

ASSESSING ENTREPRENEURSHIP EDUCATION AT SECONDARY SCHOOLS IN THE NMBM

By

Heloise Helena Sathorar

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Supervisor: Dr. M. Cullen

DEPARTMENT OF ACADEMIC ADMINISTRATION EXAMINATION SECTION SUMMERSTARND NORTH CAMPUS

PO Box 77000 Nelson Mandela Metropolitan University Port Elizabeth 6013

Nelson Mandela Metropolitan University

for tomorrow

Enquiries: Postgraduate Examination Officer

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Name: Heloise Sathorar
Student Number: 190078170
Signed:
Date:
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the degree of Masters in Business Administration.
Name: Heloise Sathorar
Name: Heloise Sathorar Student Number: 190078170
Student Number: 190078170
Student Number: 190078170 Signed:
Student Number: 190078170 Signed:
Student Number: 190078170 Signed:
Student Number: 190078170 Signed: Date: STATEMENT 3 This dissertation is the result of my own independent work/investigation. Other
Student Number: 190078170 Signed:
Student Number: 190078170 Signed:
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ABSTRACT

Entrepreneurship has emerged over the last two decades as arguably the most potent economic force the world has ever experienced (Kuratko, 2005: 577). Entrepreneurship has become a pressing national priority in South Africa as there are simply not enough existing jobs to absorb the influx of school leavers into the labour market (www.ssaci.org.za). The Global Entrepreneurship Monitor study has consistently highlighted the weaknesses in the education system as a factor limiting entrepreneurial activities in South Africa (Orford, 2004: 26). Entrepreneurship education was introduced into the Further Education and Training curriculum (Grades 10-12) in 2006 as part of an optional subject Business Studies (Horn, 2006: 120). Preliminary evidence suggests widespread problems across the country with the implementation of entrepreneurship education programs in schools (Isaacs, Visser, Friedrich and Brijlal, 2007: 618).

The primary objective of this study is to improve entrepreneurship education at secondary school level by investigating how effective the current entrepreneurship education program is in providing school leavers with the entrepreneurial knowledge and skills required to start their own business. The study conducted a literature review to establish global trends of entrepreneurship education. Furthermore, a qualitative case study approach was used, where three schools from Nelson Mandela Bay Municipality was selected for collecting data on the progress of entrepreneurship education in secondary schools.

The study found that prescribed content for entrepreneurship education is being taught at secondary schools. However, concerns were identified with the methods used to teach entrepreneurship education as it lacked practical exposure to real life situations. The study found that the way in which entrepreneurship education was taught did not motivate school leavers to start their own business. Therefore, the study recommends that entrepreneurship education should be offered as an independent subject and not as part of another subject. Furthermore, a practical approach should be followed in teaching entrepreneurship education. Finally, commitment and collaborative participation by all stakeholders are required to ensure the success of entrepreneurship education.

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CHAPTER 1: INTRODUCTION AND SCOPE OF THE STUDY

The direction in which education starts a man will determine his future life.

(Plato, 393 BC)

1.1 **INTRODUCTION**

The new political dispensation, which gave rise to the socio-cultural and socio-economic transformation that has been taking place in South Africa since the first democratic election in 1994, does not, unfortunately guarantee jobs for those who wish to enter the labour market after school (Horn, 2006: 113). Fifteen years of democracy has brought about little change in terms of the prospects of school leavers and the current world wide economic crisis worsens the situation. Van Eden (2004 as cited by Horn, 2006: 113) stipulates that between five to seven percent of successful Grade 12 learners find employment in the formal sector. This means that seven out of a hundred new entrants to the labour market find a job. Due to high cost of tertiary education only ten percent of the remaining 83 percent seek to further their education leaving the majority of school leavers to face the dismal picture of unsuccessful job applications and unemployment (Horn, 2006: 113).

Unemployment remains one of the major challenges facing South Africa. Fifteen years after the end of Apartheid, the country's unemployment rate is between 27-40 percent with youth unemployment at even higher levels (www.sasix.co.za; 5 February 2009). The South African government's response to unemployment is to focus on enterprise development to boost economic growth and job creation which in turn will alleviate poverty. Enterprise development is recognized world wide as being critical in facilitating economic growth which in turn is essential for addressing unemployment. Investing in enterprise development can create jobs and stimulate productivity (www.sasix.co.za; 5 February 2009).

Enterprise development requires investing time and capital in entrepreneurship education. Gorman, Hanlam and King (1997:56) postulate that there is widespread

recognition that entrepreneurship is the engine that drives the economy of most nations. Therefore learning institutions at all levels are under increasing pressure from government agencies, the public and even students to develop a model of entrepreneurship education that will provide students with adequate entrepreneurial skills and enhance the development and promotion of small businesses (Pretorius, 2008: 1).

Entrepreneurship education has been introduced into the South African school curriculum for Grades 3-9 as part of a compulsory subject, Economic Management Science since 2000. Furthermore it has also been introduced into the curriculum for Grades 10-12 as part of an optional subject, Business Studies (Horn, 2006: 121). 2008 saw the first group of Grade 12 learners matriculate with a formal entrepreneurship education qualification. However research continues to identify weaknesses in the education system as a limiting factor to entrepreneurial activity in South Africa (Orford, 2004: 26). The Center for Innovation and Entrepreneurship (CIE) at UCT (www.entrepreneurship.co.za; 27 July 2006) maintain that South Africa's entrepreneurial activity will continue to trial that of other developing countries unless entrepreneurship education is drastically improved in our schools.

This study will investigate current global trends on entrepreneurship education. Furthermore, the study will investigate the current South African conditions of entrepreneurship education through analysing case studies of three schools in the Nelson Mandela Bay Municipality (NMBM). The aim of the study is to establish the current position of entrepreneurship education in South Africa and to compare it with global trends. This will be done to provide recommendations on how to enhance entrepreneurship education in South African schools. These recommendations will be made in support of government's ASGISA initiatives to halve unemployment and for South Africa become entrepreneurial nation 2014 to by an (http://www.info.gov.za/asgisa).

1.2. PROBLEM STATEMENT

At present, the prospects for new entrants to the labour market are not favourable. Unemployment, staff retrenchment and unsuccessful job applications are the order of the day. The formal employment sector is no longer able to provide jobs to the increasing number of unemployed people (Mae, 1996: i). As a result of less jobs being available to economically active persons in South Africa, especially school leavers, ordinary people are therefore more than ever required to provide for their own economic survival. Mare (1996: i) maintains that school leavers have to become more self-supporting. He further suggests that school leavers, when deciding on a career should consider self-employment as they can no longer rely on the private or public sector to meet their career needs (Mare , 1996: i).

Horn (2006: 120) says that the situation forces school leavers to be more enterprising and create their own job opportunities. Davies (2001 as cited by Horn, 2006: 120) states that an enterprising mind-set therefore needs to be inculcated that favours the formation of employers and not employees. Entrepreneurs, i.e. people who take risk, break new ground and play an innovative role in the economy, are therefore required to effectively address unemployment by revitalising the economy and creating jobs for themselves and others (Horn, 2006: 120).

Given that there simply are not enough existing jobs to absorb the annual influx of school leavers into the labour market, the creation of new jobs through enterprise development is a pressing national priority (www.ssaci.org.za). Horn (2006: 120) agrees that the South African economy is clearly in need of self-driven people who have the willingness to engage in life-long learning, can develop themselves, is open to new opportunities and who possesses emotional intelligence.

The education system therefore plays an important role in developing entrepreneurial skills and shaping attitudes towards entrepreneurship (Horn, 2006:120). Mare (1996: i) says that school learners will have to be exposed to

an entrepreneurship curriculum that will assist them to develop entrepreneurial skills and knowledge. Shay and Wood (2004: 34) maintain that the education system plays an important role in developing entrepreneurial skills and shaping entrepreneurship attitudes.

Local and international research alike indicates that the youth, specifically school leavers find it difficult to start and sustain businesses, especially in the formal sector (www.ssaci.org.za). Orford (2004: 26) stated in the 2004 report of the Global Entrepreneurship Monitor (GEM) that in South Africa, as in many other developing countries, entrepreneurial activity is lower amongst 18-24 year olds than in any other age group. Entrepreneurial activity amongst under 25's is especially low in South Africa – It is less than half of that in other developing countries covered by the GEM survey (www.ssaci.org.za). These findings corroborate a recent study of over 800 micro and small enterprises in Soweto, of which less than five percent were found to be owned or operated by youth under the age of 24 (www.ssaci.org.za). It would thus seem that the path to business success for the youth and particularly school leavers is not an easy path.

The 2004 GEM report as cited by the Swiss-South African Co-operation Initiative highlights five factors inhibiting youths' entry into business (www.ssaci.org.za):

- Generally low levels of educational attainment amongst school leavers;
- Very low levels of financial management skills;
- Failure of the education system to encourage an entrepreneurial spirit or impart to learners a real sense of what is involved in starting and running a business:
- Lack of personal assets that could be used to raise start-up capital; and
- A shortage of outstanding role models in the form successful entrepreneurs.

