



POLYTECHNIC OF NAMIBIA

**EVALUATING THE EFFECTIVENESS OF AN ADULT
ENTREPRENEURSHIP TRAINING PROGRAMME IN NAMIBIA**

BY

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THESIS

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APRIL 2013

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“Praise the bridge that carried you over”

George Colman

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Abstract

Small and Medium Enterprises play an important role in emerging economies with its capacity to create employment opportunities and hence contributing to a country's GDP. The training of adult entrepreneurs however remains a challenge as there is no consensus as to the components that should be included in such training initiatives. This study aims to evaluate an adult entrepreneurship programme in terms of its content, delivery methods and outcomes concurrent to the perceived values and challenges experienced by entrepreneurs in the Namibian business community. A cross-sectional research approach was followed, with surveys distributed to a convenience sample of Entrepreneurs ($N= 102$) who participated in the training programme. The results overall showed that the respondents benefitted to a large extent from the training programme. The training programme contributed to improved business performance, an increased client base for the respondents, improved work attitude and overall entrepreneurial skills. Various challenges are faced by entrepreneurs, of which the perceived values of the Namibian market plays an important role. The research presents an integrated framework by combining the elements of the macro, meso and micro environments to enable the effective transfer and application of knowledge for adult entrepreneur trainees in their respective businesses. Recommendations are made.

Keywords:

Entrepreneurship, adult training programme, effective adult training, Namibia.

Chapter 1: BACKGROUND AND INTRODUCTION TO STUDY

1.1 Introduction

Namibia operates an open, dynamic, competitive, and diversified economy that provides sustained economic growth, which is the basis for utilising resources for the fulfilment of major national objectives like poverty reduction, human resource development, employment creation, and the provision of adequate social services and infrastructural facilities (National Planning Commission Namibia, 2004). This chapter discusses the background to the problem, the problem statement, motivation of the study, research objectives, importance and benefits of the study, assumptions, definition of key terms, the format of the study, links to the field of study, the chapter outline, and, finally, the conclusions drawn from the chapter. The chapter orientation is presented diagrammatically in Figure 1.1.

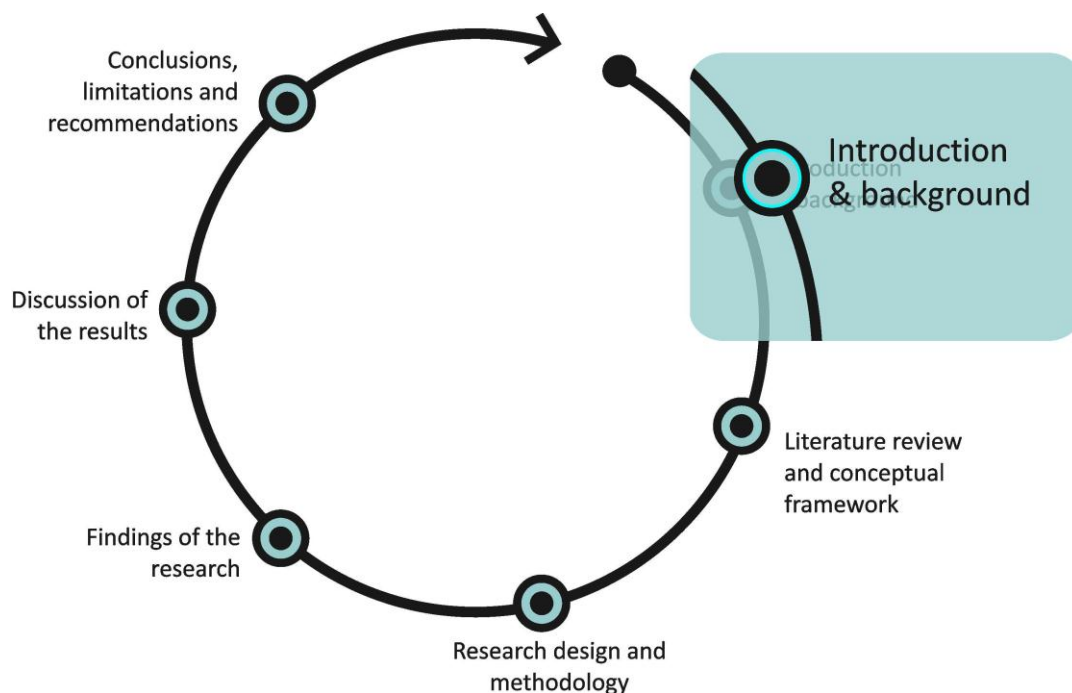


Figure 1.1. Chapter 1 in Context

1.2 Background and Context of the Study

The art and science of being an entrepreneur are receiving increased attention globally. Triggering this phenomenon was the emerging economic environment changes, uncertainty in the corporate world, new technology, and new emerging world markets. Changes at the organisational level, such as decentralisation, downsizing, re-engineering, strategic alliances, mergers, and the growing demand for flexibility in the workplace, all contribute to an uncertain climate (Henry, Hill, & Leitch, 2005). Clearly then, as the work environment changes and careers become increasingly fragmented in contemporary society, people of all levels in society will need entrepreneurial skills and abilities to prepare them for the current challenges and an uncertain future (Bank of Namibia, 2010). According to Burnes (2009), corporate organisations' structures are becoming flatter, and careers are being shaped by professional and entrepreneurial principals, such as the ability to develop and market one's own skills and ideas.

The significance of entrepreneurship and small business management education is evident in statistics on the prominent role that Namibian entrepreneurial enterprises and small businesses play in the promotion of local, regional, and national economic growth. *Small and Medium Enterprise (SME) activities* account for 20% of employment in Namibia, and contribute 12% to the country's GDP (Bank of Namibia, 2010). The Namibian government has recognised and acknowledged the importance of the SME sector within the economy as one of the ways towards achieving the goals of Vision 2030 (Bank of Namibia, 2010). Vision 2030 addresses the areas of social, economic, and overall wellbeing of Namibians. It actively chases the goals of capacity building and transforming Namibia into a knowledge-based society.

According to (National Planning Commission Namibia, (2004), Vision 2030 was launched during 2004 by the office of the President of the Government of Namibia to achieve the following goals by 2030:

- **Equality and social welfare:** Ensure that Namibia is a fair, gender-responsive, caring, and committed nation, in which all citizens are able to realise their full potential in a safe and decent living environment.
- **Peace and political stability:** Create and consolidate a legitimate, effective, and democratic political system (under the Constitution), and an equitable, tolerant, and free society, that is characterised by sustainable and equitable development and effective institutions that guarantee peace and political stability.
- **Human resources, institutional and capacity building:** Develop diversified, competent, and highly productive human resources and institutions, fully utilising human potential and achieving efficient delivery of customer-focussed services that are competitive, not only nationally, but also regionally and internationally.
- **Macro-economic issues:** Transform Namibia into an industrialised country of equal opportunities that is globally competitive, realising its maximum growth potential on a sustainable basis, thereby improving the quality of life of all Namibians.
- **Population, health and development:** Ensure a healthy, food-secured, and breastfeeding nation, in which all preventable, infectious, and parasitic diseases are under secure control, and in which people enjoy a high standard of living, with access to quality education, health care, and other vital services, in an atmosphere of sustainable population growth and development.

- **Natural resources and environment:** Ensure the development of Namibia's natural capital and the sustainable utilisation thereof for the benefit of the country's social, economic, and ecological well-being.
- **Knowledge, information and technology:** Accomplish the transformation of Namibia into a knowledge-based, highly competitive, industrialised, and eco-friendly nation, with sustainable economic growth and a high quality of life.
- **External environment:** Achieve stability, full regional integration, and democratised international relations; the transformation from an aid-recipient country to that of a provider of development assistance.

To achieve the abovementioned goals, Namibia aspires to have a flourishing SME sector by the year 2030, which includes human development, equitable and balanced growth, a growing industrial sector, and modernised agriculture (Bank of Namibia, 2010). Various initiatives have been started by the government of Namibia, particularly by the Ministry of Trade and Industry, in trying to develop this sector. These initiatives include, amongst others, the establishment of a dedicated department that deals with SME issues in the Ministry of Trade and Industry, the establishment of physical infrastructure to provide an enabling environment for production and trading by the SMEs, as well as government efforts to provide financing to this sector (Bank of Namibia, 2010). Initiatives by the private sector and non-government organisations (NGOs) aimed at assisting SMEs are also acknowledged. All these initiatives are motivated by belief that the empowerment of entrepreneurs is the most powerful avenue for economic growth, and, therefore small businesses should be developed and promoted (Bank of Namibia, 2010).

Despite all these efforts, there is still room to further develop the SME sector to contribute meaningfully to the Namibian economy. Several challenges are currently preventing this sector from flourishing, of which five key areas were identified as market

access, information technology, funding access, management, and human resources (Shejvali, 2007). Part of the challenge facing human resources is the lack of higher education and skills, as well as family traditions. Ipinge (2010) indicates that a lack of managerial training, lack of market information, low levels of education, and an inability to retain staff with relevant skills also hamper the effectiveness of SMEs in Namibia. Shortages of skills and capacity in the SME sector hamper its growth (Bank of Namibia, 2010).

As a result, the government was called upon to ensure the provision of skills and capacity. This led to an explosion in the training industry, with many organisations, including fly-by-night enterprises, producing and presenting entrepreneurial training programmes. Often, entrepreneurs who, in their dire need to escape poverty and unemployment, attended training are dismally disappointed as there was no outcome and there was no behavioural change afterwards.

Support programmes for the informal sector need to be different from those for the formal sector. Informal businesses require help in raising capital to expand. Entrepreneurs often need investment and accounting knowledge, and financial management, including proper budgeting. If these subjects are covered comprehensively in the secondary school syllabus, it would boost skill levels and prepare learners for the harsh Namibian realities. Only a small portion of school leavers in Namibia find formal employment, while others are being pushed into entrepreneurship or informal employment (Bank of Namibia, 2010). Skills upgrading for informal businesses and adult education are equally beneficial (Bank of Namibia, 2010).

It is against this background that the present research aims to explore the effectiveness of an adult entrepreneurship training programme, as offered by the Centre for Enterprise Development (CED) of the Polytechnic of Namibia (PoN). The PoN was

established by Act of Parliament No. 33 of 1994 as a Technikon to provide for the gradual phasing out of vocational training courses in favour of granting of degrees. The PoN recognises that customised training is imperative to skills development, and has, over the past years, developed adult learning approaches to support learning, thereby strengthening its involvement in community projects and enterprise development. The CED is one of 12 Centres of Excellence within the university. It was established in 2000 to facilitate capacity-building initiatives for the public, private, and NGO sectors. Through tailor-made training courses, base-line research, and strategies to alleviate poverty, the CED diversifies markets and develops the Namibian labour force. It has also strengthened its services through its involvement in HIV and AIDS projects and activities.

The CED has six business units, namely Social Science Research, Short Course Delivery, Industry Focus Academy, IT Training and Testing, and Strategic Partnering, to ensure new business and future growth, each focusing on different areas of development and different target markets. The CED is an SME within the PoN, with sustainability as a strategic target. According to its own definition of SMEs, the CED is classified as an entrepreneurial business, and experiences the same challenges as the Namibian market. The SME Development Unit focuses on imparting relevant business management knowledge and skills to entrepreneurs.

Training of entrepreneurs is conducted on varying programme levels: beginner, intermediate, and advanced. The outcomes to be achieved include, amongst others, enabling entrepreneurs to understand the different principles of management and apply management techniques, apply entrepreneurial thinking to their daily activities, and, finally, move from being a survivalist to being a formal entrepreneur with the desired final outcome of repeating a business nationally as well as in the Southern African Development Community (SADC) region.

1.3 Problem Statement

Even though Namibia is classified as a lower middle-income country with an annual average per capita income of around US\$2 800, ranking 75th out of 177 countries, the classification masks extreme inequalities in income distribution, standards of living, and quality of life. When using the Human Development Index, which combines levels of income with indicators of health and education, Namibia slid to 125th out of a possible 177 in the 2006 Human Development Report. Therefore, using average income as a measure of development does not adequately reflect the extent of poverty, and, in fact, masks high levels of inequality, as reflected in Namibia's Gini Coefficient of 0.65 (United Nations Development Programme, 2012).

In Namibia, 49.1% of the population lives on US\$1.25 per day, equal to about N\$7 per week or N\$210 per month (United Nations Development Programme, 2012). Furthermore, 65% of income accumulation goes to 10% of the wealthiest in the country (National Planning Commission Namibia, 2004). However, during 2011, Namibia was reclassified as a middle-income country whose considerable successes rest on a strong multiparty parliamentary democracy that delivers sound economic management, good governance, basic civic freedoms, and respect for human rights (The World Bank, 2011). At independence in 1990, Namibia inherited a well-functioning physical infrastructure, a market economy, rich natural resources, and a relatively strong public administration (The World Bank, 2011). It also inherited extreme social and economic inequities, however, which left Namibia with a highly dualistic society. In addition, the country is vulnerable to short- and long-term environmental shocks, as all major sources of growth depend heavily on Namibia's fragile ecosystem (The World Bank, 2011). These factors have made job creation difficult, and poverty and inequality remain unacceptably high. Namibia has made significant progress in addressing many developmental challenges such as access to basic

education, primary health care services, and safe drinking water. Sound public policies are helping to lay the foundation for gender equality.

Since independence, Namibia has been a leader in the area of natural resource conservation. Namibia maintains a social safety net for the elderly, disabled orphans, vulnerable children, and war veterans, and has enacted a Social Security Act that provides for maternity leave, sick leave, and medical benefits for Namibians (The World Bank, 2011). Nonetheless, daunting challenges persist. The unemployment rate has grown to over 50%, according to the latest (2008) data. Although Namibia's per capita income of US\$4,820 places it in the World Bank's upper-middle income grouping, this average income paints a misleading picture, since Namibia's income distribution is amongst the most unequal in the world, with a Gini coefficient estimated at 0.58 by the latest (2009/10) household survey. Namibia is ranked 120 out of 187 countries surveyed in the 2011 Human Development Report (The World Bank, 2011). Although Namibia is on track to meet the Millennium Development Goals on education, environment, and gender, the severity of the HIV/AIDS epidemic is frustrating efforts to meet Millennium Development Goals Four, Five and Six (The World Bank, 2011). Namibians tend to seek jobs, instead of creating jobs for themselves and others. Mentoring and coaching are the keys to promoting entrepreneurship. According to the National Planning Commission (2011), Namibia has a population 2.1 million, with a density of 2.7 people per square kilometre, as indicated in Figure 1.2.

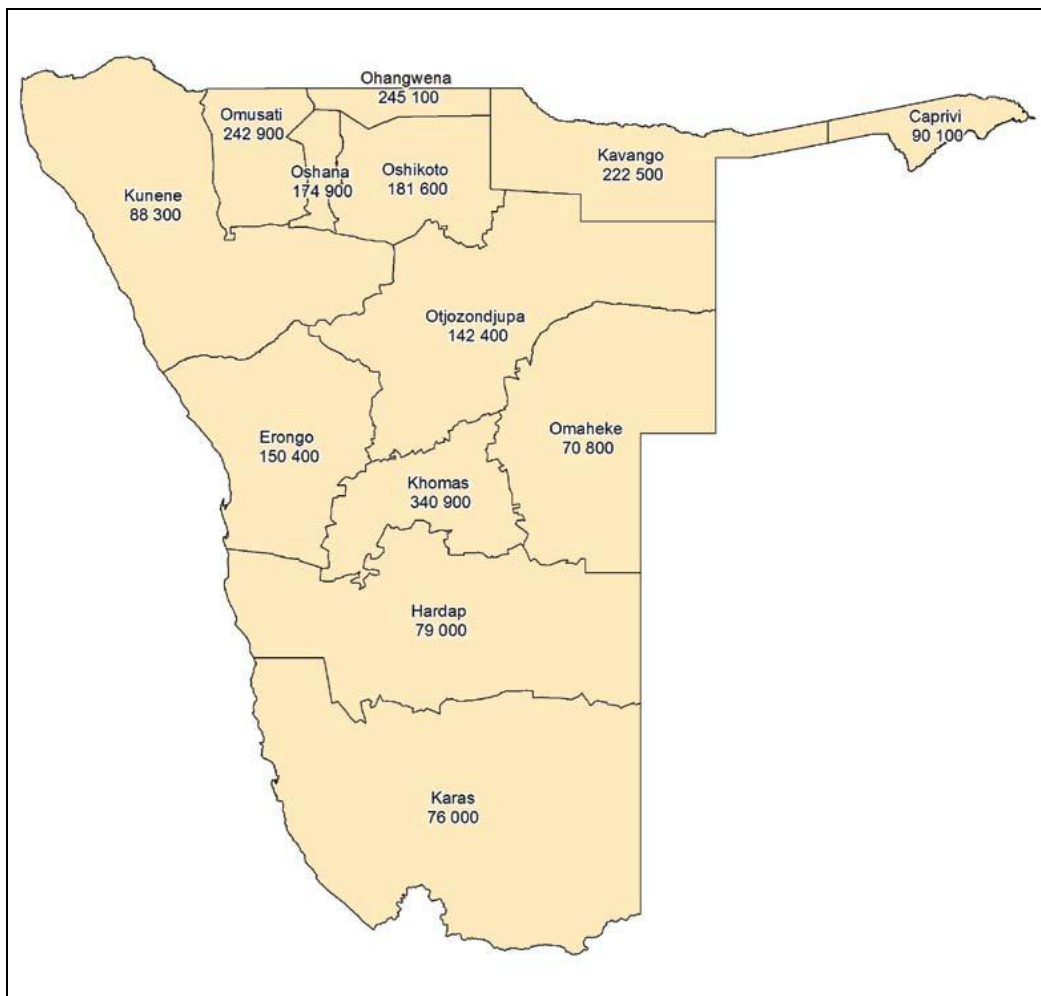


Figure 1.2: Population per region in Namibia (Source: Census Report, 2012)

To the best knowledge of the researcher, the effectiveness of a training programme for local entrepreneurs has not been researched, nor is there agreement regarding the components that should be included in such an initiative. There is an urgent need to identify the real challenges facing entrepreneurs in Namibia and to determine which can be eliminated by way of an effective training programme.

The extent to which entrepreneurial skills can be transferred or are even worth teaching is a matter of debate among scholars (Fiet, 2000). Authors state that certain elements of entrepreneurship can be taught, as entrepreneurs are not just born, but can also

be made (Colette Henry, Francis Hill, & Claire Leitch, 2005a; Kuratko, 2005). To teach entrepreneurs, trainers should focus on both the “softer” or “experimental” side i.e. being creative and thinking innovatively, as well as theoretical aspects, such as business and financial management. Theory or “entrepreneurship science” can therefore be taught using conventional methods such as classroom training to provide the entrepreneur with technical skills. An added component to classroom training is the core practical and informal support like mentoring, counselling, and informal networking events. On the other hand, the “art” of entrepreneurship, which is the hub of creation and innovation, does not appear to be transferrable in the same way, as it is highly subjective, and is a skill that cannot be directly taught due to its fundamentally experiential nature (Henry et al., 2005a; Jack & Anderson, 1999). In order to make sense of the art of entrepreneurship, there is a need for a greater understanding of how people learn entrepreneurial behaviour and how entrepreneurial capabilities are developed (Rae, 2006).

Entrepreneurial learning forms one of the grounds for analysing the effectiveness of the CED entrepreneurship training programme in this study. It is important to investigate how the training content and methods succeed in contributing to management skill building in entrepreneurs, since it has never been evaluated. The study will evaluate to what extent the outcomes of the programme has been attained when entrepreneurs are confronted with the realities of problems on a daily basis, by collecting data from trainees who completed the programme from 2008 to 2011.

Key issues that differentiate a more successful learning programme for opportunity identification and business start-ups from an average programme is whether there is attitudinal and behavioural modification by the participant after attending the programme (Pretorius, Nieman, & Van Vuuren, 2005). This modified attitude will lead to activities associated with business start-up. If the facilitator can impact the participant in such a way

that the participant's attitude and behaviour are modified, the programme will most probably lead to a more venture start-ups (Pretorius et al., 2005).

The task facing the CED is to find creative solutions in training adult entrepreneurs. It was thus important for the researcher to understand the contribution (or not) of the current entrepreneurship training programme of the CED to the Namibian market, while keeping the Namibian market conditions and entrepreneurs' challenges in mind. The role of generally accepted value systems in day-to-day activities and the perceptions of how these are applied by the business community can add to the enhancement of the training programme.

1.4 Motivation for the study

According to Badelt, Gibb, and EC (as cited in Kailer, 2009), to become an "entrepreneurial university" has become an increasingly important goal. They further state that, for universities to comply, their strategies should include the establishment of self-employment for students, alumni, and academic staff such as teaching competencies needed for creating a business or for business succession. Although numerous education programmes were designed to empower individuals to become successful entrepreneurs, many of them remained the same over time and are unable to respond to a changing environment. As mentioned by Badelt et al. (as cited in Kailer, 2009) the academic community admitted that it has not yet developed a set of criteria for successful entrepreneurial behaviour and ethics.

The Namibian government has acknowledged the importance of the SME sector within the economy and the fact that there is still room to further develop the SME sector in order for it to meaningfully contribute to the economy (Bank of Namibia, 2010). According to the Bank of Namibia (2010), several challenges are currently preventing this sector from flourishing: access to finance, limited business support services, limited

entrepreneurial skills, as well as the general lack of skills development for entrepreneurs. These challenges seem to be widespread phenomena in Namibia. It is believed that finding solutions to these challenges will not only broaden the economic activity base, but will also address the issues of poverty, unemployment, and income inequality.

In defining entrepreneurs and entrepreneurial activities, a wide variety of definitions are used across countries and regions. The European Union (EU) distinguishes between micro-firms, and small- and medium-size enterprises. In Namibia, there are several terms and definitions in use for the different business sizes within the SME sector. The variety of definitions should not be regarded as a problem in itself, but as an indication of the lack of clarity and consistency faced by all those dealing with the sector (Bank of Namibia, 2010). In light of the high unemployment rate in Namibia, the survivalists cannot be ignored, as they play a vital role in poverty reduction. However, they cannot simply be left to survive on their own. The strategy in poverty reduction and job creation must assist those survivalists who can to move through to the formal sector, thereby creating more opportunities for new survivalists to be created in their place. They must be obliged to attend on-going training that will improve their chances of success and growth into the formal sector. Their progress must be tracked on a longitudinal basis, so that the intervention can be fine-tuned to meet their needs for success.

The informal economy appears to be important to Africa and its future development. Jackson (2012, p. 2904) argues the reasons for the growth in the informal economy, and includes the following areas: ***Limited absorption of surplus labour***: the formal economy and agriculture have had only limited capacity to absorb labour, particularly with an increase in job seekers; ***Barriers of entry into the formal economy***: high costs and government regulations, together with corruption in granting permits, land titles, and business start-up grants, have discouraged people from entering the formal

economy; ***Weak institutions:*** formal institutions have failed to provide training, education, and the necessary infrastructure, thus contributing to reliance on the informal economy; ***Redundancies:*** structural adjustment programmes in the 1980s and 1990s have caused a shrinking of the public sector, and the closure of uncompetitive businesses has led to redundant workers seeking other ways to survive; ***Capital is favoured over labour:*** global integration favours companies that can easily move across borders, yet lower-skilled workers cannot easily migrate. Thus, global trade and investment patterns disadvantage labour while favouring capital; ***Demand for low-cost goods and services:*** rural to urban migration and an increased demand for low-cost goods and services have boosted the informal economy; ***Uncommitted or unaware governments:*** often, governments ignore the informal sector, expecting it to perish. It has largely left unfettered, and it has been able to grow; ***Economic hardship and poverty:*** migration forced through poverty and the impact of the HIV/AIDS pandemic has led to an increase in the numbers entering the informal economy to survive; ***More women entering labour markets:*** outside agriculture, the number of women entering the labour market is increasing, particularly where women are denied access to the formal economy, including being denied the right to own land. More women are entering the informal economy, where they own or manage micro-enterprises, yet they rarely enter the formal economy as entrepreneurs.

Training and capacity building programmes should thus be strengthened to remedy the perceived inability of educational institutions to effectively cater for the training needs of entrepreneurs in a demanding environment. Institutions such as the Development Bank should continue to foster relationships with non-financial support service providers, like the PoN, UNAM, SMEs Compete, IMLT, and other relevant parties. It is also important that initiatives such as the Namibia Business Innovation Centre of the PoN, who encourage innovation in enterprise development, are supported. Through innovation, SMEs can make

a difference in terms of value add and the provision of goods and services to society. However, faced with the current dilemma in Namibia, the CED focuses on all entrepreneurs in need of enhancing their ability to manage and sustain a profitable business. The present study aims to identify areas and methods to fast-tracking skills and knowledge delivery to entrepreneurs, so that they may take up economically viable, commercially beneficial initiatives, in an attempt to increase job security.

1.5 Research Objectives

This research can be divided into a main research objective and specific research objectives. The main objective of this research is to evaluate the effectiveness of an Adult Entrepreneurship Training Programme in Namibia.

In terms of determining the effectiveness of the training programme, the specific research objectives are formulated according to the training modules offered, perceived entrepreneurial values, and, finally, the challenges that entrepreneurs are facing. The specific research objectives are formulated as follows:

- To determine the extent to which the content of the modules offered as part of the training programme empowered entrepreneurs to apply the skills learned in their business environment;
- To determine whether the training methods contributed to the transfer of knowledge;
- To determine the extent to which the training improved the business results (turnover and client base) of the entrepreneurs;
- To determine the extent to which the entrepreneurs' work attitude changed as a result of the training;
- To determine the value system (perceived values and experienced values) of entrepreneurs in the business environment;

- To determine the challenges experienced by entrepreneurs in the business environment; and
- To develop an integrated framework for adult entrepreneurship training.

1.6 Importance and benefits of the study

This research will make a unique contribution on three levels: theoretical, methodological, and practical. From a theoretical point of view, this research will generate new knowledge on the effectiveness of an adult entrepreneurship programme, which can lay the theoretical foundation for future research studies in a similar field. As mentioned previously, no research currently exists on the topic at hand in the Namibian context. Methodologically, this research will present a newly developed questionnaire that can be used in other studies as a diagnostic tool to evaluate the effectiveness of training programmes. Finally, from a practical point of view, this research will present a model and some useful guidelines for the relevant stakeholders on the effective implementation of adult entrepreneurship training programmes.

1.7 Assumptions

Assumptions are “self-evident truths, the *sine quo non* of research” (Leedy, & Omrod, 2010). Leedy & Omrod (2010) further state that the assumptions made by a researcher must be valid, or it will render the research meaningless. The main reason for identifying and including assumptions, is that the researcher is trying not to leave anything to chance and to prevent misunderstanding. The proposed study will thus incorporate the following assumptions: All people in the target population are employed in their own business and want to have a profitable business; Quantitative research is an appropriate means to determine the effectiveness of the training programme; The trainees will be willing to provide data due to the voluntary nature of the study; and The participants will

provide correct and truthful answers to the questions asked in the survey, due to the acknowledgment of confidentiality.

1.8 Definition of Key terms

Definitions of the key terms used in this study are presented in Table 1.1.

Table 1.1

Definitions of Key Terms

Term	Definition
Effectiveness	The positive achievements, results and outputs of a position or business (Hendrikse & Hefer-Hendrikse, 2012).
CED	Centre of Enterprise Development, which is a sustainable business unit of the PoN.
Training programme	This refers to the current three-tier training programme conducted by the CED.
Entrepreneurship	Entrepreneurship is an activity that involves the discovery, evaluation, and exploitation of opportunities to introduce new goods and services, as well as ways of organising markets, processes, and raw materials through organising efforts that previously did not exist (Shane, 2003, p. 4)
Namibia	A Republic on the South Atlantic Coast of Africa that achieved independence from South Africa in 1990.
Certificate	Certificate issued by the CED, based on the criteria of class attendance, participation, and assessment.
Values	“... criteria for choosing goals or guiding action... that are relatively enduring and stable over time” (Dose cited by (Berings, De Fruyt, & Bouwen, 2003).
Polytechnic of Namibia	A higher education institution established by Act No. 33 of 1994.

1.9 Links to Field of Study

An entrepreneur is a leader and a risk taker with business acumen who strategically wants to craft a future for him/her by engaging in new ventures. These new initiatives have an economic impact on the immediate environment and, over time, beyond.

According to Hughes, Ginnett and Curphy (2005), leaders create environments within which followers' innovations and creative contributions are welcome. Followers feel that they have a stake in shaping something new, and not that they are just maintaining a status

quo. Leaders also encourage growth and development in their followers in ways broader than what we might call mere job training (e.g., encouraging a follower to take on something new, something that would stretch the follower, but may involve failure, or to take on a developmental experience not directly tied to the follower's present job requirements). Burnes (2009, p. 489) lists four key decision-making roles of managers: disturbance handler, resource allocator, negotiator, and entrepreneur. He further argues that the entrepreneurial decision-making role implies looking for ways to improve the operation of an organisation and seeking new products and market opportunities.

