, resources and an opportunity (Wickham, 2006:221) and the entrepreneurial team (Timmons & Spinelli, 2009:110). The authors Isaacs, Visser, Friedrich and Brijal (2007: 614) add that the degree of entrepreneurship is dependent on three dimensions: innovativeness, risk-taking, and pro-activeness.

The researchers Shane and Venkataraman (2000: 218) defined entrepreneurship as a field of business, which seeks "to understand how opportunities to create something new (for example, new products or services, new markets, new production processes or raw materials or new ways of organizing existing technologies) arise and are discovered or created by specific individuals, who then use various means to exploit and develop them, thus producing a wide range of effects" (Baron & Shane 2008:5) As a field, the study of entrepreneurship essentially covers pre start-up and beyond (Neck & Greene, 2011:56).

1.5.2 The entrepreneur

According to Nieman and Nieuwenhuizen (2009:9) an entrepreneur is a person who "sees the market opportunity, gathers resources, creates and grows a venture to meet needs, bearing the risk of the venture, being rewarded with profits upon success ". It is also observed that an entrepreneur is a person who relentlessly focuses on an opportunity, either in a new or existing enterprise, to create value, while assuming both the risk and reward for his or her effort (Moore, Petty, Palich & Longenecker, 2010:5). Rwigema and Venter (2007: 57) additionally point out that entrepreneurs face financial risk, career risk, family and social risks, and psychological risk. To distinguish the concept of an entrepreneur from that of a manager or others, it is necessary to focus on the process of development and not on the result of the action (Sanchez, 2011:428).



1.5.3 Small business and entrepreneurial venture

A distinction is made between a small business where it is "independently owned, operated, not dominant in its field and does not engage in innovative practices, and an entrepreneurial venture with the principal goals of profitability, growth and the business characterised by strategic practices" (Carland, Hoy, Boulton & Carland, 1984:358). Three factors distinguish entrepreneurial firms from small businesses: innovation, growth potential and broad vision (Rwigema & Venter, 2007:7). Others are of the opinion that both are critical to the performance of the economy but serve different economic functions. Furthermore, small business owners are individuals who establish and manage their businesses for the principal purposes of furthering personal goals and ensuring security (Nieman, 2006:4-5) while entrepreneurial ventures are the ones that create more employment.

1.5.4 Entrepreneurship training and education

There is growing acceptance that some elements of entrepreneurship can be taught and learned. According to Azim and Al-kahtani (2014:127) entrepreneurship is an important educational innovation that provides the impetus to learning about learning. However, Entrepreneurship and Education Training (EET) programmes are seen as a means to stimulate increased levels of economic activity. Farashah (2013:869) argues that entrepreneurship education increases the intention to start a business while (Martinez et al. 2010:9) explain that entrepreneurship education plays a role in shaping attitudes, skills and culture. The trainability of entrepreneurs is accepted and supported by McClelland (1961), Gibb (1993), Hisrich and Peters (2002), Pretorius and Van Vuuren (2003) as well as Antonites (2003). Education and training alone will not address the survival needs of many SMEs, but they do play a crucial role in the support of SMEs as they facilitate initiation and development of entrepreneurial activities. Ladzani and Van Vuuren (2002:158) contend that entrepreneurship training should be viewed as one of the basic requirements of starting and running a business, albeit that a variety of economic, social and personal conditions need to be present for entrepreneurship to grow (Van Vuuren & Groenewald, 2007:270). An option to capture the effectiveness of entrepreneurship courses is measurement of actual start-up activities among former course participants because a strong intention, as previously



discussed, should eventually result in an attempt to start a new business. One of the advanced intention models is the theory of planned behaviour by Ajzen (1985, 2002) whose view is supported by Mueller, who points out that the immediate antecedent of behaviour is the intention to perform a given behaviour (Mueller, 2011:57).

Lack of appropriate education and training leads to skills shortages and thus hinders entrepreneurship (Kunene, 2009:119); hence lack of knowledge and understanding about starting a business is perceived as a major obstacle to entrepreneurship (Rideout & Gray, 2013:331). Perks and Struwig (2005:182) indicate that small business entrepreneurs regard skills as contributing towards growing their businesses (Perks & Struwig, 2005:182) while Kunene (2009:123) highlights that the barriers to entrepreneurship training and skill development initiatives can be categorised into cultural, diagnostic, finance, service provider, appropriateness, content and relevance factors. The authors Botha (2006:58), Kunene (2009:129), Henry, Hill and Leitch (2003:92) add that different interventions are needed for different stages of the entrepreneurship process. There is a difference between training targeted at the prestart-up phase and the post-start up. The following objectives are described as more convincing for an ETT programme as they reflect both employability of participants and creation of a venture. The objectives being to learn about entrepreneurship, to learn to become entrepreneurial and learn to "how to" be an entrepreneur by learning how to start a business (Azim and Al-kahtani, 2014:131).

1.5.5 Entrepreneurship training models

Existing models have been independently developed for entrepreneurship programmes in South Africa. Empirical findings regarding the Entrepreneurial Performance Education Model developed by Van Vuuren and Nieman in 1999 indicate that constructs in the model were practically applied within business start-up, basic entrepreneurship and advanced entrepreneurship programmes (Van Vuuren & Botha, 2010:623). The results showed that training programmes with entrepreneurship, business management and technical skills training yield more results that those with few of these skills. The Entrepreneurship Education model was developed by Pretorius in 2001 (Pretorius, Van Vuuren & Nieman, 2005:422). The two models were then reviewed to derive an integrated model. Such models could contribute to the analysis



of programmes in Zimbabwe aimed at SMEs. A further model was developed by Kunene in 2009 on Entrepreneurial performance requiring training SMEs in key and supportive skills (Kunene, 2009:264).

1.6 Entrepreneurship Training and Education Programmes in Zimbabwe

It is noted that in 2007, Zimbabwe ranked 151 of 189 countries on the Human Development Index and 107th in the Knowledge Economy Index (Mambo, 2010:17). It is highlighted that education in Zimbabwe has been instrumental in skills development and that the literacy rate in Zimbabwe is high, at 91.4% (Shizha & Kariwo, 2011:11) whereas the Southern African average is 62% due to the government of Zimbabwe's earlier policies of free primary education in the 1980s. Nevertheless, while the Zimbabwean nation prides itself on a literacy rate of almost 92%, the education sector faces the challenge of curriculum review. From 2014, the educational curriculum was reviewed through stakeholder consultations as the Ministry of Education made deliberate steps and efforts to adopt and implement key recommendations of the 1999 Nziramasanga Commission of Inquiry on the educational system. This implies enhancing the integration of practical vocational subjects in the academic curricula. However, the educational system has not integrated entrepreneurship education in the primary, secondary or tertiary levels. Very few universities in Zimbabwe offer entrepreneurship and small business management courses under specific degrees, while business competition and entrepreneurship clubs are offered as extramural activities outside the core learning.

In Zimbabwe, various entrepreneurship training and education programmes are implemented by few government, donors, NGOs and the private sector. Programmes are offered directly to SMEs through schools, vocational colleges and universities and others informally on-the-job. The national initiatives to support "education, training and employment opportunities are the National Youth Policy, National Employment Policy Framework and the draft National Skills Development Policy Framework" (Mambo, 2010:12).

Some of the entrepreneurship and business skills training programmes for SMEs are provided by the International Labour Organisation (ILO), UNCTAD-Empretec,



providers of Township-MBA, Junior Achievement Zimbabwe, Zimbabwe National Chamber of Commerce (ZNCC) and the Small Enterprise Development Corporation (SEDCO) outside of those offered by private consultancies, colleges and universities. Most programmes offer business skills and training in business planning. Some offer motivation and entrepreneurship skills training. These programmes target either or all micro, small and medium enterprises or primary, secondary and tertiary education students. The most frequent source of informal training in the majority of the countries is self-study, followed by informal university programmes and courses offered by business associations.

The Integrated Skills Outreach Programmes (ISOPs) were set up in response to a Cabinet directive to the Ministry of Higher and Tertiary Education, that together with the Ministries of: Youth Development, Indigenisation and Empowerment; Women's Affairs, Gender and Community Development; Labour and Social Services as well as Small, Medium Enterprises and Cooperative Development and Co-operative Development, they design and recommend an appropriate skills training programme for young people who fail to progress to institutions of higher and tertiary education. The ISOPs teach skills to enable individuals to undertake income generating enterprises. The specific objectives of the programme include "empowering unemployed youths with technical and entrepreneurial skills, alleviating poverty among youths in rural and urban areas as well as increasing productivity in the economy, and generating employment" (Nell et al., 2009: 27).

Traditionally, the academic levels of those employed in the informal sector are generally lower than those in the formal sector; however, this pattern is changing as young workers with more education are entering the informal sector. Low education levels limit trainability and result in modest skill levels. In a survey of five African countries: Kenya, Tanzania, Zambia, Zimbabwe and Senegal, it was found that about half of the informal sector workers have either no education or just a primary education whereas less than five percent have a post-secondary education. Slightly better results are reported for South Africa (Johanson & Adams, 2004: 7).

Recognising the need for training, the Ministry of Small, Medium Enterprises and Cooperative Development (SMECD) has activated a number of skills development



partnerships across the country with several workshops and seminars being held for entrepreneurs. An ongoing training programme is in place focusing on building and enhancing the training and facilitation skills of the Business Development Services (BDS) officers in the Ministry itself. SEDCO, now SMEDCO, continues to serve as a crucial conduit for programme implementation for MSMED through training, financing and infrastructure support. MSMED works closely with the Standards Association of Zimbabwe which carries out workshops for SMEs on how to produce quality products (Republic of Zimbabwe, 2008:12).

1.6.1 "Start and Improve Your Business" and "Empretec" training programmes

In the light of the various SME training programmes in Zimbabwe, this study focused on two of the predominant and commonly offered training programmes; these are organised by the International Labour Organisation (ILO) and United Nations Conference for Trade and Development (UNCTAD) in Zimbabwe. The ILO-Start and Improve Your Business (SIYB) and UNCTAD- Empretec Entrepreneurship Development Workshop (EDW) and the Micro Entrepreneurship Programme (MEP) are entrepreneurship and business management programmes that have been used nationally, regionally and internationally. In Zimbabwe, these two specific programmes have been running for more than 20 years and are offered through government ministries, NGOs, business associations and private sector providers.

In brief, the ILO- Start Your Business (SYB) programme trains potential entrepreneurs to develop a business plan. The ILO- Improve Your Business (IYB) programme trains entrepreneurs to put business management systems in place.

According to the SIYB training materials the SYB is "a materials-based training programme for potential entrepreneurs with a business idea who want to proceed and start their own business". The SYB training assists potential entrepreneurs to develop concrete, feasible and bankable business ideas to start their own small business through completing a business plan (ILO,2014). The IYB programme is described as "a materials-based training programme for entrepreneurs who want to improve the management processes of their existing business". The IYB training consists of 7 modules and assists micro and small-sized entrepreneurs to set up a basic business



management system. By the end of the training course, through IYB existing entrepreneurs are enabled to set up standardised processes for buying, stock control, record keeping, costing, financial forecasting, marketing and productivity improvements through improved workplace practices (ILO,2014)).

The SIYB training is equally suitable for men and women in rural and urban areas, and is applicable to both young and old. To benefit fully from SIYB training, entrepreneurs should be able to read and write (ILO, 2012).

According to the Empretec training materials, the Empretec Programme termed the Entrepreneurship Development Workshop (EDW) is for training in personal entrepreneurial competencies and business planning (Empretec, 2000). The Micro Entrepreneurship Programme (MEP) is a simplified version, targeting micro enterprises. It is noted that the Empretec programme is an intensive motivational and behavioural programme focused towards imparting personal entrepreneurial competencies to participants through learning by doing. As a United Nations programme in entrepreneurship, the name Empretec derives from the Spanish words emprendedores (entrepreneurs) and technologia (technology). Empretec is a mechanism that instils behavioural change into a select group of promising entrepreneurs. It is dedicated to helping promising entrepreneurs put their ideas into action and helping fledgling businesses to grow (UNCTAD, 2012).

The Empretec training programme is about Personal Entrepreneurial Competencies (PECs). The clusters are for Achievement, Opportunity seeking and initiative, Persistence, Commitments, Demand for quality and efficiency, Taking calculated risks, Goal-seeking, Information-seeking, Power, Systematic planning and monitoring, Persuasion and Networking. Associated with these skills are a series of behavioural indicators found to be the most useful for detecting and strengthening entrepreneurial potential. The Empretec methodology is based on the research conducted by David McClelland (UNCTAD, 2012).



1.7 Problem Statement

By 2004, the share of the formal sector in the Zimbabwean economy had declined to around 13 percent of the labour force (10 percent of the population). It is said that the anticipated formalisation of the economy has not occurred; it is in fact the informalisation of the economy that has accelerated, with the associated decent work deficits (Republic of Zimbabwe, 2009: v). In the Confederation of Zimbabwe Industries (CZI) Surveys of 2007 and 2008, "the major cause of declining employment levels is identified as constrained aggregate demand for goods and services" (Kanyenze, 2009: 6). In 2014, average capacity utilisation in the manufacturing sector declined to 36,3% (CZI, 2014:6). The Medium-Term Plan (2011-2015) notes that the Micro, Small and Medium Enterprises (MSMEs) sector accounts for an estimated 60% of GDP and almost 50% of employment. The role of MSMEs is recognised by the government of Zimbabwe as the engine of growth, given the high labour to capital ratio (Ledriz-Zeparu, 2013:21).

While various efforts by government, the private sector and NGOs have effectively functioned to enhance management and skills capacities, it appears that the training and skills gaps identified for growing businesses cannot be fully met through existing providers or through their own skills set within their businesses, nor through other organisations and institutional networks (Republic of Zimbabwe, 2008: 31). In other words, there is a lack of holistic programmes tackling business needs.

From the evidence, there is a high demand for, but low supply of, jobs in the formal labour market. Zimbabweans were forced to start and run their own businesses as a means of employment and survival. There is fear of failure given the uncertainty, economic and political instability of the past 16 years. SMEs remain vulnerable, their survival threatened and some are doomed to fail. The motivation to start a business was necessity driven rather than opportunity driven. About 63% of business owners were motivated to start due to unemployment and as a means of providing for their families, escaping poverty and to substitute and augment income, while just 34% saw an opportunity (Finscope, 2012:40).



The challenges and constraints faced by SMEs in Zimbabwe are many and related to financial exclusion, as well as a lack of entrepreneurial and business management skills and not having the knowledge of how to start and grow a business. The use of informal mechanisms is extensive in Zimbabwe (41%); hence 40% of adults are financially excluded. They depend only on family and friends for borrowing and save at home – if they save. "About 69% of adults in urban areas are formally served, compared to only 22% in rural areas" (Finscope, 2011:37). Certain researchers are of the opinion that a lack of experience, start-up capital and entrepreneurial knowledge constitute some of the reasons that businesses fail (Ladzani & Groenewald, 2005: 167). It is indicated that key challenges mentioned by MSMEs refer to sourcing money for start-up, management, operation and growth. Other challenges are equipment, raw materials, few customers, transport, business premises, stiff competition and customer debtors (Finscope, 2012:39).

There is a diverse range of training programmes that have been put in place largely by government (vocational training, apprenticeship and university entrepreneurship programmes), NGOs, UN agencies and private sector entrepreneurship training programmes. An assessment of the role different types of entrepreneurship training and education programmes have played, is needed.

Considering this background, the problems that persist in Zimbabwe that were the focus of this research are:

- 1. The general lack of entrepreneurship training and its quality and standard resulting in a skills gap
- 2. High business failure rates and poor business performance of SMEs.

The question that remains is why these problems persist. They limit the employment creation capacity of SMEs. The effectiveness and efficacy of some of the programmes in Zimbabwe and attainment of their objectives for business start-up and growth raises a number of issues.



1.8 Purpose of Study

The purpose of the study was to investigate the role of, and the extent to which, entrepreneurship training and education programmes are supporting businesses to start up, grow and contribute to job creation. The empirical research sought to establish this.

1.9 Research Aims and Objectives

To this author's best knowledge, the above research questions have not been previously posed concerning MSME business development in Zimbabwe, nor are there data that have been gathered concerning the effect of the funding provided by government, donors and the private sector on entrepreneurship development and related training programmes. The study aims to broaden understanding in this area and examine ways to improve current practices to achieve the intended objectives of training programmes.

1.9.1 The study objectives:

- 1.8.1.1 To investigate what skills training businesses have received to support startup?
- 1.8.1.2 To investigate what skills training businesses have received to support growth?
- 1.8.1.3 To analyses the extent to which the selected entrepreneurship training programmes result in new business creation?
- 1.8.1.4 To analyse the extent to which the selected entrepreneurship training programmes result in business growth?
- 1.8.1.5 To explore the extent to which the training programmes content matched to enterprise need?
- 1.8.1.6 To analyse what factors have affected business performance in Zimbabwe for start-up and growing businesses?



1.10 Research Questions

As referred to above, the research questions sought to determine the role of entrepreneurship training and education programmes in starting up businesses, growing them and contributing to the creation of jobs in small businesses and entrepreneurship ventures. The said questions are empirical, analytical and exploratory (Bak, 2009:21; Mouton, 2010:53) and the study poses the following ones:

1.7.1 What skills training have businesses received to support start-up?

1.7.2 What skills training have businesses received to support growth?

1.7.3 To what extent do the selected entrepreneurship training programmes result in new business creation?

1.7.4 To what extent do the entrepreneurship training programmes result in business growth?

1.7.5 To what extent are training programmes content matched to enterprise needs?

1.7.6 What factors have affected business performance in Zimbabwe for the startup and growing of businesses?

1.11 Hypothesis

In this study, it was decided to state hypotheses rather than propositions since a hypothesis is a testable proposition. A proposition is a statement about concepts that may be judged as true or false if it refers to observable phenomena. When a proposition is formulated for empirical testing, it is known as a hypothesis. Propositions are statements concerned with the relationships among concepts and an assertion of a universal connection between events that have certain properties. A hypothesis is a proposition that may be empirically tested. It is an empirical statement concerned with the relationships among variables (Cooper & Schindler, 2011: 47).

The Hypotheses tested in the study are as follows:

Hypothesis 1: (Ho 1) There is no statistically significant difference in the proportion of business start-ups between the ILO and Empretec programmes in terms of business start-up rates



Alternative Hypothesis: (Ha 1) There is statistically significant difference in the proportion of business start-ups between the ILO and Empretec programmes in terms of business start-up rates.

Hypothesis 2: (Ho 2) There is no statistically significant difference in job creation after trainees have attended the ILO and Empretec programmes

Alternative Hypothesis: (Ha 2) There is a statistically significant difference in job creation after trainees have attended the ILO and Empretec programmes.

Hypothesis 3: (Ho 3) There are no statistical differences in job creation for entrepreneurs who:

Ho 3.1: Started a new business Ho 3.2: are running a business

Alternative Hypothesis: (Ha 3) There are statistical differences in job creation for entrepreneurs who:

Ha 3.1: Started a new business Ha 3.2: are running a business

Hypothesis 4: (Ho 4) There is no significant difference in the training programmes' content in terms of meeting needs of the businesses on the following:

Ho 4.1: Run a business

Ho 4.2: Develop a business plan

Ho 4.3: Financial management

Ho 4.4: Market research

Ho. 4.5: Customer care

Ho 4.6: To access business finance

Alternative Hypothesis: (Ha 4) There is a significant difference in the training programmes' content in terms of meeting needs of the businesses.



Hypothesis 5: (Ho 5) There is no significant difference regarding skills transfer between start up and existing businesses with respect to selected entrepreneurship training programmes for:

Ho 5.1: ILO Start-up and existing businesses

Ho 5.2: Empretec start up and existing businesses

Alternative Hypothesis: (Ha 5) There is a significant difference regarding skills transfer between start up and existing businesses with respect to selected entrepreneurship training programmes for the following:

Ha 5.1: ILO Start-up and existing businesses

Ha 5.2: Empretec start up and existing businesses

Hypothesis 5.3: (Ho 5.3) There are no significant differences regarding skills transfer between the four training packages with respect to business skills.

Alternate Hypothesis: (Ha 5.3) There are significant differences regarding skills transfer between the four training packages with respect to business skills.

Hypothesis 5.4: (Ho 5.4) There are no significant differences regarding skills transfer between the four training packages with respect to entrepreneurial skills.

Alternate Hypothesis: (Ha 5:4) There are significant differences regarding skills transfer between the four training packages with respect to entrepreneurial skills.

Hypothesis 5.5: (Ho 5.5) There are no significant differences regarding skills transfer between the four training packages with respect to business performance skills.

Alternate Hypothesis : (Ha 5.5) There are significant differences regarding skills transfer between the four training packages with respect to business performance skills.



Hypothesis 5.6: (Ho 5.6) There are no significant differences regarding skills transfer between the four training packages with respect to business planning and presentation skills.

Alternate Hypothesis: (Ha 5.6) There are significant differences regarding skills transfer between the four training packages with respect to business planning and presentation skills.

Hypothesis 5.7: (Ho 5.7) There are no significant differences regarding skills transfer between the four training packages with respect to programme methodology.

Alternate Hypothesis: (Ha 5.7) There are significant differences regarding skills transfer between the four training packages with respect to programme methodology.

Hypothesis 6: (Ho 6) There are no significant differences regarding business growth for start-up businesses in the ILO and Empretec programmes in terms of:

Ho 6.1: Sales Ho 6.2: Profits Ho 6.3: Asset value

Alternative Hypothesis: (Ha 6) There are significant differences regarding business growth for start-up businesses in the ILO and Empretec programmes in terms of:

Ha 6.1: Sales Ha 6.2: Profits Ha 6.3: Asset value

Hypothesis 7: (Ho 7) There are no significant differences regarding business performance for established businesses in the ILO and Empretec programmes in terms of:

Ho 7.1: Sales Ho 7.2: Profit Ho 7.3: Asset value



Alternative Hypothesis: (Ha 7) There are significant differences regarding business performance for established businesses in the ILO and Empretec programmes in terms of sales, profit and value of assets.

Ha 7.1: Sales Ha 7.2: Profit Ha 7.3: Asset value

Hypothesis 8: (Ho 8) There are no significant differences regarding business performance between male and female owned businesses in terms of:

Ho 8.1: Sales

Ho 8.2: Profit

Ho 8. 3: Asset value

Alternative Hypothesis: (Ha 8) There are significant differences regarding business performance between male and female owned businesses in terms of:

Ha 8.1: Sales

Ha 8.2: Profit

Ha 8. 3: Asset value

Hypothesis 9: (Ho 9) Statistical significance does not exist between trained entrepreneurs regarding the following variables:

Ho 9.1: Age
Ho 9.2: Education
Ho 9.3: Work experience
Ho 9.4: Economic sectors of business
Ho 9.5: Form of business

Ho 9.6: Place of business operation



Alternative Hypothesis: (Ha 9) Statistical significance does exist between trained entrepreneurs regarding the following variables:

Ha 9.1: Age
Ha 9.2: Education
Ha 9.3: Work experience
Ha 9.4: Economic sectors of business
Ha 9.5: Form of business
Ha 9.6: Place of business operation

1.12 Research Methodology

1.12.1 Research design and descriptors

The research design constitutes the blueprint for collection, measurement, data analysis, aiding allocation of limited resources. It is the plan for the research, expressing the structure of the research problem and the way to obtain empirical evidence (Cooper & Schindler, 2011:140). The descriptors of this research design are outlined. The purpose of the study is exploratory, and is "based on literature, constructs, concepts and definitions in entrepreneurship" (Babbie, 2010:92). The empirical research carried out and reported on in this thesis is a formal study. Data collection methods are for a communication study where a survey questionnaire was developed and used for interviewing respondents from the training samples. The researcher has "no control over the variables and cannot manipulate" those (Cooper & Schindler, 2011:142-3). There is no opportunity to establish effectiveness of entrepreneurship training and education before the interventions. It is a cross-sectional study, primarily ex post facto, wherein the interviews were conducted at a point in time long after the respondents had received training. Such a study involves observations of a sample or cross section of a population or phenomenon that are made at one point in time. Exploratory and descriptive studies are often cross-sectional (Babbie, 2010: 106). Cross-sectional studies often employ the survey strategy. (Gray, 2009:96). The study is statistical in scope as the sample results are analysed using statistical



procedures and techniques for generalisations on the population, conducted in the field, in a non-laboratory setting.

The research used both an exploratory and a formal, empirical study. The exploratory study was qualitative, determining concepts, giving the background from academic books and journal articles in the areas of entrepreneurship, small business, training and education.

The goal of a "formal research design is to test the hypotheses or answer the research questions" posed (Cooper & Schindler, 2011:468). Both descriptive and inferential statistical analysis were conducted.

1.12.2 Population and sampling procedures

The proposed population was derived from databases of entrepreneurship training and education programmes in Zimbabwe that were mentioned earlier; specifically, the ILO-SIYB and the Empretec EDW, MEP training programmes for SMEs. The sampling frame from the population contains trained entrepreneurs selected from the major commercial and industrial cities of Harare, Mutare, Bulawayo and the town of Chitungwiza as well as from Matobo, a rural area outside of Bulawayo. The sample came from the population of those trained over the 2011, 2012, 2013 periods.

Of the targeted population of 800 trained entrepreneurs, a sample of 551 was interviewed, yielding a 73% response rate. The research analysis is based on the participation by 551 respondents. A probability sampling methodology was utilised. Simple random selection was carried out within a stratification sample based on the 4 training programmes constituting the sub-groups.

1.13 Importance and Benefits of the Study

The study is an important and unique analysis of entrepreneurship in the Zimbabwean economy. It will shed light on the problems SMEs face in start-up and growth and on their contribution to job creation, while reviewing the extent to which entrepreneurship training and education programmes have been useful for SMEs in Zimbabwe. The



study will be beneficial for policy makers and academics as well as those sponsoring and providing entrepreneurship training and education including finance institutions that support SMEs. It may assist the ILO and UNCTAD in making appropriate revisions to content, structure and methodology to improve effectiveness and impact. For policy makers, recognising both the internal and external barriers to entrepreneurial success are key when governments support SMEs. The needs for an enabling environment through supportive economic policies, and a stable macroeconomic environment, are critical in the Zimbabwean context.

1.14 Outline of chapters

Chapter 1 : Introduction and background

Chapter one presents the background, literature review on the role of SMEs, the Zimbabwean economy, research field definitions of constructs and concepts. The purpose, problem statement, research aim, research objectives and research questions are specified. The specific research hypotheses are defined in the context of the sample under study in the context of Zimbabwe.

Chapter 2: Entrepreneurship Training and Education

Chapter two provides literature review in the field of entrepreneurship focused on entrepreneurship training and education, the structure, content and methodology of training programmes, learning and skills as an overall theoretical framework to the study. The context of study in relation to policies on training and education in Zimbabwe is reviewed.

Chapter 3: Entrepreneurship Process and Models

Chapter three outlines theoretical framework on entrepreneurship, training and education. It further examines the entrepreneurship process, selected entrepreneurship training models and a detailed description of the SIYB and Empretec programmes.

Chapter 4: Research Methods

Chapters four provided explanation of the research methodology introduced in chapter one. The research design and descriptors are detailed out, the population and sample



defined and the sampling methods and size are specified. The approaches to data collection and techniques used for analysis are specified in this chapter. The statistical tests used for the stated hypotheses for the study range from chi, t-tests to ANOVA and MANOVA tests of statistical significance.

Chapter 5: Research Findings, Analysis and Discussion

Chapter five provides the research findings, the descriptive and inferential statistical analysis conducted for the empirical study and a discussion based on the acceptance or rejection of each hypothesis. Graphical presentation by way of tables, pie charts and bar graphs are used to present the findings.

Chapter 6: Conclusion and Recommendations

Chapter 6 presents the major Conclusions, contribution of the study to the field of entrepreneurship body of knowledge and the context of a developing economy as well as identify gaps. The chapter offers key Recommendations emanating from the study.



CHAPTER 2

ENTREPRENEURSHIP TRAINING AND EDUCATION

2.1 Introduction

The study fits in the field of entrepreneurship and focused on Entrepreneurship training programmes for Small and Medium Enterprises (SME). This chapter outlines and elaborates on the definitions of constructs, concepts within the theoretical frameworks of Entrepreneurship and Entrepreneur, Entrepreneurship Training and Education as well as Vocational training. An outline of Entrepreneurship training programmes and their effectiveness is provided. The chapter offers an understanding of Entrepreneurship Education as distinguished from Entrepreneurship Training and goes on to outline the training and education policies and system in Zimbabwe. The foundation of the literature review is laid and links this chapter to Chapter 3, which provides details concerning entrepreneurship training models, the entrepreneurial process and the entrepreneurship training programmes for SMEs in Zimbabwe that were selected for the study.

2.2 Entrepreneurship

The importance of entrepreneurship is recognised as contributing to entrepreneurial activity as small businesses drive economic growth and development in general and particularly in higher income countries. The role of entrepreneurship seems to be increasing and some authors now refer to the "entrepreneurial economy" (Nabi & Liñán, 2011:325). Certain researchers suggest that generally entrepreneurship as a theory is failing to provide continued economic growth in developed communities. Many studies in "entrepreneurship adopting theories and concepts from other areas of research, such as psychology, sociology, economics or strategic management have moved focus from individuals and contexts to the convergence of resources, especially knowledge, the emergence, existence and exploitation of opportunities for enterprise". (Sanchez, 2011:428).

According to O'Connor (2013:547) some researchers indicate that the evidence that entrepreneurship delivers economic value has at best been patchy, further stating that



others claim entrepreneurship does little to enhance entrepreneurship skills and motivation; it is argued that entrepreneurship education, at worst, evidences diminishing returns for certain economies and in others, at best, only reveals limited increasing returns before reversing. However, entrepreneurship has emerged over the decades as a potent economic force. A "high level of entrepreneurial activity has been shown to contribute to fostering competition, innovation, economic growth, job creation and citizen well-being" (do Paco & Raposos, 2011:453).

This researcher supports and agrees with the growing evidence and those proponents who argue that entrepreneurship contributes to economic growth, because entrepreneurship is the emergence and growth of new businesses. It is said that it is the process which causes changes in the economic system through innovations of individuals who respond to opportunities in the market. "Entrepreneurship is the process whereby entrepreneurs create value both for themselves and for society" (Nieman, 2006:3; Nieman & Bennett 2006:49).

Entrepreneurship deals with entrepreneurially oriented individuals interacting with their environment and, as has been noted, concerns "discovering, evaluating and exploiting opportunities" (Akola & Heinonen, 2006:4; Shane & Venkataraman, 2000:218). According to Naude and Havenga (2005:1) entrepreneurship is defined as self-employment and is consistent with the Global Entrepreneurship Monitor (GEM) project's definition of entrepreneurship as any attempt at new business or new venture creation, such as self-employment, a new business organisation, or the expansion of existing business, by an individual, teams of individuals, or established businesses.

Entrepreneurship has grown to rank among the larger divisions of the academy of management. Entrepreneurial research has become more theory driven, coalescing around a central core of themes, issues, methodologies and debates. What constitutes entrepreneurship has been based on organisational criteria such as size, age, ownership or legal status (Audretsch, 2012:756). Entrepreneurship has come of age with a level of acceptance and legitimacy (Morris, Kuratko & Cornwall, 2013:16). For purposes of this study the researcher has adopted the GEM definition of entrepreneurship of new venture creation and expansion of existing businesses. The reason for this choice was that the study focuses on entrepreneurship training for



SMEs in a factor driven economy such as Zimbabwe, which is recovering from a period of economic decline, de-industrialisation and informalisation of the economy.

2.3 Entrepreneur

Over time researchers have defined an entrepreneur from various perspectives. It is said that an entrepreneur is one who creates a new business in the face of risk and uncertainty for the purpose of achieving profit and growth by identifying significant opportunities and assembling the necessary resources to capitalise on them (Zimmerer & Scarborough, 2011:5). Entrepreneurs are prone to both push and pull paths (Matlay,2005:670). factors determining their chosen entrepreneurial Entrepreneurs are also described as facing financial risk, career risk, family and social risks, and psychological risk (Rwigema & Venter, 2007:57) whilst some are of the opinion that the definition of an entrepreneur is currently changing to reflect a desire for continuity and long-term commitment to the activity, rather than a single act or a limited number of acts to fulfil a need (Van Aardt, Van Aardt, Bezuidenhout & Mumba, 2008:4). A holistic definition emphasises the entrepreneur as a decision maker and the basic unit of analysis. In contrast entrepreneurship encompasses internal capacities of the entrepreneurial firm and competitive externalities and does not negate the role of the entrepreneur (Matlay, 2005:670).

In 1755, Cantillon used the term "entrepreneur" to mean a person who buys products at known prices to subsequently resell them on the market for unknown prices. The authors Baumol (1993) and Casson (1982) differentiated the entrepreneur from the investor, recognising the difference in what each one expected in return for their actions. Furthermore, Schumpeter (1961) identified entrepreneurs as "creative destroyers" who break tight market cycles by introducing an innovation that allows them to set a price high above the cost of resources used in production; another source points out that to distinguish the concept of entrepreneur from others, it is necessary to focus on the process of development and not on the result of the action (Sanchez, 2011:428).

Table 2.1 below, provides a compilation of major historical definitions of entrepreneur. These further represent aspects of entrepreneurship. As noted from



the earlier references to entrepreneur or entrepreneurship come from the field of economics, as recognised by Cantillon, Schumpeter, Knight, Kirzner, Baumol (Rocha, 2012:4). Gedeon (2010:18) contends that other opposing theoretical views such as risk theory of profit and dynamic theory of profit emerged, concerning how entrepreneurs achieve residual profit, and adds that the Austrian school defines the entrepreneur as the driving force of the dynamic market process. For the Austrian school, "in opposition to the German tradition of Schumpeter, only in disequilibrium are there opportunities for entrepreneurial profit" (Rocha, 2012:9). The "traits school emphasises the individual characteristics of entrepreneurs". By contrast, the "behavioural school argues the process of creating a new venture, not the personality of the founder, should be fundamental to defining entrepreneurship" (Gedeon, 2010:24). The author Naude (2013:3) adds that other behavioural definitions view the entrepreneur as someone who facilitates adjustment to change by spotting opportunities for profitable arbitrage and disequilibrium situations in the market. The author Matlay (2005:668) states that the history of entrepreneurship is full of contradictions and subject to conceptual and contextual debate.

