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The influence of Entrepreneurship Education on Business Performance and Entrepreneurial Self- efficacy of Township Entrepreneurs in Gauteng, South Africa

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A research report submitted to the Faculty of Commerce, Law and Management, University of the Witwatersrand, in partial fulfillment of the requirements of the degree of Management Masters in Entrepreneurship and New Venture Creation.

Johannesburg

04 November 2020

C2 General

Abstract

South Africa is faced with a high SMME failure rate, particularly those that have been functioning for fewer than 42 months, on the other hand, the rate of unemployment keeps rising, year on year, especially amongst the youth. Previous research in the field of entrepreneurship suggests that one of the primary reasons for the high failure rates of SMMEs in South Africa is a lack of access to entrepreneurship education.

The purpose of this study is to investigate the influence of entrepreneurship education on business performance and entrepreneurial self-efficacy of township entrepreneurs in the Gauteng Province. Building from the existing body of literature on entrepreneurship education and business performance, the study further investigates the extent to which entrepreneurship education influences the entrepreneurial self-efficacy of the township entrepreneur.

The study employs a cross-sectional quantitative methodology, which follows a post-positivist approach. Primary data, with a sample size of 150, was collected from SMMEs in the Gauteng townships through self- administered questionnaires. Data analysis included descriptive analysis, factor analysis, normality tests, correlations, and simple linear regression. Entrepreneurship education was the only predictor variable in the study, whilst business performance and entrepreneurial self-efficacy were the dependent variables. The results of the study found entrepreneurial education has a positive significant influence on business performance and entrepreneurial self-efficacy of the township entrepreneur.

As the economic power hub of the country, Gauteng Provincial Government should apply a holistic view when formulating policies on business development support programmes in the future. This holistic view must include entrepreneurship education aimed at launching the entrepreneurial skills that will capacitate and equip new and existing SMMEs in the province to curb future failure rates. These skills should be tailor-made for existing businesses and should be inclusive of both business management skills and entrepreneurial skills. The study findings are pertinent as they could be used as a benchmark to guide this process.

Keywords: Entrepreneurial Education, Business Performance, Entrepreneurial –Self-efficacy, Township Entrepreneur.

Declaration

I, Nonkululeko Sontsele, confirm that the study on ***the influence of entrepreneurship education on business performance and entrepreneurial self–efficacy of township entrepreneurs in Gauteng Province in South Africa*** *is* my work. It has not been submitted for examination on any degree or any other university. It is submitted in fulfillment of the requirements for the degree of Master of Management in Entrepreneurship and New Venture Creation at the Wits Business School, University of the Witwatersrand, in Johannesburg, South Africa. I further declare that I have acknowledged all sources of information used in this study.

Signed at.....

On the day.....of.....2020

Dedications

I dedicate this research report to my creator, God Almighty, who makes all things possible. Without his grace, wisdom, guidance, love, and strength, this journey would have been impossible for me.

Secondly, I dedicate this journey to my late parents, Mr. and Mrs. Sontsele. Thank you for raising me to be the woman that I am today, thank you for instilling good values in me, but above all, thank you for giving me the courage to pursue the things that I desire in this life no matter how difficult the journey may be. I will always love you and you remain in my heart forever.

To my children, Unathi, Mcebisi, and Khanya. You guys are my source of strength, thank you for your understanding and support throughout this journey. Thank you for opening the gate and the door for mommy on those late nights, your prayers and warm meals kept me going. I hope I have inspired you and future generations to do much more.

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To the lecturers of the MMENVC class, thank you for your contribution of knowledge and guidance in this interesting and challenging field of academia, we are because of you.

List of acronyms

EE	Entrepreneurship Education
BP	Business Performance
BP_Fin	Business Performance Financial Growth
BP_CS	Business Performance Customer Service
ESE_Mark	Entrepreneurial Self-Efficacy Marketing
ESE_Risk	Entrepreneurial Self-Efficacy Risk-Taking
SMMEs	Small Micro Medium Enterprises
TEA	Total Entrepreneurial Activity
BDS	Business Development Support
GEM	Global Entrepreneurship Monitor
SEDA	Small Enterprise Development Agency
GEP	Gauteng Enterprise Propeller
TIPS	The Real Economic Bulletin
STATS SA	Statistics South Africa

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Chapter 1: Introduction

This study investigated the role that entrepreneurship education plays in enabling entrepreneurs in the townships to build sustainable businesses. In developing economies, such as South Africa, entrepreneurship plays an important role in economic growth and generally the improving standards of living in the country. These roles include new venture creation, creating employment opportunities, innovation, contributing to the country's GDP, community development, and export facilitation (Botha, Van Vuuren, & Kunene, 2015; Njambi, 2016).

South Africa is faced with significant socio-economic challenges relating to poverty and unemployment. This is according to the GEM report (Global Entrepreneurship Monitor) results that were reported in 2017. Following these results, Statistics South Africa further reported a 1, 4 % increase in unemployment, bringing it up to the record high of 29% (Statistics South Africa, 2019, p.7). GEM further reported a low Total Entrepreneurship Activity (TEA) and a low economic growth respectively for South Africa in comparison to other countries in the same economic cluster (Herrington, Kew, & Mwango, 2017).

The South African government commits substantial financial and non-financial resources in support of SMMEs, however, the majority of these businesses fail within the first three years (SEDA, 2016).

Empirical research has shown that in developed economies such as the United States (US) where entrepreneurship education is included as early as the school years, the TEA is high, and the number of students taking up entrepreneurship as an actual career has increased since the introduction of entrepreneurial education (Gwija, Eke, & Iwu, 2014; Herrington & Kew, 2015/16; Unger, Raunch, Frese, & Rosenbusch, 2011; Ndofirepi, Rambe, & Dzansi, 2018). On the contrary, in emerging economies such as South Africa, entrepreneurial education is not extensively incorporated within educational models; perhaps this report can assist to understand the impact of entrepreneurship education for enterprises in the country with an emphasis on the township-based businesses as a mechanism to curb the SMME failure rate.

The rationale for this study emanated from the findings by the previous researchers in the economic spectrum, who agreed that the development of the owner's skills and abilities is key to increased competitiveness and sustainable SMME growth (Chimucheka, 2014).

The study followed a quantitative research methodology as it had been used in the previous studies of this nature (Chimucheka, 2014; Chidinma & Kamala, 2016). The sample for the study only included Gauteng-based SMMEs and the rationale for this decision pertains to convenience and logistical practicalities. This study bears some practical implications on policy for entrepreneurship development in South Africa's emerging economy.

1.1 Context of the study

Small, Micro, and Medium Enterprises, usually referred to as SMMEs, play an important role in the economy. They can be key drivers of economic growth, innovation, and job creation. In South Africa, the government recognises the importance of this sector of the economy so much so that a new Ministry of Small Business Development was established when the fifth administration came to power in 2014 (Botha et al., 2015). The main purpose of this ministry is to facilitate the promotion and development of small businesses (SEDA, 2018). The Department of Small Business Development is, however, not the first government institution in charge of the SMME sector in South Africa; development finance institutions, such as SEDA, SEFA, and IDC have been in existence since 1994 and even earlier. Furthermore, the Gauteng government has also incorporated the township economy into the provincial strategy through projects such as the Township Revitalization Strategy that seeks to focus mainly on the township-owned businesses since the start of the fifth administration in 2014 (GDED, 2014).

SMMEs contribute significantly to the national GDP (Gross Domestic Product) and have been noted by many economists as the major contributors to job creation (The DTI, 2008). However, SMMEs in South Africa are faced with numerous challenges that are impeding their success, as such, South Africa is not able to fully enjoy the rewards from this significant sector of the economy. The most cited challenges include access to market, access to finance, infrastructure, skills shortages, and crime (SEDA, 2018; Ngcobo, 2015; Radipere, 2015).

Entrepreneurs from the townships are also subject to the same challenges, however, for these entrepreneurs, some of their challenges are a result of the educational background to which they have been exposed as a result of the apartheid system (Ngcobo, 2015). The 2015 GEM report cited that majority of South African entrepreneurs are efficiency-driven, meaning that they start new ventures as a means to access economic opportunities, as such, there is a possibility that these

SMMEs might lack the necessary skills, such as entrepreneurship education, which they need to create ventures that will scale and grow to the next level.

Also, the GEM and the TIPS reports both alluded to the impact of the legacy left by apartheid policies that prohibited the township dwellers from opening successful businesses or to have access to the type of education that would enable them to open their businesses in the future (Ndlovu, Makgetla, Fatoyi, & Levin, 2017; Herrington et al., 2017). The Apartheid education given to blacks in the past has meant that a large number of black people have lost the opportunity to acquire the skills that are required to drive entrepreneurial initiatives (Nicolaides, 2011).

This study is of the view that if the government is to curb the entrepreneur failure rate in the country, it is imperative to investigate the influence and the impact of entrepreneurship education on business performance, as it is cited not only amongst the primary causes of SMME failure rates but as a favourable tool to mitigate these failures.

The existing body of research on the relationship between education and entrepreneurship shows that better-educated entrepreneurs are attracted to explore more opportunity-based business when compared to less educated entrepreneurs who are likely to be involved out of necessity (Chimucheka, 2014; Eton, Mwosi, Mutesingesi, & Ebong, 2017; Nicolaides, 2011). It has also been proven that entrepreneurs with high self-efficacy are likely to establish successful businesses (Chen, Greene, & Crick, 1998), as such these two areas are key and they require more attention from the researchers particularly in South Africa where the SMME failure rate and unemployment are high, thus the context of this study.

1.2 Theoretical Framework of the Study

To investigate the influence of entrepreneurship education on the performance and self-efficacy of township entrepreneurs, the study employed two theories, self –efficacy, and human capital theories. The rationale behind this decision was that entrepreneurship in itself is a multidisciplinary process that involves several activities (Unger & Hambury, 2016), therefore, one theory might not be sufficient to provide proper outcomes (Van Burg, Amsterdam, & Romme, 2014).

1.2.1 Entrepreneurship Self-Efficacy Theory

Self-efficacy is defined as the perceived ability of an individual in performing a given task. Self-efficacy is related to the individual trust in executing a particular action that affects a cognitive aspect (Bandura, 1994). Accordingly, Bakar, Ramli, Ibrahim, and Muhammad (2017) also cited that individuals with high self-efficacy are more likely to take bold actions when compared to those with low self-efficacy. Self-efficacy is a useful concept for measuring human behavior in entrepreneurship research, particularly because it plays an influential role in determining an individual's choice, level of effort, and perseverance (Chen, 2004).

According to the previous studies, numerous factors play a role to influence one to become an entrepreneur, and these consist of various combinations of personal attributes, background, experience, and disposition (McGee, Peterson, Mueller, & Sequeira, 2009). One of these attributes is entrepreneurial self–efficacy which Bandura (1997) defined as the degree to which one perceives oneself as having the ability to successfully perform various roles and tasks of entrepreneurship (McGee et al., 2009). The construct of entrepreneurship self-efficacy has gained popularity amongst the entrepreneurship literature as it is linked to the firm's performance. It was particularly useful for this study as it incorporates personality as well as environmental factors and ought to be a strong predictor of entrepreneurial intentions and ultimately, actions (Boyd & Vozikiz, 1994).

Thus, this study argues that entrepreneurship education has the potential to enhance the entrepreneurial self-efficacy of the township entrepreneurs, however, it also cautions that these skills should be customised to suit this particular group of SMMEs (Urban, 2006; McGee et al., 2009).

1.2.2 The Human Capital Theory

Drawing from Becker (1964), human capital theory refers to the set of skills and knowledge that individuals acquire through investments in schooling, on-the-job training, and other forms of training. As such, skills and knowledge can also be the outcomes of human capital. The theory of human capital has been applied within the realm of entrepreneurship for over three decades, consistently linking the human capital attributes to entrepreneurial success, especially in the

different stages of the business when an entrepreneur is expected to explore and exploit commercial opportunities, and then acquire resources (Marvel, Davis, & Sproul, 2016).

Furthermore, a number of arguments suggest a positive relationship between human capital and success as it increases the owner's ability to discover and exploit opportunities (Urban & Kongo, 2015; Unger et al., 2011). It is therefore relevant for this study to build onto this existing body of knowledge to lay a foundation for the investigation.

The study employed the human capital theory to investigate the owners' level of exposure to entrepreneurship education and training, knowledge, and prior experiences of these entrepreneurs. The rationale for this approach is that the study is of the view that human capital is an important asset for small businesses and this view is supported by an array of researchers in the field of entrepreneurship (Bruns, Hollad, & Sherped, 2008; Unger et al., 2011).

This study also supports the argument by previous researchers that human capital is vital for discovering and creating entrepreneurial opportunities; it also aids in exploiting opportunities by acquiring financial resources and launching new ventures; lastly, human capital may assist in the accumulation of new knowledge and the creation of new ventures. (Alvarenz & Barney, 2007).

Moreover, the study also values the view of Urban and Kongo (2015) that human capital represents an investment in education and skills.

1.3 Problem statement

This study's problem statement is drawn from the continuous reports on the chronic SMME failure rates in South Africa wherein 70-80% of new businesses fail within 42 months of the establishment (SEDA, 2018). The GEM report 2015/16 to South Africa and some authors in the entrepreneurship ecosystem also cited low levels of Total Entrepreneurship Activity amongst South African entrepreneurs even though the majority of this population indicated a high enthusiasm towards entrepreneurship. SMMEs are expected to be the driving force in South Africa's social and economic stability by playing a crucial role in job creation and these targets were set out clearly in the NDP, as such the government has taken strides to support the development of SMMEs in South Africa, including investing large sums of money over the years (Chimucheka, 2013; SEDA, 2016).

In July 2019, Stats SA reported a total 29% unemployment rate in the country, in these statistics the youth unemployment alone was 55.97%. On the other hand, SEDA reported a decline in the number of businesses, and consequently, a decline in the number of jobs provided by SMMEs. In the same report, SEDA cited a worrying factor on the high failure rate for SMMEs that are have been in operation for 42 months or less despite the Government's efforts to try and create an enabling environment for them to grow beyond this stage (SEDA, 2018; Plecher, 2019).

Previous studies and technical reports on SMME development in South Africa have alluded to the lack of entrepreneurship education as one of the primary reasons for this high failure rate with the suggestions that government and other stakeholders in the SMME space should find a way to intervene, and entrepreneurship education has been recommended as one of the favorite tools that can be used to curb this failure rate (Chimucheka, 2013; Herrington et al., 2017; Malebana, 2016; Ndlovhu, Makgethla, Fatoyi, & Saul, 2017). It was on this basis that this study investigated the influence of entrepreneurship education on the success of township-based entrepreneurs in Gauteng Province using quantitative research methodology. By employing this research methodology, the study hopes that it provides useful insights that could help remedy this problem from reoccurring in the future.

1.4 Research purpose research questions and the aims of the study

The main purpose of the study was to investigate the influence of entrepreneurship education on the overall business performance of township entrepreneurs in the Gauteng Province, South Africa. Furthermore, the research investigated the role of entrepreneurship education in building the self-efficacy of township entrepreneurs in Gauteng.

1.4.1 Research questions

1. To what extent does entrepreneurship education influence the performance (financial **growth**) of township businesses?

2. To what extent does entrepreneurship education influence the performance **(customer satisfaction)** of township businesses?

3. To what extent does entrepreneurship education influence self-efficacy (**marketing and risk-taking)** of township businesses?

1.5 Contribution of the study

The phenomenon of entrepreneurship is multifaceted; as such, the study contributes differently to different stakeholders in the SMME development space. The stakeholders include Development Finance Institutions, government departments, private sector companies, entrepreneurs, and business owners.

The human capital theory was employed by the study to understand the type of education that these specific group of entrepreneurs have been exposed to before starting their businesses. In the main, the purpose of this theory was to ascertain if these entrepreneurs have at all been exposed to entrepreneurship education that would introduce and enhance their entrepreneurial skills.

The entrepreneurial self-efficacy theory was used to investigate and profile the self-confidence levels of the township entrepreneurs in building successful businesses, their attitudes towards risk-taking, and what motivated them to start businesses. Furthermore, self–efficacy was used to highlight the relationship between entrepreneurship education and SMME performance which the study views as the driver of a successful business beyond three years.

The above approach is different from that which has been followed by an array of previous studies where researchers measured students or the nascent entrepreneurs (Cho & Lee, 2018; Chen et al., 1998; Li & Jing, 2008; McGee, et a1., 2009; Miao et al., 2017; Cumberland, Meek, & Germain, 2015). These studies have different findings, and they all contribute to building the entrepreneurial self-efficacy literature. One common factor about these findings is that they all proved that there is a significant relationship between entrepreneurial self-efficacy, intentions, and performance. However, most of these findings cannot be generalised to individual SMMEs that have gone past nascent and early stages since the studies sampled university students or nascent entrepreneurs (Cumberland et al., 2015).

In the South African context, Ndoferipi, Rambe, and Dzansi (2018) are amongst those researchers who conducted a study on entrepreneurial self-efficacy and measured university students. One of their main findings was that entrepreneurial self-efficacy influenced the technological creativity of entrepreneurship intentions. These findings were supported by Urban (2006), in his study on self-efficacy in a multicultural society in South Africa. In this study, it was recommended that future research should investigate how education influences entrepreneurial activity.

In light of the above argument, this study investigated current businesses in the township, their entrepreneurial education attainment as well as their levels of self-belief. The study findings from these practical experiences contribute significantly to the body of literature on entrepreneurial self-efficacy as well as entrepreneurship education in the South African context. Furthermore, the study findings address some of the gaps that were identified by the previous research of self-efficacy literature. (Urban, 2006; Ndofirepi, et al., 2018; Malebana & Swanepoel, 2014).

The study findings also benefit the policymakers and business development support (BDS) providers to create programmes that will include the essential entrepreneurial skills, decrease SMME failure rates, and business discontinuance, whilst boosting the Total Entrepreneurial Activity.

By mainly focusing on entrepreneurship education, the research draws the attention of the Business Development Support providers to understand the difference between entrepreneurship education and traditional business skills as these two have different outcomes and are better combined for excellent results.

1.6 Delimitations of the Study

The study focused on the township businesses exclusively, furthermore, the study only looked at Gauteng townships and excluded other areas in the country. The study focuses on the businesses that have been operating for a minimum period of one year. This is to enable the researcher to measure growth using the financial and non-financial performance of these businesses.

Furthermore, the study investigated only one dimension of human capital, entrepreneurship education, and has delimited other dimensions. The study also investigated only two dimensions of entrepreneurial self-efficacy marketing and risk-taking. Finally, out of nine dimensions of firm performance, the study only measured growth (financial performance) and customer satisfaction (non-financial performance) (Selvam, Gayathri, Vasanth, Lingajara, & Marxiaola, 2016).

1.7 Assumptions of the Study

This study assumed that participants have a sincere interest in participating in the survey and do not have any other motives such as getting first preference or special favours when applying for

assistance at Gauteng Enterprise Propeller. The study also assumed that participants understood the questions asked in the research instrument.

1.8 Conceptual definitions of terms

(a) Entrepreneurship Education

Scholars have given some definitions for entrepreneurship education, depending on their respective backgrounds. This study identifies with definitions of entrepreneurship education that incorporate words such as newness, skills, and opportunity recognition, and venture creation. Isaacs, Visser, Freidrich, & Brinjal (2007) defined entrepreneurship education as a purposeful intervention that is made by an educator in the life of a learner through entrepreneurial qualities and skills teaching which enable the learner to survive the dynamics of the business world.

Jones and English (2004) referred to entrepreneurship education as the process of providing individuals with the ability to recognise commercial opportunities and the insight, self-esteem, knowledge, and skills to act on them. It includes instruction in opportunity recognition, commercialising a concept, marshalling the resources in the face of risk, and initiating a business venture. It also includes instruction in traditional business disciplines such as management, marketing, information systems, and finance.

(b) Business Performance

This study conceptualised business performance according to Venkatraman and Ramanujam (1986) who define it as a sub-set of organisational effectiveness that covers both operational and financial outcomes of the business (Selvam et al., 2016).

(c) Entrepreneurial Self-Efficacy

The study's conceptual definition of Entrepreneurial Self Efficacy was adopted from Chen et al. (1998) who cited that entrepreneurial self-efficacy is the individual's ability to successfully engage and execute any entrepreneurial activity (Bakar et al., 2017).

1.9 Structure of the Report

Chapter 1 introduces the context and background of the study. It provides the problem statement, the research purpose and questions, and the theories underpinning the study. It details the contribution of the study to the body of literature. It concludes by providing the conceptual definitions of the key constructs of the study.

Chapter 2 provides an in-depth discussion on the key contracts of the study which are Entrepreneurship Education, Performance, Entrepreneurial self-efficacy marketing, and entrepreneurial self-efficacy risk-taking. This chapter also introduces the conceptual framework of the study.