Entrepreneurial leaders are generally more interested in the broader scope of subordinates' work, and tend to assess their' performance less formally and less in terms of specific criteria than managers in formal organisation do. Entrepreneurial leaders more often assess performance according to holistic, personal, idiosyncratic, or intuitive criteria (Burnes, 2009). They motivate subordinates more personally, and through more personal and intangible factors e.g., through inspiration – the reward of being able to work with the leader or on a particular project (Burnes, 2009). Parameters of tasks and responsibilities are redefined. In this sense, leaders actively change the situations they are in, rather than just optimising their group's adaptation to it (Burns, 2009). They are forever "moving outside the constraints of structure," and, as such, redefinitions may also occur through the taking of a long-term rather than a short-term perspective. This involves accentuating critical values or ends, or marshalling the energy to cope with a certain situations (Burns, 2009). Being a leader and a change agent, the field of entrepreneurial development contributes to the aims of the studies in Leadership and Change.

1.10 Chapter outline of the study

Chapter 1: Introduction

Chapter 1 introduces the concept of *entrepreneurship* in the broader context, and provides the reason for the research study by highlighting the problem statement and research objectives. An indication of the importance and benefits of the research study is given before the chapter concludes with a list of definitions and abbreviations used frequently in the study.

Chapter 2: The conceptual framework of entrepreneurship

Chapter 2 provides a comprehensive literature review, addressing the importance of entrepreneurial training, objectives and contents of the training programmes, different approaches, entrepreneurial training in the Namibian context, and the values of entrepreneurs and challenges they face. The chapter concludes with the measurement of the effectiveness of a programme.

Chapter 3: Research design and methodology

Chapter 3 presents the methodology used in the present study, which includes the rationale for the study, the research design, the target population, the sampling method, the research instrument, the questionnaire construction, the pilot study, and the administration of the measuring instrument used. It discusses research ethics and research proposition development. Finally, the conclusion rounds off the chapter, and prepares the reader for the next chapter.

Chapter 4: Results and Findings

Chapter 4 presents the findings and analysis of data. It includes the presentation of findings in graphic form for each test item in the questionnaire. The findings of the empirical research referred to in Chapter 3 are provided and linked to the literature review

in Chapter 2. The results are then interpreted, discussed, and summarised for each research question.

Chapter 5: Discussion of results

Chapter 5 discusses the results presented in Chapter 4. Each of the research propositions is discussed. The chapter concludes with a proposed framework for the effective delivery of an adult entrepreneurship programme.

Chapter 6: Conclusions, limitations, and recommendations

Chapter 6 consists of an overview of the research findings of the study in relation to the literature reviewed and the statistical analyses undertaken. The limitations of the study are addressed, and select recommendations for further study in the field of entrepreneurial training programmes are made. In conclusion, final comments are made.

1.11 Conclusion

This chapter dealt with the introduction to the topic, the background, and context of the study. It formulated the problem statements and the motivation for the study, and discussed the research. Objectives, the importance of the study, and assumptions made were discussed, and definitions of key terms were provided. The importance of the link to the field of study in Leadership and Change is discussed. The following chapter offers a comprehensive literature review of the subject matter and is presented according to the appropriate headings and sub-headings.

Chapter 2: LITERATURE REVIEW

2.1 Introduction

Chapter 2 within the context of the research study is diagrammatically displayed in Figure 2.1:

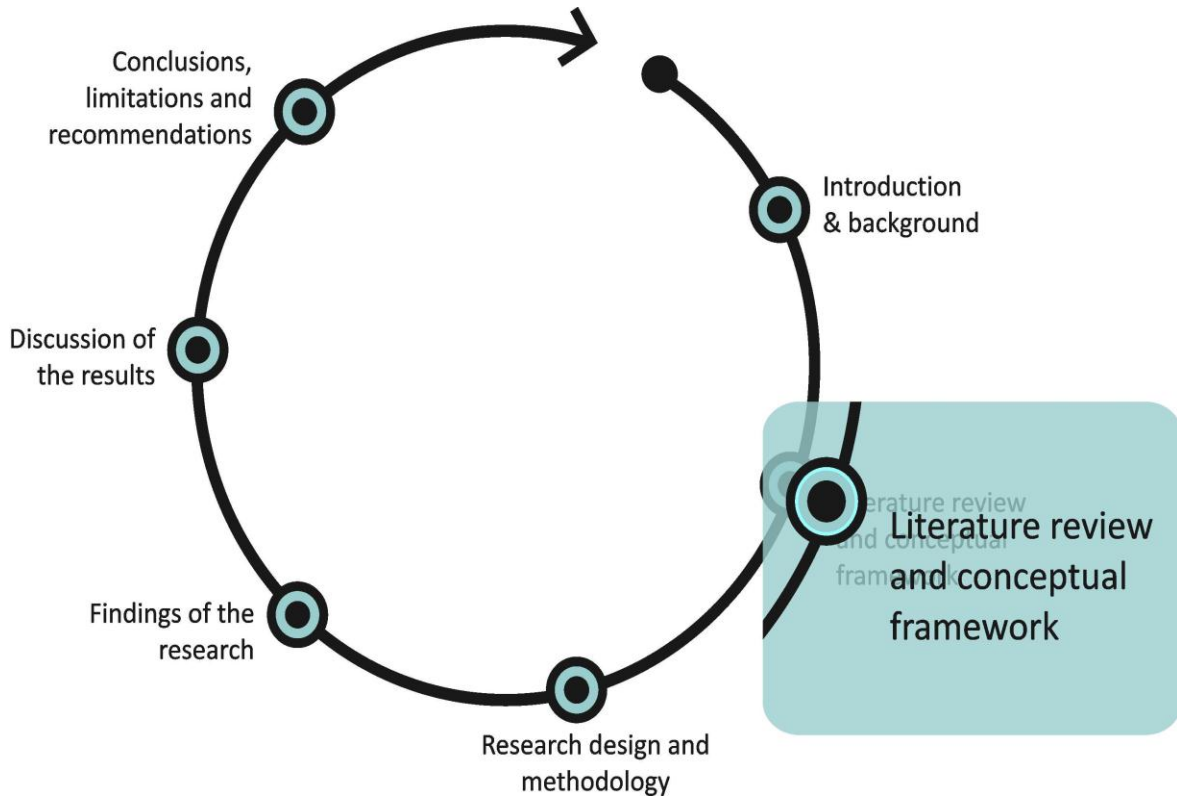


Figure 2.1: Chapter 2 in Context

In this chapter, the current literature on entrepreneurship programmes and the related topics influencing these programmes are surveyed. The chapter orientation is presented diagrammatically in Figure 2.2:

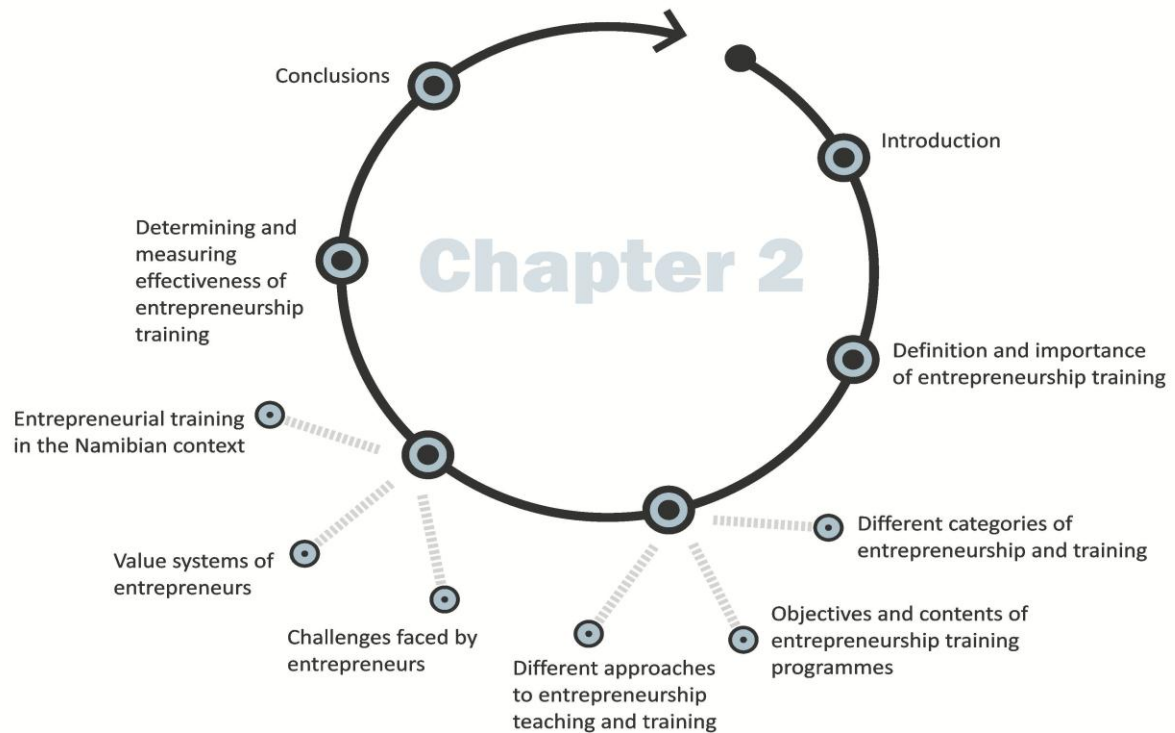


Figure 2.2: Orientation of Chapter 2

2.2 Definition of Entrepreneurship

The field of entrepreneurship has evolved dramatically over the past 35 years (Van Aardt et al., 2011, p. 8). However, in spite of the growth in available courses, the challenge to teach entrepreneurship effectively still remains. Drucker (cited in Van Aardt et al., 2011) suggests that entrepreneurship is neither magical, nor mysterious, nor is it determined by genes. He explains entrepreneurship as a discipline and, as such, as something that could be learned. Ronstadt (cited in Van Aardt et al., 2011) suggests that entrepreneurial programmes should be designed to make potential entrepreneurs aware of the barriers involved when starting their entrepreneurial careers, so that they are then able to develop a plan of action to triumph over these challenges.

Scholars have defined entrepreneurship in various ways. According to Shane (2003 p. 4), entrepreneurship is an activity that involves the discovery, evaluation, and exploitation of opportunities to introduce new goods and services, and ways of organising, markets,

processes, and raw materials through organising efforts that previously did not exist. Lumsdaine and Binks (cited in Lalani, 2008 pp. 13 - 14) define entrepreneurs as individuals with particular traits, characteristics, and the potential to achieve business results.

Entrepreneurship is defined differently by representatives of behavioural sciences and economics. These scholars argue that perceiving opportunities is linked to entrepreneurship (Aliaga-Isla, 2012). Thus, innovating, evaluating, and utilising opportunities are connected to entrepreneurship, as entrepreneurs actively perceive their surroundings, gather information, and observe opportunities in the market, and then act according to these opportunities. Entrepreneurship is also defined as the act of initiating, creating, building, expanding, and sustaining a venture, building an entrepreneurial team, and gathering the necessary resources to exploit an opportunity in the marketplace for long-term wealth and capital gain (Van Aardt et al., 2011). Burnes (2009, p. 596) defines entrepreneurship as the encouragement and pursuit of innovative ideas, products, and services.

Nieman and Niewenhuizen (cited in Van Aardt et al., 2011, p. 4) distinguish between different types of entrepreneurs: Basic survivalist – this person operates as an entrepreneur to survive until he or she obtains a formal sector job or entrepreneurial opportunity; Pre-entrepreneur – this person is involved in welfare-based entrepreneurship, where profit maximization is less important than the collective welfare; Subsistence entrepreneur – this person is involved in independent income-generating activities, operating as a small-scale vendor; Micro-entrepreneur – this person is a formal-sector entrepreneur with zero to 10 employees; and Small-scale entrepreneur – this person is a formal-sector entrepreneur with 11 to 49 employees.

Entrepreneurs within the Namibian environment are individuals who, due to knowledge of the surrounding markets and unemployment, embark on initiatives to create their own business to make a living. In rare cases, these initiatives expand to sustainable businesses. Thus, the definitions and criteria used by Van Aardt et al. (2011) with a few added criteria are well suited to the Namibian environment.

Esselaar and Stork (cited in Bank of Namibia, 2010) distinguish between informal operators, informal businesses, and formal businesses. The International Labour Organization (cited in Bank of Namibia, 2010) distinguishes three types of enterprise models: pre-entrepreneurial activities; micro-enterprises and small enterprises.

Pre-entrepreneurial (informal) activities are, strictly speaking, not businesses, but activities of individuals. There are different ways of classifying SMEs in the Namibian context. The most widely used definition of SMEs in Namibia is the one of the Ministry of Trade and Industry (Ministry of Trade and Industry (MTI) Namibia, 1997). The Namibian government, through the SME Policy, classifies SMEs as those businesses that fall into different categories, based on number of employees, annual turnover, and capital invested. However, this definition of the SMEs has some limitations. Measuring capital investment, as suggested by the above definition, is problematic, due to the difficulty of achieving accurate measurement and the impact of inflation. The number of employees is simple to verify, and remains a valid criterion. The LARRI/NEPRU study of 2002 found that, at the time, about 68% of SMEs were small, and employed less than three persons (Bank of Namibia, 2010). Fifty-eight percent (58%) of these businesses were realising a turnover of less than N\$ 35,000 per annum, while only 6% yielded a turnover of over N\$ 250,000 (Bank of Namibia, 2010). For purposes of the present study, the criteria of CED, provided in Table 2.1 below, is used to classify the SMEs. Please refer to Annexure A for the rest of the definitions.

Table 2.1

Current Classification Table of Entrepreneurs in use by the CED

	Informal	Semi-Formal	Formal	Entrepreneurs
Short description	Aspiring to be in business	Supplement income	Have business to pursue a lifestyle	Created and in growing phase/ Repeat business
Employees	1 employee (including owner)	More than 1 but less than 4 employees	More than 4 employees but less than 7	More than 7 employees
Turnover per annum	Less than N\$ 50 000 per annum	More than N\$ 50 000 but less than N\$ 150 000	More than N\$ 150 000 but less than N\$350 000	More than N\$350 000 per annum
Existence	Less than 3 years	More than 3 years	More than 3 years	More than 7 years
Product/ Service	In development	Tangible product/ service / some in development	Tangible Product/ Service	Tangible product/ service
Capital Employed	None	Less than N\$50 000	More than N\$50 000 but less than N\$100 000	More than N\$100 000
Track record	None	2 years	3 years	7 years
Registered MTI	No	Yes	Yes	Yes

2.3 The importance of entrepreneurship training

Van Aardt (2011, p. 208) argues that a small business needs to develop managerial and professional employees. Whether the business has only a few key positions or many, it must ensure that the individuals who hold these positions perform effectively (Van Aardt, 2011). Jackson (2012) indicates that that much of the entrepreneurial activity in sub-Saharan Africa is within the informal economy. Barratt Brown (as cited in Jackson, 2012, pp. 2902-2903) states that the informal or “second economy” is considerable, working in parallel, and often in cahoots, with the formal sector, but is normally busy with a small to insignificant scale of production, using manual labour, with limited capital. The informal sector is dominated by trade-related activities, while services and manufacturing only appear to account for a small percentage of informal activity (Jackson, 2012). In

Angola, Nigeria, South Africa, and Uganda, the majority of informal sector workers are in retail trades, and are mostly self-employed (Jackson, 2012).

One of the most comprehensive empirical analyses of entrepreneurial education was done by Solomon et al. (as cited in Van Aardt, 2011), who claim that a core objective of entrepreneurship education is to differentiate it from typical business education, since starting a business is fundamentally different from managing an existing business. Van Aardt (2011) argues that the biggest challenge for entrepreneurship education lies in the design of effective experiential learning opportunities for entrepreneurial students.

Entrepreneurship education fosters entrepreneurship, which, in turn, results in positive outcomes such as increase in profits and clients, expansion of business, for individuals, firms, and society (Alberti, Sciascia & Poli (2004). On the other hand, Storey (as cited in Alberti et al., 2004) underlines that, so far, there has been very little empirical proof of the positive impact of education on entrepreneurship and entrepreneurial success.

Researchers have found it difficult to identify a clear effect of training and education on small firms' performance, either as start-ups or at some other stage in their development. This may be due to the poor quality and quantity of training provided. Alberti et al. (2004) state that teaching someone to be an entrepreneur is like teaching someone to be an artist; you cannot make that person a world famous artist, but he/she can be taught about colours and composition, and his/her artistic skills can be improved. For an extensive examination of whether entrepreneurship can be taught, refer to Hood and Young, as well as Vesper (as cited in Alberti et al., 2004).

The Ministry of Trade and Industry's research findings (as cited in Ipinge, 2010) show that the literacy level of the business owner influences the success of a business enterprise. A study in the Khomas region and other areas by the Ministry of Trade and Industry (as cited in Ipinge, 2010) identified the following constraints of the small business sector: lack of

managerial training; lack of market information; low level of education and inability to retain staff with relevant skills and training.

Fifty five percent (55%) of the entrepreneurs interviewed in the present study in Windhoek were attracted to establishing SMEs in order to become self-employed, while others preferred to be wage income earners (Ministry of Trade and Industry, cited in (Ipinge, 2010). According to the Millennium Challenge Account (MCA) (Office of the President, 2011), households in Namibia where the head has no formal education are more than four times as likely to be classified as poor, compared to households where the head has a secondary education. Households where primary education is the highest level of education attained by the head of household are also more likely to be poor.

In addition to the education problems, Namibians are finding that changes at organisational level, decentralisation, downsizing, re-engineering, strategic alliances, mergers, and the growing demand for flexibility in the workplace all contribute to an uncertain climate (Henry et al., 2005a). Individuals are now also faced with a wider variety of employment options, the probability of ending up with a portfolio of jobs, more responsibility at work, and more stress. On top of this, the individual may be a single parent with more responsibilities for managing credit and securing finances for the future of the household. It has thus become more important that people on all levels in society have entrepreneurial skills to enable them to face the challenges of an uncertain future.

Irrespective of their choice of career, personal situations, or skills, all people could benefit from learning and having a more entrepreneurial approach to life's problems and challenges. Becoming more self-reliant is vital for survival and growth, and in this light, training for entrepreneurs is much needed in times like these. However, it is very difficult to acquire the certainty that the right training is being provided to the right population, and for the right reasons (Lavoie, 1990).

2.3.1 Different categories of entrepreneurship and training

Alberti (2004, p. 10) argues that, traditionally, entrepreneurship education was aimed at small business owners and managers, even though there are big differences between the two concepts. He states that entrepreneurship education is demanded by people who wish to start new businesses, either independently or in a corporate framework. According to Brockhaus (cited in Alberti, 2004), nowadays, entrepreneurship is taught to very heterogeneous audiences; from those with little formal education to those with PhDs, from people living in highly developed countries, to those operating in the developing world.

Henry et al. (2005a) state that an enterprise is considered to be the economic entity that is created by the entrepreneur, which may develop into a small or large business over time. Due to the small market in Namibia, in the present study, *entrepreneurship* refers an adult person involved in any processes of business for purposes of daily survival, growth, or pursuing economic activities as a lifestyle.

The notion that the learning needs of entrepreneurs will vary at different stages of their development has been acknowledged for some time (Henry et al., 2005). One of the principles adopted was to define a target market for each course or programme (Gorman, Hanlon, & King, 1997). The underlying assumption for using audience segmentation was that educational objectives, subject matter, and pedagogical approach could be expected to vary, depending on the target audience (Gorman et al., 1997).

Other authors, more specifically, state that the training needs of an individual will vary according to that person's particular stage of development, categorised as awareness, pre-start-up, start-up, growth, and maturity (McMullan, Chrisman, & Vespe, 2001). The state of development of an individual or his/her business can have an impact upon the

nature of entrepreneurial education that might be required (McMullan, 2001). This provides an opportunity for educators and trainers to maximise the entrepreneurial learning process.

Fayolle and Gailly, (2008) identify three types of entrepreneurship training: Learning to become an enterprising individual; Learning to become an entrepreneur (or an expert in the field of entrepreneurship); and Learning to become an academic (teacher or researcher in the field of entrepreneurship).

An entrepreneurship training programme's objectives are to train individuals, either for, about, or in entrepreneurship, and their level of involvement with the local community will influence the form of and course contents (Mwasalwiba, 2010). Other scholars define entrepreneurship according to three categories: small business awareness education that normally appears in school syllabi, education and training in small business ownership, which focuses on those seeking help to make the transition from traditional employment to self-employment, and education and training for small business owners, which focuses on people in order to enhance and update their skills (Garavan & O'Cinneide, 1994).

A comparison of the works of the aforementioned authors is summarized in Table 2.1.

Table 2.1

Different Categories of Entrepreneurship and Relevant Training

FOYLE AND GAILY 2008	GARAVAN 1994	MWASALWIBA 2010
Becoming an enterprising individual	Small business awareness education	Educating individuals about entrepreneurship
Learning to become an entrepreneur	Educational and training in small business ownership	Training individuals in entrepreneurship
Becoming an academic in the field of entrepreneurship	Education and training for small business owners	Training individual for entrepreneurship

2.3.2 Objectives and Contents of Entrepreneurship Training Programmes

Falkäng and Alberti (cited by Botha, 2006) suggest that there is a need for much more research on methodologies for measuring entrepreneurship education effectiveness. The following objectives of the entrepreneurship programme should be considered when evaluating the programme: **Target groups:** Entrepreneurship education can be aimed at various target groups (entrepreneurs, managers, entrepreneurial sympathisers, people with an entrepreneurial spirit, scholars), and it is likely that each of them would require different assessment measures in order to evaluate the outcome of their different educational processes and objectives.

University/school vs. entrepreneurship education/training focus: The emphasis of many business schools is on understanding, feedback, and critical judgment, analysis of large amounts of information, making assumptions about behaviours in order to develop models, and seeking correct answers, largely in classroom settings, using information from authoritative sources, with evaluation being done through written assessments. In contrast, the entrepreneur with limited resources is operating on instinct, trying to understand the filters through which information passes, recognising the hidden agendas in other people's goals and, because of this, is making decisions on the basis of judgment of the trust in, and competence of, those involved (Garavan, & O'Cinneide, 1994).

Objectives of entrepreneurship education: The variety of educational programmes for entrepreneurs, established for different purposes, suggests an equal variety in the objectives of entrepreneurship education. The target groups represent disparate educational needs, which have had further implications on the evaluation and assessment of the programmes.

Levels of analysis: As far as the effectiveness of entrepreneurship education is concerned, it cannot be limited to knowledge acquirable in the classroom, but should also look at the stimulation of new ventures/companies, the success of existing enterprises, the increased ability of entrepreneurs, and so on. This introduces the importance of considering different levels of analysis in assessing entrepreneurship education effectiveness: (1) At the first level, the interest in entrepreneurship education is closely related to the notion of small firms' contribution to society. The results of the public programmes initiated by society have the main objective of changing the individual attitudes and knowledge, and results cannot be expected in the short term; (2) Secondly, entrepreneurship education may have an impact on the establishment of the firm itself. Entrepreneurship education may also contribute positively to the development of corporate entrepreneurship processes, meaning the processes whereby an individual, or a group of individuals, in association with an existing organisation, creates a new organisation or instigates renewal or innovation within that organisation (Sharma and Chrisman, as cited in Alberti, 2004, p. 18); (3) On the third and individual level of analysis, measurements can be defined to include a number of factors assessing self-perception and individual development. Possible effects of entrepreneurship education on the individuals are: self-employment and the ability to act as an independent operator, personal and career satisfaction, knowledge acquisition, skills acquisition, individuation of individual potential, a change in attitudes, and growth in personal earnings.

Time dimension: The fact that there is little empirical evidence of successful results of entrepreneurship education is probably not only due to the lack of positive results. The time dimension of initiating programmes and the expected result may be an important explanatory factor. Short-term output of entrepreneurship education might be measured by the level of student satisfaction and enrolment, or the demand for additional

courses, etc. Even more difficult is the assessment of longer-term effects of entrepreneurship education. Investigations on the number of start-ups, of students who started businesses, of people who bought businesses, of people who became self-employed are all reasonable measurements over a period of at least five years Brockhaus (cited by Botha, Nieman, & Van Vuuren, 2006). Block and Stumpf (cited by Fayolle, Gailly, & Lassas-Clerc, 2006), indicate that the measurement of contribution to society may be analysed within a time perspective of 10 years, as may the assessment of firm performance, and personal and career satisfaction.

In addition, Botha et al., (2006) suggest that changes and improvements that occurred within the trainees' attitudes and behaviours, as well as the growth of their businesses, can partly be ascribed to the training received. They also suggested that these occurrences could be influenced by other external factors, such as a favourable economic situation or the entrepreneur's personal life.

Entrepreneurship itself is not usually what is taught; rather, it is small business management skills that are provided (Hisrich & Peters, as cited by Van Vuuren & Botha, 2010). The objectives of an entrepreneurship training programme should not be formulated from the viewpoint of the facilitators or teachers, but from that of the participants. According to a study by Hisrich and Peters (as cited by Van Vuuren & Botha, 2010), participants believe that awareness creation, developing an understanding of the strengths and weaknesses of different types of enterprises, as well as the opportunity to assess one's own entrepreneurial skills, the essentials of marketing, finance, operations planning, organisation planning, venture launch planning, and obtaining resources should all form part of the training programme.

Some scholars postulate that receiving business training significantly increases the probability that entrepreneurs will start a business or expand an existing business. Thus,

entrepreneurial activity, such as starting or expanding businesses, can be encouraged through training (Klinger & Schündeln, 2007). Timmons, Muzyka, Stevenson, and Bygrave (as cited in Henry et al., 2005a) suggest that there is a limit to what can be taught in entrepreneurship training programmes, and that the only way to learn is through personal experience. With this in mind, they see the quality of the resulting business plan as a key measure of effective experiential learning. However, Gibb (as cited in Henry et al., 2005) questions the emphasis of many entrepreneurship programmes on producing a business plan, despite the fact that business plan development appears to be a common element in most entrepreneurship training programmes.

Financial management and marketing have been highlighted in many surveys as critical areas where entrepreneurs require help, as reported on by Dunsby (as cited in Henry et al., 2005). Jennings and Hawley (as cited in Henry et al., 2005) suggest that entrepreneur training initiatives might not effectively address the real needs of entrepreneurs. Indeed, there is often a significant gap between the perceptions of the training providers and entrepreneurs regarding training needs. What sometimes appears as key problem areas to the trainer may be of little importance to the entrepreneurs.

If one begins to examine what is actually taught in an entrepreneurship programme, it becomes clear that some programmes tend to be more tasks-oriented, rather than behaviour-oriented, focusing on specific skills of small business management, such as finance and marketing, as opposed to creativity, innovation, and problem solving (Deakins, as cited in Henry et al., 2005). Many structured training interventions do little to alter the approach of the entrepreneur to solving business problems, and entrepreneurs who become task-orientated are more likely to fail (McCabe, cited in Henry et al., 2005).

The major rationale for entrepreneurship education is economical rather than social (Mwasalwiba, 2010). Following a belief that entrepreneurship is a panacea for certain

economic problems, especially unemployment, entrepreneurship education should influence attitudes, values, and general community cultures. This aim is the driving force behind all other objectives, namely start-ups, self-employment, job creation, knowledge advancement, and skills development. Interestingly, (Mano, Iddrisu, Yoshino, & Sonobe, 2011) found that, after attending a training programme, the profitability of the entrepreneurs' enterprises declined. They argue that the trend was set by the proliferation of competitors within the cluster, and that it was worsened by massive imports of similar products from Asia and increasing competition within the same clusters within the country. Mano et al. (2011, p. 466) suggest that the first module of a training programme should encourage participants to be proactive in attracting new customers. Knowledge does not affect business results if it is not put into practice (Mano et al., 2011, p. 466). A few participants in the study by Mano et al. (2011) reported that they began to issue invoices and receipts on which their cell phone numbers was printed, and they believed that the invoices and receipts had doubled their sales, compared to the previous year. Their sales may have increased at the expense of others in the cluster, which clarifies the market-stealing effect.

2.3.3 Approaches to entrepreneurship teaching and learning

Entrepreneurship is the result of the behaviour of entrepreneurs, and refers to the impact they have on the economy (Lalani, 2008). Knowledge alone does not create an entrepreneur but the application of the knowledge empowers an individual to make a significant contribution to the economy (Lalani, 2008). Change of behaviour influence the economy, not theoretical knowledge.