A pivotal part of the government's vision of Accelerated and Shared Growth Initiative of South Africa (ASGISA) is for South Africa to become an entrepreneurial nation (http://www.info.gov.za/asgisa). The current president of South Africa, Jacob Zuma said in his first state of the nation address that

government has to ensure that education, training and skills development initiatives in the country responds to the requirements of the economy (www.politicsweb.co.za; 3 June 2009). Entrepreneurship has been introduced into the education curriculum for Grades 3-9 since 2000. For these grades, entrepreneurship forms part of a compulsory subject Economic Management Science (EMS) (DoE as cited by Horn, 2006:120). From 2005, entrepreneurship has also been introduced into the curriculum for Grades10, 11 and 12 as part of an optional subject, Business Studies (Horn 2006:120). 2008 saw the first Grade 12 learners matriculating with a formal entrepreneurship education qualification.

Unfortunately, preliminary evidence suggests wide-spread problems across the country in establishing entrepreneurship programs in schools (Shay and Wood, 2004: 34). The CIE at UCT says that South Africa's young adults simply do not skills leave school with the they need start business (www.entrepreneurship.co.za; 27 July 2006). They maintain that only 35 percent of young South African men believe they have the right skills, compared with 60 percent of young men in India and 70 percent in Brazil and Argentina (www.entrepreneurship.co.za; 27 July 2006).

In contrast to the above view, Herrington (2008:24) refers to the 2008 GEM report findings that showed that their has been an improvement in youth entrepreneurship in South Africa. Research was conducted in Gauteng, the Western Cape and Kwa-Zulu Natal in order to obtain a deeper understanding of the entrepreneurial trends amongst the youth in these areas. These areas have been identified as South Africa's main entrepreneurship hubs. The study identified various factors contributing to the improvement in entrepreneurship, including the increase of female entrepreneurs and the increased number of learners completing secondary school (Herrington, 2008:24). This research also found that though there was an increase in entrepreneurial activity, it lacked innovation and creativity.

The current study aims to investigate what the significance is of introducing entrepreneurship education into the secondary school curriculum on improving entrepreneurial activities. This study will focus particularly on the Nelson Mandela Bay Municipality in the Eastern Cape.

In short the problem statement of the current study thus is the fact that even though entrepreneurship education is offered in the FET curriculum (Grade 10-12 level at secondary schools) the rate of entrepreneurial activity in the country remains low. For this reason the current study investigates the current entrepreneurship education programs being offered with the purpose of making recommendations to improve the entrepreneurship education program so as to enhance entrepreneurial activity among school leavers.

1.3 RESEARCH OBJECTIVES

School leavers are finding it increasingly more difficult to find a job in the formal employment sector and have been encouraged to become more self-supporting. The GEM study has consistently highlighted the fundamental importance of education in equipping people with the knowledge and skills needed to become entrepreneurs (Shay & Wood, 2004:34). Entrepreneurship education was introduced into the curriculum of South African schools in 2000. 2008 saw the first group of grade 12's matriculating with formal entrepreneurship education qualifications. However, the link between entrepreneurship education and the development of business skills and entrepreneurial knowledge remain unclear (Shay and Wood, 2004: 34).

The primary objective of this study is to improve entrepreneurship education at secondary school level, by investigating how effective the current entrepreneurship education program is in providing school leavers with the entrepreneurial knowledge and skills required to start their own business.

The primary objective will be achieved by pursuing the following secondary objectives:

- To determine what content should be covered in an entrepreneurship program
 to adequately develop entrepreneurial knowledge and skills by investigating
 the characteristics of successful entrepreneurs;
- To develop a benchmark for entrepreneurship education by investigating global trends to entrepreneurship education;
- To establish how South African entrepreneurship education compares to global trends by investigating what the current entrepreneurship programs at secondary school level (Grade 10-12) offers;
- To assess the current entrepreneurship education program at secondary school level by evaluating whether the content taught in the current programs contribute to developing entrepreneurial knowledge and skills; and
- To provide recommendations on how to improve the current entrepreneurship programs at secondary school level so as to improve entrepreneurial activity amongst the youth and in particular school leavers.

To achieve the above objectives a qualitative study will be conducted and the following research design objectives will be executed:

- A literature study on entrepreneurial aspects and characteristics will be launched to determine what content should be covered in entrepreneurship education programs;
- A literature study will also be used to establish global trends and develop a bench mark for entrepreneurship education;
- A literature study will also be used to establish what the current content of entrepreneurship programs in the curriculum of secondary schools (Grade 10-12) entail. These findings will also be compared to global trends;
- The effectiveness of the current entrepreneurship programs will be assessed through case study analysis. The teachers and students of three different schools in the Nelson Mandela Bay Municipality will be given questionnaires

to assess the adequacy of the current content of entrepreneurship programs as well as the effectiveness of the programs in developing entrepreneurial knowledge and skills; and

 Proposals and recommendations will be rendered to improve entrepreneurship education at secondary schools.

1.4 RESEARCH QUESTIONS

To realise the ideal of a better life for all South Africans, the entrepreneurial energies of all people including the youth should be harnessed to ensure the country's full potential for economic growth is unleashed (North, 2002: 24). For young people to escape from the vicious circle of unemployment caused by the imbalance between the education system and labour market requirements, active intervention will be necessary. North (2002:24) suggests that there is an urgent need for young people to be educated and trained in the field of entrepreneurship for them to become job creators rather than job seekers.

Entrepreneurship was introduced into the current Further Education and Training (FET) curriculum for Grades 10-12 as part of an optional subject Business Studies in 2005 as an initiative to develop an entrepreneurial culture amongst our youth. However for the past five years, the GEM study has identified education and training as the key factor limiting the improvement to South Africa's rate of entrepreneurial activity which is low compared to other developing countries. South African entrepreneurs contribute only 35 percent of Gross Domestic Product (GDP) compared with 60 percent in countries like India & Brazil (www.sasix.co.za; 5 February 2009). Although the new school curriculum aims to teach entrepreneurial skills in reality various obstacles prevent learners from obtaining these skills (www.sasix.co.za; 5 February 2009).

Given the above-mentioned background, the following research questions are formulated:

- What is entrepreneurship?
- What characteristics and aspects have been identified as factors that contribute to successful entrepreneurship?
- Can these entrepreneurial skills / qualities be taught?
- What is entrepreneurship education?
- What can be learnt from developed country like the United States of America (USA) and the European Union in terms of their approach to entrepreneurship education and the development of entrepreneurial skills?
- What is the approach to entrepreneurship education in other developing countries like China?
- What does the current curriculum for entrepreneurship education in the South African schools offer?
- Is the current entrepreneurship education program in South Africa successful in developing entrepreneurial knowledge and skills amongst school leavers?
- What can be suggested to enhance the ability of the current entrepreneurship education program to improve the development of entrepreneurial knowledge and skills amongst the youth?

1.5 METHODOLOGY OF THE STUDY

1.5.1 The research paradigm

Collis and Hussey (2003: 47) identify two main research paradigms or philosophies, namely the positivistic (quantitative) and the phenomenological (qualitative) paradigms. The positivistic approach seeks the facts or causes of social phenomena, with little regard to the subjective state of the individual (Collis and Hussey, 2003: 52). Logical reasoning is used in the positivistic research. Positivists regard laws as the basis of explanations and, as establishing

causal relationships between variables by establishing causal laws and linking them to theory (Collis and Hussey, 2003: 53).

Allen (1990 as cited by Collis and Hussey, 2003: 53) defines phenomenology as the science of phenomena and refers to a phenomenon as a fact or occurrence that appears or is perceived whose cause is in question. The phenomenological paradigm assumes that social reality forms part of the individual, and that social reality is dependant on the mind. The phenomenological paradigm emphasizes the subjective state of an individual and uses interpretative techniques to translate the meaning of phenomena (Collis and Hussey, 2003: 53).

The research objective of the present study is to investigate the effectiveness of the current entrepreneurship education programs at secondary schools in developing entrepreneurial knowledge and skills amongst the youth. The aim, which is to establish why school leavers lack entrepreneurial knowledge and skills, questions the relevance of the current entrepreneurship education programs and dictates that a phenomenological, qualitative approach be used in this study.

1.5.2 The sampling design

To be able to establish whether the current entrepreneurship programs in the FET curriculum adequately fosters the development of entrepreneurial knowledge and skills the content of the current entrepreneurship program will be assessed. This will be done by analysing the perceptions of current participants of the program on the ability of the program to develop entrepreneurial knowledge and skills.

