The role of mentorship in transference of Entrepreneurial learning: Johannesburg Exempted Micro Enterprises and practitioners’ perspectives

A research report submitted by

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ABSTRACT

Low levels of entrepreneurial activity and success have led to calls for mentorship as a support mechanism to increase the success rate of entrepreneurial ventures in South Africa’s economic landscape. Mentoring is a crucial aspect of entrepreneurial training and education (Sullivan, 2000; Regis, Falk, & Dias, 2007) and it is entrepreneurial education that is perceived as the solution that will transform South Africans from job seekers into job creators (North, 2002).

It is also hoped that entrepreneurship education will contribute to the ideal of empowering as many people as possible in order to unleash the previously stifled human potential of all South Africans (Hanekom, 1995). Unfortunately, South Africans suffer from a ‘dearth of entrepreneurial acumen’, and this has resulted in the frequent lack of growth and high failure rates of businesses (Nieman, 2006; van Aardt & van Aardt, 1997).

A two-phase qualitative research approach was utilised with semi-structured mentor and mentee interviews.

This study found that mentorship was mutually beneficial to both the mentors and mentees. The latter experienced immense personal benefits on a business and emotional level whereas an increase in revenue and improved operational systems were identified as being positive impacts on business growth. Previous entrepreneurial experience, trust and empathy were stipulated as vital factors in the establishment of a successful relationship.
DECLARATION

I, Lumka Precious Mhlahlo, declare that this research report is my own work except as indicated in the references and acknowledgements. It is submitted in partial fulfilment of the requirements for the degree of Master of Management in the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in this or any other university.

Lumka Precious Mhlahlo
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Signed at ..............................................................

On the thirty first day of May 2017
ACKNOWLEDGEMENTS

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1.1 INTRODUCTION

The South African government, in an attempt to create jobs and grow the economy, has identified small business and the formal sector as vehicles for job creation and economic growth (GCIS 2002:41).

Entrepreneurship is one of the most important elements for a growing economy (Kuratko and Hodgetts, 2001). These authors also indicate the role of entrepreneurs as critical contributors to economic growth through leadership, management, innovation, research and development effectiveness, job creation, competitiveness, productivity, and the formation of new industries.

The Global Entrepreneur Monitor (GEM) 2001 survey indicated that there is a low survival rate among South African start-up businesses. In addition, the survey indicated that possible obstacles to start-up and sustainable business include education, experience and the absence of an entrepreneurial culture. It is therefore vital for South Africa that an environment be created in which start-up entrepreneurs are nurtured and supported to establish, develop and grow sustainable businesses (Driver, et al. GEM 2001:3).

A possible solution to the problems faced by start-up entrepreneurs is the introduction of mentorship. Mentorship is the process of nurturing and supporting entrepreneurs. The role of mentors is to provide assistance in the form of professional and social support. “A mentor–protégé relationship is an excellent avenue for securing needed professional advice, as well as providing an additional source of moral support” (Hisrich and Peters 2002).

The importance of entrepreneurship mentoring is well documented, particularly in the start-up phase. This is indicated by Timmons (1999), and Hisrich and Peters (2002). Part of a mentor’s role is to assist entrepreneurs to develop and grow their businesses (Sullivan 2000:172). It is therefore important to investigate the benefits of entrepreneurial
mentorship. This analysis will enhance the mentor-protégé relationship and ultimately facilitate further effective growth.

1.2 PURPOSE OF THE STUDY

Entrepreneurial mentorship has been proposed by several enterprise development practitioners as a means to increase entrepreneurs’ confidence and business growth amongst other things, however, there is a lack of published studies within a South African context that have explored the use or viability of mentorship as an effective support structure. In South Africa, there are many formal mentorship and incubator programmes in existence but research into their effectiveness has not been published. The purpose of this research is to explore the perceived role of mentorship on the transference of learning from the Exempted Micro Enterprises (EMEs) and mentors’ perspectives.

1.3 CONTEXT OF THE STUDY

Entrepreneurship has been endorsed by many critics as a more empirical route to addressing the issue of unemployment (Ahmed and Hoffman 2008: 6, Robson et al. 2009; Baumol 2004). The challenges confronting South Africa are enormous: it is a relatively young democracy, with high corruption and immense socio-economic problems, amongst others. There is still a strong sense that government needs to work relentlessly to create an enabling environment for entrepreneurs where it’s easy for entrepreneurs to start, grow, downscale or close a business. The entrepreneurial spirit is still low even among the youth; graduates still expect to find work in the corporate world with scant attention given to establishing their own businesses or ventures.

South Africa’s poor level of entrepreneurship was further emphasized in 2012 when a number of other sub-Saharan African countries (Ghana, Nigeria, Uganda, Angola, Ethiopia, Malawi, Zambia, Namibia and Botswana) joined the GEM Consortium. In all cases these countries had Total Entrepreneurial Activity (TEA) rates three and four times that of South Africa’s (GEM Report 2014).

Banerjee et al. (2008:735) question the status of South Africa’s small informal and entrepreneurial sector, why the transformation between the informal and formal sectors is
so infrequent, and why the spirit of entrepreneurship is poor. The percentage of adult South Africans involved in entrepreneurial activity has dropped by 34% since 2013, according to the GEM 2014 report. The percentage of adults in South Africa involved in a business that is less than three-and-a-half years old (also known as early-stage entrepreneurs) fell to 6.97% last year from a 13-year high of 10.6% in 2013. The GEM report shows that the ratings of South Africa’s entrepreneurial eco-system - the conditions that enhance (or hinder) new business creation - have slipped. The main reasons for the decline are the country's poor ratings in government programmes, primary education, restricted and inhibiting regulatory environment, and restrictive labour laws. According to Mike Herrington, GEM (2015), "Further studies showed that education plays a major role in entrepreneurial activity in that the more educated the person, the more likely that person is to start a business and that the business continues to be sustainable."

The National Credit Regulator (NCR) literature review on SMEs (2011) reported that there is a consensus among policymakers, economists, and business experts that small and medium enterprises (SMEs) are drivers of economic growth. A healthy SME sector contributes prominently to the economy by creating more employment opportunities, generating higher production volumes, increasing exports and introducing innovation and entrepreneurship skills. The dynamic role of SMEs in developing countries positions them as engines that help achieve these countries' growth objectives. The NCR further estimated that SMEs employ 22% of the adult population in developing countries. The United Nations Industrial Development Organisation (UNIDO) estimates that SMEs represent over 90% of the private business and contribute to more than 50% of employment and of gross domestic product (GDP) in most African countries (UNIDO, 1999). A study conducted by Abor and Quartey (2010) estimates that 91% of formal business entities in South Africa are SMEs and that these SMEs contribute between 52% and 57% of GDP and provide about 61% to employment. The democratically elected Government of South Africa (SA) realised the importance of SMEs to the economy as early as 1995. The White Paper on National Strategy for the Development and Promotion of Small Business in South Africa (1995) highlighted the fact that “Small, medium and micro-enterprises represent an important vehicle to address the challenges of job creation, economic growth and equity in our country.”
The SA government has shown commitment to the sector by creating a Department for Small Business Development, which is mandated to serve the entrepreneurs.

This study is an exploratory attempt to understand the role of mentorship in entrepreneurship in South Africa by examining attitudes towards and behaviours of entrepreneurship and the mentors.

1.4 PROBLEM STATEMENT

The South African government has launched a number of business management skills initiatives like National Youth Development Agency programmes and Small Business Development Agency entrepreneurship programmes to mention but a few, which are accompanied by mentorship programmes that aim to develop entrepreneurs regardless of their stage in business. Entrepreneurship has been touted as the mechanism with which to revitalise the economy and bring employment to the people (Co & Mitchell, 2006; North 2002). The 2014 Global Entrepreneurship Monitor (GEM) report still indicates that one of the hindrances for the success of South African entrepreneurs is a lack of education and training. The GEM report further notes that South Africa has low levels of entrepreneurial activities and this too has been attributed to poor education levels and the fact that the education system does not adequately prepare entrepreneurs to cope with the challenges of entrepreneurship.

Apart from education, a number of reasons for start-up failures have been suggested. These range from a lack of management skills, poor access to finance, a lack of mentoring and coaching as well as an inadequate knowledge of marketing and business development. While there is a lot of interest in mentoring locally, entrepreneurial research on the effectiveness of mentoring or any kind of training intervention in South Africa is sparsely represented in the academic literature (Botha, Nieman, van Vuuren, 2007).

This research intends to explore whether evidence exists to constitute the assertion that mentorship is able to assist in the development and sustainability of entrepreneurial ventures. There is some research into mentorship that shows that it extensively benefits the individuals on a personal level as well as impacting positively on organisational growth, but this has been largely been in workplace mentoring (Clutterbuck, 1998a; 2004b).
1.5 SIGNIFICANCE OF THE STUDY

Research on the role of entrepreneurship mentoring has been sparse both in South Africa and abroad. Global studies by researchers such as Sullivan (2000) and Cull (2006) emphasize the value of mentoring as a continuous learning tool for entrepreneurial growth. Local research has focused largely on the characteristics required of mentors and Martin (2008) focused on the knowledge requirements for entrepreneurs and small business practitioners. There thus exists a shortfall in knowledge of South African entrepreneurs’ experience and perceptions of mentorship and its effects on venture growth, which this study aims to address.

MicroMentor.org is an international company that offers a free, easy-to-use service that links entrepreneurs with volunteer mentors so they can elucidate problems and build businesses together. In 2012, they surveyed users of their service and found that, “those who have undergone mentoring increased their revenue by an average of $47,000, or 106%,” and, “those who did not undergo mentoring only increased their revenue by an average of $6,600, or 14%” (Forbes/Entrepreneur:2014).

The South African Enterprise Development Agencies currently do not have a system that measures the impact of mentorship in the transference of learning. There is no scientific evidence that indicates that the success of entrepreneurs can be attributed to the mentoring advice. The study will provide guidance to the SA Enterprise Development Agencies, Enterprise Practitioners, mentors as well Exempted Micro Enterprises in Gauteng in that it provides potential insight into the role that mentoring can play in the transference of learning, which is anticipated to result in efficiently operated businesses, growth in businesses and job creation.

The study will also provide guidance to government and those responsible for policymaking and implementing entrepreneurial, small, medium, and micro enterprises (SMME) and enterprise development in South Africa in that it will provide insight into the role that entrepreneurial mentorship plays in making entrepreneurship the mechanism with which to revitalise the economy create employment opportunities (Co & Mitchell, 1992; North, 2002).
It needs to be considered whether evidence exists to confirm whether mentorship can assist in the development and sustainability of entrepreneurial ventures. Currently there seems to be no documented direct correlation between mentorship and entrepreneurial success in South Africa. Initial research into mentorship showed extensive benefits to individuals on a personal level as well as to organisational growth, but this has largely been in workplace mentoring (Clutterbuck, 1998a; 2004b). Recent studies by Cull (2006) and Petridou (2009) demonstrated cases where entrepreneurs found mentorship to be beneficial as a tool to increase their success. This is therefore an area that this study wishes to explore further. The researcher anticipates that the findings will improve the body of knowledge and enable the government and enterprise development agencies to develop tailor made entrepreneurial mentorship programmes that will be best suited for entrepreneurs at different entrepreneurship phases.

1.6 LIMITATIONS OF THE STUDY

This research focuses on:

- Johannesburg-based Exempted Micro Enterprises (EMEs) that own businesses and have engaged in mentoring processes within the past 24 months
- Johannesburg-based mentors contracted by the Gordon Institute of Business Science (GIBS), Edge Growth and Shanduka Black Umbrellas

1.7 DEFINITION OF TERMS

- The Exempted Micro Enterprise (EME) is defined by Department of Trade and Industry as an enterprise with an annual turnover of R10 million or less or is a recently formed or incorporated entity that has been running for less than one year (start-up enterprise).
- Mentoring - Traditionally, mentoring is viewed as a dyadic, face-to-face, long-term relationship between a supervisory adult and a novice student that fosters the mentee’s professional, academic, or personal development (Donaldson, Ensher, & Grant-Vallone, 2000).
1.8 ASSUMPTIONS

Respondents are active EMEs/mentees and mentors who participate in the structured mentoring programmes of identified organisations.

Respondents own and run their own businesses.

Respondents generate turnover of R10 million or less per annum and are eligible for Government's Gazelles mentorship programme. The National Government Gazelles programme is a 10-year initiative of the Department of Small Business Development (DSBD) and Small Business Development Agency (SEDA) that works to identify and develop high-growth businesses.

The participants have experience and knowledge of mentoring relationship; this will assist the researcher to learn from their perspectives and further explore the perceived role of mentorship in the transference of learning.

1.9 RESEARCH QUESTIONS

This section outlines the research questions which will be explored in this study to achieve the purpose of the study, which is to explore the perceived role of mentorship in the transference of learning from the mentors’ and mentees’ perspectives.

Question 1

What is the role of mentorship in supporting a novice entrepreneur?

Question 2

What skills should a mentor impart to a mentee in order to strengthen the latter’s business acumen?

Question 3

What are the advantages and disadvantages of participating in a mentorship programme for an aspirant entrepreneur?

Question 4
What lessons and recommendations can be drawn and suggested to Enterprise Development Agencies to expand the mentorship programmes?

1.10 CONCLUSION

Mentoring has been used as a learning tool for the development of less experienced mentees for many years. Mentors have played a part in history from as far back as ancient Greece. In Greek mythology, Odysseus entrusted his son’s care and development to his friend Mentor, a trusted friend. (Klasen & Clutterbuck 2002:5).

The mentor, in the context of this study, is an experienced and trusted advisor whose purpose is to assist entrepreneurs with their personal and business development. The mentor endeavours to impact positively on the entrepreneurial experience and to enhance mentees’ entrepreneurial development journey. This study will initially focus on defining and discussing the entrepreneurial environment, the entrepreneur, the entrepreneurship process, learning, and education about entrepreneurship. The study will also focus on mentorship, mentorship relationship, mentorship process, formal and informal mentoring.
CHAPTER 2. LITERATURE REVIEW

2.1 INTRODUCTION

The South African government has placed great emphasis on the continual development of entrepreneurs. In South Africa, poor education levels, difficulty in accessing entrepreneurial training, and the high levels of failures in entrepreneurial start-ups has exacerbated the need for an entrepreneurial support structure. A large body of research on entrepreneurship has focused on challenges that entrepreneurs face pre-start-up, and entrepreneurs’ personality profile related with enterprise success, among other topics (Calvo & Garcia 2010, Chao et al. 2010). This study will focus on whether a relationship exists between mentorship and entrepreneurial growth by looking at the entrepreneurial experiences and perceptions of both entrepreneurs and mentors.

The literature review will firstly define entrepreneurship, outline the entrepreneurial process, and education and entrepreneurship in South Africa. The second part of this section will look at the mentoring, mentoring process, mentor/mentee relationship, conceptual framework, theories and model of mentoring and explore benefits of mentoring focusing on entrepreneurs’ and mentors’ perceptions.

2.2 DEFINITION OF ENTREPRENEURSHIP

“Entrepreneurship is a dynamic process of vision, change, and creation. It requires an application of energy and passion towards the creation and implementation of new ideas and creative solutions. Essential ingredients include the willingness to take calculated risks in terms of time, equity, or career; the ability to formulate an effective venture team; the creative skill to marshall needed resources; and fundamental skill of building solid business plan; and finally, the vision to recognize opportunity where others see chaos, contradiction, and confusion.” (Kuratko & Hodgetts, 2004)

Entrepreneurs are seen as individuals that identify an opportunity and take calculated risks to pursue that opportunity with an aim to create wealth and gain independence. In most instances, entrepreneurs are associated with innovation, ideas, energy, resourcefulness and being agents of change, among other traits. By blending opportunity, resources, and
the team, entrepreneurs produce something new or distinctive in the marketplace, thereby adding value in the face of dynamic competition and a volatile environment (Urban, 2008).

There is no comprehensive accepted definition of an entrepreneur or entrepreneurship. Entrepreneurs add further value by generating innovations, creating new markets and filling market gaps, increasing competition and thus promoting economic efficiency. They do this by identifying new opportunities for products and services; by being creative and innovative; by starting and/or managing their own enterprises; by organising and controlling resources to ensure profits; by being able to market a concept, product or service; by obtaining financial means; and by being willing to take calculated risks.

Entrepreneurs are those who thrive under conditions of change, and it is this change that provides the opportunity for innovation and improves the potential for innovation and value creation (Schumpeter, 1947; Zimmerer & Scarborough, 1996; Urban, 2008). By implication, an entrepreneur has a level of knowledge, understanding of industry, interest and creativity to put together with resources to develop products and services that can add value to the economy.

Entrepreneurship continues to have a profound effect on millions of people from all corners of the world, both as a life option as well as an academic field (Timmons & Spinelli, 2009). Kuratko (2009) defines entrepreneurship as a dynamic process of vision, change and creation that requires an application of energy and passion toward the creation and implementation of new ideas and creative solutions. This essentially includes the willingness to take calculated risks in terms of time, equity or career; the ability to formulate an effective venture team; the creative skill to marshal needed resources; the fundamental skill of building a solid business plan; and finally, the vision to recognise opportunity where others see chaos, contradiction and confusion. According to Peter Drucker (1998), entrepreneurship, therefore, becomes an innovation process of creating impetus, focused modification for the economy or society in which the business operates.

In the next section, entrepreneurship is scrutinized against some of the latest research focus. The aim is to scrutinise the literature with entrepreneurial education, attributes and future intentions as a focal point.
2.2.1 DIFFERENT TYPES OF ENTREPRENEURSHIP

According to Venter & Urban (2015), recent findings in entrepreneurship literature see the field as moving towards treating individual entrepreneurs as a relatively homogeneous set of actors to a set of typologies: individuals with cognitions, capabilities, and intentions that are all shaped by institutions, and have differential interests and potential economic impact. Below are the different types of entrepreneurship as defined by Venter & Urban (2015, p. 25 - 29):

2.2.1.1 HIGH-GROWTH ENTREPRENEURSHIP

High growth entrepreneurs have been defined as entrepreneurs inclined to pursue growth and innovation and are the actors that intensify competition, provide the largest potential for new jobs, and enhance economic growth.

2.2.1.2 REPLICAIVE ENTREPRENEURSHIP

The replicative entrepreneurs produce or sell goods and services already present in the marketplace, but in different locations.

2.2.1.3 NECESSITY ENTREPRENEURSHIP

The necessity-driven entrepreneurs are those that are pushed into starting a business because they have no other work option and need a source of income. Necessity entrepreneurs are those who have entered self-employment and they start businesses to generate income for themselves and their family. They also are known as survivalists.

2.2.1.4 OPPORTUNITY-BASED ENTREPRENEURSHIP

The opportunity-driven entrepreneurs are those individuals entering into business primarily to pursue an opportunity even when they have other employment possibilities. These entrepreneurs are further distinguished as improvement-driven opportunity-motivated if they additionally see to improve their income or independence through entrepreneurship.
2.2.1.5 PROJECT-ORIENTATED ENTREPRENEURSHIP

A project-oriented entrepreneur has education and expertise in a predominantly humanistic discipline. Maybe he or she has a bachelor’s or master’s degree in Arts or psychology, is an actress with experience in role-playing groups, a midwife who will help first-time mothers prepare for birth, or he or she might be a graphic designer.

Project-oriented businesses are typically owned by well-educated entrepreneurs and they work with tasks they learned during their education. Examples include translation, design of concepts, exhibitions at museums, graphic designers, authors, psychologists, film makers, or textile designers (Entrepreneur Magazine 2015).

2.2.1.6 LIFESTYLE ENTREPRENEURSHIP

A lifestyle entrepreneur is probably an adult woman that at a time in her life has discovered her creative side, or a desire for a second career. She might have had or have a career as teacher, art director or secretary. Her children have grown up and there is room to develop other sides of life beside raising children and focusing on her primary career. The lifestyle entrepreneur has a great desire that the business must be a part of her life because the business represents the “new person” (Entrepreneur Magazine 2015).

2.3 THE ENTREPRENEURIAL PROCESS

It is well established that entrepreneurs will follow a process to achieve their goal of starting a new venture (Nieman 2002:61, Hisrich & Peters 2002:38, Kuratko & Hodgetts 1998: 46, and Timmons 1999:4). What is both generic and distinct about entrepreneurship as a process? This is the double-barreled question that Hindle (2007, 2010a) believes may hold the key to nature of entrepreneurship as a field of both practice and theory. Shane’s (2003) model of entrepreneurial process is found to demonstrate properties that converge toward denoting what is both generic and distinct to the entrepreneurial process. This model is Shane’s attempt to construct a unifying theoretical framework for studying entrepreneurship based upon the nexus of individual and opportunity. Shane is motivated by what he describes as the lack of coherent conceptual framework for entrepreneurship due to researchers’ tendency to concentrate on only one part of the entrepreneurial process, without formal consideration of the relationships between parties. Shane states
that entrepreneurship involves the nexus of entrepreneurial opportunities and enterprising individuals “where a situation in which a person can create a new means–ends frame work for recombining resources that the entrepreneur believes will yield a profit” (Shane, 2003 p.18).

As viewed by Shane, the entrepreneurial process involves the identification and evaluation of an opportunity, the decision on whether or not to exploit the opportunity, efforts to obtain the required resources, a process of organizing those resources into a new combination, and the development of a strategy for new venture. In addition, he saw all the different activities of the process as being influenced by individual (psychological and demographic) and environment (industry and macro–environment) factors (Price, 1997; Williams, 1999; Kaufmann, 1999). The process is illustrated in Figure 2. The framework proposed by Shane assumes that the entrepreneurial activity is directional and ordered, but it accepts the possibility of feedback loops and non–linearity.

![Figure 2. A model of the entrepreneurial process (Shane 2003)](image)

The definition of entrepreneurship and the entrepreneurial process is now considered and a clear picture has emerged. As entrepreneurs pass through the process, many factors will influence their decisions, for example, the entrepreneur’s personality and experiences, the environment within which he/she operates, or the organisation that he/she is trying to
create. As indicated by Kuratko and Hodgetts (1998), all of these factors play a part in the entrepreneurial process.

This process is a guide to the phases that an entrepreneur is likely to pursue when starting a new venture. As a business develops and grows, it too will pass through several phases of its existence. Churchill and Lewis (1983) developed a five-phase life-cycle framework for small business. The principle behind their theory is that the venture is likely to experience common problems that emerge at similar stages of development. The authors created a usable framework using these common factors. This framework can assist owner managers, support agents and governments with the process of assessing the business, its management, the planning process and many more fundamental decisions.