Mano, et al.,(2011, p. 459), state that casual observations suggest that the vast majority of micro- and small enterprises (MSEs) in developing countries are located in industrial

clusters, including small clusters of furniture makers along roadsides, garment markets in which tailors are producing and selling clothes, and the like. According to Sonobe and Otsuka (cited in Mano et al, 2011), the benefits of localised economies, which attract MSEs to industrial clusters, include favourable access to market information, low transaction costs due to mentoring, and the effective functioning of the reputation mechanism among firms located near each other, as well as the resulting development of the division of labour among manufacturers, and between manufacturers and traders.

Henry, Hill, & Claire (2005b) states that it is clear from the literature that the knowledge transfer methods employed in entrepreneurship education and training programmes vary considerably according to lectures, presentations, hand-outs, videos, case study-based learning, group discussions, and role playing. In addition, both traditional and non-traditional approaches to learning are featured (Henry C. et al., 2005b). Training that mainly focuses on theory is considered inappropriate in the teaching of entrepreneurship (Davies & Gibb, 1991). Scholars support the less traditional way of teaching, and the adoption of more practical teaching, like role play, simulation games, and problem solving (Davies & Gibb, 1991).

More flexible, experience-based learning approaches are needed to effectively teach entrepreneurship. However, scholars still argue about the process of transfer of knowledge to entrepreneurs or owner-managers, and the entrepreneurs' preferred way of learning is not yet known. The emphasis in the learning methods of entrepreneurship education has been on encouraging a more active approach, while, at the same time, not completely abolishing theory.

Timmons and Stevenson (cited by Henry et al., 2005b) suggest that entrepreneurship is an on-going, lifelong learning experience, and, as such, the best way to learning is to combine experience with formal education. Based on their study of 100

established entrepreneurs attending a management programme at Harvard Business School, Henry et al. (2005b) claim that analytical thinking, accounting, finance, marketing, management information systems, and manufacturing are among those aspects of entrepreneurship that can be taught. However, other more critical skills, such as judgment, handling people, patience, and responsibility cannot be taught directly, and can only be learned in the real world of work (Henry et al., 2005b).

For an entrepreneurial development programme to be effective, learning must be based on real work situations, so that managers can better implement what they have learnt (Henry et al., 2005b). It appears that there is neither a standard model of entrepreneurship training, nor a standard methodology for evaluation or a standard set of evaluation criteria for determining effectiveness (Henry et al., 2005b). The most common problems experienced with training programmes are identified by Nikira, (2010), summarised as: time factor – the time spans of the modules are too short; the courses are too general; the courses are too theoretical, and lack the practical component; entrepreneurs' financial constraints; training of instructors; lack of role models in entrepreneurship; and differences in cultural values.

Mwasalwiba (2010) reviewed 21 articles on course content, and lists the nine most popular subjects taught in entrepreneurship: idea generation/opportunity discovery; business plans; new venture creation; risk and rationality; marketing; organisation and team building; managing growth; financing and marshalling resources and SME management. According to Mwasalwiba (2010), other subjects commonly taught are: legal issues; management of innovations and technology; franchising; how to run a family business; negotiating skills; communication skills; and problem solving.

Mano et al. (2011) state that based on a randomised controlled study in Ghana, participation in a rudimentary management training programme improves the business

practices and results of the participants with varying degrees of success. These results concur with those of earlier studies conducted in Latin America (Mano et al., 2011). Entrepreneurs in developing countries can improve the productivity of their SMEs by learning basic management techniques.

2.4 Entrepreneurial Training in the Namibian Context

According to Mwasalwiba (2010), while entrepreneurship programmes may be affected by issues that are unique in a given country, the essence and goals of these programmes are universal. Shejvali (2007) identifies the five key challenges facing the Namibian SME environment as market access, information technology, funding access, management, and human resources. He further argues that part of the human resources challenges is the lack of higher education and skills, as well as the traditional orientation of the entrepreneur's family members.

The private sector is the engine of sustainable economic growth. The role of the public sector is to create an enabling environment in which entrepreneurs can explore opportunities, and thereby increase productivity, contribute to economic growth, and create jobs. In his book titled *A Strategy for Development*, Stern (cited by Bank of Namibia 2010) identifies two pillars that form the foundation of any sustainable economic development strategy: (1) building an investment climate that facilitates investment and growth, and (2) empowering poor people to participate in that growth. The private sector is not only the main source of economic growth, it is also the principle provider of economic activity for poor people, either through employment or self-employment. Improvement of the business climate is compared with the symbiotic relationship between sowing and reaping (Stern, cited by Bank of Namibia 2010).

The 2001 ASCCI White Paper of the Association of SADC Chambers of Commerce and Industry (cited by Bank of Namibia 2010) refers to investor confidence with the

following statement: *“If we want investment in the region, whether from national sources or from non-national ones, we have to establish a climate of investor confidence.”* Stern (cited by Bank of Namibia 2010) classifies aspects of public and private activities that influence the investment climate into three broad categories, namely: activities that address macroeconomic stability and openness of the economy, represented by monetary policies that encourage price stability and trade agreement that remove trade barriers; good governance and strong institutions, which includes the effectiveness of the government in providing sound regulatory structures for the promotion of a competitive private sector and effective provision of public services; and quality of infrastructure, including public utilities such as water, electricity, transport, and telecommunications.

Tonin and Venditto (2001) refer to a study by Comitato Internazionale Per Lo Sviluppo Dei Popoli (CISP) that describes the challenges faced by Namibian entrepreneurs as follows: although training programmes were developed, a training needs analysis needs to be done before any training takes place, and entrepreneurs should be able to point out their immediate training needs; training needs of entrepreneurs have to be verified without having to depend on the indications of the training needs analysis; entrepreneurs have a better understanding of general business management than the trainers of the programmes; a training course for entrepreneurs should not be longer than three days, because entrepreneurs cannot afford to stay away from their entrepreneurial responsibilities for longer; and there was a need for the trainer to speak various languages, as it has been established that not all entrepreneurs understand English or Afrikaans.

2.5 Value Systems of Entrepreneurs

According to Van Aardt et al (2011, p. 143), business ethic is a focus on the responsibility of an organisation toward stakeholders, as well as the underlying values that

impact on the behaviour of individuals in the workplace. There are three types of values: strategic, work, and ethical (Van Aardt et al, 2011, p. 144). The strategic values relate to the direction the business needs to go in order to achieve its goals, the work values are identified in the behaviours required of the employees, and the ethical values reflect the integrity required of employees and management (Van Aardt et al, 2011, p. 144).

Little research has been done on the values of entrepreneurs. The University of Tartu (2010 p.1 - 14) argues that starting a new venture is, in the first place, an individual's personal decision, which fact is often forgotten. Most research on entrepreneurship concentrates on analysing the firm-creation process once the decision to create has already been taken, completely overlooking the internal processes that lead people to that decision. Up until now, research on the psychological factors affecting the start-up decision has concentrated mainly on personal traits as predictors of entrepreneurial activity (University of Tartu, 2010). Creating a venture is a process that begins with the individual's personal decision to do so (Liñán, cited in University of Tartu, 2010).

Kirkley (2010 p. 91) argues that values themselves come from the individual's social environment, through society's wider culture, through interaction with social institutions, and from relationships the individual develops with others. He further states that the manner in which the individuals assimilate the meaning of a value set into an idealised conception of a future reality for themselves provides the intrinsic motivation for them to behave entrepreneurially. According to Schwartz (as cited in Kirkley, 2010), values fulfil five criteria: (1) They are concepts or beliefs; that is, they are beliefs that individuals hold about themselves, what they deem to be important qualities, which they possess and with which they identify; (2) They relate to a desirable end state or behaviour. In other words, individuals strive to achieve what they believe in, and, along the way, pursue the competencies required to enact the desired end state; (3) They transcend

specific situations. Goal achievement is perceived to be more important than any specific outcome. The individual therefore does not behave expediently, but rather in a way that is consistent over time, and which serves the higher goal; (4) They guide the selection or evaluation of behaviour or events. Values influence the individual's perception of situations, and assist in the choice of an appropriate behavioural response; and (5) They are ordered according to relative importance. The individual possesses a hierarchy of values, with some values more important than others, and this hierarchy differs from one individual to the next.

Kirkley (2010) further argues that when entrepreneurs embed their values and meaning into their subconscious, it becomes second nature, and form the basis of reacting when an opportunity arises. According to Schwartz (as cited in University of Tartu, 2010, p. 4), values shape the individual's motivational goals. Van Aardt et al. (2011, p. 144) state that the integrity or human character of the entrepreneur often has a lasting impact on the character and reputation of the business. Van Aardt et al. (2011) further argue that an entrepreneur is regarded as someone with integrity when he/she consistently adheres to a set of ethical standards as a basis for decision making. Integrity is associated with values such as honesty, reliability, fairness, consistency, care, loyalty, and professionalism (Van Aardt et al., 2011).

Some entrepreneurs act in creative ways to maximise their wealth, power, and status, without acknowledging the effects of their activities on others. Weitzel et al. (2010) state that entrepreneurial talent is mostly selfish. These authors further emphasise the importance of entrepreneurs being selfish in their decision making. Teal (2009) states that the upper levels of moral development reflect an individual's orientation towards making moral decisions based on the implicit or explicit expectations of society. Teal (2009) further argues that an individual, as a result of life experiences, will develop a set of

cognitive skills that will be used in making decisions about moral issues. Jackson (2012) reported that African employees feel that they are stepping out of their culture when they go to work in the morning, and step back into their own culture when they go home at night. If Western style organisational cultures are in conflict with local cultural norms, entrepreneurial activity is damped by traditional African culture, making it difficult for entrepreneurs to develop and prosper in African communities.

The University of Tartu (2010) found that there are differences in entrepreneurial intention levels, depending on the person's value priorities. It is postulated that Spanish university graduates whose priorities are openness to change and self-enhancement exhibit a higher intention to become entrepreneurs. This is in accordance with previous studies that identified individualistic values such as power, achievement, hedonism, stimulation, and self-direction as predictive of entrepreneurial intention (Moriano & Polley, as cited in University of Tartu, 2010). People with contrasting value priorities will see the same situation i.e. starting up a venture, very differently. Some will see entrepreneurship as a way of gaining freedom i.e. self-direction value, others will see it as a challenge i.e. achievement value, and still others may see it as the possibility to continue the family business i.e. tradition value (University of Tartu, 2010). Moreover, different value priorities will probably lead people to consider alternative forms of entrepreneurship and varying entrepreneurial orientations (University of Tartu, 2010).

African and Namibian values need further discussion. Statistics on corruption and greed, as reported by Hammond (2012), reflect the following:

- The African Union calculates that, every year, over US\$148 billion is stolen from the continent by its leaders. That amounts to more than a quarter of the entire continent's GDP being lost to corruption.

- The World Bank reports that 40% of Africa's private wealth is held offshore. Global Financial Integrity calculates that Africa has lost well over US\$900 billion since 1970. That is far in excess of the total development assistance given to Africa during the same period. More than US\$300 billion Western aid has been invested in Africa, but has failing to produce even minimum public services.
- Corruption is the second-most prevalent crime on the continent.

Applied within the Namibian context, Rukoro (2012) reports that in the years since independence, Namibia has established an international reputation as a democratic and corruption-free country. The government has, on numerous occasions, expressed its commitment to the promotion of ethical behaviour, transparency, and accountability as part of the democratic culture that is being built in Namibia (Rukoro, 2012). It has also acknowledge that corruption, or the manifestation thereof in the form of abuse of office for private gain and conflict of interests, misappropriation of public funds, various forms of favouritism, such as nepotism and tribalism, in appointments and in the awarding of tenders and consultancies, if not effectively combated or prevented, can undermine public and investor confidence in the government, and impede national development (Rukoro, 2012).

Such issues are seen as relevant, not only to the conduct of public officials, but also to the officers and employees of parastatals, private companies, and non-governmental organisations, whose reputations and performance are critical to the integrity of the nation (Rukoro, 2012). As stated above, Namibia is, by international standards, a clean and ethical country. The government is determined to not only maintain its relatively corrupt-free environment, but also to develop the means to prevent and combat corruption, and to promote ethical conduct on an on-going basis as the nation's economy develops and

Namibia faces the challenge of dealing with companies who promote corruption as part of their way of doing business (Rukoro, 2012).

Rukoro (2012) furthermore states that several allegations or actual instances of corruption or fraud in the private and public sectors, and abuse of public office, have surfaced in the past few years. Government responded to the allegations of impropriety in the public sphere by establishing ad hoc commissions or committees of inquiry, criminal investigations, and laying charges of misconduct in terms of the Public Service Act, with mixed results. Without analysing the details of each case, it can be said that, generally, the government's response has not always met the desired standards of transparency and accountability. In some cases, the media and the public were left with the impression that the government either sought to cover up wrongdoing, or was not diligent in its efforts to address the problem.

Sasman (2012) reports that half of Namibians think corruption in the country is very high, while 64% feel that it is not acceptable for a leader to acquire wealth through corruption. This is according to the latest Urban Corruption Perception report, compiled by the Anti-Corruption Commission (ACC) after a survey carried out in all 13 political regions during March 2011 (Sasman, 2012).

2.6 Challenges Faced by Entrepreneurs

Research indicates that challenges faced by SMEs have many different faces. According to The Bank of Namibia (2010) skills upgrading for informal businesses and adult education is vitally important. Seminars and workshops could be offered once a month at informal markets, addressing accounting, financial management, compiling business plans, business strategy, and basic computer and technology training (Bank of Namibia, 2010). In several developed countries, SME management training appears to have been successful in reducing the failure rate of small firms. Bank of Namibia (2010)

lists five distinctive elements as factors having the most influence on the development of SMEs in Namibia. These are: Firm/structural characteristics; Owner's characteristics, the ability to innovate, and other psychological dispositions; Management decisions; Contextual and/or general growth environment; and Financial and development services that include proper training.

Ipinge (2010) identifies the following shortcomings in the SME arena in Namibia, which hamper progress: lack of managerial training, lack of market information, low levels of education, and the inability to retain staff with relevant skills and training. The report of the Bank of Namibia (2010) further states that there is still a shortage of skills and capacity in the SME environment. In New Zealand, government encourages adults to attend entrepreneurial training by granting them tax rebates during the year in which they attend such training. Adults are particularly targeted because of their influence in their younger relatives' career choices. This entrepreneurial campaign has proven to be a success, as it has created a strong SME base in that country.

Lalani (2000, p. 5458) lists the following factors as barriers to entry for entrepreneurs in the African context: the structure of the economy which are not "buy-local" friendly but rather focus on cheaper imported products; institutional structure to the physical infrastructure that makes simple day-to-day activities frustrated, e.g., entrepreneurs that need their goods transported from one location to another within the country describe the hazardous conditions of roads; the attitude of employees at the work place; the lack of competition among individual entrepreneurs in the same market place; the disconnect between employees who were aware of existing strategies, such as performance bonuses and those who are unaware of such strategies; lack of communication between the employees of the small enterprise; issues of bureaucracy; corruption; controlling inflation due to poor regulations and its enforcement; weak

financial institutions, which is related to governmental problems; lack of access to secure and safe finance; theoretical and academic constraints by capacity building institutions within a country; a fragile social fabric that does not foster creativity and innovation, but breeds distrust; business models that are often simply replications of Western companies; lack of trust and honesty, and ill treatment of individuals, which has grave implications for how business is conducted and conflict is resolved, compounded by jealousy and poverty, which induces hostility and increases crime; and the content and manner of which education is provided in schools and universities.

Ipinge (2010) further argues that another challenge faced by entrepreneurs in Namibia is the lack of job descriptions, which, in practice means that an employee can perform a variety of duties, irrespective of his/her level of skill and training. Ipinge (2010) further indicates challenges for Namibia also includes a lack of strategic vision, proper management, and sound corporate governance.

The Bank of Namibia (2010) reports that the SME sector also faces the challenge of a lack of entrepreneurial skills, which are critical in that it can lead to the demise of an SME due to mismanagement. In order to overcome this challenge, it is proposed that skills development and mentoring services should form part of a good SME development strategy or programme. Other challenges facing the SME sector include supply constraints, fierce competition from Chinese traders and South African retail chains, limited demand as locals are said to prefer foreign goods and services, lack of appropriate institutional and legal instruments to protect patents, and lack of transparency in procurement, amongst others (Bank of Namibia, 2010).

The lack of local SME protection against unfair foreign competition compromises the growth and development of the sector. An example of such protection could be in the form of appropriate regulation that will make it difficult for bigger businesses to enter the

market and crowd out SMEs (Bank of Namibia, 2010). The Namibian government is not doing enough to enable SMEs to access domestic markets. SMEs will not access external markets if they cannot even access their own market (Bank of Namibia, 2010). Therefore, there is a call for Namibians to support SMEs by buying their products and ensuring that the sector improves the quality and relevance of its products (Bank of Namibia, 2010). Numerous policies aimed at SME development have been established, but very little has been achieved in terms of implementation (Bank of Namibia, 2010).

Ipinge (2010, p. 36) found that almost two-thirds of the SMEs indicated that the area where most support is needed is government loans (66%). Secondly, the SMEs indicated a need for support in export and import initiatives (18%). Training came third, at 12%, and support services had the lowest score (4%).

2.7 Determining and Measuring the Effectiveness of Entrepreneurship

The need to be creative while identifying a business opportunity is important in successful entrepreneurship (Weitzel, Urbig, Desai, Sanders & Acs, 2010). Skills and talent to set up and run innovative ventures further contribute to its success. McMullan et al., (2001) argue that it is necessary to assess the effectiveness of entrepreneurship courses on a number of grounds: there is an expectation that the net benefits of entrepreneurship programmes will outweigh their costs and risks; training programmes and courses can be expensive for sponsors and time-consuming for the participants; in addition to the more obvious costs, hidden costs should also be taken into account. Hidden costs can be, for example, fees for guest speakers, mentors, and consultants associated with programme delivery; and participants may take additional risks if they decide to implement advice from entrepreneurship programmes. Thus, central to evaluating the effectiveness of a training programme, is an assessment of the cost effectiveness of a particular programme, as well as its opportunity costs.

Wykham (1989) indicates that the effectiveness of training programmes to entrepreneurs cannot be measured only in terms of financial returns; it also has to be measured in terms of output and future benefits reaped by the attendees. Wykham (1989) further indicates that most entrepreneurship programmes are measured in three ways. Interestingly, none of these approaches attempts to address the financial consequences of developing such a course. First, the knowledge and skills of students are assessed through examination. Second, courses and teachers are evaluated through student evaluation surveys. Third, after the course has been completed, data on the employment and income status of the graduate participants are obtained and measured against an earlier point of existence.

Westhead, Storey and Martin (2001) highlight the limitations of adopting a purely subjective approach to the evaluating of a training program: the participants on a particular course may not be representative of the target population as a whole which means the results of the evaluation cannot be generalised; respondents to a survey could be tempted to give answers that they feel the evaluator wants, instead of providing an honest response; the impact of a programme can only be judged by comparing it with what would have happened, had the respondent not participated on the course; failure to take into account the personal characteristics of individuals might lead to an exaggeration of the effectiveness of a programme; the researcher should appreciate that participants self-select themselves to attend the programme, which can, in evaluating the course, lead to inaccurate assessments; and the subsequent behaviour of respondents is actually more important than obtaining their opinions.

Fayolle and Gaily (2010) argued that the learning process does not happen in a vacuum. Educators have to identify the conditions and the factors that will allow them to retain control of each implementation of the programme. Furthermore, both time and

context bring constraints to the learning process (Fayolle & Gaily, 2010). They relate to temporal factors, such as the programme duration or the way and conditions of its inclusion in a curriculum. Other constraints arise from material factors such as the quality of equipment, and the configuration and characteristics of the classroom. Finally, further constraints are related to the quality and the availability of resources, such as teachers and financial resources. As per Figure 2.3 (below), Alberti et al. (2004) argue that educational goals depend on the learning audience (relationship 1); assessment can only be done if the goals are fixed (relationship 2); contents can be defined only after goals (relationship 3) and depending on audience (relationship 4); pedagogies can be chosen depending on contents (relationship 5) and audiences (relationship 6); assessment depends on both contents (relationship 7) and pedagogies (relationship 8).

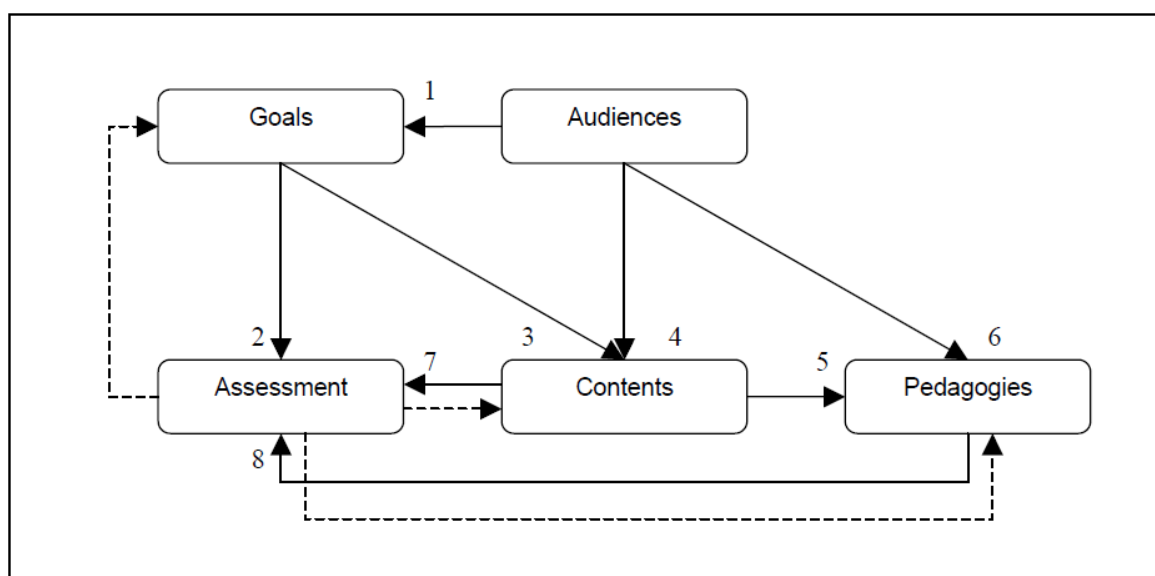


Figure 2.3: The relationship between the five issues in entrepreneurship education
 (Source: Alberti, Sciascia, & Poli, 2004)

Alberti et al. (2004) argue that the challenge for entrepreneurship educators is still unresolved: they have to meet the rigors of academia while keeping a practice-based focus and entrepreneurial climate in the learning environment. Critical factors for academia to

establish and legitimise entrepreneurship education as an effective instrument for economic development therefore lie in the development of a theory of entrepreneurship and encouraging the surrounding entrepreneurial communities to be a learning environment for research and education (Solomon, cited in Alberti et al. 2004).

Mano et al., (2011 pp. 459-463) suggest that, in recent economic literature, management is increasingly recognised as a major determinant of productivity. Mano et al (2011, p. 459) found that the vast majority of the entrepreneurs invited to a training program attended the training session in earnest, and that many adopted the management practices taught in the programme (Mano et al., 2011). Pretorius et al., 2005) state that, after attending a training programme, the number of employees and customers, as well as the profitability and break-even point of the businesses improved.

2.8 Conclusion

According to the literature reviewed, it is apparent that there are a multitude of factors that could influence the effectiveness of entrepreneurs in internalising and successfully executing what they have learnt in training programmes. The different focus areas of training programmes, the contents, and the way of delivery of the training, challenges that entrepreneurs are facing, entrepreneurial values, and examples set by Government, all have an influence on the extent to which the effectiveness of an adult training programme can be measured. The next chapter discusses the findings regarding the program run by the CED in Namibia.

Chapter 3: RESEARCH DESIGN AND METHODS

3.1 Introduction

Chapter 3 within the content of the research is diagrammatically displayed in Figure 3.1.

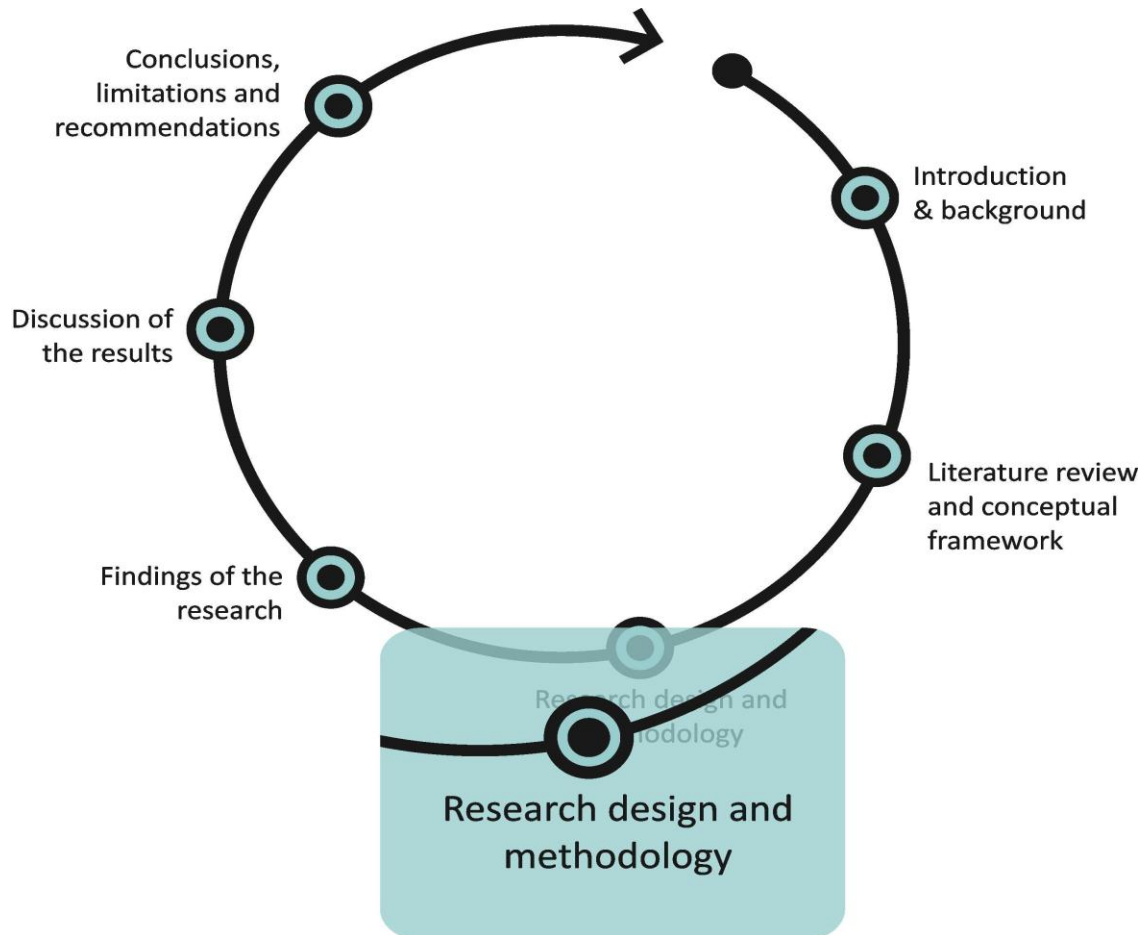


Figure 3.1. Chapter 3 in Context

This chapter includes a detailed discussion of the research design and methods that were selected as the framework through which the research questions of the study were answered. The chapter orientation is presented diagrammatically in Figure 3.2.