Author	Definition	Year and
		theoretical
		lens
Cantillon	The "entrepreneur is the bearer of risks inflicted by changes in	1755
	market demand. Entrepreneurs purchase inputs at a given price to	Risk theory of
	produce and sell later at an uncertain price. The entrepreneur brings	profit
	prices and production into line with demand".	
Say	The "entrepreneur shifts economic resources out of an area of lower	1816
	productivity and into an area of higher productivity and greater yield".	Dynamic
		theory
Clarke	An "invention makes it possible to produce something more cheaply.	1899
	It first gives a profit to entrepreneurs and this profit is an elusive	Dynamic
	sum, which entrepreneurs grasp but cannot hold".	theory
Schumpeter	The "carrying out of new combinations, we call 'enterprise'; the	1934
	individuals whose function it is to carry them out we call	Dynamic
	'entrepreneurs'".	theory

Table 2.1. Definitions and theoretical lenses of an entrepreneur



McClelland	"Entrepreneurial activity involves risk taking, energetic activity,	1961
	individual responsibility, money as a measure of results, anticipation	Traits school
	of future possibilities and organisational skills".	
Baumol	The "entrepreneur has a different function. It is his job to locate new	1968
	ideas and put them into effect. He is the Schumpeterian innovator	Dynamic
	and more".	theory and
		traits school
Howell	Entrepreneur "is the person and entrepreneurs are the small group	1972
	of persons who are new company founders".	Risk theory
Kirzner	An "entrepreneur is a decision-maker whose entire role arises out of	1973
	his alertness to hitherto unnoticed opportunities".	Austrian
		dynamic
		theory
Brockhaus	An "entrepreneur is defined as a major owner and manager of a	1980
	business venture not employed elsewhere".	Risk theory
Casson	An "entrepreneur is someone who specialises in taking judgemental	1982
	decisions about the coordination of scarce resources".	Behaviour
		school
Drucker	The "entrepreneur always searches for change, responds to it and	1985
	exploits it as an opportunity".	Dynamic
		theory
Hebert and	"Roles of the entrepreneur in the history of economic theory include:	1988
Link	assumes risk associated with uncertainty, supplies capital,	combination
	innovator, decision maker, leader, manager, organiser and	
	coordinator, owner, employer of factors of production, contractor,	
	arbitrager, allocator of resources".	
		1

Source: Adapted from Steve Gedeon (2010:19)

Entrepreneurial activity takes place in small, medium and micro enterprises (SMMEs). When the factors that draw people into small business are present in a country, the conditions will be positive for entrepreneurship to do well there. According to Co, Groenewald, Van Zyl, Visser, Train and Emanuel (2006:25) a variety of economic and non-economic, social and personal conditions needs to be present for entrepreneurship to grow. The economic conditions include the availability of capital, support from government, financial infrastructure and using new technologies, whereas the non-economic conditions include the desire for personal achievement, desire for social contribution, opportunity to improve personal wealth and social status, research and development, a good educational system and good infrastructure.



The levels of start-up of new businesses have been identified and are used by policymakers and in policy studies as a measure of overall entrepreneurial activity and potential within economies. It is said that in broad terms, the logic is that new business start-ups produce new sources of wealth and innovation since these entrants seek out and create new business opportunities and activities, as well as that raising the levels of involvement in business start-up also increases the number of people directly involved in entrepreneurship and entrepreneurial endeavours (Van Vuuren & Groenewald, 2007, 270).

2.4 Entrepreneurship Training and education Theory

It is becoming clear that entrepreneurship, or certain facets of it, can be taught. Business educators and professionals have evolved beyond the myth that entrepreneurs are born, not made. From a 10-year (1985 to 1994) literature review of enterprise, entrepreneurship, and small business management education, "most of the empirical studies surveyed indicated that entrepreneurship can be taught, or at least encouraged, by entrepreneurship education" (Kuratko, 2005:580) and others describe that there is a consensus that certain facets of entrepreneurship can be taught (Farashah, 2013:870). Some are of the opinion that while many aspects of entrepreneurship can be taught, it requires certain flair or attitude towards taking risks (Botha, 2006:49). Others have noted that the entrepreneurial role can be culturally and experientially acquired and that entrepreneurship is also influenced by training and education interventions so that there is growing acceptance that elements of entrepreneurship can be taught and learned (Azim & Al-kahtani, 2014:127). An assumption underlying entrepreneurship education programmes (EE programmes) is that "the entrepreneurs can be made, and that it is possible to learn how to be an entrepreneur through different specific educational policies and programmes" (Sanchez, 2013:448).

Education is one of the most important foundations for economic development and "is a major driver of innovation and economic development. Entrepreneurship education plays a role in shaping attitudes, skills and culture" (Martinez, Levie, Kelley, Saemundsson & Schott, 2008:9). Furthermore, entrepreneurship training and training and education entails more than the development of particular business skills creating



positive perceptions and desire among individuals to start businesses. Growth in entrepreneurship training and training and education is likely to come from outside business schools (Martinez et al., 2008:11). The debate on the application of the terms entrepreneurship education and entrepreneurial education and their interchangeability and argued by authors to be conceptually the same and contextually different, wherein entrepreneurship education is used in America and Canada and enterprise education in the UK and Ireland (Mwasalibwa, 2010:25).

It is noted that Garavan and O'Cinnéide adopted in 1994, a theory to categorise entrepreneurship training and training and education, differentiating between entrepreneurship education and education, and training for small business owners (Henry, Hill & Leitch, 2005: 102). It is also described that the type of training is classified into three categories, related to the individual's stage of development: (i) small business awareness education appearing in a secondary school syllabus; (ii) in field training and education for small business ownership and (iii) more specialist education conceived to enable people to update their skills & continuing small business education. The major aims of entrepreneurship education are:

- "To get knowledge useful to entrepreneurship.

– To increase capacities in the use of techniques, in the examination of business situations, and in the creation of action plans.

- To identify and stimulate entrepreneurial skills.

- To develop empathy and support for all issues of entrepreneurship.
- To develop attitudes towards change.

- To promote new start-ups and other ventures" (do Paço & Raposo, 2011:455).

According to Nieuwenhuizen & Groenewald (2004:5) post-secondary training and education of entrepreneurs and potential entrepreneurs should follow a multidisciplinary and holistic approach that focuses on the development of those skills and abilities that were identified as success factors of entrepreneurs (Nieuwenhuizen & Groenewald, 2004:5). Studies on the influence of training and education on attitudes have "found a positive link to interest in entrepreneurship, attitudes toward entrepreneurship and perception of the feasibility of starting a business". However, other studies indicate a "decrease in intentions after entrepreneurship and prior



intentions can change the effect" of entrepreneurship training programmes (Martinez *et al*, 2008:15).

It is said that teaching entrepreneurship involves both "arts", for example creative and innovative thinking, and "sciences" for example business and functional management competencies, where this "science" of entrepreneurship is considered to be teachable, even via more conventional methods (Akola & Heinonen, 2006:3). Entrepreneurship courses should structure training for entrepreneurs which includes technical and personal entrepreneurial skills supported by mentoring, counselling and networking experience. Akola and Heinonen (2006:4) further describe the "art" as the hub of creation and innovation and consider that it does not appear to be teachable in the same way; they argue that it is highly subjective, being a skill that cannot be directly taught due to its fundamentally experiential nature. Moreover, they argue that the "art" of entrepreneurship requires a greater understanding of how people learn entrepreneurial behaviour and how entrepreneurial capabilities are developed. The "art" of entrepreneurship is mainly learned in the business environment through inductive, practical and social experience. The "science" of entrepreneurship provides a conceptual background of the phenomenon and stimulating the necessary analytical thought processes.

2.5 Entrepreneurship Education

Martinez et al. (2008:11) defines entrepreneurship education in broad terms as "the building of knowledge and skills about or for the purpose of entrepreneurship generally, as part of recognized education programs at primary, secondary or tertiary-level educational institutions". Entrepreneurship education is further described as the "structured formal conveyance of entrepreneurial competencies, which in turn refers to the concepts, skills and mental awareness used by individuals during the process of starting and developing their growth oriented ventures" (Isaacs, Visser, Friedrich & Brijal, 2007: 614). The authors do Paço, Ferreira, Raposo, Rodrigues and Dinis (2011:22) add that policy makers believe that increased levels of entrepreneurship can be achieved through entrepreneurship education.



In defining education per se as the formal teaching and instruction on the theory of a specific concept and providing knowledge, one should note that for effective Entrepreneurship Education (EE) there is a clear relationship between the goals of the entrepreneurship programme, the target group, contents of the entrepreneurship courses or modules, method of delivery or pedagogy and the approach to programme assessment (Isaacs, Visser, Friedrich & Brijal, 2007: 619). Sanchez (2013:459) posits that lifelong education is advocated by including EE in all educational levels such as primary, secondary and university for students to develop competencies and required skills, abilities and knowledge needed later in the market context, whilst Graevenitz, Harhoff and Weber (2010:93) postulate that EE has several distinct effects and is likely to influence knowledge and skills.

The European Commission report in 2012 highlighted the impact of entrepreneurship education programmes provided by higher education institutions focused on four dimensions: impact on entrepreneurship key competence; the intentions towards entrepreneurship; the individual's employability, and society and the economy (Nasr & Boujelbene, 2014:713).

Jamieson, in 1984, suggested a three-category framework to entrepreneurial education, distinguishing between "education about" enterprise, "education for" enterprise and "education in" enterprise, recognising the roles that the different types of education represent. (do Paço & Raposos, 2011:454). Farashah (2013:870) adds that in a semi-systematic literature review, the types of Entrepreneurship Training and education (EET) were established to be: "education for, about and in entrepreneurship". Education "for" aims to stimulate the entrepreneurship process, providing students tools to create a business, while offering a better understanding of the phenomenon of entrepreneurship and benefits for society is the main theme in education "about". Education "in" entrepreneurship aims at making individuals more innovative, transforming them to change agent in society and providing them with skills and competencies to take more responsibility in their career. He further notes that an analysis shows a shift from education for, which is comparable to learning to become an entrepreneur and to educating in, which is comparable to learning to become an enterprising individual. Analysing the causality deeper, the GEM theoretical model was developed to represent the causal mechanism of impact of entrepreneurship on national economic growth. "What necessitates the potential individual to start a



business is defined on three critical constructs: - perceived desirability (attitudes and social norms), perceived feasibility (self-efficacy) and propensity to act (stable personal characteristics)" (Farashah, 2013:871). The assumption of focusing on "education in order to develop entrepreneurship is based on the idea that entrepreneurial competencies are changeable and can be learnt in a short period of time. Teaching some competencies are more difficult than others, especially those that are internal in individuals and are less observable" (Mojab, Zaefarian & Azizi, 2011:439). According to Mwasalwiba (2010:25) some authors categorise the objectives of entrepreneurship objectives as educating for, about, in or through entrepreneurship.

Martinez et al. (2008:43) highlight that training increases of awareness entrepreneurship, increases self-efficacy and heightens intentions, but argue that it has less influence on opportunity identification and fear of failure. This contrasts with Farah who established in 2013 that EET increases perception of desirability of entrepreneurship by "decreasing fear of failure and increasing perception of opportunity in the environment. It reveals and promotes positive social norms toward entrepreneurs by exhibiting social status of entrepreneurs and presenting entrepreneurial career as a desirable career". ETT is described as increasing the perception of the possibility of entrepreneurship and enhancing self-efficacy through transfer of knowledge and skills for starting a business (Farashah, 2013:881). Selfefficacy in entrepreneurship develops through four processes: "enactive mastery or repeated performance accomplishment; modelling or vicarious experience; verbal persuasion and physiological arousal" (Rideout & Gray, 2013:331).

According to social psychology literature, intentions are the single best predictors of planned behaviour as described in the theory of planned behaviour (Graevenitz, Harhoff & Weber, (2010:91), while many researchers see entrepreneurship as an example of "planned intentional behaviour". Others contend that "having entrepreneurial intention means that one is committed to starting a new business" (Graevenitz, Harhoff & Weber (2010:92).

It is said that beside knowledge and skills in business, entrepreneurship education is about the development of certain beliefs, values and attitudes for the consideration of entrepreneurship as an alternative to paid employment or unemployment, through self-



employment (do Paço & Raposo, 2011:454). The authors Isaacs, Visser, Friedrich and Brijal (2007:615) state that entrepreneurship education is a life-long learning process and consists of five stages: basics, competency awareness, creative applications, start-up, and growth. According to do Paço & Raposo, 2011:454) a government can influence the rate of entrepreneurship through legislation and the educational systems. They argue that education stimulates entrepreneurship because the former provides individuals with a sense of autonomy independence, self-confidence, risk taking, innovation, it makes people aware of alternative career choices as well as broadening their horizons; it also equips them to perceive opportunities and imparts knowledge which individuals can use to develop new entrepreneurial opportunities.

Studies have shown that "experiential type learning can play a critical role in developing entrepreneurial traits". It enhances entrepreneurial traits in pre and post adulthood. It is noted that further case studies allow emerging entrepreneurs to develop their risk-taking, innovation and autonomy traits (Isaacs, Visser, Friedrich & Brijal, 2007: 625). According to Espiritu-Olmos and Sastre-Castillo (2015:2) studies on individuals' personalities and their behaviour toward establishing businesses emphasise that psychological traits stimulate individuals to establish businesses. They highlight that seven personality traits which previous studies have linked to individual's entrepreneurial intentions are: kindness, need for achievement, risk, extroversion, tolerance for ambiguity and inner control. Do Paco & Raposo (2011:20) add that entrepreneurship education which is based on a theory of solid learning can contribute to increasing knowledge management. The school and education system play a pivotal role in predicting and developing entrepreneurial traits.

Education alone cannot completely prepare entrepreneurs to be successful business owners but it increases the chances of success. Developing "generic attributes and skills that are the foundations of entrepreneurship is complemented by imparting more specific knowledge about business" based on the level of education (European Commission Brussels, 2007: 1). It is noted that there is robust evidence suggesting a positive link between education and entrepreneurship. Evaluations of entrepreneurship education programmes have shown their usefulness in developing young people's entrepreneurial competences (do Paço & Raposo, 2011:23).



Some researchers argue that much entrepreneurial learning is "implicit", being hard to verbalise, occurring incidentally, drawing on intuition and "tacit" skills and is difficult to transmit from the facilitator to the students. Most proponents of entrepreneurship education take a mid-way approach considering the teachable and non-teachable aspects. Other researchers believe that not all aspects of entrepreneurship can be taught and educators cannot create entrepreneurs, but educators can provide an understanding of analytical techniques required to set-up a new business; however, entrepreneurial characteristics like self-confidence, persistence and high energy cannot be wholly acquired in the classroom (Azim & Al-kahtani, 2014:128).

This researcher concurs with the mid-way view as regards the teachable and nonteachable, bearing in mind the view of the "science" and "art" aspects of entrepreneurship, the need for a different pedagogy and andragogy. Moreover, some functional skills could be taught but other aspects are experienced in the business environment, while the facilitators are also a factor in entrepreneurship training and education.

do Paço & Raposo (2011:456) add that entrepreneurship education demands a certain amount of time, noting that single courses and learning experiences are not enough, and should be integrated in all regular teaching activities and at all levels of the educational system. In this sense teachers and parents have a fundamental function in the promotion and flourishing of entrepreneurship (do Paço & Raposo, 2011:456).

2.6 Entrepreneurship Training

Martinez et al. (2008:11) define entrepreneurship training as the building of knowledge and skills in preparation for starting a business; they contend that training plays a pivotal role in supporting small businesses and helps ensure that those businesses actually started will be more successful. It is said that if high SME failure rates are a consequence of a lack of training, perhaps training can weed out inexperienced entrepreneurs or those with an infeasible opportunity. Entrepreneurs gain experience that creates new learning and builds skills. Any higher success rates among selective programmes may be due to the pre-screening or the training itself (Martinez *et al.*, 2008:15)



Training is also described as teaching a skill or type of behaviour through regular practice and instruction. A training approach is, therefore, the more appropriate option for business. Entrepreneurship training is a way of "informing students about career options and creating learning opportunities" (Graevenitz, Harhoff & Weber 2010:104). Others have noted that the effect of general education on entrepreneurial performance is positive and entrepreneurial training is effective for persons who are starting their own business (Sanchez, 2013:448).

According to Kunene (2009:122) the main areas of concentration in entrepreneurial training should be business skills, technical skills and entrepreneurial skills to stimulate entrepreneurial activity, arguing that SME survival could be enhanced by providing appropriate skills training programmes that impart relevant and transferable skills. Some are of the opinion that the_transfer of the requisite knowledge and skills is the easiest part of training and is incorporated into most training programmes (Pretorius, Nieman and Van Vuuren, 2005: 424) whereas Botha, Nieman and Van Vuuren (2007:163) indicate that changing the behaviour necessary to engage in the start-up process is what really matters, yet this is absent as a pronounced outcome of most programmes. It said that there is often a significant gap between the perceptions of the training providers and those of the entrepreneurs in terms of training-needs and that what appear as key problem areas to the trainer may not be important for the entrepreneur (Van Vuuren & Botha, 2010: 607).

It is further noted that other researchers suggest many entrepreneurship training initiatives do not actually address the real needs of entrepreneurs, indicating that some programmes tend to be more task-oriented rather than behaviour-oriented as they focus on specific functional skills for small business management instead of entrepreneurial skills like creativity, innovation and problem solving abilities. This supports another view that most entrepreneurship programmes do not even promote entrepreneurship in that they are not "resource effective" and their results are poor in comparison to the throughput of participants (Henry *et al.*, 2003:97).

The authors Nieuwenhuizen and Groenewald (2004:10) add that entrepreneurial skills training is the most difficult part of teaching entrepreneurship. An achievement orientation or need for achievement (nAch) is associated with entrepreneurship and is



a combination of seeing, and acting on, opportunities, efficiency orientation, and concern for high quality of work and systematic planning. It is said that three factors are distinguished that affect an entrepreneur's development:

Innate factors like intelligence, drive, and personality,

Acquired features like education, experience, and mentoring,

Social factors like birth order, family interaction, social class, economic circumstances, and society's influence (Wickham, 1998:15). Other researchers have noted that by analysing the factors that influence the start-up of small businesses and entrepreneurial ventures this can make potential entrepreneurs aware of the importance of considering these factors in the start-up and growth of their businesses. Such factors once identified can then be incorporated in the training and development programmes (Van Vuuren & Groenewald, 2007, 270).

The Impact of training is said to vary according to the level of economic development of the country, appearing to have the greatest effect on early-stage entrepreneurial activity in countries with favourable institutional contexts. This finding fits the GEM model, which predicts that training in starting a business is most effective and relevant in innovation-driven countries. It also supports the argument that factor-driven countries in particular should not invest large-scale resources in training programs if basic framework conditions are not adequate (Martinez *et al*, 2008:6).

Vocational Training courses lead technical and specialised vocational qualifications which include theoretical periods backed by shorter practical assignments practiced in relevant sectors of industry (Matlay, 2001:396).

2.7 Learning

Entrepreneurial learning is affected by "the context in which learning occurs, including the content of what is learned as well as the processes through which learning takes place states". It is said that entrepreneurial learning is individual, where there are personal differences in ability, hence producing different learning outcomes, as well as social and organisational. There are also close "connections between the processes of entrepreneurial learning with those of opportunity recognition" (Akola & Heinonen, 2006:5). Experiential learning, or "learning by doing," is described to be



more effective for developing entrepreneurial skills and attitudes than traditional methods such as lectures (Martinez *et* al., 2010:11). The authors Azim and Al-kahtani (2014:134) add that the facilitator should be sufficiently motivated, have practical exposure to business, adequate training and education, a strong conviction about entrepreneurship as a viable career option and be multifaceted as a trainer, mentor, counsellor, coach, guide and role model. Mueller (2011) contends that the teacher-and student-centred approach puts self-directed learning of students at the centre and assigns a supporting function to the teacher (Mueller, 2011:58) while some are of the opinion that technopreneurial education should have different content and pedagogical focus and that andragogical teaching and experiential learning via games, simulations or actual venture creation may improve learning outcomes (Rideout & Gray, 2013:332).

2.8 Skills

Skills can be classified into four categories, these being "personal skills, technical skills, business operation skills and management skills" (Perks & Struwig, 2005:172). Synonymous with skills are competencies and abilities. Competencies are divided into knowledge, skills and attitude competencies. According to Mojab, Zaefarian and Azizi (2011:440) entrepreneurial competencies consist of different levels including motivations, characteristics, social role, self-concept, knowledge and skills which are demonstrated by those who start a business. Sanchez (2013:448) argues that entrepreneurial skills can be taught and are not a matter of innate personality characteristics and that skills and creativity needed to become a successful entrepreneurship aims at making individuals more innovative, transforming them into change agents in society and providing them with skills and competencies to take more responsibility in their career (Farashah, 2013:870).

2.9 Entrepreneurship Training Programmes: - content, structure, methodology

Research has emphasised knowledge rather than competence, as well as methods of transferring information and learning through project teams, peer exchange and individual counselling. There is very little evaluation of the effectiveness of education



entrepreneurship programmes. According to do Paço & Raposo (2011:456) there is a lack of evidence on how learning strategies influence the development of entrepreneurial competence and how these competences transfer into new ventures, so that these topics require future research; others have noted that the research should assess the content and impact of training programmes (Isaacs, Visser, Friedrich & Brijal, 2007: 616).

The exists some disparity in the content, quality of entrepreneurship education programmes including the curricula design, delivery methods and means of assessment (Matlay, 2006:705).

It has been noted that Ronstadt in 1987 proposed that entrepreneurial programmes should be designed so that potential entrepreneurs are aware of barriers to initiating their entrepreneurial careers and can devise ways to overcome them; hence he proposed a two-continuum model of curricular design for entrepreneurship education. The "structured-unstructured" continuum addressed various methods of transferring information and expertise which included lectures, case studies, and feasibility plans. He further argued for the second continuum being "entrepreneurial know-how/entrepreneurial know-who." This continuum represented the belief that success in entrepreneurship is dependent not only on knowledge but also on the network of individuals with whom an entrepreneur is connected. "Experiential learning is widespread and diverse in its application", as is evident from the literature (Kuratko, 2005:583).

Henry et al (2003:91) indicated that key features of well-designed entrepreneurship training and education programmes are:

- to utilise a mixture of didactic, skill-building and indicative learning strategies;

- the facilitator plays a combination of role model, consultant and counsellor roles;

- sufficient time for self-managed and individual-based learning is allowed;

- there is focus on the needs of a well-defined, relatively homogenous group of participants;

-the programme objectives have an appropriate mixture of knowledge, skill competence and attitude domains of learning.



It is reiterated that one view is to separate the teachable from the non-teachable aspects of entrepreneurship and holds that not all aspects of entrepreneurship can be taught; educators cannot create entrepreneurs any more than they can produce fool proof, step-by-step recipes for entrepreneurial success. Another view is that educators can provide an understanding of the rigorous analytical techniques required to set-up a new business and an appreciation of the limitation of those techniques (Henry et al., 2003:91). Other researchers have argued that it is necessary to assess the effectiveness of entrepreneurship courses in respect to the expectation that the net benefits of entrepreneurship programmes should outweigh their costs and risks; training programmes and courses can be expensive in terms of money for sponsors and in time for participants and the hidden costs when assessing a programme's effectiveness. However, conducting such evaluations can be problematic. Researchers suggest that the best means to evaluate training courses is to directly relate programme outcomes to objectives which lay down economic measures (Henry et al. (2003:103) This study used the following economic measures: businesses started, business survival, sales, profit, job creation, existing jobs and access to finance.

According to Henry et al (2005:103) in 1994 Garavan and O'Cinnieide conducted a Europe-wide evaluation of six enterprise programmes across five European countries. They noted that the most commonly cited aims of entrepreneurship programmes include:

- to identify and stimulate entrepreneurial drive, talent and skills;
- to undo the risk-averse bias of many analytical techniques;
- to develop empathy and support for all unique aspects of entrepreneurship, and
- to devise attitudes towards change.

Programme content was observed to vary from idea generation and business planning to the identification of products, market research and business formation, concluding that entrepreneurship itself is not usually what is taught but instead small business management skills are.

Jones and Matlay (2011:701) argue that what makes entrepreneurship education effective "has less to do with transferable teaching techniques or standardised curricula and more to do with the unique set of dialogic relations". The students'

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individual differences dictate the necessity of entrepreneurship education by embracing such diversity, not eliminating it. The authors Graevenitz, Harhoff and Weber (2010:90) contend that the effects of entrepreneurship education are still poorly understood, where some studies report the positive impact of courses or programmes at universities on perceived attractiveness and feasibility of new venture initiation or start-up activity whereas other studies, e.g., by Oosterbeek in 2010 find the effects are negative. It is further argued that any course on entrepreneurship can be expected to generate various outcomes, such as students who learn nothing, those who learn and discover they like or dislike entrepreneurship (Graevenitz, Harhoff & Weber, 2010:93).

The work of Sanchez (2013) on entrepreneurial intentions in secondary school students addresses some gaps in literature by "providing a quantitative, pre-test-posttest quasi-experimental design showing that EE has positive significant relationships with entrepreneurship related competencies and intention". It builds on other studies by Oosterbeek, Van Praag and Ijsselstein (2010) and Unger et al. (2011) demonstrating the specific impact of EE and training on development of competencies and of entrepreneurship. A notable contribution of the work focuses on "the education institutions, government, private organisations and policy makers [being] more confident on funding decisions and resource allocations" for entrepreneurship related training and education (Sanchez, 2013:458). The results of his study suggest that "the stronger the competencies, the higher the likelihood that when such persons pursue entrepreneurship, will attain some advantage relative to those who lack such competencies" and that the practical implication for developing entrepreneurial training programmes is to train in the key competencies to undertake a business venture, not only in the knowledge and resources needed for starting a business (Sanchez, 2013:459). do Paço & Raposo (2011:33) add that it is desirable that an entrepreneurial education programme contribute to the development of competencies related to entrepreneurship, social, civic skills communication and other creative, academic skills and cultural awareness.

Martinez et al.(2008:11) noted that new teaching pedagogies and cross-disciplinary content present challenges for educators and institutions; Raposo & do Paço (2011:456) posit that the lack of knowledge about effective teaching techniques for entrepreneurial educators is underlined as a problem, caused by the fact that research on how to teach entrepreneurship is underdeveloped, whilst others are of the opinion



that traditional approaches to teaching may, in fact, inhibit the development of the requisite entrepreneurial behaviour (Akola & Heinonen, 2006:4).

It is noted that from an analysis of various studies on entrepreneurship courses in business schools, they use a combination of theoretical and conceptual approaches including case and field studies (Matlay, 2006:707).

2.10 Government Policies on Education, Training and Skills Development

Policy makers have become a force in promoting entrepreneurship education (Mwasalwiba, 2010:41). Education in Zimbabwe has been instrumental in skills development. Researchers note that the post 1980s independence era in Zimbabwe saw the expansion of training and education facilities at all levels throughout the country through the development of existing institutions and construction of new ones. It is reported that there are seven polytechnics and two industrial training centres under the Ministry of Higher and Tertiary Education (MoHTE), eight agricultural colleges/institutes under the Ministry of Agriculture, Mechanisation and Irrigation Development (MoAMID); 42 vocational training centres under the Ministry of Youth Development the Ministry of Women Affairs, Gender and Community Development (MoWAGCD) (Mambo, 2010: 25). However, there are more private training institutions than there are public ones.

According to Shizha and Kariwo (2011: xi) Zimbabwe's education system, once the best in Africa, faces immense challenges. Public financing of the sector continues to dwindle in real terms, school fees are soaring beyond the reach of many, whilst depletion of educators and low morale owing to poor salaries for the remaining teachers have unravelled past successes in the sector.

According to Kanyenze, Kondo, Chitambara and Martens (2011:307) the Presidential Commission of Inquiry into Training and education that was appointed in 1999 (Nziramasanga Commission) highlighted the inability of the training and education system to produce graduates whose skills were marketable and relevant to the various fields of work. It noted that Zimbabwe's secondary education was too academic and



examination-driven. It recommended the introduction of a "pathways system" that would cater for the diverse aptitudes, interests and abilities of students. This "pathways approach" would divide pupils, after two years of junior-secondary education, into three streams based on performance and aptitude: two years of middle technical/vocational, middle academic, and middle commercial/business education, before proceeding to Advanced (A) level or joining a technical/vocational institution.

It is noted that as a result of the commission of inquiry report, the Ministry of Education, Sport, Arts and Culture made it compulsory for pupils to take at least one of the technical and vocational subjects at Ordinary (O) level. Effective from 2006, all secondary schools were required to implement a "two-pathway education structure" in line with the recommendations of the Commission of Inquiry. The "pathways involved the general/academic education pathway and the skills pathway, i.e. business/ commercial/ technology/technical-vocational education". The implementation of the two-pathway education structure begins after the first two years of high school with the intention of catering for the varying aptitudes, interests and abilities of students (Kanyenze et al., 2011:311).

Kanyenze et al. (2011:319) add that the National Manpower Survey of 1981 highlighted the shortages of skills in technical areas arising from the neglect of technical training infrastructure. It identified the semi-skilled as an important reservoir of under-categorised skilled workers, as well as the need for the provision of technical and vocational training and education (TVET). The government established five more technical colleges between 1980 and 1990. These were later upgraded into polytechnics in 2001. Trade-testing provided an avenue for the recognition of skills obtained through on-the-job training, non-formal programmes such as adult and continuing education, and through the youth skills training centres and vocational training centres (VTCs) run by the Ministry of Youth Development and private organizations. VTCs were transferred to the Ministry of Youth Development in 2000 to focus on skills training for youth, creating institutional fragmentation, overlap and mission creep (Kanyenze et al, 2011:325).



It is noted that the development of TVET has been guided by the "Rationalisation of Technical and Vocational Education in Zimbabwe" policy document (Republic of Zimbabwe, 1990). This policy framework structured TVET into five levels: Pre-Vocational Certificate (PVC), National Foundation Certificate (NFC), National Certificate (NC), National Diploma (ND) and Higher National Diploma (HND). From 2004, polytechnics could upgrade TVET qualifications to graduate and post-graduate levels. For the first time, the 1990 policy allowed mobility between TVET qualifications and the academic stream, providing a blueprint for the Zimbabwe Qualification Framework. The Zimbabwe Qualifications Authority (ZIMQA) Bill was drafted in 2005. University education has undergone similar radical transformation. In 1990, the University of Zimbabwe was the only university in the country. There are now nine state universities and four private ones (Kanyenze et al., 2011:320).

Another targeted initiative is the Integrated Skills Outreach Programme (ISOP), which was established by Cabinet in 2006 to alleviate poverty through employment creation. The programme administered training to equip unemployed youths with technical and entrepreneurial skills. The programme ran short-term technical and entrepreneurial courses for five days to three months with a focus on employment creation. This initiative is chaired by the Ministry of Higher and Tertiary Education, in partnership with the Ministry of Youth Development, Indigenization and Empowerment, the Ministry of Small and Medium Enterprises and Co-operative Development, and the Ministry of Labour and Social Services (Kanyenze et al., 2011:342).

According to Mambo (2010:23) the Government of Zimbabwe formulated the Zimbabwe National Employment Policy Framework as provided for in the STERP. The objective of the Policy is "to promote and secure sustainable, full, productive and freely chosen decent employment for all the conditions of freedom, equity, security and human dignity" (Mambo, 2010:23). Government, through the Ministry of Higher and Tertiary Education (MoHTE), formulated a draft National Skills Development Policy. The policy framework is intended to guide the reform of the skills development sector necessary to make the training and education system more responsive to the socio-economic development of Zimbabwe. It also addresses the challenges of unemployment as well as the mismatch of skills development and the needs of the labour market.



Mambo (2010:46) further states that the Ministry of Small and Medium Enterprises and Cooperative Development (MoSMECD) has a number of initiatives aimed at promoting the growth of SMEs which will directly increase employment opportunities and informal apprenticeships for the youth. The Ministry also addressed space -constraints faced by SMEs by establishing business premises on the basis of careful selection of sites; mobilising resources for infrastructure development; setting up a national factory shell programme at district level; and establishing rural hubs in Growth Points. The latter are intended to enhance rural growth and facilitating promoting business incubators with common facilities such as secretarial support, products display rooms, office equipment and technical advice, while other services will be offered within the incubators. The Ministry of MoSMECD is engaged in mentorship programmes and also uses cluster based training in order to facilitate the training of enterprise owners because they do not have time to attend full time courses. The Ministry undertakes market development for the entrepreneurs at both the national and international level through visits, exhibitions and trade fairs. It has a catalogue of exhibitions taking place the world over and attempts to link the SMEs to these for marketing purposes.

The following Chapter 3 outlined the entrepreneurial process, training models and description of the selected global entrepreneurship training programmes covered under this study.



CHAPTER 3

ENTREPRENEURSHIP PROCESS AND MODELS

3.1 Entrepreneurship Training Programmes

The following chapter covers the theoretical framework of entrepreneurship training and education as linked to the constructs and concepts defined in Chapter 2, the types of training interventions, factors influencing business success, benefits and barriers to entrepreneurship. The chapter further outlines the entrepreneurship process and entrepreneurial training models. A description is provided of the selected entrepreneurship training programmes that were part of the research under this study, particularly the International Labour Organisation (ILO) -Start and Improve Your Business (SIYB) programme and the UNCTAD- Empretec programme. This study focuses on SME entrepreneurship training by critically analysing the ILO-SIYB and UNCTAD-Empretec entrepreneurship training programmes designed for SMEs and their effectiveness for business start-up and growth in the Zimbabwe context.

3.2 Theoretical frameworks for Entrepreneurship, Training and Education

The theoretical framework outlines key theories under entrepreneurship, training, education that inform the basis of this study. Below are outlines of the key theories on education, learning, skills or competencies and methodology. Further detail is on entrepreneurship, entrepreneurship training, entrepreneurship education theories are detailed in chapter 2.

3.2.1 Education and Learning theory

According to Rideout and Gray (2013:331) the agency theory in support of entrepreneurship education posits that education can cultivate agentic capabilities: competencies, self-regulatory skills and enabling beliefs in self-efficacy. Generally, education theory concerns the purpose, application and interpretation of education and learning. Based on what one has learnt and experienced, a change in performance is seen if learning has taken place.



3.2.2 Skills and competence theory

Skills are not the same as abilities. It is said that when one exercises skill it produces proficiency to perform a task. Ability on the other hand refers to the aptitude influencing a person's acquisition of skills to perform a task. Once acquired, "skills tend to be assumed implicitly in the action. They are multidimensional constructs comprising of the cognitive, the affective and the context" (Chell, 2013:8). The study seeks to assess the knowledge and skills transfer of trained potential and existing business owners.

3.2.3 Methodology theory

The study in its analysis of content, structure it analyses the effectiveness of methodologies used to deliver the entrepreneurship training programmes. The authors Jones and Matlay (2011:694) postulate that entrepreneurship education can be viewed through a conceptual framework as consisting of ten interrelated systems. They contend that those systems comprise the: student \leftrightarrow educator; student \leftrightarrow educator; student \leftrightarrow educator ; student \leftrightarrow educational processes; educator \leftrightarrow institution; educator \leftrightarrow community; educator \leftrightarrow educational processes; educator \leftrightarrow institution; educator \leftrightarrow community; educational processes \leftrightarrow institution; educator \leftrightarrow community; educational processes \leftrightarrow institution; educator explain entrepreneurship education and its inherent heterogeneity without explicit reference to such systems is at best, highly problematic. The dialogic nature of entrepreneurship is discussed on the premise that, when evaluating the outcome of one element that interacts with one or more other elements, the outcomes of such an element cannot be considered without direct reference to the other interacting element/s.

Some writers have noted that teaching entrepreneurship requires "teaching a method. The method is teachable, learnable, but it is not predictable. The method is people dependent but not dependent on a type of person" (Neck & Greene, 2011:57) whilst others are of the opinion that traditional didactic methods of teaching based on lectures and tests are not adequate; hence the propositions for entrepreneurial focus of methods and non-traditional pedagogy for effective entrepreneurship training (Azim and Al-kahtani, 2014:133). The authors Neck and Greene (2011:68) add that reflective practice gives permission to students to take time, think about and absorb



the learning of their practice based curriculum. The portfolio of feeling, playing, observing, creating and thinking comprises the entrepreneurship method; Kunene (2009:129) and Botha (2006:57) highlight differences in the ways in which an intervention can occur including experiential, observational, instructor-centred, individual, interactive and internet based learning strategies.