The present study will focus specifically on the Nelson Mandela Bay Municipality (NMBM). The NMBM in the Eastern Cape Province is made up of the three former municipalities of Port Elizabeth, Uitenhage and Despatch. The NMBM is approximately 200,000ha in size with boundaries stretching to Coega in the north and Rocklands in the west. It is the fifth largest metro in the country and the biggest municipality in the Eastern Cape in terms of geographical area (www.sacities.net). The population of the NMBM is estimated at approximately

1,1 million. Just over half of the population is Black (54 percent), with a further 23 percent being Coloured, 17 percent White, one percent Indian and five percent other. The metro houses 273 schools of which approximately 67 are secondary schools (www.nelsonmandelabay.gov.za).

Judgmental sampling will be used to select three distinct schools in the NMBM. Schools will be selected on the basis of the predominant community it serves. Thus, the three schools selected will comprise a school serving a predominantly Black community, a school serving a predominantly Coloured community and a school serving a predominantly White community. Only FET Public schools with an enrolment of more than 400 learners for Grade 10-12 and where the Grade 12 enrolment exceeds 100 learners will be eligible for selection. The school must offer Business Studies in its curriculum for Grade 10-12.

Questionnaires will be issued to teachers and Grade 12 learners at the selected schools to establish their perception on whether the current entrepreneurship program is successful in developing entrepreneurial knowledge and skills. A minimum of two and a maximum of three teachers involved in teaching Business Studies at a Grade 10-12 level and a minimum of 30 and a maximum of 50 Grade 12 Business Studies learners at each school will be required to complete the questionnaires. The questionnaires will contain questions concerning financial knowledge and business know-how. Furthermore questions pertaining practical experience and the existence of role models will also be asked.

It is envisaged that a questionnaire with 30 items will be formulated for six variables to facilitate the gathering of information for the study. Attempts will be made to ensure that respondents are representative of the population composition of the Municipality.

1.5.3 The measuring instrument

In a qualitative approach, the researcher's ability to interpret and make sense of what he or she sees is critical for understanding any social phenomenon. Thus, the researcher is seen as an instrument in much the same way that a socio-gram rating scale or intelligence test is an instrument (Leedy and Ormrod, 2005: 133). The researcher in the current study will also been used as an instrument. The researcher has observed the implementation and progress of the entrepreneurship education program in the FET curriculum and will draw from this observation to support the data collected through questionnaires.

Furthermore, self constructed questionnaires will be used to measure the variables below:

- The confidence and desire to start a business (entrepreneurial attitude);
- Achievement orientation and attitude towards learning;
- The understanding of financial issues (entrepreneurial knowledge);
- The practical experience and business know-how (entrepreneurial skills);
- The views on creativity and innovation; and
- The availability of role models (local entrepreneurial success stories).

The questionnaires will consist of open and closed questions as well as multiple choice questions. Separate questionnaires measuring the variables mentioned above will be developed for teachers and learners. The teacher questionnaires will be issued to teachers involved in teaching Business Studies at a Grade 10-12 level at the sample schools; while the learner questionnaires will be issued to current Grade 12 Business Studies learners at the sample schools. A covering letter explaining the purpose of the study will accompany the questionnaires. Respondents will also be assured in the letter about the confidentiality of information. Furthermore, the researcher will arrange a meeting with the respondents at the selected schools to enhance participation. At this meeting the purpose of the study will briefly be explained and any questions that the

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respondents might have will be answered. The respondents will than be expected to complete the questionnaire during the session.

1.5.4 Data analysis

Quantifying as well as non quantifying methods will be used to analyse the data collected. Informal quantifying methods like data displays will be used to identify patterned behaviour in the responses given in the questionnaires. Miles and Huberman (1994, as cited by Collis and Hussey, 2003: 268) explain that a display is a visual format that presents information systematically so that the user can draw valid conclusions and take the needed action. The data displays that will be used in the current study include tables and graphs, and it will provide an exposition of the data gathered through the questionnaires. The displays will allow the researcher to reduce the data collected to some extent.

Furthermore, non quantifying methods, in the form of explaining, will also be used to expose some of the data collected. Lindlof (1995, as cited by Collis and Hussey, 2003: 262) describes the explaining method as understanding the coherence of meaning and action in the cases under study. Thus, this is a process whereby the researcher makes sense of the way that the participants in the research make sense of their own actions, goals and motives.

1.6 TERMINOLOGY

ASGISA: Accelerated and shared growth initiative of South Africa. A

Government program to half unemployment by 2014.

Business Studies: An optional subject in the curriculum for Grades 10-12.

The subject focuses on business knowledge and issues.

CIE: Centre for Innovation and Entrepreneurship at the

University of Cape Town

Curriculum: All the different courses / subjects of study that are taught

at a school.

Developed countries: A term used to describe countries that have a high level of

development according to some criteria usually economic

or industrialization criteria (www.wikipedia.org).

Developing countries: It is a term used to describe a nation with a low level of

material well being. The level of development may vary,

with some developing countries having higher average

standard of living (www.wikipedia.org).

DoE: Department of Education – Educational Authorities.

EMS: Economic Management Science – A compulsory subject in

the curriculum for Grades 3-9.

Economically active person: Refers to people over the age of 15 who are willing

and able to work.

Economic Growth: The positive trend in the nations total output over

the long term.

Entrepreneur: An entrepreneur is a person who initiates new

circumstances through innovative action and is able to

capitalise on opportunities in their striving to generate

wealth (Mare, 1996: 2).

Entrepreneurship: Is the practice of starting new organisations or revitalising

mature organizations generally in response to identified

opportunities to create wealth (www.wikipedia.org).

Entrepreneurship education: The study of entrepreneurial knowledge and skills

that will encourage entrepreneurial success in a

variety of settings (www.wikipedia.org).

Enterprise development: The establishment, expansion or improvement of

sustainable businesses to enhance wealth creation

and to contribute to economic growth

(www.sasix.co.za; 5 February 2009).

FET: Further Education and Training. The current education

system for grade 10-12's in South Africa.

Formal sector: All the recognized, registered institutions providing

employment.

GDP: Gross Domestic Product – The value of total output

actually produced in the whole economy over some period,

usually a year.

GEM: Global Entrepreneurship Monitor – A study of

entrepreneurial activities in 42 countries done by the

Graduate School of Business of the University of Cape

Town.

Government: Central authorities determining labour policy in the country.

The Department of Labour is the primary government

institution responsible for executing labour policy.

Labour Market: The labour market is an imaginary marketplace where

labour is bought and sold (Barker, 2003: 2).

Labour force: Economically active population. All the persons actively

working to earn an income in the country.

Learners: For the purpose of this study learners refer to senior learner

in the FET band; in other words Grade 10-12 pupils.

NCS: National Curriculum Statement. The current syllabi /

learning programme for Grade 10-12 learners in South

Africa.

NMBM: Nelson Mandela Bay Municipality – A

Municipality that comprises the three former municipalities

of Port Elizabeth, Uitenhage and Despatch.

SAIE: South African Institute for Entrepreneurship.

School leavers: Grade 12 learners who successfully completed FET.

Self-employed: Someone who organizes their own work or business rather

than being employed and paid by another person.

Secondary school: Schools that offer education to Grades 8-12 learners.

Self-supporting: Someone who generates enough money for himself to exist

without needing financial help from anyone else.

1.7 OUTLINE OF THE STUDY

The study will be divided into six chapters.

Chapter 1: This chapter will outline the scope of the study, the problem statement, the research objectives, research questions and methodology.

Chapter 2: This chapter will contain a literature overview that focuses on the basic aspects of entrepreneurship and entrepreneurship education.

Chapter 3: This chapter will investigate global trends of entrepreneurship education and compare it to the South African approach to entrepreneurship education so that the current system can be evaluated against a bench mark.

Chapter 4: This chapter will outline the research methodology, which includes the research paradigm, sampling design and measuring instruments that will be used to gather information on the current system of entrepreneurship education in South Africa.

Chapter 5: In this chapter the empirical findings will be interpreted and summarised.

Chapter 6: This chapter will render recommendations and the conclusion of the study.

CHAPTER 2: THE BASICS OF ENTREPRENEURSHIP AND ENTREPRENEURSHIP EDUCATION

Ultimately the deepest desire of every entrepreneur and every person is to create from a love of life and to advance the wholeness of the world and make it visible.

(Dr. P. Deahay, Philosopher & Astrologist, 1947)

2.1 INTRODUCTION

The entrepreneurial revolution has taken hold across the globe and has undeniably impacted the world of business forever (Kuratko, 2005: 577). There has been widespread recognition that entrepreneurship is the engine that drives the economy of most nations. Entrepreneurship enhances wealth creation and is seen as the driving force behind drawing investment to local communities. Furthermore, it is also recognised for the vital role it plays in creating job opportunities (Marè, 1996: 1).

This has lead to an increasing interest in the development of education programs to encourage and enhance entrepreneurship. Marè (1996: 33) suggests that developing a positive attitude towards entrepreneurship as well as developing the basic entrepreneurial skills should form an integral part of school curriculums. This would serve to prepare future entrants to the labour market to be able to create and enhance change and growth within existing or new organisations.