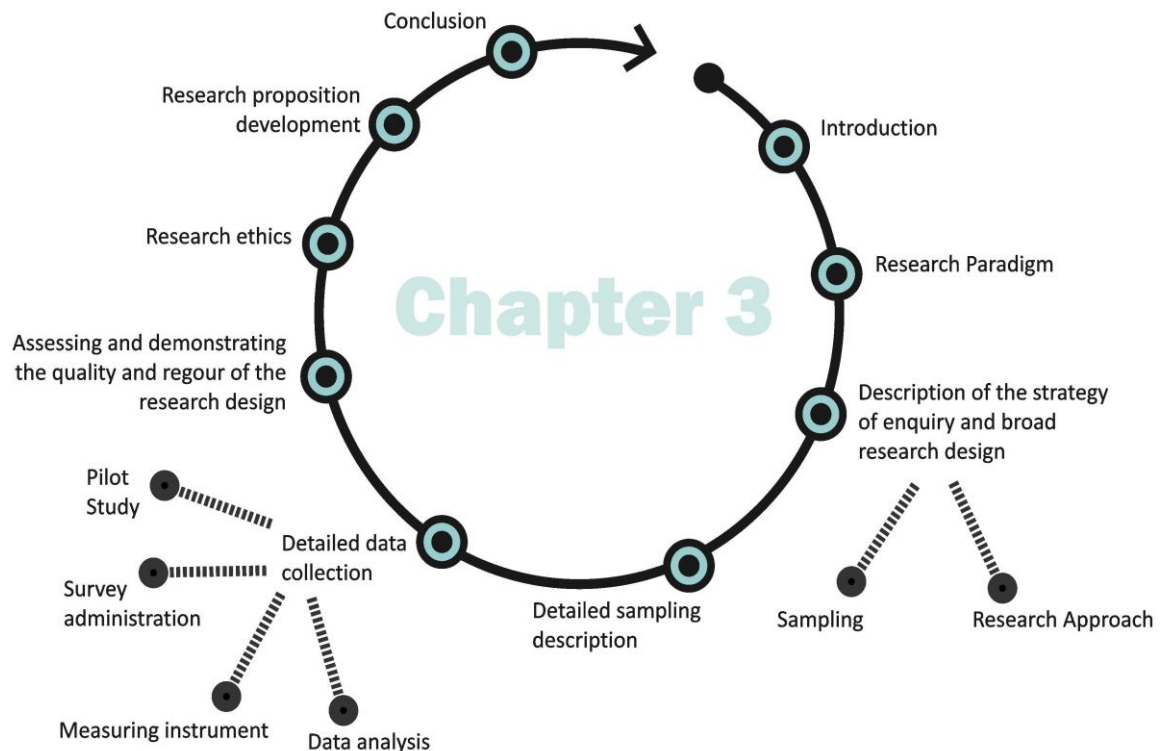


Figure 3.2: Orientation of Chapter 3

Firstly, an overview of the positivist research paradigm applied in this study is presented, before a description of the strategy of inquiry and the broad research design is given. This is followed by a discussion of the sampling strategies and techniques utilised, as well as the data collection methodology applied. Issues that affect the reliability and validity of the research are then considered, before ethical concerns related to the study are contemplated. The final section of this chapter consists of the development of research hypotheses for the study, as well as the rationale for each research proposition.

3.2 Research Paradigm

Bryman and Bell (2007, p. 24) define a paradigm as a cluster of beliefs that dictate what should be studied and understood within a particular discipline. The choice of research paradigm is an important consideration when undertaking a research study, as the underlying assumptions a researcher holds about reality, and how the researcher views the world, have a substantial impact on how the researcher understands and approaches the

topic under investigation. According to Saunders, Lewis and Thornhill (as cited in Cuff, 2012) a research paradigm sets the context for a research study, and provides the interpretative framework within which the researcher collects, analyses, interprets, and discusses data to develop knowledge on the subject at hand (Cuff, 2012).

The present research falls within the positivistic paradigm. The positivistic paradigm holds that research must be limited to what can be observed and measured objectively and exists independently of the feelings and opinions of individuals. Welman and Kruger (2001), Ponterotto (2007) and Greiger (as cited in Cuff 2012) identify the characteristics of the positivistic paradigm as per Table 3.1.

Table 3.1

The Main Characteristics of Positivism

Dimension	Description	Positivistic assumption
Ontology	Nature of reality	One true reality that is identifiable, measurable, and apprehendable. It is not context- or time-bound, and can be generalised.
Epistemology	The relationship between the researcher and research participant	Independent of each other. The researcher does not influence the participants, and vice versa.
Axiology	The role of values in the research process	Values have no place, and must be carefully controlled.
Rhetorical structure	The language and presentation of the research	Objective, third person who is scientific and detached from the research process.
Method	The process and procedure of the research	Only quantitative strategies of inquiry.
Role of the researcher	The part played by the researcher in the study	Objective, impartial observer who is passive and value-neutral.

Note : Source: Adapted from Poterotto and Grieger (as cited in Cuff, 2012).

The positivistic point of view is ideally suited to the present study as the research was aimed at obtaining objective and empirical information on entrepreneurship training in Namibia. The paradigm was appropriate in light of the fact that the study made use of a survey design. According to Ponterotto (as cited in Cuff, 2012), the function of research is

to be objective, impartial, and unbiased, while hoping to reproduce, as far as possible, stringent scientific method and procedures. The assumptions on which this study was based were in line with the paradigm adopted by the researcher.

3.3 Description of Strategy of Inquiry and Broad Research Design

3.3.1 Research approach.

The research approach of the present study is quantitative in nature, since the intention of the research was to explore the effectiveness of a training programme for adult entrepreneurs in Namibia. All respondents were from previously disadvantaged backgrounds. A self-developed questionnaire was used. Maree (as cited in Botha , 2010) defines quantitative research as a process that is systematic and objective in its ways of using numerical data from only a selected subgroup of a universe (or population) to generalise the findings to the universe that is being studied. Next, the strategy of enquiry is discussed.

3.3.2 Strategy of inquiry.

A cross-sectional survey research strategy of inquiry was utilised in this study, based on the need for exploratory research on the effectiveness of a training programme for entrepreneurs in Namibia. There is, to the best knowledge of the researcher, no study on the topic within the Namibian context. Hence, the rationale for choosing this strategy of inquiry was to establish basic empirical data on the topic of interest. Key descriptors of the characteristics of the broad research design are summarised in the next section.

3.3.3 Cross-sectional.

According to Welman et al. (2001), a cross-sectional research design is a spectral case of criterion-groups design. The present study can be considered cross-sectional, as each respondent completed the survey once, and the data collected by the survey enabled the measurement of the effectiveness of the training programme for adult entrepreneurs in Namibia at a single point in time. The survey elicited responses regarding the topic of interest from a broad cross-section of respondents, making this approach practical and reasonable for pursuing the exploratory and descriptive aims of the study. The use of a cross-sectional design meant that the researcher avoided subject mortality or attrition, which is associated with longitudinal designs Welman et al. (2001).

3.3.4 Survey research.

Survey research refers to the use of structured questions to investigate the characteristics, opinions, perceptions, or experiences of individuals and/or the social groups to which they belong (Leedy & Omrod, 2010). Survey research has the power to contribute to the advancement of scientific knowledge (Forza, as cited in Botha, 2011), by capturing a short-lived moment in time and drawing conclusions from one momentary gathering of data (Leedy & Omrod, as cited in Botha, 2011).

3.3.5 Primary data.

The main goal of research is to expand the current body of knowledge on a specific subject matter (Saunders, Lewis, & Thornbill, 2009). The present study made use of primary data, as the researcher utilised questionnaires to capture specific

information, which was used to address the research objectives of the study (Saunders et al., 2009).

3.3.6 Empirical.

According to Kotze (as cited in Botha, 2011) empirical research refers to all research in which new data is collected by the researcher for analysis. Furthermore, Mouton (as cited in Botha, 2011) states that survey research can be classified as empirical, as it is usually quantitative in nature. The present research study can be classified as empirical research, as the research made use of surveys to collect and analyse fundamental data.

3.3.7 Fundamental or basic research.

Basic research seeks to expand the body of knowledge on the field under study, and is conducted to better understand certain processes and outcomes (Saunders et al., 2009). The present study was undertaken with the aim of gaining a greater understanding of the effectiveness of a training programme for adult entrepreneurs in Namibia, using available tools to measure the phenomenon. Consequently, the present study falls within the ambit of fundamental or basic research, as it will add to the body of scientific knowledge and expand theoretical conceptions (Leedy & Omrod, 2010; Saunders, et al., 2009).

3.3.8 Quantitative

The present study can be classified as quantitative in nature, since it made use of numerical data, which was statistically analysed to determine trends and make conclusions about the topic at hand (Belli, as cited in Botha, 2011).

3.3.9 Exploratory

Exploratory research can be defined as “research that aims to seek new insights into phenomena, to ask questions and to assess the phenomena in a new light” (Saunders et al., 2009, p. 592).

3.3.10 Descriptive

According to Cooper and Schindler (2008), a descriptive study attempts to describe a subject through the collection of data and the tabulation of frequencies on research variables. The present study also investigated the size, form, distribution, or existence of a variable.

3.4 Sampling

3.4.1 Sampling frame and the unit of analysis.

According to Welman et al. (2005, p. 56), a sampling frame is a complete list in which each unit of analysis is mentioned only once. The sample should be representative of the sampling frame, which, ideally, is the same as the population.

3.4.2 Sample size.

According to Herzog and Boomsma (as cited in Cuff, 2012), it is important to obtain a sample size that is large enough so that the results can be generalised to the larger population. A sample size of approximately 100 is generally sufficient for exploratory research, which was also the case in the present study (as Runae, cited in Cuff, 2012).

3.4.3 Sampling technique.

There are various sampling techniques that can be used in quantitative research. The nature of the present study and the available unit of analyses necessitated the use of a purposive convenience sample.

Purposive sampling: Purposive sampling is a non-probability sampling technique where the researcher chooses the participants based on their unique characteristics, experiences, attitudes, or perceptions (Cooper & Schindler, 2001). This type of sampling technique was considered adequate for the present study, as the researcher had a specific population in mind, namely the entrepreneurs who attended the training modules. **Convenience sampling:** Convenience sampling involves haphazardly selecting those cases that are easiest to obtain for the sample (Welman et al., 2010). The use of a population which is easily available is termed convenience sampling (Maree & Pietersen, as cited in Cuff, 2012). The reasons for choosing this specific population were threefold: ease of access to the participants in terms of location and entry, an established sampling frame was available from the proper authorities, and it fit the research objectives.

3.5 Detailed Sample Description

All adult entrepreneurs who had completed or attended the CED entrepreneurship programme between the years 2008 to 2011 in Namibia were surveyed. These students were owners, co-owners, shareholders, partners and/or directors, and/or employees of businesses within the borders of Namibia. Two research assistants were employed to gather responses by telephone and mail. The two research assistants were able to speak and interpret all the languages used by the entrepreneurs, and the questions could, in all cases be explained in the respondents' mother tongue. English and Afrikaans were used in

the questionnaires. A maximum of 35 trainees were invited to the different training sessions in different towns in Namibia, which was in line with good adult education practice (Mano et al., 2011).

The researcher explained to the participants that they would not be compensated for their participation in the programme. Nonetheless, many participants enquired about the possibility of assistance in obtaining “low-credit” financing or donations. In spite of being denied any financial assistance, the respondents continued to attend the programme and actively participated. The sampling techniques utilised in the present study resulted in a diverse group of respondents. Entrepreneurs whose contact details were available and could be verified were requested to participate in the study via telephone and e-mail. A total of 173 entrepreneurs attended the training programme. Updated contact details of 44 participants could not be obtained, 15 did not want to partake in completing the questionnaire, 12 were no longer in businesses, 1 completed the questionnaire and returned it by e-mail, 73 completed it by phone, and 28 completed the questionnaire during face-to-face interviews. Thus, 102 (100%) respondents could be identified, and their completed questionnaires were collected. The demographic distribution of the sample is presented below.

3.5.1 Gender distribution.

Table 3.2 (below) represents the gender distribution of the sample group. This table shows that the respondents in this research were primarily female entrepreneurs.

Table 3.2

Gender Distribution of the Sample

	Frequency	Present	Valid Percent	Cumulative Percent
Male	39	38.2	38.2	38.2
Female	63	61.8	61.8	100.0
Total	102	100.0	100.0	

3.5.2 Age group

Table 3.3 presents the age distribution of the sample group. The majority of the entrepreneurs (90%) were older than 30 years, indicating the maturity (adults) of the respondents.

Table 3.3

Age Distribution of the Sample

	Frequency	Percent	Valid Percent	Cumulative Percent
15 - 19 years	1	1.0	1.0	1.0
20 - 29 years	9	8.8	8.8	9.8
30 - 39 years	50	49.0	49.0	58.8
40 years and older	42	41.2	41.2	100.0
Total	102	100.0	100.0	

3.5.3 Language.

Table 3.4 indicates that the home language of 46 % of the entrepreneurs was Oshiwambo, 25 % spoke Afrikaans, and 12 % spoke Otjiherero, while only 1% had English as a home language. All training material was developed in English, and the courses were presented in English as the core language and, when needed, translated into Afrikaans and/or Oshiwambo. Other languages included in the study English, Sciswe, Suwia, Siyeyi, Rukwangari, Nama, and Totela. The fact that the training manuals were only available in English, which was also the delivery language, did cause problems for the entrepreneurs in understanding and grasping the full meaning of the different terms used and explained.

Table 3.4

Home Language Distribution of the Sample

	Frequency	Percent	Valid Percent	Cumulative Percent
Oshiwambo	46	45.1	45.1	49.0
Afrikaans	25	24.5	24.5	85.3
Otjiherero	12	11.8	11.8	60.8
Silozi	6	5.9	5.9	99.0
Nama	4	3.9	3.9	89.2
Damara	3	2.9	2.9	92.2
English	1	1.0	1.0	1.0
Sciswe	1	1.0	1.0	2.0
Suwia	1	1.0	1.0	2.9
Siyeyi	1	1.0	1.0	3.9
Rukwangari	1	1.0	1.0	93.1
Totela	1	1.0	1.0	100.0
Total	102	100.0	100.0	

3.5.4 Regions in Namibia.

Table 3.5 shows the various regions were represented by respondents in the present study, with the largest proportions of respondents being from Karas (53.9%) and Khomas (24.5%). Caprivi, Erongo, Oshana, Oshangwena, and Oshikoto produced less than 10% of the respondents, while Hardap and Omusati had the lowest number of respondents (1% each).

Table 3.5

Region in which business is operated

	Frequency	Percent	Valid Percent	Cumulative Percent
Karas	55	53.9	53.9	83.3
Khomas	25	24.5	24.5	24.5
Caprivi	8	7.8	7.8	92.2
Erongo	5	4.9	4.9	29.4
Oshana	3	2.9	2.9	95.1
Oshangwena	2	2.0	2.0	97.1
Oshikoto	2	2.0	2.0	100.0
Hardap	1	1.0	1.0	84.3
Omusati	1	1.0	1.0	98.0
Total	102	100.0	100.0	

3.5.5 Highest education

The educational qualifications of the respondents are shown in Table 3.6 (below). The classification of respondents according to their highest qualifications disclosed that the majority of respondents possessed a Grade 12 (37, 3%) certificate, followed by those who had a qualification between Grade 8 and Grade 11 (33.3%), 10.8 % held a Diploma or Bachelor's Degree (5.9%), 6.9% had Grade 1 to Grade 7 as their highest qualification, while 4.9% had undergone vocational training, short courses, and certificate training. Only 1% of the respondents held an honours degree.

Table 3.6

Frequency Distribution of Highest Qualification

	Frequency	Percent	Valid Percent	Cumulative Percent
Primary (Grade 1-7)	7	6.9	6.9	6.9
Secondary (Grade 8-11)	34	33.3	33.3	40.2
Tertiary (Grade12)	38	37.3	37.3	77.5
Vocational	3	2.9	2.9	80.4
Short courses	1	1.0	1.0	81.4
Certificate	1	1.0	1.0	82.4
Diploma	11	10.8	10.8	93.1
Degree	6	5.9	5.9	99.0
Honours degree	1	1.0	1.0	100.0
Total	102	100.0	100.0	

3.5.6 Industries of respondents.

A classification of the respondents according to industry, illustrated in Table 3.7, showed that the majority of the respondents operated in the services industry (23.5%), 14.7% were in the catering industry, 14% were in the clothing industry, 10.8% were in the cleaning and recycling industry, 10.8% were in construction, 9.8% were in the food industry, while 5.9% were in manufacturing. Respondents

from the retail industry were represented by 4.9% of the sample, cash loan and debt collection by 2.9%, and renewable energy and art were each represented by 1% of the sample.

Table 3.7

Industries of Respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Services	24	23.5	23.5	23.5
Catering	15	14.7	14.7	38.2
Clothing & shoes	15	14.7	14.7	52.9
Cleaning & recycling	11	10.8	10.8	63.7
Food	10	9.8	9.8	73.5
Construction	11	10.8	10.8	84.3
Manufacturing	6	5.9	5.9	90.2
Retail	5	4.9	4.9	95.1
Cash loan & debt collection	3	2.9	2.9	98.0
Renewable energy	1	1.0	1.0	99.0
Visual art	1	1.0	1.0	100.0
Total	102	100.0	100.0	

3.5.7 Time that businesses were in existence.

Table 3.8 (below) shows the time that the entrepreneurs' businesses had been in existence. Most of the businesses were young; having existed for less than 3 years (40.2%), 19.6 % had been in existence for 3 to 5 years, while 23.5% had been in existence for 5 to 7 years. Only 16.7% of the businesses had been in existence for more than 7 years.

Table 3.8

Time Period since start-up of Business

	Frequency	Percent	Valid Percent	Cumulative Percent
Less than 3 years	41	40.2	40.2	40.2
More than 3 years, but less than 5 years	20	19.6	19.6	59.8
More than 5 years, but less than 7 years	24	23.5	23.5	83.3
More than 7 years	17	16.7	16.7	100.0
Total	102	100.0	100.0	

3.5.8 Staff members employed.

Table 3.9 (below) shows the number of staff members that the entrepreneurs employed in their businesses. Owner-run businesses were represented by 22.5% of the respondents, and 19.6% of the businesses were managed by the owner plus one employee. The highest number of businesses (23.5%) employed 2 to 3 employees, and 16.7% employed 5 to 6 employees. Only 17.6% of respondents employed 7 or more employees.

Table 3.9

Number of Staff Members Employed

	Frequency	Percent	Valid Percent	Cumulative Percent
0 employees	23	22.5	22.5	22.5
1 employee	20	19.6	19.6	42.2
More than 1, but less than 4 employees (including owner)	24	23.5	23.5	65.7
More than 4, but less than 7 employees (including owner)	17	16.7	16.7	82.4
More than 7 employees (including owner)	18	17.6	17.6	100.0
Total	102	100.0	100.0	

3.5.9 Businesses Category.

Table 3.10 (below) indicates the category in which businesses fell. Respondents who considered themselves formal entrepreneurs totalled 16.7%, 13.7% were in a growing phase in the category of formal entrepreneurs, and 10.8% 2343 semi-formal businesses. The highest number (58%) of respondents considered themselves informal entrepreneurs (survivalists).

Table 3.10

Business Category of Sample

	Frequency	Percent	Valid Percent	Cumulative Percent
Informal	60	58.8	58.8	58.8
Semi-formal	11	10.8	10.8	69.6
Registered to formal	14	13.7	13.7	83.3
Formal entrepreneur	17	16.7	16.7	100.0
Total	102	100.0	100.0	

3.5.10 Sales revenue per year.

The sales revenue of the entrepreneurs is presented in Table 3.11. Sales of below N\$5 000 per year were indicated by 25.5% of the respondents, and the largest number of respondents (27.5%) reported of N\$5 000 to N\$50 000 per month. Of the respondents, 12.7% reported sales of N\$50 000 to N\$150 000, 3.9% reported sales of N\$150 000 to N\$350 000, while 8.8% indicated sales of more than N\$350 000 per year. Of the respondents, 1% did not know what their sales were, while 20.6% considered their sale figures confidential.

Table 3.11

Sales Revenue per Year of sample

	Frequency	Percent	Valid Percent	Cumulative Percent
Up to N\$5 000	26	25.5	25.5	25.5
More than N\$ 5 000, but less than N\$50 000 per year	28	27.5	27.5	52.9
More than N\$50 000, but less than N\$150 000	13	12.7	12.7	65.7
More than N\$150 000, but less than N\$350 000	4	3.9	3.9	69.6
More than N\$350 000	9	8.8	8.8	78.4
Don't know	1	1.0	1.0	79.4
Confidential	21	20.6	20.6	100.0
Total	102	100.0	100.0	

3.5.11 Period of record keeping.

Table 3.12 (below) indicates the time period that the entrepreneurs had been keeping track of their business activities. Most of the business owners (37.3%) did not keep track of their business activities, 27.5% had tracked their activities for less than one year, while 35.2% had kept track of their business activities for longer than two years.

Table 3.12

Time Period of Keeping Track of Business Activities

	Frequency	Percent	Valid Percent	Cumulative Percent
None	38	37.3	37.3	37.3
Less than 1 year	28	27.5	27.5	64.7
2 years	15	14.7	14.7	79.4
3 years	13	12.7	12.7	92.2
4 years or more	8	7.8	7.8	100.0
Total	102	100.0	100.0	

3.5.12 Business registered for income tax purposes.

Table 3.13 (below) shows the number of businesses that were registered for income tax purposes. The results show that 54.9% of the businesses were not registered for income tax, while 45.1% were indeed registered.

Table 3.13

Business Registered for Income Tax Purposes

	Frequency	Percent	Valid Percent	Cumulative Percent
Yes	46	45.1	45.1	45.1
No	56	54.9	54.9	100.0
Total	102	100.0	100.0	

3.5.13 Businesses registered for VAT purposes.

Table 3.14 shows the number of entrepreneurs registered for VAT. The results show that 35.3% were registered for VAT, while 64.7% were not.

Table 3.14

Business Registration for VAT Purposes

	Frequency	Percent	Valid Percent	Cumulative Percent
Yes	36	35.3	35.3	35.3
No	66	64.7	64.7	100.0
Total	102	100.0	100.0	

3.5.14 Resources available to entrepreneurs.

Table 3.15 (below) shows the entrepreneurs' access to resources. The results show that access to resources was limited to personal computers (59%), e-mail (49%), fax machines (29%), printers (46%), and the Internet (53%), of which the latter was mostly accessed via a cell phone. Respondents had limited access to personal

computers (43%), 53% had no e-mail address, 73% had no access to faxes, 56% could not print any documents, and 49% had no access to the Internet. Access to electronic media was, in most cases, very poor. This phenomenon makes communication with entrepreneurs difficult, specifically to update contact details. To the best knowledge of the researcher, no single complete database of all SME/SMMs in Namibia exists, which further complicated identification of possible candidates for the training programme. E-learning was identified as a possible solution for training delivery, and this area needs further research.

Table 3.15

Access to Resources of the Sample

	Frequency		Percentage	
	Yes	No	Yes	No
Personal computer	59	43	57.8	42.2
E-mail	49	53	48	52
Facsimile	29	73	28.4	71.6
Printer	46	56	45.1	54.9
Internet	53	49	52	48

3.5.15 Perceived value of the training.

Table 3.16 (below) shows the entrepreneurs' perceived value of the training programme. The majority of the respondents valued the training between N\$1 000 and N\$4 999, (41.2%), 15.7% valued it between N\$5 000 and N\$9 999, while the remainder valued it below N\$1 000 or above N\$10 000. During the face-to-face interviews, it was observed that the entrepreneurs were reluctant to provide their perception of the value of the programme, for fear of being charged. All the respondents' training was, however, sponsored by private or public institutions.

Table 3.16

Perceived value of the training programme

N\$	Frequency	Percent	Valid Percent	Cumulative Percent
50-999	27	26.5	26.5	26.5
1000-4999	42	41.2	41.2	67.6
5000-9999	16	15.7	15.7	83.3
10000-19999	6	5.9	5.9	89.2
20000-25000	4	3.9	3.9	93.1
Don't Know	7	6.9	6.9	100.0
Total	102	100.0	100.0	

3.6 Data collection**3.6.1 Pilot study.**

According to Cooper and Schindler (2008), it is important to assess questions and instruments before the start of a study. These authors define pilot testing as a trial collection of data to detect weaknesses in design and instrumentation, and to discover errors in questions, question sequencing, and instructions. In line with the recommendation of Foza (as cited by Botha 2011), the survey used in the present study was tested using subject matter experts in the field of survey testing, academic professionals, and employees from the target population. Although no formal pilot study was undertaken in the present study, Foza's (as cited by Botha 2011) recommendations were followed. In addition, a sample questionnaire was compiled and tested during entrepreneurship training with a group of women in Luderitz. Extensive research and benchmarking were done, using similar research questionnaires. The necessary changes were made to the sample's questionnaire before the fieldwork commenced.

3.6.2 Survey administration.

Multiple modes of administration were considered for the present study. According to Hutchinson (2004), the decision regarding the means of administering a survey for a research study should be centred on the following considerations: the nature of the information that is to be collected by the survey; the characteristics of the population being targeted; the characteristics and size of the sample required for the study; and the nature of the questionnaire being administered to respondents. Maree and Pieterse (2010) identify four methods of data gathering: telephonic surveys, face-to-face surveys, group administration, and postal survey. All these methods, except the postal method, were used, and one response was received via e-mail.

3.6.3 Measuring instrument.

For purposes of this study, a questionnaire was developed. The questionnaire consisted of five sections (see Annexure B). In the first part of the questionnaire, biographical information was gathered. The second part of the questionnaire focused on aspects relating to the training of the entrepreneurs. The third section focused on the changes in attitudes and business results. The fourth section focused on the value systems of and challenges faced by entrepreneurs. The final section focused on recommendations for the improvement of the training programme.

3.6.3.1 Section A: Biographical information.

The first section of the questionnaire consisted of questions of a biographical nature. The participants were required to answer questions regarding their gender, age, current type of business, home language, region in Namibia in which they

operate, highest level of education, nature of the business, perceived financial value of the training, how many employees were employed, size of the business, access to resources, the length of the financial track record of the business, and whether it was registered for income tax and VAT purposes.

3.6.3.2 *Section B: Training Modules, training methods, and consequent business results.*

Training modules: Eight questions were asked in this section to gain information on the attendance of courses, adequacy of the content of courses, training methods, effectiveness of training methods, and the outcomes of the training.

- **Attendance of training modules:** Respondents were asked to indicate which of the eight training modules they had attended by responding either *Yes* or *No* to each option.
- **Adequacy of the content of the training modules:** The second question focused on whether the contents of the eight training modules contributed to the entrepreneurial skills of the respondents. Respondents were asked to respond to this question on a three-point Likert scale ranging from *a large extent* to *not at all*.

Training methods:

- **Training methods used:** The third question focused on the training methods used as part of the training. Respondents were asked to indicate the type of training methods used for each training module.
- **Effectiveness of training methods used for the transfer of knowledge:** The respondents were then asked to indicate the extent to which the training methods contributed to their learning on a five-point scale ranging from *Excellent* to *Very Poor*.

- **Additional training methods required by entrepreneurs:** Respondents were asked to suggest additional methods of transfer of knowledge that could enhance learning.

Business results because of training:

- Results achieved by applying learned skills in the business: **Respondents** were asked to evaluate the influence of the training programme on their business skills. Options included an increase in customers, improved financial systems, more formal marketing structures in place, increase in turnover, better understanding of buying procedures, and expansion of business. These were rated on a three-point Likert scale ranging from *big improvement*, *small improvement* to *no improvement*.
- **Measurement of business results:** Respondents were then requested to indicate the average percentage by which their profits and their clientele increase had increased by indicating 0%, up to 25%, more than 25% but less than 50%, more than 50% but less than 75%, more than 75% but less than 100%, more than 100%, confidential, or that they did not know the approximate figure.

This section contained an open-ended question, where respondents could indicate additional ways of improving the learning experience.

3.6.3.3 Section C: Changes in business results and attitudes

Two questions were asked to determine the general change in attitude and business results:

Change in attitude: Respondents were asked if there was a positive change in their general attitudes toward the workplace or business and *Change in team activities:* Respondents were asked to rate if they were better team players after the training.

Thereafter, three business results questions were asked:

Increase in profit of the business: The respondents were requested to indicate if the percentage growth in their profit was 20% or more; **Increase in clients:** The respondents were requested to indicate if the percentage growth in their client base was 20% or more; **Improved ability to plan, control, and manage:** The respondents were requested to report on their skill level to better plan, control, and manage their businesses; **Increase in turnaround time:** The respondents were requested to indicate if they were able to respond to daily activities faster than before. The responses were rated on a five-point Likert scale ranging from strongly agrees to strongly disagree and **Application of skills:** Respondents were asked if they had applied any of the skills learned during the programme to their business activities, to which they could answer *Yes* or *No*.

3.6.3.4 Section D: Values systems of entrepreneurs.

The third section focused on the value systems of the entrepreneurs. First, the respondents were asked to indicate the most important five values they hold as entrepreneurs. Thereafter, the respondents were asked to indicate the extent to which the Namibian business community displayed certain business values (as provided on a list) on a five-point scale ranging from Strongly agree (1) to Strongly disagree (5).

3.6.3.5 *Section E: Challenges faced by entrepreneurs.*

The forth section dealt with challenges faced by the entrepreneurs. Respondents were asked to rate the challenges on a five-point Likert scale ranging from *Large extent* (5) to *No extent* (1). Additional comments could be added to this section.

3.7 Data Analysis

Data analyses were conducted using the Statistical Package for Social Sciences (SPSS 20, 2012) program. Descriptive statistics were used to analyse the data. The data are presented in terms of means, frequencies, and percentages.

3.8 Assessing and demonstrating the quality and rigour of the research design

To determine and evaluate the suitability of the research design and the credibility of the findings of the research, issues that affect the reliability and validity of the research must be considered. These issues are discussed in the section to follow.