This framework includes five stages of development. Many authors, including Sullivan (2000:164) and Nieman (2002:64), have adapted the Churchill and Lewis life-cycle approach to understanding small business development.

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<td>Existence</td>
<td>Incubation</td>
<td>Conception</td>
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<td>Stage 2</td>
<td>Survival</td>
<td>Start-up and infancy</td>
<td>Survival</td>
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<td>Stage 3</td>
<td>Success</td>
<td>Breakthrough</td>
<td>Stabilisation</td>
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<td>Stage 4</td>
<td>Take-off</td>
<td>Maturity</td>
<td>Growth</td>
</tr>
<tr>
<td>Stage 5</td>
<td>Maturity</td>
<td>Decline</td>
<td>Maturity</td>
</tr>
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</table>

Table 2.6: Stages of the business’s life cycle

Sullivan’s adaptation has been used for this study because of its relevance to the study of mentoring entrepreneurs. The stages have been described in terms of the actions of entrepreneurs and the position in which they find themselves.
• **Stage 1: Conception**
The entrepreneur will identify and develop an opportunity. A business plan will need to be developed and a decision will need to be made about whether to accept or reject the project. The entrepreneur must then start the business and generate sales (Sullivan 2000:164). Other start-up activities, such as legal considerations and staff selection, will then be pursued (Nieman 2002:64).

• **Stage 2: Survival**
The business is breaking even and demonstrating its ability to operate at a very simple level, generating sales and cash flow and often showing signs of growth potential. Entrepreneurs normally have a very 'hands-on' approach (Nieman 2002:64).

• **Stage 3: Stabilisation**
The company can maintain its current levels, allowing the owner-manager to overcome cash flow problems. The business can successfully remain in this at this stage if there are no major market changes. Entrepreneurs will be concerned with maintaining the business’s current market base and will need to embrace the challenges of growing that base (Sullivan 2000:164).

• **Stage 4: Growth**
The dominant question at this stage is whether or not to grow the business. Entrepreneurs will try to gain a larger share of the market. The business will incur increasing costs, which impact on cash flow, on production and on the organisation as a whole. These changes will need to be effectively managed in order to meet the business’s new commitments. The business will need to consider its growth potential very carefully as this will impact on cash flow and other financial considerations (Churchill and Lewis 1983:40).

• **Stage 5: Maturity**
At this stage, the company will need to have financial controls, professional staff and well-developed systems and resources. The company has the opportunity to develop further or it could risk stagnation and possible decline. To avoid a decline, a business should develop new ideas to enable the business to maintain a competitive edge (Nieman 2002:65).
2.4 THE SOUTH AFRICAN ENTREPRENEURIAL ENVIRONMENT

South Africa still fares poorly when it comes to entrepreneurship. The South African GEM Report (2015) shows that for the most part of the twenty first century, not only has South Africa’s total entrepreneurial activity (TEA) remained consistently below the average of developing and growing economies (so called efficiency-driven economies, of which South Africa is one), but South Africa also scores well below the TEA average of countries with low levels of economic development (factor-driven countries).

South Africa’s low levels of entrepreneurial activity are the result of both personal and environmental factors. One of the biggest challenges facing South Africa is the development and improvement of the knowledge and skills of its people, particularly amongst disadvantaged sectors of the population. Rwigema and Venter (2004: 522) point out that racially segregated education and training was a cornerstone of apartheid policy. Disproportionately low spending on education, coupled with a lack of adequate facilities and resources, has ensured that previously disadvantaged South Africans, including women, have not received proper education and training. It is clear that South African entrepreneurs need an environment that is more conducive to starting up, operating and expanding their businesses (Mahadea & Pillay, 2008). Without a more enabling environment that encourages individuals to see entrepreneurship as a financially viable employment option, it is debatable whether South Africa will experience a significant increase in entrepreneurial activity (South African GEM Report, 2015).

The South African government sees entrepreneurship and particularly SMMEs as the answer to South Africa’s employment and growth problems. In fact, the government’s 1995 *White paper on small, medium and micro enterprises* was one of the first policy documents of the new democratic South Africa (Devey, Skinner, & Valodia, 2006). While government has perceived that facilitating the growth of entrepreneurship in South Africa is a critical issue because it represents an alternate employment strategy, unfortunately, it has not been particularly responsive in addressing growing unemployment (Leibbrandt, Woolard, McEwen, & Koep, 2010).
Entrepreneurship is widely considered to be an important driver of sustainable economic growth through job creation, innovation and its welfare effect. Hence enterprise development and entrepreneurship must be seen as one of the key areas that can unlock growth potential in South Africa in order to address the real concerns of poverty and inequality. Entrepreneurship is one of the most important elements for a growing economy (Kuratko and Hodgetts 2001:6).

Global empirical research has shown that the small business sector has potential for generating employment, promoting economic growth and enhancing social stability (Maas, Court, & Zeelie, 2001; Nieman, 2001). From South Africa’s point of view, the potential of small businesses to create job opportunities is a crucial factor, given South Africa’s high levels of unemployment.

Despite the commitment of the provincial and national governments to bolstering and supporting the sector, SMMEs in South Africa are not realising their job-creation and economic growth potential and thus are not making inroads into unemployment and poverty (Mensah & Benedict, 2010). Government interaction for small businesses should be streamlined through a variety of easy to subscribe to packages that include setting up the legal entity through which to operate businesses, as well as all licensing requirements from local municipalities, labour and SARS registrations.

High registration and administrative costs required by South African law make it more difficult to start up profitable businesses from the outset. The 2015 South African GEM Report makes the following recommendations regarding government policies and entrepreneurial development in South Africa:

- Make the retrenchment and termination process less onerous for small and medium businesses so that they are less risk averse. Legislation around the hiring and firing of staff scares many small businesses off from hiring staff. Mahadea (2008) finds that it is difficult and expensive for SMEs to hire skilled labour in South Africa. Labour can only be hired at a cost and within the confines of the labour regulations such as the Employment and Minimum Wage Regulations. Once companies hire staff, it is very difficult and expensive to let them go if the business cannot afford
them or if they prove to be unproductive. Small businesses rarely have the resources to offer long-term mentoring and training.

- The information available to SMEs is inadequate. There are no good government resources online where entrepreneurs can get clear information about business registration, HR legislation, insurance, etc. All the information that someone needs to start a business should be easily available in one central place.

- Deakins, Graham, Sullivan, and Whittam (1988) reported that early stage entrepreneurs wanted advice on business planning and implementation, strategy, marketing, and planning for growth. Moreover, Jennings and Beaver (1997) contended that entrepreneurs need specific, readily useable skills applicable to the current operating environment of their firms.

- Corruption must be addressed as a matter of urgency – endemic corruption means that all government systems slow down as they are managing for corruption and not service delivery. It is critical that the government reduces incentives for corruption and ensures better enforcement of laws and penalties against corruption. To address corruption there should be serious penalties such as lengthy jail time and the country needs an effective justice system to prosecute quickly and effectively. Gaviria (2002) argued that the reason why SMEs engage in corruption is often linked to problems with regulatory compliance and bureaucracy.

- Get rid of cadre deployment. The public sector currently carries too many political appointees who are unable to or are uninterested in delivering the necessary levels of service. In parallel with increasing the role of non-state enterprises in sectors still dominated by state-owned enterprises, the government must put in place reforms to strengthen the corporate governance and market discipline of state-owned enterprises. This is particularly urgent in terms of addressing the utility issues – electricity, telecommunications, post office – as these have a serious impact on small businesses.

- The government needs more focused strategies to deal with high levels of crime in the country. Small businesses are having to pay significant additional costs for security and insurance and even then they are suffering significant losses. South Africa has, for a long time, faced many economic challenges that have caused much concern for the future of the country, such as crime, corruption, mismanagement, and unemployment (North, 2002).
• Incentives for high-tech entrepreneurial ventures must be provided. Monetary and other incentives should be provided for research and development, and science and technology parks should be established to attract and strengthen links to foreign and domestic knowledge-intensive firms. The government must improve commercialisation of IP from universities, and enable inventors to control more of their work. Inventors also need to be supported in taking their ideas to market. There needs to be more government focus on high-growth entrepreneurs in order to build a generation of robust, engaged entrepreneurs. Innovation-based businesses and Gazelles still create the majority of net new jobs in an economy. The government must create a special dispensation for these two categories of enterprise, exempting them from BEE requirements, providing special funding vehicles and funding for business development services.

2.5 EDUCATION AND ENTREPRENEURSHIP IN SOUTH AFRICA

The objective of entrepreneurship education as presented by the European Union (2002) includes raising people’s awareness of self-employment as a career opportunity; promoting the development of personal qualities that are relevant to entrepreneurship such as creativity, risk taking, and responsibility; and providing the technical and business skills that are needed in order to start a venture (Isaacs et al., 2007:616). Active intervention to stimulate economic growth is urgently needed and it is entrepreneurship that has been touted as the mechanism with which to revitalise the economy and bring employment to the people (Co & Mitchell, 2006; North, 2002).

Specifically, it is entrepreneurial education that is perceived as the solution that will transform South Africans from job seekers into job creators (North 2002). It is hoped that entrepreneurship education will contribute to the ideal of empowering as many people as possible in order to unleash the previously stifled human potential of all South Africans (Hanekom,1995).

Additionally, while handout strategies like social grants and free housing units help some of the poor in the short-term, they do not address the root causes of the problem and therefore cannot end poverty. Rather, empowering the poor through quality education and
training, especially entrepreneurship training, to generate their own income may be a viable medium- to long-term strategy for reducing and eventually eradicating poverty (Mensah & Benedict, 2010). Differences in levels of entrepreneurship can be explained in that individuals with more education and from households with higher incomes are more likely to pursue opportunity entrepreneurship (high-growth ventures), than those with less education and from poor households who are more likely to pursue necessity entrepreneurship (survivalist ventures).

Perhaps more relevant in terms of education is the positive impact of greater post-secondary educational activity on increases in opportunities for entrepreneurship. Identifying business opportunities and having confidence in personal skills to implement a business may be enhanced through education and training with evidence suggesting that those with more education are more likely to pursue opportunity entrepreneurship, which may have overall benefits for national growth (Reynolds et al. 2003).

Unfortunately, entrepreneurial education and training in South Africa is characterised by shortfalls and weaknesses (Co & Mitchell, 2006). South Africa suffers from a ‘dearth of entrepreneurial acumen’ which has resulted in frequent lack of growth and high failure rates (Nieman, 2006; van Aardt & van Aardt, 1997), and education has consistently been identified as a primary inhibitor of entrepreneurial activity (South African GEM Report, 2015).

Quality education was denied to many black South Africans under apartheid and it is not readily available even now. The decades of poor education has inhibited the development of entrepreneurial and social skills and of social networks that are important in gaining confidence for entrepreneurship (Kingdon & Knight, 2005).

The current situation in South Africa is that most blacks prefer working for somebody to taking the risk to start their own business. The history of their societies has socialised them to see themselves as employees and so they do not recognize their own latent entrepreneurial talent, and are not confident in their ability to start and run a business; nor do they recognize good start-up opportunities (Shevel, 2005; Von Broembsen, 2006; Mensah & Benedict, 2010).
According to the World Economic Forum’s Global Competitiveness Report 2015–2016, education remains problematic, especially the quality of maths and science education, where South Africa ranks at the very bottom of the 140 countries measured. This is of particular concern as South Africa currently spends significantly more on education than many other African countries. Indeed, in the 2016 budget, R297.5 billion was allocated to education. The current education spend in South Africa is closer in size to what is spent by wealthy Organisation for Economic Co-operation and Development countries (OECD), all of which are ranked significantly higher with respect to the quality of education.

The challenge of education as a limiting factor is unique to South Africa. Several Global Entrepreneurship Monitor reports have shown conclusively that the low level of early stage entrepreneurial activity in South Africa is influenced by:

- a low level of overall education, especially in maths and science;
- social and entrepreneurial factors that do not encourage entrepreneurship as a career path of choice;
- a lack of access to finance, particularly in the micro-financing arena; and
- a difficult regulatory environment (South African GEM Report, 2015).

What should be done? First, tackling the problem of secondary education is critical because research appears to suggest that it is mostly those with education who have quicker income mobility than those without education (Gumede, 2008). An illustration of this can be found in a study done on small manufacturing enterprises in South Africa (Gumede, 2006).

It was found that small manufacturing enterprises managed/owned by entrepreneurs with post-matric qualifications had a longer longevity than those managed/owned by entrepreneurs with no matric. In other words, having a tertiary education is critical in order to start and sustain an opportunity-motivated business.

In South Africa, Herrington and Wood (2003) point out that lack of education and training has reduced management capacity in new firms in South Africa. This is one of the reasons for the low level of entrepreneurial creation and the high failure rate of new ventures.
Managerial competencies are very important to the survival and growth of new SMEs. Martin and Staines (2008) found that lack of managerial experience and skills are the main reasons why new firms fail. However, it is extremely alarming to note that unemployment has increased markedly for the better educated, with a particularly high increase of 97% for those with a tertiary education (Leibbrandt et al., 2010).

Second, according to North (2002), involving the South African private sector is essential to successfully educating South Africans in entrepreneurship. The private sector should be actively involved in promoting entrepreneurial activity among people because of the substantial "labour force imbalance" with an endemic and worsening shortage of skilled labour; the much lower percentage of South Africa's economically active population that are presently self-employed compared with the percentage in other countries; the high population growth rate in South Africa; the high rate of illiteracy in the country; and the non-relevance of the education system; and the fact that too many black matriculants opt to take subjects such as History and Biblical Studies (Maré & Crous, 1995; Gouws, 1997) rather than subjects like Business Economics and Accounting which are more helpful for entrepreneurial development.

However, what is alarming is that a survey of business people documented by Kroon et al. (2003) found that although business people recognise the role they play, they do not feel an obligation to get involved with schools in order to invest in the community, and don’t acknowledge the responsibility they have to help develop the next generation of entrepreneurial employees and potential entrepreneurs (Co & Mitchell, 2006). Nieuwenhuizen and Kroon (2002) suggest that a holistic approach is necessary to foster an entrepreneurial culture in society. The education system has to be supported by economic and political institutions to inculcate the entrepreneurial culture in society and to ensure the facilitation and actual establishment of enterprises. The authors suggest a framework for the training, education and development of potential entrepreneurs using success factors identified in interviews with senior managers, managers and entrepreneurs. They found that the primary factors that contribute to the success of an enterprise are similar to those individuals with high need for achievement. They recommend that these success factors should be incorporated in the educational system.
through adequate training, development and educational models to establish an entrepreneurial culture (Co & Mitchell, 2006).

Third, the South African government should “declare the education crisis a national emergency: overhaul the education system, revitalise teaching as a noble, well-paid profession, reintroduce properly trained school inspectors, import teaching skills and pilot charter schools”.

Entrepreneurial education is growing fast not only in the US and Europe but also in South Africa, Australia, New Zealand, Japan, Canada, China and Brazil, with the number of entrepreneurship schools in the hundreds, and dozens of programs offered by top business schools at the graduate and undergraduate levels. Katz (2003:279) puts it succinctly: ‘there are too many academics, too much established infrastructure and too much demand from students, organisations and governments to let entrepreneurship fall into disuse or disarray’.

Finally, the 2015 South African GEM Report makes the following recommendations with regards to education and entrepreneurship in South Africa: Creating a critical mass of entrepreneurs requires a long-term investment in human capital development. It is hoped that entrepreneurship education will contribute towards empowering as many people as possible in order to unleash the previously stifled human potential of all South Africans (Hanekom, 1995).

Structural problems affecting the education system continue to be a stumbling block in South Africa’s efforts to increase entrepreneurial activity and improve business productivity, affecting all stages of the entrepreneurial pipeline. To increase the size of the pool of potential and intentional entrepreneurs, it is important to increase the levels of perceived capabilities through well-structured and high quality education. SMEs, which are so important in contributing to job creation, are especially hard-hit by difficulties in finding skilled labour.

A complete overhaul of the education system is required. The government places so much emphasis on policies such as Broad-based Black Economic Empowerment (B-BBEE);
however, a large proportion of the population is receiving such an appalling level of education that they are essentially neither employable in the formal sector nor provided with the skills to become entrepreneurs. The focus in primary and secondary schools should be on improving quality, especially in relation to core language and numeracy skills, as well as promoting critical thinking. It is essential to get the basics right first.

It is imperative to address the structural problems that continue to deprive young people of a good education foundation. Even with the huge amounts of funding allocated to education, South Africa is plagued with a continued shortage of textbooks, poor quality infrastructure in many schools and high teacher absenteeism. The power of the teachers’ union contributes to low standards by preventing disciplinary action against delinquent teachers, or appropriate remedial action for poorly-trained teachers.

The through-put rate remains a serious concern, with unacceptably high numbers of students not completing secondary school. A higher level of political accountability in these areas should be enforced.

In addition, it is critical to address the quality and relevance of curricula. Mismatches between the skills required by industry and the economy and those provided by schools and universities are prevalent. Other areas identified as important for entrepreneurial education include awareness of entrepreneur career options (Hill, 1988; Donckels, 1991); sources of venture capital (Vesper and McMullan, 1988; Zeithaml and Rice, 1987); idea protection (Vesper and McMullan, 1988); ambiguity tolerance (Ronstadt, 1987); the characteristics that define the entrepreneurial personality (Hills, 1988; Scott and Twomey, 1988; Hood and Young, 1993) and the challenges associated with each stage of venture development (McMullan and Long, 1987; Plaschka and Welsch, 1990).

Education facilities need to improve their capacity to provide the education and job skills that will be needed to develop greater productivity and technology-intensive industries. Improving the quality of skills pertinent to modern economies – such as maths, science and IT education – is non-negotiable if young people are to exploit opportunities generated by technological advances and the digital economy, as well as to participate in sophisticated business sectors such as business services.
GEM research has confirmed a positive link between training in starting a business and entrepreneurial behaviour. Practical and interactive business and entrepreneurship training programmes at secondary school are an important factor in encouraging effective youth entrepreneurship. Education on entrepreneurship at school level should equip learners with key business skills: for example, how to do market research, how to develop a business plan, how to balance books. It is imperative, however, that teachers in these courses are well-trained. Business entry is fundamentally a different activity than managing a business (Gartner and Vesper, 1994) and entrepreneurial education must address the equivocal nature of business entry (Gartner, Bird, and Star, 1992). Schools also need to actively promote entrepreneurship as a career path – inviting successful young entrepreneurs to participate in the education programme is a way to introduce young people to positive entrepreneurial role models.

Internships should be provided for young adults interested in entrepreneurship. There is little culture of interning in this country, and young people lose out significantly on the opportunity to learn from the professional world while they are still students. Schemes such as in-service education and the linking of entrepreneurial training to enterprise development could equip young people with the skills and experience to operate their own businesses successfully. This could have positive effects in terms of profitability, survival of enterprises and long-term employment creation.

It is also important to expand interventions that deal with key skills gaps, e.g. apprenticeships, technical and vocational education facilities. Formal education systems often have the tendency to foster the belief that tertiary education is the sole pathway to professional advancement and success, creating the implication that vocational expertise is distinctly inferior to academic knowledge. In the current job climate, this is a shortsighted approach. The number of colleges and universities that offer courses related to entrepreneurship has grown from a handful in the 1970s to 1,600 in 2003 (Katz, 2003). Vocational training schemes tied to enterprise, for example, have helped Germany to lower its youth unemployment figures.

Many young people choose an entrepreneurial direction after school – it is thus important to increase investment in training programmes in entrepreneurship outside of the
traditional higher education institutions. A positive start would be to identify and replicate privately-sponsored models that are working, e.g. Tsiba; the Fast Track programme at Sasol; Youth Academies such as the VUT/Sasol Academy; and SAB’s KickStart intervention. Programmes must be regularly evaluated and continually improved to take into account changes in the national conditions as well as research in entrepreneurial development.

2.6 LEARNING

Learning is a fundamental component of the mentoring process. An important component of the entrepreneur’s development is their ability to learn. The research of Cox and Jennings (1995) reiterates that it is entrepreneurs’ ability to learn from their life experiences that significantly contributes to their success.

Definitions of learning indicate how complex and diverse the concept is. There are many different theories and opinions regarding the role, importance and nature of learning in a mentorship context (Knowles et al, 1998:10). However, several key components serve as a foundation for an understanding of learning. These components include change; fulfilling a need; learning as a product; learning as a process; learning as a function; natural growth; control; shaping; development of competencies; fulfilment of potential; personnel involvement; a self-initiated process; learner-evaluation; independent learning; and learning domains.

In Knowles et al (1998:11), learning is defined by Boyd, Apps, et al (1980), as the act or process by which behavioural change, knowledge, skills and attitudes are acquired. Kolb (1984:38), who subscribed to the belief that learning occurs through experience, defines learning as a process in which knowledge is the result of a creation process in which experience is directly conveyed. The author views this learning process as a four-staged process consisting of concrete experience, reflective observation, abstract conceptualisation and active experimentation.

Boyd’s definition of learning, Kolb’s experimental learning and Bell’s list of five common adult axioms about adult learning indicate that:
• adult learning takes place as needs develop;
• adults learn through their life and work experiences;
• learning is conducted by reflecting on experiences;
• adults want to be self-directed in their learning; and
• adults learn differently, based on their age and experience.


It becomes clear that adults learn and alter their behaviour based on their needs and experiences. This is commonly found to be true for entrepreneurs as they also learn through experiences using a reflective process (Deaken & Freel 1998:153, Cope & Watts 2000:113, Rae & Carswell 2000:223, and Sullivan 2000:161). One of the most important aspects of entrepreneurial learning is that, in the changing world of entrepreneurship, the entrepreneur needs to understand the experience within the context of the environment (Rae and Carswell 2000:221).

Deaken and Freel (1998:146) believe that the entrepreneurial process will continually change from the start-up phase to the mature phase. Entrepreneurs must adjust their plans and actions as a means of modifying behaviour. This learning process for the entrepreneur is experimental in nature. In addition, entrepreneurs will try new ideas although they are often unsure of the outcome, and these will contribute to the learning process (Deakin & Freel 1998:153).