This chapter will give a brief overview of the concepts entrepreneurship and entrepreneur by giving a brief exposition of the elements of entrepreneurship as well as the importance of it in generating economic growth. Furthermore, the characteristics of a successful entrepreneur will also be identified. This will be followed by a discussion on whether entrepreneurship could be taught and in

conclusion aspects that should be taught in entrepreneurship education will be highlighted.

2.2 THE SCOPE OF ENTREPRENEURSHIP

2.2.1 A definition of entrepreneurship

The origin of the word entrepreneurship is derived from the French word "entreprende" which mean "to undertake" as in undertaking a particular activity (Kuratko and Hodgetts, 2004: 28). Entrepreneurship is defined in various ways. Common to most definitions is the notion of value creation through new ventures. Various authors stress rapid growth, risk taking and innovation. Entrepreneurship according to Onuoha (www.wikipedia.org) is the practice of starting a new organisation or revitalising mature organisations, particularly new businesses generally in response to identified opportunities.

Kuratko and Hodgetts (2004: 3) say that although the creation of business is an important facet it is not the complete picture of entrepreneurship. The characteristics of seeking opportunities, taking risk and having the tenacity to push an idea through to reality permeates entrepreneurship. Timmons and Spinelli (2007: 79) say that entrepreneurship is a way of thinking, reasoning and acting that is opportunity obsessed, holistic in approach and leadership balanced. Furthermore, entrepreneurship results in the creation, enhancement, realisation and renewal of value, not just for owners, but for all participants and stakeholders. At the heart of the entrepreneurship process is the creation and recognition of opportunities (Timmons and Spinelli, 2007: 79).

Barringer and Ireland (2008: 6) also describe entrepreneurship as the process by which individuals pursue opportunities without regard for resources they currently control. They maintain that the essence of entrepreneurial behaviour is identifying opportunities and putting useful ideas into practice. The tasks called for by this behaviour can be accomplished by either an individual or a group and typically requires creativity, drive and a willingness to take risks. GEM defines

entrepreneurship as any attempt at new business or the expansion of an existing business by an individual, teams of individuals or established businesses (Harding, 2004: 9).

Rwigema and Venter (2004: 6) summarise by saying entrepreneurship is the process of conceptualising, organising, launching and through innovation nurturing a business opportunity into a potentially high growth venture in a complex, unstable environment. It can thus be concluded that entrepreneurship is a complex process that consist of various elements. Therefore the next section is devoted to elements of the entrepreneurship process.

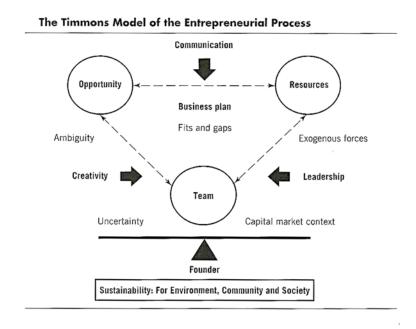
2.2.2 The elements of the entrepreneurial process and an entrepreneurship model

Timmons and Spinelli (2007: 88) maintain that despite the great variety of businesses, entrepreneurs and technologies there are central themes that can be identified in the entrepreneurial process. Rwigema and Venter (2004: 25) say that entrepreneurship rests on the shoulders of an individual who orchestrates three independent variables namely: opportunity, resources and an appropriate team. Timmons and Spinelli (2007: 88) identify the following central themes in the entrepreneurial process:

- An opportunity;
- A lead entrepreneur and an entrepreneurial team;
- Resources and creativity;
- That there is a fit and balance amongst abovementioned elements;
- That the process is integrated and holistic; and
- That the process is sustainable.

Rwigema and Venter (2004: 25) in their rendition also make mention of a business plan and an appropriate structure as elements of the entrepreneurial process. The abovementioned elements are the controllable components of the entrepreneurial process that can be assessed, influenced and altered. The interdependence of these elements is illustrated by the Timmons Model of Entrepreneurial Process:

FIGURE 2.1: THE TIMMONS MODEL OF ENTREPRENEURSHIP



(Source: Timmons and Spinelli, 2007: 89)

The Timmons model illustrates the interdependence between the three main elements namely opportunity, team and resources. It is important to realise that the process starts with opportunity not money, strategy, networks, teams or the business plan. An opportunity consists of four integrated elements all of which are to be present within the same timeframe (window of opportunity) and most often within the same domain or geographical location, before it can be claimed as a business opportunity. These four elements are a need, the means to fulfill the need, the method to apply the means to fulfill the need and a method to benefit.

The more unique the combination of the elements, the more unique the business opportunity. The more control an institution has over the elements, the better they are positioned to exploit the opportunity and to become a niche market leader (http://en.wikipedia.org/wiki/business opportunity). Timmons and Spinelli (2007:118) summarise by saying a superior opportunity has the qualities of being attractive, durable and timely and is anchored in a product or service which

creates or adds value to its buyer or end-user usually by solving a very serious problem.

There is a common misconception that entrepreneurs first need to have all their resources in place for the venture to succeed, but this is not true. Instead money follows high potential opportunities conceived of and led by a strong management team. Bootstrapping is a common principle in entrepreneurial practices that emphasizes doing more with less. It enhances creativity and increases the potential of competitive advantage (Timmons and Spinelli, 2007: 90). Furthermore, dynamic opportunities require diverse talents. Where skills are absent or insufficient, opportunities may be forgone, under-exploited or delayed (Rwigema and Venter, 2004: 25). The entrepreneurial team must have relevant experience and the motivation to excel. They must show commitment, determination and persistence. They must also tolerate risk ambiguity and uncertainty. Finally, they must be creative and adaptable and they must show leadership and courage.

The lead entrepreneur is central to the team as both player and coach. The role of the lead entrepreneur is to juggle all three key elements in a changing environment. As a pace-setter and a culture creator the leader adopts a philosophy that rewards success and supports honest failures. Furthermore, the leader will share the wealth with those who help create it and set high standards for both performance and conduct. The lead entrepreneur's job is to take charge of the success equation. This involves embracing risk and ambiguity through creative problem solving, strategising and analysing the fits and gaps that exist in the venture (Timmons and Spinelli, 2007: 91). Finally, rounding out the model of the three driving forces is the concept of fit and balance between and among these forces. The business plan provides the language and code for communicating the quality of the three driving forces of the Timmons Model and their fit and balance (Timmons and Spinelli, 2007: 91).

Burch (1986: 25) also postulates the following entrepreneurship model to illustrate the entrepreneurial process:

Private Research Corporations Universities Governments groups facilities Standard Economic COLLABORATIVE AFFILIATION of living growth Venture incubator Venture Ν Building and Job Equal Profits lab facilities R E P creation Opportunity S P Shared services Venture incubator Library and computer Venture New facilities RENEU U R N business R I Skilled consultants Entrepreneurial · Inexpensive work force Characteristics Ν Financing sources S G Networks Incubator R S Tax Image base Venture incubator FOUNDATION Efficient Laws and Financial Education Venture Taxes Technological Investment deregulations infrastructure capital base and training development opportunities Corporative Research Enterprise Public-private Society Trade support commitment zones partnership

FIGURE 2.2: THE ENTREPRENEURSHIP MODEL

(Source: Burch, 1987: 13)

Burch (1986: 13) maintains that at its essence, entrepreneurship is the process of giving birth to a new business. This model illustrates that a variety of components work together to conceive and give birth to a new business. The foundation provides the environment and general support that help foster entrepreneurship. One of the key elements of the foundation is education and training. Burch (1986: 14) maintains that these programs should be available to all people all the time to provide the knowledge and expertise to achieve personal goals and to learn entrepreneurial skills. The raw energy and talent for venturing comes from aspiring entrepreneurs who are dedicated, hardworking, and knowledgeable people.

Burch (1986: 15) also supports the idea that entrepreneurship is an intellectual endeavour and that the collaborative affiliation component made up of research centers, universities, governments, cooperation's and private groups cooperating with entrepreneurs and venture incubators to give general guidance, expertise and research support. The venture incubator provides an ideal place to hatch new businesses. Entrepreneurs with foundation stimulation and support of helpful groups bring to the incubator unit their abilities and product-service ideas. A wide variety of skills and supports such as capital, professional expertise and labour is required to bring these product-service ideas to full commercialisation (Burch, 1986: 17). A new business is hatched by bringing all these components together. Finally, all components of the entrepreneurship model are looking for definite returns that include economic growth, enhanced standard of living, profits, enhanced image and technological development. Burch (1986: 18) highlights job creation as a clear return of the entrepreneurial process, since new businesses will create new jobs that will benefit society as a whole.