3.8.1 Reliability.

Reliability refers to the consistency of the measurement of an instrument (Foxcroft & Roodt, as cited in Cuff, 2012). That is, the extent to which the questionnaires used in the study will produce consistent and dependable results (Saunders et al., 2009). In the present study, reliability refers to the internal consistency of the instrument, and the subsequent degree of generalisability across the items within the instrument.

3.8.2 Selection bias.

The sampling strategy utilised in the present study was not random, and therefore individuals in the sample group may have had specific characteristics that were not common across all respondent categories. Thus, the internal validity of the study

was at risk of selection bias, which could have produced differences in the results of the study that were not expected.

3.8.3 Content and face validity.

As mentioned previously in this chapter, the questionnaire was subjected to a pilot study to enhance the content and face validity of the research. Content validity refers to the extent to which the measurement scales provide adequate coverage of the investigative questions (Cooper & Schindler, 2008). Face validity refers to the whether an indicator reflects the content of the concept under investigation (Bryman & Bell, as cited in Cuff, 2012). For purposes of the present study, face validity of the measurement instruments utilised was inferred by the nature of the items constituting the questionnaires.

3.9 Research Ethics

Research ethics provide the moral framework within which a researcher operates when conducting research. According to Cresswell (as cited in Cuff, 2012), research ethics are applicable to data collection and analysis, the interpretation of findings, and the subsequent reporting and dissemination of the research findings. Ethical considerations that were relevant to the present study are discussed in more detail below.

3.9.1 Risk of harm.

One of the first and most important considerations for research with human participants is that the research should not cause harm to those participants. Ruane (as cited in Cuff, 2012) argues that no unreasonable risks should be taken with the emotional, physical, and psychological health of the subjects. While the present study appeared to meet this consideration, it is also important to note that not all harmful consequences can be predicted or known in advance. To combat this, the

researcher made her contact details available on all versions of the measurement instruments. Participants were invited to approach the researcher with any questions that may have troubled them during the course of the study, or to seek additional information on the research study. This also gave the researcher the opportunity to obtain feedback from the participants on their experiences or any negative after-effects, so that development areas that needed to be addressed in the research approach could be identified (Cuff, 2012).

3.9.2 Informed consent.

Participants in any study have the right to make an informed choice about whether or not they wish to be part of the study. To do this, they must be fully informed on what the study entails, and any risk involved (Ruane, as cited in Cuff, 2012).

The following aspects of informed consent should be considered: information: The subjects in a research study should receive all information that may affect their decision to participate; Voluntary participation: Participants must be free to decide to take part in the study. That is, there may be no negative consequences if the individual does not take part in the study. According to Welman and Kruger (2010), the organisational setting of the study can be classified as an institutional setting, and therefore has the potential to infringe upon the concept of voluntarism, since the authority relationship (for example, an individual's manager) in the setting conflicts with true voluntarism. Therefore, it is important that the researcher makes every effort to ensure that individuals understand that participation in the study is voluntary. Furthermore, the individual's right to privacy means that direct consent must be obtained from each individual, and that they are assured of the right to withdraw their consent at any time; Informed

consent clause: In the present study, an informed consent clause was included in the questionnaire, and consent was requested from all respondents before completion of the questionnaire; Dissemination of individual results: Individual results from the research will not be available to respondents. However, all respondents will have access to the final research report, should they so wish; Right to privacy: This refers to the researcher's ability to control when and under what circumstances any other party will have access to the information gathered during the study; Confidentiality: The information collected during a study should be used only for the purposes stated by the researcher. Furthermore, no personal information of the individual participants may be made available or discussed without their consent; Anonymity: Participants will remain anonymous throughout the study. Neither names nor any identifying demographic information of the participants will be disclosed.

3.9.3 Ethical reporting.

It is important to realise that research findings can be altered to agree with the researcher's preconceived ideas, rather than being an accurate and fair rendering of results. Therefore, in the present study, data pertaining to statistical analysis are included in the final report, for public scrutiny. In addition, the researcher ensured that all references were cited in agreement with the academic requirements of the university.

3.10 Research proposition Development.

For purposes of the present research, six research propositions were formulated. The research propositions are in line with the research objectives of the study.

P₁: Entrepreneurs are able to apply the contents of the training programme to their business environments.

Mano et al. (2011) argue that knowledge does not affect business results if it is not put into practice. The Bank of Namibia (2010) suggests that proper training should be given on business management, to empower entrepreneurs to contribute to the economy of Namibia. Scholars state that receiving business training significantly increases the probability that entrepreneurs who have attended workshops will start a business or expand an existing business (Klinger & Schündeln 2007). Thus, entrepreneurial activity, such as starting and expanding businesses, can be fostered by training (Klinger & Schündeln, 2007). Therefore, this research proposition is stated in a directive manner.

P₂: Training methods used by the CED are effective in the transfer of knowledge for entrepreneurs.

Davies and Gibb (1991) argue that training that mainly focuses on theory is inappropriate for teaching entrepreneurship. Henry (2005) states that it is clear from the literature that the learning methods employed in entrepreneurship education and training programmes vary considerably according to lectures, presentations, hand-outs, videos, case study-based learning, group discussions, and role playing. In addition, both traditional and non-traditional approaches to learning are featured. Scholars support the less traditional way of teaching and the adoption of more practical methods, like role play, simulation games, and problem solving techniques. Therefore, this research proposition is stated in a directive manner.

P₃: The entrepreneurship training offered by the CED contributes to the general business results of the entrepreneurs who attend the training.

Entrepreneurial education fosters entrepreneurship, and training enhances the skills of business owners. A study by Botha et al. (2006) showed that after entrepreneurs attended a training programme there was an improvement in the number of employees and customers, as well as the self-perception of the entrepreneurs. Therefore, this research proposition is stated in a directive manner.

P₄: Entrepreneurs' work attitudes changed as a result of the entrepreneurship training.

Individuals understand the challenges of running a business better and in a larger content. A better understanding of the business environments usually leads into positive outcomes on the general work attitudes. Key issues that differentiate a more successful learning programme for opportunity identification and business start-ups from an average programme is whether there is attitudinal and behavioural modification by the participant after having attended the programme (Pretorius et al., 2005). Botha et al. (2006) suggest that changes and improvements in the trainees' attitudes and behaviours, as well as the growth of their businesses, could be partly attributed to the training programme they received. Therefore, this research proposition is stated in a directive manner.

P₅: Entrepreneurs perceive that values are only fairly applied in the Namibian business context.

Entrepreneurs tend to make decisions of judgment on the trust and competence of those involved (Garavan & O'Cinneide, 1994; Mwasalwiba, 2010). Following a belief that entrepreneurship is a panacea for certain economic problems, especially

unemployment, entrepreneurship education should influence attitudes, values, and general community cultures. According the Schwartz (cited in Kirkley, 2010), values influence the individuals' perceptions of situations and assist in their choice of an appropriate behavioural response. Namibia does not have an SME code of conduct or agreed norms in the entrepreneurial market regarding generally accepted values and practices. This hinders trust in the business market place. Therefore, this research proposition is stated in a directive manner.

P₆: Entrepreneurs experience significant challenges that hinder them making a contribution to the Namibian business context.

Although most of the entrepreneurs in the study could be classified as survivalists, a number of reasons were raised why they could not effectively contribute to the Namibian economy. Several challenges are currently preventing this sector from flourishing, as identified by the Bank of Namibia (2010). Therefore this research proposition is stated in a directive manner.

3.11 Conclusion

This chapter involved a detailed discussion of the research design and methods applied in the study. The chapter began with an overview of the research paradigm of the study, before a description of the strategy of inquiry and the broad research design was given. A detailed discussion of the sampling strategies and techniques utilised in the study was then provided, with specific focus on the importance of sample size for the statistical techniques utilised. A detailed description of the sample was also provided, and the data collection methodology was subsequently discussed. Issues impacting on the reliability and validity of the research were considered, before ethical concerns related to the study were contemplated. The emphasis of the final section of this chapter was on research proposition development. The next chapter presents the results of the statistical analysis performed.

Chapter 4: RESULTS

4.1 Introduction

The previous chapter presented the research design of the study, and included the methods, measuring instruments, research procedure, and data analysis methods. This chapter delineates the results and findings of the research. The results and findings are reported in the order of the questions on the measuring instrument. Data are presented in various formats, including tables, graphs, and descriptive narrations. Demographics of the respondents were discussed in Chapter 3. The results are discussed in this chapter, together with the applicability of the course contents and delivery modes, impacts of the training initiative on business performance, challenges faced by entrepreneurs, attitude changes, values of entrepreneurs, and their opinion of the values of the Namibian business community. Chapter 4 within the context of the research is diagrammatically displayed in Figure 4.1.

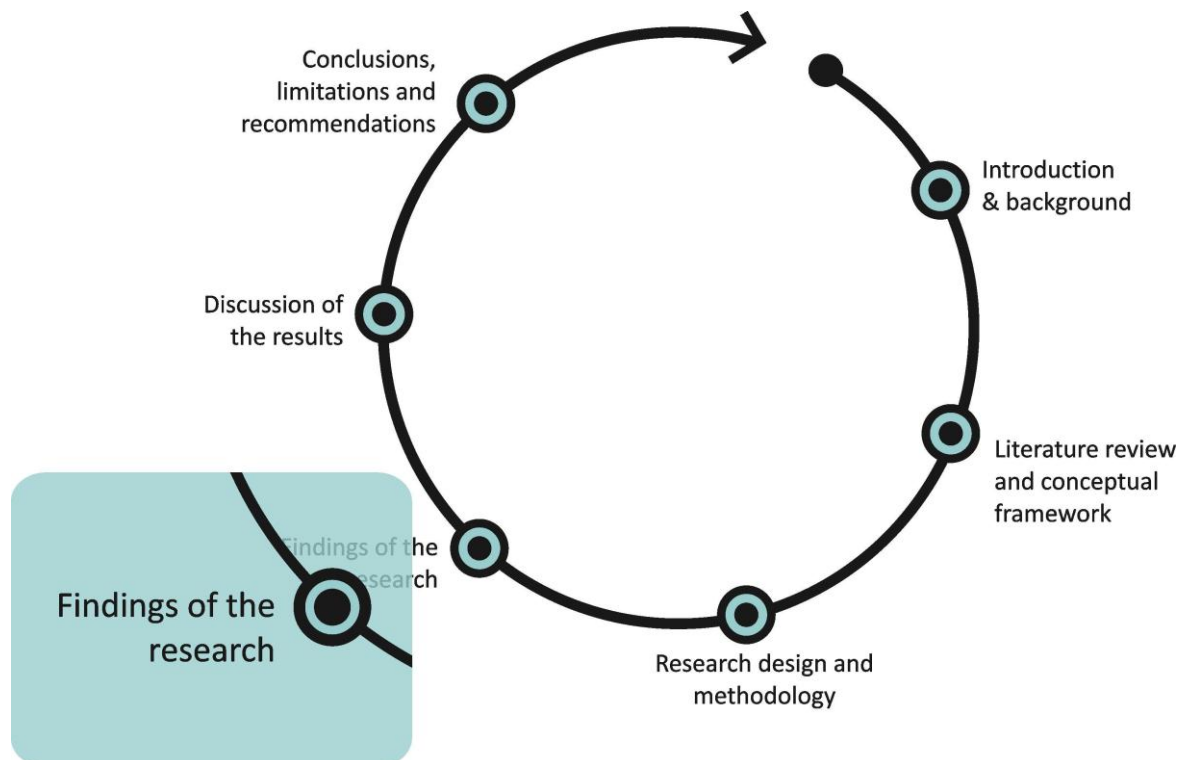


Figure 4.1 - Chapter 4 in Context

The chapter outline is illustrated diagrammatically in Figure 4.2.

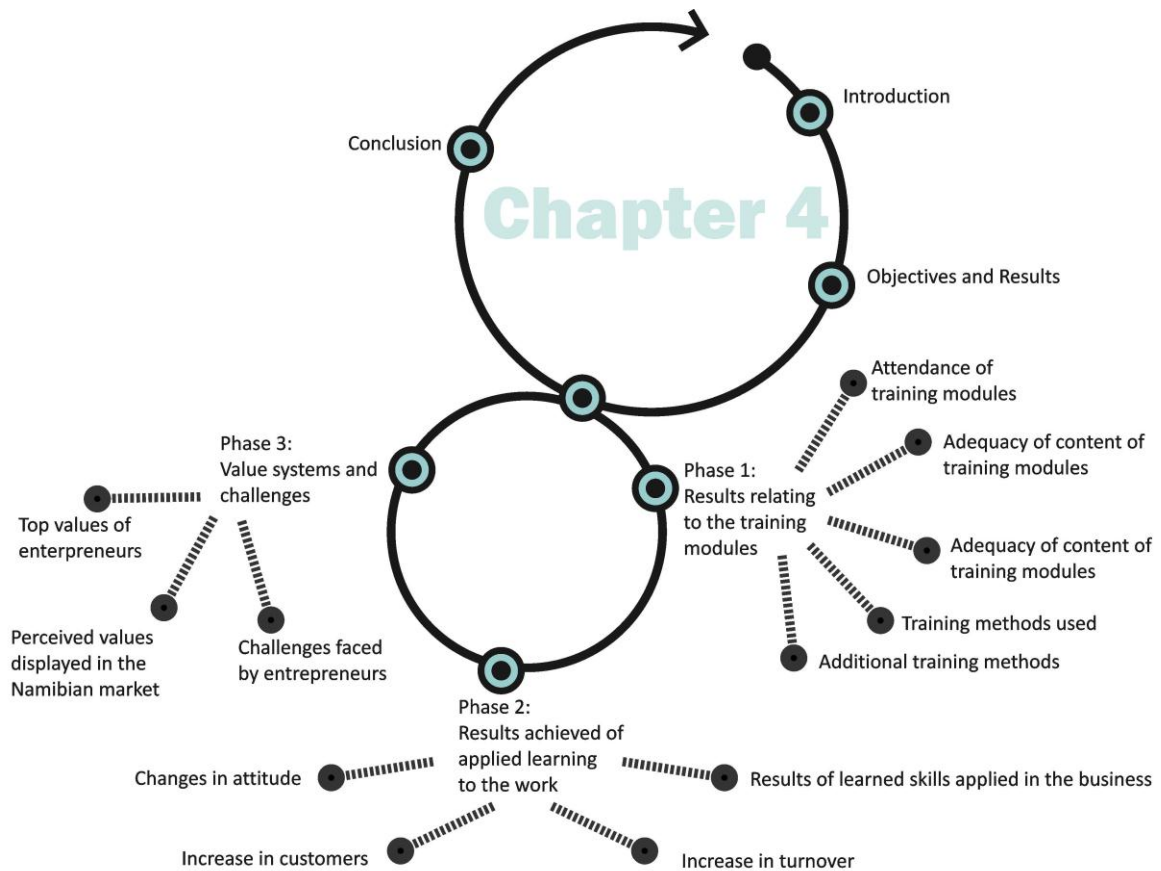


Figure 4.2: Orientation of Chapter 4

The research objectives of the present study were as follows:

- To determine the extent to which the contents of the modules offered as part of the training programme empowered entrepreneurs to apply the skills learned in their business environment;
- To determine whether the training methods contributed to the transfer of knowledge;
- To determine the extent to which the training improved the business results (turnover and client base) of the entrepreneurs;

- To determine the extent to which the entrepreneurs' work attitudes changed as a result of the training;
- To determine the value system (perceived values and experienced values) of entrepreneurs in the business environment;
- To determine the challenges experienced by entrepreneurs in the business environment; and
- To develop an integrated framework for adult entrepreneurship training.

4.2 Results Relating to the Training Modules

This section presents the results in three phases. The first section (Phase 1) focuses on the attendance of the training modules, adequate coverage of the training content, training methods used, and the transfer of learning through the training methods. The second section (Phase 2) focuses on the outcomes of the training, while the third section (Phase 3) focuses on the values of, and the challenges faced by the entrepreneurs.

4.2.1 Attendance of training modules.

Respondents were asked to indicate the training courses that they had attended. The results of the attendance of the training modules are presented in Table 4.1 and Figure 4.3.

Table 4.1
Attendance of Training Modules

.	Frequency		Percentage	
	Yes	No	Yes	No
Personal development	86	16	84.3	15.7
Bookkeeping and budgeting	94	8	92.2	7.8
Marketing and sales	94	8	92.2	7.8
General business management	86	16	84.3	15.7
Tendering processes and procedures	51	51	50.0	50.0
Communication skills and customer care	93	9	91.2	8.8
Production management	71	31	69.6	30.4
Leadership and ethics	88	14	86.3	13.7

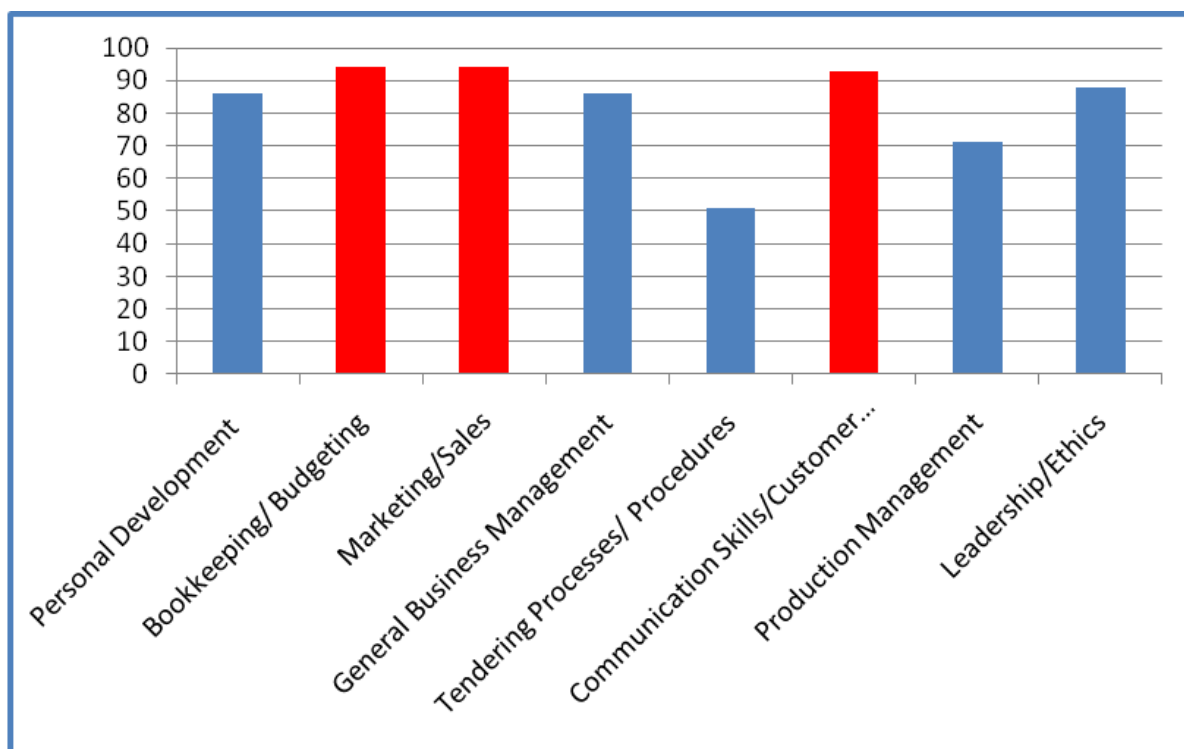


Figure 4.3. Attendance of Training Modules

From Table 4.1 and Figure 4.3, it is evident that, in general, the modules are attended by most of the respondents. It is important to note that the modules Tendering processes and procedures and Production management were only introduced later in the programme, which explains the low response rate for these modules. The training modules most attended include Bookkeeping and budgeting, Marketing and sales, and Communication skills and customer care.

4.2.2 Adequacy of the content of the training modules

The respondents were asked to indicate whether the contents covered in the different training modules enabled them to apply the skills in their businesses. The results are presented in Table 4.2 and Figure 4.4.

Table 4.2

Adequate Coverage of Training Modules

	<i>N</i>	Mean	SD	Large extent	Partially	Not at all	Did Not Attend
Personal development	86	2.57	.50	49	37	0	16
Bookkeeping and budgeting	94	2.59	.50	55	39	0	8
Marketing and sales	94	2.57	.50	54	40	0	8
General business management	86	2.45	.52	40	45	1	16
Tendering processes and procedures	51	2.35	.48	18	33	0	51
Communication skills and customer care	94	2.55	.54	54	38	2	8
Production management	72	2.60	.49	43	29	0	30
Leadership and ethics	89	2.51	.52	46	42	1	13

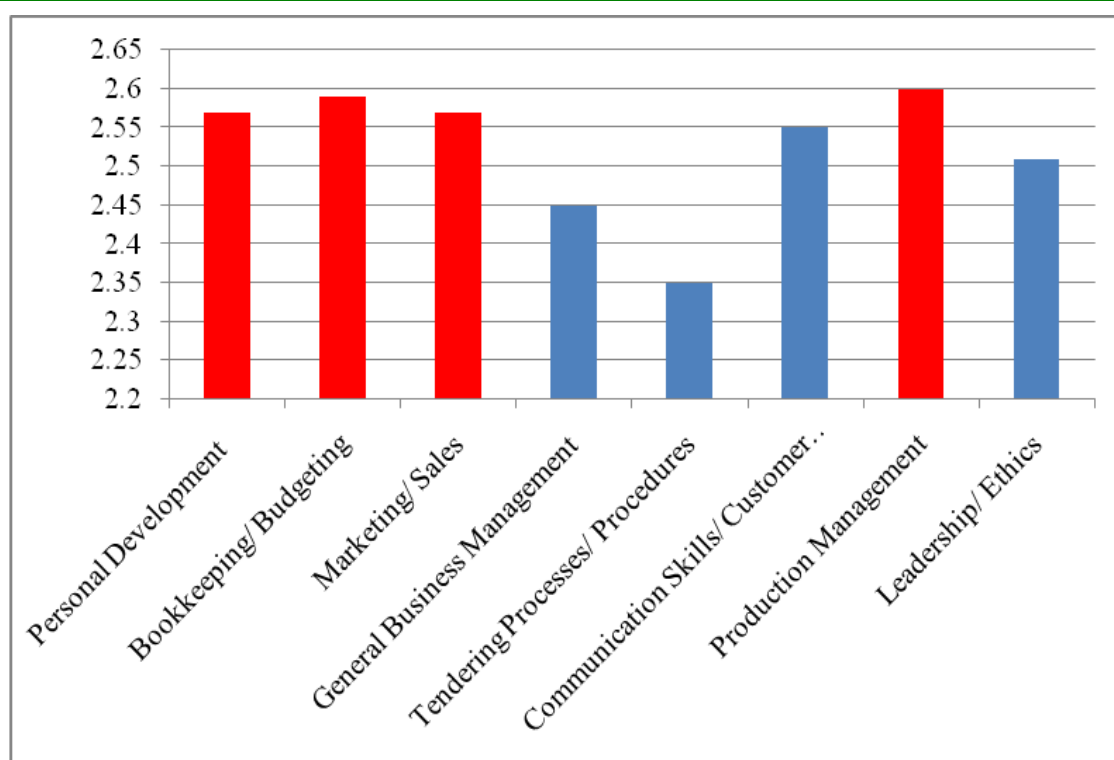


Figure 4.4. Adequate Coverage of Training Modules

From Table 4.2 and Figure 4.4, it is evident that, on average, the entrepreneurs benefitted the most from the Bookkeeping module and, although only introduced

later in the programme, the Production management module. The contents of the Personal development the Marketing and sales training modules also enabled the entrepreneurs to apply these skills in their respective businesses. The results also showed that the training modules Communication skills and General business management need slight improvement, while Leadership and ethics and Tendering processes require substantial improvement.

4.2.3 Training methods used.

The respondents were asked to indicate the training methods that were used as part of the various training modules, the effectiveness of the training methods, and the need for additional training methods. First, the types of training methods are reported in Table 4.3 and Figure 4.5

Table 4.3

Training Methods Used

	Frequency		Percentage	
	Yes	No	Yes	No
Lecturing	102	0	100	0
Case studies	96	6	94.1	5.9
Role play	92	10	90.2	9.8
Practical exercises	98	4	96.1	3.9
Team activities	100	2	98.0	2.0
Small discussion groups	100	2	98.0	2.0
Videos/DVDs	88	14	86.3	13.7
Mentorship	81	21	79.4	20.6

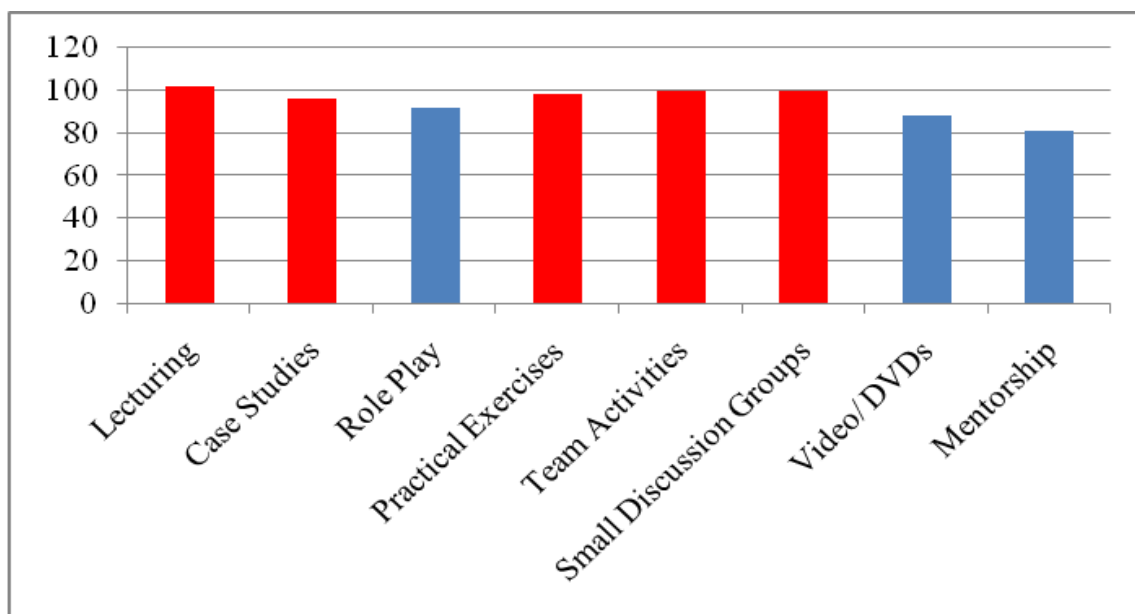


Figure 4.5 : Training methods used

Table 4.3 and Figure 4.5 indicate that training methods such as lecturing, team activities, small discussion groups, and case studies were mostly used. Role playing and DVDs were used less often, while mentorships were used the least. Mentorship was included in the SME programmes that ran for at least 6 months or more. Some respondents attended training that did not include the element of mentorship, which explains the low ratings.

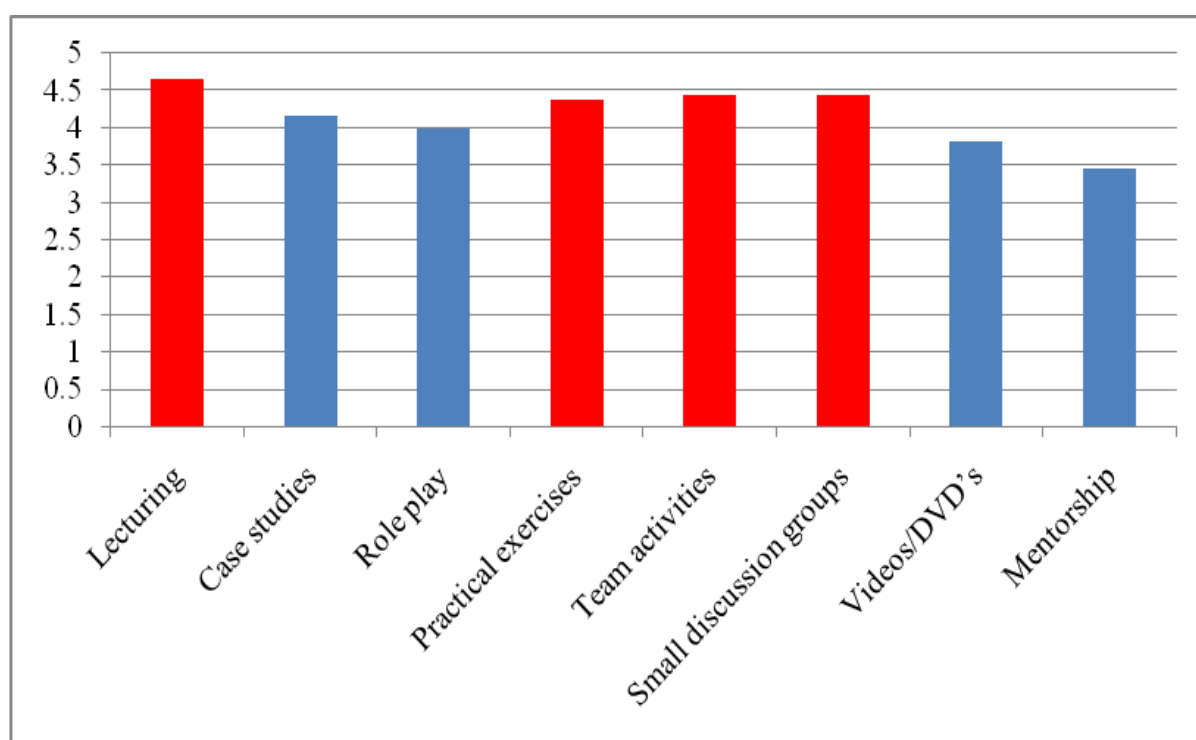
4.2.4 Effectiveness of training methods used for the transfer of knowledge.