Cope and Watts (2000:113) suggest that entrepreneurs learn through critical incidents and these critical incidents can have a negative or positive impact on the entrepreneur and/or the business. As the entrepreneur and the business pass through the various stages of the entrepreneurial process, entrepreneurs must reflect on these critical incidents. This will enable them to learn and to alter their plans and actions. Rae and Carswell (2000:223) indicate that entrepreneurial development and learning take place based on various themes.

These themes play a key role in entrepreneurial learning and include personal values, personal theory, known capabilities, active learning and relationships. Sullivan (2000:161) agrees with Cope and Watts that entrepreneurs learn by experience and that they will learn
as the new venture passes through the phases of the entrepreneurial process. Entrepreneurs need to reflect and learn from prior experience, and apply this new knowledge for future action (Sullivan 2000:168).

It has been established that entrepreneurs learn from experience, actions, critical incidences and themes and that the ability to learn contributes to success. This learning process can be assisted and enhanced with the aid of someone who can help entrepreneurs to reflect upon and understand their experiences.

Sullivan (2000:163), Cope and Watts (2000:117), Deakins and Freel (1998:153), and Rae and Carswell (2000:224) believe that, because mentoring is a good reflective learning tool, it will provide effective support for entrepreneurs by allowing them to reflect on their experiences and to understand the actions related to their position in the entrepreneurial process.

Entrepreneurial learning is based on experience and reflection. The style of entrepreneurial learning is very similar to that of action learning (Antonites, 2003). Therefore, in order to gain a better understanding of entrepreneurial learning, the nature of action learning needs to be examined.

2.6.1 ACTION LEARNING

Action learning has been around for many years. People would learn by experience and this form of learning was originally called learning by doing. Action learning is reflection-based. It entails asking questions to gain an understanding of past actions in the hope of influencing future actions (Revans 1997).

Action learning is defined by McGill and Beaty (2001) as a continuous process of firstly, having an experience, secondly, reflecting on that experience and, thirdly, learning from the experience. This learning process is often supported by colleagues and advisors. In action learning, the individual will learn by working on real problems and then reflecting on the experience in order to gain a better understanding of a situation.
The most important components of action learning are the relationship between the action of the individual and the learning process itself (McGill and Beaty 2001:19). In order to understand the action learning process, the phases in the learning cycle must be understood. This learning cycle has four stages through which an individual will pass (McGill and Beaty 2001:19).

![Learning cycle](image)

**Figure 2.6** Learning cycle
(McGill and Beaty 2001:20).

Action learning is also broken down into four stages. These include:

- **Action** – the actual event.
- **Reflection** – the experience is considered and reviewed with the intention of analysing, evaluating and understanding.
- **Generalisation** – plans are developed and past reflection will be taken into account.
- **Testing** – the newly designed plans are put into action.

Bourner *et al* (1996:32) agree that action learning is based on reflection that is aimed at improving the effectiveness of actions, where learning is an important outcome.
The basic principle of action learning is that individuals can learn from their own actions. These experiences/actions are influenced by beliefs, attitudes and earlier experiences (Taylor et al, 1997:4).

As indicated above, the individual will learn by reflecting on the action. This reflection enables the individual to progress by gaining a better understanding of the actual event. The individual’s past experience and knowledge influence this reflective process. The learning process can be further enhanced by colleagues, advisors, mentors or facilitators who guide the individual through the process (Taylor et al 1997:viii). Beaty, Lawson et al (1997:185) agree that action learning is a supportive activity that uses active listening and questioning as a means of providing insight, ideas and an action plan to assist the learner with a holistic learning experience.

The action learning process is most effective when led by a mentor, who uses the mentoring process to assist the mentee.

2.7 SOUTH AFRICANS’ PERCEPTIONS AND ATTITUDES TO ENTREPRENEURSHIP

Bosma and Levie (2009) argue that entrepreneurial attitudes and perceptions play an important part in creating an entrepreneurial culture. South Africans’ interest in entrepreneurship can be described as, at best, apathetic.

At the beginning of the twenty-first century, entrepreneurship was not sufficiently reported on and celebrated in the public domain and as a result, there were few role models for aspiring entrepreneurs, particularly in the black African Community. Additionally, there was a lack of “can-do” attitude, which was partly attributed to low levels of entrepreneurial experience and informal learning opportunities.

Martin and Staines (2008) found that a lack of managerial experience and skills is the main reason why new firms fail. Herrington and Wood (2003) point out that a lack of education and training in South Africa has reduced management capacity in new firms in South Africa. This is one of the reasons for the low level of entrepreneurial creation and the high failure rate of new ventures.
Furthermore, entrepreneurship was not considered as a legitimate or desirable career choice, as corporate or professional careers represented the pinnacles of achievement. South Africa’s opportunity perception and fear of failure levels are very much in line with the average for efficiency-driven economies in the 2015 GEM survey.

However, although perceived capability levels have improved by almost 8%, they are still below the average for efficiency-driven economies. Capability perceptions may reveal not only people’s skills, but also confidence in their ability to start a business – as such, they are likely to play a significant role in the transition from potential to intentional entrepreneur.

Alberti et al., (2004) suggest that some output measures for entrepreneurship education that can be examined, including changes in entrepreneurial values, changes in people’s orientation towards entrepreneurial careers as well as changes in personal assessment of entrepreneurial knowledge and skills.

South Africa’s scores for both perceived opportunities and perceived capabilities are lower than the average for the African region. GEM reports have shown that on average, individuals in factor-driven economies have higher perceptions that there are good opportunities for entrepreneurship and that they have the capabilities to start businesses. These attitude measures tend to decline with greater economic development levels. Reynolds et al. (2003) found empirical evidence showing individuals between 25 and 34 years of age to be the most likely to be nascent entrepreneurs. Also, Blanchflower (2004) suggests that, although the probability of being an entrepreneur is highest among older individuals, the likelihood of being a nascent entrepreneur is maximized among young individuals.

GEM argues that while this seems counter-intuitive, individuals in economies at different stages of economic development are likely to have different kinds of businesses in mind. This would suggest that the perception of what is considered an opportunity and the capabilities required to create and manage this entrepreneurial opportunity in factor-driven economies in Africa could differ from the perceptions in efficiency-driven economies in the region. South Africa and Morocco are the only efficiency-driven economies in Africa participating in the 2015 GEM survey. Berry et al. (2002) argued that new SMEs are unlikely to be a panacea for South Africa’s economic problems and they query the degree to which the SMEs fulfil all the government prescribed roles.
Many South African financial institutions view small businesses as high-risk prospects that lack track records, collateral and business experience. Rwigema and Venter (2004:390) agree that traditional financial institutions view informal SMMEs as high-risk areas that have poor collateral and high administrative costs. Traditional financial institutions often have stringent funding requirements for small businesses. These requirements often represent barriers for entrepreneurs, forcing them to approach alternative forms of financing (Rwigema & Venter 2004:394). It would, therefore, be expected that South Africa has a lower rate of potential entrepreneurs than the rest of the African region. However, the difference is still of concern, particularly given the relatively low levels of development in certain areas of the country. In such areas, job opportunities are more restricted and society often sees entrepreneurship as a means to improve one’s economic and social standing.

According to Demur and Wiklund (2008) the business environment has a significant impact on the growth of new small enterprises. Smit et al. (2007) define a business environment as all those factors or variables, both inside and outside the organization, that may influence the continued and successful existence of the organization. Beck and Demirguc-Kunt (2006) argued that for new SMEs to grow, it is important to strengthen not only the internal business environment but also the external environment.

For a long time, South Africa has faced many economic challenges that have caused much concern for the future of the country, such as crime, corruption, mismanagement, and unemployment (North, 2002). Active intervention is urgently needed and it is entrepreneurship that has been touted as the mechanism with which to revitalise the economy and bring employment to the people (Co & Mitchell, 2006; North, 2002). However, a poor skills base, poverty, and a lack of active markets and poor access to resources, make it unsurprising that many South Africans do not regard entrepreneurship as a positive and viable career choice.

With the above in mind, a dual focus on improving the country’s human capital through education and skills training, and creating a more enabling environment in order to dispel negative perceptions about entrepreneurship as an employment option are key to improving South Africa’s entrepreneurial performance. Herrington and Wood (2003) point out that lack of education and training in South Africa has reduced management capacity
in new firms. This is one of the reasons for the low level of entrepreneurial creation and the high failure rate of new ventures. A more enabling environment is also necessary to reduce the cost of running a business, and therefore improve the sustainability of enterprises in the SMME sector (South African GEM Report, 2015).

2.8 MENTORING

Mentoring is an appropriate form of support which provides mentees with the possibility to improve their management skills and learn through action by means of support of a person with extensive business experience (StJean & Audet, 2009:150). Mentoring has been identified as an important means of assisting with the implementation of the government’s objectives for SMME development. Although mentoring was identified as important, there is very little research pertaining to mentorship in South Africa.

The government has identified key factors that can facilitate the achievement of transformation. Small business development has been included within these key factors and the contribution of small businesses to this transformation include the following:

- Sectoral initiatives to promote SMME business;
- New support products for small business;
- Greater coordination from the government;
- The consolidation of all mentoring support projects;
- Improved access to finance;
- Improved access to markets;
- The promotion of entrepreneurship; and
- Expanded support services;

(Dobson, 2002:23).

In South Africa, there has been an increase in the number of enterprise development agencies that provide business management skills and mentoring to entrepreneurs. These agencies believe that mentorship plays a key role in the development of entrepreneurs.
Collin (1979) defines mentoring as a protected relationship in which learning and experimentation can occur, potential skills can be developed, and in which results can be measured in terms of competencies gained rather than curricular territory covered. This would be a particularly rich definition in the context of the development of entrepreneurs. It implies a long-term relationship to allow time for experimentation and reflection, thereby allowing deep learning to occur (Graham & O’Neil, 1997). Mentorship is defined as a relationship in which a more experienced or more knowledgeable person helps to advise a less experienced or less knowledgeable person. Age is not a definitive, the mentor may be older or younger than the mentee, but must have a certain area of expertise.

A mentor is able to play the pivotal role of a strategic advisor, technical expert or business consultant, and sometimes all of them at once. However, the key characteristics of a mentor have to do with their experience, attitude and approach. Mentoring means offering the support of an expert to overcome the problems a starting entrepreneur encounters (Sullivan, 2000). Mentors execute the science and the skill of business, not merely the science. Business consultants tend to untangle specific problems in the business and disseminate formal, elucidated pieces of knowledge or procedural know-how. While a mentor can also do this, they also undertake to disseminate wisdom based not on textbook learning, but instead on their experience earned in the real business world.

Another key differentiation is the stimulus behind a mentor’s actions. The ordinary business counsellor will keep within their scope of work and may not consider other business matters like long-term growth and goals. Mentoring is an instrument often used to support entrepreneurs who, for instance, enter a support programme (e.g. Kirwan, et al., 2008) or receive venture capital (Thompson & Downing, 2007).

For a mentor, however, triumph means being able to step away from a business with the entrepreneur standing firmly on his or her own two feet. Mentors can also work with a defined plan and for a fee, but gain satisfaction from seeing the client flourish because of their work. Even if the mentor has been brought in to implement a technical process in a venture, they do so with enthusiasm and with a broader view to emancipate the entrepreneur and the business.
Most importantly, the greatest insight gained from mentors is their ability to not only deal with businesses’ problems, but also to deal with the person behind the business - the entrepreneur. The mentor’s activities are directed toward the entrepreneur in order for him or her to acquire the skills and knowledge required to succeed in his/her own company (Sullivan, 2000). An experienced mentor knows that most of the problems in an owner-managed business stem from the mannerisms and weaknesses of the owner.

For example, most entrepreneurs tend to gravitate towards their comfort zone or areas of expertise and neglect all the other aspects of their business. A business owner with a production business may not feel comfortable with finances and instead tends to overcompensate by running a tight workshop, but not spending enough time on the financial side of the business. A good mentor will set about turning him into a more balanced entrepreneur.

The extensive research on organizational mentoring and the recent Water et al. (2001) study on entrepreneurial mentoring in Australia suggests that mentees receive decidedly more psychosocial support than career-related support. The Water paper reported on a formal mentoring program for start-up businesses. Career-related support in entrepreneurial context refers to direct management or business operations advice and access to the mentor’s networks, rather than advancement within an organization. Psychosocial support is essentially the same dynamic in both organizational and entrepreneurial mentoring. Entrepreneurs, especially those building businesses around some proprietary technology, may actually prefer their mentor be from an unrelated business sector to preclude any “leakage” of proprietary information. There is a general sense that there is a need to match mentors and mentees in terms of the mentor’s knowledge and/or experience in the mentee’s business sector.

The organizational literature includes an abundance of information and research on training programs for both mentors and mentees. A small industry has emerged to provide training books, videos, courses and workshops on training. Here again entrepreneurial mentoring lags behind organizational mentoring.

Finally, the question of the age of the enterprise as a variable in the perception of the effectiveness of the engagement should be considered: “Do entrepreneurs of start-up
enterprises perceive a higher value in a formal mentoring engagement than entrepreneurs of enterprises that have been in business for several years?"

2.9 DIFFERENT TYPES OF MENTORING

Mentoring is often divided into two types (Buell, 2004):

- Informal mentoring relationships develop without intervention, such as when a person approaches a possible mentor and that person agrees to form a mentoring relationship.
- Formal mentoring relationships refer to assigned relationships in which an organization oversees and guides the mentoring program in order to promote employee development.

Note that this does not mean it is all black and white, rather it is more grey, such as a continuum with formal mentoring on one end and informal on the other end. For example, an organization may guide and oversee a mentoring program, in addition to providing learning opportunities to both the mentor and the mentee, but may not assign the relationships.

A limitation of formal mentoring programs is that the small number of mentoring relationships they can support and accommodate may lead to dissatisfaction with the relationship and negative feelings of those not involved with the program (DeSimone, Werner 2012). As far as the mentor and mentees relationship, Chao, Walz, and Gardner (1992) found that protégés in informal relationships received more career-related advice and had better career outcomes than formal programs, however, Tepper (1995) found no difference.

This study will focus on formal mentoring because this approach predominately used by the sampled organisations.
## 2.10 MENTORING METHODOLOGIES

<table>
<thead>
<tr>
<th>TYPE</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>One-to-One Mentoring</td>
<td>One mentor meets with one mentee at a time; this is the traditionally accepted model. The individualized attention that the mentor pays to the mentee allows for greater rapport building. These relationships often last a number of years but can be a lifelong partnership. These relationships are highly structured with multiple outcomes, often for both the mentor and the mentee.</td>
</tr>
<tr>
<td>Group Mentoring</td>
<td>One mentor meets with multiple mentees at a time. Mentees typically have a common or similar goal. This method is especially effective in situations where time and mentoring resources are at a premium. Once a level of trust and openness has been achieved, this model is also effective for tapping into collective knowledge, where shared knowledge and ideas can trigger larger possibilities.</td>
</tr>
<tr>
<td>Team Mentoring</td>
<td>Multiple mentors work with the single mentee. The relationship lasts for a limited time until the goal is achieved or the project is completed. The focus of the mentoring relationship is the function of the group, rather than any psychosocial bonding. The mentors are assembled to act as guides and resources, providing feedback on the work, but it is the responsibility of the mentee to bear the burden of learning and to move the project forward.</td>
</tr>
<tr>
<td>Method</td>
<td>Description</td>
</tr>
<tr>
<td>---------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Peer Mentoring</td>
<td>A mentee’s peers provide guidance and/or feedback to a colleague at a similar level. These relationships can be one-to-one or as a group and are informally structured. This type of mentoring can be effective for sharing job-related knowledge or to share insight on some of the challenges and experiences the others may encounter.</td>
</tr>
<tr>
<td>E-Mentoring</td>
<td>One mentor works with a single mentee at a time via the Internet. Some programs factor in an initial meeting or periodic face-to-face meetings if distance is not too much of a barrier, but most do not because to the participants are in vastly separate locales. This type of mentoring is extremely helpful for schools or organizations that have multiple branches around the world. It is also a great way for participants in different locations but common fields to establish mentoring relationships. However, it is important that both parties be self-motivated to maintain regular communications and complete agreed upon tasks without the traditional “face time” to serve as an impetus.</td>
</tr>
<tr>
<td>Informal Mentoring</td>
<td>The mentee self-selects their mentor, usually initiated as part of a conversation or because the mentor is someone the mentee has identified as a role model. These relationships develop naturally, might not include any formal agreement, and might not have any formalized structure to them. Most of the relationship progresses at the behest of the mentee and even though there are goals, measures of success are seldom formally monitored.</td>
</tr>
</tbody>
</table>
Reverse Mentoring

A junior has more experience or knowledge in a particular area than their senior. This kind of mentoring can be used when the senior person needs to know about a particular kind of new technology or can be used to encourage diversity and cross-generational understanding. For this kind of mentoring to be successful, it is important to remove barriers of status and position and to create a safe, open environment.

<table>
<thead>
<tr>
<th>Table 1.1: Types of Mentoring</th>
</tr>
</thead>
<tbody>
<tr>
<td>The organisations that participated in this study use the one on one and group mentoring methodologies, and the study will investigate those mentoring methodologies to assess their effectiveness and benefit to the entrepreneurs.</td>
</tr>
</tbody>
</table>

2.11 BENEFITS OF MENTORING

Steinmann (2006) explains that the benefits of mentoring on a personal mentee level are an “enhanced rate of promotion; accelerated employability and career mobility; greater professional competence; better acceptance within the organization; a greater alliance to the workplace and higher salaries”. This is further echoed by Clutterbuck (2006) who lists the mentee benefits in four outcomes based categories:

- Developmental outcomes – knowledge, technical competence and behavioural competence.
- Career outcomes – which includes the achievement in part or whole of career goals.
- Enabling outcomes – such as having a career plan, a self-development plan, a wider network of influencers or learning resources.
- Emotional outcomes – these are less tangible but have changes that are more powerful emotionally. These changes include increased confidence, altruistic satisfaction, reflective space, status and the pleasure of a different kind of intellectual challenge.
Clutterbuck (2006) believes that the organizational rewards received can be divided into primary and secondary benefits. The primary benefits are:

- Easier recruitment and induction
- Improved employee motivation
- The management of corporate culture
- Succession planning
- Improved communications and staff morale

Secondary benefits are:

- Increased efficiency and productivity
- Improved staff morale
- Greater career satisfaction
- Mentored managers showed an improved and faster integration when introduced into a new professional environment.

Mentoring accelerates learning and the development of entrepreneurs by having focused conversations rather than simply learning how to apply theory to practice. A mentoring approach to the development of entrepreneurial skills is practical and experiential. Mentoring keeps the mentee (entrepreneur) focused on the business priorities, goals and sustainability of the business. It builds resilience to help the mentee (entrepreneur) meet the challenges of a growing business. Starting a business can sometimes be a lonely activity because of resource scarcity. Entrepreneurial mentors can listen, encourage, offer intellectual and experiential support and give a little tough love when needed, making the difference between growth and stagnation.

According to Tobey (1998), the mentor’s characteristics are vital, especially when assessing the success of mentoring relationships. In the same manner, Cunningham and Eberle (1993) assembled a list of essential mentor’s skills and characteristics to be the following: personal security and confidence; willingness to trust; ability to communicate; introspection and openness; innovation, patience, tolerance; and accessibility.
2.11.1 PHASES OF A MENTORING RELATIONSHIP

The traditional model of the phases of mentoring was produced by Kram (1983) which portrayed the mentoring relationship as being progressive over the course of four years and lasting on average five years. Clutterbuck’s (1998) subsequent research distinguished variations in the European mentorship model which he described as “developmental mentoring” when compared to Kram’s (1983) American version which he regarded as “sponsored mentorship”.

In the European model, the interactions in the phases were different. The phases were shorter and the mentoring relationship stretched over a period of approximately three years. Steinmann (2006) commented that mentoring in South Africa was a developmental relationship that lasted three years on average. His model was similar to the European model. Table 2.4 below depicts the three different models.

<table>
<thead>
<tr>
<th>TIMELINES</th>
<th>AMERICAN (Kram)</th>
<th>EUROPEAN (Clutterbuck)</th>
<th>SOUTH AFRICAN (Steinmann)</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 months – 6 months</td>
<td>Starting: Suspicion evolves into trust and mutual respect</td>
<td>Rapport building, getting to know each other</td>
<td>Intimate dependence - excitement and new relationship, mentee dependent on mentor.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Direction setting - developing a sense of relationship purpose</td>
<td>Mentor needs to cultivate trust and be sensitive to relationship complexities</td>
</tr>
<tr>
<td>6 months - 12 months</td>
<td>Middle mentor Period: uses</td>
<td>Progress making - high mutual learning</td>
<td>Familiarisation -</td>
</tr>
<tr>
<td>Time Period</td>
<td>Influence to Help Mentee Advance</td>
<td>Deepening the Relationship</td>
<td></td>
</tr>
<tr>
<td>------------------</td>
<td>----------------------------------</td>
<td>----------------------------</td>
<td></td>
</tr>
<tr>
<td>24 months</td>
<td>Winding down, celebrating success, moving on to new sources of learning</td>
<td>Confidence building, feedback and positive reinforcement</td>
<td></td>
</tr>
<tr>
<td>36 months</td>
<td>Dissolving the relationship</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indeterminate</td>
<td>Restarting the relationship.</td>
<td>Coming to terms with a different status</td>
<td></td>
</tr>
</tbody>
</table>

Source: Adapted from Clutterbuck (2006, p. 109)

### 2.11.2 ENTREPRENEURSHIP MENTORING SKILLS

Watson (2004) stated that mentors should use their education, mentoring skills and experience as skilled business people or entrepreneurs to assist their mentees in achieving specific goals. The formula applied to determine entrepreneurial performance is the multiplicative entrepreneurial performance model (Antonites & Van Vuuren, 2001). The formula is constituted as follows:

\[
E/P = M (E/S \times B/S)
\]

E/P = Entrepreneurial Performance  
M = Performance Motivation  
E/S = Entrepreneurial Skills  
B/S = Business Skills  

In order to be relevant in the field of mentoring, this model was adapted by Watson (2004, p. 80). This adaptation is presented in Table 2.5.
Entrepreneurial Performance (E/P) | Performance Motivation (M) | Entrepreneurial Skills (E/S) | Business Skills (B/S)
--- | --- | --- | ---
Establishment of own business | Providing constructive criticism | Creativity and innovation | Business plan
Completion of first transaction | Providing guidance | Risk propensity | Communication skills
Growth in net value of business | Providing encouragement | Opportunity identification | General management skills
Recruitment of employees | Being a sounding board | Role models | Financial management skills
Increased productivity levels | Helping to manage change | | Marketing skills
Increased profitability | | | Operational skills
| | | HR management skills
| | | Legal skills

Table 2.5 Entrepreneurial Performance Model as adapted for Mentoring

This view was supported by Cull (2006) who indicated that young entrepreneurs found mentors with relevant knowledge, experience and an honest and empowering style to be very valuable. The lack of industrial knowledge among South African business mentors was considered by Martin (2008) to be the cause of the advisory roles assumed by them in contrast to the more specific mentorship roles required. This study attempts to explore this matter in more detail.