Chapter 3 provides the methodological approach, the research paradigm, and the philosophies that are followed by the study. It describes the research design, sampling strategy, and the research instrument used for data collection in the study.

Chapter 4 presents the results of the demographic profile of the study, the descriptive analysis on the constructs that the study investigated, the results on the correlations as well as the tests for normality. It concludes by presenting the results of the hypotheses that were investigated by the study.

Chapter 5 discusses the study findings in comparison with the existing theories and literature and it further discusses the key findings that are unique to the study.

Chapter 6 briefly discusses the research questions, the study‘s theoretical and practical implications, and the contribution. Also it provides the limitations and the recommendations for future research and concludes by providing the overall summary of the study.

Chapter 2: Literature Review

2.1 Introduction

This chapter reviewed the literature on the notion of entrepreneurship education in South Africa and other emerging economies. This section also reviewed existing literature on general self- and entrepreneurial self-efficacy and how they affect the performance of new businesses. Furthermore, this section gives a summary of the state and the role of entrepreneurship in South Africa and a brief background of the country's education system during apartheid. Lastly, this section highlights the benefits of entrepreneurship education.

2.2 The Importance of Entrepreneurship in South Africa.

According to literature, there are different definitions of entrepreneurship by different scholars from different schools of thought, however, most of these scholars agree that entrepreneurship is a process and it involves risk-taking, amongst other things (Osman, 2011; Cho & Lee, 2018).

Entrepreneurship is defined as an activity that involves the discovery, evaluation, and exploitation of opportunities to introduce new goods and services, ways of organising, markets, processes, and raw materials through organising efforts that previously had not existed. (Shane & Venkataraman, 2000). Onuoha, 2007 defined entrepreneurship as the practice of starting new organisations or revitalising mature organisations, and concentrating particularly on new business generally, in response to identified opportunities. Schumpeter (1934), cited by Carland et al. (1984), added that entrepreneurship is a driving force for economic growth and social change.

Timmons (1994) cited that entrepreneurship is "America's secret weapon", and he argues its value as the main contributor to the superior position that the United States holds as part of the global economy. Timmons and Spinelli (2010) confirmed entrepreneurship to be the fundamental differentiating factor in the United States culture, where 37% of the population is somehow involved in their ventures, apart from their regular jobs.

Conversely, in South Africa, there are more workers than business owners hence the persistence of low Total Entrepreneurial Activity rates year-on-year (Herrington et al., 2017). South Africa's economy is demanding a change from an industrial society to an entrepreneurial society. This requires a change of mindset from that of being workers to being business owners, from being job-

seekers to being job creators (Cho & Lee, 2018). Davies (2001) cited that South Africa's capacity to absorb recruits into the formal sector has fallen from approximately 64% to less than 4% in the last three decades. Furthermore, the country has witnessed several retrenchments by big corporates in sectors such as banking, print media, construction, and mining, respectively (Villiers, 2019). These retrenchments have increased the number of total unemployment in the country to a record high of 29% (Statistics South Africa, 2019). Therefore, for young people to escape this, active intervention is necessary. One important intervention to be considered is training and educating young people in the entrepreneurship field (Co & Mitchell, 2006).

Entrepreneurs have been cited by some researchers as the answer to the above socio-economic problems for most economies as they can create much-needed jobs. Thus, this study is of the view that South Africa should invest more in entrepreneurship development and sustainability through focused Entrepreneurship Education to foster the spirit of entrepreneurship (Carland, Hoy, Boulton, & Carland, 1984; Eton, Mwosi, Mutesingesi, & Ebong, 2017; Isaacs, Visser, Freidrich, & Brinjal, 2007).

Several studies have found that there is a positive relationship between economic growth and entrepreneurship; they have further noted that entrepreneurship has a positive relationship with job creation, improving the standard of living, and increasing the country's GDP. Furthermore, Gorman, Hanlon, and King (1997) confirmed that there is a widespread recognition that entrepreneurship is the engine that drives the economy of most nations.

It is in the light of the above scenarios, that, for South Africa to improve the performance of the existing entrepreneurs, as well as the future ones, entrepreneurship education will play a pertinent role. This is also supported by the GEM report authors who cited that the key factor in improving entrepreneurial activity is education (GEM, 2018).

2.3 Background of education in South Africa

This section provides a brief overview of education by way of definition, thereafter unpacks entrepreneurship education, why is it relevant to SMME performance and the South African context; Lastly, it will briefly distinguish between entrepreneurship education and business management skills.

The South African population has the majority of African people living in the townships and the rural areas, as a result, this part of the population is not fully exposed to entrepreneurship education as a field of study. This could be credited to the apartheid regime whose policies were designed to impede black South Africans from accessing good education that would prepare them for future economic participation (Mhlauli, Salani, & Mukotedi, 2015). Education in the perspective of entrepreneurship is supported by the work of Fayolle (2015), who defines education as an intentional effort to teach specific knowledge-bearing abilities necessary to complete a project.

According to Zungu (1997), education is one of the major institutions in the society that was manipulated by those in power to push their political agenda forward and to achieve their goals. Also, Mills (1992) cited that formal education for blacks was discouraged because it was assumed equipping black people with skills would hurt white labour markets, and education would not be useful to blacks themselves since it was believed that educating them in European ways would undermine their beliefs, customs, and traditions.

One of the key areas the apartheid system managed to successfully manipulate through education was the school syllabus from lower primary to university level. This they achieved by instituting a series of commissions to assess the state of Black Education and make recommendations as it suited the government of the day whose plan was to exclude the Black Africans. This type of education was known as "Bantu" education and it was aimed at dehumanising and retarding black people and other marginalised groups to continue the legacy of imperialist domination and white supremacy (Mhlauli et al., 2015)

In addition, to instill Bantu Education, the apartheid government created a policy that would see Black pupils being taught in their mother tongues. According to Zungu,1976, using mother tongue as a medium of instruction in the lower primary school for black South Africans served three purposes for the apartheid government. One of those purposes was that when a black student got to higher levels of education, they were likely to have problems with the studies which are usually conducted in English rarely Afrikaans. Thus the mother tongue instruction served as a tool to restrict the acquisition of information especially and scientific and technical information because African languages did not have a developed terminology to deal with the concepts and phenomena

commonly found in these areas. As a result, Africans were likely to develop restricted vocabularies which are not adequate for functioning in the modern society, let alone pursue science studies (Zungu, 1976,p. 10).

This had serious negative outcomes as it widened the gap for black learners from their white counterparts especially when it came to institutions of higher learning which they could not access due to the quality of education they had received. The above picture paints a clear picture that Black people have always been far from accessing good quality education, let alone entrepreneurship education (Zungu, 1976; Mills, 1992).

One important thing that is important to allude to when talking about education in South Africa is the education system post-1994. The apartheid system and its legacy created barriers that continue to impede black people to gain access to the institutions of higher learning in South Africa, and these barriers are so deeply embedded in the institutional structures that one would need to dismantle the entire education system to fix them (Co et al., 2006; Zungu, 1976). These challenges, therefore, have a bearing on the number of black people who can study formal entrepreneurship education in the country. According to the previous literature, entrepreneurship education is not fully incorporated into the existing curricula in primary schools or the institutions of higher learning. In their survey titled *"Entrepreneurship education in South Africa: a nationwide survey"*, Co and Mitchell, (2006) found that the majority of the institutions of higher learning in South Africa are offering entrepreneurship as a course in their institutions. On the contrary, Gwija et al. (2014) and Malebana, (2016) argued that Wits Business School, Pretoria University and Cape-Peninsula are amongst the few institutions in the country to offer full post degrees in Entrepreneurship and New Venture Creation.

Accordingly, numerous universities offer entrepreneurship-related courses in the country, however, they are offered as modules to other courses, as such, they might not have much impact on students that will foster entrepreneurship (Radipere, 2012). Scholars argue that the type of entrepreneurship education that is currently taught by universities does not necessarily encourage entrepreneurship, instead, it is **"Education about Entrepreneurship"** and it involves constructing and studying the theories that refer to the entrepreneurs, firm creation, the

contribution to economic development, the entrepreneurial process, and small middle-sized firms. It takes into account undergraduate, masters, and doctoral students, as well as policymakers and researchers. Moreover, it views entrepreneurship as a social phenomenon (Co et al., 2006).
The study argues that South Africa requires **"Education for Entrepreneurship"** that will address present and potential entrepreneurs to develop and stimulate the entrepreneurial process, providing all the tools necessary for new businesses to succeed (Co et al., 2006; Radipere, 2012).

2.4 Business Performance

This section discusses the firm performance entrepreneurship self- efficacy and their relationship with entrepreneurship education which is the independent variable of the study.

SMME performance is important to all economies; this is mainly because of the critical role played by this sector in the economy and the development of the country as a whole. The performance of the organisation relates to the efficiency and effectiveness with which it carries out the tasks in the process of providing products and services (Chimucheka, 2013). Firm performance is the most relevant and most critical construct in entrepreneurship research that is mostly used as a dependent variable. This becomes particularly pertinent in the South African context where the need for job creation has become a crisis. Statistics South Africa's results for May 2019 confirmed a 59% unemployment rate amongst the youth, as well as the high degree of stagnation in the country's economy (Statistics South Africa, 2019).

Previous researchers have argued that the firm performance constructs suffer from problems such as lack of consensus, selection of indicators based on convenience, and lack of consideration of its dimensionality (Bakar, Ramli, Ibrahim, & Muhammad, 2017). Some researchers on entrepreneurship performance often relied on measuring SMME performance using only the financial aspects of the business which tends to undermine the role of the non-financial aspects of the business, however other researchers have alluded to the importance of measuring both financial and non-financial aspects to get the overall picture of the business performance (Maduekwe & Kamala, 2016).

This study followed the multidimensional approach that considers both financial and non-financial performance. This approach has been proven to produce quality data, also it has been proven that the non-financial performance of the business contributes to the financial performance

and other studies back this phenomenon (Bakar et al., 2017). Furthermore, measuring the overall performance helped the researcher to fully understand the relationship between entrepreneurship education and the performance of the township businesses. Each of these aspects reveals important and unique information about the business (Maduekwe & Kamala, 2016).

Financial and non-financial performance constructs form part of the performance which is the main dependent variable in the study and is measured using the growth performance variable for financial performance and customer satisfaction for the non-financial performance variable (Selvam, et al., 2016). This is following the previous studies cited that the more profitable the firm is, the more it will remain sustainable and grow (Santos & Brito, 2012).

In the context of this study, performance measurement employed the Balanced Scorecard approach which integrates the overall firm performance. The researcher adopts this approach from the study conducted by Ahmad (2014) in Malaysia which provided insightful information. In the South African context, however, the literature on SMME performance following the Balanced Scorecard approach is still scarce (Maduekwe & Kamala, 2016). So far, most of the studies that have adopted this approach are from Asia and Kenya. One study conducted in Limpopo, South Africa, by Naude (2007) that assessed the SMME performance in the ICT sector, found that most of them did not measure non-financial performance, thus those results cannot be generalised across the country.

The Balanced Scorecard approach in this study was used to measure customer satisfaction as a non-financial variable and financial growth as a financial variable. These measures have been cited to be the most popular among the performance literature and can be generalised in many countries. Including South Africa (Maduekwe & Kamala, 2016).

2.5 Human Capital - Entrepreneurship Education

There is no universal definition for entrepreneurship education although this phenomenon has been in existence for some time now; to date, entrepreneurship education is defined to suit the needs of the audience and the society for which it is targeted. The idea of infusing entrepreneurship into education has spurred much enthusiasm in the last few decades. It is also defined, based on the types of activities with which the entrepreneurs are involved (Lackeus, 2015).

Entrepreneurship education is defined by many scholars as a life-long learning process that proceeds through at least five distinct stages of development; these stages include basic

competence awareness, creative applications, start-up, and finally, growth (Chimucheka, 2014). Entrepreneurship education provides the entrepreneur with the capabilities and essential skills to run the business which includes risk-taking innovation and self-efficacy.

At the higher education level, the entrepreneurship education course is referred to as a structured course that contributes towards the development of entrepreneurial knowledge, skills, and attitude among students to enhance their competencies which further increases firm performance (Botha et al., 2015). Literature has acknowledged the importance of these entrepreneurial competencies and they are viewed as the individual's characteristics, such as, specific skills, self-images, social roles, knowledge, motives, and traits, the outcome of which lead to the survival or growth of a firm. As such, entrepreneurial competencies are a necessity for a business owner to establish a successful firm (Minai, et al., 2018).

In today's economy, there is greater awareness of entrepreneurship education and training. Henry, Hill & Leitch (2005) cited that more people need to have entrepreneurial skills and abilities to deal with current challenges and an uncertain future. He also added that entrepreneurial knowledge, entrepreneurial attitudes, and intentions, capacity, and skills are developed by entrepreneurial education that is consistent with the requirements of the economy. Another group of scholars argued that entrepreneurship can be encouraged with the help of entrepreneurship education. For example, Gorman & Hanlon (1997) cited that entrepreneurial attitudes can be positively influenced by educational programmes (Gorman & Hanlon, 1997).

In the context of this study, entrepreneurship education is the main focus and an independent variable being investigated because previous literature, reviewed for this study, found EE to be a reliable tool to help increase firm performance and curb SMME failure rates. This view is also supported by previous scholars who cited that though one cannot be thought to be an entrepreneur they can be taught entrepreneurial skills (Jaafar & Aziz, 2008; Henry et al., 2005).

Entrepreneurship Education was first introduced in 1938 at Kobe University in Japan by Shigeru Fijii who was the first to teach in this field. In 1947, the Harvard Business School introduced the first course in entrepreneurship in the United States of America. As a result, in only a few years, the phenomenon of entrepreneurship had already gained a more universal recognition (Chimucheka, 2014). One of the reasons for it to gain popularity is due to the fact more scholars

in the field realised that entrepreneurship education enhanced the likelihood of identifying commercial opportunities (Van Burg et al., 2014).

Given the country's education history, as well as limited access to formal entrepreneurship education, the proposed objectives of entrepreneurship education should be to develop basic levels of the required entrepreneurial competencies for the entrepreneurs that will prepare them to run successful businesses (Eton et al., 2017). These competencies include knowledge, skills, and attitudes that affect the willingness and the ability to perform the entrepreneurial work of a new venture (Lackeus, 2015).

Chimucheka (2014) cited that entrepreneurship education seeks to prepare entrepreneurs to be responsible, enterprising individuals who become entrepreneurial thinkers and contribute to sustainable economic development. Entrepreneurship is the creation of new firms that uses novelty to enter existing or new markets while building healthy competition against the existing business (Omerala, 2018). GEM reports have alluded to the lack of adequate entrepreneurial skills for SMMEs in South Africa and this has emerged as one of the major barriers to entrepreneurial activity as well as the growth of businesses beyond three years (Urban, 2006; GEM, 2018).

Given the above scenario, this study proposes that through entrepreneurship education, the future SMME failure rate can be curbed in South Africa because previous research has proven that entrepreneurial skills can be developed (Omerala, 2018). South Africa is a developing economy, characterised by high levels of unemployment, as such, most of the entrepreneurs enter the field as a means of survival. Such entrepreneurs need to be encouraged and equipped with the necessary entrepreneurial skills for them to build successful businesses that will create jobs and can provide for themselves and their loved ones (Bureau for Economic Research, 2016; Chimucheka, 2014).

Education in general is critical for entrepreneurs in all different stages of the business as it is the source of self-confidence, self–efficacy, and self-worth (Eton et al., 2017). Consequently, Urban and Kongo (2015) cited that in many African counties, such as South Africa, Nigeria, and Ghana, governments have introduced policies not only to encourage entrepreneurship but to increase or create more human capital so that entrepreneurship can flourish. Table 1 provides a summary of the proposed skills that SMMEs in South Africa should acquire through the proposed entrepreneurship education. These sets of skills were adopted from Whitten and Cameron (2005)

who were able to group and give a summary of all skills that were common amongst previous researchers and authors (Omerala, 2018).

Table 1: Summary of proposed skills for SMMEs

Personal Skills	**Problem Solving Skills**
Internal Personal Skills	Conflict Management Skills
Group Skills	Leadership Skills
Additional Management Skills	Communication Skills

Source: Whetten and Cameron (2007)

2.6 Self –Efficacy

This section covers self-efficacy and entrepreneurial self-efficacy respectively. It dwells on the importance of these constructs in entrepreneurship research and how they have been successfully utilised by previous research to investigate entrepreneurial intentions, people's behaviors, and to distinguish between entrepreneurs and non-entrepreneurs. It further discusses the literature reviewed on self -efficacy and its relationship with firm performance upon which the study hypothesis and proposed conceptual framework was formulated.

2.6.1 General Self Efficacy

Perceived self-efficacy is defined as people's beliefs about their capabilities to produce designated levels of performance that exercise influence over events that affect their lives. Self-efficacy determines how people feel, think, motivate themselves, and behave (Bandura, 1994), as such, a strong self-efficacy enhances human accomplishment and personal well-being in many ways. People with high assurance in their capabilities approach difficult tasks as challenges to be mastered rather than as threats to be avoided (Bandura, 1994). In recent years, the self-efficacy construct has gained popularity amongst the researchers in entrepreneurial and economic research as it focuses on entrepreneurial self-confidence which is pertinent for new venture creation (Urban, 2006; Shaheen & Haddad, 2018).

Furthermore, it was concluded by Chen et al. (1998) that self-efficacy (SE) is suitable and ideal for studying entrepreneurship, due to the following reasons; first, SE is a task-related construct, meaning it changes with the changing tasks and is not a global dispostion. Second, SE can be used to study the entrepreneur's behaviour choice and effectiveness, due to its closeness to action and

action intention (Shaheen & Haddad, 2018). Some researchers advocated that self-efficacy should be domain-specific and context-specific for better results. The more specific one can make measurements of self-efficacy, the more explicit the results will be.

As such, the construct of Entrepreneurial Self–Efficacy which is specific to entrepreneurship that is discussed in the next section was employed by the study to assess self-confidence levels of entrepreneurs in the Gauteng townships in running successful businesses.

2.6.2 Entrepreneurship Self- Efficacy and Entrepreneurship Education

Emanating from General Self-Efficacy in entrepreneurship literature, entrepreneurship SelfEfficacy (ESE) was developed by researchers to understand factors that would influence one to become an entrepreneur (McGee et al., 2009). Entrepreneurial Self-Efficacy appears to be an important intercession for new venture intentions and is also employed to study the existing entrepreneurs as well. Bird (1988); Boyd and Vozikiz (1994); Li and Jing (2008) agreed that ESE is a construct that measures a person's belief in their ability to successfully launch an entrepreneurial venture. ESE is particularly useful because it incorporates personality as well as the environmental factors and is thought to be a strong predictor of intentions (Newman et al., 2019).

Bandura (1997) cited that ESEs refers to the individual's belief in the ability to perform certain tasks, furthermore he stated that ESE is useful for determining an individual's choice, level of effort, and strong will. This particular argument is following the objective of this study which seeks to understand the self–efficacy levels of the township entrepreneurs and the reasons why they are failing or discontinuing operations within the first three years. By employing self-efficacy measures, the study presents an opportunity to establish psychological reasons to better understand why small enterprises in South Africa are not growing exponentially even though they have been in existence for more than three years (Miao et al., 2016).

According to the series of the GEM survey results, a low level of Entrepreneurial Activity amongst South Africans has been observed for a number of years ((Bosman, Jones, Autio, & Levie, 2007., Herrington et al., 2017; GEM, 2018 Turton & Herrington, 2013). The findings from the GEM report 2013 indicated that the country had a very low percentage of people who believed that they have entrepreneurial capabilities (40%) and who have entrepreneurial intentions (14%). Also, a

paper by Urban (2006) which sampled about 3500 MBA students with work experience found that 73% of the participants believed that they did not possess entrepreneurial skills and only 24% believed that they do. Conversely, the findings from the study conducted by Malebana and Swanepoel (2014) that sampled university students that were exposed to formal EE suggested that EE enhances perceptions of ESE which in turn influences the intention to start a business.

The above findings could be attributed to the history of the education system in South Africa during the apartheid era, thus this study assumes that there is a chance that the majority of entrepreneurs from the townships might have not have accessed entrepreneurship education to equip them with adequate entrepreneurial skills that are required by the new venture (Chimucheka, 2014; Radipere, 2012). Previous research has found that individuals start new ventures based on the belief that they have the necessary skills and knowledge to do so, thus ESE is the degree to which individuals believe that they have the necessary skills to start a new business venture (Bosman et al., 2007).