Table 4.4 and Figure 4.6 indicate the training methods that the entrepreneurs considered most effective in the transfer of knowledge.

Table 4.4

Results of the transfer of knowledge

	Mean	SD	Excellent	Good	Neutral	Poor	Very poor	Not used
Lecturing	4.647	.500	67	34	1	0	0	0
Case studies	4.157	1.192	44	49	2	1	0	6
Role play	3.990	1.432	43	45	4	0	0	10
Practical exercises	4.382	.975	57	36	6	0	0	3
Team activities	4.451	.828	56	42	2	0	0	2
Small discussion groups	4.441	.839	56	41	3	0	0	2
Videos/DVDs	3.814	1.651	46	33	9	0	0	14
Mentorship	3.461	1.833	37	33	12	0	0	20

*Figure 4.6 Results of the Contribution of Training Methods Used*

From Table 4.4 and Figure 4.6, it is evident that the entrepreneurs benefitted the most from the training methods of lecturing, practical exercises, team activities,

and small discussion groups in the transfer of knowledge. Case studies and DVDs were less popular, while role play and mentorship made the smallest contributions.

4.2.5 Additional training methods required by the entrepreneurs.

Table 4.5 and Figure 4.7 indicate the additional training method requirements of the entrepreneurs.

Table 4.5
Additional Training Methods

	Mean	SD	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Twinning with a successful business person	4.559	.698	68	24	9	1	0
On-the-job training	4.431	.827	59	34	4	4	1
Business simulation games	4.059	.973	38	42	15	4	3
More time for self-reflection	4.196	.890	47	33	17	5	0

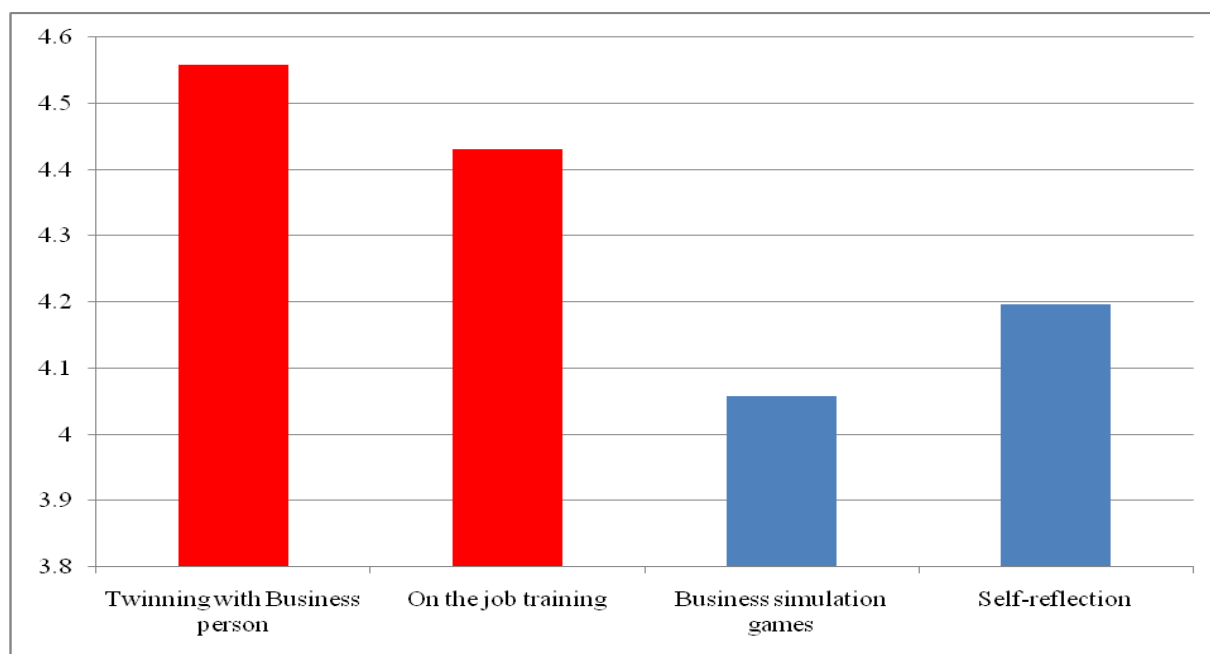


Figure 4.7: Bar Graph Illustrating the Additional Training Methods required

Table 4.5 and Figure 4.7 indicate that there is strong need for twinning with a successful business person and on-the-job training. Business simulation games and time for self-reflection also received a strong response. This section was included an open-ended question, where proposals to enhance the learning experience could be noted. Some of the suggestions included the use of local case studies, that training should be over longer period, more capable mentors, visits by trainers to the workplaces, and on-the-job training, as well as offering of the option of e-learning. It should be noted that trainers did visit the workplaces of the entrepreneurs where possible.

4.3 Results Achieved By Applying Knowledge to the Work Situation

The respondents were asked to indicate the general business results achieved with the application of the skills learned as part of the training modules. These results include business-related results, changes in work attitude, increase in turnover, and increase in customer numbers.

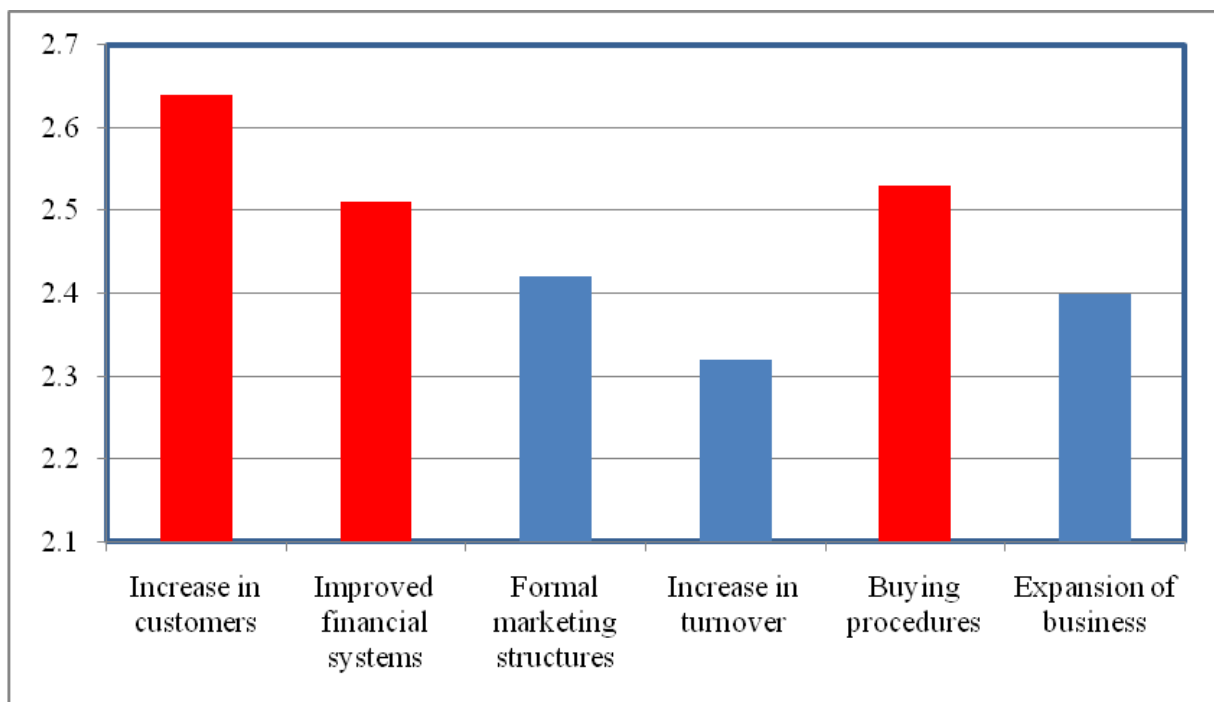
4.3.1 Business-related results.

The results achieved in the entrepreneur's businesses as a result of the training are reported in Table 4.6 and Figure 4.8.

Table 4.6

Results of Learned Skills Applied in the Business

	<i>N</i>	Mean	SD	Big	Small	None	Did not Attend
Increase in customers	102	2.64	.48	65	37	0	0
Improved financial systems	101	2.51	.54	54	45	2	1
Formal marketing structures	102	2.42	.64	51	43	8	0
Increase in turnover	102	2.32	.58	39	57	6	0
Better understanding of buying procedures	102	2.53	.54	56	44	2	0
Expansion of business	102	2.40	.58	46	51	5	0

*Figure 4.8* Results of Learned Skills Applied in the Business

From Table 4.6 and Figure 4.8, it is evident that the training mostly led to an increase in customers, improved financial systems, and better buying procedures. Although the means were still high, the smallest effect was on formalising marketing structures, expansion of the business, and increased turnover.

4.3.2 Increase in turnover.

Respondents were also asked to indicate the extent to which the training programme improved their turnover and client base. The results are reported in Tables 4.7 and 4.8 below.

Table 4.7

Increase in Turnover

	Frequency	Percent	Valid Percent	Cumulative Percent
0%	2	2.0	2.0	2.0
Up to 25%	42	41.2	41.2	43.1
More than 25%, but less than 50%	18	17.6	17.6	60.8
More than 50%, but less than 75%	18	17.6	17.6	78.4
More than 75%, but less than 100%	6	5.9	5.9	84.3
More than 100%	2	2.0	2.0	86.3
Don't know	8	7.8	7.8	94.1
Confidential	6	5.9	5.9	100.0
Total	102	100.0	100.0	

Table 4.7 shows that most of the entrepreneurs' business profits increased by up to 25%. Some experienced a growth of between 25% and 75%, while a few reported an increase of 75% or more. Some participants did not want to, or were unable to, share this information with the researcher.

4.3.3 Results in customer growth

Table 4.8 shows that 40% of the entrepreneurs' client bases increased by 25% as a result of the training. Others reported an increase of more than 25%, to as much as

100%. There were participants who did not want to, or were unable to, share this information with the researcher.

Table 4.8

Results in Customer Growth

	Frequency	Percent	Valid Percent	Cumulative Percent
0%	4	3.9	4.0	4.0
Up to 25%	40	39.2	39.6	43.6
More than 25%, but less than 50%	13	12.7	12.9	56.4
More than 50%, but less than 75%	18	17.6	17.8	74.3
More than 75%, but less than 100%	11	10.8	10.9	85.1
More than 100%	9	8.8	8.9	94.1
Don't know	1	1.0	1.0	95.0
Confidential	5	4.9	5.0	100.0

4.3.4 Change in attitude

The results of the change in work attitude as a result of the training are reported in Table 4.9 and Figure 4.9.

Table 4.9

Change in Attitude

	Mean	SD	Strongly agree	Agree	Neutral	Disagree	Strongly Disagree
Positive attitude towards my workplace or business	4.510	.671	61	33	7	1	0
Better team player	4.245	.849	47	38	12	5	0
Plan, control, and manage my business much better	4.324	.720	45	47	9	1	0
Turnaround time is faster	4.245	.710	39	51	10	2	0

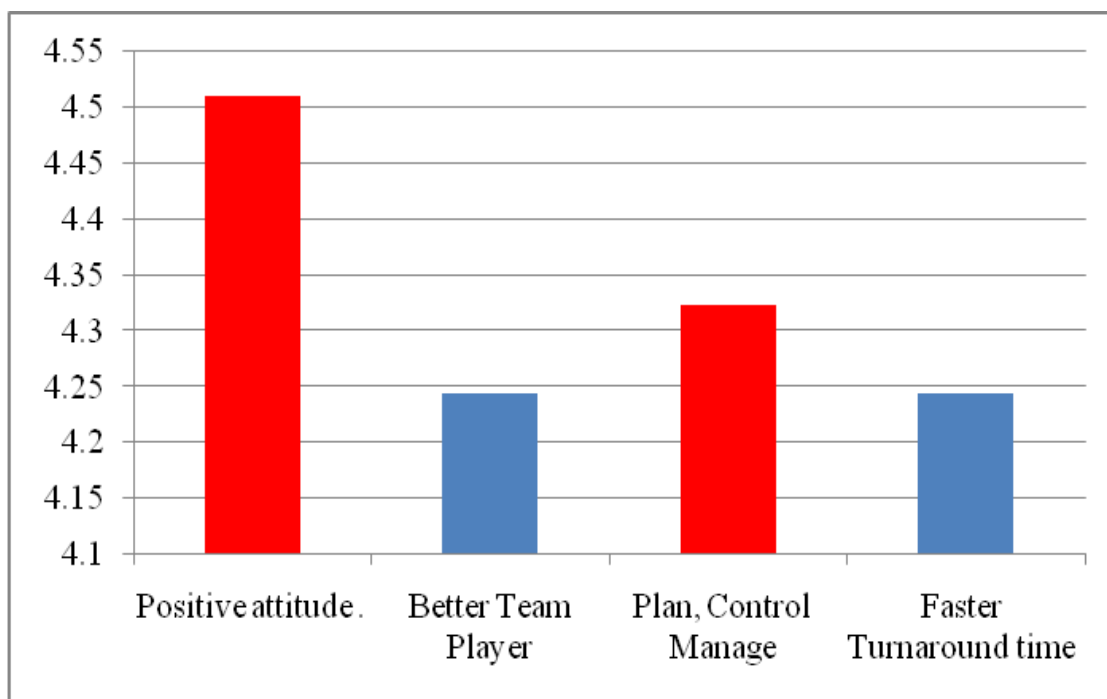


Figure 4.9. Changes in Attitudes of Entrepreneurs

Table 4.9 and Figure 4.9 show that the CED training resulted in the participants positively influencing their working environment through their improved ability to plan, control, and manage their businesses. In addition, most of the participants agreed that the CED courses resulted in their being better team players, together with a faster turnaround time.

4.4 Value Systems of Entrepreneurs

The respondents were asked to indicate the top five entrepreneurial values that are most important to them. Thereafter, the respondents were asked to indicate the extent to which these values are displayed in the Namibian business market. The most important values are reported in Table 4.10 and Figure 4.10.

Table 4.10

Top Values of Entrepreneurs

Values	Frequency	Rank
Integrity	68	4
Honesty	85	1
Teamwork	56	5
Hard-working	73	3
Dynamic	25	9
Customer focused	75	2
Ethical	21	10
Loyalty	40	6
Transparency	8	8
Passion for your work	39	7

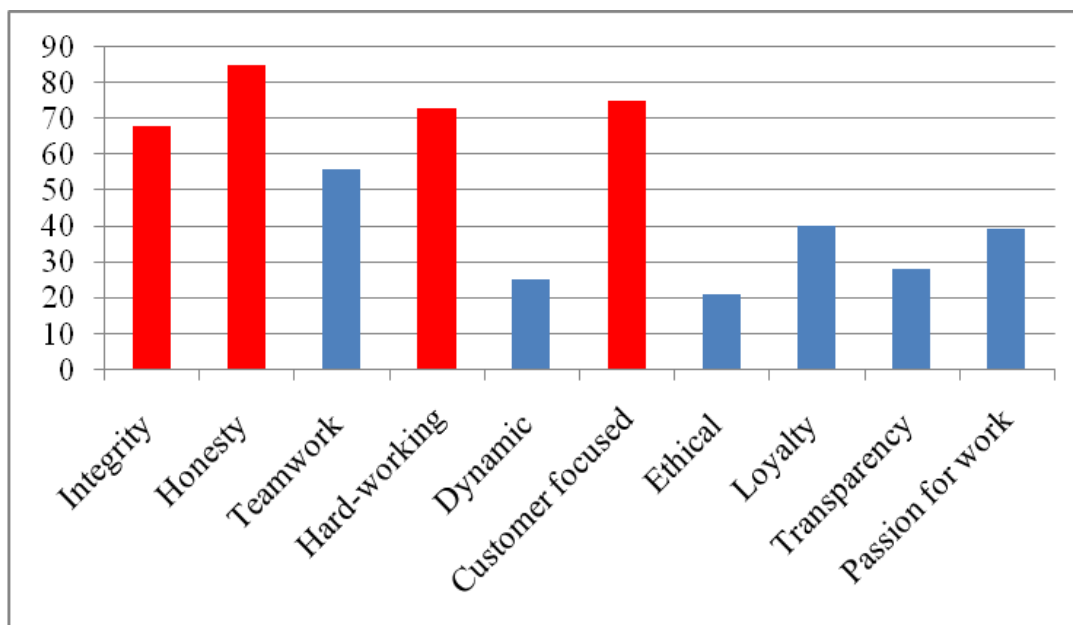
*Figure 4.10.* Bar Graph Illustrating the Top Values of Entrepreneurs

Table 4.10 and Figure 4.10 indicate that the top five ethical values chosen were honesty, customer focus, hard-working, integrity, and teamwork. The lower five values were loyalty, passion for your work, transparency, dynamic, and ethics.

The **perceived application of entrepreneurial** values in the Namibian business market is reported in Table 4.11 and Figure 4.11 below.

Table 4.11

Values displayed in the Namibian Market

	Mean	SD	All the time	Some of the time	A little bit	Not at all
Integrity	2.4510	1.08662	21	30	25	26
Honesty	2.4608	1.07787	21	30	26	25
Teamwork	2.8039	.97533	31	29	33	9
Hard-working	2.9020	1.00010	39	21	35	7
Dynamic	2.5294	.89781	16	34	40	12
Customer focused	2.7941	.99840	32	27	33	10
Ethical	2.2255	1.07083	13	33	20	36
Loyalty	2.2647	1.08021	15	31	22	34
Transparency	2.0686	.99762	10	24	31	37
Passion for your work	2.9608	1.01398	40	28	24	10

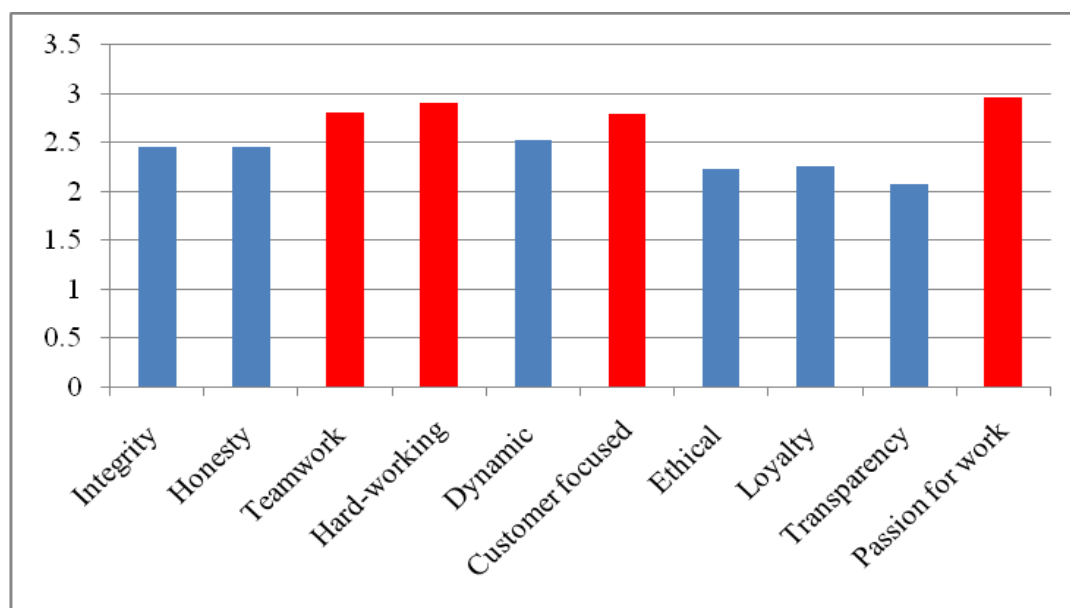


Figure 4.5. Perceived entrepreneurial values displayed in the Namibian Market

Table 4.11 and Figure 4.11 illustrate that, on average, the respondents perceived that the values are applied only A little bit to Some of the time. The values of ethical behaviour, loyalty, and transparency seem to be the values least applied by the Namibian business community. Other values that also seem problematic are integrity and honesty, which received low average scores. Most of the respondents indicated that these two values are applied only *sometimes* or *not at all*. Two values that were perceived to be *most often* applied were hard-working and passion for work. Most of the respondent indicated that these two values are applied *all the time*.

The top personal value listed by entrepreneurs was honesty. According to the respondents, honesty is displayed by the business community with the following frequency: *all the time* - 21%, *some of the time* - 29%, A little bit - 25%, and *not at all* - 25%. The second-highest indicated value was customer focus (15%). A customer focus is displayed by the business community with the following frequency: *all the time* - 31%, *some of the time* - 26%, a *little bit* - 32%, and Not at all - 10%. The third-highest value was indicated as being hardworking (14%). Hard working is displayed by the business community with the following frequency: *all the time* - 38%, *some of the time* - 21%, a *little bit* - 34%, and *not at all* - 7%. The fourth-highest value was indicated as integrity (13%). Integrity is displayed by the business community with the following frequency: *all the time* - 21%, *some of the time* - 21%, a *little bit* - 25%, and *not at all* - 25%. The fifth-highest value was indicated as team work (11%). Team work is displayed by the business community with the following frequency: *all the time* - 30%, *some of the time* - 28%, a *little bit* - 33%, and *not at all* - 9%. The lowest ratings were given to transparency (6%), ethics (4%) and dynamic (4%). Passion for work displayed by business community got the highest score (39%), followed by being hard-working (38%) and having a customer focus (21%). The highest score for the absence of values in the business community were given for transparency (36%), ethics (35%), and loyalty (33%).

4.5 Challenges Facing the Entrepreneurs

The respondents were asked to indicate the challenges that they experience as entrepreneurs that hindered their effectiveness in the Namibian market. The results are displayed in Table 4.12 and Figure 4.12.

Table 4.12

Challenges faced by Entrepreneurs

	<i>N</i>	Mean	<i>SD</i>	Very large extent	Large extent	Average extent	Small extent	No extent
No start-up capital for your business	85	4.100	1.284	56	12	16	12	5
Shortage of cash flow	81	3.891	1.288	49	15	20	11	6
Lack of training to be able to manage your business	85	3.765	1.260	41	22	17	18	4
Long working hours	72	3.333	1.359	32	10	30	20	10
I do not work according to a budget	71	3.337	1.305	26	19	30	15	11
Lack of suitable qualified human resources	83	3.540	1.527	41	16	17	8	18
No bookkeeping systems in place	77	3.099	1.368	21	20	24	20	16
Not knowing how to tender	74	3.277	1.319	24	21	27	17	12
No proper understanding of legal issues	74	2.634	1.163	9	13	27	36	16
Lack of new ideas	84	2.529	1.271	9	17	18	33	25
Foreign nationals taking over	90	2.588	1.381	14	16	12	34	26
Lack of supplies/raw materials	85	2.549	1.271	8	20	17	32	25
Little/low demand for local products/services	84	2.490	1.257	8	17	18	33	26
Language barriers	90	2.304	1.273	8	14	12	35	33
Lack of market research	84	2.436	1.228	8	14	17	37	25
Marketing techniques	83	2.461	1.310	12	10	19	33	28
Lack of machinery/equipment	86	2.451	1.294	10	14	16	34	28

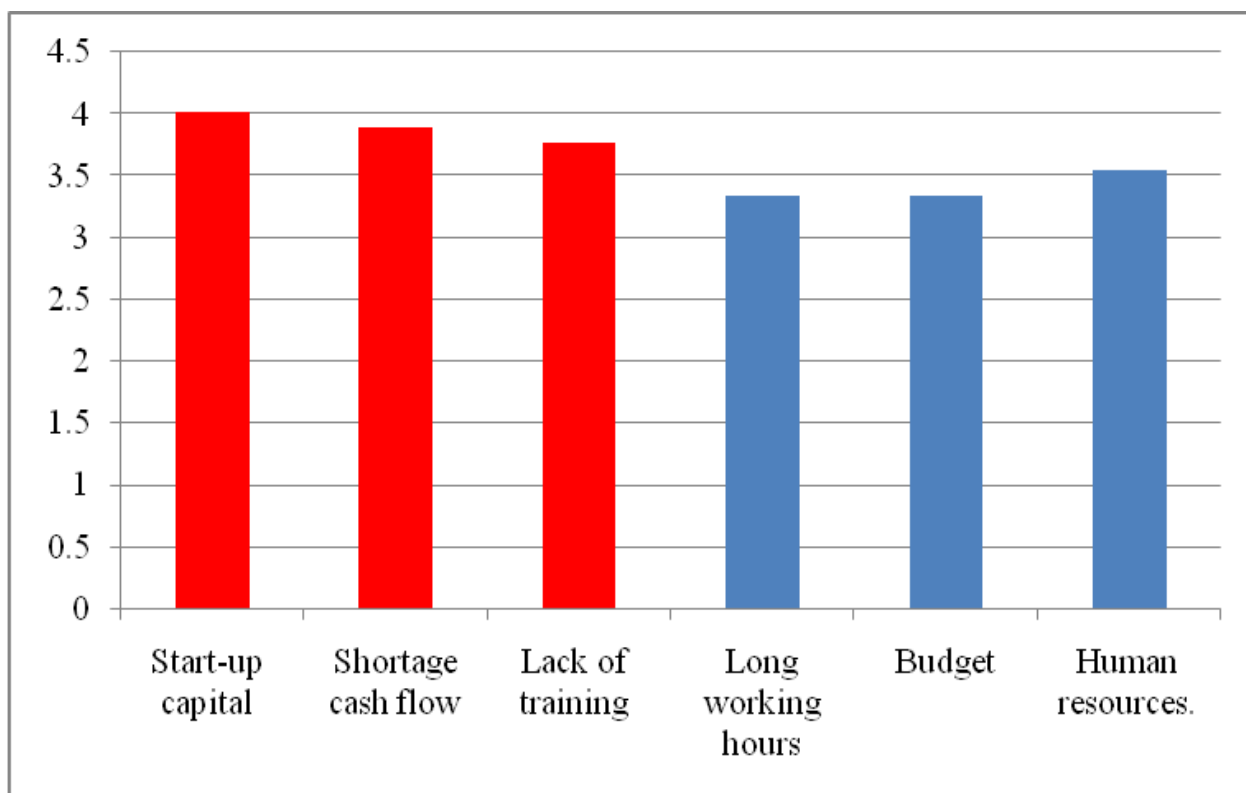


Figure 4.12. Challenges faced by Entrepreneurs

Table 4.12 and Figure 4.12 show that the single biggest challenge faced by entrepreneurs is the lack of start-up capital, which goes hand-in-hand with the second-biggest challenge – a shortage of cash flow. Lack of training is another challenge that was rated very high, followed by the lack of human resources with adequate skills, an inability to budget, and the long working hours. This section included an open-ended question, where entrepreneurs could note more challenges. Challenge reported in addition to those contained in Table 4.12 included no proper understanding of legal issues, lack of suppliers and raw materials, low to no local demand for products, and a lack of market research.

4.6 Conclusion

The results discussed in this chapter revealed some of the finding regarding the training of the entrepreneurs, the change in their attitudes, the general growth in their

turnover and customers, the value system of the respondents, and the entrepreneurial market in general. The discussion concluded with the results of the challenges faced by entrepreneurs. The conclusions regarding these results, as well as recommendations to businesses, are provided in the next chapter.

Chapter 5: DISCUSSION OF RESULTS

5.1 Introduction

For the purposes of the present study, seven research objectives were formulated, based on the literature available on training programmes for entrepreneurs. The results of these objectives will be discussed in this chapter.