2.12 THE MENTORING PROCESS

Mentoring dates back to the time of Greek mythology. The term ‘mentor’ was used in the historical perspective of Odyssey. Odysseus, the king of Ithaca, who fought in the Trojan wars, entrusted his son’s care and education to his friend Mentor. Over time the word ‘mentor’ has been used in the context of a trusted advisor, friend and teacher (Klasen and Clutterbuck 2002).
Mentoring is currently widely used as an effective tool in developing skills for work and for personal lives. Mentoring has developed differently in different parts of the world and within an array of scientific and functional disciplines. The North American concept of the mentoring process is that it is related to sponsorship and advice, whereas the European mentoring role is one of facilitating learning and developing the mentee (Klasen & Clutterbuck 2002).

This highlights two different types of mentoring; namely, sponsorship mentoring (North American) and developmental mentoring (European). Sponsorship mentoring is more concerned with career advancement than with learning. The mentor is often a more powerful senior executive whose intention it is to assist the mentee with making the correct career choices. Developmental mentoring is more concerned with learning, support and developing the mentee as a whole individual. This does not mean that sponsorship mentoring is not concerned with learning and support and that developmental mentoring is not concerned with sponsorship. The roles of developmental and sponsorship mentoring overlap. The focus of both types of mentoring is different (Klasen & Clutterbuck 2002).

Mentoring is a critical form of learning because the mentor will use the relationship to develop opportunities for the mentee to learn by facilitating the progress through the learning cycle. Entrepreneurial mentoring can also be viewed as a business development process for owners/managers (Gold, Devins & Johnson, 2003).

This assists the mentee to reflect on past actions and to plan new actions (Klasen & Clutterbuck 2002). Developmental mentoring follows a holistic style. Mentoring focuses on developing the individual and on developing the person as a whole. Klasen and Clutterbuck add that mentoring has become popular as it facilitates personal and professional development, and it offers an integrated approach that combines elements from other development approaches.

### 2.13 THE MENTOR/MENTEE RELATIONSHIP

Mentors give meaning to context or aid the entrepreneur in understanding a particular experience. The mentor’s role is to enable the entrepreneur to reflect on actions, and perhaps, to modify their future actions as a result. In other words, it is about enabling
behavioural and attitudinal change. In order for effective learning and subsequent change to take place, both the attitude and the skills of the mentors, as well as the content and delivery mode of support advice, are critical (Sullivan, 2000).

Kram (1985) identifies four distinct stages of evolution through which a mentoring relationship progresses: Initiation, cultivation, separation and redefinition.

The first phase, the initiation, is the phase in which the mentor relationship is started (Chao, 1997). This first 6 to 12 months is characterised by fantasies of both the mentor and the mentee about each other when considering the development of the relationship (Kram, 1983).

The second phase, cultivation, is the phase during which the range of functions that is provided is maximised (Kram, 1983). This phase normally lasts from two to five years and the mentor and protégé get to know more about each other’s competencies which helps them optimize the benefits of the mentor relationship (Chao, 1997).

The third phase, separation, signals a change in the nature of the relationship. The protégé acts more independently, both are separated structurally and psychosocially, and the support provided by the mentor decreases (Chao, 1997). This so-called separation phase lasts between six and 24 months.

In the fourth phase, redefinition, the relationship evolves towards a new significantly different form or ends entirely (Kram, 1985). The time needed to develop through all these stages normally is five years (Kram, 1985).

Furthermore, a distinction between formal and informal mentorship is widely found in the mentoring academic literature (Young & Perrewé, 2000; Waters, McCabe, Kiellérup, & Kiellérup, 2002; Broadbridge, 1998; Wikholm, 2005). These two forms differ in the way the relationship is arranged (Weijman). Formal mentorship connotes being arranged by a third party who sees the pairing of two (or more) members (of an organisation or program) as important for the development of at least one of the two (Weijman). Often this relationship is the result of a “formal organisational policy” (Broadbridge, 1998) or a “conscious effort
by decision-makers to pair together members of an organisation” (Young & Perrewé, 2000). By contrast, informal mentorship means that two (or more) people choose to enter into a relationship from which they can benefit in the development of certain aspects of their career development or academic development (Weijman). “It is a private arrangement between two individuals” (Broadbridge, 1999) that often is the result of “a personal bond between two individuals that develops from common interests, goals, and accomplishments”(Young & Perrewé, 2000).

Academic literature has documented several traits that may positively or negatively affect the mentor-mentee relationship. Positive attributes include agreeableness, (when it is similar to both parties (Engstrom, 2004); mutual liking, (which helps the mentor exercise psychological and career-related functions (Armstrong, Allinson, & Hayes, 2002); and trust, (which must be mutual (Ragins, 1997) and can enhance both the quality and the efficiency of the mentorship relationship (Kram, 1985).

Negative attributes include differences in business culture between the mentor and the mentee, especially regarding how the company is managed (Dalley & Hamilton, 2000), and conflict between the mentor’s advice and small business culture, or the entrepreneur’s communication method and learning style entrepreneurs (Dalley & Hamilton, 2000; Deakins, O’Neill, & Mileham, 2000; Gibb, 1997, 2000). Both mentor and mentee must lay solid foundations for the relationship by setting out rules in the form of a moral contract between the parties (Audet & Couteret, 2005). This is achieved by the two parties agreeing on certain guidelines for their relationship, such as the goals, means, roles, plan of action, and timeline for the relationship (Covin & Fisher, 1991; King & Eaton, 1999). The duration of the relationship and the frequency of meetings are important to the success of the relationship (Waters et al., 2002; Cull, 2006; Smallbone, Baldock, & Bridge, 1998).

Research has highlighted several positive impacts of mentorship relationships. Mentees’ mentorship experiences improved their ability to achieve goals; deal with problems; learn; manage the firm; deal with change (Deakins et al., 1998); boosted their self-confidence and self-esteem (Waters et al., 2002); and developed their knowledge and contact networks (Wikholm, Henningson, & Hultman, 2005).
2.14 RELATIONSHIP OF MENTORING TO ENTREPRENEURSHIP

A mentor or advisor is an essential asset to a growing company. They can warn of problems on the horizon, help craft solutions to problems and be a sounding board for the entrepreneur. A mentor’s many years of experience can save a business from major errors and costly mistakes with just a few words.

From the available literature it can be argued that intervention at pre-start and start-up stages of a business is beneficial in reducing the known high failure rates (Deakins et al, 1997).

One of the problems in the UK has not been when interventions have taken place, but how those interventions have taken place. The impact on the small firm and the ability of the entrepreneur to learn from mistakes is poorly understood. Yet, theoretically, in the early stages of business development, such interventions should have a major impact. Deakins (1997) comments that the entrepreneur, through experience, acquires the ability to learn. Rarely is this learning process planned, but it is the result of a series of reactions to critical events in which the entrepreneur learns to process information, adjust strategy and take decisions. Beresford and Saunders (2003), who evaluated MBA graduates in their role as mentors to small business projects, found that while academic skills were initially identified as essential requirements, it was the inter-personal skills, such as listening, which were considered to be more important.

The balance of a head and heart approach to mentoring is described by Pegg (1999) in the application of his mentoring model which helps people to focus on the challenges, choices, consequences, creative solutions and conclusions. In discussions between mentor and mentee, two main methods are used: ‘pulling’ and ‘pushing’. Pulling calls on the ability to offer a sanctuary; to offer a safe place where the mentee feels able to share their agenda, interests and goals and to offer support by listening, asking the right questions and drawing out the mentee’s own answers to problems. Pushing, on the other hand, calls on the ability to offer stimulation, to offer creative ideas; challenges; knowledge; success stories; models and tools; leading-edge thinking and wisdom.
Role modelling is another factor in mentoring success. McVey (1997) studied the impact of role models within mentoring relationships and suggested that the presence of an entrepreneurial role model can positively affect the level of entrepreneurial success. A role model can also help entrepreneurs who may rely too much on personal experience to guide decision-making. Although taking risks is important, the presence of role models, mentors and networks can provide a moderating effect on the overconfidence of entrepreneurs.

2.15 BIRD’S MODEL OF ENTREPRENEURIAL INTENTIONALITY

Bird’s model of entrepreneurial intentionality is grounded in cognitive psychology theory that attempts to explain or predict human behaviour. Intentions have been conceptualized as being a function of beliefs that provide a link between beliefs and subsequent behaviour (Fishbein & Ajzen, 1975). That is, people form attitudes toward performing a given behaviour based on beliefs that performing the behaviour will result in certain consequences, as well as normative beliefs about the behaviour. Behavioural intention results from attitudes and becomes the immediate determinant of behaviour. Fishbein and Ajzen (1975) illustrate this relationship as:

Beliefs —> Attitudes —> Intentions —> Behaviour

It is further suggested that there should be a strong relationship between the intention to perform a certain behaviour and the actual performance of that behaviour. Accordingly, it is proposed that “if one wants to know whether or not an individual will perform a given behaviour, the simplest and probably most efficient thing one can do is to ask the individual whether he [or she] intends to perform that behaviour” (Fishbein & Ajzen, 1975),

Factors that influence the relationship between intention and behaviour include the degree to which the intention and behaviour are measured at the same level of specificity, the stability of the intention over time, and volitional control or the degree to which the person is able to carry out the intention (Ajzen, 1987; Fishbein & Ajzen, 1975).

The relationship between intention and behaviour is also influenced by personal factors such as skills, abilities and willpower, and environmental factors, such as time limits, task difficulty, and the influence of other people through social pressure (Ajzen, 1987; Tubbs &
Ekberg, 1991). Bird (1988, 1992) defines intention as a state of mind that focuses a person’s attention, experience, and behaviour toward a specific object or method of behaving. Bird further suggests that entrepreneurial intention directs critical strategic thinking and decisions and operates as a perceptual screen for viewing relationships, resources, and exchanges. Figure 1 illustrates Bird’s (1988) conception of the contexts of entrepreneurial intentionality.

According to this framework, individuals are predisposed to entrepreneurial intentions based upon a combination of both personal and contextual factors. Personal factors include prior experience as an entrepreneur, personality characteristics, and abilities. Learned (1992) suggests that these background factors influence the propensity of the individual to found a new venture. The contextual factors of entrepreneurship consist of social, political, and economic variables such as displacement, changes in markets, and government deregulation (Bird, 1988). Intentions are further structured by both rational/analytic thinking (goal-directed behaviour) and intuitive/holistic thinking (vision). These thought processes underlie the creation of formal business plans, opportunity analysis, and other goal-directed behaviour. Entrepreneurial intentions may be directed toward the creation of a new venture or the creation of new values in an existing venture (Bird, 1988). Thus, entrepreneurial intentionality incorporates contextual factors and personal characteristics into a broader framework that attempts to explain why some people engage in entrepreneurial behaviour.
2.16 CONCEPTUAL FRAMEWORK

The study will adopt the Bird’s framework, as this is one of the most established and successful models cited and used by other academic researchers. Using this framework provides a powerful tool to highlight, elicit and maximise inner potential. The framework is designed by drawing on existing theories and models that will be aligned with the values, training, and past life and work experience of the mentor, to ensure that an authentic approach is practised.

2.16.1. MAIN THEORIES THAT UNDERPIN THE FRAMEWORK

The model is based on the premise that people in general and mentees in particular, hold the power to generate their own solutions and unleash their potential to live and work more effectively, and in this process to achieve their dreams and goals. The main theories that will influence the mentoring model to be used in the study can be grouped into the following categories that are briefly discussed below.
2.16.1.1 COGNITIVE BEHAVIOUR THEORIES

Cognitive behaviour theories are associated with goal-setting and the importance of receiving feedback as a way of reinforcing positive behaviour. Motivation is key, goal-setting and support are important for positive learning transfer. Closely linked to this is the concept of "limiting assumptions" (Kline, 2006), referring to assumptions that cause limitations in terms of thinking, and how this thinking then influences behaviour and can lead to unintended consequences. It takes 21 days to form new neural pathways (Edelson 2002a); so, by encouraging certain practices, behaviour can be changed. Edelson also alludes to how the use of language can influence thinking and subsequent behaviour; for example, the use of the word “boss”, as opposed to “leader”, can elicit different reactions to a superior, the latter being more positive.

2.16.1.2 ETHICAL INTEGRITY

One of the important issues in a mentoring relationship is confidentiality. To have a meaningful relationship and conversation with a mentee, it is important to assure the mentee of confidentiality. Ethical dilemmas may crop up in the most unexpected areas. Pre-empting these could help to keep a relationship intact which could otherwise end when ethics is compromised by either the mentor or the mentee.

2.16.1.3 THE CLIENT-CENTRED APPROACH

The client-centred approach is largely influenced by the work of Rogers (1995) and refers to the unconditional, positive regard for the client (who in this study is referred to as the mentee) and the acceptance that he/she knows what is best for him/herself. Similarly, the work of Perls (1976) and his gestalt theory acknowledges that individuals have untapped potential and can solve their own problems. These theories influence the attitude of the mentor towards the mentee when conducting a mentoring session.

2.16.1.4 SYSTEMS THINKING

Systems thinking allows a holistic approach to be taken, which is critical for making informed decisions, as it allows matters to be viewed from different perspectives and encourages an appreciation that a situation may not be as simple as it at first appears. Wilber's (2007) integral framework, involving four quadrants, allows the question to be
asked: where do mentees stand in terms of their own values and beliefs (the “I” quadrant); their behaviours (the “It” quadrant); how they relate to others (the “We” quadrant); and the impact that systems can have on them (the “Its” quadrant). For example, an issue such as being over-worked or burnt-out could result from an inability to delegate, to have difficult conversations, or to deal with conflict. Stress could result from being a “triangle” in a relationship – a term coined by O’Neill (2000: 53), which refers to an individual being embroiled in a conflict situation which is actually the responsibility of two other parties.

Wilber’s (2007) model as a framework allows questions to be asked about how things relate across the different quadrants and allow potential gaps in the mentoring conversation to be identified, which can then be further explored. It also enables the uncovering of the real or underlying issue, which could be different to the presenting issue.

2.17 CONCLUSION OF LITERATURE REVIEW

The literature review defined entrepreneurship, the perceived characteristics of an entrepreneur, and entrepreneurial education, and it gives the context of the South African state of education and how it affects entrepreneurship. The literature review lastly defined what mentorship is, and it highlighted the impact or role that it has on entrepreneurs. Starting a company can be a lonely affair, and starting entrepreneurs need a listening ear and many (university) start-up programmes include mentoring into their support programmes (Klofsten & Öberg, 2012; Van der Sijde et al, 2002; Kirwan et al, 2008).

It is important to note that most articles reviewed focused on the mentorship relationship in the context of sales and business efficiencies as well organisational mentoring. This study will be conducted to close the knowledge gap that currently exists in South Africa as well as validate the general sense that mentoring leads to increased sales and jobs creation as well get a deeper understanding of the approaches utilised to ensure that mentorship yield great results to entrepreneurs.
CHAPTER 3.  RESEARCH METHODOLOGY

3.1 INTRODUCTION

The purpose of the study is to ascertain whether mentorship assists entrepreneurs in the perceived growth of their businesses and themselves. The purpose of this chapter is to describe the research methodology used by the researcher to gather and analyse data. The study adopted a qualitative approach since the responses were based on experiences of the mentors and mentees. The sample population consisted of individuals that meet the criteria for the study. The data collection process and analytic approach, as well as the study limitations, will be discussed.

3.2 RESEARCH METHODOLOGY / PARADIGM

This was an exploratory qualitative study; the best-suited methodology for the research was phenomenology as it is predominantly used to get views on people’s experience. Researchers using a qualitative approach explore a problem holistically, taking note of philosophies, events, and processes to develop a deeper understanding of a phenomenon (Denzin & Lincoln, 2012). The research employed a qualitative research methodology, firmly rooted in the interpretivist epistemological school of thought.

Interpretivism is centred on the idea that knowledge of reality, including the domain of human action, is constructed by social actors (Walsham 1993:9). This constructionist paradigm is based on the belief that social actors constantly construct and reconstruct reality and people’s perceptions of it (Wahyuni, 2012). It follows that people within their respective domains through their shared experiences, backgrounds and perceptions contribute to the continuous development of knowledge.

Given the wealth of knowledge and experience the selected mentors and mentees have as a result of their day-to-day exposure to the industry, they have direct insight into the perceived benefits of mentorship. The rationale for basing this study in this paradigm lies in the idea that the necessary information could be elicited from these stakeholders and used to make recommendations on how mentorship can be moderated.
The scarcity of research into the benefits of entrepreneurial mentorship means that a gap exists within the literature. It is necessary to investigate how mentors and mentees perceive the benefit of entrepreneurial mentorship. The investigative nature of interpretivism and its various tools enables researchers to make sense of phenomenon by gathering and examining the rich data and analysing it with the aim to better understand the world around us (see Appendix A for the empirical timetable).

The interpretivist researchers focus more on the subjective propositions that are regarded to be relevant when individuals strive for knowledge. The rigour imperative is to select and apply research methods aiming at making the influence of the subject explicit (Klein & Myers, 1999). Epistemology can be understood as the science of analysing the way human beings comprehend knowledge about what is perceived to exist (Burrell & Morgan, 1979; Niehaves, 2005). It addresses the question of how a person can arrive at ‘true’ cognition. Ontology is the science, or the analysis of ‘what is’ and ‘how it is’ (von Foerster, 1996).

The qualitative method is different from a quantitative approach where variables are predetermined and the researcher aims to prove a yes-or-no hypothesis (Bryman & Bell, 2011). The qualitative method is best for a study that is exploratory in nature, where the researcher has control over the interpretation of data uncovered from a small sample size (Bryman & Bell, 2011). This study focused on perceptions and relations within the mentoring space. The research focused on mentorship experiences of EMEs and practitioners as well as how they interpret these experiences.

3.3 RESEARCH DESIGN

The research design represents the foundation of the plan to collect and analyse the data pertinent to the research question (Wright & Craig, 2011). Within the qualitative methodology, there are five popular designs from which to choose. These include ethnography, grounded theory, narrative, phenomenology, and case study (Denzin & Lincoln, 2012).
This study used the phenomenology approach which is often used to study consciousness as experienced from a first person point of view (Smith, 2006). There are several strengths of phenomenological research. For one thing, it provides a very substantial and comprehensive description of the human experience (Dorf, Peppers & Rogers, 1999). This method allowed participants to describe their experiences in sufficient detail to reveal themes that provided insight into the research question (St-Jean & Audet, 2012). Phenomenology provides for:

- In-depth understanding of individual occurrence.
- Substantial data from the experiences of individuals

Some disadvantages of phenomenology research are:

- The subjectivity of the data leads to difficulties in establishing reliability and credibility of approaches and information.
- It is difficult to perceive or to intercept researcher-induced bias (Hanemann, 1991).

### 3.4 POPULATION AND SAMPLE

#### 3.4.1 POPULATION

Globally, there are over 110 million entrepreneurs opening small businesses each year and over 140 million operating a small business that is less than five years old (Bosma, Wennekers, & Amoros, 2012). The target population of the study is Exempted Micro Enterprise (EME) known as ventures, which generate revenue of R10 million or less, have been recently formed, or are an incorporated entity that has been in operation for less than one year (start-up business), that would qualify as an Exempted Micro Enterprise. The focus will be on the seven EMEs that are based in Johannesburg who have engaged in a mentoring relationship in the past 12 months, offered by the identified organisations.

The seven mentors who have participated in study were part of the identified mentoring programme in the past 12 months. According to St-Jean and Audet (2012) mentoring involves a support relationship between an experienced entrepreneur (the mentor), and a novice entrepreneur (the mentee), in order to foster the latter’s personal development.
3.4.2 SAMPLE AND SAMPLING METHOD

Non-probability sampling techniques will be used to gather data, and will also allow the researcher the opportunity to apply subjective judgement and inference to draw up the sample frame. Non-probability sampling techniques include quota, purposive, snowball, self-selection and convenience techniques (Zikmund, 2003). For this particular study, the snowballing sampling method was conducted. Entrepreneurs, as well as mentors who meet the criteria, suggested names of suitable participants.

Advantages of snowballing:

- It allows for studies to take place where otherwise they might be difficult to perform because of a lack of participants (Bodgan, 2003).
- Snowball sampling may help the researcher to uncover characteristics of a population that they weren’t aware existed.

Disadvantages:

- It is usually difficult to dictate the sampling error or make presumptions about populations based on the obtained sample (Axhausen & Kowland, 2012).

3.5 THE RESEARCH INSTRUMENT

Semi-structured interviews were used to conduct the study and obtain the perspectives of the mentors and entrepreneurs. The proposed method aimed to engage with entrepreneurs who have undergone mentorship. It also aimed to engage with mentors on a separate platform. This took the form of recorded individual interviews in which pertinent questions were posed to the mentors and mentees in a standardised way and any differences and/or convergences between the participants were investigated.

An interview guide was used to direct the sessions (see Appendix A for interview guide). A series of open-ended questions was posed and different probes (verbal and non-verbal) were used to elicit more intuitive responses. Open-ended questions establish the area to be explored while allowing the interviewee to offer unsolicited insights, and this method
was elected as it allows for richer data to be captured than a closed-ended inquiry does (Myers & Newman, 2007).

3.6 PROCEDURE FOR DATA COLLECTION

Based on Eisenhardt’s (1989) suggestion that multiple data collection efforts strengthen the grounding of theory by the triangulation of evidence, a two phased approach was selected for this study. The data was gathered through interviews with entrepreneurs as well as mentors that have been involved in mentorship for more than one year. An appropriate number of interviews took place - 14 interviews including seven mentors and seven mentees respectively. Table 4.1 shows a summary of the research sampling and collection methods.