3.3 Entrepreneurship intervention Types

There are clearly "different interventions needed for the different stages of the entrepreneurship process" (Henry et al, 2005:99) while the authors Botha (2006:58) and Kunene (2009:128) agree that there is a difference between training targeted at the pre-start-up phase, focusing on training the aspiring entrepreneur, and the post-start up, focusing on training the established entrepreneurs or small business owners. A wide range of interventions are used to support the creation and development of new business, from inception right through to growth and eventual decline as shown in Table 3.1 below:

Stage of	Type of intervention needed per stage of business
business	
Pre-start	Creation of ideas, assessment of opportunity, SME know-how, networks, decision
	making, counselling, planning
Start-up	Customer, supplier, financier consultation, business plan, premises, procurement
(external)	and sourcing, seeking advice
Start-up	eting, administration, systems, secure expertise and staff, financial management,
(internal)	partners, balancing ownership and management.
Established	New ideas, specialist guidance and investments, idea generation, spin off,
business	technology, banking, accounting.
Growth	Market expansion, other opportunities, exports, product development, strategic
	approach, management skills, finance control of growth, trading, staff retention,
	development, networking, new technologies
Decline	Confidence building, new markets, customers, money, strategic review, planning
Termination	Legal advice and counselling
Other	Information on small business needs, use of database and research

Table 3.1 Interventions for different stages in the business cycle

Source: Adapted from (Botha, 2006:60; Kunene, 2009:128)



3.4 Success and failure of SMEs

According to Urban and Naidoo (2012:147) one of the reasons for the high failure rates of SMEs is the entrepreneur's lack of managerial skills, particularly in terms of operation skills; Kunene (2009:41) concurs that deficiencies in the internal environment are the major cause of SME failures. Being small correlates negatively with survival rates, owing to the limited resources of SMEs. The benefits of "entrepreneurial training are reducing business failure rates, providing skills to implement strategy with less difficulty, improving skills that enhance SME entrepreneurial performance in terms of productivity, competitiveness and profitability, and increase in sales, assets and employees and enhance leadership" (Kunene, 2009:122). Based on research undertaken by Marom and Lussier in 2014, the Lussier (1995) model has been used to predict success and failure of business through 15 variables whilst others suggest that many successful entrepreneurs point to past failure as a valuable learning opportunity (Mueller & Shepherd, 2014:2).

It is argued that certain barriers exist for entrepreneurship training and skill development initiatives and that identifying and clarifying them to SME skills development is important for a successful training strategy. The barriers can be "categorized into cultural, diagnostic, finance, service provider, time, training appropriateness, content, and relevance factors" (Kunene, 2009:125).

Various factors of human capital that are said to influence the success or failure of new ventures are demographics, previous experience and characteristics of the entrepreneur. These are discussed below.

i) Demographics: Age, Gender, Family upbringing, Role models, Education.

The Global Entrepreneurship Monitor established that age is "strongly and positively correlated with work experience, fostering the development of entrepreneurial skills" (GEM, 2005:11). Family background is important for an entrepreneur. According to the role model theory, parents exert a strong influence on children when they opt for a certain type of entrepreneurial activity (Kunene, 2009:46). Fayolle and Gailly (2015:79)



add that the mother and father play an important role in developing the perception of feasibility and desirability of entrepreneurial initiatives.

ii) Previous experience: Work experience, Business ownership experience, Industry specific experience.

Kunene (2009:47) states that previous experience includes work, business management and industry-specific experiences. Some commentators are of the opinion that most new firms are started by people who have worked (prior to start-up) in other jobs, giving them experience to identify a business opportunity and the technical ability to produce the product (Barreira, 2004:55). The authors Fayolle and Gailly (2015:79) add that prior entrepreneurial experience also appears as a factor likely to influence entrepreneurial intention where such experience may correspond to this type of experience within the family of the individual, a relative or close friend; a past or present job experience in a small firm, and finally, having started one's own business.

iii) Characteristics of the entrepreneur

Various characteristics of successful entrepreneurs have been described. It is noted by various researchers that the key characteristics are: the Need for achievement, Internal locus of control, Initiative, Self-confidence, Self-efficacy, Self-esteem, Ability to gather resources, Tolerance of ambiguity, Adapting to change, Risk taking propensity, Opportunity alertness, Creativity, Innovation, Optimism, Problem solving, Decision making, Leadership, Ability to learn, Energy, Integrity, Capacity for hard work, Frugality, Accountability, Independence and autonomy, Perseverance, Negotiating skills and Time management skills (Kunene, 2009:45). Researchers have thus demonstrated the importance of the "social status of entrepreneurial activities and situations in the participant's environment and the impact cultural values and norms may have on entrepreneurial attitudes, intention, or behaviour" (Fayolle, Basso, and Bouchard 2011).



3.5 The Entrepreneurial Process

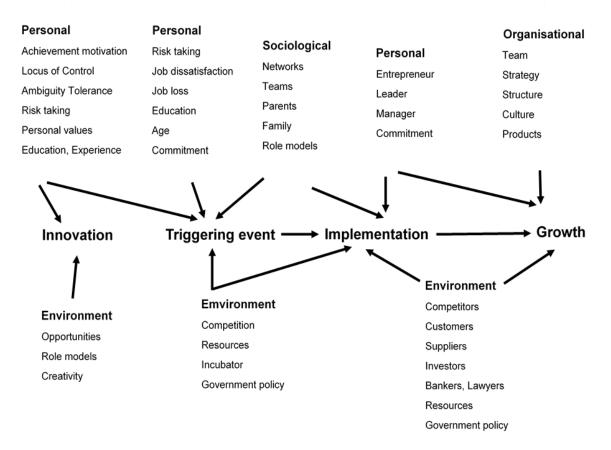
The study analyses the skills transfer for business start-ups and growth. Hirsch, Peters and Shepherd (2010:6) state that entrepreneurship is the process of creating something new that offers value by devoting the necessary time and effort; assuming the accompanying financial, psychic and social risks and uncertainties; and receiving the resulting rewards of monetary and personal satisfaction. Shane and Venkataraman (2000:219) describe it as a process driven by a market opportunity; needing appropriate and efficient resources and a lead entrepreneur with an appropriate company structure and motivated team. Literature argues that there are "four factors associated to the process of business venturing: - entrepreneur's vision, new business characteristics, economic context and the entrepreneur's actions in order to exploit the opportunity" (Baltar & de Coulon, 2014:72). Some are of the opinion that the entrepreneurial process is lengthy and complex; thus it is appropriate to consider what skills are required in its various phases (Chell, 2013:22: Degeorge & Fayolle, 2011:253), while Kunene (2009:122) argues that it is important to refer to the entrepreneurial process and to indicate which business, technical and entrepreneurial skills are needed to prepare participants or students to go through the stages of this process when starting their own business. The researchers Botha (2006:58), Kunene (2009:129) further highlight that there are different interventions needed for different stages of the entrepreneurship process as different types of training are targeted from the pre-start-up phase up to the post-start up phases.

Entrepreneurship education has become top agenda with policy makers in the developed and developing world, however theoretical frameworks provide limited explanation of the complex aspects of the entrepreneurial process (Matlay, 2006:705).

Figure 3.1 outlines the entrepreneurial process as adapted from Hisrich and Peters (2002) which reflects the personal, sociological and organisational skills needed, as well as the environmental factors for the different stages of the entrepreneurial process outlined as innovation, triggering event, implementation and growth.



Figure 3.1 A Model of the Entrepreneurial Process



A Model of the Entrepreneurial Process

Source: Adapted from Hisrich & Peters (2002:48) and Kunene (2009:83)

3.5.1 Entrepreneurial Process Stage 1

According to Kuratko (2005:171), Stage 1 in the entrepreneurial process is the identification and refining of a viable economic opportunity that exists in the market. Others have noted that the opportunity identification stage can be divided into five main steps: getting the idea/scanning the environment, identifying the opportunity, developing the opportunity, evaluating the opportunity and evaluating the team (Ardichvili, Cardozo & Ray, 2003:108); as Hisrich et al. (2005:117) have emphasised, a key element of the entrepreneurial process is the opportunity screening and evaluation.



3.5.2 Entrepreneurial Process Stage 2

Stage 2 is where according to Nieman et al. (2003:31) the actual decision to become an entrepreneur is motivated by different factors that can be categorised into either the push (necessity) or pull (opportunity) factors. It is said that a good business plan is essential to exploiting the defined opportunity and determining the resources required, obtaining those resources and successfully managing the resulting venture (Hisrich et al, 2005:42; Nieman, 2006:20).

3.5.3 Entrepreneurial Process Stage 3

Stage 3 is the "implementation" stage. According to Nieman (2006:19) and Kunune (2009:99) it can be categorised into the four principles of management, namely planning, organizing, leading and control. Rwigema and Venter (2004:40) highlight the activities in this stage, which include creating the organisational capabilities; implementing a management style in order to grow managerial competencies; setting up production processes, structures and systems; quality control; waste elimination and cost effectiveness; dealing with distributors and suppliers and selling to customers. They further describe the stage as encompassing collecting finance; resolving operational problems; fending off competitors; steering the organisation towards its goals and determining the key variables for success by the entrepreneur.

3.5.4 Entrepreneurial Process Stage 4

The fourth and last stage in the entrepreneurial process "relates to what facilitates firm survival and expansion for growth" (Kunene, 2009:113). It is emphasised that growth is critical to entrepreneurial success and distinguishes the entrepreneurial venture from the small business (Nieman, 2006:188). As the authors Rwigema and Venter (2004:437) and Nieman (2006:189) state, there are five indicators of growth: financial, strategic, structural, organizational and image indicators. It has also been noted that the activities undertaken in the growth process are linked to five strategic growth intentions, namely market expansion, technological change, garnering resources, operations, and organizational (Rwigema & Venter, 2004:40).



3.6 Entrepreneurship Training Models

The literature review for this study which focuses on the entrepreneurship training programmes for SMEs reviewed four models of entrepreneurship training, for purposes of analysing the SIYB and Empretec training programmes in respect to their content, skills transfer and outcomes for SMEs that had been trained. The four models are outlined below and further guide the focus on specific constructs and concepts to investigate as regards the said programmes The constructs in the models are further supported and expounded through the literature review presented in Chapter 1, Chapter 2 and in this Chapter.

3.6.1 The Entrepreneurial Performance Model

The Entrepreneurial Performance Education Model (E/P education model) was first devised by Van Vuuren and Nieman in 1999. It is presented in the following formula outlined in the equation below:

E/P = f(aM x b E/S x c B/S)

Where

- E/P is defined as entrepreneurial performance
- M = Motivation
- E/S = Entrepreneurial skills
- B/S = Business skills
- a, b, c, are constant coefficients

The E/P education model argues that training courses should "cover training to impart the motivational, entrepreneurial and business skills" (van Vuuren & Nieman, 1999:6; van Vuuren & Botha 2010:4).

3.6.2 The Entrepreneurial Education Model

The Entrepreneurial Education model (E/E model) was first published by Pretorius in 2001. It employs the following formula outlined by the equation below:



E/E = f { aF (bA x [cB/P x dE/S x eB/S)] }

Where:

- E/E = entrepreneurship education for start-ups
- F = facilitator's skills, knowledge and motivation
- A = approaches used by facilitator
- E/S = entrepreneurial success themes and knowledge
- B/S = business skills and knowledge
- B/P = business plan utilization
- a, b, c, d, e are constant co-coefficients

(Pretorius 2001:122; Kunene, 2009:133).

It is pointed out that the E/E model differs from the E/P model in that it introduces the facilitator, but the skills to be imparted are similar. Motivation is included in the entrepreneurial success construct, which is the same as van Vuuren & Nieman's entrepreneurship skills construct that encompasses leadership and resilience. The E/E model also emphasises the business plan's development and its uses. Kunene (2009:133) indicates that the model lists it as a separate construct, elevating it from being part of a group together with the business management skills construct, as in van Vuuren & Nieman's (1999) model.

3.6.3 The Education Improved Entrepreneurial Performance Model

In 2005, Pretorius, van Vuuren & Nieman (2005:422) first made available the Education for Improved Entrepreneurial Performance (Ed for E/P model). The formula for the model is outlined by the equation below:

Ed for E/P = f {aF x bM x [cE/S x dB/S x (eA + fB/P)] } (4.3)

Where:

- F = facilitator's ability, skills and experiences
- M = motivation
- E/S = entrepreneurial skills
- B/S = business skills and knowledge
- A = approaches of learning used



- B/P = business plan utilisation as an approach
- a, b, c, d, e and f are constant coefficients.

It is noted that the (Ed for E/P model) incorporates human, venture and environmental conditions in training for entrepreneurial performance. It also integrates the two earlier models (E/E and E/P) developed by Pretorius (2001:122) and by van Vuuren & Nieman (1999:6) respectively, strengthening the weaknesses of each model and highlighting the strengths (Pretorius, van Vuuren & Nieman, 2005:422; Kunene, 2009:134).

3.6.4 The Training for Entrepreneurship Model

The Training for Entrepreneurship model developed by Kunene in 2009 states that E/P = training in key skills x [1 + training in supporting skills]. (7.1)

Key skills = [a.PM x q.EG x (s.BF x t.BM x y.BLx a .BO)] (7.2)

Supportive skills = [(1+ e.PLS+ j.PN+ f.PC) x (m.EO + n.EC + o.EI)) x (1 + p.EM) x r.(1/(1-ER) x ((1 + v.BB = w.BG + x.BI + z.BN + u.BH + ß .BP + .BR + d .BV) x d.T/S]

(7.3)

Where:

• PM = Motivation (need for achievement)

• PLS= Life skills including problem solving, adaptability to change, decision making, negotiating, learning abilities and time management

- PN = Numeracy and literacy
- PC = Communication
- BB = Business systems management
- BG = General management
- BF = Financial management



Functional and Enterprising Skills: Key skills

- BM Marketing management
- EG Ability to gather & control resources
- BF Financial management
- PM Motivation (need for achievement)
- **BO** Operational
- BL Legal

Supportive skills

- BG General management
- EC Creativity
- BI ICT skills
- EI Innovation
- BH Human resources management
- EM Role model interpretation
- **BN** Networking
- EO Opportunity recognition
- **BP** Planning
- ER Calculated risk taking
- BR Research and development
- BS Business systems management
- BV Value chain management
- T/S Technical skills
- PN Numeracy and literacy
- PC Communication
- PLS Personal life skills including adaptability to change, decision
- making, negotiating skill learning
- abilities, problem solving, time management skills



From the Training for Entrepreneurship model equations 7.1, 7.2 and 7.3 above, Kunene (2009: 264) makes the following recommendations:

- key functional skills (namely finance, marketing, operations and legal skills) and key enterprising skills (motivation and the securing/controlling of resources skills) should be integrated into all training programmes of SMEs, in all the stages of the entrepreneurial process.
- training should also incorporate all the identified supporting skills. Such skills
 must be analysed into those that are important for the entrepreneurial process
 stage where the SME is presently situated. Training of supportive skills should
 be aimed at giving the SME basic comprehension and practical application of
 that skill in business usage and helping the SME know where to source the skill.

The Training for Entrepreneurship model and performance framework derives from the improvements made from the Ed for E/P framework in an efficiency-driven country like South Africa, and informs this study in the Zimbabwe context as a factor-driven, developing country.

3.6.5 SIYB and Empretec Entrepreneurship Training Programme Content, Knowledge and Skills

The study undertakes an extensive analysis of both the SIYB and Empretec entrepreneurship training programmes in relation to content, structure and methodology. Table 3.2 outlines the knowledge and skills content in the SIYB and Empretec entrepreneurship training programmes. The SYB package is for potential, start up micro and small entrepreneurs whereas the IYB package is for existing small businesses. The EDW Empretec package is intended for start-ups and existing small to medium enterprises while the MEP package is the customised version of the EDW package, simplified for micro entrepreneurs, start-ups and existing. The components/content of the different programmes reflect the extent of skills constructs and concepts as outlined in the Entrepreneurship Performance model; the Entrepreneurial Education model; the Education Improved Entrepreneurship performance models and the Training for Entrepreneurship model.



Table 3.2 SIYB and Empretec programmes content, structure and skills

SYB	IYB	EDW	MEP
Target group	Target Group	Target Group	Target Group
Micro, small enterprises	Small enterprises	Small and medium	Micro enterprises,
Owner /manager	Owner/manager	enterprises	Simplified EDW
		Owner/managers	Owner/ managers
Potential, start-ups	Existing	Potential, start-ups, existing	Potential, start-ups, existing
Literacy and Numeracy	Literacy and numeracy	Literacy and numeracy	Literacy and Numeracy
Target group able to read and write. Manuals and business plan formats used	Target group able to read and write. Manuals and business management modules and templates used	Target group able to read and write. Manual on entrepreneurial competencies and business plan formats used	Illiterate or low literacy target group, Visuals and demonstrations used with simplified key concepts on entrepreneurial competencies and business plan formats used
Duration and Methodology	Duration and Methodology	Duration and Methodology	Duration and Methodology
5 days training workshop	5-7 days training workshop	5-6 days training workshop	3-4 days training workshop
2 days follow-up workshop or	Or modular approach in half	1-hour individual counselling	with small group follow-up
1-hour individual counselling	day workshops	on site	sessions
on site or small group			
sessions			
Entrepreneurial skills-	Entrepreneurial Skills	Entrepreneurial Skills	Entrepreneurial skills
Personal characteristics		Personal entrepreneurial	Personal entrepreneurial
		competencies	competencies
Commitment		Fulfilling commitments	Fulfilling commitments
Motivation		Motivation	Motivation
Taking risks		Taking calculated risks	Taking calculated risks
Making decisions			
Family situation	Family situation	Independence and self-	Independence and self-
		confidence	confidence
Financial situation	Financial situation	Financial situation	Financial situation
		Opportunity seeking and	Opportunity seeking and
		initiative	initiative
		Persistence	Persistence
		Demand for quality and	Demand for quality and
		efficiency	efficiency
		Goal seeking	Goal seeking
		Information seeking	Information seeking
		Systematic planning	Systematic planning
		Persuasion and networking	Persuasion and networking
Technical and vocations	Technical and vocational	Technical and vocational	Technical and vocational
skills	skills	skills	skills
Current technical skills and	Current technical skills and	Current technical skills and	Current technical skills and
work experience of	work experience of	work experience of	work experience of
owner/manager as selection	owner/manager	owner/manager as selection	owner/manager as selection
criteria, targeting polytechnic		criteria, targeting polytechnic	criteria, targeting polytechnic
and vocational centre		and vocational centre	and vocational centre
students		students	students
Business management skills	Business management skills	Business management skills	Business management skills
Knowledge of business line	Knowledge of business line	Knowledge of business line	Knowledge of business line



Tosting and developing		Description of husings	Description of husiness
Testing and developing business idea		Description of business	Description of business
Marketing plan	Marketing	Description of products and	Description of products and
		services, customers,	services, customers,
		competition, location,	competition, location,
		marketing	marketing
Legal form of business	Legal form of business	Legal form of business	Legal form of business
Staffing, human resources	Productivity in workplace	Key personnel	Key personnel
Legal responsibilities and			
insurance			
Costing of products and	Costing	Pricing	Pricing
services			
Sales and cost plan	Sales and cost forecast	Sales forecast	Sales forecast
Cashflow planning	Financial planning, forecast	Cashflow forecast,	Cashflow forecast,
	of cashflow. Income	Profit and loss forecast	Profit and loss forecast
	statement and balance sheet		
	Record keeping		
	Stock control	Manufacturing and	Manufacturing and
		production	production
	Buying	Material and sources of	Material and sources of
		supply	supply
Financial investment of	Financial investment of	Financial investment of	Financial investment of
business and startup capital	business and start-up capital	business and start-up capital	business and start-up capital
Types and sources of	Types and sources of	Types and sources of	Types and sources of
finance	finance	finance	finance
Completing business plan	Business management	Business planning	Business planning
	systems developed	presentation and business	presentation and business
		management systems	management systems
		developed	developed
Role models share own	Role models share own	Role models share own	Role models share own
business experience during	business experience during training	business experience during training	business experience during training
training			
Business simulation	Business simulation	Business Simulation	Business Simulation
SIYB Business Game	SIYB Business Game	Entrepreneurs start a	Entrepreneurs start a
facilitated during workshop	facilitated during workshop	business during workshop	business during workshop
training for entrepreneurs to	training for entrepreneurs to	training	training
put business concepts into	put business concepts into		
practice	practice		
Financial linkages with	Financial linkages with	Financial linkages with banks	Financial linkages with
banks and microfinance	banks and microfinance	and microfinance institutions	microfinance institutions
institutions	institutions		
Business plan presentation		Business plan	Business plan
panels		presentation panels	presentation panels
Market linkages	Market linkages	Market linkages Through	Market linkages
Through SME networks	Through SME networks	Empretecos SME network	Through Empreteco SME
		and linkages to large	network
		companies	1

Own adaptation



3.7 The Start and Improve Your Business Programme (SIYB)

3.7.1 SIYB programme background

The International Labour Organisation-Start and Improve Your Business (ILO-SIYB) programme started in 1977, later exceeding 4,5 million trainees through operating in more than 100 countries. Research indicates that the ILO SIYB programme is the mostly widely implemented programme, followed by other ones including GTZ/CEFE, the UNCTAD/Empretec programmes, the business plan competitions and training run by Technoserve and the IFC Business Edge and SME toolkit (McKenzie & Woodruff, 2013:2).

The SIYB programme is a flagship programme of the ILO and has been operating in Asia, Africa, Europe, the Caribbean and Latin American regions (ILO, 2012). In reviewing the chronological development and introduction of the SIYB programme and its constituent packages in Africa and globally, it is noted that the Improve Your Business (IYB) package was the original component from the 1980s, developed and refined from the original training materials developed by the Swedish Employers' Confederation in the late 1960s called "Look after your firm". In 1970s the Swedish International Development Agency (SIDA) funded an ILO project to adapt the materials and training methods to suit the needs of small businesses in 1983. The Start Your Business (SYB) training package was introduced in Africa in 1996 to cater for the needs of the business start-ups, linked to IYB to form the SIYB programme (Ntlaloe, 2011:24). The SYB programme was developed from materials developed and piloted through an ILO project in Fiji in the late 1970s. In Africa the simplified version of the SIYB programme was developed to cater for micro businesses.

The ILO points out that The Generate Your Business (GYB) component was developed and introduced in 1997. The Generate Your Business Idea (GYB) is materials-based and targeted at potential entrepreneurs who want to develop a feasible business idea. The Expand Your Business (EYB) package was introduced in 2003 to the SIYB programme. It is an integrated business training and non-training support package for small to medium sized enterprises that are growth-oriented. The



EYB interventions support the growth and expansion of businesses (ILO, 2012).

Van Lieshout, Sievers and Aliyev (2011:9) state that the SIYB programme is a range of inter-linked training packages and instruments, with integrated components for counselling, networking, promotion of service institutions and policy dialogue. Based on the training packages, the ILO creates a programme structure for long-term training delivery. It is indicated that SIYB manuals have been translated into 32 languages, and various sector specific adaptations exist in certain regions (Van Lieshout et al. 2011:25).

3.7.2 SIYB training manuals, materials and methodologies

Start Your Business (SYB)

According to the ILO, the SYB is a materials-based training programme for potential entrepreneurs with a business idea who want to proceed and start their own business. The objective of SYB training is to enable potential entrepreneurs to develop concrete, feasible and bankable business ideas to start their own small business, while the training equips trainees to develop a business plan. The target is that of potential entrepreneurs who want to start micro or small-scale businesses. The SYB training is interactive, organised flexibly according to clients' needs using advanced adult training methodologies (ILO, 2012).

The SYB Manual, Business plan booklet and the SYB Business Game constitute the training materials for the classroom based training, counselling and mentoring sessions at the business site or in one on one, small group follow up meetings. The SYB manual is a step by step guide on the process of preparing and implementing a business plan. After the counselling sessions, the SYB trainee can be linked to other relevant business development services and, where applicable, to IYB business management training to consolidate the business operations after the start-up (ILO, 2012).



Improve Your Business

According to the ILO, the Improve Your Business (IYB) is a materials-based training programme for entrepreneurs who want to improve the management processes of their business. The objective of IYB training is to enable micro and small-sized entrepreneurs to set up a basic business management system which consists of standardised processes for buying, stock control, record keeping, costing, financial forecasting, marketing and productivity improvements through improved workplace practices. The IYB training targets existing businesses operating for at least 6-12 months, using a modular approach and advanced adult training methodologies. IYB trainers can customize the training according to the needs and priorities of the client, delivering the IYB modules that are specifically needed by the trainees; trainees are provided with counselling and mentoring sessions as well as linkages to additional business development services (ILO,2012).

The IYB materials comprise six IYB manuals/modules, booklets for each module and the IYB Business Game. Sector adaptations have been developed for construction, fishing or agriculture and additional materials such as People and Productivity, HIV / AIDS Information and Facts. The IYB manuals cover a step by step guide to set up systematic management processes (ILO, 2012).

Table 3.2 summarises the SYB and IYB programme components in respect to the business and entrepreneurial skills as well as the duration and programme delivery, approaches for financial, marketing linkages and other aspects of structure and methodologies.

Both the SYB and IYB manuals are written in a simple, easy-to-understand language with straightforward illustrations to clearly explain concepts and solutions. Practical examples and exercises feature in the structure of the SIYB manuals, enabling the reader or trainee to apply the theory of learning as well as complete step by step sections in the booklets linked to each SYB and IYB manual. The SYIB training is equally suitable for men and women in rural and urban areas, both young and old, provided they can read and write.



The SIYB Business Game enables both potential and existing entrepreneurs to simulate a small business. The SYB game takes the trainees through the business cycle applying the business planning concepts. The IYB game is advanced, allowing the existing entrepreneurs to experience and manage the challenges of a small business with multi-product portfolios in different markets.

3.7.3 SIYB Programme structure

It is pointed out that the SIYB implementation approach uses a multiplier strategy for the development of qualified trainers and Master Trainers (MTs) to ensure programme replication and a quality assurance mechanism (Van Lieshout et al., 2011:25).

SIYB Master Trainers, SIYB partner organizations and SIYB Trainers

The ILO SIYB programme operates through ILO projects and a network of SIYB Master Trainers to implement and expand the programme across and within countries. According to Van Lieshout et al. (2011:12) around 237 Master Trainers globally have been certified by the ILO SIYB programme; they are registered on the online ILO Enterprise Department Resource Platform, where potential and existing MTs can enter and update their training history, professional background for accreditation or to renew their licence. An active MT performs five core MT functions: marketing, organisation, training, follow-up and monitoring.

The SIYB programme depends largely on partnerships with organisations, which are capable and dependable, to deliver quality training to entrepreneurs. At least 2,500 institutions worldwide have incorporated SIYB into their portfolio (Van Lieshout et al. 2011:13). The SIYB partner institutions are said to be the backbone of the sustainability strategy demonstrating a track record in small enterprise development, capacity and commitment to use and integrate SIYB into their regular operations. To date, 17,540 trainers have been reported to be active in implementing SIYB.

It is further highlighted that the SIYB individual qualities of trainers, and institutional standards include individual competencies in business experience, knowledge of adult training methodologies, and BDS knowledge. Institutional criteria comprise a set of



standards, including a portfolio of BDS, sound financial management and a solid outreach to small-scale or potential entrepreneurs. Trainers implementing the SIYB programme come from government agencies, training colleges, vocational schools, private-sector consultants, non-governmental organizations (NGOs) or UN agencies. SIYB trainers and organisations market, train, follow-up, monitor and evaluate trainees and the programme. There are more than 17,000 trainers in developing countries and a large-scale take-up in China and Viet Nam (Van Lieshout et al., 2011:14).

3.7.4 SIYB training quality, impact, effectiveness and sustainability

Over the past two decades various SIYB impact studies have been conducted, and numerous evaluation and progress reports have been produced by SIYB country programmes in different regions. Van Lieshout et al. (2011:16) state that the methods applied to measure impact in these regions vary substantially, as do the results. In most cases one-off surveys were conducted, interviewing trainees about the effects of the training using pre-set questions. Two longitudinal studies were conducted in Zimbabwe and Sri Lanka. Two other studies used control group methods in Sri Lanka and China where the effects of SIYB training on a population of start-ups and entrepreneurs were measured against a similar group that had not received business management training. The SIYB training can provoke significant changes at entrepreneur level. Positive impacts include new business start-ups, increased product diversification, cost savings and increased profits. This contributes to income generation and jobs in the micro-, small and medium enterprise sector. In a newly started business, on average, three jobs are created, including the business owner's job. In an existing business, on average, one extra job is generated (Van Lieshout et al, 2011:24).

For the ILO (2011) impact assessment survey, impact was generalised around the relevance, effectiveness and sustainability of SIYB effects. It is asserted that all studies conclude that the SIYB programme is relevant in reaching the right target group of small businesses. However, SYB, originally designed for people not yet in business, is also used frequently by those already in business. The overall majority of IYB participants are indeed involved in business, but the total outreach of IYB is



significantly lower than SYB (93 percent of total trainees) (Van Lieshout et al. 2011:17).

Training is effective. Through self-assessment, the majority of entrepreneurs report business improvements, describing effects including diversification and improved quality of products and services; increased productivity and sales; and heightened awareness about costing. Studies also show that SIYB effectiveness increases when training is linked to other business development services, such as micro-finance, mentoring and coaching services, and also technical skills training (Van Lieshout et al, 2011:17).

Some are of the opinion that assessing the SIYB programme against programmes similar to it, reveals that it is not quite effective in its efforts to empower youth with business management skills and microfinancing within a context of diverse business settings and local environments (Ntlaloe, 2011:35). It was further established in Lesotho that the SIYB programme has been relevant, addressing challenges faced by entrepreneurs in the process of starting their business by providing skills in business management, business planning and record keeping; however, the SIYB programme had too short a training duration which was a classroom oriented training approach but was successful in the training and business skills empowerment objectives of targeting the youth (Ntlaloe, 2011:88-89).

Moremong-Nganunu (2009:224) concluded a study in Botswana (2009) arguing that SIYB is not an effective programme and it is likely that the programme is of limited appropriateness or relevance anywhere in the developing world. The study further reported that key entrepreneurship variables such as opportunity evaluation and competitiveness which are essential components of a quality curriculum, are not part of the SIYB curriculum in Botswana (Moremong-Nganunu, 2009:236).

However, SIYB trainees appear to increase sales and profits and hire more workers than untrained entrepreneurs. Others are of the opinion that findings in Sri Lanka, from a randomised experiment among women on the SIYB programme, showed that existing business training experiments have typically found limited impacts of business training on female microfinance clients who already own a business (de Mel, McKenzie



& Woodruff, 2012:24). In contrast, the evaluation results are encouraging for using business training to help women who are not part of the labour force to start enterprises more quickly, as well as for improving management and profitability of businesses (de Mel, McKenzie & Woodruff, 2012:25)

3.7.5 SIYB programme economic outcomes

According to Van Lieshout et al. (2011:16) the methods used to measure SIYB impact on job creation in some cases did not allow for attribution of employment results to SIYB training per se, as most studies relied on entrepreneur feedback rather than verified observation. Only two of the studies cited below did work with control groups. Entrepreneurship promotion usually needs an extended time-frame before the employment creation effects become apparent. It is generally concluded that the SIYB programme does contribute to employment creation in small enterprises (Fonteneau, Huyse & Pollet, 2014:3). Van Lieshout et al. (2011:18) established that in new businesses started after SYB training an average of three jobs were generated including that of the business owner(s) while that on average 0.6 jobs were generated in existing businesses. Furthermore, business survival rates are often relatively low in developing countries where SIYB is active, especially when compared to countries with higher GDPs (Van Lieshout et al., 2011:19). The SIYB Over Time Survey in Zambia, Zimbabwe and Uganda from 2003 and the experimental design survey in Sri Lanka between 2001 and 2004 suggest that the sustainability of the SIYB training, in terms of 75 per cent business survival, is relatively high compared to general survival rates in developing countries (Van Lieshout et al., 2011:20).



3.8 The Empretec Programme

3.8.1 Empretec programme background

Empretec was established to promote entrepreneurship among small and mediumsized enterprises (SMEs) in developing countries. According to UNCTAD, Empretec is a capacity building programme. Since its launch in 1988, it has since expanded to 34 countries across the developing world. The Empretec programme training is delivered locally in Arabic, English, French, Portuguese, Romanian, Spanish and Swahili. The programme has assisted more than 300,000 entrepreneurs through local market driven Empretec centres. The programme offers four main products: Empretec Training Workshops (ETW), also known as Entrepreneurship Development Programme (EDW), Business Development Services, Empretec networks and an Empretec centre (Empretec 2011:8; Empretec, 2012:8). For Empretec Zimbabwe the products and services range from EDW, Micro-entrepreneurship programme (MEP) training, corporate entrepreneurship (intrapreneurship), youth entrepreneurship supply chain training and customer care to research into the SME sector (Empretec, 2012:78).

Denis (2000:4) states that Empretec activities started in 1988 in Argentina where the names Empretec and Empretecos, which are now used worldwide, were coined, from the contraction of two Spanish words "emprendedores" (entrepreneurs) and "tecnología" (technology); the term Empretecos has remained even if the focus on technology has not been adopted in other countries. It is indicated that the EMPRETEC concept draws on several other experiences (India's Entrepreneurship Development Programme (EDI), Bocconi University's Gemini Programme, the Rensselaer Polytechnic Institute's programme (USA), and more importantly from USAID-supported research on personal entrepreneurial characteristics conducted by Management Systems International (MSI), Washington, D.C), (Grossmann,2005:7).

Upon developing approaches to support and develop beneficial entrepreneurial traits the Achievement Motivation Training (AMT) programme was created, building on techniques to identify and work on personal strengths and weaknesses. In 1987, USAID financed the Entrepreneurship and Small Enterprise Development Project



where, based on this research, Management Systems International (MSI) developed the 10 Personal Entrepreneurial Competencies (PECs) into one entrepreneurship training workshop (ETW) or entrepreneurship development programme (EDW). The PECs were tested in 1985 during a pilot programme in Cranfield, UK by a group of trainers and experts; the subsequent training programme was then tested in Malawi in 1988 before being implemented in Argentina (Grossmann, 2005:7).

3.8.2 Training materials, content and methodology

It is noted that the Empretec programme objectives are to identify promising entrepreneurs, train them to develop their entrepreneurial traits and understand basic business procedures, provide access to appropriate advisory services, and to link them with trade partners. It targets aspiring entrepreneurs, women entrepreneurs, small businesses, youth and employees of large public or private firms (Empretec 20012:8). In contrast to many national and international SME support programmes, Empretec does not define its target group by assets, turnover, or number of employees. The beneficiaries are identified on the basis of both their personal entrepreneurial competencies and their innovative approach to business; it is noted that the Empretec Training durations range from 3-10 day courses. The EDW on average is offered over 5-6 days and the MEP from 3-4 days for micro entrepreneurs with low levels of literacy and Interactive coaching based on real business challenges of participants (Denis, 2000:5). The Empretec Training programme promotes a methodology of behavioural change that helps entrepreneurs put their ideas into action and helps fledgling businesses to grow. The methodology is such that all Empretec trainers are also entrepreneurs.

Entrepreneurship Development Workshop (EDW or ETW)

It is said that the EDW or ETW seminars are the backbone of the EMPRETEC concept. The trainees termed as Empretecos are individuals demonstrating significant entrepreneurial abilities and a strong success potential, having attended the EDW training after a rigorous selection process. Empretecos can thereafter attend specialised seminars on various aspects of management principles, access advisory services offered by national EMPRETEC programmes, and participate in several



networking activities and business linkages. The EMPRETEC concept emphasises the development of linkages 1) between Empretecos; 2) between Empretecos and large national firms and/or TNCs, 3) between Empretecos and lending institutions. Other linkages have been launched internationally between Empretecos, Empretec trainers and directors of national programmes. The same basic EDW package is used worldwide. Furthermore, it is described that two types of adaptation took place over the years: "localisation" and structural changes. Localisation were changes to conform to cultural specificities such as local examples, characters, and situations whereas structural changes were in-depth alterations, shortening or eliminating aspects of the original package or adding new elements to it (Denis,2000:5-6). The authors Sanyang and Huang (2009:324) add that the ten PECS are exercised through the EDW which focuses on motivation and strengthening entrepreneurial talents, not on traditional business skills.