Chapter 5 within the content of the research is diagrammatically displayed in Figure 5.1:

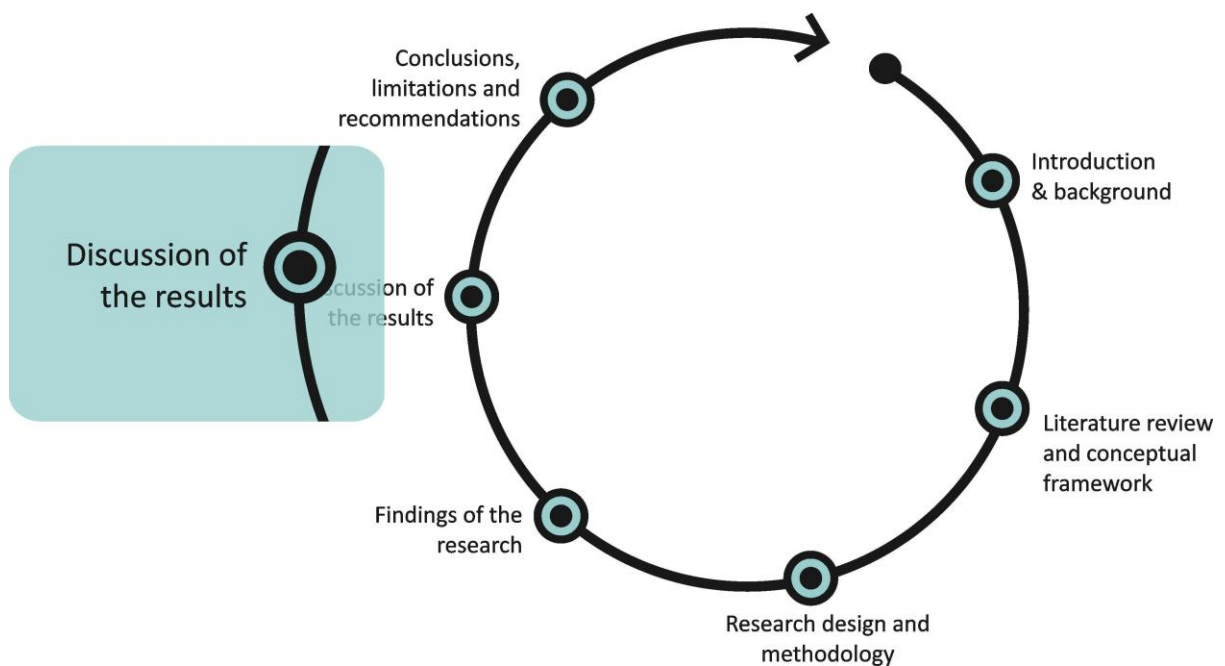


Figure 5.1. Chapter 5 in Context

The chapter outline is illustrated diagrammatically in Figure 5.2.

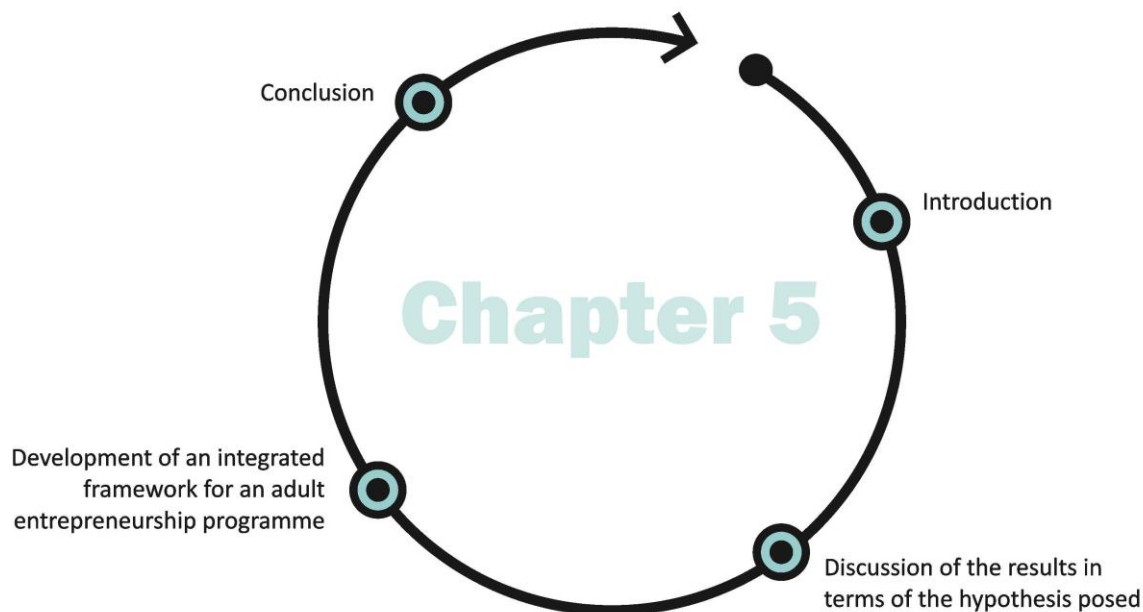


Figure 5.2. Orientation of Chapter 5

5.2 Discussion of results

The results are discussed per research objectives set for this research study.

5.5.1 Research Objective 1

To determine the extent to which the contents of the modules offered as part of the training programme empowered entrepreneurs to apply the skills learned in their business environments.

The results showed that, in general, all the modules were attended by most of the respondents. Entrepreneurs benefitted the most from the *Bookkeeping and production* modules. The contents covered in the *Personal development* and *Marketing and sales* training modules also enabled the entrepreneurs to apply these skills in their respective businesses. The results also showed that the training modules *Communication skills*, *General business management*, and *Leadership and ethics* need improvement. The respondents' cultural differences regarding traditions

and family backgrounds hampered the transfer of skills pertaining to *Business leadership and ethics*. The results show that the different topics were addressed adequately, and not generally, which is in line with the suggestion by Nkirina (2010), who pointed out that training courses should be more specific.

According to the literature, language often causes further obstacles in the delivery of training. Training information often has to be repeated in more than one language. In the present study, the modules presented were mostly in line with the course content as suggested by Mwasalwiba (2010), who suggests the subjects of *Idea generations/opportunity discovery, New venture creation, Risk and rationality, Marketing, Organisation and team building, Managing growth, Financing and marshalling of resources, and SME management*. Negotiating skills and communication skills were further included by CED, together with production management. The entrepreneurs indicated that an understanding of legal issues should form part of the content of the training programme.

Proposition 1: Entrepreneurs will be able to apply the contents of the modules offered as part of the training to their business environment. The above results confirm Research Proposition 1.

5.5.2 Research Objective 2

To determine whether the training methods contributed to the transfer of knowledge. The results showed that lecturing was rated as the most effective way of training. Lecturing was primarily used, supported by small discussion groups and team activities. Practical exercises and case studies were also used to transfer knowledge. Although used quite often during the execution of the training programme, role playing, DVDs and mentorship were indicated to be used the

least. These results, however, have to be interpreted with caution. Taking into account the highest level of education of the respondents, these methods seem to be effective, as they are the only training methods known to the respondents. The successful use of lecturing in the present study is in contrast to the finding of Davies and Gibb (1991), who state that training that focuses mainly on theory is inappropriate in teaching entrepreneurship. Other findings were: Team activities and practical exercises were also rated as effective. Scholars support the less traditional way of teaching and the adoption of more practical teaching, like role playing, simulation games, and problem solving exercises (Davies & Gibb, 1991). In the present study, practical teaching was used where students had to produce a physical product, such as fudge, popcorn, and cooking traditional food. These products had to be priced and sold, and a cash flow statement had to be submitted together with the physical cash.. Lecturers purposefully bought some of the products on credit to demonstrate the consequences of having debtors on cash flow and accounting periods; small discussion groups and group work constituted another effective teaching method. This finding is in line with the literature. Case studies were rated fourth lowest. A possible explanation for this is that there is a dearth of Namibian case studies, and the entrepreneurs found it difficult to relate to foreign case studies.

Role play was rated third lowest. This result should also be interpreted with caution, as role play was not used in the traditional way but was applied in a “presenter-style” feedback sessions. Feedback sessions were conducted in the respondents' mother tongue, which eased role playing. Videos and DVDs received the second-lowest rating as a medium of knowledge transfer. A possible reason for this could be a language barrier, as no local educational DVDs exist, and mainly

American or Australian DVDs were used. The English spoken in these DVDs is usually on a high level, making it more difficult for non-English-speaking entrepreneurs to understand. Mentorship was rated the lowest. Only entrepreneurs who were on the programme for six months or longer had appointed, paid mentors. Finding skilled and trained mentors in the remote towns of Namibia was a challenge for the researcher. The qualities required of a good entrepreneurial mentor in small communities are recommended as an area for further research. In terms of need for additional training methods, the respondents scored twinning with a successful business person the highest, followed by on-the-job training, and then time for self-reflection. Business simulation games were rated the lowest of the four alternatives given. As part of an the open-ended question in this section, the entrepreneurs listed local case studies, longer time spent on the different modules, and placing more emphasis on creating and maintaining a business as additions to the programme that will enhance the learning experience. This result is supported by the literature (Henry et al., 2005b).

Proposition 2: The training methods used as part of the training at CED are effective in the transfer of knowledge to the entrepreneurs. The proposition was *partially accepted*, provided that more methods need to be added to make the transfer of knowledge even more successful.

5.2.3 Research Objective 3

To determine the extent to which the training improved the business results (turnover and client base) of the entrepreneurs. The results showed that most of the entrepreneurs indicated an increase in customers, improved financial systems, more formal marketing structures, an increase in turnover, a better understanding of

buying procedures, and the expansion of the business as a results of the training. Having better business skills and a basic understanding of business management led to the increase in turnover and customers, as indicated by Stern (2002). Stern (2002) identified a sustainable economic development strategy and empowering poor people to participate in that growth as the two pillars of economic growth. Other results included the following: The entrepreneurs' number of customers grew the most. Botha et al. (2006) state that, after attending a training programme, the number of employees and customers of the businesses improved. This finding is in line with the literature. Of the entrepreneurs, 40% indicated a 25% growth in their client numbers. Some reported an increase of more than 25%, up to more than 100%. There were participants who did not want to, or was unable to, share this information with the researcher. No evidence exists of how many customers were retained, and could be a topic for further research.

Better buying procedures were rated second-highest. Better procedures and controls enabled the entrepreneurs to save on “stock on the shelves.” An improvement in the financial system was scored the third-highest area of improvement. Although this was still indicated as a challenge by the entrepreneurs, the training did contribute to improved financial systems. This is in line with literature, which states that accounting knowledge and financial management, including budgeting and accounting, are some of the subjects urgently needed by entrepreneurs (Henry et al., 2005b).

Having more formal marketing structures in place was rated the fourth-highest area that was impacted by the training. This is in line with literature who states that effective marketing structures and action, leads to increase business activities (Hisrich et al., 1998). Expansion of their businesses was indicated as an improved

area due to the training, which served as an important measurement of the effectiveness of the training.

Lastly, an increase in turnover was identified by more than half of the participants as a result. This is also in line with the findings of (Botha et al., 2006) who found that empowering entrepreneurs with effective training increase the turnover of the business.

Business profits increased by up to 25%, or more, in some instances. Two participants indicated that they had no increase in their turnover. Turnover was defined as "more business created," and was not measured through increased profits. As 37.3 % of the business owners did not keep proper records, estimates were used. Drexler et al. (2010) state that "simplified, rule-of-thumb" training in accounting has a significant impact on business results.

Some respondents experienced an increase in turnover of between 25 and 75%, while a few reported an increase of 75% or more. There were participants who did not want to, or were unable to, share this information with the researcher. Botha et al. (2006) state that, in their study, after attending a training programme improvement was evident in the number of employees and customers, as well as the profitability and break-even point of their respondents' businesses. The results of the present study are thus in line with the literature.

Proposition 3: The entrepreneurship training offered by the CED will contribute to the general business results of the entrepreneurs who attend the training. This proposition is accepted, based on the results produced.

5.2.4 Research Objective 4

To determine the extent to which the entrepreneurs' work attitudes changes a result of the training. The results show that the training programme resulted in the participants positively influencing their working environment. The attitudes of entrepreneurs toward the workplace or the business become more positive (Mwasalwiba, 2010). Mwasalwiba (2010) also states that following a belief that entrepreneurship is a panacea for certain economic problems, especially unemployment, entrepreneurship education should influence attitudes, values, and general community cultures. The literature confirms that a positive attitude is one of the crucial elements of the make-up of a successful entrepreneur. The second-most reported attitude change was in the area of planning, controlling, and managing the business to a higher degree. Due to a lack of management and planning skills in entrepreneurs, as supported by literature Ipinge (2010), this training programme contributed to better planning, controlling, and management skills in the entrepreneurs. Being a team player is crucial for success in the entrepreneurial sphere, as stated by the literature Van Aardt et al., (2011). In the isolated towns of Namibia, this is the key to being a successful entrepreneur in the harsh Namibian conditions. A faster turnaround time was rated on the same level as teamwork. This phenomenon directly influences the increase in customers, as previously discussed in this section. Literature points out that the key issue that seem to differentiate a more successful learning programme for opportunity identification and business start-ups from an average programme, is whether attitudinal and behavioural modification occurs in the participants after having attended the programme. The above results are in line with the findings reported in

the literature. However, the long-term sustainability of the behavioural changes has not been measured, and should be a subject for further research.

Proposition 4: The entrepreneurs' work attitudes changed as a result of the entrepreneurship training. The hypothesis is partially accepted, due to the fact that the sustainability of the changes in attitude has to be measured over a longer term.

5.2.5 Research Objective 5

To determine the extent the value system (perceived values and experienced values) of entrepreneurs in the business environment.

The results show that of the top five perceived ethical values chosen were by respondents were: honesty; customer focus; hard-working; integrity; and teamwork.

The five lowest values were: loyalty; passion for your work; transparency; dynamic; and ethical behaviour. It is important to note that the top value of entrepreneurs, namely honesty, is displayed by the Namibian market some of time (30%), a little bit (26%), or not at all (25%). The values of customer focus and hard-working were rated high in importance by the entrepreneurs for themselves as well as for the Namibian market in general. Integrity, which was rated the fifth-higher value by entrepreneurs, is displayed by the Namibian market as follows: some of the time (30%), a little bit (25%), or not at all (26%). It is alarming that being ethical and transparent received the two lowest ratings in terms of importance for entrepreneurs themselves, as well as for the Namibian market. Ethics and values thus have different places within the Namibian market, and do not play the important role that it should play. The literature supports this statement who states that values plays an important role in the direction that a business needs to go (Van

Aardt et al., 2011). The literature points out that values are those qualities that entrepreneurs themselves believe they have, and which they apply on a daily basis (Van Aardt et al., 2011). Ethics guides the selection or evaluation of behaviour or events, while values influence the individual's perceptions of situations, and assist in the choice of an appropriate behavioural response. Each individual possesses a hierarchy of values, with some values being more important than others, and these will differ for each individual.

Proposition 5: Entrepreneurs perceive that values are only fairly applied in the Namibian Business context. This proposition is partially accepted, as it was evident that the Namibian business community is perceived by the entrepreneurs to have little regard for business ethics.

5.2.6 Research Objective 6

To determine the challenges experienced by entrepreneurs in the business environment. The results show that the biggest challenge faced by entrepreneurs is start-up capital, which is related to the second-biggest challenge: shortage of cash flow. Lack of training is another challenge that was rated very high, followed by the lack of human resources with adequate skills, an inability to budget, and the long working hours. These issues were addressed repeatedly in the literature review, and there is a need for government to assist the survivalist entrepreneur. Shejavali (2007) identifies market access, information technology, funding access, management, and human resources as the five most common challenges. Ipinge (2010) indicates that a lack of managerial training, lack of market information, low level of education, and an inability to retain staff with relevant skills also hamper

the effectiveness of SMEs in the Namibian context, which findings are also supported by the findings of the present study.

It is important for the reader to note that the CED is a sustainable business unit. It has to generate its own funds to finance its activities. Survivalist entrepreneurs are not able to contribute economically to the running of any training programme. Thus, the value of the initiatives embarked upon by CED should not only be seen in terms of the financial equilibrium for revenue and expense created, but also in terms of the broader Namibian context. It is thus imperative for Government to acknowledge and contribute to the activities of the CED. This study has proven that the net benefits of the CED training programmes outweigh the costs and the risks. The costs of funding trainers and staff for the training programmes and courses are high, while the participants suffer time lost in their business activities. Furthermore, there are considerable hidden costs associated with running such a programme; for example, fees for guest speakers, mentors, and consultants associated with programme delivery. Effectiveness cannot only be measured in terms of outcomes and financial gains, as indicated in the literature. Success also has to be measured in terms of output of and future benefits reaped by the attendees as indicated by (Van Aardt et al., 2011).

This section included an open-ended question where entrepreneurs could note more challenges. Challenges reported were, inter alia: no proper understanding of legal issues, lack of suppliers and raw material, low to no local demand for products, lack of machinery, lack of market research, lack of qualified human resources, and language barriers. These challenges are all confirmed by the literature (Ipinge 2010).

Proposition 6: Entrepreneurs experience significant challenges that hinder them in making a contribution to the Namibian business context. This proposition is accepted, based on the evidence produced.

5.2.7 Research Objective 7

To develop an integrated framework for adult entrepreneurship training.

From the literature and the results obtained in the present research, it is evident that there is a need for an integrated framework for the effective delivery of an adult entrepreneurship programme. The framework is presented in Figure 5.3 and 5.4 (below).

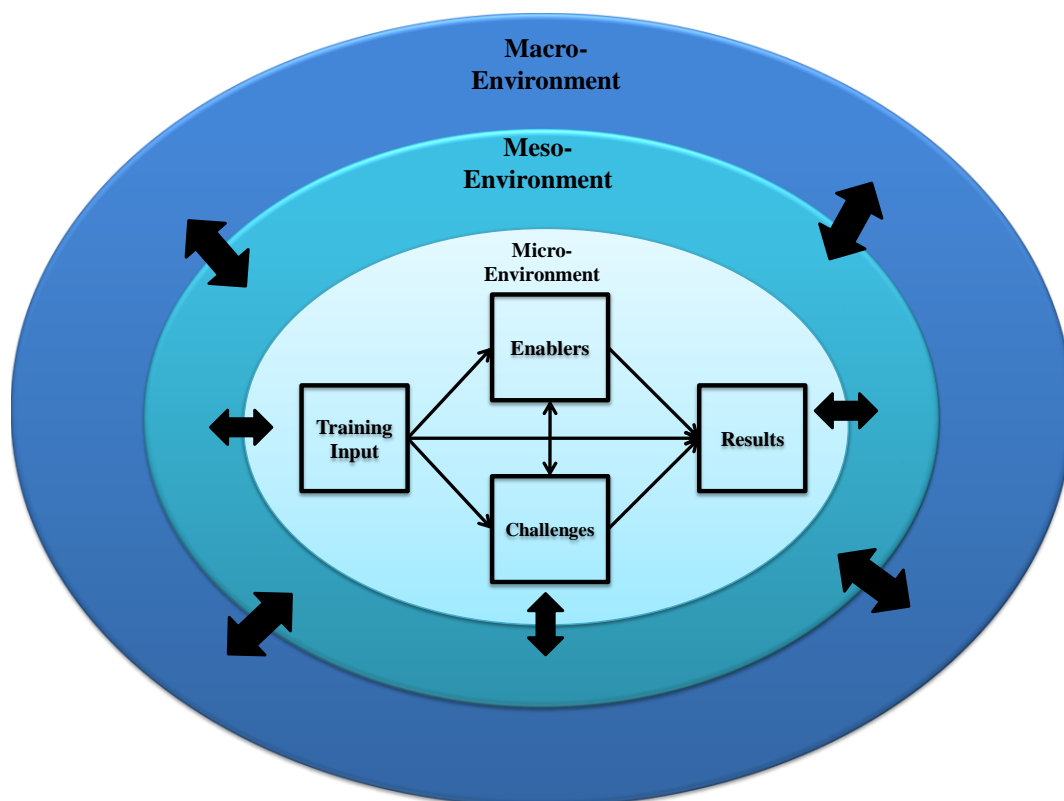


Figure 5.3: Broad Integrated Framework for Adult Entrepreneurship

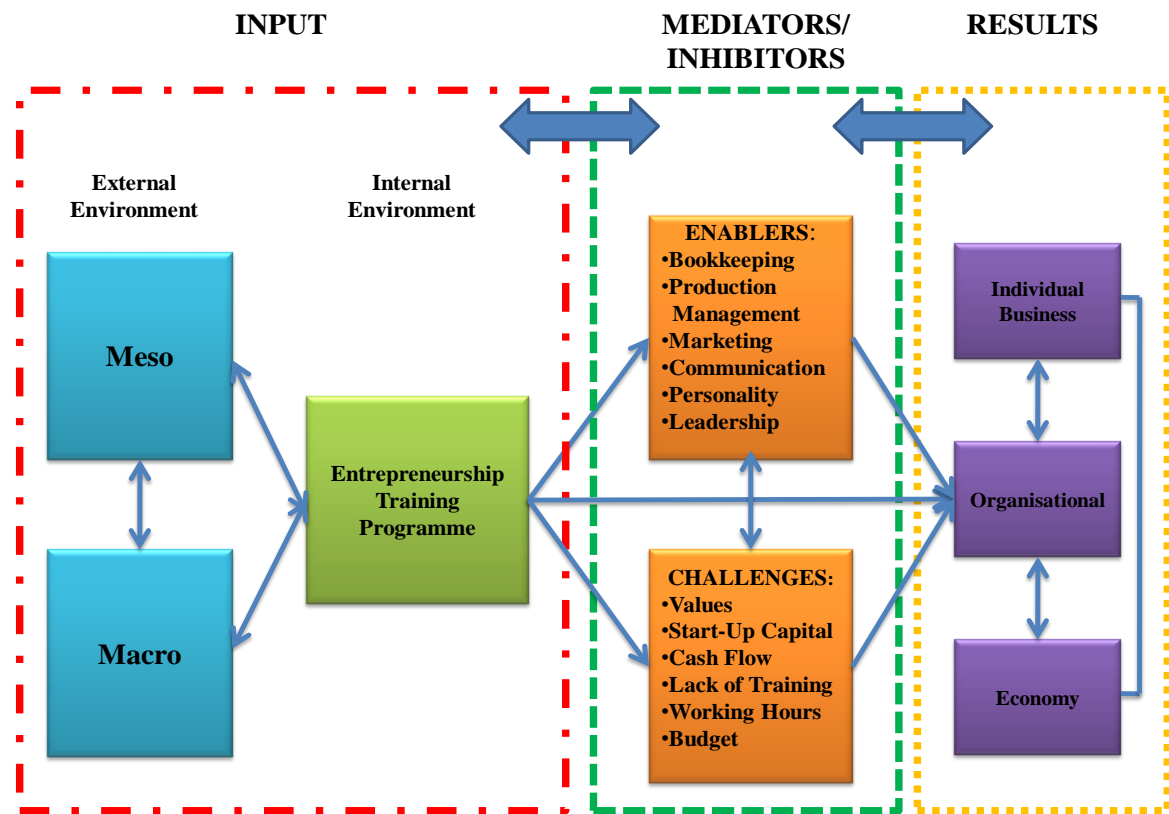


Figure 5.4: Detailed Integrated Framework for Adult Entrepreneurship Training

Components:*Macro-environment: Global Environment and Namibian Context*

This environment represents the Global and Namibian Environment. From the literature it is evident that organisations are continuously changing as a result of emerging economic and environmental changes, uncertainty in the corporate world, new technology and new emerging world markets. Entrepreneurs need to be equipped with the relevant knowledge and understanding of the Global and Namibian context as it influences the sustainability and success of their business. The ideal local environment for entrepreneurs in the midst of all these changes would include a stable economy with good corporate governance, low inflation rates, tax reforms, financial discipline, a competitive economy, and an active market that has consumer confidence, and attracts foreign investments and international trade.

Meso-Environment: Namibian Government

The Meso-environment includes the Namibian Government. The Government passes legislation and policies that regulate the business practices of entrepreneurs. Government and semi-government organizations however make poor training providers. They are not necessarily commercially inclined, and are often subject to political and bureaucratic interference that may distort their vision and hamper motivation. Commercial organisations are the most successful providers of services to SMEs due to a different focus on business activities. The government of Namibia, through PoN's CED can ensure that the training programs delivered to entrepreneurs in the communities of Namibia constitute a rich and sustainable social corporate investment program. The CED, in addition, should offer appropriate mechanisms for achieving the same objectives as those of donors.

Micro-level – Context and output of training program

This level mainly focuses on the training program itself and the outcomes thereof.

This level includes the following:

- Input: Training
- Mediators/ Inhibitors: Enablers and Challenges
- Output: Results for Individual, Organisational and the Broader Economy

Input/training

In order to develop an entrepreneurship program, an awareness of the macro- and micro-level factors contribute to an awareness of the need for a program, the contents of a program, and any support of the programs that has to be developed. The training programme aim at equipping entrepreneurs in the relevant business related knowledge and skills such as Personal Development, Bookkeeping and Budgeting, Marketing and Sales, General Business Management, Tendering process and procedures, Communication skills and customer care, Production Management and Leadership and Ethics. The training program also serves to create a greater awareness among entrepreneurs regarding the possible value constraints and challenges they may face in their business.

Mediators: Enablers/ Inhibitors

Mediation: In statistical mediation seeks to identity and explicate the mechanism or process that underlies and observed relationship between and independent variable (i.e. training) and a dependent variable (i.e. results) via the inclusion of a thirds explanatory variable (i.e. enablers), known as the a mediator variable. In this study we identify the knowledge and skills acquired as part of the training process as the enables are mediator variables. In this study enablers serve two purposes. First the training serves as the input to equip entrepreneurs with the necessary knowledge and skills that in turn can lead to the desired individual, organisational and economic results. This means that training leads to

enablers which in turn lead to results. Second the enablers can in the midst of the challenges still lead to desired outcomes. Thus, the enablers (knowledge and skills) lessen the impact of challenges and still assist entrepreneurs to achieve their desired business results.

Inhibitors serve as the challenges that entrepreneurs experience as part of their business. The challenges prevent entrepreneurs from achieving the desired business results. Even though training opportunities are available, entrepreneurs will not necessarily achieve business results because of persisting value conflicts and challenges. However, as mentioned previously, the enablers (knowledge and skills) can assist entrepreneurs in overcoming these barriers to achieve results. The above again highlights the importance of adopting a multi-level but also a systems perspective to the training of adult entrepreneurs.

Output: Individual, Organisation and Broader Economy

The outcomes of such training are envisaged on three levels: individual, organisational, economic. Individual outcomes represent the acquisition and application of knowledge as a result of the training received. This in turn leads to increased business acumen, improved attitude, and enhanced abilities, together with a more open-minded repeat-business appetite.

Organisational outcomes represents an increase in customers, improved financial systems, more formal marketing structures, an increase in turnover, a better understanding of buying procedures, and the expansion of the business as a results of the training. This in turn can lead to higher business profits.

From an economical point of view an increase in income represents more economic and spending power which fuel the economy, increase the GDP and eventually lead to opportunities for entrepreneurs to replicate their business ideas in other areas or town, thus moving into the category of repeated or professional entrepreneurs.

5.3 CONCLUSION

This chapter provided a detailed discussion of the six research hypotheses that were formulated based on available literature on training programmes for entrepreneurs. The six objectives were tested using the data and analysis presented in Chapter 3. In Chapter 4, the researcher discussed the results obtained, together with the implication of these results for the research hypotheses. The chapter concluded with an integrated framework for the delivery of a successful adult entrepreneurship training programme.

The next chapter gives an overview of the research study in its entirety, and discusses the conclusions, limitations, and possible future research areas associated with this study.

Chapter 6: CONCLUSION, LIMITATIONS, AND RECOMMENDATIONS

6.1 Introduction

This chapter offers an overview of the entire study. The most significant findings gleaned from the literature are offered, as well as a summary of the results of the present study. The limitations of the study are addressed, and select recommendations for further study in the field of training programmes are made.