<table>
<thead>
<tr>
<th>RESEARCH AIM OF PHASE</th>
<th>DATA COLLECTION METHOD</th>
<th>SAMPLING TECHNIQUE</th>
<th>SAMPLE SIZE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mentor interviews</td>
<td>Expert opinion on mentorship</td>
<td>Face-to-face, semi structured interviews</td>
<td>Snowball</td>
</tr>
<tr>
<td>Mentee interviews</td>
<td>Experiential understanding of the relationship</td>
<td>Face-to-face, semi structured interviews</td>
<td>Snowball</td>
</tr>
</tbody>
</table>

Table 4.1 Summary of research sampling and collection methods

Phase 1:
The exploratory first phase consisted of an initial literature review and thereafter semi structured interviews with seven mentors who had proven and verifiable experience and expertise in the field of entrepreneurial mentoring. The objective of conducting expert mentor interviews was to gain insight into each participant’s thoughts and ideas regarding the mentor relationship within the context of their personal experiences. The use of semi structured interviews provided the necessary leniency to allow for new ideas to emerge and for new lines of inquiry to be pursued.
Phase 2:
The one on one mentee interviews were conducted at coffee shops or at the offices of the entrepreneurs. This semi-structured interview allowed for concepts, reasons or causal tendencies to be explored. Seven entrepreneurs were interviewed. The interview schedule incorporated the emergent themes but was open-ended enough to uncover key factors and ascertain the different perceptions of the entrepreneurial mentees.

The duration of the Interviews ranged between 30 and 60 minutes. With the participants’ permission, extensive handwritten notes were taken during the interviews which documented the rich descriptions of the interactions as well as the researcher’s impressions and observations. Changes in the demeanour of the participants, such as visible body language changes, were also noted.

The notes were transcribed verbatim by the researcher within 24 hours of the interview which ensured the timeous capturing of impressions. The data was then analysed and categorised according to the themes that emerged and these were collated per research question per respondent.

As this study followed the methodology proposed by Eisenhardt (1989), the iterative nature was evident as the theory was developed as the interviews were being conducted, based on an extended literature review. The interview methodology where views and ideas were shared stimulated and refined the literature review.

3.7 DATA ANALYSIS AND INTERPRETATION

A total of 14 interviews were conducted, including seven entrepreneurs and seven mentors. The interviews were audio recorded and the data was transcribed to drive logical thematic content from the answers that were provided.

The researcher has been working with mentors and entrepreneurs for the past eight years, and therefore might have preconceptions that may taint the research process. The participants in the study signed a consent form to confirm that they are comfortable to participate in the study, and for their feedback to be used.
The researcher analysed the data by grouping respondents’ answers to each question. The information was developed by labelling each group of answers. Knowledge was gained by establishing how the information gathered in the interviews answers the research objectives. The researcher further developed a theory based on the evidence, and then judged its meaning. Careful analysis started with written transcriptions.

Abhayawansa (2011) highlighted that well-described data analysis procedures allow the reader to better understand the data. Qualitative data analysis is centred on the detection and the intricate tasks of defining, categorising, theorising, explaining, exploring and mapping of large amounts of scattered data into coherent usable information (Bryman & Burgess, 1994; 176). It involves dismantling, segmenting and reassembling data sets to form meaningful findings in order to draw inferences (Boeije, 2010). The qualitative technique of thematic or pattern coding was used in the analysis of the data corpus.

This process involved shifting, charting and the sorting of the data in accordance to key themes identified. Thematic analyses are conducted in a number of ways, in this sense it can be described more as a method rather than a methodology (Braun & Clarke, 2006). To formalise this inductive coding process the following procedure was used to analyse the vast qualitative data developed (Creswell, 2002; 266). This was used in conjunction with Thomas’ (2004: 5) directive for analysing qualitative data and involved the following steps:

1. Preparation of raw data file. This involves formatting the raw data (such as font size, questions or interviewer comments) some data cleaning may also be required (Crabtree & Miller, 1999).

2. Initial reading of data and close reading of text to gain an understanding of the ‘themes’ and details in the text. Before actual analysis can commence, the researcher needs to have a firm understanding of the complete data set, to aid in the analysis process (Rice & Ezzy, 1999; 258).

3. Identification of specific segments of information and creation of categories. Identifying and defining of themes from the vast data set, lower level or
specific categories derived from multiple readings of the raw data. Open order as well as in vivo codes are created from meaning units or actual phrases used in specific text segments (Huwang, 2008). A good code is one that captures the qualitative richness of the phenomenon under investigation (Boyatzis, 1998; 1).

4. Labelling segments of information then overlapping coding and uncoded text (Crabtree & Miller, 1999). The rules that underlie qualitative coding which are distinguishable from quantitative coding are that (a) one segment of data/text may be coded in more than one category; (b) a considerable size of the text/data may not be assigned to any category.

5. Corroborating and legitimisation coded themes by reducing overlaps and redundant categories or themes (Fereday & Muir-Cochrane, 2006). Selection of appropriate quotes to convey the core themes of each category.

Due to the nature of the research questions the prevalence and the frequency at which themes appeared within the data was of crucial importance (Braun & Clarke, 2006). The final refinement of the themes was aimed at identifying the essence of what each theme encompassed and to identify how they interacted within the scope of the study.

3.8 CREDIBILITY AND TRUSTWORTHINESS

The purpose of the study was to learn more about the mentees’ and mentors’ perspectives on mentoring. The validity of qualitative research is often referred to as trustworthiness or credibility (Creswell, 2010; 346). Since qualitative approaches are often criticised because of their lack of credibility or rigour, both reliability and validity need to be closely evaluated because homogeneity of data and coefficients of determination cannot be computed (Decrop, 1999). Lincoln and Guba (1985) developed criteria for qualitative inquiry analogous to the quantitative terminology:

1. Credibility (internal and external validity): How truthful are the findings?
2. Transferability (external validity): How applicable are the research findings to other settings?

3. Dependability (reliability): Are the results dependable?

4. Confirmability (objectivity): Do the findings reflective of the informants and inquiry?

A few triangulating procedures were performed to enhance the credibility of the research findings. One such procedure was to assess the trustworthiness of the data analysis process through consistency checks; by having a research assistant and an independent third party autonomously use category descriptions to find texts that belong in those categories (Thomas, 2004).

Credibility checks were also performed; this involved consulting with people with specific interest to the research topic (Enterprise Development Agencies) and having them comment on the categories made or the interpretations thereof (Erlandson, et al., 1993). These exercises are done to mitigate the inevitability of the researcher’s bias from infiltrating or tainting the results and is referred to as investigator triangulation. Comparisons with previous research on the same or related topics were done to validate and corroborate the findings (Thomas, 2003).

This process of data triangulation is a strategy for improving the validity of research or evaluation of findings by using a variety of data sources (Mathison, 1988). Denzin (1978) cites three types of data triangulation: time, space and person. These are based on the idea that the richness of data can vary based on when and where data is collected and who it is collected from.

The interviews were the main mode of collecting data for this research, the participants in the interviews included seven mentees and seven mentors from Gauteng who have been in a mentorship programme in the past 12 months. Semi-structured questions were used in the interviews, to allow for follow-up questions arising from the discussion. The interviews were conducted in English. They were recorded on tape and a field diary was kept to ensure trustworthiness and rigour. The semi-structured questions assisted the researcher to ask same questions to each interviewee and keep the participants on track when there was a misinterpretation of a question or a participant strayed from the original
question (Ali & Yusof, 2012). The questionnaire was trial tested in an interview with three mentors and three mentees in a pilot study.

Reflexivity refers to an “assessment of the influence of the investigator’s own background, perceptions and interest in the qualitative research process” (Krefting, 1991). In order to maintain a neutral approach in this study, the researcher aimed to limit this bias by asking non-leading questions in the interviews. Data was also analysed by drawing out of themes and comparing them with findings.

The interviews occurred at GIBS, coffee shops as well at the interviewees’ offices. The heterogeneous sample frame and dispersed environmental positioning of the interviews are deemed wide-ranging enough by the researcher to obtain a broad data set from which comparisons could be made.

3.9 LIMITATIONS OF THE STUDY

The qualitative methodology will be used with the phenomenology approach, although it does have these disadvantages:

- Participants need to be interested and articulate - problems that can cause challenges in being able to express themselves include language, age, and uneasiness
- There can be difficulty in ensuring pure bracketing - this can lead to disruption in the interpretation of the data.
- The Department of Trade and Industry (DTI) has identified mentors as an important part of their SMME Strategy. However, very little empirical evidence is available about the state of South African entrepreneurial mentors (Berry & Rajaratnam 2002)
- There is a lack of academic literature on entrepreneurial mentorship/mentoring. This discovery was evident during the researcher’s preparations for the initial study. It is anticipated that this paper will close the knowledge gap.
3.10 ETHICAL CONSIDERATION

According to Schram (2003), ethical considerations are inherent in any study involving interaction with human participants and as such must be identified and taken cognisance of throughout the tenure of the study. Leentjes and Levenson (2013) identify a number of ethical issues of particular concern when conducting research involving human participants. They assert that international standards for research be adhered to in order to mitigate the potential negative effects and ramifications of these issues:

- The issue of coercion. Participants have the right to refuse to partake in any study and/or withdraw their participation at a later stage if they see fit. This needs to be communicated effectively to the sample population, and is of particular concern where vulnerable categories are concerned.
- The sample participants need to agree to participate of their own accord. Participation in a study must always be voluntary and the researcher can only invite sample subjects to take part of the study.
- Recruitment efforts and procedures of recruiting participants have to ethical and non-invasive.
- The issue of compensating participants is contentious one as it improperly increases the incentive to participate (Lenten’s & Levenson, 2013). This can result in a distortion of the findings if the research subjects participate purely for personal benefit.

Consent forms were presented to all participants to read and provide their consent by signing (see Appendix B for Informed Consent and Audio Recording consent respectively). The consent forms stipulated that any identifying information provided by the respondent would be kept confidential and would not be published in the final report or shared with any unauthorised parties. This especially impacted the interview participants’ involvement, since the interview sessions were recorded. The interviewees were further informed that all tapes and recorded material would be stored in a password protected laptop and would only be handled and reviewed by the researcher.
Conveying the participants’ intentions was also an ethical consideration of concern. The researcher also made a continuous and conscientious effort to capture the interviewees’ responses as candidly and accurately as possible. Often researchers fail to recognise that there are layers to interpretation, even within one language. The language used to conduct research as the medium of communication and subsequent interpretation of the responses form the empirical inquiry (i.e. English as used in this thesis) has implications on the validity of the findings (Berger, 1996). This is due largely to the fact that people have different frames of reference, and it is their frames of reference that mould their thinking and shape understanding (Mezirow, 1997). Steps were taken as mentioned in researcher triangulation section to guard against this.

3.11 CONCLUSION

This chapter defined and delineated the research design and methodology used in this study. The qualitative strategy and method of gathering data was administered with in-depth one on one interviews with the mentors and mentees of the selected organisations in Johannesburg. The study took an inductive approach to the analysis of the data which involved the identification and coding of emergent themes. The resulting data was then used, discussed and reflected upon, within the framework of the study’s objectives.
CHAPTER 4. RESULTS

4.1 INTRODUCTION

The key results from the primary data collected are presented in this chapter and evaluated with reference to the literature review. The preliminary analysed data is presented according to themes identified within the data and the literature. The volume of data captured from each of the interview sessions was extensive and necessitated intricate reviews, data sorting, as well as the identification of salient cues within the data.

This included the detection of emergent themes that recurred throughout data. The recognition of contrasting or even contradictory pieces of information was also an important step in this process; these were also identified and taken into cognisance. This information is important in the qualitative paradigm as it highlights different perspectives and adds to overall knowledge of the topic under investigation.

The purpose of this chapter is to detail and analyse the evidence collected which assisted in the answering of the research questions, as detailed in Chapter 3. Pratt (2009) maintained that qualitative studies should reflect on both the data (so the reader can see the progression of data to the level of interpretation) as well as the interpretation thereof (not neglecting the theoretical aspects). As this is a two-phased study the emergent themes from the mentor interviews are firstly circumscribed. The data obtained from the entrepreneurial interviews is then outlined in the report. Although the data is portrayed, the focus falls more on the interpretation thereof, as suggested by Pratt (2009).

4.2 SAMPLE REVIEW

A total of 14 participants in current mentorship programmes were interviewed, and all the interviewees were based in Johannesburg. The sample frame was not restricted to any division or sector within mentorship and ranged from service, engineering, manufacturing, construction and green economy related businesses.
Ten out of fourteen people were male and four were female. The age of interviewees ranged from 30 to 50 with a mean age of 40. The interviewees reported to have been collectively and actively in mentorship programmes for an approximate average of two years. Below is a brief profile of the participants/interviewees;

<table>
<thead>
<tr>
<th>Interviwee/Mentor</th>
<th>Profile</th>
<th>Interviewee/Mentee</th>
<th>Profile</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mentor 1</td>
<td>GIBS mentor, currently employed and running her own business</td>
<td>Mentee 1</td>
<td>SBU &amp; GIBS graduate currently running a successful business</td>
</tr>
<tr>
<td>Mentor 2</td>
<td>Successful entrepreneur, currently involved in several entrepreneurship programmes including GIBS</td>
<td>Mentee 2</td>
<td>SBU virtual incubatee recently launched another business around Joburg</td>
</tr>
<tr>
<td>Mentor 3</td>
<td>Has been involved in mentorship for over 8 years and currently employed - SBU</td>
<td>Mentee 3</td>
<td>Successful entrepreneur who recently graduated from GIBS programme</td>
</tr>
<tr>
<td>Mentor 4</td>
<td>Mentored SMMEs in and around Southern African – Edge Growth</td>
<td>Mentee 4</td>
<td>An entrepreneur who has been running her business for more than 10 years</td>
</tr>
<tr>
<td>Mentor 5</td>
<td>Serial entrepreneur currently involved in several entrepreneurial programmes - SBU</td>
<td>Mentee 5</td>
<td>An entrepreneur who launched his business 4 years ago</td>
</tr>
<tr>
<td>Mentor 6</td>
<td>A mentor that was headhunted by SBU due to his success story</td>
<td>Mentee 6</td>
<td>Edge Growth entrepreneur who has been involved in the programme for twelve months</td>
</tr>
<tr>
<td>Mentor 7</td>
<td>Passionate women entrepreneur who has supported several</td>
<td>Mentee 7</td>
<td>Young entrepreneur who recently secured a 3 year construction project and</td>
</tr>
</tbody>
</table>
4.3 EMERGENT THEMES FROM MENTOR INTERVIEWS

The semi-structured interviews from mentors were transcribed and analysed for emerging themes. The emerging themes are detailed below.

4.3.1 HOW MENTORS GOT INVOLVED IN THE MENTORSHIP

The mentors that were interviewed all formed part of formal mentoring programmes at GIBS, Edge Growth and Shanduka Black Umbrellas. This implied that they were all assigned to mentees in the respective programmes of the above-mentioned institutions. These programmes all varied in terms of duration, structure and style. The duration of the programmes ranged from a five-month period to three years.

The structure involved face-to-face meetings but the frequency varied from meeting on a fortnightly basis to meeting only when issues needed to be discussed. Some programmes concentrated mainly on rendering technical assistance and mentees were sent on training programmes such as financial management and corporate governance to improve their skills. Other programmes focused on both the technical and psychosocial aspects with mentees having to work through issues such as cash flow projections and then discussing these at the following meeting. This was combined with exploring individual aspirations and beliefs regarding the management of a business.

The institutions use different criteria to assign mentors to mentees. At Shanduka Black Umbrellas mentees get to choose their mentors. They provide the institution with a list of qualities of their preferred mentors in terms of skill, personality and experience. Edge Growth and GIBS assign the mentor to the mentee based on the mentor’s experience, skills as well as the knowledge.
4.3.2 HOW THE RELATIONSHIP WAS PERCEIVED (EASY TO CONNECT OR CONFLICTING PERSONALITIES)

All the mentors stated that the success of entrepreneurial mentorship is directly proportional to the ability of the mentor to be mindful of the entrepreneurial ego and to manage that in the relationship. The emerging theme from all the mentors was on outlining and aligning the expectations from the onset. This seemed to work well in ensuring that the relationship became easy and bore fruitful results for both parties. It was noted though, that the consultative input was valued by the entrepreneurs once the advice had been accepted. The mentors, therefore experienced an increased sense of responsibility due to the entrepreneurs’ high expectations.

The initial challenge was that the solicitation of advice was prevented by the entrepreneur’s drive and vision. Almost all the mentors mentioned that most mentees expect that the mentor will do the mentees’ duties for their businesses, rather than providing advice and information. It is therefore vital to outline roles and responsibilities in the first meeting to set the tone of the relationship. Some mentors mentioned that there were instances where they encountered uneasiness from the mentees and reluctance to open up - this is common to ordinary people meeting for the first time. In such instances the mentor must use his skills and expertise to win the entrepreneurs’ trust and confidence.

“A relationship is a two way, there needs to be chemistry between the mentor and mentee, it is vitally important that trust is built in the initial phase. Mentees easily identify with individuals that understand their journey and demonstrate business skills and experience”.

Mentor 2

Trust emerged as a critical factor in determining the success of the relationship. The issue of legitimacy was addressed and also regarded as a prerequisite for this relationship to work. When a mentor with limited resources enters into a relationship purely to promote his own credibility coupled with a mentee whose only motivation is to gain access to the network of the mentor, the relationship is sure to fail. While many of the mentoring
relationships in South Africa are considered to be legitimate there is a prevalence of these “illegitimate” and unsuccessful relationships.

4.3.3 MENTORSHIP AFFECTS BUSINESS GROWTH

All the mentors were in accord that mentorship played a substantial role in sustaining and growing entrepreneurial ventures. While the mentors agreed that mentorship definitely aided the personal and organisational growth of the entrepreneurs, they all alluded to the complexity of the mentoring relationship.

Reluctance to accept offered advice was commented on by some mentors, and it was evident that the mentees that did not necessarily understand the origin of the advice or how it fitted in within their business, or its benefits.

The complexity of the mentoring relationship was realised when different types of mentoring styles and different interventions were required by the mentees at different times in the relationship. The mentor thus needs to analyse the business, understand where the business is in terms of the growth cycle, and make interventions best suited for that stage. A further complexity was conforming to the style of the intervention to suit the individual needs of the entrepreneurs. One mentor commented that:

“The person to shift a young entrepreneur in the township is not Steve Jobs. They may have a great meeting and the entrepreneur will be suitably impressed, but they won’t be able to relate - nothing will shift”. Mentor 3

Someone who comes from the township and has been through the same challenges may have more of an effect. There is a level of understanding that they have a common background, and a greater level of understanding would be achieved.

At least four mentors mentioned that the entrepreneurs that are enrolled in business management programmes often struggle to practice the theory acquired, so the mentors enable them to implement their learning and serve as a sounding board.
4.3.4 WHAT FORMS OF ADVICE MENTEES SEEK, OTHER THAN ENTREPRENEURIAL

All the mentors interviewed indicated that the mentees need more than entrepreneurial advice. There is also an expectation that the mentor will provide the mentee with access to his/her networks. Some mentors were comfortable providing that link to mentees whereas others felt that it should be exercised when the mentor is comfortable that the mentee is capable of delivering on the task at hand.

The other emerging theme was the expectation to provide emotional and motivational support as it is known that the entrepreneurship road is lonely and there are times when business lags. The mentors were more than happy to provide the emotional as well motivational support to the mentees, more especially because they are also entrepreneurs themselves and might have gone through same or similar challenges.

“It becomes easier to share from an experience rather than quote a line from the book. The emotional support and motivation becomes a second nature as entrepreneurial journeys are similar”. Mentor 4

One mentor alluded to the fact that the entrepreneurs identify with them because they are almost on the same level, rather than being high flyer entrepreneurs such as Patrice Motsepe.

4.3.5 HOW DO MENTORS ENSURE THAT THEIR ADVICE IS IMPLEMENTED

All the mentors interviewed indicated that it is difficult to ensure implementation of advice they have given - the key is to ensure that there is a buy-in from the mentee and then implementation becomes easier and driven by the mentees themselves. The mentors stressed the issue of stressing the importance of the subject matter being discussed, and how it fits in the business. By their nature, entrepreneurs are always looking for new business, and the mentor might not have the immediate solution to this expectation, but can assist the mentee to develop an action plan that will ultimately result in the mentee getting the new business.
Some mentors indicated that they work together with the mentee to put together an action plan that makes it easy to track implementation from one meeting to the next. It was also mentioned by one mentor that mentees do not like to feel that they are dictated to and they will often resent the advice if they feel that they are forced to action a point and do not necessarily see the importance of the advice provided. Some institutions use an implementation plan to ensure that mentees implement the advice but this has a negative connotation to some entrepreneurs, especially if the template is not aligned to their immediate expectations of the mentorship programme. That may result in failed relationships, not necessarily because the mentor was not competent, but because of the rigid technique used to ensure that the advice is implemented.

“Mentees do not like to be dictated to, you can easily jeopardise the relationship if you (mentor) appear to be detached from the entrepreneur’s frame of thought and their way of doing things. The most appealing way to provide guidance is achieved by highlighting the red flags within the business, asking probing questions and then how the entrepreneur can resolve the problem (practical ways)”. Mentor 1

### 4.3.6 WHAT ARE THE BENEFITS OF ONE ON ONE OR GROUP MENTORSHIP?

Two mentors had not been exposed to group mentorship and were unable to share views on the benefit of this approach.

The other mentors that have been exposed to both group and one on one mentorship favoured the group approach. They felt that group mentorship has advantages for both the mentor and mentee: the mentors are able to tap into other mentors’ experience and expertise, and the mentees gain the courage to share most challenging and uncomfortable encounters on their business journey when their peers open up. It also enhances cross-pollination of ideas.

Group mentorship was also lauded for peer learning and the benefit of complementary mentor skills.

Group mentorship has disadvantages more especially if the lead mentor is not properly equipped to handle the group discussions; time might be spent on a few mentees’ business
matters rather than on all issues; some mentees who are introverts might not get assistance; and others might feel that their ideas will be copied especially, if mentees are from the same industry.

The mentors that were exposed to both approaches felt that the one on one mentorship approach is also beneficial particularly when dealing with entrepreneurs that are in a start-up phase. The advice or focus at this stage is more on specific steps that the entrepreneur needs to embark on and the mentor needs to provide some hand-holding in certain circumstances (e.g. how to conduct a presentation etc.)