The empirical research on ESE found that a positive relationship exists between ESE and the entrepreneur's education levels (Eton et al., 2017). Some authors argue that EE is significantly linked to ESE and entrepreneurial intent intentions as it encourages students to start their businesses (Baron, 1998; Fayolle & Gailly, 2015; McGee et al., 2009). This is in line with Gist and Mitchell's (1992) suggestion that unlike personality traits, self-efficacy can be developed through education and training. Accordingly, Newman et al., (2019) cited that individuals with high self-efficacy levels for a certain task are more likely to pursue and then persist in that task than those individuals with low self–efficacy.

Some studies in the entrepreneurship field also suggest that an individual's ESE can be improved through training and education, thus the study proposes that EE should be considered in the South African context as a tool to facilitate and improve ESE levels for the owners of the existing businesses and to potentially improve their entrepreneurial activities (Newman et al., 2019; Bakar et al 2017; Gist & Mitchell, 19921). This vie is further supported and recommended by Urban (2006) that in South Africa, education and training must not only focus on technical and managerial skills but also self people's self-beliefs.

Furthermore, Henry, Hil, and Leitch (2005) reported that there is a consensus amongst some researchers that some aspects of entrepreneurship can be successfully taught. The United States

Small Business Administration (2006) reports that there has been enormous increase in the volume of empirical research of entrepreneurship education, especially research focusing on entrepreneurial intentions as the foundation of entrepreneurial behaviour (Malebana & Swanepoel, 2014). According to Fayollle (2004), EE facilitates the creation of start-ups by changing the student's mindsets and developing their entrepreneurial orientation measured through entrepreneurial intentions. Zhao, Hills, and Siebert (2005) assert that entrepreneurship courses should incorporate a variety of learning experiences that promote the development of self-efficacy.

As such, this study investigates the self–efficacy levels of the township entrepreneur, and in the event where the findings suggest that the self–efficacy levels are low, then entrepreneurship education might be one of the possible tools that will be recommended to remedy the situation.

Furthermore, numerous studies have found that a positive relationship exists between entrepreneurial skills and firm performance and that entrepreneurship education is the favourable tool to facilitate these skills (Adgboye et al., 2016; Bechard & Toulouse, 1998; Bakar et al., 2017; Cho & Lee, 2018).

Thus this study, therefore, hypothesised that :

H1-Entrepreneurship education positively influences the financial growth performance of the township entrepreneur

H2 -Entrepreneurship education positively influences non-financial performance on customer satisfaction of the township entrepreneur.

2.6.3 Entrepreneurial Self–Efficacy and Business Performance

Specifically, the entrepreneurial self-efficacy construct in entrepreneurial research was used to examine a leader's influence towards firm performance and sustainability since entrepreneurship can be achieved through human effort, knowledge, and skills (Bakar et al., 2017). This is mainly because entrepreneurs have an important role to play in the economy and the well-being of society. This is also connected with the fact that entrepreneurs with high self-efficacy are more likely to respond positively to this role (Baron, 1998). Furthermore, this is in line with the conclusion by many researchers' understanding that individual influence will go a long way in identifying the

most needed entrepreneurial self–efficacy in a particular sector. Thus, employing ESE in this study was quite pertinent (Bakar et al., 2017; Bayon, Vaillant, & Lafuente, 2014; McGee et al., 2009).

Literature in the phenomenon of ESE has identified five important components which are Marketing ESE, Management ESE, Financial control ESE, Innovation ESE, and Risk-taking ESE. This study only measured marketing ESE and risk-taking ESE (Bakar et al., 2017). The rationale behind this decision was informed by numerous reasons pertinent to the present study, firstly, the literature reviewed for this study from which the problem was formulated indicates that in South Africa, the high failure rate of businesses within the first three years is somewhat related to the lack of EE and ESE (Chimucheka, 2014; Co & Mitchell, 2006; GEM, 2018; Gwija et al., 2014; Ndlovhu et al., 2017; Herrington et al., 2017).

Secondly, the latter part of the purpose of the study was to investigate efficacy levels of the township entrepreneurs in starting and running successful businesses, as such the purpose of the ESE Marketing domain in the study was to ask task-related questions from the owner about the business. This domain asks direct questions about the owner's ability to set and meet market share goals for their businesses, the ability to establish a position in the market as well as the owner's ability to expand the business (Chen et al., 1998).

On the other hand, the ESE Risk-taking domain was utilised to assess the owner's ability to take calculated risks for the business, their ability to work under pressure, and to make business decisions under uncertainty and risk conditions. Finally, the sample of the study included businesses that have been in existence for a minimum period of one year as such the study assumes that they might not be in a position to adequately respond to some of the questions from other domains such as ESE Financial Control, Innovation and Management due to the age of their businesses and it was in the interest of the study to accommodate all the participants fairly and equally (Chen et al., 1998).

Understanding ESE is vital in the entrepreneurship ecosystem as it not only explains the behaviours of those willing to be entrepreneurs but those who are already entrepreneurs (Li & Jing, 2008). With that said, in the past few years, a couple of studies were conducted by different researchers and their findings validated the reliability of the ESE construct. Bird (1998); Boyd and Vozikis (1994) also found that there is a positive relationship between the self–efficacy of the owner and the firm performance. Furthermore, a meta–analysis by Mia et al. (2016) assessed a

total sample of 26 participants to ascertain that ESE has a significant effect on firm performance and the findings were positive. As such, ESE is vital in predicting entrepreneurial activities and also the outcomes thereof (Bakar et al., 2017; Selvam, Gayathri et al., 2016).

In light of the above arguments, the study formulated the following hypothesis:

H3- Entrepreneurship education positively influences entrepreneurial self-efficacy marketing of the township entrepreneur.

H4-Entrepreneurship education positively influences entrepreneurial self -efficacy risk-taking of the township entrepreneur.

2.7 Development of the Conceptual Framework of the study

Preceding from the literature reviewed and the theoretical foundations discussed in the previous sections, the study developed a conceptual framework that explains the critical role entrepreneurship education plays to influence the overall performance and self-efficacy of the entrepreneur. The study's conceptual framework is the researcher's model that was adapted from the previous research on a similar topic (Minai et al, 2018; Chimucheka, 2013). Additionally, a conceptual framework has been directly linked with the hypotheses of the study, as such, it was used as the campus and the tool that guides the research including the research instrument used in the study.

The study has three key variables that are used as the building blocks for the conceptual framework and these include entrepreneurship education the only independent variable in the study, as well as performance and entrepreneurial self-efficacy which are the two dependent variables. These variables have been found from previous research to have either a have strong or a significant influence on SMME performance and self-efficacy in establishing successful businesses (Bakar et al, 2017; Botha, et al., 2015; Miao et al., 2017). The dependent variables are further split into two to accommodate all the hypotheses investigated by the study, the performance was split into financial performance (H1) and non-financial performance (H2), whilst entrepreneurial self-efficacy was split into entrepreneurial self-efficacy marketing (H3) and entrepreneurial self-efficacy risk-taking (H4).

The rationale of the conceptual framework was to enable the researcher to ask in-depth information pertaining to the purpose of the study. The conceptual framework of the study is located in figure 1 below.

Figure 1 presents the conceptual framework of the study with the hypotheses.

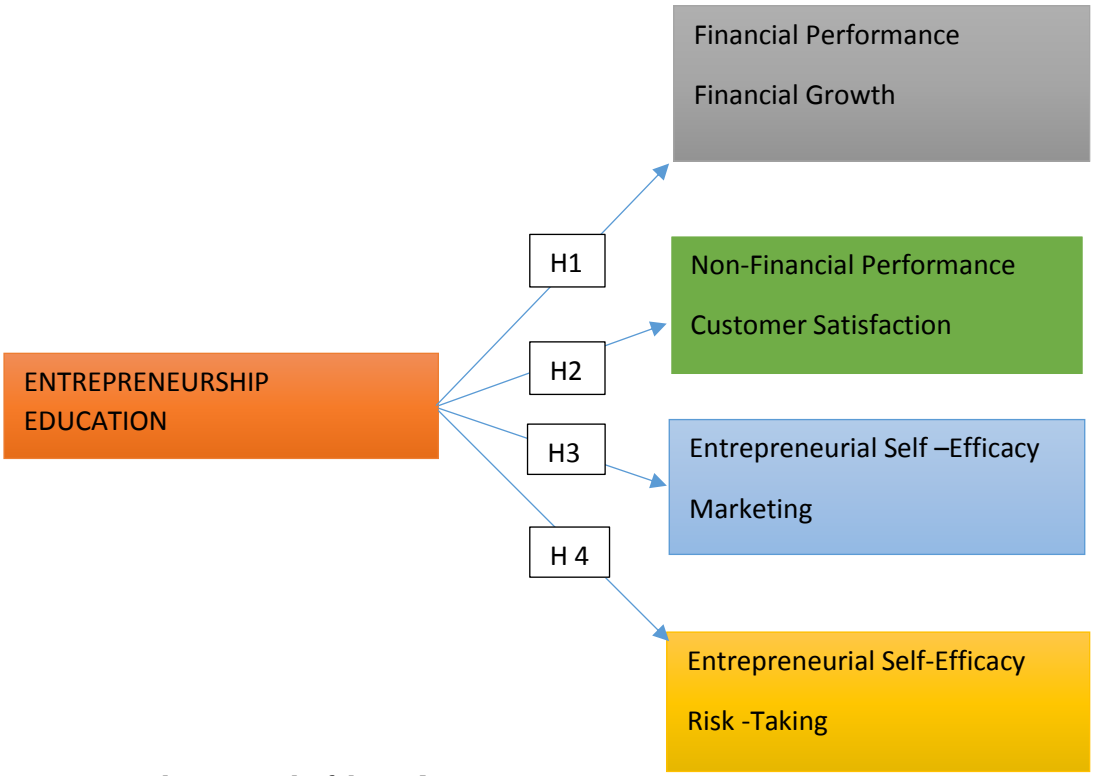


Figure 1: Conceptual Framework of the study

Source: Researcher's own (adapted from Minai et al, 2018; Chimucheka, 2013)

2.8 Chapter Summary

This chapter began by highlighting the role and the importance of entrepreneurship education as a tool that can be used to develop sustainable enterprises that will contribute significantly to resolve the country's socio-economic challenges such as job creation, poverty alleviation, and creating better lives for others. It continued to provide the background of South Africa's basic education system during the apartheid era which saw the then government using Bantu education for black South Africans living in the townships. Drawing from the existing literature, this chapter detailed how the township communities were kept from attaining formal education but were prepared to be servants instead. In this section the study also gave an overview of the country's current education

system pertaining to entrepreneurship education, literature reviewed on the phenomenon has cited there are still fewer institutions of higher learning in the country that are teaching entrepreneurship education in the country.

At the heart of this chapter, previous literature on the study variables namely entrepreneurship education, business performance, and entrepreneurial self-efficacy was reviewed and discussed. After that their relationships were examined and discussed concerning the purpose of the study, as such these variables were operationalized to answer the research questions. Entrepreneurship education is the independent variable of the study which examined the type of education the participants received before starting their businesses. Business Performance is the main dependent variable that examined the overall performance of the participants and the second dependent variable self-efficacy was employed to examine the confidence levels of the owner in establishing successful businesses.

The chapter concluded with the formulation of the hypotheses of the study from the literature reviewed, as well as the conceptual framework before proceeding to the next phase, the research methodology.

Chapter 3: Methodology

3.1 Introduction

This chapter outlines the research paradigm and the research design that was followed in the study. It also briefly explains the research instrument that was used, how the researcher dealt with data reliability and validity; lastly, it communicates how the study handled the issue of ethics. This study followed a quantitative research design.

3.2 Research Paradigm

This study employed quantitative research, an approach used for testing objective theories by examining the relationships among variables. These variables, in turn, can be measured, typically on instruments, so that numbered data can be analysed using statistical procedures (Creswell, 2013). The advantage of this approach is that each step is homogeneous to diminish prejudice when gathering and analysing data and its results are valid and generalisable to a larger population. However, this approach is not without limitations, the first limitation of the quantitative approach is that results provide numerical descriptions, contrary to an exhaustive narrative and thus provide less intricate accounts of human perception (Almeida, 2017).

This study adopted a positivist research paradigm that relies heavily on experimentation. As such, hypotheses were put forward in a propositional or a question form about the causal relationship between the two phenomena. Empirical evidence was then analysed and formulated in the form of a theory that explains the effect of the independent variable on the dependent variable (Rehman, 2016; Saunders et al., 2009).

This approach was therefore found to be suitable to the purpose of this study which was to establish the influence of entrepreneurship education on performance and entrepreneurial self-efficacy of the township entrepreneurs. This was achieved by conducting an online survey and sending questionnaires to the entrepreneurs in the townships. The limitation of using this approach lies in the fact that the methods lack depth as it uses numerical data as researchers want as short answers as possible. Another limitation of this approach is that data may lack validity as it is summarised collectively and statistically; it can distort reality and the full picture may be lost (Almeida, 2017; Kumar, 2014).

3.3 Research design

A research design is defined as a framework of methods and techniques chosen by a researcher to combine various components of research in a reasonably logical manner so that the research problem is efficiently handled (Kumar, 2014).

To investigate the relationship between entrepreneurial education, firm performance, and entrepreneurial self-efficacy for township entrepreneurs, the researcher followed a cross-sectional approach, a commonly used design in the social sciences. The cross-sectional approach was best suited for the study as it was employed to validate relationships among variables of the existing theory in a township context in Gauteng. Furthermore, the cross-sectional approach is useful in obtaining an overall picture as it stands at the time of the study (Saunders et al., 2009; Bryman, et al., 2014).

The advantage of this approach is that it allows the researcher to collect primary, original, current, and realistic data (Almeida, 2017). Lastly, the study is based in Gauteng and the respondents were drawn from the Gauteng Enterprise Propeller's database, as such, it was not that difficult to convince the targeted respondents to participate in the survey. The limitation of the cross-section design is the fact that the cause and the effect cannot be determined but this is not what the study's objective was about, so it is suitable to achieve this study's objectives.

3.4 Population

The research population refers to a broad community from which a sample can be drawn (Bryman, et al., 2014). The Gauteng SMME population is broadly scattered across the five provincial corridors which include Ekurhuleni, Johannesburg, Tshwane, Westrand, and Sedibeng respectively. Furthermore, this population consists of urban, township and industrial geographies, amongst others. Gauteng Enterprise Propeller is an agency of the Department of Economic Development and its mandate is to propel SMMEs financially and non-financially to participate in the mainstream economy.

The Gauteng Economic Development strategy framework 2014 cited that township enterprises have the potential to contribute immensely to the provincial economy and the social value of the township communities (GDED, 2014). According to the GEP database of 2019, there was a total

of 3500 registered businesses that are based in the townships across the five regions. Although this database does not include all the enterprises in the province, the number was sufficient and representative of the population required by the study.

3.5 Sampling strategy

The study only targeted formal businesses that met all the company registration requirements as stipulated by the government. These include a company being in a possession of a Tax Clearance certificate, CIPC registration, and a CK number. Furthermore, the companies should have been operating for a minimum period of one year. The company representatives must be the CEOs or owners of the company because they are the main interest group of the study (SEDA, 2018).
Table 2 gives a summary of the sample characteristics.

Table 2: Characteristics of the Sample

Variables	Description
Target Population	**Business Owners**
Geographic Location	**Gauteng**
Sample Size	**150**

3.6 Sample size

A good sample, according to Bryman, et al. (2014), is one that represents the entire population from which it is drawn, allows minimal bias and error since it is acknowledged that bias and error cannot be eliminated, and is one that can be generalised.
The sample was a random selection of 300 SMMEs to reach the sample size of *N* 150 SMMEs. This is per Saunders et al. (2009)'s sampling fraction, which is one-twentieth of the population.

3.7 Sampling frame

The targeted participants were the registered SMMEs from the Gauteng Enterprise Propeller. The rationale for this decision is mainly because the researcher has access to the database. This sample included all registered businesses that are operational and are currently receiving or have received any form of business development support from GEP, or other BDS providers. Furthermore, these businesses should have been in existence for a minimum period of one year.

The study preferred the participants to be the business owners themselves as they were expected to provide better insights on the constructs being measured. The rationale behind this selection was that the researcher assumed that since these businesses had been operating for a minimum period of one year, they might have received some type of entrepreneurship education or attended a business accelerator programme at either GEP or with any other BDS provider (SEDA, 2016). Furthermore, this reasoning is in line with the problem that the study identified which is the failure rate amongst entrepreneurs within the 42 months (SEDA, 2018).

The study only focused on SMME owners who are between the ages of 18 and 64; this age group was adopted from the GEM indicator that is used in their surveys when assessing SMMEs' total entrepreneurial activity in the economy (Herrington et al., 2017). The age group was also used in this study as a control variable.

3.8 Measuring Instrument

The data in this study was collected by way of a questionnaire containing a total of 28 pre-determined questions. Because the survey was quantitative, all the questions were close-ended to ensure the quality and accuracy of the responses (Kumar, 2014).

The questionnaire design rationale was based on the purpose of the study which was to investigate the extent of the relationship between entrepreneurial education and business performance of township entrepreneurs. Furthermore, the study investigated the relationship between entrepreneurship education and entrepreneurial self-efficacy.

The instrument was adapted from previous studies. Firstly, for the entrepreneurship education construct, the study used a combination of two instruments as a benchmark to design specific questionnaire items to be covered by the study. The rationale for this approach is that although education falls within the human capital theory which is one of the theories that underpin the study, the existing scales under this theory were not suitable to be used as they are, in the context of this study. Thus, the study formulated new sub-constructs under entrepreneurial education which were

guided by these previous studies. The two studies are by Njiro, Mazwai, and Urban (2010) and Njambi (2016).

Entrepreneurial self-efficacy was adapted from Chen et al., (1998) and business performance was adapted from several authors (Cho & Lee, 2018; Ngek, 2015; Urban, 2006). All the items from these instruments were used in their original form. A 7-point Likert scale, ranging from strongly disagree (1) to strongly agree (7) was used to measure the variables.

The study had one independent variable, entrepreneurship education, which was measured by a total of eleven items. Also, entrepreneurship education had three sub-constructs, namely, *accessibility* with four items, *affordability* with three items, and *relevance* with three items. The first dependent variable was business performance which was subdivided into *financial growth* performance with **three** items and *non-financial firm performance customer satisfaction* with **six** items. The second dependent variable was entrepreneurial self-efficacy, of which only two of the five dimensions were measured in this study. These dimensions are *marketing ESE* with **four** items and *risk-taking ESE* with **four** items. The questions were formulated in line with the objectives of the study and the findings thereof were used to address the hypotheses of the study.

The main advantage of using a questionnaire as the data collection method is that it is cost-effective, convenient, and saves time. It also offers greater anonymity as there is no face-to-face interaction between respondents and interviewer. In some cases, where sensitive questions are asked, it helps to increase the likelihood of obtaining accurate information (Kumar, 2014). The limitation of using a questionnaire for data collection is that it is only limited to the population that can read and write. Furthermore, questionnaires are known for the low response rate; some people may fail to return them which might reduce the sample size (Kumar, 2014).

3.9 Procedure of Data Collection

Positivism, the worldview that guides this study, favours the questionnaire because it is a detached and objective, and an unbiased method where the sociologist's involvement with the respondent is kept minimal. Questionnaires are useful for hypotheses testing about cause and effect

relationships between variables because the fact that they are quantifiable allows for the researcher to show correlations (Creswell, 2013).

For this study, data was collected through an online survey, a standard questionnaire was designed in Qualtrics and distributed to the participants via email and WhatsApp messages. The survey was sent using an anonymous link and the respondent IP addresses were tracked to avoid multiple participation.

The survey was sent to SMMEs in the second week in December 2019 upon obtaining the ethics clearance certificate from the faculty. The researcher anticipated that the data collection process would take a period of two to four weeks to complete, after which the data analysis would begin, however, this process took longer than the anticipated period as it ended up taking a total of six weeks which meant that there was an extra two weeks that was added to the data collection process.

3.10 Validity and reliability

3.10.1 Reliability

Reliability refers to the degree by which the instrument employed consistently measures what should be measured. The Cronbach Alpha, a measure of internal consistency, was used on the questionnaires to test for reliability (Rehman, 2016). Cronbach Alpha of 0.5 up to 0.8 is regarded as the sufficient and accepted indicator of the measures. The test can be dependable and yet still not valid, this then suggests that although reliability is critical, it is not necessarily an adequate condition for validity (Field, 2013).

3.10.2 Validity

Validity is an indication of how sound the research instrument is, more specifically, validity applies to both the design and method of the research (Rehman, 2016). As such, controlling for all factors that may threaten validity is pertinent for achieving good research. In this study, exploratory factor analysis (EFA), a statistical method, was employed to identify underlying relationships between measured variables (Field, 2013). Thus, all participants were surveyed to determine the relationship between EE and Business performance as well as their self–efficacy levels.