It is pointed out in the EDW training manual that the Empretec methodology (developed by David McClelland at Harvard University) is based on the finding that everyone has an inner motivation to improve. This "motive for action" is divided into three motivational categories: achievement, affiliation, and power. There are 10 Personal Entrepreneurial Competencies (PECs), which form the basis of the Empretec EDW training. The "10 competencies are: Opportunity-seeking and initiative, Persistence, fulfilling of commitments, Demand for quality and efficiency, Calculated risk-taking, Goal-setting, Information-seeking, Systematic planning and monitoring, Persuasion and networking, and Independence and self-confidence" (UNCTAD, 2006).

3.8.3 Programme structure, Empretec Centers- partner organisations and Master Trainers

The Empretec programme is delivered by more than 600 local certified trainers and by a pool of around 60 international master trainers. It is noted that the Empretec programme is installed by UNCTAD in a country that formally requests it, and raises funding through donors for the installation, by a carefully screened and selected local national partner, to host the centre. UNCTAD transfers the Empretec methodology to the selected organisation and selects the host-country Empretec director/coordinator;



it uses its experienced international Master Trainers (MTs) to train local trainers, and advises on the programme's sustainability and on networking. Local trainers assist the international master trainers in delivering a minimum of six entrepreneurs' training workshops in order to be certified as national trainers. An executive board drawn from the public and private sectors is established to provide strategic direction for the Empretec centre and to ensure coordination among stakeholders (UNCTAD, 2012)

3.8.4 Empretec programme impact, effectiveness and sustainability

According to Denis (2000:8), given that the overall objectives of the EMPRETEC programme are to increase entrepreneurial capacity at the national level as well as in exporting, the programme performance indicators to assess if objectives have been met are: number of new small and medium-sized enterprises (SMEs); increase in total sales; number of new exporting SMEs; increase in export volume.

From five countries that were reviewed it is estimated that within three years of attending the programme, the proportion of Empretecos who started new businesses ranged between 9% and 33 % while in four countries the increase in number of employees was estimated to range between 5% and 25 % (for businesses already in operation before the entrepreneurs attended the EMPRETEC programme) and that after three years, Empretecos already in business prior to attending the programme had increased their sales by 10 to 80 %. African countries report significantly higher sales increases than Latin American countries, with Empretecos already in business prior to attending the programme reported increases ranging between 15% and 100% after three years. The rate is significantly higher in countries that have adopted an export expansion objective. Not all responding countries have adopted such a strategy. It is further argued that the effectiveness of a Business Development Services (BDS) programme is reflected by the survival rate of the firms that benefited from it. Survival rates reported for new businesses differ widely from one country to the other and range between 30% and 85%. For businesses in existence prior to attending the EMPRETEC programme, the rates are higher and range between 70% and 92% (Denis, 2000:8).



Six studies showed that the evaluated training programmes (Achievement Motivation Training, Empretec, Personal Initiative Training and Technoserve business plan competition) led to an increase in the trained psychological factors, in business management skills and in participants' business success (Glaub, 2011:16). A number of indicators of the performance of small firms run by Empretecos (EMPRETEC workshop participants) such as creation of new SMEs, survival rate, increase in sales, indicates the effectiveness of the EMPRETEC methodology. A 2002 impact evaluation undertaken in Brazil showed that the level of entrepreneurship among empretecos is more than twice that of the overall population (Sanyang & Huang, 2009:325)

The major challenge of impact assessments is to link the programme activities to specific outcomes. Too often, the reasons for change are due to external (and thus unobservable) factors and not the intervention per se. The impact of an intervention is the difference between the observed outcomes with the intervention and the outcomes without the intervention. Normally, the causality links are underlying every programme and are established during the programme design phase. Causality chains are seldom linear; often, contextual factors influence outcomes to a large extent, which makes it also difficult to compare programmes in different country contexts (Grossmann, 2005:2-3).

It has been indicated that the EDW/MEP methodology is causally linked to specific outcomes: strengthening entrepreneurial competencies improves entrepreneurs' management and thus business performance. There are two broad groups of measurements available for the ETWs, namely measures of soft impacts and of hard impacts. Soft impacts include behavioural changes as relating to the PECs and an evaluation undertaken by the entrepreneurs (information collected through the customer benefits sheet as it is used in the current MIS). In addition, many centres collect information about participants' satisfaction with the course through evaluation forms.

In terms of hard impacts, information on employment changes, turnover, profitability and market outreach is collected by some centres according to the company performance sheet in the MIS. Most approaches are based on simply following up on clients after they have participated in the training. A limited number of impact

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assessments have been carried out for the EMPRETEC programme. Very few approaches, however, have used a rigorous experimental design (Grossmann, 2005:7-8).

Research conducted in Brazil (1999) found a statistically significant increase on 5 PEC scores. Empretec fostered an increase in the general level of entrepreneurial competencies (Lopes, 2002:13). The success of the Empretec model depends much on post-training support provided to entrepreneurs (UNDP, 2012). Written evaluations indicate that as a result of the Empretec programme, participants experience a marked change in personal and business attitudes. Follow-up support is provided through in house workshops on accounting, financial management, marketing (Sanyang & Huang, 2009:325)

One important indicative conclusion emerging out of earlier studies is that behavioural changes (i.e. soft impacts) only seem to occur in the short-run and that their influence diminishes over the long run (probably because the learning effects are tacitly integrated into business practices and become less dominant over time as external factors "smooth" out the learning effects). In terms of recommendations this hints at the importance of conducting an impact assessment on soft impacts soon after the training to determine any positive effects (Grossmann, 2005:9).

The following chapter 4 outlines the research methodology for this study including the design descriptors, sampling design and statistical procedures chosen to test the hypotheses defined in chapter 1.



CHAPTER 4 RESEARCH METHODS

4.1 Research Methodology

The chapter describes the research design and methodology used for undertaking this study that addressed the research objectives, research questions and hypothesis outlined in Chapter 1. The sampling and data collection methods are described and the research instrument design is outlined as the tool used to survey trainees of the selected SIYB and Empretec training programmes. The research strategy and choices are elaborated and justified in the chapter.

Research is a systematic enquiry that provides information to inform decisions (Cooper & Schindler, 2011:4). The choice of research strategy is guided by the research questions and objectives, extent of existing knowledge, amount of time, resources available and philosophical underpinnings. Decisions as to tactics are based on different quantitative and or qualitative data collection techniques (questionnaires, interviews, secondary data) and the analysis procedures (Saunders, Lewis & Thornhill, 2009:141; Gray, 2009:33). Gray (2009:17) states that an interrelationship exists between the theoretical stance adopted by the researcher, the methodology, methods used and the researcher's view of the epistemology. Ontology embodies understanding *what is*, whereas epistemology tries to understand *what it means to know*, providing a philosophical background to decide what kinds of knowledge are legitimate and adequate.

Research philosophy are views on the way knowledge is developed and viewed to be acceptable. The research philosophies are positivism, realism, interpretivism and pragmatism (Saunders et al., 2009:138). The deductive approach moves towards hypothesis testing. Plans are made for data collection and analysed for patterns suggesting relationships between variables through the inductive approach (Gray, 2009:14). For this study, the epistemology was objectivism, the theoretical perspective was positivism while the research approach was deductive using a survey research



methodology. The ontology entails gaining an understanding of the worldwide training that exist, as well as providing evidence on its impact at entrepreneur level.

The research taxonomy and choices reflect on the data collection and analysis techniques. The choices can be from mono methods of either quantitative or qualitative or multiple methods based on mixed or multi-methods. A quantitative method is data collection technique, using a questionnaire or a data analysis procedure using statistics or graphs and a qualitative method uses in-depth interviews, categorising data and use non numeric data (Saunders et al.,2009:151). Quantitative research seeks precise measurement and used for testing theory (Cooper & Schindler, 2011:161) Mixed method uses both qualitative and quantitative data collection and analysis procedures in a research design. Triangulation is the use of at least two independent sources of data collection to corroborate research findings in a study (Saunder et al., 2009:154).

The research choice of deductive approach, using a survey strategy and sample of people trained within the stipulated cross-sectional time horizon and is based on the following:

- the survey strategy is associated with deductive approach
- the survey strategy allows collection of a large amount of data and quantitative analysis using descriptive and inferential statistics
- the deductive approach allows for hypothesis testing
- Hypothesis testing was through inferential statistical techniques ranging from chi and t-tests to ANOVA and MANOVA
- sampling is feasible allowing generalisation of results on the populations

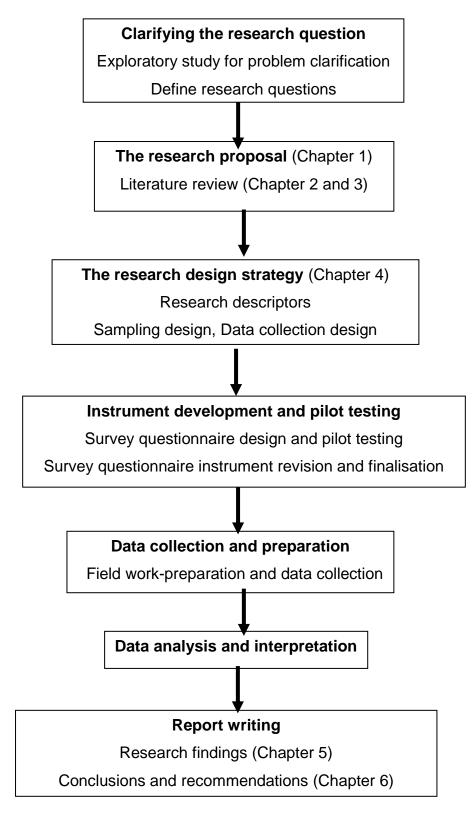
The limitations of the mono methods are that there is limited triangulation with other sources of data such as qualitative methods if a mixed method had been used. The research sample choice is based on a training cohort delineated from 2011-2013 at a period when both programmes were training younger cohorts than their typical adult cohorts and the period reflected fairly higher number of people trained over the 3 years under both programmes in the country context. A Longitudinal study as a research choice was not feasible due to the cost and limited timeframe for the study

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The research process used is outlined in Figure 4.1.

Figure 4.1 Research process



Source: Adapted from Cooper and Schindler (2011:80)



The subsequent section of this chapter outline the research process undertaken for this study. As indicated in Figure 5.1, the first step of the study was an exploratory part of which entailed reviewing and exploring existing literature in the research area for the global, regional and national context. The fields of entrepreneurship, training and education, entrepreneurship training programmes and related constructs and concepts were investigated through journal articles, books, publications and reports as sources of extensive literature information. This informed the development of Chapters 1, 2 and 3 as regard the literature review and defining the research problem and research questions for this study.

Chapter 2 detailed the literature on entrepreneurship, education and training, whilst Chapter 3 outlined conceptual frameworks, entrepreneurship process and training models and the two selected global entrepreneurship training programmes, namely the SIYB and the Empretec programmes. The extensive literature in previous chapters informed the research strategy detailed in this chapter.

The details of the research strategy, design, descriptors, sampling, instrument development and data collection are furnished below in this chapter. Based on the findings of this study from primary data collection and data analysis the interpretation and presentation are detailed in Chapter 5 and the significant contribution, conclusions and recommendations of the study highlighted in Chapter 6

4.2 Research Design and Descriptors

The research design constitutes the blueprint for collection, measurement, data analysis, aiding allocation of limited resources. It is the plan for the research, expressing the structure of the research problem and the obtaining of empirical evidence (Cooper & Schindler, 2011:140). For this study, the research design is the plan regarding the type of sources of data, the limitations on accessing the data on the training programmes, the research timeframe, places where the research will be conducted and the budget implications.

The descriptors of this research design are outlined in Table 4.1. Based on the literature review conducted, defining constructs and concepts in the field of

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entrepreneurship, "the purpose of the study is exploratory" (Babbie, 2010:92). The empirical research is a formal study. Data collection methods are those for a communication, interrogative study design. The research used an ex post facto approach because data collection was undertaken after a time interval that is after respondents had received the training. It was not possible to follow the respondents prior to their training taking place and owing to the national geographic spread of the respondents receiving four different training packages under two programmes. "The researcher has no control over the variables and cannot manipulate them" (Cooper & Schindler, 2011:142). The survey is conducted periods after the selected entrepreneurship training was conducted. This was a cross-sectional study which involves observations of a sample or cross section, of a population or phenomenon that are made at one point in time. "Exploratory and descriptive studies are often crosssectional" (Babbie, 2010: 106). The authors Gray (2009:96) and Saunders et al (2009:155) add that cross-sectional studies often employ the survey strategy, which is the study of a phenomenon at a particular time as academic projects are time constrained. The study is statistical in scope as both descriptive and inferential statistical analysis were applied to the primary data collected directly from SIYB and Empretec trained respondents, and the study was conducted in the field, a nonlaboratory setting.

Table 4.1 below offers a list of the research descriptors for the research design,	
Table 4.1 Research Descriptors	

Category	Option	
Research question crystallisation	Exploratory and formal study	
Method of data collection	Communication study	
Research control of variables	Ex post facto	
Purpose of study	Causal study	
Time dimension	Cross sectional	
Topical scope	Statistical scope	
Research environment	Field setting	
Perception of respondents	Actual routine	

Source: Adapted from Cooper and Schindler, 2011:140)



As outlined in table 4.1, this study took the form of an exploratory and formal inquiry. The exploratory study is qualitative, determining concepts and providing the background from academic books, journal articles and reports as secondary sources of information and data in the areas of entrepreneurship, small business, training and education. "Exploratory studies satisfy the desire for better understanding of the problem; test the feasibility of undertaking a more extensive study, and develop the methods to be employed in any subsequent study" (Babbie, 2010: 92; Gray, 2009:96). Exploration also saves time and money.

For this study, the formal research begins where the exploration leaves off. "It begins with a hypothesis or research question, and involves precise procedures and data source specifications" (Cooper & Schindler, 2011:143). The goal of a formal research design is to test the hypotheses or answer the research questions that have been defined. In this study, the primary data collection and analysis of respondents' information provided the basis for testing the defined hypotheses. In the classical statistics approach, "one accepts or rejects a hypothesis on the basis of sampling information alone" (Cooper & Schindler, 2011:468). The alternative hypothesis is the logical opposite of the hypothesis. This study tested specific hypotheses outlined in this Chapter as well as in Chapter 1. The results of the hypothesis testing are detailed in Chapter 5.

4.2.1 Purpose of study

The purpose of the study was to investigate the role of and the extent to which entrepreneurship training programmes in Zimbabwe are supporting businesses to start, grow and contribute to job creation. The empirical research sought to establish this. The study focused on the SIYB and Empretec entrepreneurship training programmes for SMEs in Zimbabwe.

4.2.2 Research problem

Micro and Small Enterprises (MSEs) are said to "grow more quickly in periods of economic growth and the overall sector expands during economic downturns" this is due to an increase in survivalist or necessity type economic activities (Nichter &



Goldmark, 2009:1459). The Gemini studies of 1991, 1993 and 1998 illustrated that the role of MSMEs in employment creation increased as the economy de-industrialised, especially following the liberalisation of trade during the ESAP period. The Finscope 2012 SME survey reveals the extent of informalisation of the SME sector in Zimbabwe.

There is a lack of holistic programmes tackling business needs as offered by government, NGOs and private sector training providers. Hence an assessment of the role different types of entrepreneurship training and education programmes have played is needed. For this study it is identified that the problems that persist in Zimbabwe that will be the focus of this research are:

- The general lack of entrepreneurship training and its quality therefore standard resulting in a skills gap,
- ii) High business failure rates and poor business performance of SMEs.

The research methodology investigates this problem further and research questions were formulated.

4.2.3 Research questions and hypotheses

Table 4.2 below outlines the key hypotheses tested in view of the stated research questions. The null hypothesis is used for testing, stating that no difference exists between the parameters and the statistic being compared with. The alternative hypothesis states that there has been a change (Cooper & Schindler, 2011:456).

Key Hypothesis	Research Questions		
Hypothesis 1: (Ho 1) There is no statistical	1.To what extent do the selected		
significant difference in the proportion of	entrepreneurship training programmes result in		
business start-ups between the ILO and	new business creation?		
EMPRETEC programmes in terms business start			
–up rates			
Hypothesis 2: (Ho 2) There is no statistical	2.To what extent do the selected		
significant difference in job creation after trainees	entrepreneurship training programmes result in		
attended the ILO and EMPRETEC programmes	new business creation?		

Table 4.2 Research Questions and Key Hypotheses



Hypothesis 3: (Ho 3) There are no statistical	3. To what extent do the selected
differences in job creation for entrepreneurs who:	entrepreneurship training programmes
- Ho 3.1: Started a new business	result in new business creation?
Ho 3.2: are running a business	
Hypothesis 4: (Ho 4) There is no significant	5.To what extent are training programmes
difference in the training programmes content in	content matched to enterprise needs?
terms of meeting needs of the businesses: -	
Ho 4.1: Run a business	
Ho 4.2: Develop a business plan	
Ho 4.3: Financial management	
Ho 4.4: Market research	
Ho 4.5: Customer care	
Ho 4.6: To access business finance	
Hypothesis 5: (Ho 5) There is no significant	1.What skills training have businesses received to
difference regarding skills transfer between start	support start-up?
up and existing businesses with respect to selected entrepreneurship training programmes	2.What skills training have businesses received to
for: -	support growth?
Ho 5 1: IL O start up and aviating businesses	
Ho 5.1: ILO start-up and existing businesses	
Ho 5.2: Empretec start up and existing	
businesses	
Hypothesis Ho 5.3: There are no significant	1.What skills training have businesses received to
differences regarding skills transfer between the	support start-up?
four training packages with respect to business	2.What skills training have businesses received to
skills.	support growth?
Hypothesis Ho 5.4: There are no significant	1.What skills training have businesses received to
differences regarding skills transfer between the	support start-up?
four training packages with respect to	2.What skills training have businesses received to
entrepreneurial skills.	support growth?
Hypothesis Ho 5.5: There are no significant	1.What skills training have businesses received to
differences regarding skills transfer between the	support start-up?
four training packages with respect to business	2.What skills training have businesses received to
performance skills.	support growth?
Hypothesis Ho 5.6: There are no significant	1.What skills training have businesses received to
differences regarding skills transfer between the	support start-up?
four training packages with respect to business	2.What skills training have businesses received to
planning and presentation skills	support growth?
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Hunothesis He 57. There are no significant	1 What akilla training have businesses reastived to		
Hypothesis Ho 5.7: There are no significant	1.What skills training have businesses received to		
differences regarding skills transfer between the	support start-up?		
four training packages with respect to	2.What skills training have businesses received to		
programme methodology.	support growth?		
Hypothesis 6: (Ho 6) There are no significant	6.What factors have affected business		
differences regarding business	performance in Zimbabwe for start-up and		
growth/performance for start-ups businesses in	growing businesses?		
the ILO and EMPRETEC programmes			
Hypothesis 7: (Ho 7) There are no significant	4.To what extent do the entrepreneurship training		
differences regarding business	programmes result in business growth?		
growth/performance for established businesses	6.What factors have affected business		
in the ILO and EMPRETEC programmes	performance in Zimbabwe for start-up and		
	growing businesses?		
Hypothesis 8: (Ho 8) There are no significant	4.To what extent do the entrepreneurship training		
differences regarding business performance	programmes result in business growth?		
between male and female owned businesses	6.What factors have affected business		
	performance in Zimbabwe for start-up and		
	growing businesses?		
Hypothesis 9: (Ho 9) Statistical significance	1.What skills training have businesses received to		
does not exist between trained entrepreneurs	•		
regarding the following variables:	support start-up?		
Ho 0.1: Ago: Ho 0.2: Education Ho 0.2: Work	2.What skills training have businesses received to		
Ho 9.1: Age; Ho 9.2: Education Ho 9.3: Work	support growth?		
experience; Ho 9.4: Economic sectors of	6.What factors have affected business		
business; Ho 9.5: Form of business; Ho 9.6:	performance in Zimbabwe for start-up and		
Place of business operation (in relation to the five	growing businesses?		
identified factors)			

4.3 Population and sampling procedures

4.3.1 Sampling frame

The proposed population was derived from databases of the entrepreneurship training programmes by training providers in Zimbabwe as mentioned earlier; for the selected ILO-SYB, IYB and the Empretec EDW, MEP training programmes for SMEs. As previously mentioned, the sampling frame from the population of 800selected trained entrepreneurs from 4 major cities and a rural location. The sample came from the



population of those trained over the 2011, 2012, and 2013 periods based on recorded training workshops conducted by the training providers. The period chosen allows for knowledge maturity and recall by trainees of what the training programme offered. (Babbie, 2010:199; Saunders et al, 2009:212) indicate that a population means the group about which one is interested in generalising or making some inference. It is the theoretically specified aggregation of study elements.

(Babbie, 2010: 198; Gray, 2009:148) state that a sample is representative of the population from which it is selected if the aggregate characteristics of the sample closely approximate those same aggregate characteristics in the population A sampling unit is that "set of elements considered for selection in some stage of sampling. The sampling frame is the list from which a probability sample is selected" (Babbie, 2010: 200; Gray, 2009:154). The researcher selected a sample from the population based on time and budget limitations. The sampling allowed for more accuracy of the results. Preparations for fieldwork, establishing availability of respondents and querying them through face to face interviews took 6 months

Types of sampling design are probability and non-probability sampling. It is said that non-probability sampling methods are convenience, purposive (judgmental, quota) and snowball (Cooper & Schindler, 2011:379). The authors Struwig & Stead (2010: 111) add that non-probability sampling means the probability of any particular member of the population being chosen is unknown or that this member does not have a known chance of being included

Probability sampling consists of "simple random, systematic, stratified, cluster and multi-stage sampling" (Struwig & Stead, 2010:116-117; Diamantopoulos & Schlegelmilch, 2000:11). Others have noted that each element in the population has a known non-zero probability of selection. Probability sampling is based on the concept of random selection, a controlled procedure assuring each population element is given a chance of selection (Babbie, 2010:92; Cooper & Schindler, (2011:380).



4.3.2 Sampling method

The probability sampling methodology was used for primary and quantitative data in this study. The population was limited to 2011-2013 recorded trainings just for the SYB, IYB, EDW and MEP training programmes in an effort to reach the total population in the selected towns of 800 trained entrepreneurs a sample of 575 was interviewed yielding a 73% response rate.

It has been pointed out that stratified sampling is a method for obtaining a greater degree of representativeness by decreasing the probable sample error (Babbie, 2010:214). A population is divided into the appropriate strata, so that a simple random sample can be taken within each stratum. Others have noted that reasons for choosing random sampling and making an effort to reach the full population include to: increase the sample's statistical efficiency; provide adequate data for analysing the various subpopulations or strata enabling different research methods and procedures to be used in different sub-groups (Cooper & Schindler, 2011:390; Gray, 2009:152). Dividing the population into relevant strata means the sample is more likely to be representative (Saunders et al, 2009:228). For this study the ILO- SYB, IYB and Empretec- EDW and MEP constituted the subpopulations for sampling and analysis. Random sampling of the population of ILO and Empretec trained entrepreneurs was carried out. The entrepreneurs trained in the different programmes were in the prestart-up, start-up and existing enterprise stages. As detailed in Chapter 5, analysis of the strata permitted chi-square, T-test and ANOVA statistical procedures to be performed. Simple random sampling is used where the population is "relatively homogenous with respect to research questions of interest and with access to a complete list" of what constitutes the population (Gray, 2009:151).

4.3.3 Sample Size

Sample size calculation is important in empirical research. This size affects the statistical tests of significance. In order to be acceptable "a sample must be representative of the entire target population. The sample size that is acceptable is 5% of the total population" (Cooper & Schindler, 2011:409).



For a sample to be ready for factor analysis, the sample size should be at least 8 times the number of variables. As the authors Cooper & Schindler (2011:385) and Saunders et al (2009:218) indicate the following principles that influence sample size include:

- The greater the dispersion or variance within the population, the larger the sample must be to provide estimation precision.
- The greater the desired precision of the estimate, the larger the sample must be.
- The narrower or smaller the error range, the larger the sample must be.
- The higher the confidence level in the estimate, the larger the sample must be.
- The greater the number of subgroups of interest within a sample, the greater the sample size must be, as each subgroup must meet minimum sample size requirements.

Generally, the larger the population, the smaller the sample can be. Others note that the sample size impacts on the statistical test by making it more sensitive. The sample size is influenced by the relative homogeneity or heterogeneity of the population and desired reliability (de Vos, Strydom, Fouche & Delport, 2005:195).

In this study as the sample size was determined, it was decided to work with the size of the confidence interval, with a confidence level 99% or 90%. It is emphasised that researchers normally work with a 95% level of certainty to within plus or minus 3-5% of the latter's true values (Saunders et al, 2009:219). In most cases a 10% sample should be sufficient for controlling sampling errors. The authors de Vos et al, (2005:195) note that a size of 30 is sufficient for basic statistical procedures, while others argue for a minimum of 100. As regards guidelines for sampling, for "a population of 100, a 45% sample, i.e., 45 respondents are needed; for a population of 10000 a 4,5% sample, i.e., 140 respondents are needed. For a population of 10000 a 4,5% sample, i.e., 140 respondents are needed. For a population of 10000 a 4,5% sample, in other words 450" respondents are needed (de Vos et al, 2005:196).

In this study for Zimbabwe, the sample size was ultimately greater than 50% of the population of 800 trained entrepreneurs in the SYB, IYB, EDW and MEP



programmes, exceeding the minimum 15% of the population of those trained and recorded from 2011-2013, and the reach of 551 respondents was at least 8 times the number of variables to be measured, yielding a 73% response rate.

4.4 Data Collection

In this communication study, data was collected from the trained entrepreneurs mentioned, through conducting a survey using a questionnaire instrument. Face to face interviews were conducted to obtain answers to probing questions. The authors Mouton (2011:105), Bak (2009:26), Coopers & Schindler (2011:223) note that self-administering the questionnaire is used for inaccessible businesses. Barbie (2010:271) adds that the approaches seek to ensure higher response rates and minimise the chance of significant non-response bias. Any "non-response rate is due to refusal to respond, ineligibility to respond, inability to locate respondent and inability to make contact with respondent" (Saunders et al, 2009:220). As mentioned, there was a 73% response rate primarily attributable to the conducting of face to face interviews.

The survey strategy is usually associated with "the deductive approach" (Gray, 2009:92). In this study such a strategy allowed for collection of quantitative data and analysing it using both descriptive and inferential statistical procedures and techniques. The survey approach allowed more control over the process. "It requires time to ensure the sample is representative, to design and pilot the data collection instrument and to ensure a satisfactory response". There is a limit to the number of questions on the questionnaire (Saunders et al, 2009:144).

The data collection stage was preceded by fieldwork preparation of finalising the lists of the population from where the sample was picked, advance notification of the research process and timing in the different cities through the ILO and Empretec training providers. Subsequent appointment setting was done by the researcher and research team. Prior to actual interviews the research instrument was developed and pilot tested.



4.4.1 Research instrument, pilot testing

The research instrument was a questionnaire with closed and open-ended questions. This was developed and outlined together with a cover letter the purpose of the research, the name of the researcher undertaking the research it stated how much of the participant's time is required including preserving the anonymity of respondents. The survey design classification is "empirical, using primary, numeric data in a field setting" (Mouton, 2010:152). The constructs that were measured were outlined earlier and detailed in Chapter 1.

"Likert-type scale measures were used and reflect the same underlying construct(s)" (Cooper & Schindler, 2011:293; Struwig & Stead, 2010:133). It is noted that Likert's scaling method contains five response categories (including "no opinion" or a similar term); scores of 0 to 4 or 1 to 5 might be assigned, taking the direction of the items into account (for example, assign a score of 5 to "strongly agree" for positive items and to "strongly disagree" for negative items) (Babbie, 2010:179). The survey questionnaire was fully structured and designed in six sections. The sections described in Table 4.3 below were derived from the SME survey questionnaire.

1.	Demographics of	Gender, position in business/owner, age, language,		
	respondent	education, location of research area		
2.	Type and quality of	Technical skills		
	skills, knowledge and	Entrepreneurial skills:		
	skills/competency	Business/functional skills		
	transfer	SME skills expectations		
3.	Business information	Age of business, location of operations, legal form, economic		
		sector, products and services, customers		
4.	. Business performance Number of employees, annual gross sales, annual profits,			
	indicators	business assets		
5.	Sources of funding	Start-up finance		
		Growth finance		
		Purpose and use of borrowed funds		
6.	Factors affecting	Contribution of SMEs to economy		
	business performance	Success factors for SMEs		
		Barriers for SMEs		

Table 4.3 SME survey sections



4.4.2 Measurement Scales

In quantitative analysis the "scale of measurement or data type, format of inputting data into software, impact of data coding, weighting of cases and methods of checking data errors" are considered (Saunders et al, 2009:422).

Measurement refers to the process of describing concepts in terms of specific indicators. In this study the research methodology, hypothesis testing establishes the different relationships that exist between variables and factors identified for the selected entrepreneurship training programmes. It is pointed out that an analysis of variables or measures of concepts and constructs depends on the levels of measurement, whether discrete (nominal and ordinal scales) or continuous interval and ratio scales (Cooper & Schindler 2011:284; Saunders et al, 2009:418; de Vos et al, 2005:164). Nominal measures are especially valuable in exploratory work where the objective is to uncover relationships rather than secure precise measurements. This type of scale is also widely used in survey and other research when data are classified by major subgroups of the population.

In this study the respondent's gender, and the location of business premises were nominal measures. Ordinal scales include the characteristics of the nominal scale plus an indication of order. Ordinal data require conformity to a logical postulate. In the research instrument the annual ranges of sales and profits were ordinal measures. Interval scales have the power of nominal and ordinal data plus one additional strength: They incorporate the concept of equality of interval, where the scaled distance between 1 and 2 equals the distance between 2 and 3. In this study the knowledge and skills/competency ratings in Likert scales were interval measures. Ratio scales incorporate all of the powers of the previous scales plus the provision of absolute zero or origin. Ratio data represent the actual amounts of a variable. In this study examples of ratio measures were the age, and the number of employees

Table 4.4 below summarises the data types incorporated into the study questionnaire.



Table 4.4: Data types and r	measurement scales
-----------------------------	--------------------

Type of scale	Characteristics of	Empirical operation	Examples
	data		
Nominal	Classification	Determination of	Gender (male,
		equality	female), products
			and services,
			locations
Ordinal	Classification and	Determination of	Well, medium,
	order	greater or lesser value	medium rare, rare,
			sales, profit annual
			ranges
Interval	Classification,	Determination of	Temperature in
	order and distance	equality of intervals or	degrees, Likert
		differences	scale
Ratio	Classification,	Determination of	Age, employees,
	order, distance and	equality of ratios	education
	natural origin		

Adapted from: Cooper and Schindler (2011:274)

4.5 Data Analysis and Presentation of Results

Data analysis involves reducing the collected data to a manageable size, summarising the data through establishing emerging patterns. The authors Struwig & Stead (2010:153-156), Coopers & Schindler (2011:282) and Mouton (2010:108) add that univariate to multivariate analysis techniques can be used for statistical techniques and that the aim of the analysis is to inspect relationships between concepts, constructs or variables or to establish themes in the data.

The types of data are recorded with "numerical codes for ease of entry and to make analysis straightforward" (Saunders et al, 2009:422). In this study the missing data is also coded. Error minimisation stems from precoding and labelling the responses and checking for errors before and after data entry was done. During the data processing, editing and coding of data was the key. During the study, further post coding was done for open ended questionnaires to facilitate quantitative statistical analysis. Editing

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facilitated checking of the forms on which data were collected for any missing information as well as for consistency. In this study the survey questionnaires were entered and processed by the Department of Statistics at the University of Pretoria. The SAS statistical software and subsequently the SPSS version 21 statistical package were applied for analysis of descriptive and inferential statistics.

4.6 Reliability and Validity

To ensure and verify the validity and reliability of data was a key step in this study after data collection.

Reliability is concerned with establishing that if a statistical technique is used, again and again to the same research area, the results should be identical. It is noted that reliability, however, does not ensure accuracy any more than precision does. Reliable instruments are robust, working well at different times under different conditions. This distinction of time and condition is the basis for frequently used perspectives on reliability-stability, equivalence, and internal consistency (Babbie, 2010:150; Cooper & Schindler, 2011:293). The "four threats to reliability are subject or participant error, subject or participant bias, observer error and observer bias and reliability is measured through stability, equivalence, internal consistency and inter-judge and intra-judge reliability" (Gray, 2009:101). Reliability is the extent to which data collection techniques or analysis procedures yield consistent findings (Saunders et al, 2009:156).

The measure of reliability that was used in the study is the Cronbach's Alpha, testing for internal consistency, which is the degree to which the survey research questionnaire instrument items are homogeneous. The results of the Cronbach's Alpha are reflected in Table 4.5 and Table 4.6. The results are acceptable, falling within the Cronbach' Alpha's range of 0.600-0.999.



Table 4.5 Cronbach's alpha results for Factor 1-Business skills; Factor 2=Entrepreneurial skills: Q9 on skills transfer before and after training

Factor	Description	Cronbach's Alpha value
Factor 1	Business/functional skills	0,889
Factor 2	Entrepreneurial/enterprising skills	0,878

Table 4.6 Cronbach's alpha results for Factor 1=Business performance skills, Factor 2= Business planning, Factor 3= Programme methodology: Q14 on acquisition of skills after training

Factor	Description	Cronbach Alpha value
Factor 1	Business performance skills	0,8592
Factor 2	Business planning	0,7177
Factor 3	Programme methodology	0,7668

It is emphasised that validity refers to the extent to which an empirical measure adequately reflects the real meaning of the concept under consideration and concerned with whether the findings really concern what they appear to deal with (Babbie, 2010: 153; Saunders et al, 2009:157). Validity can be defined as "internal, external, criterion, construct, content, predictive and statistical validity" (Gray, 2009:155). Cooper & Schindler (2011:376) add that the validity of a sample depends on two considerations: accuracy and precision, where accuracy is the degree to which bias is absent from the sample. Precision is related to the extent or how close the sample is representative of the population.

Validity and reliability are characteristics of sound measurement of a research study. In this study, validity and reliability were further confirmed through factor analysis in helping the reduction of data structure into 5 key identified factors. Types of extraneous variables that may "influence internal validity negatively or as threats, are: History, maturation, testing, instrumentation, selection and experiment mortality" (Saunders et al, 2009:157). During the research the maturation related to knowledge maturity where knowledge and skills or competency transfer was established after a 6-24-time interval after initial training was conducted. It is noted that the *external validity* of research findings refers to the data's ability to be generalised across



persons, settings, and times. Internal validity is further limited in this discussion to the ability of a research instrument to measure what it is purported to do (Cooper & Schindler, 2011:287). In this study the research questionnaire survey instrument was measuring specific constructs and concepts in the field of entrepreneurship training, competency or skills transfer. Internal validity refers to correlation questions (cause and effect) and to the extent to which causal conclusions can be drawn.

The authors Babbie (2010:154), Cooper & Schindler (2011:291) noted that criterion related validity, sometimes called *predictive validity*, is based on some external criterion. This type of validity reflects the success of measures used for prediction or estimation. Any criterion measure must be judged in terms of the following qualities: relevance; freedom from bias; reliability and availability "Where answers are highly correlated then it is assumed the new measure has criterion validity" (Gray, 2009:157).

It is pointed out that construct validity is based on the logical relationships among variables (Babbie, 2010: 154) and others have noted that to evaluate construct validity, one considers both the theory and the measurement being used ,it is concerned with the measurement of abstract concepts and traits such as ability, anxiety, attitude, knowledge and the meaning of the instrument, involving validation of the instrument itself and theory underlying it (Gray, 2009:157;Cooper & Schindler, 2011:291; de Vos et al, 2005:162).