2.2.3 The importance of entrepreneurship

According to Barringer and Ireland (2008: 18) entrepreneurship has a tremendously positive impact on the economy and on society. They describe the importance of entrepreneurship in terms of its impact on the economy, on society and on larger firms. With regard to economic impact three reasons have been identified why entrepreneurial behaviour has a strong impact on an economy's strength and stability. The reasons include innovation, job creation and globalisation. Innovation is the process of creating something new, which will either solve a problem or satisfy a need in a new cost-effective way. Many innovations help individuals and businesses work more smoothly and efficiently and this enhances performance and business returns. Enhanced performance and returns will in turn positively impact on Gross Domestic Product (GDP) and economic growth.

The growth in smaller entrepreneurial firms enhances job creation as young people generally obtain their first job with a small firm (Barringer and Ireland,

2008: 19). Furthermore, the development of small and medium sized businesses that create products that can be exported enhances globalisation. In addition increased exports will affect the Balance of Payments of countries favourably. The innovations of entrepreneurial firms also have a dramatic impact on society as a whole. New products and services enhance the standard of living as well as the productivity in workplaces. In addition to the impact that entrepreneurial firms have on the economy and society they also have a positive impact on the effectiveness of larger firms. This is because many entrepreneurial firms have built their entire business around producing products and services that help larger firms be more efficient and effective (Barringer and Ireland, 2008: 21).

Marè (1996: 8) summarizes the importance of entrepreneurship in the following four advantages: advancement of economic prosperity, combating unemployment, improved future perspectives and the advancement of own initiatives. The establishment of new ventures through entrepreneurship fuels economic prosperity and leads to job creation that will combat unemployment. In addition the prospect of establishing a new venture provides alternatives to job seeking individuals and could enhance creativity and innovation through the advancement of their own initiatives (Marè, 1996: 9).

2.2.4 <u>Factors that influence entrepreneurial success or failure</u>

A variety of factors influence entrepreneurial success or failure. Marè (1996: 13) identified both external and internal factors that play a role in business success. The external factors include the economic climate, the social and socio-economic environment, politico-legal aspects as well as the international climate. Internal factors are those aspects within the immediate environment of the enterprise, which concern entrepreneurs and includes experience, managerial skills, business philosophy and planning ability. Prospective entrepreneurs will constantly have to take note of both the external and internal factors to plan and maintain entrepreneurial success (www.ssaci.org.za).

The entrepreneur generally has no control over external factors and can in most cases only take limited precautions to restrict negative influences. It is however very important to take cognizance of these factors to establish whether the climate is conducive for entrepreneurial activity. Entrepreneurs find the limited control they have over external factors frustrating because it is in direct opposition to their need to be in control (www.ssaci.org.za). In terms of the economic climate, a free market system is generally considered as a prerequisite for a favourable climate but however does not guarantee either economic growth or successful entrepreneurship. Furthermore, an economic recession, high inflation rates and a strict long term monetary policy can be detrimental to the advancement of entrepreneurship. In addition the influence of high standards, legal restrictions and bureaucracy can also hamper economic development and suppress entrepreneurial initiative (Marè, 1996:14).

The demographic environment, in which the entrepreneur resides, has a great influence on the nature of the enterprise that can be considered. The available consumable income of the community also plays an important role in determining the viability of an enterprise. Furthermore, cultural and ethnic differences should also be taken into account when planning entrepreneurial activity. It can thus be concluded that it is important to evaluate the socio-economic standards and needs of the community to establish the feasibility of a proposed business enterprise. Furthermore, prompt action and the ability to adapt to the changing needs and circumstances of the community are important in ensuring entrepreneurial success (www.ssaci.org.za).

It is also important for entrepreneurs to be accustomed with legislation and they should at least be conversant on the basic understanding of the laws that affect their business. This would ensure that entrepreneurs do not engage in illegal activities. It is also important that entrepreneurs acquaint themselves with both opportunities and threats fundamental to technological development. This is important to ensure that threats are addressed and that opportunities are utilised to the benefit of the enterprise (www.ssaci.org.za). Furthermore, the entrepreneur

should also be aware of ecological factors such as the availability of raw materials, water and energy so as to ensure that ecological imbalances do not occur to disturb entrepreneurial activity. Finally, international interdependence is another dimension which the entrepreneur should be acquainted with, so as to establish how international activity will impact on their enterprise (Marè, 1996: 16).

In terms of internal factors the entrepreneur's experience plays an important role in the development of the required entrepreneurial skills. It is important for entrepreneurs to assess whether they have the know-how to get the business off the ground and to keep it going. Lack of experience can be addressed by developing business skills and knowledge through study and training. This could also be used to enhance managerial skill as skilful management of resources and judicious decision making are crucial elements of the successful enterprise (www.entrepreneurship.co.za; 27 July 2006). Furthermore, a sound business philosophy with a customer focus will go a long way in ensuring entrepreneurial success. Finally, a successful business cannot be established without setting goals and working towards them, and this can only be achieved through skillful planning (www.entrepreneurship.co.za; 27 July 2006).

2.3 EXPOSITION OF THE ENTREPRENEUR

2.3.1 Definition of an entrepreneur

The importance of entrepreneurship demands a true understanding of the concept entrepreneur. Marè (1996: 2) defines an entrepreneur as a person who initiates new circumstances through innovative action and is able to capitalize on opportunities in their striving to generate wealth. Entrepreneurs can be described as people who have the talent for seeing opportunities into profit making businesses (www.entrepreneurship.co.za; 27 July 2006). Entrepreneurs are individuals who recognize opportunities where others see chaos or confusion. They are aggressive catalysts for change within the market place (Kuratko and Hodgetts, 2004: 3). Entrepreneurs have been compared to Olympic athletes

challenging themselves to break new barriers. They start businesses and create jobs at a breathtaking pace. They challenge the unknown and continuously create the future (Kuratko and Hodgetts, 2004:3).

Drucker (1985: 28) states that entrepreneurs see change as the norm and as healthy. The entrepreneur always searches for change, responds to it and exploits it as an opportunity. According to Drucker (1985: 28) the act of starting or owning a small business does not in itself make one an entrepreneur so much as the ability to innovate and exploit opportunity. Carland, Hoy, Boulton and Carland (1984:355) follow a similar track, pointing out that one may be a small business owner but not necessarily engage in entrepreneurship. It is argued that while an entrepreneur and small business owner may establish and manage a business for profit, what sets the entrepreneur apart is the ability and willingness to employ innovative techniques and ways of thinking, as well as strategic management practices in the enterprise.

A common trend in the definition of the entrepreneur is that the entrepreneur is regarded as an individual with the potential of creating a vision from virtually nothing. This is fundamentally a creative action where energy is invested in the initiation process by initiating the start-up of an enterprise rather than to merely analyse and be an onlooker in the process of forming a new enterprise (Antonites and Van Vuuren, 2005:256). Furthermore, this vision and action involves taking calculated risks that includes personal, social, psychological as well as financial components. The entrepreneur does everything possible to achieve the set goals and to avoid the possibility of failure. Antonites and Van Vuuren (2005: 257) also highlight a noticeable attribute that defines the entrepreneur as the ability of the entrepreneur to identify an opportunity where the regular person would see chaos, contradictions ambivalence and confusion. The essence of entrepreneurs is founded in their ability to develop the "new": be it products or services with corresponding value creation and profit driven decision making. The reward for entrepreneurial achievement is not only financial, but also involves personal satisfaction and independence (Antonites and Van Vuuren, 2005: 257).

2.3.2 Characteristics of successful entrepreneurs

Entrepreneurs are the economic heroes of modern society. Collectively their drive, energy and perseverance have produced high growth ventures with disproportionate impact on the economy (Rwigema and Venter, 2004:54). An analysis of the characteristics of successful entrepreneurs confirmed that these entrepreneurs have much in common but they also differ widely. Thus, there is no universal set of characteristics distinguishing entrepreneurs from other human beings. Furthermore, there is no single set of attitudes and behaviours that every entrepreneur must have for every venture opportunity. What is required in each situation depends on the mix of key players and how promising and forgiving the opportunity is given the founder's strengths and shortcomings (Timmons as cited by Rwigema and Venter, 2004: 60)

Despite inherent differences there is consensus that successful entrepreneurs share a constellation of personality traits. Burch (1986: 28) identified nine of the most salient personality traits of an entrepreneur. He describes an entrepreneur as someone with a drive to achieve, someone who is hard working and has nurturing qualities. The person should be willing to accept responsibility, be optimistic and must be a good organizer. Furthermore, the entrepreneur must be reward, money and excellence oriented (Burch, 19886: 28). Marè (1996: 18) highlights a drive for achievement that is manifested in time consciousness, vitality and tenacity. He also emphasized an aptitude for problem solving and innovation. Furthermore, a high level of confidence, a sense of responsibility and tolerance to risk is suggested.