3.11 Data analysis

According to Kumar (2014), the first step to data processing is to ensure that the data is clean and free from inconsistencies and incompleteness. This step is referred to as data screening in research, as such this study adopted the data analysis stages outlined by Zikmund (2003). Figure 3 presents the data screening stages that were followed by the study.

Stages in the data analysis

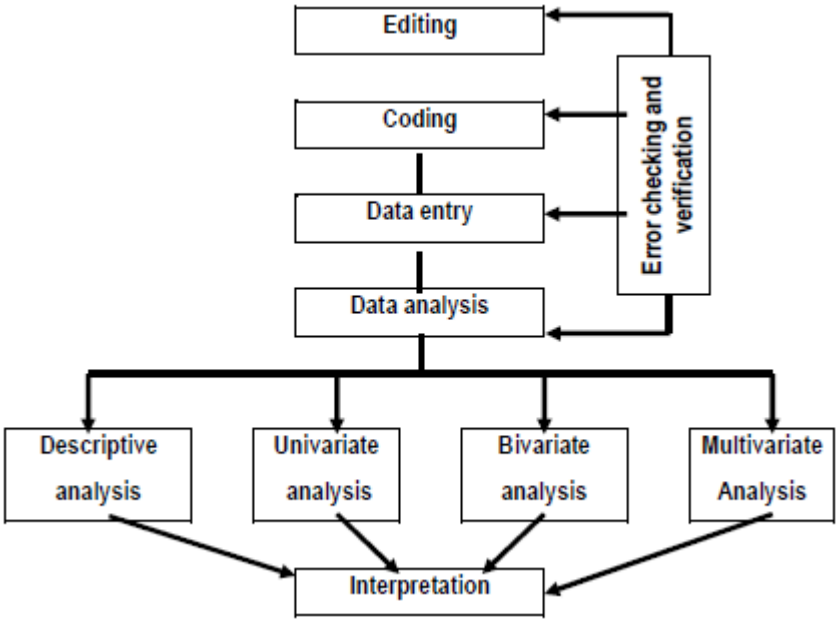


Figure 2: Stages in data analysis

Source: Zikmund (2003)

During data screening, completed questionnaires were carefully scrutinised to identify and minimise as far as possible, errors, incompleteness, misclassification, and gaps in information obtained from the respondents. Those with missing values were eliminated. Of the 150 returned questionnaires, three were incomplete, thus the study ended up with a sample *N* of 147.

When this step was complete, the data was then transferred to SPSS software for coding of the constructs. Coding is one of the most important steps whereby grouping and assigning of values takes place. In this study, the researcher was mainly interested in knowing the age and gender ranges of the respondents, as well as the ages of their businesses.

Data screening was subsequently followed by the actual data analysis, and the study employed descriptive analysis which was used to find absolute numbers to summarise individual variables and find patterns using the mean and the frequency.

The second level of data analysis employed by the study was inferential analysis which was used to show the relationships between multiple variables to generalise results and to make predictions. The purpose of the study was to establish a relationship between two variables, as such, two statistical techniques, Correlation, and Regression analysis were employed (Bryman et al., 2014).

3.11.1 Correlation analysis

According to Field (2013), correlation is a statistical measure that indicates the extent to which two or more variables move together. A positive correlation indicates the extent to which those variables increase or decrease in parallel, a negative correlation indicates the extent to which one variable increases as the other decreases. Thus, correlation analysis was done for all the variables that were measured by the study. The study rationale is adopted from Cho and Lee (2018) who ran a similar analysis for their study titled *"Entrepreneurial orientation, entrepreneurial education and performance".* They cited that the correlation results would only be considered valid at the 1% level.

3.11.2 Regression analysis

This study measured a relationship between entrepreneurship education and firm performance, as well as the relationship between entrepreneurship education and entrepreneurial self-efficacy; this means that there were two dependent variables, therefore, a simple linear regression analysis was employed. According to Uyanik and Guler (2013), regression analysis is performed to determine the correlation between two or more variables having cause-effect relations and to make predictions for the topic by using the relationship.

The existing literature on data analysis suggests that regression models with one independent variable and more than one dependent variable are called multiple linear regressions. Thus, this method was suitable for the nature of this study (Uyanik & Guler, 2013). Simple Linear regression

was used to predict the value of the dependent variables, based on the values of the independent values (Bryman et al., 2014; Field, 2013). The study results are presented in detail in chapter 4 of the report.

3.12 Ethical Consideration

When collecting data using questionnaires there are some ethics that must be observed by the researcher (Creswell, 2013). The researcher ensured that data was gathered ethically by obtaining participants' informed consent. The researcher also made sure that the participants were informed about the purpose of the research.

The researcher ensured that participants understood their role, they were informed that they were not obliged to participate, and they were assured that their information would be kept confidential and anonymous.

Other important considerations included:

- Obtaining the consent of participants before conducting the study.
- Ensuring that the study poses no harm (intended or unintended) to participants.
- Ensuring that there is no invasion of respondents' privacy.
- Ensuring that confidentiality and anonymity are maintained.
- Ensuring no misrepresentation that can lead to deception (Creswell, 2013).

The ethics clearance was obtained from the ethics committee in December 2019, after which the survey started (Kumar, 2014; Creswell, 2013).

3.13 Chapter Summary

This chapter focused on the research methodology covering the research philosophy and paradigms. This study was quantitative and it adopted the positivist philosophy. Data were collected using self–administered on-line questionnaires and the respondents were entrepreneurs. Participants were randomly selected from the Gauteng Enterprise Propeller database. The population of interest was the Gauteng Township-based SMMEs and a sample of 500 SMMEs was achieved with 147 usable responses.

Data was first screened and cleaned to ensure integrity and quality including incomplete questionnaires. It was also tested for violation of assumptions and it was found that no assumptions

were violated. The reliability and validity of the measurement scales were tested and it was found that they were reliable and valid. Those that did not meet the requirements were excluded from any further analysis. The study performed factor analysis, bivariate correlation, and simple regression analysis which were the last three steps for data analysis, and the results are presented in the next chapter of the study.

Chapter 4: Presentation of the results

4.1 Introduction

Following the research methodology discussed in the previous chapter, this chapter presents the results of the study. This offers responses to the research questions and the hypotheses, furthermore, it affords a basis for either endorsing the suggested relationships or rejecting them. The discussion begins with a summary of the data screening process, followed by the presentation of the demographic characteristics of the respondents, followed by the descriptive analysis, exploratory factor analysis, sample adequacy, reliability, and correlations. It concludes with the presentation of hypotheses tests and the chapter summary.

4.2 Data Screening

One of the vital steps to undergo when data collection of a study has been completed is data screening which precedes the data analysis process. This step needs to take a series of steps that will enable a reader to follow and understand how the data were cleaned and analysed (Creswell, 2014). The study adopted the data screening stages in line with the research methodology chapter.

Although this study utilised the online survey tool to collect data, it is imperative that data editing is conducted to ensure the highest level of data integrity to guarantee that collected data is complete, accurate, and appropriately coded (Schindler, 2019).

Approximately 500 questionnaires were sent out to randomly selected SMMEs from the GEP database. Of those questionnaires, only 150 responses were received which represents 30% of the total sample. The raw data were exported from Qualtrics to Microsoft Excel for screening and cleaning purposes (Schindler, 2019). The purpose of this step was to ascertain data quality before exporting it to SPSS for statistical analysis.

All other fields not relevant for the study were removed (i.e. date, IP addresses, progress, duration, location) and relevant data were labelled according to their categories. All items were coded according to their constructs as suggested by Field (2018).

4.3 Demographic profile of the respondents

This section represents the demographic profile of the respondents which included, gender, age of the respondents, and ethnicity, whilst the business profile only looked at the age of the businesses, as this was an important component of the study**.**

4.3.1 Gender

The sample was made up of 147 respondents and the data indicates that the majority of the respondents were female who accounted for 52.4% whilst the male respondents accounted for the remaining 47.6%.

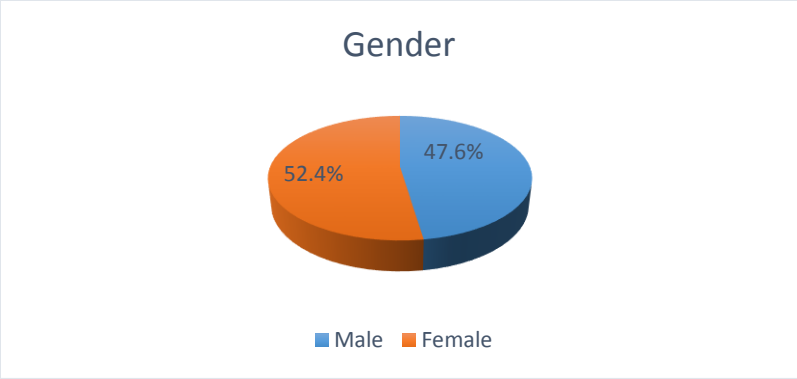


Figure 3: Gender

Source : Primary data

4.3.2 Age of the respondents

A large proportion of the study respondents came from the 31-35 age range at 31.3% followed by the 36-40 age range at 17.7 %, whilst the youngest group of the participants only accounted for 9.2 % of the respondents. The older age range of the sample 46-50 and 51-55 also accounted for smaller percentages of 8.8% and 4.1% respectively, as indicated in figure 4.

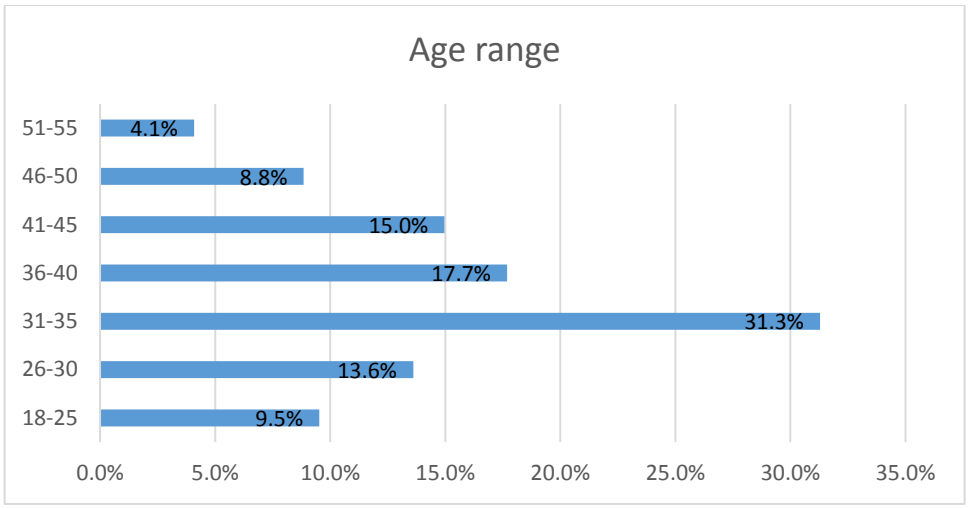


Figure 4: Age range of the respondents

Source : Primary Data

4.3.3 Ethnicity

Figure 6 indicates that the study respondents were 98.0% African whilst the remaining 2% was shared by White and Coloured respondents. The coloured respondents had the smallest proportion of respondents which was less than 1%. Ethnicity results are presented in figure 5.

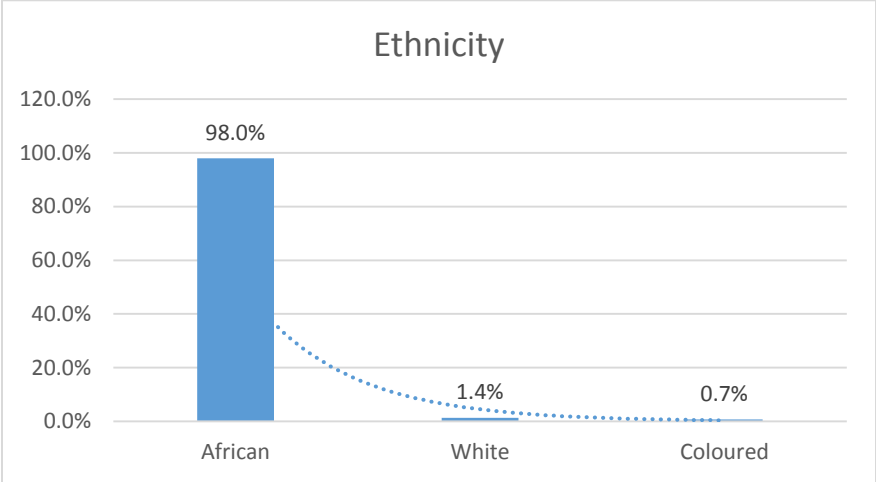


Figure 5: Ethnicity of the respondents

Source : Primary Data

4.3.4 Age of the Business

A large proportion of the study respondents were businesses between the ages range of 3-4 years at 31.3% and 1-2 years at 29.3% respectively. The lowest percentage was from the businesses that are beyond 10 years being 11-12 and 13 years plus at 4.8% to 1.4 % respectively, as indicated in figure 6

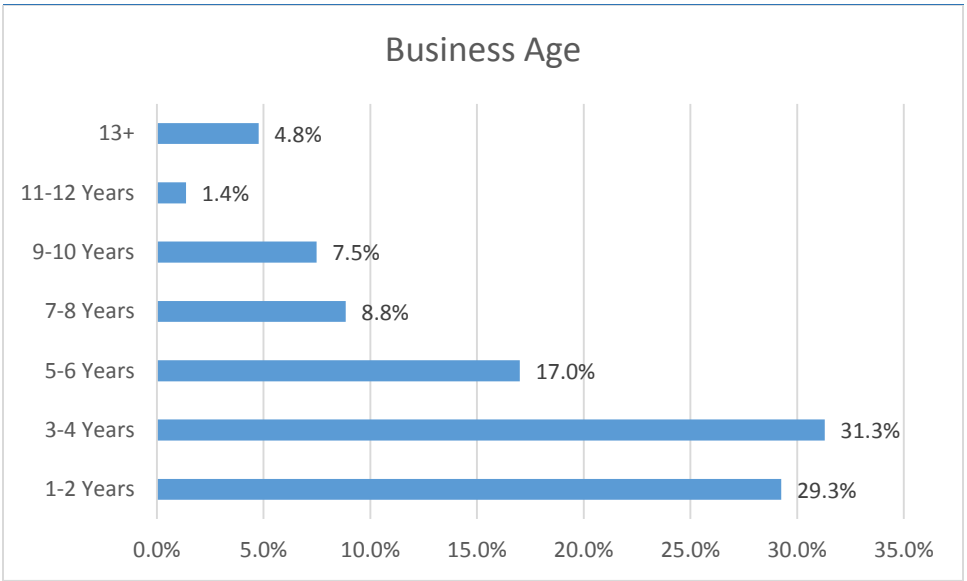


Figure 6: Business Age

Source : Primary data

4.4 Descriptive Analysis

In this section, the description of the sample characteristics is analysed and presented. The analysis includes the description of the main features of the study sample, as well as the constructs that were investigated by the study.

4.4.1 Descriptive Analysis of the sample

Descriptive statistics are used to describe the main features of the collection of data in quantitative terms. The mean measures the average of a component in question, while the standard deviation measures its variability from the mean. The main features of the study population were the age of the owner and the business, as such, descriptive statistics were used to give a summary of these variables.

Firstly, for the age range of the respondents, 1 was the number assigned to the youngest group of the participants 18-25, and 7 was assigned to the oldest group 51-55. For the business age range, 1 represented businesses that have been in existence for 1-2 years and 7 represented all businesses older than 13 years. The results showed that the mean of the age range of the respondents and business age is 3.58 and 2.57 respectively. When matching this with the data, it shows that the average age range of the respondents is between 31 and 35, and the age of their businesses ranges between 4 and 5 years. The standard deviation for age is 1.557 whilst the standard deviation of the business age is 1.609. This means that 68% of the respondents were between the ages of 26 and 40 years and that 68% of the businesses' age ranges were between 1 and 8 years. The summary of the descriptive is presented in table 3 below.

Table 3: Descriptive statistics summary

Descriptive Statistics					
	N	**Minimum**	**Maximum**	**Mean**	**Std. Deviation**
Age of the respondents	**147**	**1**	**7**	**3.58**	**1.557**
Business Age	**147**	**1**	**7**	**2.57**	**1.609**

Source: Primary Data

4.4.2 Descriptive analysis of the constructs

Descriptive data was further utilised as the means to analyse and explain the constructs of the study to understand the pattern of the responses to the questions. The constructs of the study are entrepreneurship education, business performance, and entrepreneurial self-efficacy. Entrepreneurship education was the independent variable and it had three sub-constructs which are entrepreneurship education accessibility, entrepreneurship education affordability, and entrepreneurship education relevance.

4.4.2.1 Entrepreneurship education accessibility

This sub-construct had five questions that were formulated to establish if the respondents had access to any form of entrepreneurship education before or after establishing their businesses.

In the first question, respondents were asked if they received entrepreneurship education and this item is operationalised as (EE_acc_1) in table 4.4. The results revealed that only 6.8% of the 147 respondents indicated that they have never accessed entrepreneurship education, whilst 43% agreed that they have accessed EE. The second question (EE_acc_2) asked the respondents to choose the type of training they received. The results revealed that 7.5% of the respondents indicated that they had attended an Incubator programme, whilst 27.9%, which is the highest proportion of the respondents in this question, indicated that the qualifications they have received were not in the options that were listed in the questionnaire. 22% indicated that they received a certificate in business management, and 13.6% indicated that they had attended the entrepreneurship and new venture creation programme.

In the third question (EE_acc_3), respondents were asked to indicate the duration of their qualifications between 1-3 months up to 19-24 months or more and the last option was the other. The results revealed that the highest proportion of the respondents were those who chose other as the option at 25.9% whilst those who attended courses that were between 19 -24 months only accounted for 9.5%. Another high proportion were those that attended 1-3 months courses at 23.8%, followed by those who attended 9-12 months' courses at 20.4%.

The fourth question (EE_acc_4) asked the respondents if they had completed their qualification and the results revealed that more than 50% had completed with 44.9 % of them agreeing and 32% strongly agreed. Those who did not complete accounted for a smaller proportion of 6.8% and 7.5% respectively.

The last question asked the respondents to indicate the type of institution from which they obtained the qualifications (EE_acc_5), a proportion of 30.6% of the respondents indicated that they attended a different institution from the options listed on the questionnaire, whilst 17, 7% indicated that they received training from government development agencies, another 17% they attended a private university, whilst 10.2% went to a university of technology, 12.2% attended a SETA programme, 9.5% went to a private college and only 2.7% attended a FET College.

The summary of results on entrepreneurship education is located in tables 4-12.

Table 4: Entrepreneurship Education Item 1

EE_acc1: Did you receive entrepreneurial education before?

Scale	Percentage of the Respondents
1.Strongly Disagree	6.8%
2.Disagree	10.9%
3.Somewhat Agree	3.4%
4Neither Disagree or Agree	4.1%
5. Somewhat Agree	15%
6.Agree	43.5%
7. Strongly Agree	16.3%
Total	100%

Table 5: Entrepreneurship Education Item 2

EE_acc_2: Please choose the type of training that you have attended amongst the options listed below.

Options	Percentage of the Responses
1.Entrepreneurship and New Creation	13.6%
2.Certificate in Business Management	22.4%
3.Business Plan Preparation Training	6.1%
4.Marketing Skills Training	14.3
5.Business Accelerator Programme	8.2%
6.Incubator Programme	7.5%
7. Other	27.9%
Total	100%

Table 6: Entrepreneurship Education Item 3

EE_acc_3: What was the duration of the qualification?

Options	Percentage of the Responses
1.1-3 Months	23.8%
2.4-6 Months	10.2%
3.7-8 Months	3.4%
4.9-12 Months	20.4%
5. 12-18 Months	6.8%
6.19-24 Months	9.5%
7. Other	25.9%
Total	100%

Table 7: Entrepreneurship Education Item 4

EE_acc _4: Did you complete the qualification?

Scale	Percentage of the Respondents
1.Strongly Disagree	6.8%
2.Disagree	7.5%
3.Somewhat Agree	2.0%
4.Neither Disagree or Agree	2.7%
5. Somewhat Agree	4.1%
6.Agree	44.9%
7. Strongly Agree	32%
Total	100%

Table 8: Entrepreneurship Education Item 5

EE_acc_5: Please indicate the type of institution from which entrepreneurship education qualification was received.