“Generally, at start-up, it’s an understanding of the environment, workplace challenges and products to market. At the growth phase; its questions of leading the team, how to develop individuals and rebrand themselves”. Mentor 2

4.3.7 DOES ENTREPRENEURIAL EDUCATION PLAY A ROLE IN THE MENTEES’ BUSINESS SUCCESS?

The mentors felt that entrepreneurial education has a major role to play in the mentees’ business success as it also forms a basis for the mentor intervention and it is fundamental for entrepreneurs.

Most entrepreneurs start businesses out of passion and do not necessarily have the business management skills they need, however much they may have the technical know-how behind their product or service.

“Entrepreneurs that have undergone business training or been exposed to entrepreneurial education easily understand business concepts when they engage with the mentors, the mentorship engagement is beneficial on the practical aspect”.Mentor 3

There was a resounding element of the importance of practical entrepreneurial education. Where mentors used conceptual content rather than practical content, they noticed that the entrepreneurs lost interest in training and had no comprehension of the subject matter.
The entrepreneurs that had been exposed to entrepreneurial education identify gaps within the business themselves and try to come up with solutions based on the education they received, and by the time they get to meet with the mentor, it is a matter of them getting reassurance that they are on the right path.

4.3.8 IS INDUSTRIAL OR BUSINESS MENTORING MORE BENEFICIAL TO MENTEES?

Most mentors felt that the business mentoring is more beneficial than industrial mentoring, as entrepreneurs start businesses based on their qualifications, passion and opportunity or gap in the market. The mentors’ perspective was that it is critical that a mentor has an in-depth operational view of the entrepreneur’s business so that they can adequately provide them with advice and guidance.

Two mentors felt that both industrial and business mentoring are beneficial especially for the entrepreneurs that are involved in highly technical enterprises (eg engineering, construction). There was also a view that it also depends on the need of mentee to determine the intervention required whether technical or business mentorship is required. “Most entrepreneurs struggle with the business strategy, marketing or selling their business, how to manage risk, how to be innovative, all these relate to business not necessarily technical know how. The business advice or mentoring is predominantly on how to manage and operate the business holistically”. Mentor 2

4.3.9 DOES AGE, EDUCATION AND AGE OF THE ENTERPRISE HAVE IMPACT ON THE PERCEIVED BENEFIT OF MENTORSHIP?

The mentors felt that younger entrepreneurs as well older entrepreneurs perceive advice differently. Examples were outlined by mentors regarding some older entrepreneurs that would receive advice positively and implement it and come back to report on how it made them change from the traditional way of doing things, whereas young entrepreneurs would feel that this is their idea, they know it best and they don’t believe that external advice would make any difference.
“There is no one size fits all in mentorship, the mentor needs to have a full understanding of the phase of the mentee that they engaging with so that appropriate advice and guidance is given and received favourably”. Mentor 7

Mentees running more established businesses are sceptical initially and later warm up as they derive the value. The style of mentorship should be different when mentoring individuals with high qualification, compared to working with someone with no qualification. The understanding of business is also different, although there are differences, but the perceived benefit is generally the same.

4.3.10 WHAT SHOULD BE CONSIDERED WHEN PAIRING A MENTOR AND MENTEE (SUCCESS OF THE MENTOR, SKILLS, EXPERIENCE OR KNOWLEDGE)?

A very prominent theme that emerged from the mentor interviews was the perception that a mentor’s previous entrepreneurship experience led to an enhanced and more effective mentoring relationship. Mentors believed that previous entrepreneurial experience increased their ability to relate to and empathise with the mentee entrepreneur as it created a place of ‘authenticity’ and this was a critical factor in gaining trust and empathy with the mentee. The mentors were passionate about their roles and believed that they added value to entrepreneurial businesses. They maintained that they benefited from outcomes from their own greater self-development and learning, the reciprocal nature of their services, and from the financial gains which resulted from the transformation of their mentoring skills into a business.

“Entrepreneurs believe they can do everything themselves. Once they experience support they start to value that, because it’s lonely, the connection between the mentor and mentee is key in forming a relationship. They like to think they can do it but then say maybe it’s ok to admit I don’t have all the answers, it’s ok to take advice even if I have been running the business for more than seven years without a mentor. Initially, they are very protective, they don’t want to share their ideas or pain, but once you tried the support, you realise,
because you are so tired it’s nice to share your challenges with someone who is knowledgeable and has also walked the same journey”. Mentor 1

The skills alone will never be enough to effectively support the challenging journey of entrepreneurs, and this was a general sense from the mentors that were interviewed. Not only did the business strategy need to be changed at various stages, but the entrepreneurs themselves had to adapt to the different stages of the business life cycle. One mentor commented:
“Dialogue is different and at start-up the fear we face is different - who I am at start-up is different from who I am at growth stages where it’s an issue of who I want to be”. Mentor 2

4.4 RESULTS OF INTERVIEWS WITH THE MENTEE ENTREPRENEURS

4.4.1 HOW DID YOU GET INVOLVED IN A MENTORSHIP PROGRAMME?

All the entrepreneurs that participated in the study formed part of GIBS, Shanduka Black Umbrellas and Edge Growth programmes. These organisations have structured mentorship programmes that vary in duration, contact time as well as approach and structure. The entrepreneurs were assigned to a business mentor by the institution that they are affiliated to.

One entrepreneur who graduated from Shanduka Black Umbrellas two years ago, and is now enrolled at GIBS, did not have a mentor prior to joining Shanduka Black Umbrellas. He said that after graduation he realised that he needed to identify someone who could pick up from where the other assigned mentor left off.

It was interesting to learn that the mentees valued the services provided in these institutions and were also willing to seek mentors after their contract ended. Two mentees have contracted mentors assigned to them by the institution to render specialised services like business strategy and project management.
Although everyone was enthusiastic about the support provided by mentors, they also expressed a concern that the engagement time is too limited and sometimes advice provided only bears fruit after three years, by which time the assigned mentor is no longer involved in the life of the entrepreneur.

Some mentees felt that the assigned mentors sometimes refuse to be contacted outside the scheduled time even if there as an emergency, and this can be attributed to the fact that they are paid by the institutions only for the hours they are contracted for, even though this often does not meet the expectations of the mentees.

One mentee mentioned that some mentors that are affiliated with these institutions are consultants, and they tend to be interested in pushing their own agenda instead of providing the services as per the terms of the enterprise development agencies’ agreement. Unfortunately, this is a big challenge that the ED agencies would not be able to attend to immediately when it happens.

### 4.4.2 THE WAY MENTORSHIP WAS PERCEIVED

Mentorship did appear to be positively perceived as all respondents believed that their mentor had a positive impact on their business. The greatest benefit derived from the mentoring process was identified by entrepreneurs as being the technical business advice regarding operational systems, customer care as well as staff and financial management.

In addition to the emotional support rendered, which included aspects like the enhancement of self-confidence and motivation, business strategy advice regarding future growth and industry expansion was highly rated as well. Access to mentor networks was greatly valued and finally, funding assistance.

The mentees highlighted that the mentors helped them to operate their businesses professionally - for an example, some used to use the business account for personal items. The involvement of an outsider made them feel accountable to the mentors as they were required to report on implementation in follow-up sessions. One respondent, who has
been running her business for more than six years, mentioned that her sales have increased due to the marketing strategies that she put in place on her mentor’s advice.

“My mentor questions each and every business transaction, insists on me keeping slips for all business transactions. I did not like this initially because I thought I started this business to be my own boss now I find myself accounting to someone, when my mentor realised some resistance he educated me about SARS and how important it is for me to be compliant so that I can attract more business and have a favourable relationship with the bank. This was an eye opener, I am no longer thinking as a small business”. Mentee 5

In a question on support structures, mentorship was mentioned as a viable structure to implement in order to increase the success rate of the start-up phase. This was a further indication that mentorship was positively perceived.

The issue of compensation for mentor services was raised. On the one hand, it was debated that the quality of the rendered services could be determined by the willingness of the mentees to compensate the mentor.

4.4.3 HOW WAS MENTORSHIP PERCEIVED TO AFFECT THE GROWTH OF THE ENTREPRENEURIAL VENTURE?

From the entrepreneurs’ perceptions, it was evident that the mentorship had a positive impact on a personal level. Consequently, the impact thereof on the level of the enterprise, especially on the growth of revenue and staff, was questioned.

As described in their entrepreneurial narrative, five out of seven entrepreneurs had experienced a growth in revenue. The entrepreneurs believed that the mentoring relationship was responsible for the increased revenue and only three concurred that it had caused an increase in staff levels.

“Our mentoring now has improved the systems but we haven’t seen the fruits of it in terms of revenue” Mentor 4 was a perspective that was shared by two mentees who have been
in a mentorship programme for 14 months. Once again, the issue of the complexity relative to the mentoring relationship was evident because of its abstract nature and the individualistic entrepreneurial mindset.

Another mentee mentioned that he didn’t have one mentor throughout the whole process, he used different mentors at different times because his needs were different as well.

While business and emotional support was seen to be an overall benefit of mentoring, access to mentors’ networks was regarded by some entrepreneurs as the reason for mentors’ assistance with growing revenues. One entrepreneur had a different view regarding mentor networks: he felt that the business advice and support is sufficient for him to be ready enough to look for more opportunities instead of relying on the mentor’s networks.

“The business advice and guidance provided by my mentor is refreshing, it makes me to always think of innovative ways to make new business and grow my business, my confidence level has improved drastically”. Mentor 7

Mentors assisted entrepreneurs to make decisions that prevented fatal mistakes. Assistance rendered in both the financial and technical fields as well as with the making of strategic business decisions was regarded as influential when revenue growth was analysed. The results indicated that the mentorship was perceived to provide value at an individual level in terms of business and psychosocial support and at a venture level, particularly in revenue growth.

4.4.4 DID YOU IMPLEMENT THE ADVICE PROVIDED BY THE MENTOR?

The mentees valued the advice their mentors provided, and the majority of examples shared were on the operational systems that were put in place based on the advice provided that ultimately resulted in increased business efficiency. One responded that he operates a waste management business, and mentioned that before engagement with mentors, he saw his business as a dirty business as it is popularly referred to by society, and therefore did not see reason to run it professionally. The mentors outlined the importance of changing his attitude and mindset and all the advice provided has resulted
in growth in revenue as well generated more publicity (e.g. interviews with radio stations and featured in articles by different magazines).

Another advice theme that was common amongst the respondents was around financial management. Many entrepreneurs said that they used to shift their bookkeeping duties to their accountants and only inquire about profits. After receiving mentorship, they take interest in their management accounts and have an idea of red flags within the business. That aspect too was linked to the practical element of financial management that is brought into the equation by the mentors.

“I have proper systems in place now, my employees have contracts and everyone understands that although this is a black owned business it runs professionally like other prominent brands, thank you to my mentor who rescued me when I was about to go for arbitration with one of my employees”. Mentee 4

One mentee reported that her sales increased since she employed a driver, as her mentor advised her to focus on sales and get someone to deliver the orders. Another mentee that has been running her business for more than seven years has seen an increase in sales since she revised her marketing strategies as advised by the mentor.

**4.4.5 WHICH MENTORSHIP APPROACH IS BENEFICIAL - GROUP OR ONE ON ONE?**

The mentees that were exposed to both mentorship approaches felt that both approaches are beneficial - the one on one approach deals with specific issues that are imminent at the time, whereas the group mentorship was viewed as generic and tends to assist in the encouragement of peer learning as well as cross-pollination.

The mentees felt that the group mentorship exposed them to other business challenges that they did not encounter before and now are equipped to deal with, should they encounter the same challenges in their businesses.

“Entrepreneurship is a lonely journey, you feel comforted when you hear other entrepreneurs sharing their challenges.”

Society still view entrepreneurs as individuals who were fired in the corporate world and then opted to start a business, it’s always encouraging to listen to other individuals that are in the same space with you, you realise that you are not a failure”. Mentee 3

One respondent gained confidence when he was given an opportunity to share how he tackled a challenge that was faced by another entrepreneur in the group. He said it was not easy to talk about it before but realised that he is not the only one to experience this challenge, and has managed to overcome it.

The mentees that were only exposed to the one on one mentorship felt that the approach is beneficial to them as the mentor focuses on their business only and it is easy to talk about confidential business matters that they would not necessarily talk about in a group. Some mentees echoed the same sentiments shared by some mentors that the group mentorship requires a lead mentor that is fully equipped to lead so that all the participants in the group can get value from the session.

4.4.6 THE PERCEIVED BENEFIT OF FORMAL AND INFORMAL MENTORSHIP

In order for mentoring to be effective and most beneficial, it must be implemented with a long-term view in mind. Kram’s (1983) four stages of evolution through which a mentoring relationship progresses (namely initiation, cultivation, separation and redefinition) usually takes five years. Most importantly, the second stage of cultivation is the most critical as it is when the range of functions provided by the mentor to the mentee is maximised. This phase usually lasts from two years to five years (ibid).

In order to gain insight into the perceptions mentioned in the caption, nature and framework of the relationships was analysed to define the salient features underpinning the success or failure of this relationship.

4.4.6.1 FORMAL AND INFORMAL FRAMEWORK

The sample used for the research included entrepreneurs that were either in an
informal relationship or in a formal relationship which included mentoring programmes or where the services of a professional mentor were used.

The informal programmes were found to be less structured than the formal programmes. Informal relationships were not paid for and were arranged predominantly with family and business entrepreneurs. The mentor was contacted whenever there was a need to obtain certain information, brainstorm ideas or assistance was required to address a problem. Contact was established either telephonically, via e-mail or during an informal meeting in a coffee shop.

The formal relationships were supported by meetings conducted largely in person and sometimes supplemented with telephone calls and e-mails. The duration of such sessions varied between one and two hours at the mentor’s choice of venue. During these monthly meetings, the entrepreneur was requested to supply information regarding certain variables (report on the progress of the implementation plan) during the meeting.

The structured programmes that had mentors on site worked well as those mentors were easily accessible and could play a monitoring role more easily.

Monthly meetings allowed entrepreneurs more time to work through their previous concerns and challenges and to explore new aspects during the following meeting, and this timeframe was regarded as ideal.

Some mentors on the formal programmes restricted contact to the contracted meeting times. This was regarded as problematic when urgent advice was sought by the mentees. The entrepreneurs in informal relationships found their mentors to be more easily accessible.

In analysing the information there was an indication that whilst formal relationships worked well, informal relationships were perceived as being more successful. This perception was deduced from the following information derived from the transcripts:

- Entrepreneurs in informal relationships were more positive about the
relationship. The mentees drive the relationship, schedule meetings, update the mentor, and ensure that all the advice is implemented.

- Three of the candidates who were involved in formal relationships also had an informal mentor.
- One of the mentees found that his formal mentor focused too much on the technical segment of the entrepreneurial venture and sometimes neglected the psychosocial side, and this prevented them from connecting on a personal basis which led him to believe that he was missing out on personal development.
- Trust levels also appeared to be higher in informal relationships. Trust was regarded as an essential part of the relationship. It takes long to get to trust the mentor in the formal mentorship programmes because the mentee gets assigned to a mentor that they do not necessarily know and would need to trust the institution’s appointment and confidence on the mentor.

**Phases Of Mentoring**

The majority of the relationships could be described as following a more developmental mentorship model and the four prominent phases could be described best by using Clutterbuck’s (2006) terminology. Figure 4.1 shows the phases of the mentoring relationship.
In the initial phase, it was important that the mentor cultivated an acquaintance with the mentee; rapport was built and trust was established. The mentor needed to be aware of and manage any relationship complexities. In the one instance where the mentor failed to do this, the relationship failed. There was an initial sense of suspicion in some of the formal relationships which were converted into trust as soon as the mentor displayed empathy, listened attentively and established rapport with the mentee. In the progress making phase, the process of mutual learning enforced the relationship.

“I was assigned a mentor when I joined the programme. I did not necessarily see the need but now I have graduated from the programme and have asked privately to continue the relationship with my mentor as my business is going through different phases. I definitely need the sound advice of someone who has been through this exciting journey. I also have volunteered to mentor other young entrepreneurs as I have realised that you also learn while providing advice.” Mentee 1

The relationship was then celebrated and a winding down process was perceived with mentees either continuing the relationship informally and less frequently or engaging with different mentors. The duration of these mentorship relationships varied and some lasted only six months, hence these stages were either shorter, combined or omitted. In some of the formal programmes, the main focus was on technical expertise and not as much on emotional support.

**4.4.7 WHAT QUALITIES WOULD YOU PREFER IN A MENTOR?**

The facet of the mentorship that was valued the most by the entrepreneurs was the entrepreneurial experience of the mentor. The entrepreneurs emphasised the fact that mentors with previous entrepreneurial experience understood the challenges faced by them and empathised better. One respondent said:

“His entrepreneurial experience. He knew what we were going through as he was there himself. As opposed to our other mentor, who was great in marketing but he was always
kind of removed. We didn’t have the camaraderie of being entrepreneurs together”. Mentee 2

They also accepted the advice more readily when it came from an experienced source. “Getting something from someone who has done it before or gone through this carries a lot of weight - it’s not academic.” Mentee 4

The relationship between entrepreneurs and mentors with professional experience was more complex. The entrepreneurs valued the in-depth content knowledge of the professional mentor. However, for the relationship to be regarded as functional, the professionals needed to connect on an emotional level as well. As the relationships lacked the empathetic element, the ability to listen, to be patient and understand the challenges the entrepreneurs were confronted with, the more evident it became that these elements determined the success of the relationship. Only when the professional financial experience of the mentor coupled with the above-mentioned abilities transpired, was the relationship impacted upon. If this connection was not established then the ability to mobilise people was lost and the relationship was deemed a failure.

Three entrepreneurs had an exceptional relationship with their mentors, and this was evident in the way they responded to this question. They all made it clear that their mentors think like them and are solution driven, and the issue of chemistry is essential in mentorship as it makes the relationship fruitful. Even though the entrepreneurial experience was considered to be vital and professionals were valued, the expectation of them being able to listen, understand, empathise and mobilise entrepreneurs also existed. Different types of business and emotional support were needed during the various stages of business development.

4.4.8 DOES ENTREPRENEURIAL EDUCATION PLAY A ROLE IN YOUR BUSINESS SUCCESS?

The interviews revealed the beliefs of entrepreneurs that the business support needed at start-up should focus more on technical and financial advice and basic business skills. The
emotional support needed was largely the enhancing of their confidence and having someone believe in their ability as there were great feelings of uncertainty.

The entrepreneurs interviewed had all been in business for over three years (and therefore in the growth phase) and believed that assistance regarding growth issues and product or market expansion was needed. They sought more strategic advice to sustain their businesses and deliver to their growing client base.

The psychosocial support differed during this stage with the focus shifting from personal development. Some of the entrepreneurs concurred that the skills needed at an earlier stage are different to those needed at the growth stage, as the focus is on personal development, which was needed at a more advanced stage in the lifecycle of the entrepreneur. The entrepreneurs felt that the business management skills that they received laid a good foundation for them to properly engage with the mentors and understand the fundamentals of operating a business.

“I am an engineer by profession I only got exposed to the business concepts when I joined the programme, I started to have some comprehension of these business concepts that I used to relate to loosely without a deep understanding”. Mentee 1

Two of the entrepreneurs stated that they attend workshops that their mentors recommended and that they realised the value of mentoring and were able to add value to their businesses based on the knowledge they acquired.

### 4.4.1 IS INDUSTRIAL OR BUSINESS MENTORING MORE BENEFICIAL TO MENTEES?

All the mentees that participated in the study were exposed to business mentorship through the different institutions that they are affiliated with. Business mentorship seemed to have been more preferred by the mentees, and it is believed that it is the greatest enabler of the business as it looks at the business holistically, rather than industrial mentorship that will tend to focus only on the technical aspect of the business.

One mentee that is involved in running an engineering business indicated he has three mentors: one business mentor that Shanduka Black Umbrellas assigned, another one is a
professional mentor that he approached and asked them to mentor him, and the other one is the industrial mentor. The mentee felt that it was critical for him to have a business mentor who looks at the whole business operation, the professional mentor was there to assist him with leadership advice and guidance, and the industrial mentor solely focuses on the technical side of business.

When asked if there is no misalignment in the advice provided by all three individuals, the mentee expressed that he has never encountered that problem before and if it would happen he will be the one who comes with a solution because he believes he knows the heart of his business more than all the three mentors.

Other mentees felt that they can only involve an industrial mentor when there is a need for a specialist - for now, they are comfortable with the support and advice provided by their assigned business mentors.

“Most entrepreneurial programme are pitched theoretically, for an individual that does not have a basic business background they get easily lost in translation, the business mentoring assist in bringing the practical aspect of this business management programme”. Mentee 2

“Most entrepreneurs start businesses based on their talent or qualifications hence the need for the business mentoring”. Mentee 3

4.5 CONCLUSION

The findings from the mentor and entrepreneurial interviews largely indicated that mentorship was perceived to be beneficial to entrepreneurs, mentors and the entrepreneurial venture. St-Jean (2012) found that mentors help new entrepreneurs recognize new opportunities, improve their management knowledge, and develop a vision for their venture. By exploring the mentoring experiences of the entrepreneurs in this study, the researcher determined that mentors help produce these outcomes by being a sounding board, holding the mentee accountable, boosting the mentee’s confidence, and advising the mentee on entering a new market.
Smith and Beasley (2011) found that new entrepreneurs often lack general business skills and specialist knowledge. Through the five roles identified in this study, participants’ mentors augmented shortages that the entrepreneurs had in these two areas. Similar to the participants of past studies (Gupta & Astana, 2014 and St-Jean, 2012), the participants in this study indicated they benefited from the mentoring relationship.

Formal relationships appeared to be highly beneficial with the mentors’ entrepreneurial experience being highly valued. The findings related to matching mentors to entrepreneurs and establishing a convenient working relationship are relevant to mentoring program designers. The findings could inform how program designers match entrepreneurs to mentors. For example, most of the participants in this study would prefer to have a mentor in a similar field rather than a mentor who lives in the local area. This finding could encourage programme designers to broaden their search beyond the local area when proposing a match.

These findings could also influence how program managers set up the mentoring relationship. Based on the finding that entrepreneurs prefer to establish their own schedule with the mentor, the program managers may create flexible meeting requirements. Based on these findings, the requirements should be flexible in frequency and the medium used to connect.