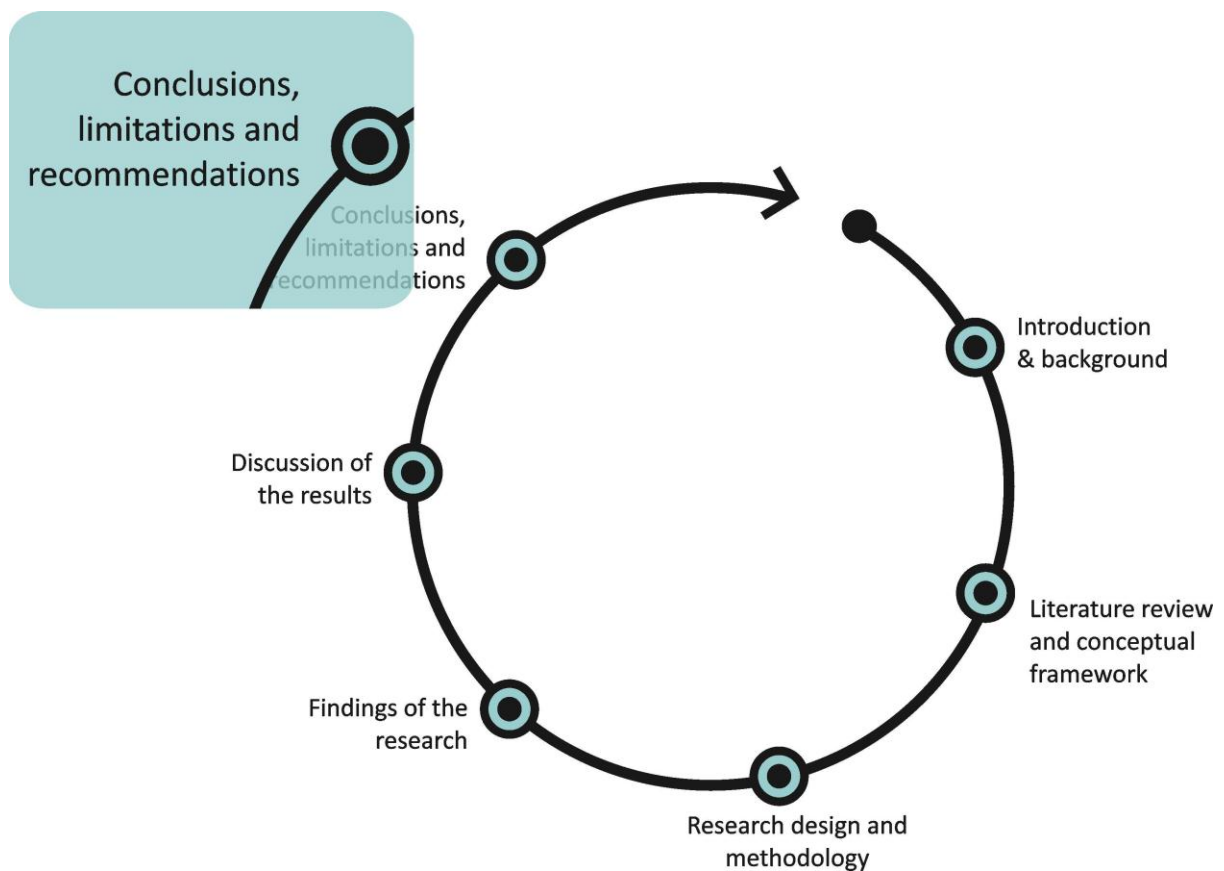


Figure 6.1 Chapter 6 in Context

Figure 6.2 gives an orientation of topics addressed in Chapter 6

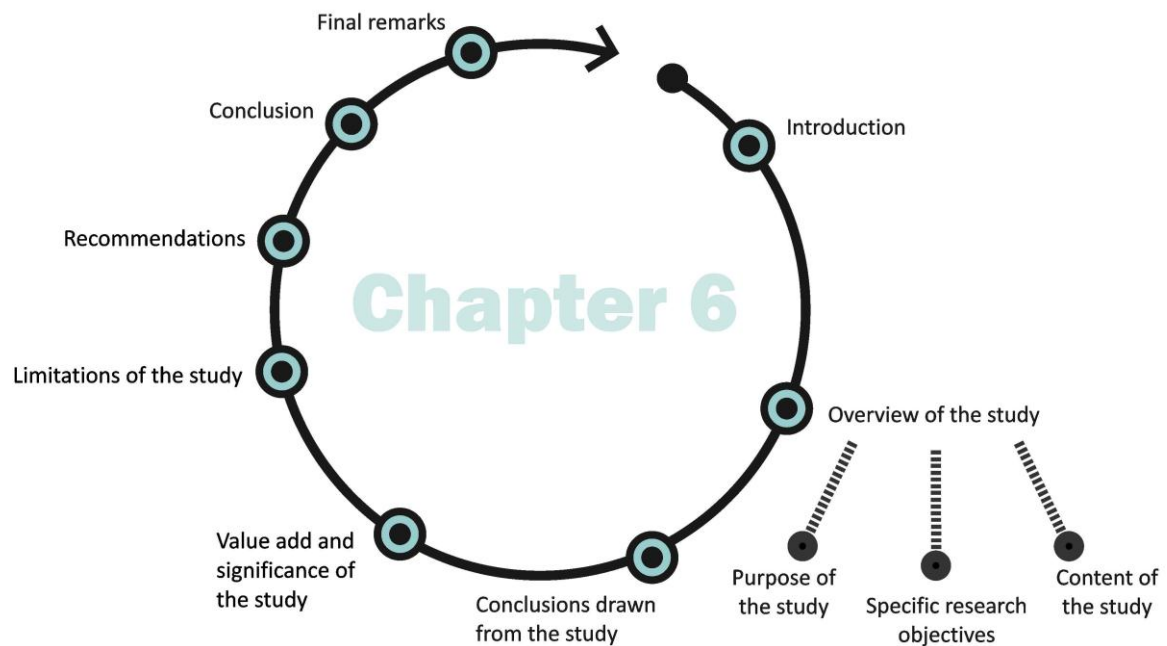


Figure 6.2: Orientation of Chapter 6

6.2 Purpose of the study

This purpose of the present study was to determine the effectiveness of an adult entrepreneurship training programme in Namibia. In addition, the research also focused on the ethical values of entrepreneurs, and the perceived values of the Namibian community. Finally, this study explored the challenges that entrepreneurs face, which prevent them from making a positive contribution to the Namibian economy.

6.3 Specific research objectives

The following specific research objectives were set for this study:

- To determine the extent to which the content of the modules offered as part of the training programme empowered entrepreneurs to apply the skills learned in their business environment ;
- To determine whether the training methods contributed to the transfer of knowledge;

- To determine the extent to which the training improved the business results (turnover and client base) of the entrepreneurs;
- To determine the extent to which the entrepreneurs' work attitudes changed as a result of the training;
- To determine the value system (perceived values and experienced values) of entrepreneurs in the business environment;
- To determine the challenges experienced by entrepreneurs in the business environment; and
- To develop an integrated framework for adult entrepreneurship training.

6.4 Content of the study

This section shows the main conclusions from each chapter in this study.

Chapter 1: Introduction and background

Chapter 1 introduced the concept of entrepreneurship in the broader context, and focused on the importance of the research study by highlighting the problem statement and research objectives. An indication of the importance and benefits of the study was given, before the chapter concluded with a list of definitions and abbreviations used frequently in the study. This chapter provided the research objectives that guided the study.

Chapter 2: Literature review

Chapter 2 contained a detailed review of the available literature on entrepreneurship training. It discussed the definition of entrepreneurship from various angles, the importance of training for entrepreneurs, and different objectives and approaches to entrepreneurship training. It provided an overview of training in the Namibian context, together with limited literature on the ethics of entrepreneurs. The chapter discusses common challenges faced by entrepreneurs, and concludes with the elements of an effective entrepreneurship training programme.

Chapter 3: Research design

The research design of the present study was unpacked in Chapter 3, according to the research paradigm, the strategy of enquiry used, and the overall research design. The main conclusions drawn from this chapter are:

- The research was conducted from a positivistic paradigm;
- Quantitative survey research was used as the main strategy of inquiry;
- The population for the sample consisted of entrepreneurs who had attended training programmes presented by the CED in the period 2008 to 2011 in Namibia;
- Sampling was done based on all entrepreneurs who still had valid contact details;
- A detailed sample description was done according to gender, age, language, region, highest qualification, business category, time in existence, number of employees, VAT and income tax registration status, available resources, and perceived value of the training programme;
- Data collection was done by means of a questionnaire;
- Data analysis was done by means of SPSS, using the various identified statistical techniques;
- Possible bias and errors were identified and rectified;
- Reliability and validity of the study were discussed, as well as the methods to ensure this;
- Research ethics were discussed; and
- Finally, research propositions were stated and discussed in terms of the rationale of the study.

Chapter 4: Results

In this chapter, the results obtained from the statistical analyses of the data were presented in three phases, namely 1) results relating to the training modules, 2) learned skills applied to the business, and 3) values of the entrepreneurs, as well as the challenges that they face. This chapter only presented the results, and did not include an interpretation of the results.

Chapter 5: Analysis and interpretation

In Chapter 5, a discussion of the results presented in Chapter 4 was undertaken. Each of the six hypotheses of the research study was presented and was either accepted, partly accepted, or rejected, based on the evidence obtained. An integrated framework for the delivery of an effective training programme for adult entrepreneurs was proposed. The main findings from this chapter are as follows:

- ***Proposition 1:*** Entrepreneurs are able to apply the contents of the modules offered as part of the training in their business environments. This proposition was *accepted*, due to evidence obtained.
- ***Proposition 2:*** The training methods used by the CED are effective in the transfer of knowledge to entrepreneurs. This proposition was *partially accepted*, as more training methods need to be added to the training programme.
- ***Proposition 3:*** The entrepreneurship training offered by the CED contributes to the general business results of the entrepreneurs who attended the training. This proposition was *accepted*, based on the results obtained.
- ***Proposition 4:*** Entrepreneurs' work attitudes changed as a result of the entrepreneurship training. This proposition was *partially accepted*, due to the fact that longer-term measures have to be used to evaluate the sustainability of the new attitudes and the resultant changes.

- **Proposition 5:** Entrepreneurs perceive that values are only fairly applied in the Namibian Business context. This proposition was *partially accepted*, as it was evident that the Namibian business community has little regard for business ethics.
- **Proposition 6:** Entrepreneurs experience significant challenges that prevent them from making a contribution to the Namibian business context. This proposition was *accepted*, based on the evidence obtained.

This chapter concluded with an integrated framework for the effective delivery of an entrepreneurship programme.

Chapter 6: Conclusions, limitations, and recommendations

Chapter 6 consists of an overview of the research findings of the study in relation to the literature reviewed and the statistical analyses undertaken. The limitations of the study are addressed, and select recommendations for further study in the field of entrepreneurship training programmes are made. In conclusion, final comments are made.

6.5 Conclusions drawn from the study

6.5.1 Conclusions drawn from the literature.

The literature states that the skills, confidence, and performance of entrepreneurs can be enhanced by effective training programmes. However, these training programmes should be focused, developed with the target market for each separate intervention in mind, and delivered via methods that are appropriate to the audience. The literature warns against too much focus on lectures and too little experiment-based learning, especially in the adult market.

6.5.2 Conclusions drawn from the results.

Based on the findings regarding the current training programme delivered by the CED to adult entrepreneurs, the following conclusions can be drawn:

- The contents of the modules offered to entrepreneurs empower them to apply the skills learned in their business environment;
- Methods used for the transfer of knowledge are adequate, but more emphasis should be placed on on-the- job training, as well as twinning with successful business persons;
- Team activities and discussion groups form an integral part of adult learning in entrepreneurship;
- The training programme empowers entrepreneurs to increase their sales and their customer base;
- The training programme encourages entrepreneurs to change their attitudes, which results in positive business changes, such as an increase in business turnover, better buying procedures, and a generally more positive outlook;
- The training programme makes entrepreneurs aware of their own values systems and the role these play in their day-to-day activities;
- The values of the Namibian business community seem to be perceived as challenging; and
- The environment of the entrepreneurs poses a variety of challenges that need to be actively addressed.

6.6 Value-Add and Significance of the study

The following section states the value-add of the current study. The significance and value add will be discussed in terms of the academic and theoretical, practical, and methodological contributions of the current study.

6.6.1 Academic and theoretical value add.

This research makes an important contribution to the current body of knowledge on adult entrepreneurship and, specifically, the training of these individuals. Currently, very limited research exists on the effectiveness of adult entrepreneurship training programmes on the African content, with no research currently existing on the Namibian context. The present research study creates new knowledge on the contents that should be part of an effective adult entrepreneurship training programme. This knowledge can be disseminated to other programme development initiatives for the training of entrepreneurs. The present study also created new knowledge in terms of the learning methods that can be applied to ensure the effective transfer of knowledge in a developing market, such as Namibia.

6.6.2 Methodological value add.

For purposes of this research, a questionnaire was developed to measure and attain the research objectives. The questionnaire was subjected to a pilot study to increase its content and face validity. The purpose of this research was not to validate the questionnaire. The aim of this study was obtain the perceptions of the respondents regarding the effectiveness of the adult entrepreneurship training programme, and the study was merely exploratory and explanatory in nature. As a result, no factor and reliability analyses were conducted. The results obtained from the questionnaire were sufficient to meet the objectives of this research. Thus, the questionnaire can be used for further research to determine the effectiveness of other entrepreneurship training and related programmes.

6.6.3 Practical value add.

This research is of practical value to various stakeholders in the Namibian context. First, this research provides important information to the national government of Namibia about the current state of entrepreneurship in Namibia, and the potential contribution that an adult entrepreneurship programme can make towards job creation, sustainable economic growth, and to the achievement of the objective as set out by Vision 2030. Secondly, this research makes an important practical contribution for all institutions that focus on adult entrepreneurship training. This research, inter alia, highlights the components that should be part of such a training programme, as well the appropriate training methods that should be used in the transfer of knowledge for adults. This study can be used as an example of how to develop adult entrepreneurship programmes that can be effectively applied to train future entrepreneurs. In essence, the results of this research stimulate further programme and curriculum development for the training of future entrepreneurs. Finally, this research also provided a platform for the entrepreneurs who participated in the study to give feedback on the training programme and whether it equipped them with the necessary skills to become successful entrepreneurs. In addition, this study also presented entrepreneurs with the opportunity to raise important ethical issues and challenges that they currently experience. The information gathered can be used to create a greater awareness in the Namibian context of the key challenges and value constraints that entrepreneurs are experiencing, and also provide input into creating a supportive context that is conducive to entrepreneurial success.

The following section looks at the limitations of the current study.

6.7 Limitations

As with any research study, this study also has some limitations. The first limitation is related to the limited knowledge that currently exists on the evaluation of adult entrepreneurship programmes, especially developing countries, such as Namibia. This made it difficult to interpret the results of the present study. The second limitation is related to the sampling technique. For purposes of this research, a purposive convenience sampling technique was used. This means that the results of this research cannot be generalised to other populations. However, the intention of this study was not generalisation of the results. The third limitation is related to the nature of the research design. A cross-sectional research design was used in this study, which means that the data were collected over a short period of time. Therefore, no cause-and-effect inferences can be made from the results. Finally, this study relied on self-reporting measures. This means that the results are based on the subjective opinions of the respondents.

6.8 Recommendations

Based on the results of the present study, the following recommendations are made:

6.8.1 Recommendation for future research.

- **Mixed-method research approach:** As mentioned previously, this study made use of a questionnaire a self-reporting measure. For future research, it is recommended that a mixed-method research approach be followed, using a variety of data-collection techniques, such as interviews, focus groups, and document analyses, to ensure the verification and triangulation of the quantitative research results.
- **Longitudinal research approach:** The present study is the first of its nature to be conducted in the Namibian context. It is proposed that follow-up

studies be conducted to determine whether the entrepreneurship training programme is sustainable, and if it meets the requirements of entrepreneurs over the long term.

- **Expanding the sample size:** This research only included the entrepreneurs who had participated in the entrepreneurship training programme. For future research, it is recommended that other stakeholders, such as the national government, are also involved to gain their perceptions of entrepreneurship training. In addition, the customers/clients of the entrepreneurs can be involved; to determine the quality of service they receive from the respective entrepreneurs' businesses.
- **Inclusion of additional variables:** More variables can be included to enable correlation analyses.
- **Complete database of SME's for Namibia:** To the best knowledge of the researcher, no single complete database of all SME/SMMEs in Namibia exists, which further complicated identification of possible candidates for the training programme.

6.8.2 Recommendations for practice.

Challenges facing trainers of entrepreneurship in Namibia were listed, and can be summarised as follows: (1) Identifying the right audience; (2) Having common goals to achieve; (3) Training modules should be carefully defined and presented with the audience in mind; and (4) Language constraints have to be kept in mind.

Thus, it is recommended that the CED adapt its training programme to take the aforementioned into consideration. Monthly seminars and workshops could be offered after hours at informal markets. These could address accounting, financial

management, compiling business plans, business strategy, and basic computer and technology training for entrepreneurs who cannot attend training over a longer period. It is thus a challenge for CED to adapt its programmes to address this need.

Tax incentives for entrepreneurs attending training, as well as for donors sponsoring this training, should be an important consideration for the government of Namibia. It is thus recommended that the CED takes up discussions with the government in this regard. This concludes the recommendations of the current study.

6.9 Conclusion

As in the rest of the world, there are certain more “popular” industries in Namibia. The manufacturing industries are not yet very successful, and still have a hill to climb to enable Namibia to reach Vision 2030. This industry's poor performances can be attributed to external factors, such as no local markets, high entry barriers, and imports from foreign countries. However, problems from within the industry have seldom been scrutinised. Entrepreneurs in survivalist mode in Namibia are unfamiliar with the general business management principals of the Western world and other developed countries. Elders within communities and within cultures contribute more to the everyday business methods and ethics of the survivalist. It is the opinion of the researcher that only a few of the entrepreneurs who attended the programme will continue to improve their business performance, based on their current knowledge. Advanced training could address their needs through additional modules, which could include assistance in obtaining financing.

This research analysed the influence of different value priorities on the entrepreneurial intention. The results were very satisfactory, in that these influences have been confirmed. That is, the value priorities of people play a relevant role in their taking

the decision to start a venture, which is currently an under-researched area. For this reason, more research in this area is called for.

Entrepreneurs are the cornerstone of an economy. By educating entrepreneurs, futures of countries are built. There should be no compromise in maximising this aspect of a country's economy.

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ANNEXURE A:
CATEGORISATION OF SMEs

Table A1

European Union SME Definition

Firm size	Headcount	Turnover or Balance sheet total	
Medium	< 250	≤ € 50 million	≤ € 43 million
Small	< 50	≤ € 10 million	≤ € 10 million
Micro	< 19	≤ € 2 million	≤ € 2 million

Source: Recommendation 2003/361/EC

Table A2

World Bank SME Categorisations

Firm size	Employees	Assets	Annual sales
Micro	< 10	< \$100,000	< \$100,000
Small	< 50	< \$3 million	< \$3 million
Medium	< 200	< \$15 million	< \$15 million

Source: World Bank

Note 1 - Enterprises must meet at least 2 out of 3 characteristics.

Note 2 – Loan size proxies are as follows:

Micro - < \$10,000

Small - < \$100,000

Medium - < \$1 million (\$2 million for some more advanced countries)

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Table A3

SME define within the Namibian CONTEXT: ESSLAAR & STORK

	Characteristics (no hard rules!)
Informal Operator/ Survivalist	<ul style="list-style-type: none">• no employees• no distinction between business and personal finances• does not keep records• does not pay taxes• is not registered with any authority• engages in business activities to pay for daily expenses• less than 10 employees• no distinction between business and personal finances
Informal Micro or Small Business	<ul style="list-style-type: none">• might not keep records• might not pay taxes• might not be registered with any authority• has physical address and contact details• between 10 and 49 employees• keeps records
Formal Micro or Small Business	<ul style="list-style-type: none">• has separate bank account• pays taxes• is registered with all required authorities• has physical address and contact details

Source: Esselaar & Stork 2006

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Table A4

MTI's Definition of Small Enterprise

Sector	Employment	Turnover (N\$)	Capital Employed (N\$)
Manufacturing	Fewer than 10 persons	1,000,000	500,000
Service	Fewer than 5 persons	250,000	100,000

Source: LaRRI and NEPRU 2002 as cited by Bank of Namibia 2010

Table A5

SME grades: LaRRI

	Activities
SME grade 1	Survival SME, no long- or mid-term planning, operating business on day-to-day basis , one person business, no savings and no capital invested, working capital derived from profits, extremely vulnerable, minimum educational background, no mobility.
SME grade 2	SME with basic level of bookkeeping , savings administered on weekly basis, savings account, little capital investment, casual workers employed, mobility limited to immediate environment.
SME grade 3	SME with bank account and qualification for loan, ability to plan business and basic understanding of business management, business sign visible, greater mobility and readiness to venture into additional business areas, usually owner plus one full-time employee.
SME grade 4	SME with some degree of formalisation such as registration with the local authority or particular licensing body , SME with more than one full-time employee, with company registration or partnership registration, Business cards and understanding of the value of marketing, Social security and workman's compensation registration.
SME grade 5	SME with VAT registration , international market relations, at least five full-time employees, insurance and package for staff, operation with casual workers, proper management structure.

Source: Small and Micro Enterprises Sector in Namibia: Conditions of employment and Income, prepared by LaRRI for JCC, 2004: 22.

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ANNEXURE B

EVALUATING THE EFFECTIVENESS OF THE CED TRAINING PROGRAMME FOR ADULT ENTREPRENEURS

Introduction

You have been selected to take part in a survey due to your previous involvement with the CED SME Training Programme. Approximately 15 minutes of your time will be required to enable this initiative.

Objective: The overall objective of the study is to: Evaluate the effectiveness of the Adult Entrepreneurship Training Programme implemented by CED.

Confidentiality: the study is being conducted in partial fulfilment towards a Master's Degree which compiles the ethical requirements of the Polytechnic of Namibia. Please be assured that your responses will not be distributed to third parties and no names will be used in the report.

Deadline: 22 March 2012

Questionnaire: consists of five sections:

Section A: Biographical Information

Section B: Training and Outcomes of Training

Section C: Changes in attitude and business results

Section D: Values Systems of Entrepreneurs

Section E: Challenges Faced by Entrepreneurs

For any questions, or explanations, please do not hesitate to contact the researcher, Margaret Bennett, on 0811248937 or mbennett@polytechnic.edu.na.

THANK YOU FOR YOUR COOPERATION

Please indicate your consent to participating in this research study by checking (X) the box below.

I hereby give my informed consent to participate in this study

☐

Section A : Biographical Information

A1. Gender

Are you (circle appropriate number)

Male	Female
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A2. Please state your age (in years)

A3. Your Current Type of Business

Services

Catering

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Clothes industry & shoes

Cleaning & recycling industry

Food industry

Construction industry

Manufacturing

Retail

Cash loan & debt collection

Other: Specify

A4. Home language

English

Oshiwambo

Otjiherero

Afrikaans

Nama

Damara

Rukwangari

Other: Specify

A5. Region from where you operate your business?

Khomas

Erongo

Karas

Hardap

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Omaheke

Caprivi

Kavango

Kunene

Oshana

Otjizondupa

Oshangwena

Omusati

Oshikoto

A6. Highest education, training, development?

Primary (Grade1-7)

Secondary (Grade8-11)

Matric (Grade12)

Vocational

Certificate

Diploma

Degree

Honours

Masters

Doctorate

A8. If you had to pay for the course by yourself, how much would you be willing to pay?

N\$

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A9. How long have your business been in existence?

Less than 3 years	
More than 3 years but less than 5 years	
More than 5 years but less than 7 years	
More than 7 years	

A10. How many staff members do you employ beside yourself?

1 employee	
More than 1 but less than 4 employees (including owner)	
More than 4 but less than 7 employees (including owner)	
More than 7 employees (including owner)	

A11. Do you have access to the following Communication systems?

Yes	No
A11.1 Personal computer	
A11.2 Business has an e-mail address	
A11.3 Facsimile	
A11.4 Printer	
A11.5 Internet	

A12. In which category does your business fall? Please mark one only

	Short description	Tick one only
Informal	Aspiring to be in business	
Semi-Formal	Supplement income	
Registered to formal	Have business to pursue a lifestyle	

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Formal Entrepreneur	Repeat business	
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A13. How much is your sales per year

Less than N\$5 000	
Between N\$6 000 and N\$49 000 per year	
More than N\$50 000 but less than N\$149 000	
Between N\$150 000 and N\$349 000	
More than N\$350 000	

A14. How long have you been keeping track of your business activities?

Skip	None	2 years	3 years	7 years	
A15. Is your business registered for Income Tax?				Yes	No
A16. Is your business registered for VAT?				Yes	No

Section B: Training and Outcomes of Training

B1. Did you attend training in any of the following modules? *Please indicate with a cross (X) for each course*

		Yes	No
B1.1	Self-management (interpersonal skills, communication, conflict management, anger and stress management)		
B1.2	Bookkeeping and Budgeting (what is a budget, basic bookkeeping and cash flow)		
B1.3	Marketing and Sales (how to market your products service, what does selling entail)		
B1.4	General Business Management (business plan, vision and mission)		

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	for your business, controlling, planning of your business)		
B1.5	Tendering Processes and Procedures (how to tender, tender tips)		
B1.6	Communication Skills and Customer Care (the art of communication and listening, how to keep a customer, how to increase your customer satisfaction)		
B1.7	Production Management (how to buy, how to plan for production, how to maintain a certain level of production)		
B1.8	Leadership and Ethics (what is leadership, what is ethics, business ethics)		

B2. In your opinion were the following courses covered adequately?		Large extent	Partially	Not at all	Did not attend
B2.1	Self-Management				
B2.2	Bookkeeping and Budgeting				
B2.3	Marketing and Sales				
B2.4	General Business Management				
B2.5	Tendering Processes and Procedures				
B2.6	Communication Skills and Customer Care				
B2.7	Production Management				
B2.8	Leadership and Ethics				

B3. Which of the following training methods were used during the training session? *Please mark applicable method with a cross (x)*

Training Method	Yes	No
B3.1 Lecturing		
B3.2 Case studies		
B3.3 Role play		

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B3.4 Practical exercises		
B3.5 Visit to a workplace		
B3.6 Team activities		
B3.7 Small discussion groups		
B3.8 Videos/DVD's		
B3.9 Mentorship		

B4. In your opinion how much did the relevant training methods contributed to the learning environment?

Training Method	Excellent	Good	Neutral	Poor	Very poor	Not used
B4.1 Lecturing						
B4.2 Case studies						
B4.3 Role play						
B4.4 Practical exercises						
B4.5 Visit to a workplace						
B4.6 Team activities						
B4.7 Small discussion groups						
B4.8 Videos/DVD's						
B4.9 Mentorship						

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B5. In your opinion which other learning methods should be included by CED?	Strongly agree	Agree	Neutral	Disagree	Strongly Disagree
B5.1 Mentorship					
B5.1.2 Twinning with a successful business person					
B5.3 On the job training					
B5.4 Business simulation games					
B6.5 More time for self-reflection					
B7.6 Other (<i>please specify</i>)					

B6. What results have you achieved because of the skills applied?	Big improvement	Small improvement	No improvement
B6.1 Increase in customers			
B6.2 Improved financial systems			
B6.3 Formal marketing structures			
B6.4 Increase in turnover			
B6.5 Better understanding of buying procedures			
B6.6 Expansion of business			

B7. Because of the training received through CED, the profit in my business increased:

0%	
Up to 25%	
More than 25% but less than 50%	
More than 50% but less than 75%	
More than 75% but less than 100%	
More than 100%	
Don't know	
Confidential	

B8. Because of the training received through CED, the clients of my business increased:

0%	
Up to 25%	
More than 25% but less than 50%	
More than 50% but less than 75%	
More than 75% but less than 100%	
More than 100%	
Don't know	
Confidential	

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Section C: Changes in attitude and business results

C. Because of the training received through CED	Strongly agree	Agree	Neutral	Disagree	Strongly Disagree
C.1 I have a more positive attitude towards my workplace or business	1	2	3	4	5
C.2 I am a better team player	1	2	3	4	5
C.3 I am able to plan, control and manage my business much better	1	2	3	4	5
C.4 Turnaround time is faster (take less time to respond to requests)	1	2	3	4	5

C5. Have you **applied any skills** gained from the programme in your day to day business activities? (If “No” skip to question C1.)

Yes	No
1	2

Section D: Values Systems of Entrepreneurs

From the list below, please indicate the top 5 values that you think an Entrepreneur should have.

By indicating 1 – 5, in your opinion does the Namibian business community display these values?

Value	Tick top 5 (Circle the appropriate option)	Values get displayed 1= all the time 2= some of the time 3= yes 4= a little bit 5= not at all (Circle the appropriate option)
Integrity (I do what I say)		
Honesty (my word is my word)		
Teamwork (I will contribute and share)		
Hard-working		
Dynamic (it changes with demands from market)		
Customer focused		
Ethical (I stand on my personal principals)		
Loyalty (I will stand by you)		
Transparency (my activities are open for all)		
Passion for your work		

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Section E: Challenges Faced by Entrepreneurs

To what extent do you experience any of the following challenges?	To a very large extent	Large extent	Average extent	Small extent	No extent
E1 No start-up capital for your business					
E2 Shortage of cash flow					
E3 Lack of training to be able to manage your business					
E4 Long working hours					
E5 I do not work according to a budget					
E6 Lack of suitable qualified human resources					
E7 No bookkeeping systems in place					
E8 Not knowing how to tender					
E9 No proper understanding of legal issues					
E10 Lack of new ideas					
E11 Foreign Nationals taking over					
E12 Lack of supplies/raw material					
E13 Little/ low demand for local products/ services					
E14 Language barriers					
E15 Lack of market research					
E16 Marketing techniques					
Other: <i>Specify</i>					

E17. Any other recommendation. Please be specific:

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