Options	Percentage of the Respondents
1.University of Technology	10.2%
2.Private University	17%
3. Private College	9.5%
4.FET College	2.7%
5.SETA	12.2%
6.Government Development Agency	17.7%
7.Other	30.6%
Total	100%

4.4.2.2 Entrepreneurship education affordability

The second sub-construct was included to help understand whether the respondents paid for their EE qualifications or if they had been sponsored. The highest proportion were those respondents who strongly disagreed at 29.3%, followed by those who agreed at 22% to have been sponsored. Those who somewhat agreed and those who neither agreed nor disagreed were both at 15% respectively. The lowest proportions were those who agreed and strongly disagreed at 5.4% and 4.8% respectively.

Respondents were also asked if they think EE was affordable for new businesses (EE_aff_2). The results revealed that 29.3% strongly disagreed whilst 21.1% disagreed. On the other hand, those who are agreed or strongly had relatively low percentages of 10.9% and 7.5% respectively. For this question, the lowest percentages were seen amongst those that neither agree nor disagree and those who somewhat disagree or somewhat agree. These percentages ranged between 8.8% and 8.2% respectively. The results for entrepreneurship education affordability are located in tables 9 and 10 below.

Table 9: Entrepreneurship education affordability item 1

EE_ff_1: Did you receive any form of sponsorship for your entrepreneurship education?

Scale	Percentage of the respondents
1.Strongly Disagree	29.3%
2.Disagree	5.4%
3.Somewhat disagree	15%
4Neither Agree or Disagree	15.6%
5. Somewhat Agree	7.5%
6.Agree	4.8%
7. Strongly Agree	22.4%
Total	100%

Table 10: Entrepreneurship education affordability item 2

EE_ff_2: Do you think Entrepreneurship Education is affordable for new business

Scale	Percentages of the Responses
1.Strongly Disagree	29.9
2.Disagree	21.1
3.Somewhat Agree	13.6
4Neither Disagree or Agree	8.8
5. Somewhat Agree	8.2
6.Agree	10.9
7. Strongly Agree	7.5
Total	100%

Source: Primary Data

4.4.2.3 Entrepreneurship education relevance

The third and the last sub-contract asked the respondents if EE was relevant to business owners (EE_Rel_1), about 46.3% of the respondents agreed that EE was relevant and 14.3% strongly agreed, 17% somewhat agreed, 7.5% strongly disagreed and 6.1% disagreed, the lowest percentages of 4.1% and 4.8% were those who somewhat agreed and somewhat disagreed respectively.

The last question asked if EE has equipped SMMEs with the necessary entrepreneurial skills required to successfully run their business (EE_Rel_2). The highest proportion of the percentage were respondents who agreed at 42%, followed by those that strongly disagreed accounted for 14.3%. Those who strongly agreed and agreed were very low as they accounted for 8.8% and 8.2% respectively, and those who somewhat agreed accounted for 17%. The results of entrepreneurship relevance are located in tables 11 and 12.

Table 11: Entrepreneurship Education Relevance Item 1

EE_Rel_1: The training provided was relevant to me as a business owner.

Scale	Percentage of the Respondents
1.Strongly Disagree	7.5
2.Disagree	6.1
3.Somewhat Agree	4.1
4Neither Disagree or Agree	4.8
5. Somewhat Agree	17.0
6.Agree	46.3
7. Strongly Agree	14.3
Total	100%

Table 12: Entrepreneurship Education Relevance Item 2

EE_Rel_2: Entrepreneurship Education has equipped me with the necessary entrepreneurial skills I needed to successfully run the business

Scale	Percentage of the Respondents
1.Strongly Disagree	8.8
2.Disagree	8.2
3.Somewhat Agree	6.1
4Neither Disagree or Agree	4.1
5. Somewhat Agree	15.6
6.Agree	42.2
7. Strongly Agree	15.0
Total	100%

Source: Primary data

4.4.3 Business Performance

The second construct was business performance which is the first and the main dependent variable of the study. Its measurement was subdivided into two sub-constructs, financial and non-financial performance. The financial performance had three questions and the first two questions asked the respondents if the company's turnover and profit margins had improved over the past 24 months as a result of EE that was received by the entrepreneur (BP_Fin_1 and BP_Fin_2)

With regards to the first question (BP_Fin_1), the results revealed that 23.1% of the respondents agreed that EE improved their profit margins, whilst only 5.4% strongly agreed. Another 21.1%

somewhat agreed. On the other hand, 18.4 % disagreed and 9.5% strongly disagreed whilst 9.5% and 6.8% somewhat disagreed. Lastly, the remaining 15.6% were those who neither agree nor disagree.

Another question asked if the company revenue increased over the past 24 months. The majority of the respondents were positive with 25.2% of them agreeing, 21.8% somewhat agreed and 4.1% % strongly disagreed. Those who disagreed were also relatively high at 20.4% and 10.2% respectively. The results of business performance - non-financial performance -are presented in tables 13 and 14

Table 13: Business Performance Financial Item 1

BP_Fin_1: Over the past 24 months my company's profit margin improved as a result of the entrepreneurial education received.

1.Strongly Disagree	9.5
2.Disagree	18.4
3.Somewhat Agree	6.8
4.Neither Disagree or Agree	15.6
5. Somewhat Agree	21.1
6.Agree	23.1
7. Strongly Agree	5.4
Total	100%

Table 14: Business Performance Financial Item 2

BP_Fin_2: The Company's sales revenue has increased over the past twenty-four months.

1.Strongly Disagree	10.2
2.Disagree	20.4
3.Somewhat Agree	6.8
4Neither Disagree or Agree	11.6
5. Somewhat Agree	21.8
6.Agree	25.2
7. Strongly Agree	4.1
Total	100%

4.4.3.1 Non-financial performance - customer service

This sub-construct had four questions in total. It was formulated to establish the role EE played in the non-financial performance of the business in the past 24 months. The first three questions

were mainly asking about customers, whilst the last two asked about non-financial investment in the business and employee growth over the last 24 months period.

The first question asked the respondents if they received new customers coming to buy new products from their businesses (N-F_BP_CS_1). The results revealed that 26.5% agree whilst only 4.8% strongly agree. On the other hand, 17.7 % disagree whilst 10.2% strongly disagree, and those who somewhat agreed constituted a low 6.8%. On the other hand, 26.5% agreed whilst those that disagreed only accounted for 4.8% and the remaining 15% were those that neither agreed nor disagreed.

The second question asked if the entrepreneurship education received, played a role in helping the owner improve customer service (N-F_BP_CS_2). The results revealed that 33.3% agreed whilst a low 5.4% strongly agree and 21% somewhat agreed. Conversely, 15.6% disagreed whilst 8.2% strongly disagreed and those who somewhat agreed constituted a low 4.1% and the remaining 12.2% were those that neither agreed nor disagreed.

The third question asked if EE received, played a role in increasing the sales from existing customers (N-F_BP_CS_3). The results revealed that 25.9% agreed whilst a low 5.4% strongly agreed and 16.3% somewhat agreed. Conversely, 18.4% disagreed whilst 10.9% strongly disagreed and those who somewhat agreed constituted a low 5.4% and the remaining 16.4% were those that neither agreed nor disagreed.

The fourth question asked if they invested in non-financial assets and the majority of the respondents agreed at 32%, closely followed by 28.2% of those who disagreed whilst those who strongly disagreed accounted for 12%. In the last question, respondents were asked if the number of employees increased over the past 24 months. The higher proportions were those who disagreed and strongly disagreed at 29.9% and 14% respectively. Those who agreed and strongly agreed accounted for 22.4% and 4.1% whilst those who somewhat agreed accounted for 10.9%.

The results for non-financial business performance are presented in tables 15 to 19.

Table 15: Non-Financial Performance Customer Service Item 1

N-F_BP_CS_1: Over the past twenty-four months, the number of new customers buying our products has increased as a result of entrepreneurship education received.

Scale	Percentage of the Respondents
1.Strongly Disagree	10.2
2.Disagree	17.7
3.Somewhat Agree	6.8
4Neither Disagree or Agree	15.8
5. Somewhat Agree	19.0
6.Agree	26.5
7. Strongly Agree	4.8
Total	100%

Table 16: Non-Financial Performance Customer Service Item 2

N-F_BP_CS_2: Over the past twenty-four months, the customer service in the company has improved as a result of the entrepreneurship education received.

Scale	Percentage of the Respondents
1.Strongly Disagree	8.2
2.Disagree	15.6
3.Somewhat Agree	4.1
4Neither Disagree or Agree	12.2
5. Somewhat Agree	21.2
6.Agree	33.3
7. Strongly Agree	5.4
Total	100%

Table 17: Non-Financial Business Performance Customer Service Item 3

N-F_BP_CS_3: Over the past twenty-four months, sales from existing customers has increased as a result of entrepreneurship education

Scale	Percentage of Respondents
1.Strongly Disagree	10.9
2.Disagree	18.4
3.Somewhat Agree	5.4
4Neither Disagree or Agree	16.3
5. Somewhat Agree	17.7
6.Agree	25.9
7. Strongly Agree	5.4
Total	100%

Table 18: Non-Financial Item 4

N-F_BP_CS_4: The Company has invested in non-financial assets which include new equipment and a new car

Scale	Percentage of the Respondents
1.Strongly Disagree	12.2
2.Disagree	28.2
3.Somewhat Agree	4.8
4Neither Disagree or Agree	8.8
5. Somewhat Agree	7.5
6.Agree	32.5
7. Strongly Agree	6.1
Total	100%

Table 19: Non-Financial Business Performance Customer Service Item 5

N-F_BP_CS_5: The number of employees in the company increased in the past twenty-four months

Scale	Percentage of the Respondents
1.Strongly Disagree	14.3
2.Disagree	29.9
3.Somewhat Agree	6.8
4.Neither Disagree or Agree	11.6
5. Somewhat Agree	10.9
6.Agree	22.4
7. Strongly Agree	4.1
Total	100%

4.4.4 Entrepreneurial self–efficacy

This construct was measured with only two of the five dimensions of self-efficacy and these are entrepreneurial self–efficacy marketing and entrepreneurial self-efficacy risk-taking with four questions each. The purpose of these sub-constructs was to establish the self-efficacy levels of the respondents in their abilities to make pertinent business decisions and their levels of risk appetite for their business.

4.4.4.1 Entrepreneurial self –efficacy marketing

The first two questions asked the owner about his/her ability to set and meet sales goals and set and achieve profit goals for his or her business. For the first question (ESE_Mark_1) the results revealed that 45.7% agreed whilst 14.3% strongly agreed and 20.4% somewhat agreed. Conversely, the percentage of those disagreed and disagreed was similar at 4.6% respectively. Those who somewhat agreed were even lower at 3.4% and those who neither agreed nor disagreed accounted for a relatively high proportion of 40.8%.

In another question (ESE_Mark_ 2), respondents were asked if they can expand their businesses. The results revealed that 44.2% agreed whilst 25.9% strongly agreed and 12.2% somewhat agreed. On the other side, the percentage of those who disagreed was a low 4.1% whilst those who strongly disagreed was even lower at 2.7%. Those who somewhat agreed were also low at 7.5% and those who neither agreed nor disagreed were accounted for 12.2%. The results for entrepreneurial self-efficacy marketing are presented in tables 20 and 21 below.

Table 20: Entrepreneurial Self-Efficacy Marketing Item 1

ESE_Mark_1: I can set and meet sales goals for my business.

Scale	Percentage of the Respondents
1.Strongly Disagree	4.8
2.Disagree	4.8
3.Somewhat Agree	3.4
4Neither Disagree or Agree	4.8
5. Somewhat Agree	20.4
6.Agree	47.6
7. Strongly Agree	14.3
Total	100%

Table 21: Entrepreneurial Self-Efficacy Marketing Item 2

ESE_Mark_2: I can expand the business

Scale	Percentage of the Respondents
1.Strongly Disagree	2.7
2.Disagree	4.1
3.Somewhat Agree	3.4
4Neither Disagree or Agree	7.5
5. Somewhat Agree	12.2
6.Agree	44.2
7. Strongly Agree	25.9
Total	100%

Source: Primary Data

4.4.4.2 Entrepreneurial self-efficacy risk-taking

The first question asked the respondents if they can take calculated risks for their businesses. The results revealed that over 50% of the respondents agreed whilst 18.4% strongly agreed and 12.2% somewhat agreed. On the other side, the percentage of those who disagreed was a low 1.8% whilst those who strongly disagreed were even lower at 0.7%. Those who somewhat agreed and those who neither agreed nor disagreed were both equal at 7.5%, and those who somewhat agreed accounted for 12.2%.

The second question asked the respondents if they were able to make business decisions under uncertainty and risk when it is required to do so. The results revealed that over 39% of the

respondents agreed whilst 15% strongly agreed and 27.2% somewhat agreed. On the other side, the percentage of those who disagreed or strongly disagreed were both at a low 4.8%.

Those who somewhat agreed were at 3.4% and those who neither agreed nor disagreed accounted for 5.4%. Lastly, those who somewhat agreed accounted for 27.2%. The results of entrepreneurial self-efficacy marketing are presented in tables 22 and 23.

Table 22: Entrepreneurial Self Efficacy Risk-Taking Item 1

ESE_RT_1: I can take a calculated risk for my business.

Scale	Percentage of the Respondents
1.Strongly Disagree	1.4
2.Disagree	.7
3.Somewhat Agree	7.5
4Neither Disagree or Agree	7.5
5. Somewhat Agree	12.2
6.Agree	52.4
7. Strongly Agree	18.4
Total	100%

Table 23: Entrepreneurial Self-Efficacy Risk-Taking Item 2

ESE_RT_2: As a business owner I can work under pressure and conflict

Scale	Percentage of the Respondents
1.Strongly Disagree	.7
2.Disagree	.7
3.Somewhat Agree	2.7
4Neither Disagree or Agree	1.9
5. Somewhat Agree	2.0
6.Agree	49.7
7. Strongly Agree	42.9
Total	100%

Source: Primary Data

4.5 Validity of constructs – Exploratory Factor Analysis

Validity is an indication of how sound your research instrument is, more specifically validity applies to both the design and method of your research (Rehman, 2016). As such, controlling for

all factors that may threaten validity is pertinent for achieving good research. In this study, exploratory factor analysis (EFA) was employed to identify underlying relationships between measured variables (Field, 2013). All participants were surveyed to determine the relationship between entrepreneurship education which is the independent variable and firm performance, as well as entrepreneurial self-efficacy, which are the dependent variables of the study.

The main objective of the study was to test a relationship between entrepreneurship education (independent variable) and two dependent variables which are business performance and entrepreneurial self-efficacy. The independent variable was made up of three sub-constructs and a total of 11 items, the business performance variable had two sub-constructs and a total number of nine items, lastly, the second dependent variable which is entrepreneurial self-efficacy had two sub-constructs and a total number of eight items. The total number of items on the original scale was 28 and they were all measured using a 7-point Likert scale.

Exploratory factor analysis was conducted to determine the underlying structure among variables to explain the pattern of inter-correlations. According to literature, a set of correlated variables are known as factors. During the factor analysis, all four constructs that the study proposed to test loaded successfully. However, in chapter two of the study, the researcher had proposed that business performance should be tested separately under financial and non-financial performance respectively, and during the EFA, these constructs converged under one factor which was then operationalised as Business Performance (BP_Constr). As such, deeming the initially proposed model to be invalid.

The study was able to explain 68% of the total variance which is significantly above the recommended 60% in social science studies. The eigenvalue summary in table 24 indicates that the variance was shared amongst the 21 factors that were extracted. It further indicates that the four factors that loaded had eigenvalues > 1.0 and this is the minimum accepted value. According to the scholars, an eigenvalue < 1 offers a minimal required explanation. The total variance summary table is shown in table 24.

Table 24: Total Variance Explained

Total Variance Explained

	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings[a]
Factor	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	8.731	41.578	41.578	8.416	40.074	40.074	7.319
2	2.974	14.162	55.740	2.644	12.592	52.666	5.610
3	1.591	7.575	63.315	1.189	5.661	58.328	5.799
4	1.036	4.933	68.248	.654	3.112	61.440	3.740
5	.918	4.370	72.618				
6	.853	4.062	76.679				
7	.784	3.734	80.414				
8	.644	3.067	83.481				
9	.499	2.378	85.858				
10	.471	2.242	88.101				
11	.439	2.091	90.191				
12	.397	1.891	92.082				
13	.329	1.568	93.650				
14	.279	1.328	94.978				
15	.239	1.140	96.118				
16	.192	.912	97.030				
17	.184	.877	97.908				
18	.145	.693	98.600				
19	.117	.555	99.155				
20	.095	.451	99.606				

21	.083	.394	100.000				

Extraction Method: Principal Axis Factoring.

a. When factors are correlated, sums of squared loadings cannot be added to obtain a total variance.

Source: Primary data

Scree plot below shows the number of factors that loaded that with the Eigenvalues > 1.0.

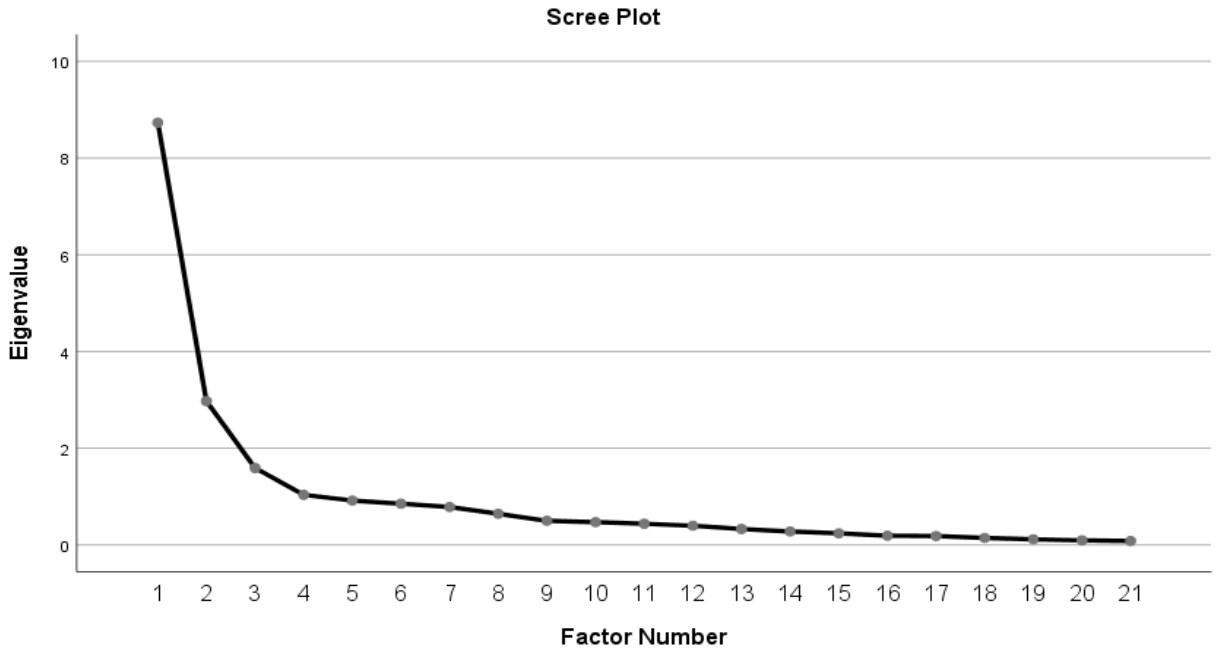


Figure 7: Scree plot

Source: Primary data

The pattern matrix results presented in table 25 indicated that all items under entrepreneurship education also loaded under one factor, whilst entrepreneurial self–efficacy constructs remained in its original form as it was in the proposed conceptual framework of the study. Moreover, the pattern matrix indicated that three of the factors had very strong loadings. > 7. EE _ Construct and BP_ Constructs had the highest loadings of the four with ESE_Risk being the lowest.

Table 25: Pattern Matrix

Pattern Matrix

	Factor			
	1	2	3	4
N-F_BP_CS_3	0.990			
N-F_BP_CS_1	0.917			
BP_Fin_2	0.879			
N-F_BP_CS_2	0.827			
BP_Fin_3	0.810			
BP_Fin_1	0.781			
N-F_BP_CS_4	0.593			
EE_Rel_2		0.897		
EE_Rel_3		0.886		
EE_Rel_1		0.555		
EE_Acc_1		0.536		
EE_Acc_4		0.426		
EE_Aff_2		0.420		
ES-E_Mark_3			0.891	
ES-E_Mark_2			0.882	
ES-E_Mark_4			0.801	
ES-E_Mark_1			0.696	
ES-E_RT_4				0.840
ES-E_RT_3				0.773
ES-E_RT_1				0.473
ES-E_RT_2				0.407

Extraction Method: Principal Axis Factoring.
Rotation Method: Promax with Kaiser Normalization.
a. Rotation converged in 7 iterations.

