

ADDRESSING UNEMPLOYMENT AMONG YOUNG GRADUATES IN SOUTH AFRICA: THE ROLE OF ENTREPRENEURSHIP EDUCATION



EDWIN OKEY IJEOMA, MBA, PhD

University of Pretoria

ALAIN NDEDI, MSC.

Yenepad Consulting Pretoria

PRESENTATION OUTLINE

(1) INTRODUCTION

(2) UNDERSTANDING ENTREPRENEURSHIP

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EDUCATION**

(5) RESEARCH FINDINGS

(6) POLICY LESSONS FOR SOUTH AFRICA

**(7) RECOMMENDED FRAMEWORK FOR
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(8) CONCLUSION

(1) INTRODUCTION

- ✦ Since 1994 SA became a democratic state.
- ✦ Transformation of all sectors of government.
- ✦ Introduction of the RDP.
- ✦ Introduction of GEAR.
- ✦ Transformation of educational systems.
 - * Less emphasis on Entrepreneurial educations Need for the transformation of the ----- of diplomas, courses and degrees in Entrepreneurship.

(2) UNDERSTANDING ENTREPRENEURSHIP

Origin: J.B say 1767-1832 French Economist
Entrepreda > meaning

- ◆ To undertake
- ◆ To pursue opportunities
- ◆ To fulfill needs and wants through innovation

According to the latest meaning in dictionaries

- ◆ Undertake to organize
- ◆ Manage
- ◆ Assume the risk of business

Drucker 1985: Entrepreneurship management and business is magic.

Basu 2004: Entrepreneurship is developing an aspiration that is uncommon or different from others.

Ibrahim & Soufani 2007:

Entrepreneurship is simply imagination, high need for achievement.

(3) THE NEED FOR ENTREPRENEURSHIP EDUCATION

Mac Isaacs 1996: Entrepreneurship is central to:

- ✦ Innovation
- ✦ Economic growth
- ✦ Job creation
- ✦ Empowerment at all levels
- ✦ Poverty reduction and
- ✦ Wealth creation

(4) CREATING JOBS THROUGH ENTREPRENEURSHIP EDUCATION

HISTORICAL EXPERIENCE IN THE USA

- ✦ Entrepreneurship can be traced to many centuries without notice, without records.
- ✦ Modern entrepreneurial Research in 1979 – David Birch, Massachusetts Institution of Technology (MIT) in a book: The Job creation process.

Research findings in the book

- ✦ Between 1969-1976, new and smaller firms created 81.5% jobs in the USA.
- ✦ Between 1993-1996: 8 million jobs were created in the USA. 77% were by small entrepreneurs.
- ✦ During Late 1960's, one out of four persons in workforce were entrepreneurs.
- ✦ In 1980's – small firms employed one out of four work force.

(5) RESEARCH FINDINGS

- ✦ Job creation is directly linked to initiatives that promote entrepreneurship in the USA.
- ✦ Job creation and poverty alleviation was a direct result of promotion of Institutions of entrepreneurs, especially skills development, training and mentoring.
- ✦ Self employment and entrepreneurship increase self esteem and greater confidence.

(6) POLICY LESSONS FOR SOUTH AFRICA

- ✦ Since Democratic rule in 1994, unemployment in SA increased.
 - In 2000 - 46%
 - 2005 - 56%
 - 2006 - between 47 -50%.
- ✦ In 1996: Kourilsky: SA entrepreneurship as a critical resource for economic growth and job creation.
- ✦ In 2007: Timmons & Spinelli: there is no substitute for entrepreneurship.

Main Lessons

South Africa need to unleash several education entrepreneurship programs in its institutions.

- Management of creativity and knowledge.

- Entrepreneurship education precedes training in entrepreneurship.



(7) RECOMMENDED FRAMEWORK FOR ENTREPRENEURSHIP EDUCATION

Skills Development

◆ Introduction of required:

- Attributes and behavior
- Training modules and courses
- Development awareness and character
- Communication skills
- Persuasion
- Creativity and innovation

(7) Recommended framework cont.

- Critical thinking
- Assessment
- Leadership
- Negotiation
- Problem solving
- Social networking
- Time management



ALTERNATIVE UNDERSTANDING METHODS

Ornstein in 1975 – Brain is divided into two hemispheres.

- Left side hemisphere
- Right side hemisphere

✦ Left-side hemisphere

- Language
- Logic
- Symbols
- Process

✦ Right-side hemisphere

- Emotion and intuition
- Processing information
- Rely heavily on images
- Unconditional
- Unsystematic
- Unstructured

Note: It is the right brain lateral thinking that is in the heart of creative process.

DEVELOPMENT OF ENTERPREURIAL BEHAVIOR

Lewis: 1987 – traditional approach

- ✦ Students acquire knowledge step by step.
- ✦ Academic goals means successful studentship.
- ✦ Learn by listening, taking notes and reading books.

Gibbs 1987 – Enterprising individual

- ✦ Focus on educational systems
- ✦ Development of skills and behavior

Behavior includes

- ✦ Role orientation to emphasize effectiveness
- ✦ Abilities to
 - Think intuitively
 - Rationally
- ✦ Motivation: Driving force behind every action.



APPROACH TO LEARNING

Why? To give students ownership & good understanding

- ✦ Problem solving in real-world situation.
- ✦ Encourage students to formulate decisions on data.
- ✦ Provide students with role-models.

CREATIVITY & INNOVATION

- ✦ Regards idea generation.
- ✦ Finding opportunities

Learning Logs

- ✦ Learning seminars on Entrepreneurship
- ✦ Education, awareness, learning to reflect action and reflections

BUSINESS INCUBATION

- ✦ Linking theoretical training to practical exposure
- ✦ Facilitate business designs, establishment and start-up phase
- ✦ Mentoring



CONCLUDING REMARKS

The paper established that better entrepreneurship require

- Good skills,
- Good attributes,
- Good behavior
- Learning and development
- Mentoring activities

To build a sustainable Entrepreneurial capabilities.

THANKS FOR LISTENING