The authors Babbie (2010:155) and Gray (2009:157) add that content validity refers to how much a measure covers the range of meanings included within a concept and it validates the content of a test or examination. If the research instrument "contains a representative sample of the universe of subject matter of interest, then content validity is good" (Cooper & Schindler, 2011:290).

In this study the research questionnaire translated the underlying theory, constructs and concepts on entrepreneurship training, knowledge, business and entrepreneurship skills into questions. Competencies or skills were established and validated before and after training in the ex post facto study. The instrument specified variables in questions to be researched, thereafter statistical techniques and procedures such as chi-square test, T-test and ANOVA were applied.

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4.7 Factor analysis

Factor analysis was employed to confirm the validity and reliability of the measuring instrument, the questionnaire. It is said that factor analysis is used to discover patterns among the variations in values of several variables. Principal components analysis is used which transforms a set of variables into a new set of composite variables or principal components that are not correlated with each other. These linear combinations of variables, called factors, account for the variance in the data as a whole (Babbie, 2010:491; Cooper & Schindler, 2011:562). It is noted that factor analysis is efficient in discovering predominant patterns among a large number of variables presenting data in a form a researcher can interpret (Babbie, 2010: 493). In this study the factor analysis was conducted on the questions with variables pertaining to skills transfer before and after training and acquisition of skills which clustered concepts and definitions of entrepreneurial, business, performance, business planning skills and programme methodology. The rotated factor technique was applied, and the researcher discovered the variables loading highly on it, thus noting clusters of variables Five factors were identified as a result of factor analysis. It is applied as a data reduction or structure detection method and used on variables to strengthen the reliability of the research questionnaire. The factors identified were further analysed against various variables, and the finding are detailed in Chapter 5.

4.8 Descriptive and inferential statistics

In this study both descriptive and inferential statistical methods were used. Descriptive statistics describe the characteristics of a population or sample. This allowed the researcher to generalise the findings from the sample of ILO and Empretec trained entrepreneurs to the population. Inferential statistics go beyond the mere description of observations to estimate population values and test hypotheses. Here one makes "inferences about the larger population from which the sample observations were drawn" in other words making conclusions about the population (Babbie, 2010:467). The authors Cooper & Schindler (2011:436) and Saunders et al (2009:444) add that descriptive statistical measures are used to depict the centre, spread, and shape of distributions and are helpful as preliminary tools for data description. The common measures of *central tendency* (or centre) include the mean, median, and mode. The

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common measures of *variability*, alternatively referred to as *dispersion* or *spread*, are the variance, standard deviation, range, interquartile range, and quartile deviation. They describe how scores cluster or scatter in a distribution. It is said that the measures of shape, skewness and kurtosis, describe departures from the symmetry for a distribution and its relative flatness (or peakedness), respectively (Cooper & Schindler, 2011:439).

For this study the following techniques were used to perform the descriptive and inferential analysis: frequency distribution, cross-frequency tabulation, factor analysis, chi-square test, *t*-test, One way (ANOVA) and MANOVA methods.

4.8.1 Chi-Square

A widely used nonparametric test of significance is the chi-square test (X^2). It is used to test nominal data and higher scales. It is said that the chi square (X^2) test identifies significant differences between the *observed* distribution of data among categories and the *expected* distribution based on the null hypothesis. It is useful in cases of onesample analysis, two independent samples, or *k* independent samples. It must be calculated with actual counts rather than percentages. (Cooper & Schindler, 2011:484; Babbie, 2010:483; Saunders et al, 2009:452). The chi-square test was used in order to compare between the 2 ILO and Empretec programme two groupings of start-up and existing businesses in relation to business performance, training of groups before and after training.

4.8.2 T-test

The *t*-test is a parametric test for independent samples. It is noted that the *t*-test, sometimes known as Student's *t*, is used for judging the statistical significance of differences in group means. The value of *t* will also increase with the size of the difference between the means or increase with the size of the sample involved (Cooper & Schindler, 2011: 486; Babbie, 2010:485; Saunders et al, 2009:456). The t-test was used to compare the ILO and Empretec programmes on difference of mean scores for identified factor and for the job creation effects.



4.8.3 ANOVA

The Analysis of Variance (ANOVA) is a statistical method. Babbie (201:493) notes that cases are combined into groups representing an independent variable, and the extent to which the groups differ from one another is analysed in terms of some dependent variable The authors Cooper & Schindler (2011:493) and Saunders et al (2009:459 add that the ANOVA is the statistical method for testing the null hypothesis that the means of several populations are equal. It uses a single factor, fixed-effects model to compare the effects of one *treatment* or *factor* on a continuous dependent variable. In this study ANOVA was used as the samples were randomly selected from normal populations where the populations had equal variances. The test statistic for ANOVA is the mean factor scores for identified factors in relation to the ILO and Empretec specific 4 packages.

4.8.4 MANOVA

The MANOVA test is a multivariate technique. It is indicated that it assesses the relationship between two or more continuous dependent variables and categorical variables. Being similar to ANOVA it has the added ability to handle several dependent variables. MANOVA uses special matrices to test for differences among groups (Cooper & Schindler, 2011:535). In this study the MANOVA test was used to test the mean factor scores of the identified variables against the various demographic variables

4.9 Ethical Considerations

In research, the goal of ethics "ensures that no one is harmed as a result of the researcher's activities to yield accurate and valid results" (Bak, 2009:28; Gray, 2009:74). It is emphasised that to safeguard participants in a study from suffering any harm, discomfort, embarrassment or loss of privacy, the researcher should explain the study's benefits, explain a participant's rights and protection, not be deceptive, and obtain informed consent (Cooper & Schindler, 2011:36; Babbie, 2010:84: Gray,2009:73; Saunders et al, 2009:160).

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An official letter by the Chair of the Department of Entrepreneurship at the University of Pretoria was used to introduce the research and the researcher. She further explained the purpose of the study and confidentiality of information to respondents by means of the research instrument instructions and the letter of consent from the institutions who trained the respondents.

4.10 Nature and Form of Results

The statistical analysis is both descriptive and inferential. Multivariate techniques such as factor analysis, parametric and non-parametric tests such as chi-square; t-test, oneway ANOVA and MANOVA were used to test hypotheses and variable relationships defined and the results detailed in Chapter 5. Data from the study is presented in tables, bar charts and pie charts. This was dependent on the nature of categorical or numerical data

4.11 Conclusion

The chapter gave a description of the research methodology applied in the study. The research process was outlined, while the research problem, objectives, questions were repeated from earlier chapters. The hypotheses were formulated. The research methods were detailed for the probability sampling, the sampling frame and size were defined and the data collection and presentation approaches were described. The nature of descriptive and inferential analysis techniques was defined. The detailed analysis and hypothesis testing will be presented in chapter 5.



CHAPTER 5

RESEARCH FINDINGS, ANALYSIS AND DISCUSSION

5.1 Introduction

The literature review presented in Chapters 1-3 revealed that entrepreneurship can be learned and that effective entrepreneurship training and education programmes need to have content, structure and pedagogy suited to the needs of the target audience. The central objectives of this study are detailed in Chapter 1.

This chapter offers a summary and interpretation of the research findings, the analysis and a discussion to the results of the descriptive and inferential statistics based on the responses from the study respondents who were interviewed and who completed the quantitative research questionnaire survey tool.

The first section of the chapter reports on the demographic profile of the respondents (551 SMEs) who attended the ILO and Empretec training programmes.

The second section focuses on business demographics of the respondents where the essential information about the business itself is examined.

The third section describes the respondents' levels of satisfaction with the ILO and the Empretec training programmes they experienced.

The fourth section provides the results of factor analysis illustrating the reliability and validity of the measuring instruments used in the study. The key factors identified during the research are further discussed.

The fifth section focuses on the statistically significant differences between SMEs trained in the ILO and the Empretec training programmes using inferential statistical tests: the Chi-square test, T-test, ANOVA test and MANOVA test.

Both the descriptive and inferential statistics were generated using SPSS Version 21 and the SAS statistical software of the University of Pretoria to establish frequencies and statistical significance across the variables.

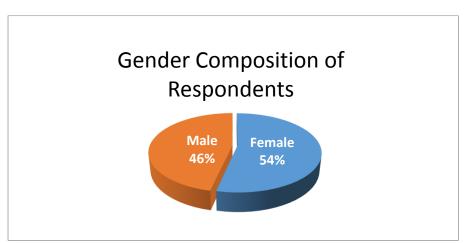


The final section of the chapter contains general comments from respondents to structured questions regarding the contribution of SMEs, success factors and barriers for SMEs.

5.2 Descriptive Statistics

Certain descriptive statistical techniques were used for analysing data and resultant characteristics of the sample. It is noted that the statistical measures depict the centre, spread and shape of distributions, providing preliminary tools to describe data (Cooper & Schindler, 2011:423). These reduce datasets for easier interpretation and summaries of the research data.

Of the targeted sample of 800 SMEs, 575 were interviewed, yielding a 73% response rate. Only 28 questionnaires were excluded as these included the first round of interviews conducted for quality control. Only those people who attended SYB, IYB, EDW and MEP training programmes from 2011- 2013 were considered under the sampling frame. The research analysis is based on 551 respondents. The personal demographic profile of respondents' data gathered included gender, age, educational level, work experience and geographic location.



5.2.1 Gender composition of respondents

Figure 5.1: Gender composition of respondents



Table 5.1: Gender composition of respondents

Gender	Frequency (n)	Percentage
Female	295	53.5%
Male	256	46.5%

Figure 5.1 and Table 5.1 highlight the overall gender composition of the respondents. From the 551 analysed from the research sample, 295 female (54%) and 256 male (46%) respondents were reached.

5.2.2 Gender composition per training programme

Training Programme	Gen	Gender	
	Female	Male	
ILO SYB	47.33	52.67	150
ILO IYB	47.62	52.38	21
ILO SYB+IYB	15.94	84.06	69
Empretec EDW	59.78	40.22	179
Empretec MEP	43.18	56.82	132
TOTAL	53.54	46.46	551

Table 5.2 Gender composition per training programme

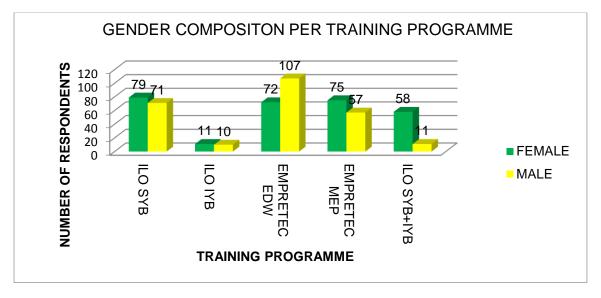


Figure 5.2 Gender composition of trainees per programme

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Table 5.2 and Figure 5.2 indicate the gender composition of respondents who received ILO training programmes, specifically the SYB, IYB or both (SYB+IYB) ones and the Empretec EDW and MEP ones. An overall 240 ILO trainees and 311 Empretec trainees were reached by the study.

5.2.3 Average age

Table 5.3 Age of Respondents by training programme

Programme	Number	Percent	Median	Mean	Std. dev	Minimum	Maximum
ILO SYB	150	27.27%	24	28.63	11.27	18	83
ILO IYB	21	3.82%	23	27.76	11.90	17	62
EMPRETEC							
EDW	179	32.36%	27	28.07	7.46	19	62
EMPRETEC							
MEP	132	24.00%	30.5	34.92	13.84	18	74
ILO SYB+IYB	69	12.55%	40	40.72	10.76	21	65
TOTAL	551	100.00%					

The average age of the respondents is indicated in Table 5.3 for each training programme. There are some significant age differences between respondents trained across the ILO and Empretec programmes in relation to the mean, median age and standard deviation. The minimum age of all the respondents is n=17 years with the maximum age being n=83 years. The ILO and Empretec samples had trained a substantial number of youth, between the ages of 16-35 years. The mean age for SYB is 29 years, IYB 28 years, EDW 28 years, MEP 34 years while those attending both SYB and IYB were generally older, having a mean age of 41 years. Youth have limited skills, training, education and work experience compared to adults. Further, the oldest trainees may have started late in business, lacking the energy and resilience of youth required for business. Literature identifies the ages of 22-45 years as ideal for establishing a business. According to Cooper and Schindler (2011:426) the standard deviation measures how far away from the average the data values typically are. For the ILO and Empretec training programmes, the standard deviation of the age is large, implying variability of the dataset and indicating that it was sufficient to continue with parametric tests.



5.2.4 Languages

Table 5.4 Home language of respondents

Language	Shona	Ndebele	Other Languages
ILO SYB	98%	1.33%	0.67%
ILO IYB	100%	0%	0%
Empretec EDW	53.63%	41.90%	3.91%
Empretec MEP	43.94%	54.55%	1.52%
ILO SYB+IYB	98.55%	1.45%	0%
Total	70.78%	27.22%	1.81%

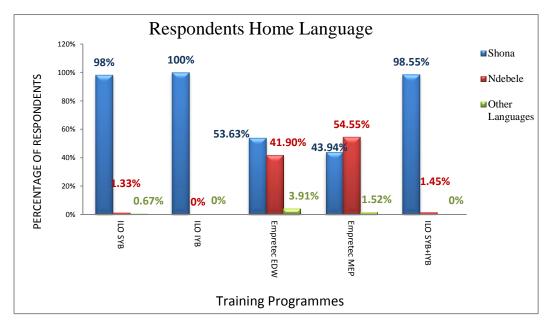


Figure 5.3 Home language of respondents

As shown in Table 5.4 and Figure 5.3, the majority, 71% spoke Shona whereas 27% spoke Ndebele. approximately 2% spoke other languages. The official languages in Zimbabwe are Shona, Ndebele and English. Shona is the major language spoken in 3 out of the 5 towns, primarily Chitungwiza, Harare and Mutare. Ndebele is the main language spoken in Bulawayo and Matobo, the other 2 research towns.



5.2.5 Level of education

Table 5.5 Level of education for respo	ndents who attended training programmes
	naonio nno aconaoa naning programmoo

Level of Education	0 <grade 7<="" th=""><th>1-3 Years High School</th><th>GCE O Level</th><th>GCE A Level</th><th>Tertiary</th></grade>	1-3 Years High School	GCE O Level	GCE A Level	Tertiary
ILO SYB	9.33%	12.67%	66.67%	6%	5.33%
ILO IYB	9.52%	4.76%	79.19%	4.76%	4.76%
Empretec EDW	2.79%	5.03%	25.14%	13.41%	53.07%
Empretec MEP	25.76%	5.3%	59.85%	4.55%	4.55%
ILO SYB+IYB	18.88%	31.88%	49.28%	0%	0%
Total	12.34%	10.53%	49.73%	7.26%	19.96%

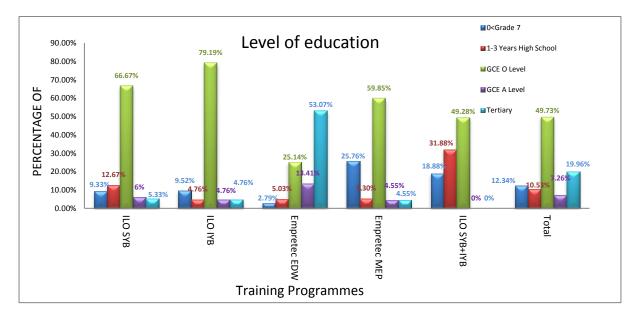


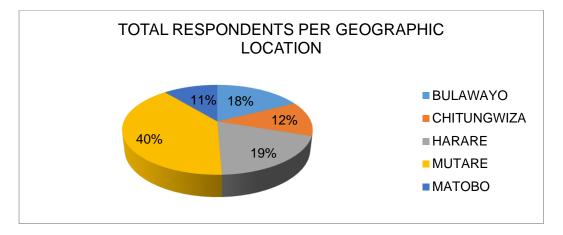
Figure 5.4 Level of education of respondents who attended training programmes

Of the respondents, 50% from all the training programmes had attained at least Ordinary Level GCE, 20% had completed tertiary education comprising diplomas and first degrees, 11% had attended 1-3 years of high school, 12% had completed primary school and 7% GCE A Level, being 6 years of high school. It is noted that ILO and Empretec trainees reported education levels above 4 years of high school. However, most of the Empretec trained SMEs in the EDW programme report a range from 6 years of attending high school to tertiary level education, being more highly educated

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than the rest of the sample. This is supported by national results in Zimbabwe stating that most SME owners have at least GCE O Level education (Finscope,2012:21).



5.2.6 Regional location of respondents

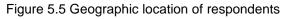


Figure 5.5 indicates that less than half, 40% of the respondents in the sample were from Mutare town due to the large concentration of trainees who underwent either the ILO or Empretec programmes. The rest were from Harare (19%), Bulawayo (18%), Chitungwiza (12%) and Matobo (11%) respectively.



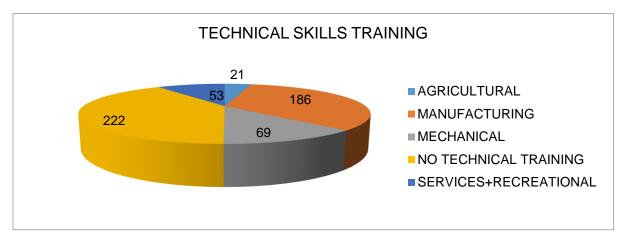


Figure 5.6 Technical skills of respondent

As depicted in Figure 5:6 about 60% (n=329) of trainees had received technical skills training whereas 40% (n=222) had not: mainly manufacturing, agriculture and mechanical training.



5.3 Business Information

Information on the demographics of the respondents' businesses is reported in this section. The demographics concern ownership, legal form and years in business, employees, economic sectors, business income and assets.

5.3.1. Business ownership

Position in	Not in	Owner	Manager
Business	Business		
ILO SYB	66.67%	32.67%	0.67%
ILO IYB	9.52%	90.4%	0%
Empretec EDW	33.31%	6313%	0.56%
Empretec MEP	38.64%	61.36%	0%
ILO SYB+IYB	10.14%	89.86%	49.28%
Total	40.83%	58.53%	0.36%

Table 5:6 Position in the business

Table 5:6 reports the business ownership of the total sample. It highlights that at the time of the research 59% of the trainees owned a business whereas 41% of the respondents did not. Respondents were trained in the ILO or Empretec programmes to help them start a business or grow an existing one.

5.3.2 Legal form of business

Table 5:7 Legal form of business

Business registration	Frequency	Percent
NOT IN BUSINESS	226	41.02%
PRIVATE Ltd	39	7.08%
SOLE/UNREGISTERERD	218	39.56%
PARTNERSHIP	27	4.90%
CO-OPERATIVE	36	6.53%
PCB	4	0.73%
TRUST	1	0.18%
TOTAL	551	100.00%



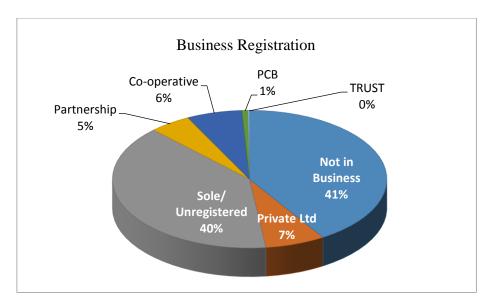


Figure 5:7 Legal form of business

Table 5:7 and Figure 5:7 indicate that of the 551 respondents, 39% are operating as sole proprietors and are not registered,7% had registered a private limited company, 6,53% were operating as cooperatives, 7% as registered partnerships and the rest as a Trust or Public Corporation Business. This is indicative of the level of informalisation of the businesses. According to the International Finance Corporation (2011) ease of doing business report, in Zimbabwe the costs, lengthy process of business registration, compliance with government regulations are barriers for micro and small businesses to register.

5.3.3 Number of years in business

Years/ period	Number	Percent
1962-1990	9	2.75%
1991-1995	5	1.53%
1996-2000	17	5.20%
2001-2005	26	7.95%
2006-2010	78	23.85%
2011-2013	190	58.10%
Total	327	100.00%

 Table 5:8 Number of years in business for trainees

Table 5:8 records that the number of years in business existence ranged from 1-3 years up to more than 31 years. However, of the majority of the 327 that were in business, 58% had been in business for 3 years or less while 24% had been operating



for 4-8 years. The mean number of years of operating business for the trained entrepreneurs is 4,2 years with a median of 2 years.

5.3.4 Number of employees at start and currently

Table 5:9 Number of employees

How many employees		
currently	Frequency	Percent
Not in business	224	40.65%
1	136	24.68%
2	58	10.53%
3	40	7.26%
4	20	3.63%
5	20	3.63%
6	30	5.44%
7	5	0.91%
8	1	0.18%
10	1	0.18%
12	2	0.36%
13	1	0.18%
15	1	0.18%
16	1	0.18%
17	1	0.18%
20	7	1.27%
22	3	0.54%
Total	551	100.00%

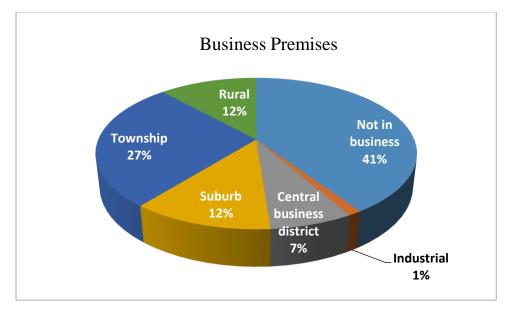
Table 5:9 indicates that 25% of the respondents were self-employed, employing 1 person while 11% were employing 2 people and 7% had 3 employees.

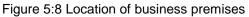
5.3.5 Business sector

A high percentage, 20% of respondents with existing businesses, were in the retail sector, 15,97% in services, 15,79% in manufacturing and 11,62% in agriculture. When the gender variable was analysed in respect to the business sector, it was noted that female owned business are predominantly in the retail sector. Male owned businesses are in more diverse sectors.



5.3.6 Business premises





As indicated in Figure 58, most businesses, 27%, are operating at home in the townships and 11,98% in the suburbs, with 11,8% in the rural areas, 7% in the Central Business District; 1% operate in industrial areas.

5.3.7 Annual sales, profit and business assets

BEFORE			AFTER		
Gross annual sales turnover before (US\$)	Freq	%	Gross annual sales turnover after	Freq	%
NOT IN BUSINESS	226	41.02%	NOT IN BUSINESS	224	40.65%
1. <=\$5 000	168	30.49%	1. <=\$5 000	249	45.19%
2.\$5 001-\$10 000	19	3.45%	2.\$5 001-\$10 000	27	4.90%
3.\$10001-\$20 000	13	2.36%	3.\$10001-\$20 000	17	3.09%
4.\$20 001-\$50 000	9	1.63%	4.\$20 001-\$50 000	16	2.90%
5. >\$50 000	3	0.54%	5. >\$50 000	12	2.18%
6. NONE	95	17.24%	6. NONE	5	0.91%
7. NO FIGURES	18	3.27%	7. NO FIGURES	1	0.18%
TOTAL	551	100.00%	1. <=\$5000	551	100.00%

Table 5:10 Gross annual sales turnover (before and after)



The business performance indicators, such as annual sales income, profit and the value of business assets, are profiled for values before and after the training. Table 5:10 indicates that the majority of businesses operated within the annual sales range of \$5000 and below, 30% before training and 45% after training. A slight improvement of improved annual sales is reflected by 3% operating before training and 5% afterwards with annual sales within the \$5000-\$10.000 range.

Table 5:11 Total annual profit

BEFORE			AFTER		
Net annual profit	Freq.	%	Net annual profit Freq. %		%
NOT IN BUSINESS	225	40.83%	NOT IN BUSINESS	224	40.65%
1. <=\$5 000	183	33.21%	1. <=\$5 000	280	50.82%
2.\$5 001-\$10 000	16	2.90%	2.\$5 001-\$10 000	15	2.72%
3.\$10001-\$20 000	6	1.09%	3.\$10001-\$20 000	16	2.90%
4.\$20 001-\$50 000	2	0.36%	4.\$20 001-\$50 000	7	1.27%
5. >\$50 000	0	0.00%	5. >\$50 000	3	0.54%
6. NONE	99	17.97%	6. NONE	5	0.91%
7. NO FIGURES	20	3.63%	7.NO FIGURES	1	0.18%
TOTAL	551	100.00%	TOTAL	551	100.00 %

Table 5:11 indicates that for annual profits the majority of businesses were within the \$5000 or less range before and after training.

BEFORE			AFTER		
Gross value of business assets	Frequency	Percent	Gross value of business assets	Frequency	Percent
NOT IN BUSINESS	227	41.20%	NOT IN BUSINESS	227	41.20%
1. <=\$5 000	163	29.58%	1. <=\$5 000	260	47.19%
2.\$5 001-\$10 000	13	2.36%	2.\$5 001-\$10 000	18	3.27%
3.\$10001-\$20 000	7	1.27%	3.\$10001-\$20 000	10	1.81%
4.\$20 001-\$50 000	3	0.54%	4.\$20 001-\$50 000	5	0.91%
5. >\$50 000	1	0.18%	5. >\$50 000	2	0.36%
6. NONE	129	23.41%	6. NONE	28	5.08%
7. NO FIGURES	8	1.45%	7. NO FIGURES	1	0.18%
TOTAL	551	100.00%	TOTAL	551	100.00 %

Table 5:12 Gross values of business assets (before & after)



Table 5:12 records that 30% of businesses owned assets worth \$5000 or less before training and 47% after training, reflecting improvements in business investments.

5.3.8 Access to finance

		To start up		To grow	
Variable number	Variable description	Number	Percent	Number	Percent
1	Personal savings	183	45.19%	76	16.03%
2	Family	107	26.42%	39	8.23%
3	Friends	16	3.95%	7	1.48%
4	Overdraft	1	0.25%	0	0.00%
5	Loans	12	2.96%	18	3.80%
6	Venture capital	0	0.00%	5	1.05%
7	Earnings retained in the business	7	1.73%	229	48.31%
8	ROSCAs	21	5.19%	34	7.17%
9	NGO	56	13.83%	62	13.08%
10	Donors	2	0.49%	1	0.21%
11	Proceeds from other businesses /investments	0	0.00%	2	0.42%
12	Internal savings and loans (ISAL)	0	0.00%	1	0.21%
Total		405	100.00%	474	100.00 %

Table 5:13 Access to business finance

Table 5:13 highlights that at business start-up, most of the respondents, 45% in business, used their own savings and money from family members. For business growth over a period of time, they used similar funding sources, such as 16% from personal savings 16%, 48% from retained business earnings and 13% from NGOs, providing specific support. Generally, a low percentage, 3% for start-ups and 4% for growth used loans or overdrafts from financial institutions. The research evidence shows that 61% did not apply to financial institutions.



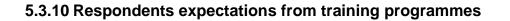
5.3.9 Satisfaction with training programmes

LEVEL OF SATISFACTION	ILO SYB	ILO IYB	Empretec EDW	Empretec MEP	ILO SYB+IYB	Total	Percent
HIGHLY		0%	0%	0%	0%		
DISSATISFIED	1.33%					2	0.36%
		0%	0%				
DISSATISFIED	0.67%			0.67%	0%	2	0.36%
SATISFIED	33.33%	23.81%	20.67%	11.36%	14.49%	117	21.23%
HIGHLY							
SATISFIED	64.67%	79.19%	79.33%	87.88%	85.51%	430	78.04%
TOTAL	150	21	179	132	69	551	100.00%

Table 5:14 Level of satisfaction across training programmes

The levels of satisfaction did not differ across the ILO and Empretec training programmes. Respondents recorded high levels of satisfaction after training. Table 5:14 reports that an overall 78% of the respondents were highly satisfied while 21% were satisfied. Research evidence further showed that the standard number of days for the ILO programmes is 5 for either SYB or IYB training days while for the Empretec programmes the standard days range from 3 for MEP to 6 days for EDW. The mean number of days across all programmes is 10 days with a median of 6 days. Eighty– one point forty-nine percent (81,49%) received training for less than 7 days. The training programmes have follow-up interventions ranging from onsite and or offsite counselling support, either one-on-one, small group support or workshop training follow-up approaches. Of the 551 respondents, 32% did not receive follow-up support, 30,6% received one-on-one support and 29,5% had small group or workshop support.





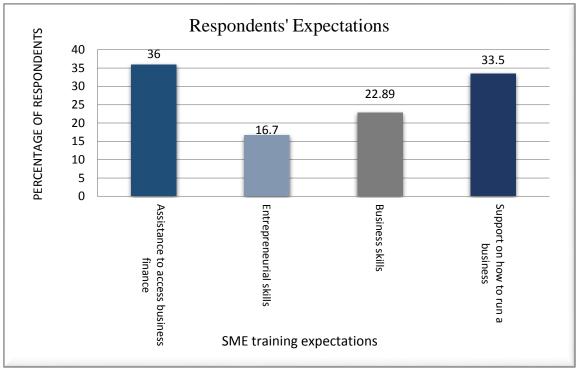


Figure 5.9 Respondents' expectations

The respondents were asked about their expectations of any entrepreneurial training programme for SMEs. The results in Fig 5:9 reflect that 36% of the potential and existing entrepreneurs expect a programme to assist them with how to access business finance, with entrepreneurial skills 16.7 % and with business skills 23%, while the percentage anticipating support with how to run a business was 34%.



5.4 Factor Analysis/Factorial design

5.4.1 Validity and reliability

Factor analysis is intended for understanding data with established normal characteristics by means of descriptive statistics. For a study it is employed for easy data usage, structure validation, checking for reliability and data reduction. It is utilised when there are a number of factors or variables in a single study where several dimensions and relationships can be studied simultaneously. Cooper and Schindler (2011:545) state that factor analysis comprises specific computational techniques to examine patterns of relationships for data reduction. Data reduction is based on relationships or intercorrelations amongst the variables within the correlation matrix.

Exploratory factor analysis was executed to confirm the validity and reliability of the measuring instrument. This was done to understand the data with characteristics that were found to be normal through descriptive analysis. The data was tested for both normality, reliability and validity, using factorial design.

The factor analysis helped classify the variables and refining questions.

In this study, factorial design helped measure whether any significant difference existed between the ILO and Empretec entrepreneurship training programmes in relation to entrepreneurial, business skills. It also measured whether the training programmes assisted respondents to start or grow a business, improve business performance and improve in specific entrepreneurial and business skills; as well as assessing the business planning, content and methodology of the training programmes.

Factor analysis was performed on variables from Question 9 and 14, which are investigation questions on knowledge and skills transfer from the training programmes respondents attended. Question 9 factor analysis was on questions rated before training was received and compared to after training was received. Question 14 was analysed regarding the extent to which the training programme that was undergone had assisted trainees in a range of entrepreneurship and business management skills. Variables were sorted, rotated to show the different distinct factors and calculated using SAS and SPSS statistical software for all of the 551 respondents.



5.4.2 Determining factor structure

The factor analysis procedure to determine factor structure includes the following: Exploratory data analysis, Rotated factors, Eigen values, Cronbach Alpha, Factor Score Covariance and Item analysis per factor.

Exploratory Data Analysis (EDA) allows the researcher flexibility to respond to patterns revealed in preliminary analysis of data. It is explained that the data patterns inform the data analysis or revisions to preliminary data analysis (Cooper & Schindler, 2011:430). Variables for the major two questions on knowledge and skills transfer were subjected to EDA. Variables loaded that were found to be < 0.300 were removed and another round of EDA was carried out. In this study, the procedure was repeated until clean structures emerged. Rotated, unrotated and sorted rotated factor analysis is carried out for identified factors. The above procedures are repeated until stable structures emerge. These were entrepreneurial (enterprising) skills; Business (functional) skills before training; Business planning, Business plan presentation and Methodology of training programmes for skills after training. As has been explained, "The Eigen value measures the total variance or explanation power of a factor" (Cooper & Schindler, 2011:547). Differentiation of factors can be identified through clear breaks in the screen tests between eigenvalues > 1.00. Factors which have values greater than 1.00 show that they are relevant, reliable and should be analysed. For this study Eigenvalues > 1.00 were identified as was differentiation of possible factors for the two major questions 9 and 14 on knowledge and skills transfer as identified through clear breaks in the screen tests between eigenvalues > 1.00

The Cronbach Alpha tests for internal consistency, which is "the degree to which instrument items are homogeneous, reflecting the same underlying constructs" (Cooper & Schindler, 2011:284). This instrument was used in this study as it has the most utility for multi-item scales at measurement of interval levels. The key alpha coefficient values range from 0-1 and are used for describing the reliability of factors extracted from dichotomous and Likert scale formatted questionnaires. The higher the alpha, the more reliable the test. Content analysis reported a minimum reliability coefficient of around 0.6 (acceptable Cronbach alphas range from 0.600-0.999).



5.4.3 Rotated factor analysis knowledge and skills before training.

Table 5:15 Rotated factor analysis knowledge and skills transfer

Variable description	FACTOR 1 Business Skills	FACTOR 2 Entrepreneurial Skills
Business systems, processes, procedures and records	.705	
Drawing up financial statement, profit and loss statement, balance sheets	.684	
Using business consultants	.623	
General management	.595	
Computer literacy and information technology Human resources management and organisational	.586	
planning/development, leadership	.538	
Developing a business plan	.518	
Managing business growth	.498	
Cash flow management	.496	
Decision making, creative problem solving	.493	
Developing a strategic plan	.478	
Using mentors and counsellors	.454	
Legal (business registration, licensing, government regulations and requirements)	.436	
Communication and access to information	.434	
Conducting market research	.434	
Suppliers, purchasing, inventory management	.428	
Operations, quality control, production planning	.397	
Business linkages and networking Securing resources and finance for business start-up and	.394	
growth	.344	- 10
Hard work and enthusiasm		746
Persistence and determination		733
Self-motivation, commitment, confidence building		722
Need for achievement		702
Being independent and in control		577
Problem solving, decision making, ability to learn		459
Creativity and innovation		430
Use of role models		420
Idea generation, opportunity identification and evaluation		387
Cronbach's alpha	0,889	0,889
Eigenvalue	9,748	1,736

The variables V16= marketing, promotions, customer relations; V17= competitor analysis and V23=risk taking (calculated) were omitted due to high double loadings and are not included as part of the statistical tests for analysing the factors.



As shown in Table 5:15 the identified two factors and the following labels from Q9 are illustrated:

Factor 1: Business/functional skills

Factor 2: Entrepreneurial/enterprising skills

The factors are in line with the basis of a theoretical framework.

Eigen values: the Eigen values of 9,748 for business/enterprising skills and 1,736 for entrepreneurial/enterprising skills are greater than 1.00 and are therefore to be included as a factor when loading is calculated on the variable. Each factor structure is therefore good, relevant, and reliable; hence they should be analysed.

Cronbach alphas of the two factors range between 0,600 and 0,999 and are acceptable. Table 5:16 indicates that the Cronbach alpha for factor 1 was acceptable at 0,889 and for factor 2 at 0,878, indicating that the research instrument actually measured the concepts being measured, and signifying consistency.

The percentage variance explained for factor 1 and factor 2 is favourable in both factors.

Table 5:16 Cronbach alpha results for factor 1-business skills; factor 2= entrepreneurial skills for knowledge and skills transfer (Q9)

Factor	Description	Cronbach Alpha value
Factor 1	Business/functional skills	0,889
Factor 2	Entrepreneurial/enterprising skills	0,878

The factor correlation for rotated factors was investigated and is reflected in Table 5:17.

Table 5:17 Factor correlation for rotated factors 1 and 2 (Q9)

Factor	Factor 1	Factor 2
Factor 1=Business/functional skills	1.000	-0.632
Factor 2=Entrepreneurial/enterprising skills	-0.632	1.000



The correlations between Factors 1 and 2 are not high. It was nonetheless decided the factor structure was stable enough for them to be used as separate factors. The 2 factors explained 41,01% of the variance. The literature review identified entrepreneurial, business (functional) and technical main skills constructs.