Barringer and Ireland (2008: 8) identify a passion for business, product/customer focus, execution intelligence and tenacity despite failure as the four main characteristics of successful entrepreneurs. Rwigema and Venter (2004: 60) also agree that successful entrepreneurs share common traits. According to them commitment, self-reliance and tenacity are important because it takes passion and tremendous energy to refine an opportunity into a start-up venture and to nurse it

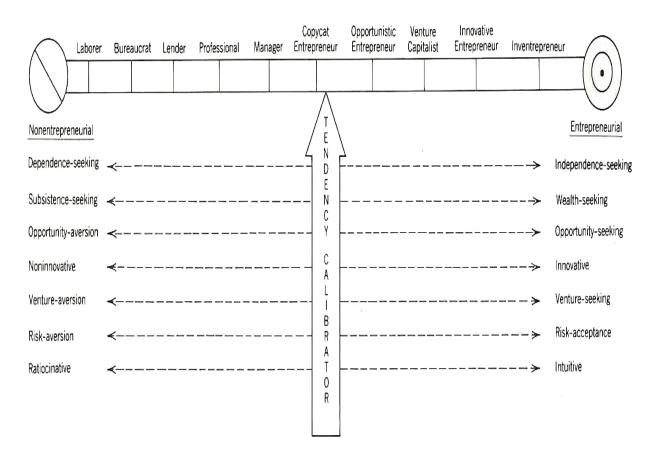
to full potential. Furthermore, they agree that entrepreneurs are self-driven people with high ambition and a need to achieve. The starting point for entrepreneurship is isolating, qualifying and refining an opportunity from a seemingly infinite and chaotic set of ideas. Thus entrepreneurs are opportunity driven and need to be assertive to initiate actions (Rwigema and Venter, 2004: 61). Entrepreneurs must show responsibility as accountability for one's results as well as the results of subordinates comes with the job. Furthermore, the entrepreneur needs to have problem solving as well as team-building abilities.

The entrepreneur is motivated by an internal locus of control and has a high ambiguity tolerance. Finally, Rwigema and Venter (2004: 65) also emphasize integrity, consistency, creativity and innovation as key characteristics of successful entrepreneurs. Creativity and innovation are manifested in the creation of new products, services, inventions of ways to cut cost, improvements of products and the search for imaginative alternatives to what competitors offer. Both characteristics are essential to dynamic organisations and determine an organisation's competitive edge. Timmons and Spinelli (2007: 8) describe six themes of desirable and acquirable attitudes and behaviour of an entrepreneur. These behaviours include commitment, determination, leadership, opportunity obsession and tolerance of risk, ambiguity and uncertainty. It further includes motivation to excel, creativity, self-reliance and adaptability. Burch (1986: 30) refers to tendencies toward entrepreneurial activities as another way to describe the characteristics of an entrepreneur and illustrates it in the following figure of a continuum of entrepreneurial activity from almost no entrepreneurial tendencies to very strong tendencies.

In Figure 2.3 the labourer is the least entrepreneurial and the inventrepreneur is the most entrepreneurial. The inventrepreneur is the epitome of entrepreneurial activity with the ability to both invent a new product or service and to bring it successfully to the marketplace. The bureaucrat, lender, professional and manager tend to be non entrepreneurial while the copycat entrepreneur simply imitates someone else's business. In turn the opportunistic entrepreneur has strong

tendencies for spotting and exploiting opportunities. Although venture capitalists are not strictly entrepreneurs, as such, they have a strong wealth-seeking tendency and serve as a source of equity financing for business ventures. Both the innovative entrepreneur and the inventrepreneur have strong overall tendencies toward entrepreneurial activity (Burch, 1986: 30). Figure 2.3 is also helpful in calibrating the strength of entrepreneurial activity based on tendencies. In essence the figure indicates that if an independence seeking, wealth seeking, opportunity driven, innovative, venture seeking, risk accepting and intuitive person is working as a labourer he will be wasting his time and talent, not to mention the effect on his self-satisfaction and frustration levels.

FIGURE 2.3: CONTINUUM SHOWING TENDENCIES TOWARD
NON ENTRPRENEURIAL OR ENTRPRENEURIAL
ACTIVITIES



(Source: Burch, 1986: 31)

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It can thus be concluded that even though successful entrepreneurs share certain characteristics it does not necessarily follow however that a person who has entrepreneurial characteristics will become an entrepreneur or that the people with these characteristics are guaranteed entrepreneurial success. It is rather suggested that people who have these characteristics have an increased probability to entrepreneurial success and those that strive towards entrepreneurial success would act in favour of this if they emulate these characteristics (Burch, 1986: 28).

2.4 <u>CAN ENTREPRENEURSHIP BE TAUGHT?</u>

Despite a debate that continues to rage on whether people are born entrepreneurs or whether entrepreneurship can be taught it is becoming clearer that entrepreneurship or certain facets of it can be taught (Kuratko, 2005: 580). Business educators and professionals have evolved beyond the myth that entrepreneurs are born, not made. Drucker (1985, as cited by Kuratko, 2005: 580) unequivocally states that entrepreneurship is not magic or mysterious and that it has nothing to do with the genes of an individual. Rather, entrepreneurship is a discipline, and like any discipline it can be taught. Gorman, Hanlon and King (1997: 63) support this view through the findings of a ten year literature review of enterprise, entrepreneurship and small business management education that reported that most empirical studies surveyed indicated that entrepreneurship can be taught or at least encouraged by education.

Hindle (2004 as cited by Greene and Rice, 2007: 139) says that education of entrepreneurship is divisible into two main areas: "Teaching it" and "Teaching about it." "Teaching it" embraces the vocational area of entrepreneurship: the practical components of a much applied area of knowledge. Just as medicine or engineering or law or professional management has a theoretical and societal component so does entrepreneurship. Hindle (2004 as cited by Greene and Rice, 2007:139) further maintain that no doctor is ever born; rather all are made through education and that this is no different for any entrepreneur. However, some doctors are better than others, through a combination of different intrinsic factors

(greater intelligence or greater natural dexterity), different levels of stimulus (a conducive environment) and different extrinsic factors (deeper and longer study of principles and more practice at the craft of surgery). This is also true for an entrepreneur, and it can thus be concluded that entrepreneurship can be taught.

However, not all of entrepreneurship theory and practice can be taught to everyone, anymore than the principles and details of human anatomy can be absorbed by inadequate intelligence or delicate surgical skills can be acquired by an amputee. There is however absolutely no priori justification for saying categorically that entrepreneurship cannot be taught. Hindle (2004, as cited by Greene and Rice, 2007: 139) maintains that people question whether entrepreneurship can be taught due to a confusion of an end result (an entrepreneur exists) with the processes (including but not limited to learning and behavioural change) that produced the end result. The confusion arises because most people know a lot more and a lot more about doctors than they do entrepreneurs or about entrepreneurs. The 2004 GEM report supports this view in that research from the surveyed countries indicated that the majority of the population of these countries claimed that they have never met an entrepreneur (Hindle and Rushworth, 2004: 47)

When people meet or hear about a distinguished surgeon they accept that the surgeon must have had along training including many successes and failures. In turn when people meet or hear about a successful entrepreneur, people tend not to reflect on the skills that the person has had to acquire but only on the results that it has produced. However, these results, often included substantial personal wealth, are abnormal in terms of the risk-reward profile of economic actors with whom people are more familiar. Furthermore, there is the added complication that there is no such thing as a lucky brain surgeon but there is such a thing as a lucky business initiator. The latter, referring to a person who succeeds in business beyond all expectations. Hindle (2004, as cited by Greene and Rice, 2007: 140) says this person should be called a lucky person rather than an entrepreneur.

Hindle (2004, as cited by Greene and Rice, 2007: 140) further states that provided that one does not confuse the aptitudinal and motivational predicates of the student with the transferability of the subject matter, it is clear that the vocational aspects of entrepreneurship can be taught. Thus, if it can be accepted that the skills of doctoring can be taught to some people, not all – even if the aptitude and motivation to be a good doctor cannot, there should be no trouble accepting that the skills of entrepreneurship can be taught even if the aptitude and motivation to be a good entrepreneur cannot (Hindle, 2004, as cited by Greene and Rice, 2007: 140).

2.5 ENTREPRENEURSHIP EDUCATION

2.5.1 Definition of entrepreneurship education

Entrepreneurship education seeks to provide students with the knowledge, skills and motivation to encourage entrepreneurial success in a variety of settings (www.wikipedia.org). Isaacs, Visser, Friederich and Brijlal (2007: 614) say entrepreneurship education can be defined as the purposeful intervention by an educator in the life of the learner to impart entrepreneurial qualities and skills to enable the learner to survive in the world of business. Antonites and Van Vuuren (2005: 257) say entrepreneurship education acts as a facilitator for entrepreneurial activities, with the main focus being on stimulating entrepreneurial activity and performance.