Both mentors and mentees believed that entrepreneurial education is essential for entrepreneurs as it lays the foundation for better engagement with the mentors as well as provision of the theoretical aspect of the business. Educating entrepreneurs is a complex and ever-changing challenge that will require continuous adaptation and improvement to boost the performance of new entrepreneurs and the firms they found.

These findings contribute to refining the education offering to entrepreneurs by highlighting successful entrepreneurs and uncovering their reflections regarding mentoring relationships. These findings will be analysed according to the relevant literature in Chapter 5.
CHAPTER 5. DISCUSSION OF RESULTS

5.1 INTRODUCTION

The results reported in the previous chapter provided insights into the entrepreneurs’ perceptions of mentorship. This chapter seeks to synthesise, align and ground the findings within the relevant literature base. The chapter will firstly discuss the findings with regards to entrepreneurial learning and mentoring and will then discuss the questions asked in Chapter 3. It will make recommendations to be considered by stakeholders when designing an entrepreneurial mentoring programme and lastly, will propose a model on entrepreneurial mentorship.

5.2 MENTORSHIP AND LEARNING

With respect to learning, this study complemented earlier theories of Sullivan (2000), Cope and Watts (2000), Deakins and Freel (1998) and Watson (2004) in that those mentors enhanced the learning of entrepreneurs by using mentoring as a reflective tool allowing them to reflect on their experiences and understand their actions. Entrepreneurs in this study used words such as “mirror” to describe this reflective ability of mentors.

Watson (2004) stated that the mentor’s role is to facilitate the learning process. Hence, instead of prescribing solutions, the mentor’s role is to allow mentees to reach their own conclusions to understand and take responsibility for their next course of action. This was echoed by the mentors who stated that if mentors are too prescriptive and poor decisions result, blame could be shifted onto the mentor and the assistance would then be perceived as interference.

It is evident that mentees came to this realisation through the evolution of the relationship. Some mentees entered into the relationship with the expectation that the mentor would be responsible for solving their problems, but discovered that the objective of the relationship was for them to work through their challenges themselves, only with guidance from mentors. They realised the value of this as their learnings were more profound and they tended to have a greater sense of ownership and accountability for their decisions.
The entrepreneurial stories divulged by the sample elicited the entrepreneurial characteristics as detailed by Kuratko (2009) namely, opportunity identification, risk taking, creating a product, and growing the venture. The entrepreneurs were all passionate about their ventures and displayed tenacity and resilience to overcome obstacles in order to realise their dreams.

The “double loop” concept described by Sullivan (2000) was well illustrated by entrepreneurs who learned from experience and adjusted behaviour as their venture passed through the different phases. Entrepreneurs believed that their mentors guided them through this process. They also believed that by heeding the advice and avoiding the mistakes their mentors had made, they fast-tracked in their learning and this ultimately saved them money.

There is also strong evidence to support the findings of Cope and Watts (2000) and Sullivan (2000). It was determined that entrepreneurs learnt through “critical incidents” that caused them to reflect on their business while aided by their mentor. These critical incidents could be issues that occurred in their businesses, issues resulting from the venture passing through stages or even successes, failures or “nuggets” that were passed on by the mentor.

In the work of Beaty et al. (1997) the action learning activities of listening and questioning of mentors were consistently regarded by mentees to be important as it propelled them towards new ways of thinking by allowing insight into and an understanding of behaviour. This study thus supports earlier studies on learning and entrepreneurial education, in that experiential and continuous learning were evidenced to be critical in the growth of both the individual and the enterprise.

5.3 MENTOR ROLE

This study found that some confusion existed regarding the role of a mentor, with some mentees expecting that mentors would do some of their duties and not merely provide
advice and support. Some mentor relationships had to start by outlining and managing expectations for both parties.

An expert mentor also referenced an incubator which changed the title their mentors bore, to “guides” as this was perceived to be a more appropriate description of the task fulfilled by these professionals. It was agreed that the term “mentor” had become distorted and caused confusion by the manner in which it was used.

The entrepreneurs who recognised the critical role played by the mentor in their businesses believed that a mentor is needed at an earlier stage in business to prevent start-ups from making fatal mistakes. In the growth stage and beyond, entrepreneurs felt that less of the teaching style associated with mentoring was necessary. This is similar to the views of expert mentors who perceived mentorship to be the transference of skills. While some of the mentors used questioning, not all the mentees reported this technique being used by their mentors. Thus, the implications were that mentors used more of a “sponsorship” style of mentoring and less of a “development” style.

This study showed that a mentor needs to display all of Clutterbuck’s (1998) mentor roles identified as a coach, guardian, network contact and counsellor. A failure to move between these roles, particularly the “coach” role at the more mature stage of the relationship, became problematic for the entrepreneurs as they felt obliged to supplement their existing relationship to fill a void.

While the study found that most mentees believed their mentors played a developmental mentor role, there was an indication, as was found in Martin’s (2008) study that some mentors within the South African context did not have the necessary experience and knowledge to fulfil the more sophisticated mentor role required.
5.4  HOW WAS MENTORSHIP PERCEIVED TO AFFECT THE GROWTH OF ENTREPRENEURIAL VENTURES?

5.4.1  Mentorship and perceived benefits

Mentorship in this study was perceived to be beneficial to entrepreneurs as it impacted positively on individual and business levels. Entrepreneurs also perceived this relationship to be valuable enough that it would have, in hindsight, justified being paid for.

Kram (1985) and his work focuses on “careered” employees. This report extends this idea and changes the terminology to “business support” to encompass the needs of entrepreneurs pertaining to business. The more “technical” aspects of business, such as financial management, were found to have benefited the most from the support rendered during this study.

Kram (1985, p. 43) advocated that the role of a mentor is twofold: firstly it provided the mentee with career support and secondly, support on a psychosocial level. This is also evident in this study where the psychosocial support factor is prevalent throughout. The term “career support’ was used by Kram (1985) and his work focuses on “careered” employees.

The study also found similarities with Clutterbuck’s (2006) groupings of mentee benefits derived from his work on workplace mentoring. This study adopted Clutterbuck’s terminology but extended the content to include benefits that were perceived by the entrepreneurial mentees to be valuable. These are:

- **Developmental outcomes** - technical business advice and information and competence in financial, staff and client management.
- **Emotional outcomes** - less tangible but resulted in an increased self-confidence with a shift to a personal developmental focus in growth stages.
- **Career outcomes can be changed to business outcomes** and focus on achievement in whole and in part on business outcomes thus involving advice on industry and business plans in earlier stages and moving to product growth and strategic business decision making in later stages.
- **Enabling outcomes** - would include information and assistance with regards to the financial elements and networking opportunities.

Similarities with Cull’s (2006) work was seen, where the effect of emotional support was analysed. The improved levels of self-confidence, particularly among the female sample, were attributed to the mentorship relationship.

### 5.4.2 Mentorship and perceived growth benefits

In this research, just as in the work of Clutterbuck (2006), mentorship is perceived to be a mutually beneficial relationship with entrepreneurial mentors being gratified. The benefits of mentoring were perceived to include tangible benefits such as financial rewards and intangible rewards, for example, personal fulfilment and self-development. The tangible rewards were more highly valued.

While mentees experienced benefits, the complexity of the entrepreneurial mentorship relationship alluded to by the mentors only became evident when these benefits were analysed in order to understand the relationship’s impact on venture growth. The study established that mentoring accelerates learning and the development of entrepreneurs by having focused conversations, rather than simply learning how to apply theory to practice.

The mentoring approach assisted with the development of entrepreneurial skills as it is practical and experiential. Entrepreneurial mentors keep the mentees focused on their business priorities, goals and sustainability of the business. It further builds resilience to help the mentees meet the challenges of a growing business. Starting a business can sometimes be a lonely activity because of resource issues. Entrepreneurial mentors can listen, encourage, offer intellectual and experiential support and give a little tough love when needed, making the difference between growth and stagnation.

According to Tobey (1998), the importance of mentors’ characteristics is vital especially when assessing the success of mentoring relationships.
Sullivan (2000) identified the importance of empathy and the ability to listen as being important for mentors in developing the relationship. The mentor’s expertise, experience, knowledge of the mentee’s specific context and availability seem to be crucial to the success of the mentoring relationship.

A strong sense of accomplishment and satisfaction comes from passing on knowledge and wisdom to those who are beginning their journey. “…the difference between a budding entrepreneur who merely shows promise and one who is already enjoying some success often comes down to mentoring.” Richard Branson (Caribbean Centre, 2015).

This research unearthed the complexity of the entrepreneurial mentorship relationship. Benefits to both mentees and mentors were clearly evident. While the perception exists that this relationship impacts on growth, only the measure of positive revenue growth was evidenced in this study. Some entrepreneurs perceived that the variability of growth in employee numbers to have been influenced by the mentorship relationship.

Millionaires have successful mentors. A good teacher can cut years off your learning curve and save you huge amounts of money. A mentor cannot do your work for you, but they can keep you from making the same mistakes they made - and that's a pretty priceless lesson for an entrepreneur.

By leveraging lessons that took some people much longer to learn, those with mentors proved that learning the lesson more quickly, no matter what you are doing, will see you benefit from having a successful mentor at your side. This means the mentoring process can bring different advantages of doing business.

Methods and strategies can be given by the mentor to simply help improve an entrepreneur’s personal business skills, and business mentors can prepare a library of methods and strategies that entrepreneurs can draw from throughout a business owner’s career. They can always tell you, from experience, how important it is to create a positive environment and boost morale, and they can also offer strategies for doing so. For example, mentors can teach strategies for observing employees to see if they are happy at work, dealing with irate customers or handling financial methods and issues.
Entrepreneurial mentoring helps mentees to produce high-quality decisions that define them, their authority and their effectiveness. An entrepreneurial mentor provides a confidential sounding board, thinking room, and support for working through crucial and often complex decisions.

Strategic entrepreneurial mentoring is crucial to profitable business growth, but entrepreneurs typically realise this only if their business strategy’s potential financial value decreases because of defects and breakdown in strategic planning and implementation.

An entrepreneur does not need an MBA degree to be successful (although, it’s an added advantage for many) but there is a certain mindset an entrepreneur must cultivate to grow, understand and lead their business. Business leaders and serious entrepreneurs who attain this mindset are the ones who ultimately succeed. This mindset has intertwining aspects. Murray (2014) mentioned that to anticipate failure is a key strategy to avoid entrepreneurial failure in business.

5.5 WHY WAS THE RELATIONSHIP PERCEIVED TO AFFECT THE GROWTH OF ENTREPRENEURIAL VENTURES?

5.5.1 Entrepreneurial mentoring skills

The entrepreneurial performance model as proposed by Antonites and Van Vuuren, (2001, p. 2), $E/P = M \times (E/S \times B/S)$ was still found to be valid in this study. The formula is constituted as follows:

$E/P = M \times (E/S \times B/S)$

E/P = Entrepreneurial Performance
M = Performance Motivation
E/S = Entrepreneurial Skills
B/S = Business Skills

The entrepreneurial performance model that Watson (2004) adapted for mentoring was confirmed in this study and all functions proposed were supported by the mentees. This study elaborated on his model by adding mentor behaviours that were found to be useful
by the mentees. Performance motivation was extended to include behaviours such as providing access to networks, being reflective, building self-confidence and personal development.

Business strategy was added to entrepreneurial skills and client management skills to business skills, as shown in Table 5.1.

<table>
<thead>
<tr>
<th>Entrepreneurial Performance (E/P)</th>
<th>Performance Motivation (M)</th>
<th>Entrepreneurial Skills (E/S)</th>
<th>Business Skills (B/S)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Establishment of own business</td>
<td>Providing constructive criticism</td>
<td>Creativity and innovation</td>
<td>Business plan</td>
</tr>
<tr>
<td>Completion of first transaction</td>
<td>Providing guidance</td>
<td>Risk propensity</td>
<td>Communication skills</td>
</tr>
<tr>
<td>Growth in net value of business</td>
<td>Providing encouragement</td>
<td>Opportunity identification</td>
<td>General management skills</td>
</tr>
<tr>
<td>Recruitment of employees</td>
<td>Being a sounding board</td>
<td>Role models</td>
<td>Financial management skills</td>
</tr>
<tr>
<td>Increased productivity levels</td>
<td>Helping to manage change</td>
<td>Business strategy</td>
<td>Marketing skills</td>
</tr>
<tr>
<td>Increased revenue and profitability</td>
<td>Providing access to networks</td>
<td></td>
<td>HR management skills</td>
</tr>
<tr>
<td></td>
<td>Being reflective</td>
<td></td>
<td>Operational skills</td>
</tr>
<tr>
<td></td>
<td>Building self confidence</td>
<td></td>
<td>Legal skills</td>
</tr>
<tr>
<td></td>
<td>Personal development</td>
<td></td>
<td>Client management skills</td>
</tr>
</tbody>
</table>

Table 5.1 Additions to Watson’s Entrepreneurial Performance Model

Source: Adapted from Watson (2004)

Cull (2006) and Martin (2008) considered the stages in the lifecycle of a business and found that different needs existed and different behaviours were therefore required to ensure the efficacy of the mentor. As the behaviour portrayed and knowledge required greatly varied in the different stages, the appointment of more than one mentor was justified.
Based on the information provided by the mentees in terms of the different support needed at different lifecycle stages, the researcher expanded on the work of Cull (2006), Clutterbuck (2006) and Martin (2008) and proposed a model of mentoring that can be used for entrepreneurs, detailing the different behaviours required during the three phases, as shown in Table 5.2.

<table>
<thead>
<tr>
<th>BEHAVIOURS REQUIRED</th>
<th>START-UP</th>
<th>MIDPOINT</th>
<th>LETTING GO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Developmental</td>
<td>Technical business advice - legislation, Financial for example. cash flow management Staff recruitment Client management</td>
<td>Staff management Client retention Financial Control processes in place</td>
<td>Business maintenance and sustaining</td>
</tr>
<tr>
<td>Emotional</td>
<td>Confidence building Encouragement Patience and positive support Managing emotions</td>
<td>Listening and reflection Motivation Challenging mind-sets Development focused</td>
<td>Holistic personal development Plans to continue or let go</td>
</tr>
<tr>
<td>Business</td>
<td>Business plans Getting sales Company profiles and marketing material</td>
<td>Progress made on business plans Growth strategy Product expansion Business Innovation and expansion</td>
<td>Exit strategy Strategic planning Sustaining Selling business Closing</td>
</tr>
<tr>
<td>Enabling</td>
<td>Access to finance</td>
<td>Access to networks</td>
<td>Access to finance and networks</td>
</tr>
</tbody>
</table>
In his work with professional entrepreneurial mentors, Martin (2008) found that the focused largely on providing advice about funding. This study found that while entrepreneurs value assistance on funding, access to networks was regarded by many as being critical to business growth. The mentors in this study alluded to providing business and emotional support and some mentioned introducing entrepreneurs to their networks. Both the Martin (2008) study and mentor accounts from this study suggested the existence of a possible disconnect where mentees expected to gain access to the mentor’s networks, and the professional mentors did not provide this.

Entrepreneurs in this study found empathy and previous entrepreneurial experience to be critical in the development of trust and the promotion of learning. Furthermore, the view that previous entrepreneurial experience carries greater legitimacy also surfaced in this study. This study thus uncovered a discrepancy in the quality of support currently available to South African entrepreneurs and between what entrepreneurs perceived to be of value in mentors with previous entrepreneurial experience. It is suggested that future studies with a bigger sample size and greater representativity of formal programmes could expand on these insights and deliver results that will be more generalisable.

It does appear that a number of the expert mentors used within the South African entrepreneurial support environment are professionals. Apart from issues of trust, these professionals may not have access to a network that would be relevant to their mentees and therefore do not provide this access.

This led to the second issue of concern that surfaced in this study. The results indicated that an optimal mentorship relationship could be more difficult to achieve if the mentor was a professional without entrepreneurial experience. This was initially cited by a mentee who claimed that it often was the person with the highest qualification who lacked the empathy and demeanour to shift behaviour and transform thinking styles.
Mentors also reported that a possible reason for mentorship failure in South Africa was that many of the professional programmes favoured using mentors with the necessary professional credentials but no entrepreneurial experience. This is in accordance with Martin’s (2008) supposition which stated that many support practitioners lacked the relevant industry experience and therefore failed to provide a comprehensive mentoring experience.

5.5.2 Formal and informal relationships

Clutterbuck (2004) noted that mentoring becomes problematic when the mentor-mentee role is not clearly defined at the outset and described it as a “hit or miss affair”. This was not perceived by the entrepreneurs engaged in informal relationships to be the case. While the informal mentors were not trained, they allowed for the mentoring process to be guided by the mentees’ needs and encouraged them to determine the structure and take responsibility for the process as well.

Clutterbuck (2004) believed that that the mentoring “package” with the greatest value was one that integrated formal with informal mentoring. This was found to be different in this study as the interpretation of the mentees’ accounts revealed that the informal relationship was more valued. Reasons quoted for formal programmes being held in lesser regard included issues such as trust, inaccessibility of mentor networks, programme duration and insufficient mentor experience. These explanations were further explored.

Trust was cited by both mentors and mentees as being a critical element in determining the success of the relationship. In the informal relationship, the mentor was known by the mentee and often initiated the mentoring relationship. They would, therefore, perceive the mentor as being trustworthy. In the informal mentoring scenario trust had therefore already existed whereas it had to be earned in the formal programme.

The level of trust that existed in the informal relationships could explain the willingness of mentors to make their networks available to their mentees. It could also be argued that the mentor would need to trust in the abilities of their mentees before offering them access to
their networks. Flaherty (1999) stressed the importance of “mutual trust” to ensure the success of the mentoring relationship.

As the formal programmes were more structured, mentors were often available only at agreed times. Therefore, in contrast to informal mentors who could be contacted at any time, the formal mentors could have been perceived as being unavailable.

The duration of the programmes also differed, with some formal programs lasting up to six months. This is short in comparison to programmes mentioned in literature by Kram (1985), who noted the average duration of programmes being five years in the US and according to Clutterbuck (2006) an average of three years in Europe. This is also shorter than the research detailed in South African corporate companies by Steinmann (2006).

Thus the duration of formal relationships may be inadequate to build significant levels of trust and to convey the necessary knowledge. The duration of the informal relationships was on average three years and longer, and considered to be more on-going in nature.

The majority of informal relationships were with other entrepreneurs, while some formal programmes focused on using professionals as mentors. The latter, although important, was valued less than entrepreneurial experience. Formal workplace mentoring programmes focused a great deal on matching mentors with mentees in order to enhance relationship success (Clutterbuck, 2006). This issue was not raised in this study by either mentors or mentees and might be an issue that could affect the outcome of formal programmes.

These outcomes do not necessarily imply that the formal programmes with professionals are a failure, but rather they expose issues that may jeopardise the success of the relationship. The pairing of mentor and mentee in a formal relationship is an important issue and has a substantial bearing on the success of the relationship. A mismatch can cause discomfort for the mentor, but more importantly for the mentee this can be disastrous. Cox (2005) suggests that compatibility can only be developed from within a relationship, it cannot be anticipated beforehand.
The study underwrites the stance assumed in literature that informal mentoring involves mutual selection with goals evolving over time, whilst formal mentoring is more structured with specific goals and guidelines specified (Niehoff, 2006).

Formal mentoring programs offer mentees the opportunity to participate in an organised mentoring programme. Participants join as a mentor, mentee or both by completing a mentoring profile. Mentoring profiles are completed as written forms on paper or computer or filled out via an online form as part of an online mentoring system. Mentees are matched with a mentor by a programme administrator or a mentoring committee or may self-select a mentor depending on the programme format.

Hall (2003) argues that successful mentoring requires the following key features: screening of prospective mentors; matching of mentors and youth on relevant criteria; pre-match and on-going training, and frequency of contact.

By contrast, mentoring is in danger of being unsuccessful when any of the following conditions apply: social distance and mismatch between the values of the mentor and mentee; inexpert or untrained mentors; mismatch between the aims of the mentoring scheme and the needs of the person being mentored; and a conflict of roles so that it is not clear whether the mentor is to act on behalf of the person being mentored or is present as an ‘authority’.

The dilemma is whether the relationship between mentor and mentee should be formal or informal. Cox (2005) suggests that the rapport between mentors and mentees in informal mentoring relationships frequently challenges the organisers of many formal mentoring schemes. Clutterbuck (2004) identified the problem that in most cases when people come together without guidance and without clarity about the mentoring role, it becomes a hit or miss affair. Not only is the quality of the relationship highly variable, but the pairings tend to exclude people who don’t fit the mould, by virtue of their gender, race, culture or some other differentiating factor. It is the view of Clutterbuck that such an environment should contain some elements of structure and concludes that the mentoring “package” that will give organisations the greatest value is one that integrates formal and informal mentoring.
5.6 SUPPORT STRUCTURES

This study aimed to identify if mentees were aware of any support structures and if so, which of these support structures were utilised by the mentees. According to Maas and Herrington (2006) most new SMEs in South Africa are not aware of government efforts to assist them such as Khula Finance Enterprise (Khula) and Small Business Development Agency (SEDA).

In this study, the sample of entrepreneurs who participated in formal mentoring programmes was obtained from across a number of different programmes available in South Africa. These entrepreneurs stated that they were made aware of these programmes via the media or were referred through their mentors and had to follow an application process to partake in the programme.

The entrepreneurs were of the opinion that an adequate number of support structures existed. However, it was felt that they were bureaucratic; they operated in silos; and were not well known within the market. Rather than starting new structures, the majority of the entrepreneurs concurred that the existing structures needed to be better integrated and communicated to the wider entrepreneurial audience.

Both mentees and mentors felt that funding organisations should incorporate a mentorship component to increase entrepreneurial skill levels and thereby reducing potential business failures.

In terms of the nature of the relationship, this study, therefore, elicited information that expanded on literature regarding mentorship and extended theories on entrepreneurial mentorship. New information was gleaned on what entrepreneurs perceived to be important in terms of the mentoring relationship and new views emerged in that formal relationships were perceived to be more successful in the South African context.
5.7 CONCLUSION

This study sampled the views of both mentors and mentees in the entrepreneurial field and found that mentorship is perceived to positively affect both entrepreneurs’ personal and venture growth.