Rotated Factor Analysis for business performance, business planning and presentation and programme methodology

Table 5:18 Rotated factor analysis for acquisition of skills after training

	LOADING		
Variable description	Factor 1 Business Performance	Factor 2 Business planning and presentation	Factor 3 Methodology
In productivity levels increasing	.817		
In business profitability increasing	.805		
In growth in the net value of a business	.715		
In sales improving due to training	.651		
In recruitment of employees improving due to training	.580		
To run and grow your business	.479		
To develop or increase new products/services	.399		
To do financial and cash flow planning	.345		
To start your business	.330		
To present a business plan to other trainees / facilitator		.816	
To present a business plan to finance institutions		.632	
To compile a business plan		.453	
The training quality met your expectations			758
Training received was relevant to your business			739
Training received was useful to a business			569
The trainer / facilitator used real business examples and case studies during training			348
The trainer/facilitator encouraged participants to share their own business experiences			311
Cronbach's alpha	0,859	0,717	0,766
Eigenvalue	6,346	1,456	1,180



The variables V13=your motivation and confidence level improving, and V14=your creativity and innovation improved, were omitted due to high double loadings and are not included as part of the statistical tests that analyse the factors.

The 3 emergent factors recorded in Table 5:18 were given the following labels:

Factor 1: Business/enterprising skills

Factor 2: Business planning

Factor 3: Methodology of training programme

Eigen values: the Eigen values of 6,346 for factor 1-business skills; of 1,456 for factor 2-business planning and of 1,180 for factor 3-methodology are greater than 1.00, and consequently to be included as a factor when loading is calculated on the variable; hence the three factors are relevant, reliable and should be analysed.

Cronbach alphas: the Cronbach alphas of the three factors range from 0,600 to 0,999 and are acceptable, as indicated in Table 5. The Cronbach alpha for factor 1 = 0,859; factor 2 = 0,717 and factor 3 = 0,766. This indicates that the research instrument actually measured the concepts being measured, signifying consistency.

The percentage variance explained is favourable in both factors.

Table 5. 19 Cronbach alpha results –business skills, business planning and methodology of training programmes (Q14)

Factor	Description	Cronbach Alpha value
Factor 1	Business performance skills	0,859
Factor 2	Business planning	0,717
Factor 3	Programme methodology	0,766

Factor correlation

The factor correlation for rotated factors was investigated and is recorded in Table 5:20.



Factor	Factor	Factor	Factor
Factor 1=Business performance skills	1.000	0.510	-0.580
Factor 2=Business planning	0.510	1.000	-0.529
Factor 3=Programme methodology	-0.580	0.529	1.000

Table 5:20 Factor correlation for rotated factor (Q14)

The correlations between the 3 factors are not high however, it was decided the factor structure is stable enough for them to be used as separate factors. The 3 factors explained 52,82% of the variance.

The correlation analysis is carried out to establish the nature of relationships between groups of variables or factors. The factors were isolated through factor analysis. Relationships between data groups are vital in providing an understanding of the data, such as the nature and extent of the relationship. In this study, the hypotheses seek to establish the extent and degree of relationships between the different factors. The degree and nature of correlations result in acceptance or rejection of the hypotheses. Correlations are important findings for this study as some hypotheses suggest theories regarding certain relationships.



5.5 Testing the Statistical and Substantive Significance

A sample varies from its population. Cooper and Schindler (2011:88) state that a sample examines a portion of the target population and is used to test statistical hypotheses. Different statistical tests were used in the analysis of independent and dependent variables linked with the identified factors established under the factorial design. Chi-square tests, T-tests, One-way ANOVA tests and additionally, MANOVA tests were performed for the demographic variables in relation to the factors identified through factor analysis.

The two-sample chi-square (X^{2}) test was used to indicate the significant differences between business start-ups and existing businesses in terms of various variables. The T-tests for independent samples were carried out using the identified factors. The Kruskal-Wallis One-way ANOVA was conducted on the five skills transfer factors identified under the factor analysis: for Question 9 on knowledge and skills transfer before and after training, and Question 14 on acquisition of skills. It will be recalled that the study had set out to test hypotheses in relation to various factors, variables and the ILO and Empretec entrepreneurship training programmes.

A hypothesis is accepted or rejected "on the basis of sampling information" deriving a judgement "whether the differences are statistically significant or insignificant" (Cooper & Schindler 2011:454). The null hypothesis tests whether there is no difference that exists between the variable and the statistic being compared to it, whereas the alternative hypothesis states that a difference exists.

The *p* value is the probability of observing a sample value as extreme as, or more extreme than, the value actually observed, given that the null hypothesis is true. "The *p* value is compared to the significance level (x), and on this basis the null hypothesis is either rejected or not rejected. If the *p* value is less than the significance level, the null hypothesis is rejected (if *p* value < x, reject the null hypothesis) and if the *p* value is greater than or equal to the significance level, the null hypothesis is not rejected." (Cooper & Schindler, 2011:462). The authors Albright, Winston and Zappe (2009:503) add that the smaller the *p* value, the more evidence points towards the alternative hypothesis. If a *p* value is less than 0.01, there is convincing evidence that the alternative hypothesis is true. If the *p* value is between 0.01 and 0.05, there is strong



evidence towards the alternative hypothesis. The interval between 0.05 and 0.10 is a grey area or moderate evidence. For the purpose of this research, this range of statistical significance will be used for interpretation of statistical results.

5.5.1 Statistical procedures and techniques

Parametric tests use data from interval and ratio measures. Nonparametric tests are used to test hypothesis with nominal and ordinal data.

Chi-square test

The chi-square test is a non-parametric test of significance which indicates the degree of confidence in accepting or rejecting a hypothesis. In other words, the chi-square is an approximate estimate of confidence. Cooper and Schindler (2011:276) note that non-parametric tests are simple to calculate with good statistical power. These types of tests do not require accepting assumptions of parametric testing. The chi-square is used with "nominal and ordinal data and useful in cases of one-sample; two independent samples, or k-independent samples analysis and calculated with actual counts rather than percentages" (Cooper & Schindler 2011:469).

The said test was conducted on the ILO and Empretec entrepreneurship training programmes for start-up and existing business groupings and business performance growth indicators, in terms of the following variables: sales, profits, assets; for expectations of the SME training programmes and the business performance in relation to gender. This test was performed on the training groups before and after the entrepreneurship training programmes. A high chi-square value with a p value greater than 0.05 (p>0.05) indicates that there is no statistically significant difference between the two groups in respect of the variables researched.

T tests

The T-test is a parametric one, determining the statistical difference between a sample distribution mean and a parameter. Cooper and Schindler (2011:468) explain that the T-test can be used for interval and ratio measures for one sample, two sample tests for paired samples as related samples and for two sample tests for independent



samples. In this study, the T-test was applied to the ILO and Empretec training programmes, comparing whether there were significant differences in respect to job creation by each training programme, job creation by start-up and existing businesses and differences between mean scores for ILO and Empretec programmes with respect to factors identified from the factor analysis.

One-way ANOVA

The Analysis of Variance (ANOVA) method is a univariate statistical procedure. "It tests the null hypothesis that the means of several populations are equal" (Cooper & Schindler, 2011:477). It breaks down the variability within a dataset into the sources of variation, allowing for deeper analysis. For this study, ANOVA was used to prove or disprove some of the hypotheses. This ex post facto study contains various independent samples. It is noted that the K-independent samples test is used when three or more samples are involved and that this test generally has been applied for more than two independent sample means. The Kruskal Wallis test, is a non-parametric test equivalent of a one-way ANOVA. "There is ranking of scores in the pool of observations from smallest to largest. The rank sum of each sample is calculated" (Cooper & Schindler; 2011:675).

In this study, various one-way ANOVA tests were executed to compute the mean factor scores of the ILO and Empretec training programmes separately. An ANOVA is aimed at identifying the differences in factors between demographic variables. The test statistic for ANOVA is the F ratio.

MANOVA

The Multivariate Analysis of Variance, or MANOVA, is a multivariate technique. It assesses the relationship between two or more continuous dependent variables and categorical variables of factors. In this study, the MANOVA procedure is used to test differences among samples and is conducted to minimise Type 1 errors which is the likelihood of rejecting a true null hypothesis.

As Cooper and Schindler (2011:535) point out, MANOVA is similar to ANOVA and it has the added ability to handle several dependent variables. It simultaneously tests all variables and their relationships.



5.5.2 Hypothesis Testing and Results

Table 5:21 Business Start Up Rate

Business Status	EMPRETEC	ILO	Total
Not in Business	116 (42.03%)	108 (62.07%)	224
Start-up Business	160 (57.97%)	66 (37.93%)	226
Total	276	174	450

Table 5.22: Chi Square for ILO and Empretec Business Start-up rates

Chi Square statistic	DF	Value	Prob
	1	17.143	<0.001*

*indicates a statistically significant variance at α = 0.01, confidence interval: 99%

From the research results Table 5:21 indicates that the hypothesis test results show that there are statistically significant differences between the ILO and Empretec entrepreneurship training programmes with respect to business start-up rates. A higher percentage (58%) of the Empretec trainees started a business after training than the percentage (38%) of ILO trainees. Furthermore, the proportion of ILO trainees who are not in business after training is higher (62%) than that of the Empretec trainees after training.

Table 5:22 draws attention to the finding that, based on the chi square test conducted to determine the proportion of start-ups between the two training programmes, the p value is p=0.0001 resulting in the rejection of the hypothesis.

The hypothesis states as follows:

Hypothesis 1: (Ho 1) there is no statistically significant difference in the proportion of business start-ups between the ILO and EMPRETEC programmes in terms of business start-up rates

Alternative Hypothesis: (Ha 1) There is a statistically significant difference in the proportion of business start-ups between the ILO and EMPRETEC programmes in terms of business start-up rates

The Hypothesis Ho 1 is rejected



The proportion of Empretec trainees being higher than ILO trainees could be the result of the Empretec programme requiring the trainees to undertake research on, start and actually run a business during the initial training course. Trainees usually continue to run that business idea beyond the training. The ILO training helps trainees to develop a business plan during the training and conduct market research after the initial training course. Business ideas are known to change for the actual business trainees that start. The ILO developed a package called Generate Your Business Idea to help potential entrepreneurs screen out ideas and narrow down on a feasible idea, to be further developed during Start Your Business (SYB) training.

The low start-up rate amongst ILO trainees could be attributed to poor screening and selection of trainees and lack of concrete business ideas. The descriptive analysis indicates in Table 5.2 that by gender, 63% (240) of the respondents were trained in the SYB programme. The business simulation effect of the Empretec programmes seems to enhance start-up rates.

The descriptive analysis reflects that the Empretec trainees are older and have higher education than the ILO trainees. It is claimed that graduates who chose entrepreneurship education as part of their curriculum tend to have a higher propensity for entrepreneurial activity (Matlay,2001:709). Various human capital demographics influence success of new ventures (Kunene, 2009:46). Not all students that join entrepreneurship programmes intend to start their own business (Mwasalwiba, 2010:41)

Variable	T-test for Dependent Samples Marked differences are significant at p < .05000 Include condition: Business='Start Up'											
	Mean	Std. Dv.	Ν	Diff.	Std. Dv. Diff.	t	df	р	Confidence -95.00%	Confidence 95.00%		
Current Employees	3.644	4.387										
Employees at Start	2.84	3.654	225	0.804	2.219	5.436	224	<0.001*	0.512	1.096		

Table 5:23 T- Test for dependent samples for business job creation

*indicates a statistically significant variance at α = 0.01, confidence interval: 99%



To determine the extent of job creation as a result of the training, a T-test was conducted for dependent samples for job creation, comparing the current number of employees with the number of employees when the business began as shown in Table 5:23. The T-test was performed on those businesses that were started after the training (N=225). The mean for number of jobs at business start was 2,84 jobs whereas the mean for the current or present number of jobs was 3,64 for new business start-ups. This was a statistically significant result with the p value being p=0.001. Where the p<0.05 there is a statistically significant increase in employees with a 99% confidence interval.

The hypothesis states as follows:

Hypothesis 2: (Ho 2) There is no statistically significant difference in job creation after trainees attended the ILO and EMPRETEC programmes

Alternative Hypothesis: (Ha 2) There is a statistically significant difference in job creation after trainees attended the ILO and EMPRETEC programmes

Hypothesis Ho 2 is rejected

The results reflect that there is a statistically significant difference in job creation after trainees attended the ILO and Empretec entrepreneurship training programmes. Literature indicates that the business size is set at the start of a business. The goal to employ or grow is set at the beginning. In line with the (2011) ILO tracer study, it is described that the job creation capacity of the ILO programme globally is on average 3 jobs, with southern African countries averaging 2 jobs (Van Lieshout et al, 2011:24).

Small and start-up firms create net new jobs (Headd& Kirchoff, 2009:1) and the new, smaller firms are flexible, discovering new opportunities (Blackburn, Hart & Wainwright, 2013:10).



Table 5:24 T- test for groups for start-up and existing businesses

	T-tests; G	rouping: Bu									
Variable	Group 1:	Start Up (Va									
	Group 2: 1	Existing (Va									
	Mean	Mean	t-value	df	р	Levene	df	р			
	Start Up	Start Up Existing Start Up Existing								Levene	Levene
Jobs Created	0.804	0.702	0.415	324	0.677 *		2.219	1.559	0.543	324	0.461

*indicates a statistically significant variance at α = 0.05, confidence interval: 95%

A T-test was conducted on business groupings to compare the extent of jobs created by start-up businesses and existing businesses. As Table 5:24 indicates, the result for the p value is p=0.677 for the N=225 businesses that are start-ups while the N=101 of existing businesses' calculated mean values. The mean value for the jobs created by start-ups is 0,80 jobs whereas the mean for existing businesses is 0,70 jobs.

The results where the p value shows p>0.05 reflect that there is no significant difference between jobs created by start-up businesses and those by existing businesses.

The hypothesis states as follows:

Hypothesis 3: (Ho 3) There are no statistical differences in job creation for entrepreneurs who:

Ho 3.1: Started a new business

Ho 3.2: Are running a business

Alternative Hypothesis: (Ha 3) There is a statistical differences in job creation for entrepreneurs who:

Ha 3.1: Started a new business

Ha 3.2: Are running a business

The Hypothesis Ho 3.1 Started a business is accepted

The Hypothesis Ho 3.2 Are running a business is accepted

There is no difference in the jobs created by start-ups and existing running businesses. The literature review indicates that jobs are created by new, small businesses.



However, the findings of this research point to a different result. The majority of new and existing businesses in the study have been in operation for 1-3 years while 58% have been in business for 3 years or less; hence all the start-ups and a substantial number of existing businesses are in the business start-up phase, being 0-3 years in operation.

In Zimbabwe, the motivation to start business is necessity driven due to unemployment and the need to augment household income (Finscope, 2012:40)

EXPECTATION	EMPR	ETEC	ILO		Chi-Square value	P value
	NO	YES	NO	YES		
Run a business	202	109	164	76	0.694	0.404
Develop a business plan	275	36	218	22	0.834	0.360
Financial management	207	104	155	85	0.234	0.628
Market research	268	43	204	36	0.151	0.696
Customer care	300	11	214	26	11.512	0.007*
To access business finance	206	105	145	95	1.985	0.158

Table 5:25 Trainees' expectations of SME training programmes

*indicates a statistically significant variance at α = 0.01, confidence interval: 99%

With regard to expectations that the potential and existing entrepreneurs have of SME training programmes, a chi-square test was conducted on trainees that had undergone the ILO and Empretec training programmes. Table 5:25 records the different levels of expectations that trainees had of entrepreneurship programmes targeted towards SMEs. Across the ILO and Empretec programmes, there are relatively high expectations based on the number of those indicating YES as regards running a business, financial management and how to access business finance.

The results of the chi-square test reveal that there is a significant difference in relation to the expectations regarding customer care for trainees who underwent the ILO and Empretec programme. The p value is p=0.007. The hypothesis is therefore rejected for customer care. The rest of the variables have p values of p>0.05; hence the hypotheses are accepted.

The hypothesis states as follows:

Hypothesis 4: (Ho 4) There is no significant difference in the training programmes' content in terms of meeting needs of the businesses concerning the following:



Ho 4.1: Run a business Ho 4.2: Develop a business plan Ho 4.3: Financial management Ho 4.4: Market research Ho. 4.5: Customer care Ho 4.6: To access business finance

Alternate Hypothesis: (Ha 4) There is a significant difference in the training programmes content in terms of meeting needs of the businesses.

The following Hypotheses are accepted or rejected

Ho 4.1: Run a business is accepted

- Ho 4.2: Develop a business plan is accepted
- Ho 4.3: Financial management is accepted
- Ho 4.4: Market research is accepted
- Ho. 4.5: Customer care is rejected
- Ho 4.6: To access business finance is accepted

The Empretec and ILO programmes do cover the other key topics in their training content. Customer care, however, is not a specific area offered in the training packages that constitute the training undergone for both Empretec and ILO programmes.

As emphasised, the key purpose of the study is to establish the role and extent to which entrepreneurship training programmes support business to start and to grow. Two major objectives of the study are to establish what skills training businesses received to support start-up and growth. Based on the factor analysis, five factors for knowledge, skills transfer and acquisition of skills were identified.

Often there is a gap between perceptions of the training providers and trainees on training needs (VanVuuren & Botha, 2010:607). The research findings indicate that trainees were highly satisfied with the training and that the SIYB and Empretec training met expectations on the whole.



Table 5:26 T test for difference between mean scores of identified factors for ILO and Empretec programmes

	Aggregate Results											
Variable	H7 T-t	H7 T-tests; Grouping: Business (hypdata. sta)										
	Group	Group 1: Start Up, (EMP Valid N=160; ILO Valid N=66)										
	Group	2: Existing,	(EMP Valid	N=35, ILO V	/alid N	=66)						
		Mean	Mean				Std. Dev.	Std. Dev.	Levene	df	р	
	Prog.	Start Up	Existing	t-value	df	р	Start Up	Existing	F(1,df)	Leve ne	Levene	
Business skills	EMP	1.435	1.179	2.769	193	0.006*	0.506	0.440	0.256	193	0.613	
Entrepreneurship skills	EMP	1.380	1.222	1.485	193	0.138	0.543	0.683	2.451	193	0.119	
Business performance skills	EMP	3.500	3.418	1.027	193	0.305	0.427	0.441	0.270	193	0.603	
Business planning skills	EMP	3.452	3.390	0.651	193	0.515	0.496	0.551	0.375	193	0.540	
Programme methodology	EMP	3.743	3.76	-0.257	193	0.796	0.343	0.309	0.363	193	0.547	
Business Skills	ILO	1.414	1.400	0.176	130	0.860	0.495	0.466	0.518	130	0.472	
Entrepreneurship skills	ILO	1.289	1.252	0.393	130	0.694	0.519	0.561	0.033	130	0.855	
Business performance skills	ILO	3.367	3.553	-2.951	130	0.003*	0.352	0.374	0.720	130	0.397	
Business planning and presentation skills	ILO	3.353	3.505	-1.718	130	0.088**	0.502	0.510	0.005	130	0.941	
Programme methodology	ILO	3.693	3.8	-1.893	130	0.060**	0.329	0.313	1.898	130	0.170	

*indicates a statistically significant variance at α = 0.01, confidence interval: 99%

** confidence interval of 90% (Albright, Winston & Zappe).



Pertaining to the five factors identified through factor analysis for knowledge and skills transfer before and after training and acquisition of skills after training, the T-test was conducted on the business groupings for start-up businesses and existing businesses. The mean scores were calculated for these types of businesses for both the ILO and Empretec programmes as shown in Table 5:26.

The identified factors for knowledge and skills before and after training are as follows:

Factor 1= Business skills

Factor 2= Entrepreneurship skills

The identified factors for acquisition of skills after training are as follows:

Factor 1= Business performance skills

Factor 2= Business planning and presentation skills

Factor 3= Programme methodology

The results demonstrate that a statistically significant difference exists between startup and existing businesses for knowledge and skills transfer before and after training in respect to Factor 1=Business skills for the Empretec programme where the p value is p=0.006.

There is statistical significance for acquisition of skills after training in respect to Factor 1=Business performance skills for the ILO programme where the p value is p=0.003.

There is moderate evidence of statistically significant difference at a 90% confidence interval for acquisition of skills after training with respect to Factor 2= business planning and performance skills where the p value is p=0.088 and Factor 3=programme methodology with a p value of p=0.060 for the ILO programme

Hypothesis 5: (Ho 5) There is no significant difference regarding skills transfer between start up and existing businesses with respect to selected entrepreneurship training programmes for:



Ho 5.1: ILO start-up and existing businesses

Ho 5.2: Empretec start up and existing businesses

Alternate Hypothesis: (Ha 5) There is a significant difference regarding skills transfer between start up and existing businesses with respect to selected entrepreneurship training programmes for:

Ha 5.1: ILO Start-up and existing businesses

Ha 5.2: Empretec start up and existing businesses

Hypothesis Ho 5.1 is rejected for the Factor 1= Business performance skills transfer for the ILO programme at a 95% confidence interval and rejected for Factor 2= Business planning and performance skills and Factor 3=Programme methodology for the ILO programme at the 90% confidence interval

Hypothesis Ho 5.2 is rejected for Factor 1=Business skills transfer for the Empretec programme at the 95% confidence interval

There is however, no statistically significant difference in skills transfer between the start-up and existing businesses for the other identified factors, for both the ILO and Empretec programmes.

The Empretec programme design and content primarily concentrates on entrepreneurial skills whereas the ILO programme is focused on business skills. The methodologies that both training programmes use include case studies, business plan presentations and experiential learning through the experience of running a business. The ILO programme uses a business game for applying business concepts in practice while the Empretec one has trainees actually run a business during the training.

According to Mwasalwiba (2010:40) students destined for self-employment need a more action-based approach rather than traditional methods to methodology. Variations in course design, content and delivery had led to debate amongst educators in respect to the course appropriateness and effectiveness (Matlay, 2006:706).



One Way ANOVA -Kruskal Wallis comparison of skills for multiple groups – respondents in 4 training programmes

Concerning the differences in respect of each of the training packages under the ILO and Empretec programmes: The ILO specific packages are SYB, IYB whereas the Empretec packages are EDW and MEP. The Bonferroni multiple comparisons test was used to compare each pair of programmes. The results were statistically significant for the following training packages with regard to the five identified factors. The mean scores were calculated in terms of the factors identified for knowledge and skills transfer before and after training, and acquisition of skills after training. The mean score difference was measured between the skills transfer before and after training.

Table 5:27 below depicts the Kruskal Wallis test results of a one-way ANOVA, twotailed test in terms of the identified factors for the specific ILO and Empretec training packages for SMEs.

Table 5:27 Kruskal Wallis multiple comparison 2-tailed test for 4 training packages	
for business skills	

Dependent	Multiple Comparisons p values (2-tailed); knowledge and skills DiffMean (analvars. sta)								
Business Skills	Independent (grouping) variable: Prog. Kruskal-Wallis test: H (3, N= 482) =34.73951 Kruskal Wallis test p value p =.0000								
	1 ILO SYB	1 ILO SYB 2 ILO IYB 3 Emp EDW 4 Emp MEP							
	R:230.64	R:220.60	R:209.40	R:300.70					
1 ILO SYB		1.000	1.000	0.001*					
2 ILO IYB	1.000 1.000 0.086								
3 Emp EDW	1.000 1.000 0.001*								
4 Emp MEP	0.001*								

*indicates a statistically significant variance at α = 0.01, confidence interval: 99%

Table 5:27 shows the results of the Kruskal Wallis and multiple comparison tests comparing the knowledge and skills before and after training means scores for the specific ILO and Empretec training programmes for SMEs. The table 5:27 shows the results for Factor 1= b*usiness skills knowledge transfer*, as measured by the change in the respondent's mean score for Business skills knowledge after training. The statistically significant Kruskal-Wallis test shows that there are differences between the knowledge transfer scores for the four training programmes. The multiple comparisons show that Factor 1= b*usiness skills knowledge transfer* was statistically significantly higher for respondents from the Emp-MEP training programme by



comparison with the ILO-SYB and Emp-EDW training programmes. There is a statistically significant difference for *business skills* with a Kruskal Wallis p value of p=0.001.

Hypothesis Ho 5.3: There are no significant differences regarding skills transfer between the four training packages with respect to business skills.

Alternate Hypothesis Ho 5.3: There are significant differences regarding skills transfer between the four training packages with respect to business skills.

Hypothesis 5.3 is rejected

The Empretec MEP package is a simplified and practical version for micro-enterprises derived from the Empretec-EDW package for small and medium enterprises and both provide content on personal entrepreneurial characteristics, how to structure a business plan and cash flow projections. The ILO-SYB package covers content on starting, running a business through the development of a business plan and cash flow projections.

Key areas to concentrate in entrepreneurship training are business, entrepreneurial and technical skills (Kunene, 2009:122). The Empretec MEP package incorporates both the PECs and business planning and financial planning. Of those that received technical training, the majority were Empretec trainees.

Dependent	Multiple Compari	Multiple Comparisons p values (2-tailed); knowledge and skills								
	DiffMean (analva	DiffMean (analvars.sta)								
Entrepreneurship	Independent (gro	ouping) variable: P	rog							
Skills	Kruskal-Wallis te	st: H (3, N= 482) =	=25.73205 Kruska	l Wallis test p						
	value p =.0000									
	1 ILO SYB	2 ILO IYB	3 Emp EDW	4 Emp MEP						
	R:228.19	R:227.24	R:216.20	R:293.21						
1 ILO SYB		1.000	1.000	0.005*						
2 ILO IYB	1.000	1.000 1.000 0.262								
3 Emp EDW	1.000	1.000 1.000 0.009*								
4 Emp MEP	0.005*									

Table 5:28 Kruskal Wallis multiple comparison 2-tailed test for four training packages for entrepreneurial skills

*indicates a statistically significant variance at α = 0.01, confidence interval: 99%

Table 5:28 shows the results of the Kruskal Wallis and multiple comparison tests comparing the knowledge and skills before and after training means scores for the



specific ILO and Empretec training programmes for SMEs. The table 5:28 shows the results for Factor 2: *entrepreneurial skills knowledge transfer*, as measured by the change in the respondent's mean score for entrepreneurial skills knowledge after training. The statistically significant Kruskal-Wallis test shows that there are differences between the knowledge transfer scores for the four training programmes. The multiple comparisons show that Factor 2: *entrepreneurial skills knowledge transfer* was statistically significantly higher for respondents from the Emp-MEP training programme by comparison with the ILO-SYB and Emp-EDW training programmes. There is a statistically significant difference for *entrepreneurial skills* with a Kruskal Wallis p value of p=0.000.

Hypothesis Ho 5.4: There are no significant differences regarding skills transfer between the four training packages with respect to entrepreneurial skills.

Alternate Hypothesis Ho 5.4: There are significant differences regarding skills transfer between the four training packages with respect to entrepreneurial skills.

Hypothesis 5.4 is rejected

The Emp-MEP and Empretec-EDW packages offers more in-depth and detailed personal entrepreneurial competencies but less detailed content on structuring a business plan in the training content. The ILO-SYB training package covers a preliminary list of the entrepreneurial characteristics being more detailed on business planning training content.



Table 5:29 Kruskal Wallis multiple comparison 2-tailed test for four training packages for business performance skills

Dependent	Multiple Comparisons p values (2-tailed); acquisition of skills Diffmean (analvars. sta)									
Business	Independent (gro	ouping) variable: Pro	og							
Performance Skills	Kruskal-Wallis te	st: H (3, N= 482) =4	15.10251 Kruskal W	/allis test p value						
	p =.0001	p =.0001								
	1 ILO SYB	2 ILO IYB	3 Emp EDW	4 Emp MEP						
	R:198.47	R:177.95	R:239.36	R:303.41						
1 ILO SYB		1.000	0.047**	0.000*						
2 ILO IYB	1.000 0.335 0.007*									
3 Emp EDW	0.047** 0.335 0.003*									
4 Emp MEP	0.000*	0.007*								

*indicates a statistically significant variance at α = 0.01, confidence interval: 99%

** indicates a statistically significant variance at α=0.05, confidence interval: 95%

Table 5:29 shows the results of the Kruskal Wallis and multiple comparison tests comparing the knowledge and skills before and after training means scores for the specific ILO and Empretec training programmes for SMEs. The table 5:29 shows the results for Factor 1= *business performance acquisition of skills transfer*, as measured by the change in the respondent's mean score for business performance skills after training. The statistically significant Kruskal-Wallis test shows that there are differences between the knowledge transfer scores for the four training programmes.

The multiple comparisons show that Factor 1= *business performance acquisition of skills transfer* was statistically significantly higher for respondents from the Emp-MEP training programme by comparison with the ILO-SYB, ILO IYB and Emp-EDW training programmes at 0.01 level. Further the Emp-EDW is statistically significantly higher than the ILO SYB package at 0.05 level. There is a statistically significant difference for *business performance* skills with a Kruskal Wallis p value of p=0.000.

Hypothesis Ho 5.5: There are no significant differences regarding skills transfer between the four training packages with respect to business performance skills.

Alternate Hypothesis Ho 5.5: There are significant differences regarding skills transfer between the four training packages with respect to business performance skills. **Hypothesis 5.5 is rejected**

The Empretec-MEP and EDW packages provide training in the entrepreneurial competencies, planning for a business in respect to marketing, products and services,



human resource management, production, as well as cash flow management. The ILO-SYB package covers business planning, costing, cash flow plan, starting a business, products and services, employees. The ILO-IYB package encompasses costing, buying, marketing, record keeping, stock-control, business planning for cash flows and profit and loss projections.

Table 5:30 Kruskal Wallis multiple comparison 2-tailed test for four training packages for business planning and presentation skills

Dependent	Multiple Comparise Independent (grou			a)					
Business Planning		ruskal-Wallis test: H (3, N= 482) =29.32082 p =.0001							
and presentation	1 ILO SYB	1 ILO SYB 2 ILO IYB 3 Emp EDW 4 Emp MEP							
skills	R:194.06								
1 ILO SYB		1.000	0.004*	0.003*					
2 ILO IYB	1.000		1.000	1.000					
3 Emp EDW	0.004*	1.000		0.954					
4 Emp MEP	0.003*	1.000	0.954						

*indicates a statistically significant variance at α = 0.01, confidence interval: 99%

Table 5:30 shows the results of the Kruskal Wallis and multiple comparison tests comparing the knowledge and skills before and after training means scores for the specific ILO and Empretec training programmes for SMEs. The table 5:30 shows the results for Factor 2= *business planning and presentation acquisition of skills transfer*, as measured by the change in the respondent's mean score for business planning and presentation skills after training. The statistically significant Kruskal-Wallis test shows that there are differences between the knowledge transfer scores for the four training programmes. The multiple comparisons show that Factor 2: *business planning and presentation acquisition of skills transfer* was statistically significantly higher for respondents from the Emp-EDW and MEP training programmes by comparison with the ILO-SYB. There is a statistically significant difference for *business planning and presentation* skills with a Kruskal Wallis p value of p=0.001.

Hypothesis Ho 5.6: There are no significant differences regarding skills transfer between the four training packages with respect to business planning and presentation skills.

Alternate Hypothesis Ho 5.6: There are significant differences regarding skills transfer between the four training packages with respect to business planning and presentation skills. **Hypothesis 5.6 is rejected**



The Empretec-EDW and MEP training packages and the ILO SYB package all cover content to develop a business plan. During the classroom training the trainees are afforded an opportunity to present their business plans in front of fellow potential and existing entrepreneurs under training, as well as the facilitator, benefiting from peer reviews and feedback from the facilitator. Both programmes facilitate either a panel of finance institutions or a representative from a finance institution talking about their financial products and services and, if present, commenting on the business presentations or outlining the minimum expectations of a business plan to the trainees. The content and these approaches allow confidence building and self-articulation of their own business plans to external stakeholders. The Empretec programmes allow for participants to actually start and run the business during the classroom training and if they receive follow up support to conclude the business plan.

Table 5:31 Kruskal Wallis multiple comparison 2-tailed test for four training packages	
for programme methodology	

Dependent		<i>Iultiple Comparisons p values (2-tailed); programme methodology</i> Diffmean (analvars. sta)								
Programme	Independent (gro	dependent (grouping) variable: Prog								
Methodology		st: H (3, N= 482) =	=34.37882 Kruskall	Wallis test p						
	value p =.0001	ue p =.0001								
	1 ILO SYB									
	R:191.00	R:249.62	R:252.38	R:282.85						
1 ILO SYB		0.425	0.004*	0.000*						
2 ILO IYB	0.425		1.000	1.000						
3 Emp EDW	0.004*	1.000		0.339						
4 Emp MEP	0.000*	1.000	0.339							

*indicates a statistically significant variance at α = 0.01, confidence interval: 99%

Table 5:31 shows the results of the Kruskal Wallis and multiple comparison tests comparing the knowledge and skills before and after training means scores for the specific ILO and Empretec training programmes for SMEs. The table 5:31 shows the results for Factor 3= *programme methodology*, as measured by the change in the respondent's mean score for programme methodology after training. The statistically significant Kruskal-Wallis test shows that there are differences between the knowledge transfer scores for the four training programmes. The multiple comparisons show that Factor 3= *programme methodology* was statistically significantly higher for respondents from the Emp-MEP and Emp-EDW training programme by comparison



with the ILO-SYB. There is a statistically significant difference for programme methodology with a Kruskal Wallis p value of p=0.001.

Hypothesis Ho 5.7: There are no significant differences regarding skills transfer between the four training packages with respect to programme methodology.

Alternate Hypothesis Ho 5.7: There are significant differences regarding skills transfer between the four training packages with respect to programme methodology.

Hypothesis 5.7 is rejected

The ILO and Empretec training methodologies both involve classroom training and field research during and after the training. The Empretec programme allows for more practice in actually running the business during classroom training whereas the ILO programme simulates a business game during the training. Literature evidences that training methodology is a critical factor, as is the facilitator. Rideout and Gray (2013:332) add that the pedagogy and andragogy should allow for experiential learning and business simulation through business creation, games and case studies to enhance learning outcomes.

Overall the Emp-MEP programme designed for micro enterprises incorporating both entrepreneurship and business skills proves to be more effective. More the Empretec trainees were trained as students or graduates in vocational training institutions. According to Matlay (2006:708) some aspects of vocational courses are beneficial to nascent entrepreneurs. Furthermore the propensity of graduates to become nascent entrepreneurs is influenced by the socio-economic and educational context of a country (Matlay, 2006:712).

Young trainees are more response to action based methodologies than older and educated trainees (Braun, 2012:200). Entrepreneurs need a broad base of skills and knowledge which are critical for the start-up stage, management and development of the new venture (Matlay, 2005:671). Owner/managers in micro enterprises are the decision makers on training and human resource development in their business (Matlay, 2001:403).