Source: Primary Data

All factors were extracted using the Principal Axis factoring on SPSS and Promax rotation methods. Factors below 0.4 were suppressed and left out of the analysis.

All values after extraction were greater than 0 and less than 1 which meant that some variance was shared (Field, 2018).

It was therefore important to confirm that the sample used was adequate for EFA thus the KMO test. The Kaiser–Meyer–Olkin Measure of Sampling Adequacy was 0.881 which is greater than

0.5 in line with Field's (2013) recommendation therefore, the sample was deemed adequate to conduct further analysis. According to Field (2013), Bartlett's Test of Sphericity must be significant at $p < 0.05$. The p-value for this study was 0.000 which is considered to be significant. KMO and Bartlett's Tests are located in table 26.

Table 26: KMO and Bartlett's Test

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.881
Bartlett's Test of Sphericity	Approx. Chi-Square	2273.503
	Df	210
	Sig.	0.000

Source: Primary data

4.6 Reliability of measurement scales

Factors that loaded were independently tested for reliability after confirming their validity. All factors had a Cronbach Alpha of 0.8 each which is in line with the minimum requirement of 0.7 recommended by Field (2018). The reliability scales summary is presented in table 27.

Table 27: Reliability table of the constructs

Construct		Cronbach's Alpha	Cronbach's Alpha based on Standardised Items	No of Items	Reliability Level
Business Performance		0.950	0.950	6	Excellent
Entrepreneurship Education		0.870	0.809	5	Good
Entrepreneurial Self Efficacy – Marketing		0.919	0.919	4	Excellent
Entrepreneurial Self Efficacy Risk Taking		0.775	0.792	3	Acceptable

Source: Primary Data

The results further indicate that all constructs had medium to excellent reliability scores. Business performance had the highest reliability of (0.950) followed by entrepreneurship self–efficacy with (0.919), entrepreneurship education (0.870), and the lowest reliability score was entrepreneurship self-efficacy with (0.775). This is an indication that the test is reliable and therefore, the researcher could proceed with further data analysis of the study.

4.7 Correlations

Correlation refers to the mechanism used to measure the extent to which variables are related. It measures the pattern of responses across all variables. Furthermore, the correlation test is used to see whether as one variable increases the other increases, decreases, or stays the same (Field, 2018).

For this study, assumptions for normality were not violated as was alluded in the previous section, therefore, Pearson correlation was utilised to test for correlations of the constructs (Field, 2013).

All variables that were tested were measured using the 7-point Likert scale and they are Entrepreneurship education construct (EE-Constr), Business Performance (BP-Constr), Entrepreneurship self-efficacy Marketing (ESE-Mark-Constr), and Entrepreneurship self – efficacy risk-taking (ESE-Risk). The results in table 23 indicate that all these variables converged during factor analysis and none of them was dropped.

The correlation results were positive and significant at ($p > 0.01$) level 2-tailed test Furthermore, these results demonstrate that there is a significant positive correlation between entrepreneurship education which is the independent variable in the study, and all the dependent variables which are business performance, entrepreneurial self-efficacy marketing and entrepreneurial self–efficacy risk-taking. The correlation results are presented in Table 28.

Table 28: Correlation Table

		BP_Constr	EE_Constr	ESE_Mark_Constr	ESE_Risk_Constr
BP_Constr	Pearson Correlation	1			**
	Sig. (2-tailed)				
	N	147			
EE_Constr	Pearson Correlation	.589**	1		
	Sig. (2-tailed)	.000			
	N	147	147		
ESE_Mark_Constr	Pearson Correlation	.505**	.385**	1	
	Sig. (2-tailed)	.000	.000		
	N	147	147	147	
ESE_Risk_Constr	Pearson Correlation	.270**	.267**	.605**	1
	Sig. (2-tailed)	.001	.001	.000	
	N	147	147	147	147

****. Correlation is significant at the 0.01 level (2-tailed)**

Source : Primary data

The results in table 28 were interpreted as follows:

- **Entrepreneurship education** and **Business Performance** construct *positively* correlated at 589
- **Business Performance** and **Entrepreneurship Self–efficacy Marketing** construct *positively* correlated at 505
- **Entrepreneurship education** and **Entrepreneurship Self-efficacy Marketing** *positively* correlated at 385
- **Entrepreneurship Self-efficacy Risk-taking** and **Business Performance** construct *positively* correlated at 270
- **Entrepreneurship Self-efficacy Risk-taking** and **Entrepreneurship Education** construct *positively* correlated at 267
- **Entrepreneurship Self–efficacy Risk-taking** and **Entrepreneurship Self-Efficacy Marketing** constructs *positively* correlated at 605

Based on the above correlation results, it was viable for the researcher to conduct further analysis and test the hypotheses on the role of entrepreneurship education on the business performance of the township entrepreneur.

4.8 Statistical Assumptions

According to literature, many statistical tests have assumptions that must be met to ensure that the data collected is appropriate for the types of analyses that are conducted by the study (Field, 2013). This is also in accordance with Tabachnick and Fidell (2013) who recommended that it is vital to screen the data for violation of any assumptions for the multivariate statistical technique used.

As such, the data were tested for the most common assumptions that must be met for parametric statistics which include normality, linearity, and homoscedasticity.

4.8.1 Assumption 1: Normality

Assumption of normality requires data to roughly fit a bell curve shape before running certain statistical tests or regression. To test for normality of the variables, the study utilized Kolmogorov-Smirnov (K-S) and Shapiro-Wilke (S-W) tests as well as skewness and kurtosis indices. The results from the K-S and S-W tests showed that the p-values were all significant at 0.000. These results are normally sensitive to sample sizes therefore not considered for this study. Skewness and kurtosis tests were considered to decide whether the data was normal or not.

Skewness and Kurtosis: Skewness measures the lack of symmetry while kurtosis measures the peak/flatness of the distribution. According to Field (2013), a normally distributed sample has a skewness and kurtosis close to zero, any significant deviations from this suggest that there is a difference between the sample distribution and a normal distribution. The cutoffs used to make the decision were two for skewness and seven for kurtosis adopted from Galawe (2017).

Tables 29 and 30 indicate that the data were negatively skewed between -1 and -0.5 whilst kurtosis values were between -1 and 0.5 respectively. This meant that there are no problems with skewness and kurtosis since all the statistics of skewness and kurtosis were less than 2 and 7 cutoffs respectively. These results were also supported by the graphical output from the descriptive data analysis which included the P-plots and histograms.

Table 29: Normality Tests of the study

	Kolmogorov-Smirnov[a]			Shapiro-Wilk		
	Statistic	Df	Sig.	Statistic	Df	Sig.
BP_Constr	0.115	147	0.000	0.937	147	0.000
EE_Constr	0.169	147	0.000	0.879	147	0.000
ESE_Mark_Constr	0.182	147	0.000	0.865	147	0.000
ESE_Risk_Constr	0.165	147	0.000	0.887	147	0.000

Source: Primary Data

Table 30: Summary of Skewness and Kurtosis

Construct	**Skewness**	**Kurtosis**
Business performance	**-.379**	**-1.039**
Entrepreneurship education	**-.1.184**	**.727**
Entrepreneurship self-efficacy Marketing	**-1.364**	**1.828**
Entrepreneurship self-efficacy-risk taking	**-1.565**	**5.091**

Source: Primary data

The P-plot for BP_Construct presented below shows that the data is fairly normal and moderately skewed as the data is not too far from the regression line. Furthermore, the histogram for BP_ Constructs supports this finding as it indicates that although the data does not fit perfectly around the bell curve, it is still fairly normal. The P-plot for the BP_Construct and the histogram are presented in Figures 8 and 9 respectively.

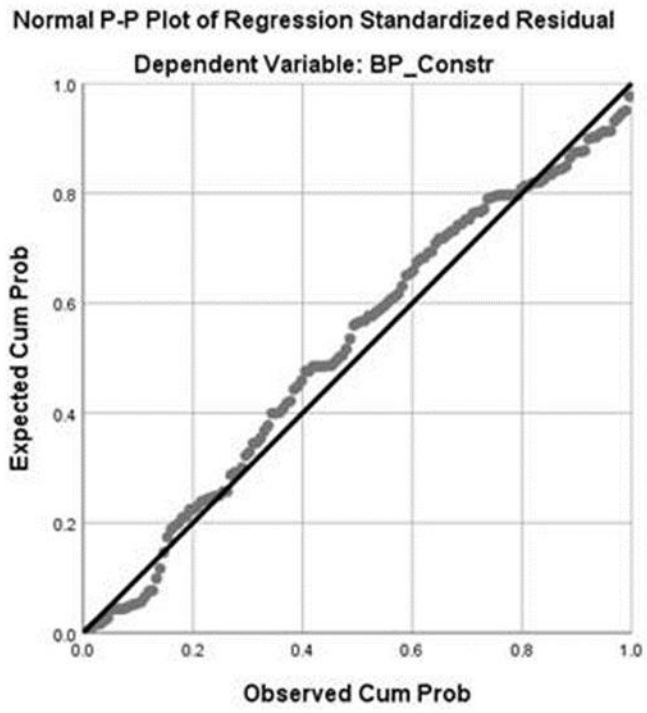


Figure 8: P-Plot BP_Construct

Source: Primary data

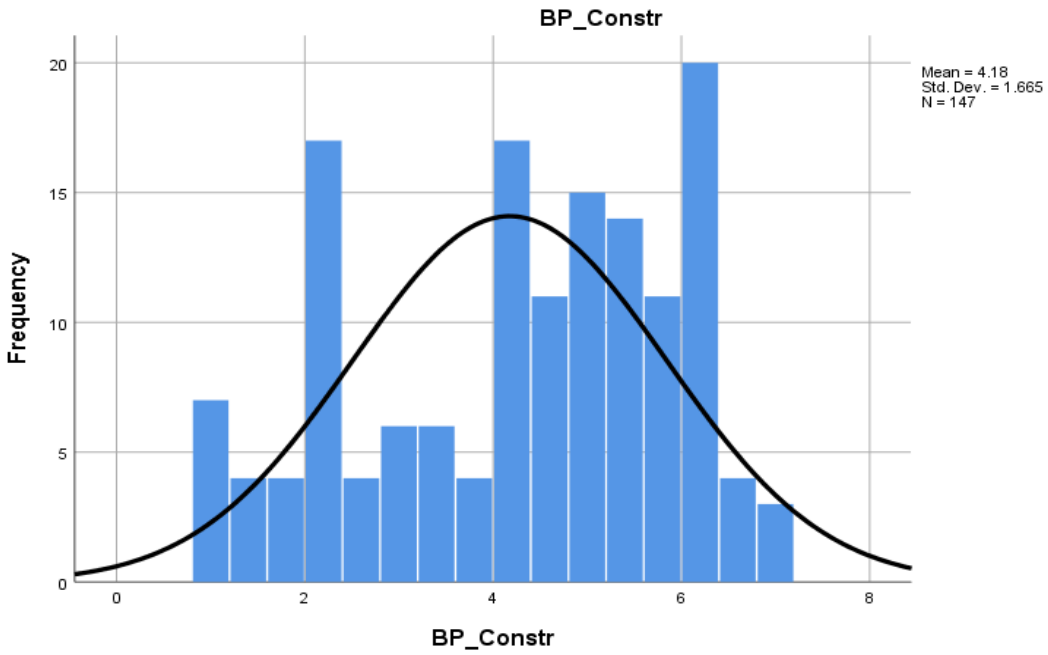


Figure 9: Histogram BP_Construct

Source: Primary data

4.8.2 Assumption 2: Homoscedasticity and Linearity

Homoscedasticity: Homoscedasticity refers to the homogeneity of the variance that is used when testing grouped data. If this assumption is violated, it will invalidate the confidence interval and significance tests.

Linearity assumption was checked using the scatter plots of residuals, for example, Figure 7 of BP_Construct shows that the data are scattered fairly evenly on the residual plot, furthermore, the data is not following a specific pattern. Based on these observations, the assumptions of homoscedasticity and linearity were also met. It was therefore concluded that there are no assumptions that were violated in the study, therefore regression analysis could be conducted.

The residual scatter plot for BP_Construct is presented in figure 10.

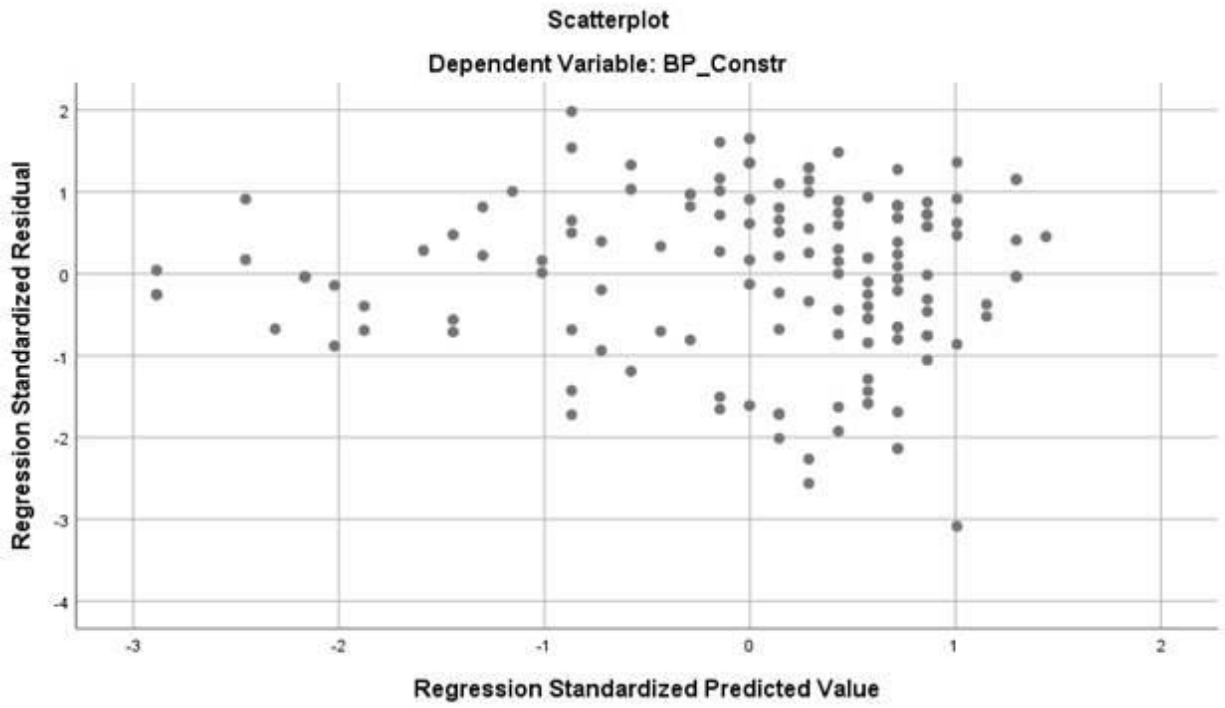


Figure 10: Q-Plot BP_Construct

Source: Primary data

4.9 Hypotheses Testing.

To test the hypotheses, the researcher used the simple linear regression model because there is one independent variable that was tested against three dependent variables. Linear regression is a statistical method that is used to predict the value of a dependent variable (Field, 2013).

H1-Entrepreneurship education positively influences the financial growth performance of the township entrepreneur.

H2 – Entrepreneurship education positively influences the customer satisfaction of the township entrepreneur.

The above hypotheses **(HI &H2)** could not be tested separately as was alluded to in the exploratory factor analysis discussion. Based on the pattern matrix (Table 25) in the EFA section, these two constructs were loaded under one factor, as a result of this convergence, a new construct that would enable the researcher to continue with the test was formulated and it was operationalised as the business performance construct. Furthermore, this was done to achieve the objective of the research which is to investigate the influence of entrepreneurship education on the business performance of the township entrepreneur.

After these changes, the study had to reduce the number of hypotheses from the initial four that were proposed by the framework of the study in the literature review chapter to three in the following manner:

H1 & H2 (combined) to Hypothesis 1

H3 changed to Hypothesis 2

H4 changed to Hypothesis 3

Hypothesis 1

Entrepreneurship education *significantly and positively influences* ***business performance*** *of the township entrepreneur*

In this hypothesis, the entrepreneurship education construct (EE_Construct) is an independent variable and the business performance construct (BP_Construct) is a dependent variable. Table 31 presents the model summary results of a relationship between these two variables

Table 31: Model Summary: Business Performance and Entrepreneurship Education Construct

Model	R	R-Squared	Adjusted R – Square	Std.Error of the Estimate	Sig. F Change	Durbin-Watson
1	.589[a]	0.347	0.343	1.350	0.000	1.486

a.Predictor: (Constant) Entrepreneurship Education

b. Dependent Variable: Business Performance

Source: Primary Data

An R-square value which is a coefficient determination is a measure of the predictive capacity of the model, furthermore, it measures how well the model fits data (Field, Discovering Statistics Using IBM SPSS Statistics, 2013). In this test, the R-square value is 0,347, with a significant p< 0.000. This indicates that overall, entrepreneurship education accounts for a 34.7% variance of the model.

Table 32: ANOVA results from Business Performance and Entrepreneurship Education Construct

Model	**Sum of Squares**	**Df**	**Mean Square**	**F**	**Sig**
1 Regression	**140.477**	**1**	**140.477**	**77.134**	**.000[b]**
. Residual	**264.075**	**145**	**1.821**		
Total	**404.522**	**146**			

A.Dependent Variable: Business Performance Construct

b. Independent Variable: Entrepreneurship Education Construct

Source: Primary Data

Anova Sig = .000 (p<.05). This indicates that the model summary was statistically significant in its prediction of business performance. Furthermore, the model's significance was confirmed by the coefficients results that the predictor variable EE_Construct was statistically significant in its prediction of ESE_Mark_Construct and it makes a contribution of (p < 0.000) to this prediction.

In addition, the coefficients tables show that the standardised beta was also positive at 0.589, affirming that the hypothesis is supported. The coefficient results are presented in Table 33.

Table 33: Coefficients Business Performance and Entrepreneurship Education Construct

Model	Unstardized Coefficients		Standardized Coefficient			Collinearity Statistics	
	B	Std. Error	Beta	T	Sig	Tolerance	VIF
1 (Constant)	0.637	0.418		1.524	0.130		
EE_Constr	0.707	0.081	0.589	8.783	0.000	1.000	1.000

A.Dependent Variable: Business Performance Construct

Source: Primary Data

Hypothesis 2

Entrepreneurship education *positively and significantly influences* ***entrepreneurial self-efficacy marketing*** *of the township entrepreneur.*

In this hypothesis, Entrepreneurship Education operationalized as EE_Constr is the predictor variable and entrepreneurial self-efficacy –marketing operationalised as ESE_mark is the outcome variable.

The model summary results for the relationship between EE_ Construct and ESE_mark had an R-square value of 0.148 with a significant level $p < 0.000$; this explains that overall, entrepreneurship education accounts for 14.8% variance of the model. The model summary results are presented in Table 34.

Table 34: Model Summary: Entrepreneurship Education and ESE_ Marketing Construct

Model	R	R-Squared	Adjusted R – Square	Std.Error of the Estimate	Sig. F Change	Durbin-Watson
1	.385[a]	0.148	0.142	1,256	0.000	1.962

a.Predictor :(Constant) Entrepreneurship Education

b. Dependent Variable: Entrepreneurial Self Efficacy Marketing

Source: Primary data

Anova result is significant with the p-value of .000 (P<.05). This indicates that the model summary was statistically significant in its prediction of business performance. The coefficient table reports that the predictor variable EE_Construct was statistically significant in its prediction of ESE_Mark_Construct and it makes a contribution (p < 0.000) to this prediction. The beta was also positive at 0.385 meaning that the hypothesis is supported. The ANOVA and coefficient results are presented in tables 35 and 36.

Table 35: Anova Entrepreneurship Education and ESE-Marketing Construct

Model	**Sum of Squares**	**Df**	**Mean of Square**	**F**	**Sig**
1 Regression	**39.752**	**1**	**39.752**	**25.179**	**.000[b]**
Residual	**228.917**	**145**	**1.579**		
Total	**268.669**	**146**			

A.Dependent Variable: Entrepreneurial Self-Efficacy Marketing Construct

b. Independent Variable: Entrepreneurship Education Construct

Source: Primary Data

Table 36: Coefficients –Entrepreneurship Education and ESE_ Marketing Construct

Model 1	Unstandardised Coefficients		Standardised Coefficient			Collinearity Statistics	
	B	Std. Error	Beta	T	Sig	Tolerance	VIF
(Constant)	3.488	0.389		8.964	0.000		
EE_Constr	0.376	0.075	0.385	5.018	0.000	1.000	1.000

A .Dependent Variable: ESE -Marketing

Source: Primary Data

Hypothesis 3

Entrepreneurship education *positively and significantly influences* ***entrepreneurial self–efficacy risk-taking*** *of the township entrepreneur.*

In this hypothesis, entrepreneurship education operationalised as EE_Constr is a predictor variable, and entrepreneurship self–efficacy operationalised as ESE_risk_constr is an outcome variable.