Alberti, Sciascia and Poli (2004 as cited by Isaacs, Visser, Friedrich and Brijlal, 2007: 614) define entrepreneurship education as the entrepreneurial competencies, which in turn refer to the concepts, skills and mental awareness used by individuals during the process of starting and developing their growth oriented ventures. Kroon, De Klerk and Dippenaar (2003: 319) say entrepreneurship education goes much further than the traditional view of starting a business. They maintain that entrepreneurship education should develop a generation of people who are creative, innovative, and willing to take risks.

Entrepreneurship education should encourage people to accept change as the norm.

2.5.2 The importance and need for entrepreneurship education

In the current South African economy it is estimated that more than eight million people will be unemployed by 2010. (Nieuwenhuizen and Groenewald, 2008: 128). For young people to be accommodated in the economy they will have to be trained and educated in the field of entrepreneurship. This will hopefully encourage them to become job-creators instead of job-seekers once they leave the educational system. Entrepreneurial behaviour has become important and there is a need for better entrepreneurial skills and abilities when dealing with current challenges and an uncertain future. Entrepreneurship education is vital in ensuring development and enhancing economic growth.

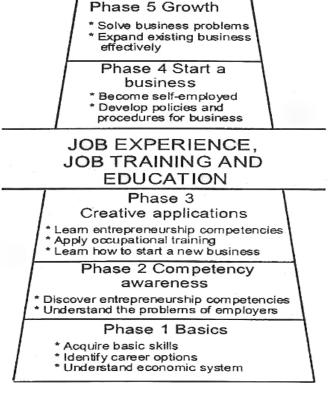
Nieuwenhuizen and Groenewald (2008: 129) postulate that entrepreneurs who attend entrepreneurship courses have a high tendency to start their own business compared with those attending other business courses or not attending any courses. They maintain that entrepreneurship training is critical to venture success. According to Ladzani and Van Vuuren (2002: 158) entrepreneurship education plays a pivotal role in supporting small businesses and they recommend that entrepreneurship education should be seen as one of the basic requirements of starting and managing a business.

Sullivan (2000: 168) revealed in the study conducted on entrepreneurial learning and mentoring, that entrepreneurs believe that the underpinning knowledge gained in taking part in entrepreneurship courses has been critical when faced with "real life" incidents and is of the view that this enabled them to reflect on the incidents and internalize any learning that took place. Thus, theoretical knowledge gained in entrepreneurship courses enhanced the ability to dissect, reflect, learn and act on critical incidents. Furthermore, Henry, Hill and Leitch (2005: 101) indicate that through the study of entrepreneurship, entrepreneurs will be able to benefit from learning an innovative approach to problem solving, adapt more readily to

change, become more self-reliant and develop their creativity. All these attributes constitute a viable platform for economic development in any society. This creates a need for a focused approach on the development of entrepreneurial skills.

Isaacs, Visser, Friedrich and Brijlal (2007: 615) refer to the Consortium for Entrepreneurship Education that emphasize that entrepreneurship education is a lifelong process and consists of five stages, namely basics, competency awareness, creative applications, start-up and growth. Kroon, De Klerk and Dippenaar (2003:319) support the notion of a lifelong entrepreneurship education model to put the skills and experience required to pursue an entrepreneurship career in perspective. According to this model, all young people should be exposed to entrepreneurship education in a lifelong process. This lifelong entrepreneurship model is portrayed in Figure 2.4 below.

FIGURE 2.4: A LIFELONG ENTREPRENEURSHIP MODEL



(Source: Kroon, De Klerk and Dippenaar, 2003: 320)

The model is divided into 5 phases, with a break before phase 4. Phase 1 is the basic phase that provides all young people with the vision that anyone can become the owner of a business. Learners are exposed to role models that will enhance the development of self-respect and self-confidence as well as promote the development of an internal locus of control. The role of small business is emphasized and learners are introduced to the modes of earning, savings and investing (Kroon, De Klerk and Dippenaar, 2003: 320).

In phase 2 skills concerning business ownership are learned through awareness. The aim of this phase is to teach individuals the language of business and to perceive business problems from the viewpoint of the small business owner. This means being placed in the entrepreneur's position in order to understand why businesses succeed or fail and being taught the importance of employee productivity, loyalty and competence (Kroon, De Klerk, and Dippenaar, 2003:320). Phase 3 is the creative application phase where the idea of starting a business is propagated. This phase occurs in the last few years of the secondary school and is continued in Higher Learning Institutions. This phase allows for learners to search opportunities and develop a unique business concept. Learners learn how to analyse the business environment and community, investigate the demographics of the market and determine their marketing strategy. The focus falls on advanced creativity, exploring and finding opportunities, the practical experience of doing a feasibility study and developing a business plan well in advance of actually becoming an entrepreneur (Kroon, De Klerk and Dippenaar, 2003: 320).

The break in the lifelong entrepreneurship education model is made to emphasize the need for experience and other forms of education. Experience can help to gain insight into the way in which business is started and managed as well as assisting in developing expertise and building networks. Phase 4 is called starting a business and states that various training programmes and institutions are available to assist adults in their decision to start an own business. The result of these

programmes is better planning and the awareness of opportunities. Finally, Phase 5 focuses' on business growth and on assistance to existing business owners to keep up with changes, such as the general economic environment, information and technology. The idea is to provide assistance through seminars and workshops to business owners before they are so far in trouble that it is impossible to turn the situation around. Here the emphasis is on financial planning, inventory control, marketing, human resource management, cash flow management and strategic management (Kroon, De Klerk and Dippenaar, 2003: 320).

2.5.3 What should be taught in Entrepreneurship Education?

Garavan and O'Cinneide (1994: 5) suggest that the following are the most commonly cited objectives of entrepreneurship education and training programmes:

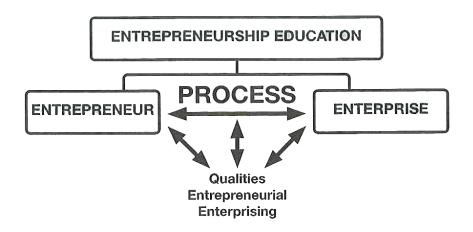
- To provide knowledge relevant to entrepreneurship;
- To provide skills in the use of techniques in the analysis of business situations,
 and in the synthesis of action plans;
- To identify and stimulate entrepreneurial drive, talent and skills;
- To undo the risk-averse bias of many analytical techniques;
- To develop empathy and support for all unique aspects of entrepreneurship;
- To devise attitudes toward change; and
- To encourage new start-ups and other entrepreneurial ventures.

Nieuwenhuizen and Groenewald (2008: 129) see entrepreneurship education as standing on two legs, namely:

- (i) Business planning, functions and management skills; and
- (ii) Entrepreneurial skills and traits including background and experience carried over to the entrepreneur by parents and educators.

Kyrö (2002, as cited by Fayolle and Klandt, 2006: 98) summarizes the elements of entrepreneurship education as follows in Figure 2.5:

FIGURE 2.5: THE ELEMENTS OF ENTREPRENEURSHIP EDUCATION



(Source: Kyrö 2002 as cited by Fayolle and Klandt, 2006: 98)

The figure indicates that entrepreneurship education is a phenomenon that deals with the entrepreneur, the enterprise and how these two elements interact with each other.

Isaacs, Visser, Friedrich and Brijlal (2007: 623) support the idea that entrepreneurship education has two focus points namely, the entrepreneur as a person and the entrepreneurial process, and suggest that these themes should be taken as guidelines when compiling an entrepreneurship education curriculum. According to Gouws (2002 as cited by Isaacs, Visser, Friedrich and Brijlal 2007: 623) the following aspects should be included under the theme entrepreneur as a person:

- Entrepreneurial qualities, e.g. achievement, motivation, creativity, decision making, initiative, innovativeness, internal locus of control and risk taking;
- Entrepreneurial skills, e.g. strategy formulation, leadership, planning and time management and financial concepts, communication and negotiation skills;
 and
- Self-knowledge.

Under the theme entrepreneurial process, the following aspects should be covered:

- Economic education, e.g. unemployment, economic growth, tax, personal financial management, productivity and industry knowledge;
- Business idea, e.g. searching for an idea, creativity and innovation;
- Compiling a business plan; and
- Starting a business, e.g. market day or flea markets.