The identified factors and the knowledge and skills reflect key elements or parameters specified as critical in the training models reviewed, the entrepreneurial

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performance model, the entrepreneurial education model, the education improved entrepreneurial performance model and the training for entrepreneurship model (Nieman, VanVuuren, Botha, 2010:4; Pretorius 2001:122; Pretorius, VanVuuren & Nieman, 2005:422; Kunene, 2009:264)

	EMP ILO			P value	
VARIABLE	BEFORE	AFTER	BEFORE	AFTER	
ANNUAL SALES					0.853
<=\$5000	129 (83.2%)	119 (76.8%)	59 (92.2%)	54 (84.4%)	
>\$5000	26 (16.8%)	36 (23.2%)	5 (7.8%)	10 (15.6%)	
Total	155 (100%)	155 (100%)	64 (100%)	64 (100%)	
NET ANNUAL					0.105**
PROFIT					
<=\$5000	141 (91%)	130 (83.9%)	61(96.8%)	60(95.2%)	
>\$5000	14 (9%)	25(16.1%)	2(3.2%)	3(4.85)	
Total	155 (100%)	155(100%)	63(100%)	63(100%)	
GROSS VALUE					0.090**
OF BUSINESS					
ASSETS					
<=\$5000	142 (89.3%)	135 (84.9%)	62 (98.4%)	62 (98.4%)	
>\$5000	17 (10.7%)	24 (15.1%)	1 (1.6)	1 (1.6)	
Total	159 (100%)	159 (100%)	63 (100%)	63 (100%)	

Table 5:32 Start-ups' business growth by training programme

*indicates a statistically significant variance at α = 0.05, confidence interval: 95%

** indicates a statistically significant variance at α = 0.10, confidence interval: 90%

Table 5:32 presents the chi square results for start-ups' business growth depicted by performance measures such as gross annual sales, annual net profit and gross value of business assets for start-up businesses. This was estimated by respondents as regards both before and after training. The results of the chi square test for annual sales yield a p value of p=0.853. The proportion of respondents whose businesses grew after training is the same for the ILO and Empretec training programmes. The results of the chi square test for Net Annual profit revealed a p value of p=0.105. The results of the chi square test for gross value of business assets show a p value of p=0.090. At a confidence interval of 90% there is significant difference at 0.10 level, yielding moderate evidence (Albright, Winston & Zappe, 2009: 503). There was a higher proportion of Empretec respondents who reported business growth in respect to assets after training.

Hypothesis 6: (Ho 6) There are no significant differences regarding business growth for start-ups businesses in the ILO and EMPRETEC programmes in terms of:



Ho 6.1: Sales

Ho 6.2: Profits

Ho 6.3: Asset value

Alternate Hypothesis: (Ha 6) There is a significant difference regarding business growth for start-up businesses in the ILO and EMPRETEC programmes in terms of: -

Ha 6.1: Sales Ha 6.2: Profits

Ha 6.3: Asset value

There is indeed a statistically significant difference for net profit sales and asset value since the p values are p=0.10.

Hypothesis 6.1: Sales is accepted

Hypothesis 6.2: Profits is rejected

Hypothesis 6.3: Asset value is rejected

Table 5:33 Existing businesses' growth by training programme

	EMPRETEC		ILO		P value
VARIABLE	BEFORE	AFTER	BEFORE	AFTER	
ANNUAL SALES <=\$5000					0.777
>\$5000 Total	21 (65.6%) 11 (34.4%)	18 (56.3%) 14 (43.8%)	55 (96.5%) 2 (3.5%)	50 (87.7%) 7 (12.3%)	
	32 (100%)	32 (100%)	57 (100%)	57 (100%)	
NET ANNUAL PROFIT					0.574
<=\$5000 >\$5000	25 (78.1%)	24 (75%)	54 (98.2%)	53 (96.4%)	
Total	7 (21.9%) 32 (100%)	8 (25%) 32 (100%)	1 (1.8%) 55 (100%)	2 (3.6%) 55 (100%)	
GROSS VALUE OF BUSINESS ASSETS					0.006*
<=\$5000	30 (88.2%)	26 (76.5%)	59 (96.7%)	59 (96.7%)	
>\$5000 Total	4 (11.8%) 34 (100%)	8 (23.5%) 34 (100%)	2 (3.3%) 61 (100%)	2 (3.3%) 61 (100%)	

*indicates a statistically significant variance at α = 0.01, confidence interval: 99%

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Table 5:33 presents the chi square results for the existing business growth depicted by performance measures such as annual sales, annual net profit and gross value of business assets for existing businesses. This was estimated by respondents with respect to their situations both before and after training.

The results of the chi square test for annual sales revealed a p value of p=0.777. The proportion of respondents whose existing businesses grew after training is the same for the ILO and Empretec training programmes. The results of the chi square test for Net Annual profit show a p value of p=0.574. The results of the chi square test for gross value of business assets indicate a p value of p=0.006. There is a higher proportion of Empretec respondents for existing businesses who reported business growth in respect to assets after training.

Hypothesis 7: (Ho 7) There are no significant differences regarding business performance for established businesses in the ILO and EMPRETEC programmes in terms of:

Ho 7.1: Sales Ho 7.2: Profit Ho 7.3: Asset value

Alternate Hypothesis: (Ha 7) There are significant differences regarding business performance for established businesses in the ILO and EMPRETEC programmes in terms of sales, profit and value of assets.

Ha 7.1: Sales Ha 7.2: Profit Ha 7.3: Asset value

There is a statistically significant difference for asset value where the p value is p=0.006.



Hypothesis 7.1: Sales is accepted

Hypothesis 7.2: Profit is accepted

Hypothesis 7.3: Asset value is rejected

	BEFORE TRAINING				AFTER TRAINING				
VARIABLE	FEMALE	MALE	CHI- SQUARE	P value	FEMALE	MALE	CHI- SQUARE	P value	
ANNUAL SALES								<0.0001*	
<=\$5000 >\$5000	168 11	96 33	23.129	0.0001	168 24	86 48	24.943		
NE T ANNUAL PROFIT <=\$5000	172 6	109	11.930	0.0006	182	103	23.065	<0.0001*	
>\$5000 GROSS VALUE OF BUSINESS ASSETS <=\$5000	179	18	7.065	0.0079	10	31	9.971	<0.0016*	
>\$5000	8	16	1.000	0.0075	12	23	5.571	\$0.0010	

Table 5:34 Business growth by gender

*indicates a statistically significant variance at α = 0.01, confidence interval: 99%

Table 5:34 highlights the chi-square results applicable to situations before and after training; these demonstrate that there is a significant difference in business performance based on sales, profits and asset value with regard to female and male owned businesses. The p values are p<0.05 for both before and after training across the business performance indicators of sales, profit and asset value.

Hypothesis 8: (Ho 8) There are no significant differences regarding business performance between male and female owned businesses in terms of:

Ho 8.1: Sales Ho 8.2: Profit Ho 8.3: Asset value

Alternate Hypothesis: (Ha 8) There are significant differences regarding business performance between male and female owned businesses in terms of:

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Ha 8.1: Sales

Ha 8.2: Profit

Ha 8. 3: Asset value

A statistically significant difference was established for sales, profit and asset values in relation to gender where the p values are p<0.05.

Hypothesis 8.1: Sales is rejected

Hypothesis 8.2: Profit is rejected

Hypothesis 8.3: Asset value is rejected

The majority of female and male run businesses generate annual sales and annual profits both before and after training and possess asset value <= \$5000. However, there are more male run businesses with annual sales, annual profits and asset values >\$5000 before and after training.

Overall the start-up phase businesses run by the trainees are in the initial stages of the entrepreneurial process. Those that had not started where yet to identify viable economic opportunities (stage 1) and some had made the decision to become an entrepreneur (stage 2). Some had not managed to mobilise financial resources to start the business. Invariably the level of sales, profit and asset value are indicative of the size and age of the businesses under the study.

MANOVA Tests for Knowledge and Skills Acquisition for Identified Factors

Further statistical testing was conducted using MANOVA to compare the skills acquisition with respect to selected demographics. Three levels of analysis were calculated: multivariate tests, tests of between-subjects effects and post hoc tests for variables. These were carried out to test the following hypotheses in relation to factors identified from the factor analysis.



Hypothesis 9: (Ho 9) Statistical significance does not exist between trained entrepreneurs regarding the following variables:

Ho 9.1: Age
Ho 9.2: Education
Ho 9.3: Work experience
Ho 9.4: Economic sectors of business
Ho 9.5: Form of business
Ho 9.6: Place of business operation

Alternative Hypothesis: (Ha 9) Statistical significance does exist between trained entrepreneurs regarding the following variables:

Ha 9.1: Age

- Ha 9.2: Education
- Ha 9.3: Work experience
- Ha 9.4: Economic sectors of business
- Ha 9.5: Form of business
- Ha 9.6: Place of business operation

Various MANOVA tests were conducted. The tests between subjects' effects were performed for each factor against the demographic variables. Following this, post hoc tests through multiple comparisons were undertaken where more than 2 groupings existed for each factor. For the identified demographic variables, a further means score procedure was conducted for the demographic variables: age, education, location, economic sectors, work experience and form of business registration which were relevant to the five factors on knowledge, skills transfer before and after training and acquisition of skills after training.



Source	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	6.989 ^a	16	.437	2.018	.013*
Intercept	181.442	1	181.442	838.131	.000*
Location	.587	3	.196	.903	.440
Legal Form	.435	1	.435	2.010	.158
Economic Sector	.740	3	.247	1.139	.334
Age	.001	3	.000	.001	1.000
Work Experience	1.681	4	.420	1.942	.104
Education	.756	2	.378	1.747	.177
Error	50.008	231	.216		
Total	524.067	248			
Corrected Total	56.997	247			

Table 5:35 Tests of between subject effects for Factor 1= business skills

*indicates a statistically significant variance at α = 0.01, confidence interval: 99%

** indicates a statistically significant variance at α = 0.05, confidence interval: 95%

a. R Squared = .123 (Adjusted R Squared = .062)

After conducting the MANOVA for the identified factors, Table 5:35 reveals no statistically significant difference for the knowledge and skills transfer before and after training as regards factor 1=Business skills with respect to the demographic variables: age, education, work experience, economic sector, legal form of business and location/place of business operations. The p values are p>0.05. Thus the following hypotheses are accepted.

Hypothesis 9.1: Age is accepted

- Hypothesis 9.2: Education is accepted
- Hypothesis 9.3: Work experience is accepted

Hypothesis 9.4: Economic sectors of business is accepted



Hypothesis 9.5: Form of business is accepted

Hypothesis 9.6: Place of business operation /Location is accepted

Source	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	13.774ª	16	.861	3.230	.000*
Intercept	164.825	1	164.825	618.499	.000
Location	2.674	3	.891	3.345	.020*
Legal Form	1.494	1	1.494	5.605	.019*
Economic Sector	1.105	3	.368	1.383	.249
Age	.695	3	.232	.869	.458
Work Experience	1.751	4	.438	1.643	.164
Education	1.014	2	.507	1.903	.152
Error	61.560	231	.266		
Total	498.333	248			
Corrected Total	75.333	247			

Table 5:36 Tests of between-subjects effects Factor 2=entrepreneurial skills

*indicates a statistically significant variance at α = 0.05, confidence interval: 95%

a. R Squared = .183 (Adjusted R Squared = .126)

Table 5:36 indicates that there is statistical significance for the knowledge and skills transfer before and after training as regards factor 2=entrepreneurial skills with respect to the demographic variables: Legal form of business and Location/place of business operations.

There is however no statistically significant difference with respect to the demographics; age, education, work experience, economic sector.

Hypothesis 9.7: Age is accepted

Hypothesis 9.8: Education is accepted

Hypothesis 9.9: Work experience is accepted



Hypothesis 9.10: Economic sectors of business is accepted

Hypothesis 9.11: Form of business is rejected

Hypothesis 9.12: Place of business operation /Location is rejected

A further MANOVA mean score test procedure was carried out on the demographic variable location and presented in Table 5:37, while that on the legal form of business is presented in Table 5:38 below.

Factor 2=Entrepreneurial skills DiffMean						
Location	N	Median	Mean	SD		
5 Rural	42	1.67	1.65	0.53		
4 Resid. Township	119	1.22	1.29	0.53		
3 Resid. Suburb	50	1.22	1.19	0.54		
12 Industrial/CBD	37	1.11	1.12	0.50		

Table 5.37: MANOVA on entrepreneurial skills and location variable

NB. Order cf. Other Factors

*indicates a statistically significant variance at α = 0.05, confidence interval: 95%

For the factor 2= entrepreneurial skills, the mean scores show a statistically significant result at the 5% level of significance.

For the location variable from the MANOVA procedure, a comparison between four groups and the following is observed. The rural business respondents with a higher mean score of 1,65 differ significantly from the residential township respondents with a mean score of 1,29. Hence the respondents with rural business operations agreed more strongly than those in other locations. It is observed that the rural business respondents have a higher mean score of 1,65 compared to residential suburb respondents. Those with rural businesses concur more strongly. The rural business respondents have a higher mean score of 1,65 than those with Industrial/CBD businesses who recorded a mean score of 1,12. Hence those with rural businesses agreed more strongly.



Table 5:38 MANOVA on entrepreneurial skills and legal form of business variable

Factor 2=Entrepreneurial skills Diff Mean						
Legal form of business	Ν	Median	Mean	SD		
0 Not	172	1.33	1.35	0.55		
1 Registered	76	1.22	1.21	0.54		

*indicates a statistically significant variance at α = 0.05, confidence interval: 95%

In respect of the legal form of business, the MANOVA mean scores test was conducted for two groups: registered and non-registered businesses. The respondents with non-registered businesses had a higher mean score of 1,35 and agreed more strongly than those with registered businesses with a mean score of 1,21.



Source	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	6.906ª	16	.432	2.677	.001*
Intercept	1240.936	1	1240.936	7695.979	.000
Location	2.170	3	.723	4.485	.004*
Legal Form	.580	1	.580	3.597	.059**
Economic Sector	.259	3	.086	.536	.658
Age	.054	3	.018	.112	.953
Work Experience	.201	4	.050	.312	.870
Education	.209	2	.104	.647	.525
Error	37.248	231	.161		
Total	2999.309	248			
Corrected Total	44.153	247			

Table 5: 39 Tests of between-subjects effects Factor 1=business performance skills

*indicates a statistically significant variance at α = 0.01, confidence interval: 99%

**indicates a statistically significant variance at α = 0.05, confidence interval: 95%

A. R Squared = .156 (Adjusted R Squared = .098)

Table 5:39 indicates that there is statistical significance for the acquisition of skills after training as regards factor 1= business performance skills with respect to the demographic variables: location/place of business operations with p value p =0.004 and legal form of business with p value p=0.059.

There is however no statistically significant difference with respect to the demographics age, education, work experience, economic sector

Hypothesis 9.13: Age is accepted

Hypothesis 9.14: Education is accepted

Hypothesis 9.15: Work experience is accepted

Hypothesis 9.16: Economic sectors of business is accepted

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Hypothesis 9.17: Form of business is rejected

Hypothesis 9.18: Place of business operation /Location is rejected.

The business performance is affected by whether the enterprise is operating in the urban or rural areas. The legal form of business, whether formal or informal, affects its performance. The interaction is further analysed below, under the Post hoc tests.

Further MANOVA mean score tests were conducted for location/ place of business operation; the findings are indicated in Table 5:40 while the legal form of business is presented in Table 5:41 below.

Factor 1=Business performance skills Diff mean						
Location	N	Median	Mean	SD		
5 Rural	42	3.78	3.67	0.32		
4 Resid. Township	119	3.44	3.50	0.37		
12 Industrial/CBD	37	3.44	3.36	0.45		
3 Resid. Suburb	50	3.28	3.23	0.49		

Table 5:40 MANOVA for business performance skills and location variable

*5 Rural and 4 Residential township differ at the 10% level of significance but not at the 5% level

*indicates a statistically significant variance at α = 0.05, confidence interval: 95%

For the factor business performance skills, the mean scores reveal a statistically significant result at the 5% level of significance. The location variable from the MANOVA procedure indicates a comparison between four groups, where the following is observed: The respondents with rural businesses differ significantly with a higher mean score of 3,67 from those running industrial/ central business district (CBD) businesses with a mean score of 3,36. Hence, the respondents with rural businesses agreed more strongly than those in other locations. The respondents with rural businesses have a higher mean score of 3,67 compared to those with residential suburban businesses. Hence, the respondents with rural businesses agreed more strongly. The respondents with residential township businesses have a higher mean score of 3,5 compared to those with residential suburb businesses with 3,23. Hence, respondents with township businesses agreed more strongly.



Table 5:41 MANOVA for business performance skills and legal form of business variable

Factor 1=Business performance skills Diff Mean						
Legal form of business	Ν	Median	Mean	SD		
Not Registered	172	3.50	3.49	0.40		
Registered	76	3.44	3.35	0.46		

*indicates a statistically significant variance at α = 0.05, confidence interval: 95%

In respect of the legal form of business, the MANOVA mean scores test was conducted for two groups: registered and non-registered businesses. The respondents with non-registered businesses have a higher mean score of 3,49 and agreed more strongly than those with registered businesses with a mean score of 3,35.

Table 5:42 Tests of between-subjects effects Factor 2=business planning and
presentation skills

Source	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	5.591ª	16	.349	1.365	.161
Intercept	1206.727	1	1206.727	4712.294	.000
Location	.408	3	.136	.531	.661
Legal Form	.705	1	.705	2.752	.098
Economic Sector	2.089	3	.696	2.719	.045
Age	.868	3	.289	1.130	.338
Work Experience	.832	4	.208	.813	.518
Education	.623	2	.312	1.217	.298
Error	59.155	231	.256		
Total	2991.778	248			
Corrected Total	64.746	247	T. aanfidanaa intar		Concerned .

*indicates a statistically significant variance at α = 0.05, confidence interval: 95% a. R Squared = .086 (Adjusted R Squared = .023)

Table 5:42 indicates no statistically significant difference for the acquisition of skills after training as regards factor 2=business planning and presentation skills with respect to the demographic variables: age, education, work experience, legal form of business and location/place of business operations. The p values are p>0.05.



Hypothesis 9.19: Age is accepted

Hypothesis 9.20: Education is accepted

Hypothesis 9.21: Work experience is accepted

Hypothesis 9.22: Economic sectors of business is accepted

Hypothesis 9.23: Form of business is accepted

Hypothesis 9.24: Place of business operation /Location is accepted

The results show that business planning and presentation skills are not affected by the demographic and business profiling variables.

Source	Type III Sum of Squares	df	Mean Square	F	Sig.	
Corrected Model	4.982ª	16	.311	3.044	.000*	
Intercept	1477.802	1	1477.802	14445.321	.000	
Location	1.829	3	.610	5.958	.001*	
Legal Form	.207	1	.207	2.019	.157	
Economic Sector	.348	3	.116	1.134	.336	
Age	.805	3	.268	2.622	.051**	
Work Experience	.094	4	.023	.229	.922	
Education	.099	2	.049	.482	.618	
Error	23.632	231	.102			
Total	3507.120	248				
Corrected Total	28.614	247				

Table 5:43 Tests of between-subjects effects factor F3=programme methodology

*indicates a statistically significant variance at α = 0.01, confidence interval: 99%, **indicates a statistically significant variance at α =

0.05, confidence interval: 95% a. R Squared = .174 (Adjusted R Squared = .117)

Table 5:43 indicates that there is a statistically significant difference for the acquisition of skills after training as regards factor 3= programme methodology with respect to the demographic variables: location/place of business operations with p value p=0.001 and age with p value p=0.051.



There is however, no statistically significant difference with respect to the demographics: education, work experience, economic sector and legal form of business registration. The p values are p>0.05.

Hypothesis 9.25: Age is rejected

Hypothesis 9.26: Education is accepted

Hypothesis 9.27: Work experience is accepted

Hypothesis 9.28: Economic sectors of business is accepted

Hypothesis 9.29: Form of business is accepted

Hypothesis 9.30: Place of business operation /Location is rejected

For the factor F3=programme methodology, the mean scores demonstrate a statistically significant result at the 5% level of significance.

For the location variable from the MANOVA procedure a comparison is indicated between four groups; the following is observed. Table 5:44 below records the MANOVA results for programme methodology and the location variable.

Factor3= Programme Methodology Diff mean						
Location	N	Median	Mean	SD	Τ	T
5 Rural	42	4.00	3.90	0.17		
4 Resid. Township	119	3.80	3.79	0.28		
12 Industrial/CBD	37	4.00	3.66	0.46		
3 Resid. Suburb	50	3.60	3.56	0.38	_	

Table 5:44 MANOVA for programme methodology and the location variable

*indicates a statistically significant variance at α = 0.05, confidence interval: 95%

The results with respect to a rural location of business differ significantly from those of the industrial/ central business district (CBD) location of business. The rural mean score is higher, being 3.90 in comparison to 3,66. Hence, the respondents with business operations in the rural areas agreed more strongly than those in other locations. Furthermore, the respondents with rural business operations have a higher mean score of 3,90 compared to those with residential suburb businesses with a mean

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score of 3,56. Therefore the respondents with rural based businesses agree more strongly. The businesses located in residential townships have a higher mean score of 3,79 compared to residential suburban with 3,56.

Table 5:45 below depicts the MANOVA results of programme methodology and age. The age ranges that differ significantly are those of respondents within the older age range of 39-49 years which have a higher mean score of 3,88, compared to the younger range of 17-27-year-old respondents with a mean score of 3,67. The older respondents agreed more strongly than those in the youngest age range.

F3=Programme methodology						
Age	N	Median	Mean	SD		
1 17-27	96	3.80	3.67	0.36		
2 28-38	89	4.00	3.74	0.37		
4 >=50	22	4.00	3.84	0.22		
3 39-49	41	4.00	3.88	0.22		

Table 5:45 MANOVA for programme methodology and age variable

NB. Order cf. Other Factors ***indicates a statistically significant variance at α = 0.05, confidence interval:** 95%

Multivariate Tests

The Multivariate test was conducted using the Pillai's trace; Wilks's Lambda; Hotelling's trace and Roy's largest root tests for statistical significance. The results are reflected in Table 5:46 below.

	Test Statistic	F value	Hypothesis DF	Error DF	Sig P value
Education	Roy's largest root	2.290	5.000	228.000	0.047*
Location	Pillai's trace Wilk's Lambda Hotelling's trace Roy's largest root	3.592			0.000* 0.000* 0.000* 0.000*
Business Sector	Roy's largest root	2.453	5.000	229.000	0.034*
Age	Roy's largest root	2.303	5.000	229.000	0.046*

 Table 5:46 Multivariate tests for demographic variables

*indicates a statistically significant variance at α = 0.01, confidence interval: 99%



The results as noted in Table 5.46 indicate that there are statistically significant differences for skills transfer in respect to education, location, business sector and age of the respondent. The p values were p< 0.05; indicating that the level of significance was strong, using the Roy's largest root test for these demographics. Location was the only variable reflecting statistical difference across the Pillai's trace, Wilks's Lambda and Hotelling's trace tests.

Post Hoc Tests

The Post Hoc Tests were done for the location, business sector and age of respondent demographic variables for the identified factors. These are highlighted in Table 5:47 below.

	Dependent Variable	Independent	Mean	Sig
		Variable	Difference	P value
Location				
	Entrepreneurial Skills	I4 J5	-0.354	0.001*
		15 J3	0.461	0.000*
		I12 J5	0.531	0.000*
	Business Performance skills	13 J4	0.266	0.001*
		13 J5	0.442	0.000*
		I5 J12	0.307	0.005*
	Methodology	13 J4	0.235	0.000*
		13 J5	0.340	0.000*
		I12 J5	0.240	0.006*
Business	Entrepreneurial skills	l4 J7	0.350	0.007*
Sector		l6 J2	0.346	0.004*
		l6 J13	0.270	0.035*
Age	Methodology	l1 J3	0.214	0.002*

Table 5:47 Post Hoc Tests multiple comparisons for factors and demographic variables

*indicates a statistically significant variance at α = 0.01, confidence interval: 99%

Overall based on the MANOVA analysis, based on each of the five factor identified, the demographic variables contributing to the variability are location and legal form of business in respect to entrepreneurial, business performance skills, then age and location for programme methodology.



5.5.3 General comments of respondents

The study also asked respondents for their views on aspects related to the contribution of SMEs to the economy, factors for success and barriers to development of SMEs.

Of the 551 respondents participating in the study, 71,32% were of the view that the major contributions of SMEs are in employment creation, 31,76% in economic development, 30,67% in offering goods and services to the market, 8,17% in skills development while 11,62% indicated self-sustenance.

They responded that the key factors for success for SMEs are access to finance (48,64%), training and education (33,58%), marketing (22%), financial management (18,51%), entrepreneurial skills (18,69%), motivation (13,43%).

The major barriers for the development of SMEs that respondents emphasised were lack of finance (70,6%), business premises (15,97%), government regulations (11,07%) and the prevailing macroeconomic environment (26,86%), business skills (20,69%).

5.6 Conclusion

The chapter presents the major findings of the empirical study. It reported on both the descriptive and the inferential statistical analysis. The research design and methodology outlined in Chapter 4 was applied in this chapter.

The personal and business demographics of the research respondents showed a normal distribution. Factor analysis was conducted establishing five factors for the questions on skills transfer and acquisition of skills. The Cronbach alphas for each factor indicated the high construct validity of the research instrument.

The tests for statistical significance were conducted to prove or disprove hypotheses for the study. The chi-square, T tests, one-way ANOVA Kruskal Wallis tests and the MANOVA tests were performed.

The next chapter offers final conclusions and recommendations, describes the contribution of the study and makes suggestions of areas for further research.



CHAPTER 6

CONCLUSION AND RECOMMENDATIONS

6.1 Introduction

The chapter outlines the main findings of the study, the contribution to the body of knowledge in the field of entrepreneurship, managerial implications and limitations of the study. A brief overview of the relevant literature in the field of entrepreneurship is summarised, it revisits the research objectives, hypothesis, analysis and results thereof, as detailed in Chapter 5, as well as why certain hypotheses were rejected or accepted based on the statistical results. The study was conducted to establish the role of and extent to which selected entrepreneurship training programmes support business start-up and growth. The implications of the key findings established in Chapter 5 are explained in this chapter; drawing from the findings of the empirical evidence presented and the literature review that was undertaken, it includes recommendations, the elucidation of management implications and the statement of conclusions reached. The contribution of this study to the discipline and the limitations of the study are outlined based on design of effective programmes, policy and consideration of the context of developing countries.

Although research in young field of entrepreneurship education and training continues to be influenced through various theories and concepts from other research area (Sanchez, 2011:428) little research has been carried out in the area of critically analysing entrepreneurship training programmes for business start-up and growth. The study explored this area, presenting findings for a framework for future design and implementation of entrepreneurship training programmes.

6.2 Overview of the Literature Study

The literature review was addressed in Chapters 1-3. The following is a brief summary of the literature and its relevance to the study.

In Chapter 1, the literature study began with a discussion on the role of SMEs, their contribution to economic growth, GDP, job creation and entrepreneurial activity globally, regionally and nationally. Zimbabwe's macro-economic status, labour market dynamics and entrepreneurial activity in this country were emphasised. The



government policies supporting entrepreneurship training and education and SME support frameworks for Zimbabwe were also described. Definitions of constructs and concepts were provided for entrepreneurship and entrepreneur while small businesses were distinguished from entrepreneurial.

In Chapter 2 the literature review investigated the key constructs identified for the study, as listed above. Entrepreneurship studies have adopted theories and concepts from other disciplines. Entrepreneurship is a process of opportunity identification, evaluation and exploitation as well as for creating value; it may be defined as self-employment. There is consensus that certain facets of entrepreneurship can be taught

A well designed programme uses a mixture of didactics, skill-building and indicative learning strategies with objectives that combine knowledge, skill, competence and attitude domain of learning. The various skills required by entrepreneurs are technical, business management and personal entrepreneurial ones.

The Zimbabwean context indicates that the educational system has not managed to integrate entrepreneurship into the educational curriculum despite there being various government ministries with policies to support entrepreneurship, business development and vocational skills. In Zimbabwe entrepreneurship and business management training is provided by Government, NGOs, the private sector and a few universities.

In Chapter 3, the barriers to entrepreneurship training, intervention types and training methods are discussed. The entrepreneurial process for new venture creation and the skills required for its various phases are. Four Entrepreneurial training models were discussed, the Entrepreneurial Performance Model, the Entrepreneurial Education Model, the Education Improved Entrepreneurial model and the Training for Entrepreneurship Model. The theoretical framework for the study outlines the Entrepreneurship Education, Entrepreneurship training theories, the agency theory, the methodology and learning and skills theories.

Chapter 3 further describes the background, objectives, content material, structure, delivery channels, training methodologies and target groups of both the ILO and Empretec entrepreneurship training programmes.



6.3 Research Objectives Revisited

As the purpose of the study was to look at the role and the extent to which entrepreneurship training programmes are supporting businesses to start, grow and contribute to job creation, six objectives were selected for the study.

- 6.3.1 To investigate what skills training businesses have received to support start-up.
- 6.3.2 To investigate what skills training they have received to support growth.
- 6.3.3 To analyse to what extent the selected entrepreneurship training programmes do result in new business creation.
- 6.3.4 To analyse to what extent the selected entrepreneurship training programmes do result in business growth.
- 6.3.5 To explore to what extent the training programmes' content is matched to an enterprise's need.
- 6.3.6 To analyse what factors have affected business performance in Zimbabwe for start-up and growing businesses.

The research objectives were met through the descriptive and inferential statistical analysis conducted along with the literature review.

Objectives 6.3.1, 6.3.2 and 6.3.3 were achieved. The skills received to support business start-up and growth were established through analysing the skills transfer by asking the following questions: "How do you rate yourself in terms of knowledge and skills in the following before and training?" referring to knowledge and skills before and after training and "To what extent do you agree or disagree that the training programme you received assisted you?" which referred to skills acquired after training. Further analysis was conducted to compare the extent and proportion to which the ILO and Empretec programme resulted in business start-up and job creation. Objective 6.3.4 was achieved through the analysis of the business growth/ performance indicators sales, profit and assets and objective 6.3.5 was addressed through the analysis of needs and expectations of SME training programmes. The objective 6.3.6 was achieved through the analysis of the factors identified during the research and the extent to which the demographic variables made any significant difference, based on each factor.



6.4 Results and Hypothesis Revisited

6.4.1 Personal and business demographic profile

The personal demographic profile of respondents' data gathered included gender, age, educational level, work experience and geographic location. This profile covered business ownership, legal form and years in business, employees, economic sectors, business income and assets. Table 6.1 summarises the key personal and business demographics of the respondents.

Personal demographics	Business demographics
Sample of 551 respondents, 295 female (54%) and 256 male (46%).	Economic sector: 20% retail, 16% services, 16% manufacturing and 12% in agriculture.
Age: mean age for SYB is 29 years, IYB 28 years, EDW likewise 28 years while for MEP it is 34 years.	Location: 27% are operating at home in townships, 12% in suburbs, 12% in rural areas, 7% in the central business district and 1% in industrial areas.
Language: 71% spoke Shona whereas 27% spoke Ndebele.	Annual sales: 30% had achieved annual sales of US\$5000 and below before training and 45% after training.
Education: 50% reported 4 years of high school, 20% had attained a tertiary education qualification, 11% reported 1-3 years of high school, 12% had a primary education and 7% had received 6 years of high school education.	Annual Profit: Annual profits were within the \$5000 or less range before and after training.
Technical skills: 60% had received technical skills training whereas 40% had not.	Value of assets: 30% had assets worth \$5000 or less before training and 47% after training.
78% of the respondents were highly satisfied and 21% satisfied with both the ILO and Empretec training received.	61% did not apply to finance institutions at all for start-up or expansion funding.
Trainees' expectations were that training programmes for SMEs should assist them with how to access business finance (36%), entrepreneurial skills (17%) and business skills (23%) and support on how to run a business (34%).	

Table 6.1 Personal and business demographics of study respondents



6.4.2 Factor analysis

Factor analysis was performed on skills transfer; Question 9= knowledge and skills before and after training. Two factors were identified:

Factor 1: Business (functional) skills and Factor 2: Entrepreneurial (enterprising) skills

Factor analysis was also conducted on skills transfer; Question 14= acquisition of skills after training. Three factors were identified:

Factor 1: Business performance skills, **Factor 2**: Business planning and presentation skills and **Factor 3**: Programme methodology

6.4.3 Hypothesis testing revisited

The study results were analysed using various statistical tests to accept or reject the stated null hypothesis. The Chi-square test, T-test, One-way ANOVA and MANOVA tests were utilised. Below are the results of specific hypotheses tested during the study, indicating the hypothesis accepted or rejected in Table 6.2 and Table 6.3:

Hypothesis	Results					
Hypothesis 1: (Ho 1) There is no statistically	The chi-square test p value is p=0.001. Ho 1 is					
significant difference in the proportion of	rejected.					
business start-ups between the ILO and						
EMPRETEC programmes in terms of business						
start-up rates						
Hypothesis 2: (Ho 2) There is no statistically	The T-tests dependent samples p value is					
significant difference in job creation after trainees	p=0.001. Ho 2 is rejected.					
attended the ILO and EMPRETEC programmes						
Hypothesis 3: (Ho 3) There are no statistical	The T-test on business groupings p value is					
differences in job creation for entrepreneurs who:	p=0.677.					
- Ho 3.1: Started a new business	Ho 3.1: Started a new business is accepted.					
- Ho 3.2: are running a business						
Hypothesis 4: (Ho 4) There is no significant	Ho 3.2: Are running a business is accepted. The Chi-square test p value is p=0.007.					
	The Oni-square lest p value is p=0.007.					
difference in the training programmes' content in	Ho 4.1; 4.2; 4.3: 4.4 and 4.6 are accepted					
terms of meeting needs of the businesses:	Ho 4.5: Customer care is rejected					
Ho 4.1: Run a business						
Ho 4.2: Develop a business plan						

Table 6.2 Key Hypothesis results



Ho 4.3: Financial management							
Ho 4.4: Market research							
Ho 4.5: Customer care							
Ho 4.6: To access business finance							
Hypothesis 5: (Ho 5) There is no significant	Hypothesis Ho 5.1 is rejected for Factor 1=						
difference regarding skills transfer between start up and existing businesses with respect to selected entrepreneurship training programmes	Business performance skills transfer for the ILC programme at 95% confidence interval.						
for:	Hypothesis 5.1.1 is rejected for Factor 2= Business planning and performance skills for the ILO programme at 90% confidence interval						
Ho 5.1: ILO start-up and existing businesses							
Ho 5.2: Empretec start up and existing businesses	Hypothesis 5.1.2 is rejected for Factor 3=Programme methodology for the ILO programme at 90% confidence interval						
	Hypothesis Ho 5.2 is rejected for Factor 1=Business skills transfer for the Empretec programme at 95% confidence interval.						
	Overall there is no significant difference in skills transfer between the start-up and existing businesses for the other identified factors, for ILO and Empretec programmes.						
Hypothesis Ho 5.3: There are no significant	The Kruskal Wallis test p value is p= 0.000. The						
differences regarding skills transfer between the	multiple comparisons show that Factor 1=						
four training packages with respect to business	business skills knowledge transfer was						
skills.	statistically significantly higher for respondents						
	from the Emp-MEP training programme by						
	comparison with the ILO-SYB and Emp-EDW						
	training programmes. Hypothesis 5.3 is						
	rejected						
Hypothesis Ho 5.4: There are no significant	The Kruskal Wallis test p value is p=0.000. The						
differences regarding skills transfer between the	multiple comparisons show that Factor 2:						
four training packages with respect to	entrepreneurial skills knowledge transfer was						
entrepreneurial skills.	statistically significantly higher for respondents						
	from the Emp-MEP training programme by						
	comparison with the ILO-SYB and Emp-EDW						
	training programmes. Hypothesis 5.4 is						
	rejected						
	The Kruskal Wallis test p value is p=0.000. The						
Hypothesis Ho 5.5: There are no significant							
Hypothesis Ho 5.5: There are no significant differences regarding skills transfer between the							
differences regarding skills transfer between the	multiple comparisons show that Factor 1=						
differences regarding skills transfer between the four training packages with respect to business	multiple comparisons show that Factor 1= business performance acquisition of skills						
differences regarding skills transfer between the	multiple comparisons show that Factor 1=						



	programme by comparison with the ILO-SYB, ILO IYB and Emp-EDW training programmes at
	0.01 level. Further the Emp-EDW is statistically
	significantly higher than the ILO SYB package at
	0.05 level. The hypothesis 5.5 is rejected
Hypothesis Ho 5.6: There are no significant	The Kruskal Wallis test p value is p=0.001. The
differences regarding skills transfer between the	multiple comparisons show that Factor 2:
four training packages with respect to business	business planning and presentation acquisition
planning and presentation skills.	of skills transfer was statistically significantly
	higher for respondents from the Emp-EDW and
	MEP training programmes by comparison with
	the ILO-SYB. Hypothesis 5.6 is rejected
Hypothesis Ho 5.7: There are no significant	The Kruskal Wallis p value is p=0. 001.The
differences regarding skills transfer between the	multiple comparisons show that Factor 3=
four training packages with respect to	programme methodology was statistically
programme methodology.	significantly higher for respondents from the
	Emp-MEP and Emp-EDW training programme
	by comparison with the ILO-SYB. Hypothesis
	5.7 is rejected
Hypothesis 6: (Ho 6) There are no significant	There is a statistically significant difference for
differences regarding business	net profit sales and asset value; the p values
growth/performance for start-up businesses in	are p=0.10.
the ILO and EMPRETEC programmes	Ho 6.1: Sales is accepted. Ho 6.2: Profits and Ho 6.3 Asset Value are rejected
Hypothesis 7: (Ho 7) There are no significant	There is a statistically significant difference for
differences regarding business	asset value where the p value is p=0.006.
growth/performance for established businesses	Ho 7.1: Sales and Ho 7.2 Profit are accepted
in the ILO and EMPRETEC programmes	
Hypothesis 8: (Ho 8) There are no significant	H0 7.3: Asset Value is rejected There is a statistically significant difference for
differences regarding business performance	sales, profit and asset values in relation to
between male and female owned businesses	gender where the p values are p<0.05.
	Ho 8.1 Sales, Ho 8.2 Profit and Ho 8.3 Asset Value are rejected



Table 6.3 MANOVA hypothesis tests

MANOVA Tests on Hypotheses and	
Results	
 Hypothesis 9: (Ho 9) Statistical significance does not exist between trained entrepreneurs regarding the following variables: Ho 9.1: Age; Ho 9.2: Education Ho 9.3: Work experience; Ho 9.4: Economic sectors of business; Ho 9.5: Form of business; Ho 9.6: Place of business operation 	There is no statistically significant difference for Factor 1=Business Skills transfer before training with respect to all the demographic variables. Ho 9.1; 9.2; 9.3; 9.4;9.5; 9.6 are accepted
There is statistical significance for skills transfer before training for Factor 2=Entrepreneurial skills with respect to the demographic variables: - Legal form of business and Location/place of business operations. However, there is no statistically significant difference with respect to the demographics Age, Education, Work Experience, and Economic Sector. Ho 9.7: Age, Ho 9.8: Education, Ho 9.9: Work experience, Ho 9.10: Economic sectors of business are accepted Ho 9.11: Form of business and Ho 9.12: Place of business operation /Location are rejected	There is statistical significance for Factor 1= Business Performance skills after training with respect to the demographic variables: - Location/place of business operations and Legal form of business. However, no statistically significant difference was found with respect to the demographics Age, Education, Work Experience, Economic Sector. Ho 9.13: Age, Ho 9.14: Education, Ho 9.15: Work experience, Ho 9.16: Economic sectors of business are accepted Ho 9.17: Form of business and Ho 9.18: Place of business operation /Location are rejected
There is no statistical significance for skills transfer after training for Factor 2=Business planning and presentation skills with respect to the demographic variables: -Age, Education, Work Experience, Economic Sector, Legal form of business and Location/place of business operations. Hypothesis 9.19: Age, Ho 9.20: Education, Ho 9.21: Work experience, Ho 9.22: Economic sectors of business, Ho 9.23: Form of business and Ho 9.24: Place of business operation /Location are accepted	There is statistical significance for skills transfer after training for Factor 3= Programme methodology with respect to the demographic variables: - Location/place of business operations and Age. However, no statistically significant difference with respect to the demographics Education, Work Experience, Economic Sector and Legal form of business registration was found. Ho 9.25: Age and Ho 9.30: Place of business operation /Location are rejected Ho 9.26: Education, Ho 9.27: Work experience, Ho 9.28: Economic sectors of business, Ho 9.29: Form of business are accepted



6.5 Contribution of the study

This study contributes to the body of knowledge in the field of entrepreneurship by means of presenting a critical analysis of entrepreneurship training programmes for business start-up and growth. The contributions are on effective entrepreneurship training programme design aimed at SMEs, key factors to include in the structure, content and methodology of training programmes, the context of developing countries and effectiveness of globally implemented programmes and to the academic community and policy makers.