The model summary results for the relationship between EE_ Constr and ESE_Risk_Constr had an R-square value of 0.071 with a significant level p< 0.001; this explains that overall, entrepreneurship education accounts for 71% variance. The model summary results are presented in Table 37.

Table 37: Model Summary: Entrepreneurial Self Efficacy Risk-Taking

Model	R	R-Squared	Adjusted R - Square	Std.Error of the Estimate	Sig. F Change	Durbin-Watson
1	.267[a]	0.071	0.065	0,876	0.001	2.072

a.Predictors: (Constant) Entrepreneurship Education

b. Dependent Variable: Entrepreneurial Self-Efficacy Risk-Tanking

Source: Primary Data

The model was statistically significant with a p-value of 001 <0, 05 according to the Anova results in table 38. The coefficient result reports that the predictor variable EE_Constr was statistically significant in its prediction of ESE_Risk_Construct and it makes a contribution of (P<0.001) to this prediction. The beta was also positive at 0.267 meaning that the hypothesis is supported. The ANOVA and coefficient results are presented in tables 38 and 39.

Table 38: ANOVA results: Entrepreneurship Education and ESE Risk-Taking Construct

Model	Sum of Squares	Df	Mean of Square	F	Sig
1 Regression	8.524	1	8.524	11.108	.001[b]
Residual	111.267	145	0.767		
Total	119.791	146			

A.Dependent Variable: Entrepreneurial Self Efficacy Risk-Taking

b. Independent Variable: Entrepreneurship Education Construct

Source: Primary data

Table 39: Coefficients results: Entrepreneurship Education and ESE Risk-Taking Construct

Model 1	Unstandardised Coefficients		Standardised Coefficient			Collinearity Statistics	
	B	Std. Error	Beta	T	Sig	Tolerance	VIF
(Constant)	4.95	0.271		18.225	0.000		
EE_Constr	0.174	0.052	0.267	3.333	0.001	1.000	1.000

A.Dependent Variable: Entrepreneurial Self-Efficacy Risk Taking

Source: Primary data

H1: Entrepreneurship education positively and significantly influences business performance: **Accepted**

H2: Entrepreneurship education positively and significantly influences entrepreneurial self-efficacy marketing of the township entrepreneur –**Accepted**.

H3: Entrepreneurship education positively and significantly influences entrepreneurial self – efficacy risk-taking - **Accepted.**

4.10 Chapter Summary

In this chapter, the researcher analysed and presented the results that were collected from a sample of 147 SMMEs from Gauteng townships. Statistical tools were employed to perform the validity and reliability tests of the instrument used to measure the role of entrepreneurship education in the business performance of the township entrepreneur in Gauteng.

The demographic results of the study revealed that a large proportion of the respondents were female whilst mal respondents accounted for less than 50% of the responses. Demographics further revealed that the majority of the respondents were between the ages of 18-25, 31-35, and the ages of 36 and 40 respectively. On the business age, the highest proportion of the respondents have been operating for a minimum of between one and four years.

The results of the factor analysis revealed that out of the original 28 items of the scale, only 21 could be explained by the data. EFA revealed that the model that the researcher proposed in the methodology chapter could not be tested in its original form as the items on business performance loaded under one factor, subsequently, a new hypothesis that would accommodate both these factors was formulated and tested. The study met all the assumptions for normality and the Pearson technique was used for correlation tests.

Correlation analysis revealed a significant positive relationship amongst all the variables, hence the study could continue with the hypothesis testing. For regression, the study used simple linear regression as it was testing one independent variable (entrepreneurship education) and three dependent variables (business performance, entrepreneurial self-efficacy marketing, and entrepreneurial self-efficacy risk-taking).

The results revealed all the hypotheses were accepted and all the relationships were statistically significant. The results of H1 which tested the relationship between Entrepreneurship Education and Business Performance showed the relationship is positive but moderate, and for H2 which tested a relationship between Entrepreneurship Education and Self-efficacy Marketing showed the relationship was positive but very weak, lastly for H3 which tested the relationship between Entrepreneurship Education and Entrepreneurial self-efficacy Risk-taking, showed the relationship is positive and very strong.

The main objective of the study was to establish the level of influence that entrepreneurial education has on the business performance of the township entrepreneur, furthermore, it was to profile the self–confidence levels of the township entrepreneurs in running successful businesses. The above results have confirmed that these relationships are positive and significant.

Chapter 5: Discussions and Findings

5.1 Introduction

This chapter consolidates and discusses the results of the study following the presentation in the previous chapter. The study findings are then integrated with the literature reviewed in chapter two of the report in order to generate meaningful insights into the main objective of the study which was to investigate the influence of entrepreneurship education in the business performance of the township entrepreneur in Gauteng Province, in South Africa.

5.2 Demographic Profile of the respondents

5.2.1 Gender

The results of the study found that the responses were fairly distributed amongst males and females, however, females accounted for the majority of the responses than their male counterparts. These results are per the findings of the previous studies that were conducted in various Gauteng townships by Njiro et al., 2010 and Mothibi & Malebana, 2019. In contrast, these findings differ from the Real Economic Bulletin Report, 2017 which noted that there were few women-owned businesses in the formal sector in the country at large.

This finding further implies that the national and provincial government should be intentional about fast-tracking efforts targeted at improving the survival of African women-owned businesses in the country to bridge these gaps (Ndlovhu et al., 2017).

5.2.2 Age of the respondents

It was found that the majority of the study respondents was the youth between the ages of 18-35 and they accounted for more than half of all the responses, the second group of respondents was young adults entrepreneurs between the ages of 36-45 who accounted for a quarter of the responses. These age groups are in accordance with the GEM report indicator with regards to the age of economically and entrepreneurially active people in the population (Herrington et al., 2017; GEM, 2018).

This finding implies that business ownership in the Gauteng townships is fairly spread out amongst different younger age groups and it further implies that the youth in the township is at the

forefront of entrepreneurship. This finding was also supported by the findings by previous research in the entrepreneurship ecosystem and it is also in line with the local and international studies (Galawe, 2017; Chimucheka, 2014; Trivedi et al., 2009; Omerala, 2018).

5.2.3 Ethnicity

It was found that the majority of the respondents were Black South Africans living in the Gauteng townships. This finding indicates that the majority of the SMMEs that are registered with Gauteng Enterprise Propeller are Black, furthermore, this finding is in accordance with the findings of previous studies that were done in the townships in Gauteng and other provinces which proved that the majority of township businesses are black-owned, this further confirms the townships were segregated residential areas in South Africa during the apartheid era (Maduekwe & Kamala, 2016; Njiro et al., 2010; Mills, 1992).

These findings are also an indication that townships have a lot of entrepreneurial activities, as such, more business development support interventions focusing on black people and youth-owned business are still required to foster the success of these businesses and enable them to contribute meaningfully to the country's economy (Njiro et al., 2010; Botha et al., 2015; SEDA, 2018).

5.2.4 Business Age

The study found that the majority age of the businesses that took part in the survey was fairly new with the highest proportion being 3-4 years which accounted for 31.3% followed by 1-2 years which accounted for 29.3%. Taken together, the total percentage of these businesses represents 61% of the study respondents. The age of these businesses is pertinent to what the study was investigating as this stage has been cited in the array of reports as the critical one that sees many businesses fail to continue with their operations. (SEDA, 2018; GEM, 2018). This finding implies that the majority of businesses that are registered with GEP are in the start-up phase, as such needing more focused and tailor-made interventions that will help with the reduction of high failure rates for SMMEs within the first 42 months of operation (Chimucheka, 2014).

Furthermore, the study found that businesses that have been in existence for 5-6 years were few. This finding is in accordance with GEM report 2015/16 to South Africa which found the country's rate of established businesses is significantly lower than the average rate for efficiency-driven economies of 8% and South Africa was at 3% at the time of the survey. Additionally, the DTI

(2008) found that the majority of SMMEs in South Africa rarely survive beyond their nascent age phases, lasting for an average of 3.5 years.

5.3 Discussion of the findings of the constructs of the study

5.3.1 Entrepreneurship Education

Entrepreneurship Education was the study's independent variable, and it was investigated using a total of three sub-constructs which included, *accessibility, affordability, and relevance*. It is important to note that the researcher did not adopt these sub-constructs from any previous study, but they were conceptualised based on the study objective which was to investigate the influence of entrepreneurship education on the performance of township enterprises.

For the first sub-construct entrepreneurship *accessibility*, it was found that the majority of the respondents agreed and strongly agreed to have accessed entrepreneurship education, on the other hand, those who strongly disagreed and disagree accounted for only 18% combined. This finding indicates that there is a fair number of SMMEs that have accessed entrepreneurship education in the townships. It is also in accordance with previous studies that have cited that entrepreneurship education is being offered in several institutions of higher learning in South Africa in the form of diplomas, degrees, and integrated courses (Gwija, et al., 2014).

Moreover, in their study, Gwija, et al. (2014) posited that although some universities may be offering EE, it is not certain whether they are doing it properly in line with the five stages of EE outlined by the Consortium for Entrepreneurship founded in the USA.

The second important question within this sub-construct asked the respondents to specify the type of training they received, 27.9% of the respondents chose 'other' as the option which meant that their qualifications were not on the options that were listed on the questionnaire which included Entrepreneurship and New Venture Creation, Certificate in Business Management, Business Plan Preparation Training, Marketing Skills Training, Business Accelerator and Incubator Programmes.

It was also found that some of the respondents had a certificate in business management, whilst others had been previously trained in Entrepreneurship and New Venture Creation. This finding suggests that the likelihood of owning a formal business increases with the level of education (Ndlovhu et al., 2017). For this study, this finding indicates that there is still a gap between EE and

business management courses offered to entrepreneurs in Gauteng, hence the need for a holistic approach.

Another important finding was from the question that asked the respondents to indicate the institution from which the EE was obtained. The highest proportion of them (30.6%) chose 'other' as an option meaning that they did not receive EE from any of the institutions that were listed on the questionnaire. These included Universities of Technology, Private Universities, Private Colleges, FET Colleges, SETA, and a Government Development Agency.

The study also found that some of the respondents received their qualifications from the training offered by Government development agencies whilst others were trained by the SETAs. It also found that some obtained their qualifications attending Incubation programmes. In addition to this finding, a small percentage of the respondents have a Business Management Certificate. These findings imply that a good number of SMMEs in the province do attend the training that is offered by government institutions which present an opportunity to the provincial government to make sure that the content delivered in these pieces of training is inclusive of entrepreneurship education.

With regards to the second sub-construct, entrepreneurship education *affordability*, a high proportion of responses were those who did not receive sponsorship. This finding implies that there are a lack of sponsors for entrepreneurship programmes in the Gauteng province. Conversely, those who agreed or strongly agreed accounted for more than a quarter of the responses. This finding suggests that there is an opportunity for the government to partner with institutions of higher learning to close this gap by offering sponsored EE short courses to existing SMMEs based in the townships.

The last sub-constructs asked two questions that are pertinent to the study's investigation, one question asked the respondents if the training they received was *relevant* to their businesses. The other question asked them if the training equipped them with the required skills that enabled them to run a successful business. The majority of the responses were highly positive for both questions.

These findings support the researcher's argument that entrepreneurship education is necessary for successful business performance, furthermore, this finding also concurs with the findings of Chimucheka (2013) and Jaafar and Aziz (2008) who further recommended that entrepreneurship education and training be made accessible to potential entrepreneurs to enable them to contribute

meaningfully to the country's economy. It is further supported by the findings in the study by Malebana (2016) who sampled university students on their intentions to establish their businesses after their exposure to entrepreneurship courses. In this study, about 53% of the respondents strongly agreed that they had intentions to start their businesses after tertiary education (Malebana M. J., 2014).

5.3.2 Business Performance

Business performance was the dependent variable in the study and was measured using financial and non-financial business performance scales. The scales were adopted from previous studies in the entrepreneurship fraternity (Cho & Lee, 2018; Botha et al., 2015; Eton et al., 2017). For financial business performance, higher proportions were accounted for by those who agreed and strongly agreed that EE improved their company profits and revenues in the past 24 month period. However, it can be concluded that the responses were fairly evenly distributed between those who agreed and those who disagreed.

For non-financial performance customer service, the findings of the study kept a similar trend where most respondents agreed that over the past 24 months, new customers bought their products because of the training they, the business owners, had received. They also agreed that after receiving EE, they saw an increase in sales from the existing customers.

The above findings are an indication that the type of EE programmes currently offered to businesses is achieving the desired results but they still need to be improved to have more impact. Moreover, these findings were also in line with the number of previous studies in the entrepreneurship literature (Omerala, 2018; Ngcobo, 2015; Trivedi et al., 2009).

5.3.3 Entrepreneurial Self–Efficacy Marketing and Entrepreneurial Self-Efficacy Risk-Taking

Entrepreneurial self-efficacy was the second independent variable of the study and it was utilised to investigate self-efficacy levels of entrepreneurs in their abilities to run successful businesses as well as their risk-taking appetites. The study found that the trend of responses between these two dimensions was very similar. The majority of the respondents either strongly agreed or agreed and very low responses were seen for agreed and disagreed responses.

This finding implies that the business owners who participated in the survey have high self-confidence levels in themselves and they are not risk-averse. Furthermore, this finding implies that more investments in EE for township-based businesses should continue to maintain these high levels of self-efficacy. This finding is also supported by Urban (2006)'s recommendation that South Africa should empower individuals who have the potential to be entrepreneurs. Additionally, his findings on ESE revealed that Indians in South Africa differed significantly from Black South Africans, therefore suggesting that it vital to evaluate ESE when attempting to customise training to meet the needs of a specific group (Urban, 2006).

Contrary to these findings, the GEM report to South Africa in 2016 and found that the low TEA levels amongst South African SMMEs did not match their levels of enthusiasm in entrepreneurship. Moreover, the SEDA report for quarter 1 of 2018 alluded to the high decline rates of newly established businesses in South Africa. These findings could also be attributed to the argument by previous scholars who cited that overconfidence of the entrepreneur normally leads to lack of effort towards performance, therefore resulting in the company failure (Galawe, 2017) .

5.4 Discussion Pertaining to the hypothesis of the study

Hypothesis 1: Entrepreneurship education positively influences financial business performance of the township entrepreneur.

Hypothesis 2: Entrepreneurship education positively influences non-financial business performance customer satisfaction of the township entrepreneur. As it was initially explained in chapter 4, these hypotheses were combined into one hypothesis.

Hypothesis 1*:Entrepreneurship education signficantly positively influences business performance of the township entrepreneur.*

This hypothesis was suppported by the study findings, however, although significant, this relationship is not very strong. This is also in accordance with the findings of an array of researchers in the field of entrepreneurship who noted that entrepreneurship education positively contributes to business growth and business performance (Chimucheka, 2013; Maduekwe & Kamala, 2016; Cho & Lee, 2018; Adgboye et al., 2016; Njambi et al., 2016).

Furthermore, an array of reports and authors in the entrepreneurship literature have cited that lack of management skills by SMME owners and managers in South Africa can be attributed to lack of entrepreneurial education and training, and this can be explained by the high SMME failure rate in the country year-on-year (Botha, et al., 2015; Bureau for Economic Research, 2016; GEM, 2018; Isaacs et al., 2007). Moreover, Matlay (2005) posits that entrepreneurship education can be used as a practical solution to create high quality and high growth entrepreneurs in any given economy. Accordingly, previous research also argued that the introduction of EE to the early-stage entrepreneurs can increase the quantity and quality of successful businesses (Jaafar & Aziz, 2008; Du Toit & Gaotlhobogwe, 2018).

Hypothesis 2: *Entrepreneurial education positively influences the entrepreneurial self-efficacy marketing of the township entrepreneur.*

Hypothesis 3: *Entrepreneurial education positively influences the entrepreneurial self-efficacy risk-taking of the township entrepreneur.*

Both these hypotheses were strongly supported by the results of the study, which confirms that there is a positive significant relationship between entrepreneurial education and entrepreneurial self-efficacy. This finding, however, does not come as a surprise because it was expected that business owners who took part in the study would be optimistic about their businesses, and would also be in charge of making important business decisions. These findings are also supported by several authors (Chen et al., 1998; Urban, 2006; Adgboye et al., 2016).

5.5 Key findings of the study

This section only provides a summary of the findings that were unique to the study and it excludes the findings that were similar to previous studies on entrepreneurship education**.**

5.5.1 Entrepreneurship Education

Firstly, it was found that the majority of the respondents have accessed entrepreneurship education-related courses before or after establishing their businesses, however, there were only a few of them who had studied Entrepreneurship and New Venture Creation.

Secondly, the study found that a fair number of the respondents did not access entrepreneurship education from any of the widely recognised institutions that were listed in the questionnaire such

as, University of Technology, Private University, and EFT Colleges, SETA, Government development agencies, and Private Colleges. Instead, these respondents chose 'other'.

Thirdly, it was found that some of the respondents received entrepreneurship education through programmes offered by Government Development agencies, the SETAs and some of them attended Incubator Programmes. Together these respondents accounted for 36% of the sample.

Lastly, it was found that respondents strongly agreed that entrepreneurship education was relevant to their businesses and that it equipped them with the skills needed to run successful businesses.

In summary, these findings suggest that if entrepreneurs are introduced early enough to entrepreneurship education, their chances of exploring and exploiting successful ventures are very high. Additionally, these findings are agree with a number of previous studies that have examined university and college students in South Africa which were undertaking courses in entrepreneurship education (Chimucheka, 2014; Co & Mitchell, 2006; Du Toit & Gaotlhobogwe, 2018; Gwija, Eke, & Iwu, 2014; Malebana & Swanepoel, 2014).

5.5.2 Business Performance

The study found that although there was a fair number of the respondents who agreed that after accessing entrepreneurship education, their profits improved or they received new customers, there was a wide gap between those that agreed and strongly agreed. Furthermore, those that disagreed and strongly disagreed did not account for a very low percentage either, as they ranged between 10 and 20% respectively.

This finding means that the sample was fairly educated, however, there are still a number of SMMEs that should receive entrepreneurship education in the province. Furthermore, these findings support the study hypothesis that entrepreneurship education positively influences business performance.

It was also found that the majority of the respondents were not contributing much to job creation with only 22.4 % of them agreeing that they have created a job in the past 24 months. This could be attributed to the high unemployment rates that the country continues to experience year on year. It also follows the suggestion by the GEM report 2015 that most entrepreneurs in South Africa are necessity-driven and not opportunity-driven. This report further noted that the percentage of

early-stage entrepreneurs who expect to create jobs within the next five years had decreased significantly since 2015 (from 30 % to 14 %). Some authors also agreed that it is due to the lack of access to economic opportunities that people turn to entrepreneurship as the means to survive (Chimucheka, 2013; Eton et al., 2017; Ndlovhu et al., 2017).

5.6 Chapter Summary

This chapter focused on the results interpretation from the previous chapter by providing explicit context in line with the statistical findings of the study. It went on to link and compare the findings with the existing literature reviewed in chapter two with regards to the variables and the hypotheses that were examined by the study. The chapter concluded by providing a summary of the findings that were unique to the study by comparing them to previous studies.

Chapter 6: Conclusion, implications, and recommendations

6.1 Introduction

This chapter provides the conclusion of the study by briefly recapitulating the purpose of the study; it provides the summary of the study conclusions, based on the findings; it then answers the research questions, which is then followed by the implications of the study, the limitations and it culminates by giving recommendations for future research and the summary of the study.

6.2 Conclusions of the study

The main purpose of the study was to investigate the role of entrepreneurship education in the business performance of the township entrepreneur. Furthermore, the study investigated the role of entrepreneurship education in the entrepreneurial self-efficacy marketing and self-efficacy risk-taking of the township entrepreneur. The findings of the study revealed respondents who agreed to have accessed EE before establishing their businesses, attributed their business achievements to the EE received. Moreover, an overwhelming majority of the respondents had high self-efficacy levels in their ability to achieve business goals, as well as their ability to work under pressure and conflict.

In light of the above findings, the study concludes that EE is indeed amongst the tools that are key to curbing the SMME failure rate in South Africa; perhaps a more co-ordinated holistic approach between policymakers and institutions of higher learning towards creating the EE curriculum aimed at assisting existing businesses, particularly the newly established, could be useful in curbing the failure rates in the future. This could also be attributed to the arguments by previous scholars in the entrepreneurship field who cited that EE is still in the development phase in the country, as such, there is still room for improvement of what is currently being offered (Isaacs, et al., 2007; Nicolaides, 2011; Du Toit & Gaotlhobogwe, 2018).