The study also sought to ascertain the viability of mentoring as a vehicle to aid entrepreneurial growth in South Africa. The findings that have been discussed throughout this report confirm that mentorship is effective in the entrepreneurial field and that the entrepreneurs value and recommend the utilisation of entrepreneurial mentoring in the South African context.

The study also attempted to explore the nature of the entrepreneur-mentor relationship and to ascertain what made this relationship successful. Valuable insights were revealed around issues of trust, entrepreneurial experience, the relationship framework and mentoring styles that proved to be constructive in elaborating on existing theory and disclosing the valuable insights.

These findings have a wider implication for entrepreneurial mentorship in the South African context, which will be addressed in Chapter 6.
CHAPTER 6. CONCLUSION

6.1 INTRODUCTION

The purpose of this chapter is to summarise and draw together the findings of the research. It discusses the contributions of the study and concludes with recommendations and directions for future research.

6.2 RESULTS AND FINDINGS

The low levels of entrepreneurial activity and the concerning number of entrepreneurial ventures failing in South Africa have raised concerns and led to an appeal for mentorship programmes to be implemented with the aim to improve the success rates of entrepreneurial ventures. According to Delmar and Wiklund (2008) the business environment has a significant impact on the growth of new small enterprises. Smit et al. (2007) define a business environment as all those factors or variables, both inside and outside the organization that may influence the continued and successful existence of the organization.

This study aimed to research the viability of mentorship as a suitable vehicle to improve entrepreneurial success by exploring the current perceptions of entrepreneurs and mentors participating in mentorship programmes or similar, less formal experiences.

It was evident from the research that entrepreneurs in a mentoring relationship gained considerable benefits on a personal level in terms of business advice and psychosocial support. Starting a company can be a lonely affair, starting entrepreneurs need a listening ear, and many (university) start-up programmes included mentoring into their support programmes (Klofsten & Öberg, 2012; Van der Sijde et al, 2002; Kirwan et al, 2008). Due to the high quality of mentoring and the connection inherent in a mentoring relationship, a clear causal link between mentorship and business growth was drawn.

Martin (2008:68) postulated that support practitioners need knowledge, skills and competencies of the practice disciplines to enable them to assist entrepreneurs and small businesses to effectively meet the various venture life cycle challenges. Support
practitioners should thus be able to determine when a specific discipline is required and appropriate as an intervention methodology (Martin, 2008:68).

Furthermore, mentees that gained access to their mentors’ networks considered the mentoring relationship as instrumental in venture growth. The majority of the mentors were in agreement that the relationship was mutually beneficial in terms of an element of financial gain as well as the self-development rewards. Networking is very important to SMEs both new and established and can positively impact on their performance and access to finance. Okten and Osili (2004) found that the formation of networks helps entrepreneurs to tap resources in external environments successfully. Shane and Cable (2002) agreed that networking can be used to reduce information asymmetry in creditor/debtor relationships. In addition, networks increase a firm’s legitimacy, which in turn positively influences the firm’s access to external financing. Ngoc et al. (2009) point out that in the absence of effective market institutions, networks play an important role in spreading knowledge about a firm’s existence and its practices. Networks also help a firm learn appropriate behaviour and therefore obtain needed support from key stakeholders and the general public.

The entrepreneurs concurred that the mentoring relationship was invaluable during the start-up stage. The entrepreneurs stated that the support provided by effective mentors prevented them from impending failure through advice given about technical aspects such as cash flow management and on a personal level, to improve poor self-confidence.

During the growth stages, mentorship support was essential to assist with increasing the client base, exploring growth strategies and validating business sustainability.

During this study, it was established that most mentees participating in informal mentoring relationships gained access to their mentor’s networks. This raises concerns for the success of formal mentoring programmes should this critical element be omitted in the design and implementation of a programme.

Key behaviours such as trust and empathy were highlighted by the entrepreneurs as critical to the success of the mentoring relationship in both business and psychosocial
elements. Trust is critical for relationship exchange quality (Young & Perrewé, 2000) and one of the essential components of cooperative relationships like in a mentoring relationship (Bireme et al, 2002).

While the majority of the entrepreneurs perceived their mentors to be successful and respected business associates, certain mentoring elements were lacking in some of the relationships. This therefore raises concerns regarding the skills and competence of entrepreneurial mentors. This research thus found that for a successful and beneficial mentoring programme to be introduced, the essential elements highlighted in this research had to be considered and integrated into the programmes.

Gender differences were evident with female entrepreneurs not only perceiving their mentors as value-adding and placing greater emphasis on emotional support, but as role models as well. Mentors with female mentees also played a role in identifying opportunities and in certain instances initiated the mentoring relationships. Contrary to their female counterparts, male entrepreneurs perceived mentoring slightly less positively and seemed to be more demanding of their mentors, particularly where their mentors had little or no entrepreneurial experience. It is indicated that mentors need to understand the entrepreneurial psyche and tailor their mentoring styles accordingly to ensure credibility and therefore a mutually beneficial relationship.

The positive perception of mentorship by female entrepreneurs bodes well for mentoring as a sustainable practice in increasing the lower levels of entrepreneurial activity, particularly amongst women in South Africa. Women value mentoring relationships and are more willing to elicit and implement the advice given by the mentors.

Advice and support have a price that many starting entrepreneurs are not able to afford, unless it is part of a programme in which they participate. Formal relationships are perceived to be unproblematic as trust and strong connections can be built with mentors. From a practical perspective, it can be derived that mentorship can prove to be a very successful support structure in growing entrepreneurs’ businesses.
6.3 CONTRIBUTIONS OF THIS STUDY

Saunders, Lewis and Thornhill (2009) asked “What is the purpose of research if not for purposive action?” The researcher was determined to make contributions that spanned over the theoretical as well as the practical realms. The contributions that have been made due to this study being conducted are listed below.

- This study builds on the existing body of knowledge in the mentorship field, extends existing theories and uncovers new discussions in mentorship such as understanding the role of a mentor as well as which mentorship approach is beneficial to entrepreneurs, among others.

- The majority of the existing research regarding mentorship and mentoring relationships focuses on workplace mentorships or mentorships in larger organisations. This study helps to build a theory around mentorship specifically in the entrepreneurial sector. Prior literature that looked at the different stages of mentorship, the styles of behaviour required at each of these lifecycle stages and various other entrepreneurial benefits were elaborated and commented on.

- This study, therefore, provides valuable insight into the world of the South African entrepreneur. The literature on entrepreneurial mentorship is sparse, both nationally and internationally.

- This study elicits data that is rich in description and contributes to building greater insights on the subject of entrepreneurs that can help promote substantive assistance as it would be based from a position of knowledge.

- This study indicates that mentorship is perceived to be a valuable support structure by entrepreneurs. The study, therefore, recommends that mentorship is promoted in its use by support structures to provide a more holistic learning experience for entrepreneurs.

- The recommendations of this study can be incorporated into existing programmes as well as aid in the design of new entrepreneurial mentoring programmes.
6.4 RECOMMENDATIONS FOR STAKEHOLDERS

Mentors play a vital role in supporting entrepreneurs to succeed in their businesses activities. They provide important depth and breadth to entrepreneurial activities by sharing their own experiences and lessons learned, and help guide entrepreneurs in their entrepreneurial journeys. It’s a win-win situation that provides crucial support for the entrepreneurs and a rewarding opportunity to ‘give back’ for the mentor.

Mentoring accelerates learning and the development of entrepreneurs by having focused conversations rather than them simply learning how to apply theory to practice.

The success of entrepreneurship requires a diversity of talents, a broad range of knowledge, a passion for succeeding and an attitude that believes in doing things better after being mentored. SMME failure is often due to a lack of general management experience (Nieman, 2001:446). Zulu (2014a:1) noted that almost 80% of SMMEs in South Africa fail in their first year of operation, while around half of those that survived the first year remained in business for five years. Entrepreneurs get on their journey to success and beyond when guided by seasoned entrepreneurial experts and business leaders.

The study found mentorship to be perceived as beneficial to entrepreneurs. Based on prevalent literature, experiences of professional mentors and the perceptions of entrepreneurs who have been mentored, the following recommendations are proposed to stakeholders for consideration and incorporation into the design and implementation of future mentoring programmes in the entrepreneurial field.

- It is essential that all four outcomes, namely that of development, emotional, business and enabling, are incorporated into a mentoring programme. Irrespective of the academic debate around coaching and mentoring, both can be successfully applied in the South African context.

The basic tenets of mentoring and coaching would be complementary as the mentee would benefit from advice coming from a more directive style of mentoring, to the enabling environment for self-development offered by the questioning style
of the coach. Programmes that incorporate both these elements would be able to offer a holistic approach to development.

- Access to networks is important to ensure the growth of the venture and therefore mutual trust needs to be inculcated so that mentors feel comfortable enough to share their networks with their mentees without fearing a loss of credibility.
- Programmes should attempt, where possible, to make use of the expertise of mentors with entrepreneurial experience. The mentoring relationship, it seems, is developed much more easily if it comes from a place of authenticity and if there are increased levels of trust, empathy, camaraderie and a shared perspective.
- Where professionals are utilised, they need to be trained in listening skills to ensure that they understand the world and the mindset of the entrepreneur at that particular stage. This will enable the professional to gain their trust, which in turn will enable the shift in both mindset and behaviour, if and when required. Rapport building and creating an environment of trust is therefore critical.
- All mentors should receive training related to understanding how the entrepreneurial psyche operates. This will leave the mentor better equipped to analyse and manage the complexities of the mentoring relationship. The training needs to ensure that the mentors comprehend that the relationship is about the needs of the entrepreneur and his or her venture. The training should include components relating to gender differences so that the mentors understand that, for example, male entrepreneurs may be more exacting and demanding, and that they may need to tailor their mentoring styles accordingly. In these instances, a refrain from being too prescriptive to rather allowing the entrepreneur the latitude to realise their dreams and enjoy their moment of glory, may be more successful.
- Face-to-face interaction is critical especially initially when the relationship is being formed. E-mentoring can be used to supplement this relationship as it allows for more frequent communication with lower costs. Indications are that from the second phase onwards of the mentoring relationship, e-mentoring is used very successfully. Thus personal interaction is advised in the rapport building stage with a blended approach using both e-mentoring and personal interaction from stage two onwards.
• The duration of the programmes should be approximately three years to ensure that the relationship effectively follows the different stages and that learning is well received.

• In the case of mentoring women, the mentor needs to be prepared to provide emotional support, particularly confidence building in the initial stages with personal development opportunities the focus in the latter stages. Greater networking opportunities, including e-learning, should be incorporated into the programme. Access to both male and particularly successful female entrepreneurs need to be incorporated into the mentoring programmes so that women can utilise them as role models.

6.5 RECOMMENDATIONS FOR GOVERNMENT AND FUTURE RESEARCH

These findings lead to the development of recommendations for government and suggestions for future research directions for academia.

For government:

• There are sufficient support organisations available to promote and support entrepreneurs. However, these should be less bureaucratic, better integrated and better communicated to entrepreneurs so that advantage can be taken of the support structures.

• Mentorship, as recommended by the GEM Reports, is a useful support structure that can stem the potential failure of start-up ventures. This, however, calls for improved integration and coordination. To ensure success, mentors should be assigned to each start-up venture and provide assistance with the necessary business information required.

• Entrepreneurship support programmes should have a mentorship element that complements the business advice that many of them offer. Funding organisations should also look into incorporating a mentorship aspect to the financial assistance offered as this can assist in reducing defaults, as seen by the case of a funding organisation that found a stabilisation in their defaults through recently introducing a mentoring and training programme.
• Objective assessment and measurement structures should be implemented to measure the success of support structures and networking organisations. This study raised questions around the mentors’ experience, knowledge and capabilities and calls for stricter guidelines and regulations to be implemented to ensure optimal levels of competence of the mentors.

• Support programmes that receive funding should allow external research to test their effectiveness. Some Enterprise Development Agencies refused to participate in this study, citing member disinterest. This, however, prevents external objectivity on the effectiveness of their programmes.

• Usage should be made of increased mobile internet capabilities and a blended e-mentorship approach should be considered to reach entrepreneurs who are not based in the greater metropolitan regions.

• Foster a culture of support for entrepreneurs where successful entrepreneurs can mentor start-up entrepreneurs. Certain communities are predisposed to mentor their entrepreneurs and this has resulted in a very successful entrepreneurial culture within these communities. This should be extended to all South Africans. Experienced entrepreneurs in this study reported mentoring others and this should be encouraged.

• Inculcate an entrepreneurial culture at school level where entrepreneurship is regarded as a lucrative career that both genders should be encouraged to pursue.

• Encourage widespread reporting of successful entrepreneurs, thus providing entrepreneurial role models.

• Encourage widespread reporting of unsuccessful entrepreneurs, thus making it possible for other entrepreneurs to learn from these failures.

• Mentorship programmes and other support should be provided to failed entrepreneurs - South African culture is too hostile towards failed entrepreneurs.

6.6 SUGGESTIONS FOR OTHER RESEARCHERS

The conclusions that were drawn and the limitations of the study suggest the following areas and topics be investigated in future:

• In this study the researcher explored the experiences of successful entrepreneurs. This group of participants described their mentoring experiences while their
business operated successfully. Not all of the mentoring relationships were successful, but the businesses were. Researchers could conduct a similar case study using participants who were not successful. These participants might provide additional recommendations for how entrepreneurs can use mentors to succeed by highlighting what their mentors did or did not do. These findings would contribute to building the body of knowledge around mentoring entrepreneurs.

- The importance of matching the mentor with the mentee has been well researched. The influence of this type of relationship has been evaluated. However, neither have been researched in the South African entrepreneurial context. Further research could be conducted into matching the entrepreneurship mentor and the entrepreneur. Applicable criteria must be established.

- Experience has been identified as critical to the success of an entrepreneurial business. Further research can be conducted into the entrepreneurship mentors’ experiences in the phases and activities that form part of the entrepreneurial process.

- An extensive quantitative study that looks at the proportion of South African entrepreneurs that use mentorship on a national level.

- Given that many South African entrepreneurs fail to make the transition from survivalist to growth businesses, it would be interesting to see a study that focuses on survivalist entrepreneurs and their use of support structures.

- Research issues in the area of gender differences in entrepreneurial mentoring. Quantitative studies are needed to test these issues for prevalence and generalisability.

- The mentoring relationship has in part been defined as a long-term relationship. This study stipulated that six months is the average amount of time mentors spend with entrepreneurs. Further research can be conducted into the time spent with the entrepreneur in terms of the services provided, and how effective they are.

- The participants view their intervention as contributing to the success of the venture. Further research questions could include:
  a) What are their success rates?
  b) What is regarded as successful mentoring?
  c) What is the entrepreneur's view on the impact of the mentor's involvement on the success of the venture?
• Research can be conducted into entrepreneurship mentoring performance by linking performance to job creation, company growth and company survival/stability. This could be done on a long-term basis.

• Researchers might ask how much economic benefit entrepreneurs experience because of having a mentor in the target market?

6.7 CONCLUSION

In South Africa, policies and programmes to support small business development are a critical part of the democratic government’s strategy to create a better life for all. As indicated in Chapter 1, the South African government has for many years committed itself to the promotion and growth of the SMME sector as a means of reducing unemployment. Its aims are to develop a strong SMME sector by increasing the number of new ventures and creating an enabling environment to ensure the survival and growth of SMMEs (Ferreira, 2007:1). Although it was not part of the study, the researcher discovered that all mentees that participated in the study had never had a formal mentor before joining their respective organisations. It is exciting to hear that, against the backdrop of all the efforts by government and other ED agencies to ensure that the entrepreneurs receive guidance from mentors, it is indeed an excellent move and an exceptional one where mentees felt that they would seek entrepreneurial mentors when their contracts come to an end.

The positive outcomes identified by the study include the fact that South African entrepreneurship mentors are educated, have personal corporate experience, have personal entrepreneurial experience and have entrepreneurship mentoring experience. Regarding future research, there is no doubt that more research needs to be conducted on mentoring in South Africa, particularly studies on qualification and ability of the mentors; the clear setting of goals; the structure of entrepreneurial mentorship offerings; the structure of the actual mentoring interaction; the training of the mentor to coach; impart information and facilitate growth; how the mentor and protégé are matched together; the frequency of mentoring interactions; needs and expectations analyses of the protégés, given their unique and niche background; and the need to identify the needs of the mentors themselves.
"If I hadn't had mentors, I wouldn't be here today. I'm a product of great mentoring, great coaching... Coaches or mentors are very important. They could be anyone--your husband, other family members, or your boss." Indra Nooyi, the CEO of PepsiCo
7. REFERENCES


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Appendix A – Actual Research Instrument

Dear Respondent,

RESEARCH SURVEY ON THE ROLE OF MENTORSHIP IN TRANSFERENCE OF LEARNING: JOHANNESBURG EMEs AND PRACTITIONERS PERSPECTIVES.

It is believed that entrepreneurial mentors play an active role in supporting South African Entrepreneurs. Yet little research has been conducted in the South African SMME support sector.

This research project will assist in gaining a better understanding of the perceived role of entrepreneurial mentoring, from entrepreneurs and mentors perspectives. This research is critically important, because it is one in few studies related to entrepreneurial mentoring in South Africa. Your participation is needed and greatly appreciated.

By answering this questionnaire, you will be contributing towards a better understanding of this vital intervention in the field of entrepreneurship and small business management. Be assured that all information provided will be treated in the strictest confidence.

1. Please indicate your gender by ticking (v) one of the options below.
   Female
   Male

2. What is your age in completed years?

   ________________________________

3. Which ONE of the following languages do you MOSTLY speak at home? Please tick (v) the most applicable one.

   | Afrikaans   |
   | English     |
   | Ndebele     |
   | Swati       |
   | Pedi        |
   | Sotho       |
4. What is your highest formal educational qualification?

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<th>Option</th>
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<td>Doctorate</td>
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<td>Other *</td>
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5. Were you assigned to a mentee?

6. How is your mentee responding to the relationship (easy to connect/conflicting personality)?

7. Do you feel the mentoring role you play has a positive/negative impact? Please explain.

8. Do mentees require other forms of advice other than entrepreneurial?

9. How do you ensure that your mentee applies the advice you provided? Please share an example.

10. What stood out for you about each of the different mentoring approaches used (group and one-on-one mentoring)? What are your reasons for your most preferred mentoring option?

11. Do you think entrepreneurial education plays a role in the mentees business success? How?

12. Which mentoring relationship is beneficial between the industrial and business mentoring? Why or how?

13. Does age and education and age of your enterprise have an impact on the perceived benefit of mentoring? How?

14. What should be taken into consideration when pairing a mentor and a mentee? (Success of a mentor/skills/knowledge/expertise)? Why?

15. Based on your experiences, what do you perceive are the most important aspects of a mentoring program for entrepreneurs?

16. What else can you add about your mentoring experience that we have not discussed?
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5. Did you seek out a business mentor or one was assigned to you? If yes, why?

6. What role did your mentor play in your success?

7. What did your mentor teach you about operating your small business?

8. Did you apply the advice provided by your mentor? Please share an example.

9. What stood out for you about each of the different mentoring approaches used (group and one-on-one mentoring)? What are your reasons for your most preferred mentoring option?

10. Did entrepreneurial education play a role in your business and you? How?

11. With a clear distinction between industrial and business mentorship approaches, which mentorship relationship is/was beneficial for you?

12. Does age and education and age of your enterprise have an impact on the perceived benefit of mentoring? How?

13. What qualities would you prefer in a mentor?

14. Based on your experiences, what do you perceive are the most important aspects of a mentoring program for entrepreneurs?

15. What else can you add about your mentor and your mentoring experience that we have not discussed?
Appendix B – Consent Letter/Form

The Graduate School of Business Administration
2 St David’s Place, Parktown,
Johannesburg, 2193,
South Africa
PO Box 98, WITS, 2050
Website: www.wbs.ac.za

RESEARCH CONSENT FORM

The role of mentorship in transference of learning: Johannesburg EMEs and practitioners perspectives

INFORMATION SHEET AND CONSENT FORM

Who I am
Hello, I am Lumka Mhlahlo. I am conducting research for the purpose of completing my MM at Wits Business School.

What I am doing
I am conducting research on the role of mentorship in transference of learning. I am conducting a qualitative study with 10 participants (5 mentors and 5 entrepreneurs) to establish whether entrepreneurial mentorship plays a role in entrepreneur’s business growth and performance.

Your participation
I am asking you whether you will allow me to conduct one interview with you. If you agree, I will ask you to participate in one interview for approximately one hour. I am also asking you to give us permission to tape record the interview. I tape record interviews so that I can accurately record what is said.

Please understand that your participation is voluntary and you are not being forced to take part in this study. The choice of whether to participate or not, is yours alone. If you choose not to take part, you will not be affected in any way whatsoever. If you agree to participate, you may stop participating in the research at any time and tell me that you don’t want to go continue. If you do this there will also be no penalties and you will NOT be prejudiced in ANY way.

Confidentiality
Any study records that identify you will be kept confidential to the extent possible by law. The records from your participation may be reviewed by people responsible for making sure that research is done properly, including my academic supervisor/s. (All of these people are required to keep your identity confidential.)

All study records will be destroyed after the completion and marking of my thesis. I will refer to you by a code number or pseudonym (another name) in the thesis and any further publication.

Risks/discomforts
At the present time, I do not see any risks in your participation. The risks associated with participation in this study are no greater than those encountered in daily life.
Benefits
There are no immediate benefits to you from participating in this study. However, this study will be extremely helpful to us in understanding the role that entrepreneurial mentorship plays in entrepreneurs’ business.

If you would like to received feedback on the study, I can send you the results of the study when it is completed sometime after 9 months.

Sculpting Global Leaders

Who to contact if you have been harmed or have any concerns
This research has been approved by the Wits Business School. If you have any complaints about ethical aspects of the research or feel that you have been harmed in any way by participating in this study, please contact the Research Office Manager at the Wits Business School, Mmabatho Leeuw.  Mmabatho.leeuw@wits.ac.za

If you have concerns or questions about the research you may call my academic research supervisor Dr Rob Venter (0117178090).

CONSENT

I hereby agree to participate in research on the role of mentorship in transference of learning. I understand that I am participating freely and without being forced in any way to do so. I also understand that I can stop participating at any point should I not want to continue and that this decision will not in any way affect me negatively.

I understand that this is a research project whose purpose is not necessarily to benefit me personally in the immediate or short term.

I understand that my participation will remain confidential.

........................................
Signature of participant Date:........................................