- 1. This study makes a contribution in the field of entrepreneurship, particularly entrepreneurship training programmes for small and medium enterprises.
- 2. The study reviewed four entrepreneurship training models by van Vuuren & Nieman (1999); Pretorius, van Vuuren & Nieman (2005); Botha (2006) and Kunene (2009). The key elements of these models were assessed on the two selected entrepreneurship training programmes for business start-up and growth. Both the ILO and Empretec training programmes have been used globally in Latin America, Asia, and Europe and in different countries throughout Africa, including Zimbabwe, for more than two decades.
- 3. The study contributes to the body of knowledge in developing countries, especially in Africa where the survivalist nature of entrepreneurship is a weakness. Global training programmes cannot have wide application without customisation and adaptation to context and programmes that work in developed countries will not necessary yield similar results in developing countries. The ILO SIYB programme has no rigorous empirical evidence about its efficacy (Moremong-Nganunu, Cunningham and Kindle,2008:83). Impact of the entrepreneurship training programmes was highest in Asia and lowest in Africa (Braun,2012:200).
- 4. The economic context of de-industrialisation and informalisation of an economy implied expansion of a SME sector in economic downturn due to necessity type activities. The study contributed to the extent of skills transfer, size of enterprises in that context.



- 5. The study generated five factors: entrepreneurship skills, business skills, business performance skills, business planning and presentation skills and programme methodology. These are identified as some of the critical elements in the training models reviewed and as necessary aspects of effective entrepreneurship training programmes. In other studies by Kunene (2009) and Botha (2006), the business plan emerges as a factor; however, in this study it had a high loading during the rotated factor procedure and was therefore excluded from the factor analysis.
- 6. The study was a validation of the entrepreneurship performance, integrated education training and the training for entrepreneurship models for 2 specific entrepreneurship programmes in the context of Zimbabwe. The job creation, business start-up and business performance outcomes of the ILO and Empretec programme were tested. No known empirical research has been carried out in Zimbabwe, or in any other country, in analysing the performance of the ILO and Empretec programmes together to compare the two global programmes.
- 7. The study established that the Empretec programme had a higher start up rate; most of the respondents had similar educational backgrounds which were higher than those of the ILO trainees. The Empretec sample contained a higher proportion of those with technical training. Combined with the entrepreneurship content of the Empretec curricula, the results correlate with other studies where business start-up and expansion are enhanced through programmes where technical, entrepreneurial and business skills are offered. Literature draws attention to the fact that the various skills needed by entrepreneurs are technical, business and entrepreneurial ones (Henry et al, 2005:104; van Vuuren & Botha, 2010: 7)
- 8. The study further contributes to the demographic variables that emerged as statistically significant in relation to the identified factors. The variables of location/ place of business operation and the legal form of business emerged as significant ones in relation to entrepreneurial skills and business performance factors. Literature emphasises how demographic variables such



as age, education and work experience are factors for success or failure of SMEs (Kunene, 2009: 47; Martinez et al, 2008:104).

- 9. The findings of the study contribute to the managerial implications of the ILO and Empretec programmes for ongoing and future implementation. The training programmes as regards design, content and structure need to include, at a minimum, key entrepreneurship skills and business skills during the core initial training. The training methodology is the key as the delivery of improved content yields better outcomes and results. Adapting flexible training durations for different target groups, and ensuring follow-up of trainees at a business site or in smaller group sessions to make sure about knowledge transfer and skills applications, improves programme outcomes.
- 10. The study offers donors, sponsors and governments supporting entrepreneurship programmes more insights regarding where to invest their financial resources for effective training programmes, as well as the minimum curriculum content to expect. Millions of dollars in funding from various donors have gone to the development of each ILO and Empretec programme as well as for expansion in different global contexts.
- 11. Impact evaluations of ILO and Empretec programmes should systematically assess the business performance (sales, profit, assets) of business start-ups and existing businesses, beyond job creation results.
- 12. The ILO-SYB and Empretec-EDW training packages transpire as having significant skills transfer effects as regards the five identified factors. The ILO-IYB and Empretec-MEP packages resulted in a lower skills transfer effect.
- 13. The ILO and Empretec programmes both include simulation of actual business or experiential learning through playing a business game, well allowing the methodologies to be effective. Compared to other training programmes, they go beyond the development of a business plan template. In an evaluation of entrepreneurship programmes in developing countries the author Braun (2012:201) established that younger participants found it easier to apply action learning than those with higher level of formal education.



- 14. The study established that post training follow-up was weak in both programmes; such follow-up has been found in other studies on entrepreneurship to be essential to support knowledge and skills transfer from acquiring the skills to their application and attitude change, through group based, one-on-one mentoring and coaching on fundamental information gaps.
- 15. The study contributes to the body of knowledge and ongoing research by reporting information about starting-up businesses and growth for small and medium enterprises as well as furnishing information on relatively young to middle aged entrepreneurs in Zimbabwe.
- 16. The results provide lessons for the international community and countries in Africa in terms of investing and supporting entrepreneurship and enterprise development.

6.6 Limitations of the study

The study critically analysed two global entrepreneurship training programmes with respect to business start-up and growth. All research has its limitations and the researcher acknowledges and recognises this. The following limitations of the study are brought to the attention of the reader:

- The study used models based in the context of South Africa, a more developed and stable economy than that of Zimbabwe
- The study was a cross-sectional, ex post facto design. A longitudinal study of both ILO and Empretec trainees would be recommended in tracking changes and progress within a specific country's context and tracking before training, and after training for 6 monthly intervals such as 6, 12, 18 months afterwards. Further research with control groups for both programmes would enrich the results and the scope of attribution
- The Zimbabwean context of the study limits the generalisation of the findings
- The sample size of each town/ location in the country should be increased, to fully explain the location specific characteristics in Zimbabwe
- The extent of skills transfer of each programme needs to be further analysed, using larger sample sizes for each of the training packages that constitutes the ILO and Empretec business start-up and growth training



- The records of training activities conducted by training providers indicated that few training workshops were conducted from year to year and per location, limiting access by the researcher to more respondents in terms of research for a particular period of training that allowed for knowledge maturity.
- The respondents were enthusiastic to participate but expected that the research effort would be part of the follow-up support they had not received from the training providers. Some respondents anticipated support to access business finance, a lack of which, they indicated, limited their capacity to start their businesses.
- The changes or lack thereof at entrepreneur and enterprise level may not all be totally attributed to each of the ILO and Empretec programmes as the external factors of the volatile operating environment in Zimbabwe may have contributed. The periods when respondents were trained 2011-2013, which was immediately after the 2009 dollarisation in the economy. The period covered by the research was 2013, when businesses were facing a credit crisis in the economy and high unemployment statistics were being reported; hence people tended to operate survivalist types of business.
- The respondents' bias may be a limitation. The research instrument, the questionnaire, was administered by the researcher and trained enumerators; however, business owners interviewed may not have been willing to provide information pertaining to the financial performance of their businesses.

Despite the limitations, the study was essential to identifying key factors of skills transfer from each of the ILO and Empretec programmes in stimulating entrepreneurial activity.

6.7 Recommendations

The study's results and approaches contribute to further research on the key issues emerging from the findings. The research has highlighted key skills transfers that contribute to business start-up and growth for SMEs. The following recommendations are made:



- 1. The comprehensive integration of entrepreneurship training programmes in the educational system in Zimbabwe is vital, in both primary and tertiary institutions. The educational policy-makers in Zimbabwe can benefit from the findings on how to integrate entrepreneurship training earlier on the primary, secondary and tertiary education levels. It is noted that the policies need to be reviewed as regards the two pathway education structure where one is an academic, and the other a skills pathway (Kanyenze et al, 2011:311). The Ministry of Education could capitalise on this, ensuring the integration of entrepreneurship training for learners within the latter pathway for business, commercial, technology/ technical vocational education, which begins in the third year of high school, prior to the fourth and sixth years of high school where high rates of school drop-outs exist in the educational system.
- 2. In light of the results which identified five factors needed for the following skills: entrepreneurship, business, performance, business planning and presentation and methodology, donors, sponsors and training providers, should at a minimum, work with programmes to integrate the above skills to achieve business start-ups and growth.
- 3. The training models reviewed emphasise critical skills, such as business, entrepreneurship and technical skills, as well as facilitation and programme methodology, as essential for entrepreneurship training programmes. The ILO and Empretec programmes should seek content, structure and methodology improvements and aim at enhancing the capacities of their different delivery channels.
- 4. The stages of the entrepreneurial process for start-up and growth require sets of skills or competencies with which SMEs should be equipped as they evolve through the stages. Training programmes should offer the requisite skills for the pre-start, start-up and growth stages of businesses.
- Longitudinal studies, undertaking research into respondents before and after intervention and at 6 monthly time intervals, are recommended for the ILO and Empretec training programmes as well as to inform impact evaluation studies which are more valid.



- 6. Further research with control groups and longitudinal designs for both the ILO and Empretec programmes should be conducted to increase external validity.
- 7. In-depth analysis is recommended concerning the implications of demographic factors such as location/region in a specific country's context, the legal form of the business (registered on not) and the entrepreneur's age, in order to establish the extent to which they contribute significantly to skills transfer results.
- 8. Further comparative research into women-owned businesses whose proprietors have been trained under both programmes would also contribute to knowledge
- 9. Further comparative research investigating youth trained under both programmes could also be enriching in countries where both programmes have been implemented.
- 10. In-depth research into the effectiveness of the Empretec actual business simulation and the ILO business game during training is needed to improve programme methodology towards increasing business start-up rates.
- 11. Policy makers need to ensure national policies that encourage a culture of entrepreneurship. In this respect, SME policies need to be enhanced further with entrepreneurship policies.
- 12. Role models and profiling of SMEs are needed at national level with the acknowledgement of entrepreneurship as a respectable career choice. The Ministry of SMECD could ensure that the policy provisions for SME infrastructure, business incubators, expos and business training deepen SME support through entrepreneurship and vocational skills training.
- 13. Entrepreneurs are recommended to equip themselves with technical skills for the type of business they seek to start or expand. Business and entrepreneurship skills training lead to greater business start-up success, as argued earlier.
- 14. Government, through different Ministries such as SMECD, Industry and Commerce, should provide an enabling environment to support formalisation of



businesses and the provision of business premises as locations to operate in both urban and rural areas. Simplifying the legal issues for a business, by easing business registration for example, is essential to improved success amongst SMEs.

15. Donors and corporate sponsors are recommended to support holistic programmes which offer technical, business and entrepreneurship skills and competencies for business success in start-ups and growth. do Paço & Raposo (2011:454) indicate that there are various types of entrepreneurship education and training which are education for, about and in entrepreneurship

6.8 Managerial Implications of the Study

The study draws attention to the following managerial implications of the ILO and Empretec programmes for ongoing and future implementation:

- The level of investments made in the programmes now needs to focus on adaptation of the programmes for the African context, differences in culture, traditions, language and content improvements to ensure that both entrepreneurial and business skills are covered.
- The ILO programme should strengthen the entrepreneurship skills content in its training packages to complement the business skills content.
- It is necessary that the Empretec programme strengthen the business skills content in its training packages to complement the strong entrepreneurial skills content.
- Both the ILO and Empretec programmes are weak in follow-up support, which is vital for enhancing business start-up and growth.
- Further managerial implications of the study are that there is a need for further effective adaptation of the ILO and Empretec programmes to Africa and also for the standardisation of the minimum expected delivery of the training programme by different trainers and training providers.



- The ILO and Empretec programmes require more systematic and deliberate strategic intentions to effect linkages to financial services and products through different types of financing institutions and models that suit the different training target groups, as training alone will not achieve business start-up and growth.
- At present, the primary and secondary school curriculum is under review to incorporate technical, practical skills alongside the academic subjects. However, entrepreneurship and business skills are also central to entrepreneurial success. The pedagogy will also need to be adapted to enhance entrepreneurship.
- In Zimbabwe, the current national SME policy under the Ministry of SMEs could be further enhanced through the development of a national entrepreneurship policy under the Ministry of Industry and Commerce.

The researcher intends to research further in the area of programme design and evaluation of training effectiveness for both youth and women entrepreneurship programmes. Given the demographic dividend of the young population in Africa and development focus on inclusive growth encompassing women as an economic market segment, it is a niche area. The researcher will continue to research on the linkage of trained entrepreneurs to financial services and integration of entrepreneurship into the educational system. Dissemination of the doctoral research findings will be through journal articles and conference papers and contributions to policy formulation for entrepreneurship and SME development.

6.9 Summary and Conclusion

The chapter revisited the literature review which covered key constructs and concepts from the field of entrepreneurship pertaining to training and education programmes. The objectives and hypotheses were revisited and explained.

This study has indeed contributed to the science of entrepreneurship and the critical analysis of entrepreneurship training programmes for business start-up and growth. Key five factors were identified in the study and contribute to elements necessary for integration, improvements and enhancement of the entrepreneurship training programmes selected for research, namely the ILO and Empretec programmes.



The research findings demonstrated the extent of skills transfer by each training programme and the effect of each in contributing towards business start-up rates, job creation and business performance.

It is anticipated that the study findings will make an important contribution in the design, implementation of entrepreneurship programmes and policy formulation in support of SMEs toward economic development. This chapter highlights key recommendations and managerial implications of the findings for the ILO and Empretec programme developers and funders.



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Annex 1: SME survey questionnaire



Questionnaire for Small and Medium Enterprises (SMEs)-PhD Study

Chair in Entrepreneurship

Department of Business management

Faculty of Economics and management

Dear Respondent

The questionnaire is part of a PhD study on entrepreneurship training programmes for business startup and growth.

- Your participation in this study is very important to us. You may, however, choose not to
 participate and you may also stop participating at any time without any negative
 consequences.
- Please answer the questions in the questionnaire as guided by the interviewer or you can complete it as honestly as possible. This should not take more than 35-40 minutes of your time.
- All the information will be treated as STRICTLY CONFIDENTIAL and will only be used for academic purposes. Please feel free to contact the researcher or promoter in case of any queries concerning the questionnaire.

The Researcher: - Mrs. L.P.R. Mandengenda

Mobile: 00263 773-841330 or 00263 712-042370

Email; lmandengenda@yahoo.com

The Promoter/Study leader: - Professor Jurie van Vuuren

Mobile 0027-832710020

Email: <u>Jurie.vanVuuren@up.ac.za</u>

Instructions for Completion

- 1. Please read the questions and instructions to answer them carefully
- 2. Please answer the questions as objectively and honestly as possible
- 3. Please answer based on your own business and experiences
- 4. Where asked for comments or to express your own opinion, keep the answers short and to the point
- 5. Please answer all questions as this will provide more information to the researcher so that an accurate analysis and interpretation of data can be made



Respondent Number				FOR OFFICE USE ONLY
THESE QUESTIONS ARE TO BE	COMPLETED	BY ALL TRA	INEES	
1. Training Programme received				
		Mon		
Training Programme receive	eu rear	MON		· · · · · · · · · · · · · · · · · · ·
1. ILO SYB				V1.1
2. ILO IYB				V1.2
3. Empretec EDW				V1.3
4. Empretec MEP				V1.4
DEMOGRAPHIC INFORMATION				
2. Your Gender				
Female		1		
Male		2		V2
3.Position :				
Owner		1		
Manager		2		V3
Other, specify		3		V3
4. Geographic Location				
1.Bulawayo	3. Harare			
2. Chitungwiza	4. Mutare			
5. How old are you?	Years			V4
6. What is your mother tongue?				
1.Shona	3. English			V5
2. Ndebele	4. Other, speci	fy		
7. What is the highest level of ea	ucation you ha	ve reached	?	V6
Below or equal to Grade 7		1		
GCE O level		2		V7
GCE A Level		3		
Diploma		4		
Undergraduate/ First degree		5		
Masters Degree		6		
Other, specify		7		



TECHNICAL SKILLS TRAINING

8. What kind of technical skills training have you received in the past?

Mechanical	1
Manufacturing	2
Agricultural	3
Other , specify	4

V8.1	
V8.2	
V8.3	
V8.4	

ENTREPRENEURIAL AND BUSINESS SKILLS

9. If you have received training in any of the following from the Training Programme; How do you rate yourself in terms of knowledge and skills in the following before and after training?

SKILLS	Rate Befo						e Aft			
		Trai		-			inin	-		
	Pi	rogr	amr	ne	P	rog	ram	me		
	POOR	AVERAGE	VERY GOOD	EXCELLENT	POOR	AVERAGE	VERY GOOD	EXCELLENT		
1. Developing a business plan	1	2	3	4	1	2	3	4	V9.1	
2. Conducting market research	1	2	3	4	1	2	3	4	V9.2	
 Business systems, processes, procedures and records 	1	2	3	4	1	2	3	4	V9.3	
4. Business linkages and networking	1	2	3	4	1	2	3	4	V9.4	
5. Communication and access to information	1	2	3	4	1	2	3	4	V9.5	
 Computer literacy and information technology 	1	2	3	4	1	2	3	4	V9.6	
7. Using mentors and counsellors	1	2	3	4	1	2	3	4	V9.7	
8. Using business consultants	1	2	3	4	1	2	3	4	V9.8	
9. Decision making, creative problem solving	1	2	3	4	1	2	3	4	V9.9	
10. General management	1	2	3	4	1	2	3	4	V9.10	
11. Cashflow management	1	2	3	4	1	2	3	4	V9.11	
12. Drawing up financial statements, profit and loss statement, balance sheets	1	2	3	4	1	2	3	4	V9.12	
13. Human resource management and organisational planning/development, leadership	1	2	3	4	1	2	3	4	V9.13	



DescriptionDescriptionDescription14. operations, quality control, production planning1215. Suppliers, purchasing, inventory management1216. Marketing, promotions, customer relations1217. Competitor analysis1218. Managing business growth1219. Developing a strategic plan1220. Legal (business registration, licensing, government regulations and requirements)1221. Idea generation, opportunity identification and evaluation1222. Creativity and innovation1223. Risk taking (calculated)1224. Self-motivation, commitment confidence building1225. Problem solving, decision making, ability to learn1226. Persistence and determination1227. Need for achievement12	VERY GOOD 3 4 3 4 3 4 3 4 3 4 3 4 3 4 3 4 3 4	POOR 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	AVERAGE 2 2 3	EXCELLENT 4 4	V9.14 V9.15
planningI215. Suppliers, purchasing, inventory management1216. Marketing, promotions, customer relations1217. Competitor analysis1218. Managing business growth1219. Developing a strategic plan1220. Legal (business registration, licensing, government regulations and requirements)1221. Idea generation, opportunity identification and evaluation1222. Creativity and innovation1223. Risk taking (calculated)1224. Self-motivation, commitment confidence building1225. Problem solving, decision making, ability to learn1226. Persistence and determination12	3 4 3 4 3 4 3 4 3 4	1 1 1 1	2 3 2 3	4	
managementI16. Marketing, promotions, customer relations1217. Competitor analysis1218. Managing business growth1219. Developing a strategic plan1220. Legal (business registration, licensing, government regulations and requirements)1221. Idea generation, opportunity identification and evaluation1222. Creativity and innovation1223. Risk taking (calculated)1224. Self-motivation, commitment confidence building1225. Problem solving, decision making, ability to learn1226. Persistence and determination12	3 4 3 4 3 4	1	2 3		V9.15
relationsI17. Competitor analysis118. Managing business growth119. Developing a strategic plan120. Legal (business registration, licensing, government regulations and requirements)121. Idea generation, opportunity identification and evaluation122. Creativity and innovation123. Risk taking (calculated)124. Self-motivation, commitment confidence building125. Problem solving, decision making, ability to learn126. Persistence and determination1	3 4 3 4	1		4	
18. Managing business growth1219. Developing a strategic plan1220. Legal (business registration, licensing, government regulations and requirements)1221. Idea generation, opportunity identification and evaluation1222. Creativity and innovation1223. Risk taking (calculated)1224. Self-motivation, commitment 	3 4				V9.16
19. Developing a strategic plan1220. Legal (business registration, licensing, government regulations and requirements)1221. Idea generation, opportunity identification and evaluation1222. Creativity and innovation1223. Risk taking (calculated)1224. Self-motivation, commitment confidence building1225. Problem solving, decision making, ability to learn1226. Persistence and determination12		1	2 3	4	V9.17
20. Legal (business registration, licensing, government regulations and requirements)1221. Idea generation, opportunity identification and evaluation1222. Creativity and innovation1223. Risk taking (calculated)1224. Self-motivation, commitment confidence building1225. Problem solving, decision making, ability to learn1226. Persistence and determination12	3 4	•	2 3	4	V9.18
government regulations and requirements)I21. Idea generation, opportunity identification and evaluation1222. Creativity and innovation1223. Risk taking (calculated)1224. Self-motivation, commitment confidence building1225. Problem solving, decision making, ability to learn1226. Persistence and determination12		1	2 3	4	V9.19
identification and evaluation122. Creativity and innovation123. Risk taking (calculated)124. Self-motivation, commitment confidence building125. Problem solving, decision making, ability to learn126. Persistence and determination1	3 4	1	2 3	4	√9.20
23. Risk taking (calculated)1224. Self-motivation, commitment confidence building1225. Problem solving, decision making, ability to learn1226. Persistence and determination12	3 4	1	2 3	4	V9.21
24. Self-motivation, commitment confidence building1225. Problem solving, decision making, ability to learn1226. Persistence and determination12	3 4	1	2 3	4	V9.22
confidence buildingI25. Problem solving, decision making, ability to learn126. Persistence and determination1	3 4	1	2 3	4	V9.23
ability to learn26. Persistence and determination12	3 4	1	2 3	4	V9.24
	3 4	1	2 3	4	V9.25
27. Need for achievement12	3 4	1	2 3	4	V9.26
	3 4	1	2 3	4	V9.27
28. Being independent and in control 1 2	3 4	1	2 3	4	V9.28
29. Hard work and enthusiasm 1 2	3 4	1	2 3	4	V9.29
30. Use of role models 1 2	3 4	1	2 3	4	V9.30
31. Securing resources and finance for 1 2 business start-up and growth 1	3 4	1	2 3	4	V9.31



	S	Level of Satisfaction						
	Highly dissatisfied	Dissatisfied	Fairly Satisfied	Highly Satisfied			V10.1 V10.2 V10.3	
1. ILO SYB	1	2	3	4			V10.4	
2. ILO IYB	1	2	3	4				
 Empretec EDW Empretec MEP 	1	2 2	3 3	4			V11	
	e after the	e trai	ning	j pro	gramme	?	V12.2 V12.3	
VVN2t KING AT TAILAW LID AID VALL FACALV	e alter th	e trai	mig) pro	ji amini	71		
2. What kind of follow up did you receiv							V12.4	
No follow-up	1							
No follow-up Dne on one	2						V12.4 V12.5	
No follow-up Dne on one Small group								
No follow-up Dne on one	2							
No follow-up Dne on one Small group Vorkshop	2 3 4 5 orogramm	e for	• Sm ?	all a	nd Medi	um		
No follow-up Dne on one Small group Vorkshop Dther, specify B. In your view, what should a training p Interprises offer and cover to meet your	2 3 4 5 orogramm	e for	· Sm ?	all a	nd Medi	um	V12.5 V13.1	
No follow-up Dne on one Small group Vorkshop Dther, specify B. In your view, what should a training p Interprises offer and cover to meet your How to run a business	2 3 4 5 orogramm expectat	e for ions'	· Sm ?	all a	nd Medi	um	V12.5 V13.1 V13.2	
No follow-up Dne on one Small group Vorkshop Dther, specify B. In your view, what should a training p Interprises offer and cover to meet your	2 3 4 5 orogramm expectat	e for ions'	· Sm ?	all a	nd Medi	um	V12.5 V13.1 V13.2 V13.3	
No follow-up Dine on one Small group Vorkshop Dther, specify B. In your view, what should a training p hterprises offer and cover to meet your How to run a business How to develop a business plan	2 3 4 5 orogramm expectat 1 2	e for ions	: Sm ?	all a	nd Medi	um	V12.5 V13.1 V13.2 V13.3 V13.4	
No follow-up Dne on one Small group Vorkshop Dther, specify 6. In your view, what should a training p therprises offer and cover to meet your How to run a business How to develop a business plan	2 3 4 5 9rogramm expectat 1 2 3	e for ions	: Sm ?	all a	nd Medi	um	V12.5 V13.1 V13.2 V13.3 V13.4 V13.5	
No follow-up Dne on one Small group Vorkshop Dther, specify B. In your view, what should a training p terprises offer and cover to meet your How to run a business How to develop a business plan Financial management Market research	2 3 4 5 orogramm expectat 1 2 3 4	e for ions	• Sm ?	all a	nd Medi	um	V12.5 V13.1 V13.2 V13.3 V13.4 V13.5 V13.6	



14. To what extent do you agree or disagree that the training programme you received assisted you in the following:-

Training Received	Strongly Disagree	Disagree	Agree	Strongly Agree
1. To start your business	1	2	3	4
2. To run and grow your business	1	2	3	4
3. To compile a business plan	1	2	3	4
4. To present a business plan to other	1	2	3	4
trainees/facilitator				
5. To present business plan to finance institutions	1	2	3	4
6. To develop or increase new products/services	1	2	3	4
7. To do financial and cashflow planning	1	2	3	4
8. In sales improving due to training	1	2	3	4
9. In recruitment of employees improving due to	1	2	3	4
training				
10. In productivity levels increasing due to training	1	2	3	4
11. In business profitability increasing	1	2	3	4
12. In growth in the net value of a business	1	2	3	4
13. Your motivation and confidence levels	1	2	3	4
improving				
14. Your creativity and innovation improving	1	2	3	4
15. The training quality met your expectations	1	2	3	4
16. Training received was relevant to your needs	1	2	3	4
17. Training received was useful to a business	1	2	3	4
18. The trainer/ facilitator used real business	1	2	3	4
examples and case studies during training				
19. The trainer/facilitator encouraged participants to	1	2	3	4
share their own business experiences				



THESE QUESTIONS ARE FOR TRAINEES WHO	O OWN A BUSINE	ESS:-		
a)STARTED A BUSINESS AFTER TRAINING	OR			
b) HAD AN EXISTING BUSINESS BEFORE TRA				
BUSINESS INFORMATION. IF TRAINEE NOT	T IN BUSINESS G	60 TO Q33		
15. Which year did you start your main busine	ss?		V15	
16. How long have you worked in formal emplo	oyment before yo	ou started the		
business?Years			V16	
17. What is the Location of your business?				
Industrial	1		V17	
Central business district	2			
Residential suburb	3			
Residential township	4			
Rural	5			
Other, specify	6			
18. What is the form of business registration?				
Private Limited Company	1		V18	
Sole proprietor/Not registered	2			
Partnership	3			
Cooperative	4			
Public Business Corporation (PCB)	5			
Other, specify	6			
19. In which economic sector is the business y	/ou run?		V19.1	
Retail	1		V19.2	
Services	2		V19.3	
Wholesale	3		V19.4	
Manufacturing	4		V19.5	
Mining	5		V19.6	
Agriculture	6		V19.7	
Other, specify	7		V I OII	
20. What is the specific line of your business?	V20			
21. How many employees do you currently hav	V21			
22. How many employees did you start with (ir	V22			
23. What are the major Products or Services of a) At present	siness?	V23.1		
b). When you started the business			V23.2	



24. Who are your current custom	ers?				
Individuals	0.0.	1			V24.1
SMEs		2			V24.2
Large Companies		3			V24.3
Government Ministries	4			V24.4	
NGOs	5			V24.5	
Other, specify		6			V24.6
		U			
25. What is the Total Gross Annu	al Sales Turr	nover of yo	our busine	ss?	
Turnover US \$	Before Trai	ning	After Trai	ning	V25.B
1. Below or equal to 5000					V25.A
2. 5,001 -10000					
3. 10,001 - 20000					
4. 20,001 – 50,000					
5. Above 50,000					
26. What is the Total Net Annual Profit US \$	Profit of your Before Trai		s? (Sales - After Trai	-	V26.B
1. Below or equal to 5,000					V26.A
2. 5,001 -10,000					
3. 10,001 - 20,000					
4. 20,001 – 50,000					
5. Above 50,000					
			Before Training	After Training	V27.1
1.Business land/space			1	1	V27.2
2.Building owned (excluding resid			2	2	V27.3
3.Business Equipment and machin	nery(of core b	ousiness)	3	3	V27.4
4.Business Vehicle/s			4	4	V27.5
5.Business stock			5	5	V27.6
6.Other, specify			6	6	
28. What is the current Gross Val immovable property)?	ue of the Bu	siness Ass	sets (exclu	ıding	
		Training	Trainir	na	
1.Below or equal to \$5,000		1	1	· J	V28.B
2.\$5,001 – 10,000		2	2	—	V28.A
3.\$10,001-20,000		3	3	—	
4.\$20,001-50,000		4	4		
5.Above \$ 50,000		5	5		
		-			



29. What were the sources of finance for your business at start-up?

Personal savings	1
Family	2
Friends	3
Overdrafts	4
Loans	5
Venture capital	6
Earnings retained in the business	7
ROSCAs	8
NGO	9
Other, specify	10

V29.1	
V29.2	
V29.3	
V29.4	
V29.5	
V29.6	
V29.7	
V29.8	
V29.9	
V29.10	

30. What sources of finance have you used since to run and grow your business?

Personal savings	1
Family savings	2
Friends	3
Overdrafts	4
Loans	5
Venture capital	6
Earnings retained in the business	7
ROSCAs	8
NGO	9
Other, specify	10

V30.1	
V30.2	
V30.3	
V30.4	
V30.5	
V30.6	
V30.7	
V30.8	
V30.9	
V30.10	

31. Which finance institutions have you applied to for business finance?

Commercial Banks	1
Microfinance Institutions	2
Development Banks	3
Lease/hire companies	4
Venture capital companies	5
Business Angels	6
Government Funds	7
NGO	8
Other, specify	9

32. If you applied for business finance in Q31, what was the purpose of the finance?

To start a business	1
Business expansion	2
Working capital	3
Capital expenditure (equipment, machinery)	4
Other, specify	5

V31.1	
V31.2	
V31.3	
V31.4	
V31.5	
V31.6	
V31.7	
V31.8	
V31.9	

V32.1	
V32.2	
V32.3	
V32.4	
V32.5	



THESE QUESTIONS ARE TO BE COMPLETED BY ALL TRAINEES

FACTORS AFFECTING BUSINESS PERFORMANCE

33. In your view, what are the major contributions of SMEs to the economy?

Economic development	1
Employment creation	2
Innovation and technology transfer	3
Development of skills	4
Offer goods and services	5
Other, specify	6

34. What are the factors that contribute to the success of SMEs and business performance?

Financial management	1
Operations management	2
Marketing	3
Motivation	4
Creativity and Innovation	5
Access to finance	6
Training and education	7
Management and leadership	8
Business registration	9
Other, specify	10

35. In your view, what are the barriers to the development of SMEs?

Government policies and regulations	1
Economic environment	2
Political environment	3
Cultural factors	4
Lack of human Resource skills	5
Legal requirements	6
Business licensing	7
Lack of access to finance	8
Lack of business premises	9
Other, specify	10
	10
	10

THANK YOU

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V33.1	
V33.2	
V33.3	
V33.4	
V33.5	
V33.6	

V34.1	
V34.2	
V34.3	
V34.4	
V34.5	
V34.6	
V34.7	
V34.8	
V34.9	
V34.10	

V35.1	
V35.2	
V35.3	
V35.4	
V35.5	
V35.6	
V35.7	
V35.8	
V35.9	
V35.10	