6.3 Conclusion pertaining to the Research Questions

The study formulated three questions that guided the investigation, and these questions were also answered in line with the findings of the study.

6.3.1 Research Question 1

To what extent does entrepreneurship education influence the financial business growth of the township entrepreneur?

The study investigated this question by asking three questions from the respondents in the survey. The results showed that entrepreneurship education does influence the financial performance of the township entrepreneur, however, the relationship between the two is not very strong.

6.3.2 *Research Question 2*

To what extent does entrepreneurship education influence the non-financial performance of customer satisfaction of the township entrepreneur?

The study investigated this question by asking four questions from the respondents in the survey. The results showed that entrepreneurship education does influence the financial performance of the township entrepreneur, however, the relationship between the two is not very strong.

6.3.3 Research Question 3

To what extent does entrepreneurship education influence entrepreneurial self–efficacy marketing and risk-taking of the township entrepreneur?

The study investigated two dimensions of entrepreneurial self-efficacy by asking four questions for each of them in the survey. The results showed that entrepreneurship education does influence these two dimensions of the township entrepreneur, and the relationships are strong.

6.4 Implications of the findings and the contribution of the study

As discussed at the beginning of the study in chapter one, the study findings have different implications for different role players in the entrepreneurship field in Gauteng. Moreover, these findings also have contributions to the body of literature in the entrepreneurship field. The implications and contributions of the study are discussed below.

6.4.1 Theoretical Implications

Scholars in the field of entrepreneurship, as well as government, have been calling for more research in the SMMEs space, especially since previous research has proven that the township

economy has an important role to play in the country's economy, however, the gaps still exist in the literature that profiles the township entrepreneur in particular. This study mainly focuses on the township entrepreneur, its findings contribute positively to the identified gaps.

To the body of knowledge, the study contributes a different tool to assess entrepreneurship education by adopting and combining different questions and themes into sub-constructs that were used to investigate entrepreneurship. This finding implies that it can be tested in a different province or can be improved for future research.

Secondly, the study contributes to a theoretical framework that could be used by future researchers to assess the role of entrepreneurship education for other township entrepreneurs in different provinces in South Africa. The theoretical implication is that this framework can be used as a foundation or a benchmark for the related studies.

The study used an entrepreneurial self–efficacy theory to evaluate the self-confidence levels of the township entrepreneurs concerning taking business risks and goal-setting for their businesses.

This theory and the findings imply that it provides a much clearer picture of the profile and characteristics of the township entrepreneur, especially since not many studies have included entrepreneurial self-efficacy when investigating entrepreneurship education in the South African context. It is usual paired with one dependent variable. Moreover, the study contributed by sampling existing businesses as opposed to the majority of the previous studies that have generally sampled nascent entrepreneurs who are either MBA or college students.

6.4.2 Practical Implications

In addition to the theoretical implications the study has made, there are some practical findings and implications that could be useful to Development Finance Agencies, policymakers, and entrepreneurs.

6.4.2.1 Development Finance Institutions

The study found that the majority of the businesses that took part in the study were within the 42 months, moreover, it was found that some of the respondents accessed entrepreneurship education from either a Business Development Agency or by being a part of an incubator programme.

These findings have both a practical and a policy implication for Gauteng Enterprise Propeller, in particular, because these are the businesses they have supported either financially or non-financially. Moreover, the Gauteng Provincial Government has placed township entrepreneurs at the heart of their strategy to improve the provincial economy; after this, several programmes have been put in place to target and support these businesses. The study findings could be useful in revising and aligning the development support programmes to create tailor-made solutions that will respond effectively to the identified gaps. These solutions should include entrepreneurship education for newly established businesses in the province.

The study also found that the majority of the businesses were between 1-2 years and 2-4 years respectively, taken together these businesses accounted for over 60% of the respondents. This finding suggests that the provincial government has an opportunity to capture and save these businesses from failure whilst they are still within the early stages of their operations. It further suggests that the government should consider looking an alternative and progressive forms of training such as experiential and on-the-job training soon for SMMEs.

6.4.2.2 Practical Implications for Practitioners

The study findings could be used by the development institutions' practitioners as part of their assessment tools when conducting non-financial business analysis, especially for early-stage businesses.

Moreover, findings from the study could be employed by practitioners from the development finance institutions to lobby for the development of a tool to monitor the impact of all the non-financial support interventions that are currently being offered by the government because such a tool does not exist currently in the public sector set up.

6.5 Limitations of the study

Although this study made some significant theoretical and practical implications and contributions to the body of knowledge in the field of entrepreneurship in South Africa, it is not without limitations, as was alluded to in chapter one of the report.

Firstly, the study focused on SMMEs in the townships and excluded the urban areas in Gauteng, furthermore, the study exclusively sampled entrepreneurs from the GEP database who have been

operating for a minimum period of one year up to 10 years. This, therefore, means that although the researcher could have partnered with other DFIs in the province, due to the limited time and resources allocated to the study, partnering with the GEP was the best option.

The study did not focus on a specific sector of the economy; it sampled all industries as long as they met the previously mentioned criteria.

Due to limited time constraints, the study had to adopt a quantitative research methodology only and omit the other options.

The study was only limited to two theories, the human capital, and entrepreneurial self-efficacy theories, moreover it also only tested two of the five dimensions of entrepreneurial self-efficacy theory, namely, entrepreneurial self-efficacy marketing and entrepreneurial self-efficacy risk-taking.

Furthermore, when measuring performance, the study was only able to measure seven of the 12 performance indicators; this could be attributed to the limited time the researcher had to complete the study.

6.6 Recommendations for Future Research

In light of the above-mentioned limitations, the researcher would therefore like to make the following recommendations for future research.

Future research could consider including all SMMEs in the Gauteng Province irrespective of their geographical areas. This will give a holistic view of the type of SMME in the province. It will further allow for a comparison between the SMMEs from the township and those that are based in the suburbs.

Secondly, perhaps the future research could consider diversifying their databases by partnering with more than one DFI or other recognised institutions that are in the SMME space within the Gauteng Province. Again, this will give a better view on the subject matter of Entrepreneurship Education.

A study that will explore more dimensions of human capital theory will be useful in understanding the entrepreneur's previous experiences before establishing their businesses. These should include the education levels in the demographics.

Future research could also use the study findings to fill in the gaps that this study failed to address concerning theories and the body of knowledge in the SMME sector in Gauteng.

6.7 Summary of the Study

The purpose of the study was to investigate the role of entrepreneurship education to the performance of the township entrepreneur in Gauteng Province, South Africa.

The study has made theoretical and practical contributions as promised in chapter 1. A theoretical framework and a measurement tool for entrepreneurship education are amongst the major contributions of the study to the entrepreneurship literature in Gauteng to be specific.

Furthermore, the findings of the study also add value to a better understanding of the SMMEs that Gauteng Enterprise Propeller is supporting, thereby contributing to better policy formulation towards business development support programmes.

The study managed to differentiate between **entrepreneurship education** and **business management skills**, as well as between studying about "entrepreneurship" and studying for "entrepreneurship" (Du Toit & Gaotlhobogwe, 2018).

Lastly, the study findings have demonstrated that entrepreneurship education as a component of human capital, is one of the most important assets that are accountable for the wealth of the nations, as such, it needs to be strategically cultivated and positioned for the preservation of both the present and the future economic growth and development of the country (Urban & Kongo, 2015).

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Appendix 1: Research Instrument

Entrepreneurial Education Survey

Start of Block: Instruction Block

Q. Dear Entrepreneur

My name is Nonkululeko Sontsele (Student number: 766731). I am conducting a study research for the purpose of completing my studies - Master's Degree in Entrepreneurship and New Venture Creation with Wits Business School. I am conducting a quantitative study to investigate the impact of Entrepreneurship Education on firm performance for township enterprises in Gauteng in South Africa.

Your participation in this survey will take approximately 10 minutes. You have been randomly selected as an SMME in Gauteng and your participation is voluntary. You are not forced to take part in the study, the choice of whether to participate or not, is yours alone. If you choose not to take part, you will not be penalized. Any study records that may 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. However, all information regarding your personal details will be kept confidential. Who to contact if you have been harmed or have any concerns this research has been approved by the Wits Business School. If you would like to contact my supervisor in this study to discuss this research, kindly note details for Dr Jabulile Galawe: Jabulile.galawe@wits.ac.za. My own contact details are: email 766731@students.wits.ac.za/ 073 5378310

- ○ I consent to begin the study (1)
- ○ I do not consent to begin the study (2)

End of Block: Instruction Block

Start of Block: Demographics

Q1.1 What is your Gender?

- ○ Male (1)
- ○ Female (2)
- ○ Other (3)

Q1.2 What is your age range in years?

- ○ 18-25 (1)
- ○ 26-30 (2)
- ○ 31-35 (3)
- ○ 36-40 (4)
- ○ 41-45 (5)
- ○ 46-50 (6)
- ○ 51-55 (7)

Q1.3 What is your Ethnicity group?

- African (1)
- White (2)
- Coloured (3)
- Indian (4)
- Other (5)

Q1.5 What is the age of the business in years?

- 1-2 Years (1)
- 3-4 Years (2)
- 5-6 Years (3)
- 7-8 Years (4)
- 9-10 Years (5)
- 11-12 Years (6)
- 13+ (7)

End of Block: Demographics

Start of Block: Entrepreneurial Education -

Q2 The next questions are 7 point Likert scales with Strongly Disagree=1 and Strongly Agree=7. Please indicate the extent to which you agree or disagree or your experience with the statements below .Some of the questions are not represented by the 7 point Likert scale and you are required to choose a

statement or a number range that is applicable to you. In the following section the researcher asks question about Entrepreneurship Education in terms of Accessibility, Affordability and Relevance.

Entrepreneurial Education Accessibility

Q2.Did you received Entrepreneurship Education before starting the business?

- ○ Strongly Disagree (1)
- ○ Disagree (2)
- ○ Somewhat Disagree (3)
- ○ Neither disagree or agree (4)
- ○ Somewhat Agree (5)
- ○ Agree (6)
- ○ Strongly Agree (7)

Q2.2 Please choose the name of the training that you have attended amongst the options listed below

- ○ Entrepreneurship and New Venture Creation (1)
- ○ Certificate in Business Management (2)
- ○ Business Plan Preparation Training (3)
- ○ Marketing Skills Training (4)
- ○ Business Accelerator Programme (5)
- ○ Incubator Programme (6)
- ○ Other (7)

Q2.3 What was the duration of the qualification?

- ○ 1-3 Months (1)
- ○ 4-6 Months (2)
- ○ 7-8 Months (3)
- ○ 9-12 Months (4)
- ○ 12-18 Months (5)
- ○ 19-24 Months or more (6)
- ○ Other (7)

Q2.4 Did you successfully complete the qualification?

- Strongly disagree (1)
- Disagree (2)
- Somewhat disagree (3)
- Neither agree nor disagree (4)
- Somewhat agree (5)
- Agree (6)
- Strongly agree (7)

Q2.5. Please indicate the type of institution from which entrepreneurship qualification was obtained

- University of Technology (1)
- Private University (2)
- Private College (3)
- FET College (4)
- SETA (5)
- Government Development Agency (6)
- Other (7)

End of Block: Entrepreneurial Education -

Start of Block: Entrepreneurship Education -Affordability

Q3.1 Please indicate the cost of the qualification in South African currency (R)

- 1 000 - 5 000 (1)
- 6 000 - 8 000 (2)
- 9 000 - 12 000 (3)
- 13 000 - 16 000 (4)
- 17 000 - 20 000 (5)
- 21 000 - 24 000 (6)
- 25 000 + (7)

Q3.2 Did you receive any form of sponsorship for your Entrepreneurship Education qualification?

- Strongly disagree (1)
- Disagree (2)
- Somewhat disagree (3)
- Neither agree nor disagree (4)
- Somewhat agree (5)
- Agree (6)
- Strongly agree (7)

Q3.3 Do you think Entrepreneurship Education is affordable for new business owners?

- Strongly disagree (1)
- Disagree (2)
- Somewhat disagree (3)
- Neither agree nor disagree (4)
- Somewhat agree (5)
- Agree (6)
- Strongly agree (7)

End of Block: Entrepreneurship Education -Affordability

Start of Block: Entrepreneurship Education -Relevance

Q4.1 The training providers took time to understand my training needs for entrepreneurship education and skills.

- Strongly disagree (1)
- Disagree (2)
- Somewhat disagree (3)
- Neither agree nor disagree (4)
- Somewhat agree (5)
- Agree (6)
- Strongly agree (7)

Q4.2 The training provided was relevant to me a business owner.

- Strongly disagree (1)
- Disagree (2)
- Somewhat disagree (3)
- Neither agree nor disagree (4)
- Somewhat agree (5)
- Agree (6)
- Strongly agree (7)

Q4.3 Entrepreneurship Education received equipped me with the necessary entrepreneurial skills I needed to successfully run the business.

- Strongly disagree (1)
- Disagree (2)
- Somewhat disagree (3)
- Neither agree nor disagree (4)
- Somewhat agree (5)
- Agree (6)
- Strongly agree (7)

End of Block: Entrepreneurship Education -Relevance

Start of Block: Business Performance -Financial

Q5.1 The annual turnover of the company improved over the past twenty four months after receiving entrepreneurship education

- Strongly disagree (1)
- Disagree (2)
- Somewhat disagree (3)
- Neither agree nor disagree (4)
- Somewhat agree (5)
- Agree (6)
- Strongly agree (7)

Q5.2 Over the past twenty four months my company's profit margin has improved as a result of the entrepreneurial education received.

- Strongly disagree (1)
- Disagree (2)
- Somewhat disagree (3)
- Neither agree nor disagree (4)
- Somewhat agree (5)
- Agree (6)
- Strongly agree (7)

Q5.3 The company sales revenue has increased over the past twenty four months.

- ○ Strongly disagree (1)
- ○ Disagree (2)
- ○ Somewhat agree (3)
- ○ Neither agree nor disagree (4)
- ○ Somewhat agree (5)
- ○ Agree (6)
- ○ Strongly agree (7)

End of Block: Business Performance -Financial

Start of Block: Non-Financial Business Performance - Customer Satisfaction

Q6.1 Over the best past twenty four months the number of new customers buying our products has increased as a result of Entrepreneurial Education received.

- ○ Strongly disagree (1)
- ○ Disagree (2)
- ○ Somewhat agree (3)
- ○ Neither agree nor disagree (4)
- ○ Somewhat agree (5)
- ○ Agree (6)
- ○ Strongly agree (7)

Q6.2 Over the past twenty four months the customer service in the company has improved as a result of the Entrepreneurial Education received.

- ○ Strongly disagree (1)
- ○ Disagree (2)
- ○ Somewhat disagree (3)
- ○ Neither agree nor disagree (4)
- ○ Somewhat agree (5)
- ○ Agree (6)
- ○ Strongly agree (7)

Q6.3 Over the past twenty four months the sales from existing customers has increased as a result of Entrepreneurial Education received.

- ○ Strongly disagree (1)
- ○ Disagree (2)
- ○ Somewhat disagree (3)
- ○ Neither agree nor disagree (4)
- ○ Somewhat agree (5)
- ○ Agree (6)
- ○ Strongly agree (7)

Q45 The Company has added more product lines in the past twenty four months since the training was received.

- ○ Strongly disagree (1)
- ○ Disagree (2)
- ○ Somewhat disagree (3)
- ○ Neither agree nor disagree (4)
- ○ Somewhat agree (5)
- ○ Agree (6)
- ○ Strongly agree (7)

Q44 The company has invested on non- financial assets which include new equipment and a company car

- Strongly disagree (1)
- Disagree (2)
- Somewhat disagree (3)
- Neither agree nor disagree (4)
- Somewhat agree (5)
- Agree (6)
- Strongly agree (7)

Q47 The number of employees in the company increased in the past twenty four months

- Strongly disagree (1)
- Disagree (2)
- Somewhat disagree (3)
- Neither agree nor disagree (4)
- Somewhat agree (5)
- Agree (6)
- Strongly agree (7)

End of Block: Non-Financial Business Performance - Customer Satisfaction

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Start of Block: Entrepreneurial Self -Efficacy- Marketing

Q34 I have the ability to set and meet sales goals for my business

- Strongly disagree (1)
- Disagree (2)
- Somewhat disagree (3)
- Neither agree nor disagree (4)
- Somewhat agree (5)
- Agree (6)
- Strongly Agree (7)

Q35 I have the ability to set and achieve profit goals for my business

- Strongly disagree (1)
- Disagree (2)
- Somewhat disagree (3)
- Neither agree nor disagree (4)
- Somewhat agree (5)
- Agree (6)
- Strongly agree (7)

Q36 I have the ability to establish position in product market

- Strongly disagree (1)
- Disagree (2)
- Somewhat disagree (3)
- Neither agree nor disagree (4)
- Somewhat agree (5)
- Agree (6)
- Strongly agree (7)

Q37 I have the ability to expand the business

- Strongly disagree (1)
- Disagree (2)
- Somewhat agree (3)
- Neither agree nor disagree (4)
- Somewhat agree (5)
- Agree (6)
- Strongly agree (7)

End of Block: Entrepreneurial Self -Efficacy- Marketing

Start of Block: ESE Risk-Taking

Q39 I have the ability to take calculated risk for my business

- Strongly disagree (1)
- Disagree (2)
- Somewhat agree (3)
- Neither agree nor disagree (4)
- Somewhat agree (5)
- Agree (6)
- Strongly agree (7)

Q40 I make business decisions under uncertainty and risk when I am required to do so

- Strongly disagree (1)
- Disagree (2)
- Somewhat disagree (3)
- Neither agree nor disagree (4)
- Somewhat agree (5)
- Agree (6)
- Strongly agree (7)

Q41 I take responsibility for ideas and decisions in the company

- Strongly disagree (1)
- Disagree (2)
- Somewhat disagree (3)
- Neither agree nor disagree (4)
- Somewhat agree (5)
- Agree (6)
- Strongly agree (7)

Q42 As a business owner I have the ability to work under pressure and conflict

- Strongly disagree (1)
- Disagree (2)
- Somewhat disagree (3)
- Neither agree nor disagree (4)
- Somewhat agree (5)
- Agree (6)
- Strongly agree (7)

End of Block: ESE Risk-Taking

Appendix 2: Consistency Matrix

To understand the role of entrepreneurial education on the firm Performance of Township Entrepreneurs							
Research problem/objective stated here							
Sub-problem/Aims	**Literature Review**	**Hypotheses or Propositions**	**Research questions**	**Variables(Independent & Dependent)**	**Source of data**	**Type of data**	**Analysis**
Aim One: Investigating the role of entrepreneurship education on the financial performance of the township entrepreneurs	Watson M.Ladzani and Jurie J.van Vureen:Entrepreneurship Training for Emerging SMMES(2002).153-160 Entrepreneurship Education in Developin Countries: M Jaar, A-R Abdul Aziz (2008)	Hypothesis One : Entrepreneurship education positively influences financial performance of township entrepreneur	To what extent does entrepreneurship education influence financial performance of the township entrepreneur	IV1= entrepreneurial education DV1= financial performance	Questionnaire	Ordinal	Regression Analysis Descriptive Analysis Correlational Analysis
Aim Two: Investigating the role of entrepreneurial education on non-financial	Selvam, M.,Gayathri J.,Vasanth, V.,Lingara, K.,&Marxiaola: Derminants of firm Performance, A subject Model (2016) 90-100	Hypothesis Two & Three: There is a positive relatoinship between entrepreneurship	To what extent does entrepreneurship education influence the non-financial	IV2= entrepreneurial education	Questionnaire	Ordinal	Regression Analysis Descriptive Analysis Correlational Analysis

performance of township entrepreneurs	Chimucheka, T. (2014). Entrepreneurship Education in South Africa. 403 - 416.	education and financial performance and non -financial perfomance of the township entrepreneur	performance of the township entrepreneur	DV2= non-financial performance & Financial Performance			
Aim Three Investigating the role of entrepreneurship education on the self-efficay of township entrepreneur	McGee,J.,Peterson, M.,Muller,S.,& Sequeira,J :Entrepreneurial Self-Efficacy : Refining the Measure (2009) 965-988	Hypothesis Four: Entrepreneurship education positively influences the self-efficacy of the township entrepreneur	To what extent does entrepreneurship education influences the self-efficacy of the towship entrepreneur	IV2= entrepreneurial education	Questionnaire	Ordinal	Regression Analysis Descriptive Analysis Correlational Analysis
	Entrepreneurial Self-Efficacy & Behaviour-Shafiq-AL Hadaad (2018) 2385-2402			DV2= Entrepreneurial Self -Efficacy (marketing &risk-taking) of the firm			