Kuratko (2005: 581) also suggests that venture financing, intrapreneurial activities, social responsibility and ethics be given attention under entrepreneurial processes. In addition to this Ladzani and Van Vuuren (2002, as cited by Isaacs, Visser, Friedrich and Brijlal, 2007: 616) presents the following model of entrepreneurial performance training for consideration in the promotion of entrepreneurship at secondary school level:

TABLE 2.1: CONTENT OF ENTREPRENEURIAL PERFORMANCE
TRAINING

	ENTREPRENEURIAL	BUSINESS SKILLS
MOTIVATION	SKILLS	
 Need for achievement Ability to inspire Expectations of the higher achiever Obstacles or blocks Help Reaction to success or failure 	 Creativity Innovation Ability to take risks Ability to identify opportunities Ability to have a vision for growth Interpret successful entrepreneurial role models 	 Management/ Leadership Business plans Financial skills Marketing skills Operational skills Human Resources skills

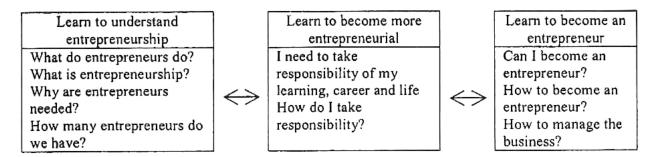
(Source: Ladzani & Van Vuuren, 2002 as cited by Isaacs, Visser,

Friedrich and Brijlal, 2007: 617)

The model consists of three components, namely motivation, entrepreneurial skills and business skills. The model gives a clear indication of aspects that should be covered in an entrepreneurship curriculum.

To further support this notion Isaacs, Visser, Friedrich and Brijlal (2007: 623) refers to the interactive Hytti model (Figure 6) in which the different roles assigned to entrepreneurship education are summarized.

FIGURE 2.6: HYTTI MODEL OF ENTREPRENEURSHIP EDUCATION



(Source: Hytti, 2002 as cited by Isaacs, Visser, Friedrich and

Brijlal, 2007: 623)

In essence each of these three categories has the purpose of identifying and monitoring progress as the student moves from becoming familiar with the concept of entrepreneurship to developing a level of maturity that will enable the student to start an enterprise to a stage where the student/prospective entrepreneur possesses most of the elements required for business success.

2.5.4 How should Entrepreneurship education be taught?

Kirby (2003, as cited by Fayolle and Klandt, 2006: 45) argues that to develop entrepreneurs or more enterprising individuals, the focus of the education system needs to be shifted away from the traditional to what he terms: "the entrepreneurial." Table 2.2 indicates the shift in the focus of learning.

TABLE 2.2: THE FOCUS OF LEARNING IN AN ENTREPRENEURIAL CURRICULUM

Traditional focus on	Entrepreneurial focus on
The past	The future
Critical analysis	Creativity
Knowledge	Insight
Passive understanding	Active understanding
Absolute detachment	Emotional involvement
Manipulation of symbols	Manipulation of events
Written communication and Neutrality	Personal communication and
	Influence
Concept	Problem or opportunity

(Source: Kirby, 2003 as cited by Fayolle and Klandt, 2006: 46)

It is thus important to develop a system of learning that complements the traditional and develops in its students the skills, attributes and behaviours, characteristic of the enterprising or entrepreneurial individual. To achieve this Kirby (2003, as cited by Fayolle and Klandt, 2006: 46) suggests that it will be necessary to adopt an approach to learning that:

- Gives students ownership of their learning, including negotiating with their teachers their own learning objectives, the resources, activities and processes required to meet these objectives. It would also be important to establish the way in which it will be determined whether these objectives have been met;
- That will involve students in problem solving in real-world situations, to develop both intuitive and rational thinking, to recognize the multi-faceted nature of the problem and solution and to encourage communication and cooperation;
- That will enhance decision making, stimulate effectiveness and the ability to cope with uncertainty; and
- That will provide students with role models who are involved in both the learning and assessment processes to demonstrate role orientation, ability and motivation.

2.6 CONCLUDING REMARKS

Entrepreneurship is a key driver of an economy (www.entre-ed.org). Wealth and a high majority of jobs are created by small businesses started by entrepreneurially minded individuals, many of whom go on to create big businesses. People exposed to entrepreneurship frequently express that they have more opportunity to exercise creative freedoms, higher self-esteem, and an overall greater sense of control over their own lives (www.entre-ed.org). For this reason many experienced business people, political leaders, economists and educators believe that fostering a robust entrepreneurial culture will maximize individual and collective economic and social success on a local, national and global scale. Entrepreneurship education plays a pivotal role in enhancing an entrepreneurial culture. Entrepreneurship education is a lifelong learning process starting as early as primary school and progressing through all levels of education, including adult education (www.entre-ed.org). Entrepreneurship education can be defined as the purposeful intervention by an educator in the life of the learner to impart entrepreneurial qualities and skills to enable the learner to survive in the world of business (Isaacs, Visser, Friedrich and Brijlal, 2007: 614). According to Alberti, Sciascia and Poli (2004 as cited by Isaacs, Visser, Friedrich and Brijlal, 2007: 619) for effective entrepreneurship education to take place there should be a relationship between the goals of the entrepreneurship program, the audience to which the program is delivered, the content of the entrepreneurship courses or modules and the requirements of the economy.

Entrepreneurship has emerged over the last two decades as arguably the most potent economic force the world has ever experienced (Kuratko, 2005: 577). Despite the expansion of entrepreneurship and the remarkable developments in the field of entrepreneurship education it remains a challenged discipline. It is how countries deal with the challenges of entrepreneurship and entrepreneurship education that could determine future economic success.

For this reason the next chapter is devoted to global trends of entrepreneurship and entrepreneurship education.

CHAPTER 3: WHAT SOUTH AFRICA CAN LEARN FROM GLOBAL TRENDS

ON

ENTREPRENEURSHIP AND ENTREPRENEURSHIP EDUCATION

Education is the passport to the future, for tomorrow belongs to those who prepare for it.

(Malcolm X, U.S.A Black Nationalist Leader, 1960)

3.1 INTRODUCTION

Entrepreneurship lies at the heart of the free market system (Davies, 2001: 32). The entrepreneur has the ability to mobilize and co-ordinate production factors in such a way as to create profits (Vosloo, 1994 as cited by Davies, 2001: 32). Entrepreneurs are also in a better position to react quickly and take advantage of new opportunities which are often missed by larger and more bureaucratic business organizations. Furthermore, entrepreneurship is not only associated with small scale enterprises it is also known to have positive spin offs in government, public and co-operative enterprises.

Entrepreneurs throughout the world are stirring up a revolution that is reforming and revitalizing economies (Gouws, 2002: 42). Entrepreneurship is a dynamic process of vision, change and creation. In the USA small businesses have created 20 million new jobs in the past decade, while entrepreneurship is responsible for almost zero unemployment in countries like Indonesia, Malaysia and Singapore (Gouws, 2002: 42). Garavan and O'Cinneide (1994: 3) suggest that a wide range of factors have contributed to the revival of interest in entrepreneurship in Europe, the USA and other developing countries. Many industrialized countries have recently suffered from economic recession, high unemployment rates and fluctuations in international trade cycles to a degree not experienced since World

War II. This situation has tended to increase the attention paid by policy makers and political decision makers to the potential role of entrepreneurs as a possible solution to rising unemployment rates and as a recipe for economic prosperity (Garavan and O'Cinneide, 1994: 3).

It is thus not surprising therefore that there has been an increased focus on entrepreneurship education. Alberti, Sciascia and Poli (2004, as cited by Isaacs, Visser, Friedrich and Brijlal, 2007: 614) define entrepreneurship education as the structured formal conveyance of entrepreneurial competencies, which in turn refers to the concepts, skills and mental awareness used by individuals during the process of starting and developing their growth oriented ventures. Antonites and Van Vuuren (2005: 257) agree that entrepreneurial education acts as a facilitator for entrepreneurial activities with the main focus on stimulating entrepreneurial activities and performance.

The importance of entrepreneurship and the fact that entrepreneurship education is a vehicle that enhances entrepreneurial activities was emphasized in The World Economic Forum's Global Education Initiatives report that called for transformation of education systems to stimulate economic growth (www.weforum.org; 23 April 2009). The report highlights the importance of entrepreneurship education for developing the skills, attitudes and behaviours necessary to create jobs, generate economic growth, advance human welfare and stimulate innovation to address global challenges (www.weforum.org; 23 April 2009).

Expanding the level of entrepreneurial activity within all nations is an increasingly important political and economic goal, especially for developing countries. This chapter will investigate global trends with regard to entrepreneurship and entrepreneurship education. A brief overview of entrepreneurial trends in the USA, India and China will be rendered with specific reference to how entrepreneurship education at high school level influenced entrepreneurial activities in these countries. This will be followed by a description

of the current state of entrepreneurship education in South African high schools. Finally, the chapter will be concluded with lessons that could be learnt from the approach and implementation of entrepreneurship education in the USA, India and China.

3.2 THE USA PERSPECTIVE

3.2.1 An overview of entrepreneurship in the USA

The history of entrepreneurship in the United States of America (USA) is an example that calls for careful examination. There has been a powerful emergence of entrepreneurial activity in the USA during the last ten years (Kuratko, 2005: 577). New business incorporations averaged six hundred thousand per year. 15 percent of the fastest growing new firms accounted for 94 percent of the net job creation. Small businesses employ 53 percent of the private work force and account for 47 percent of sales and 51 percent of private sector GDP. 16 of all USA firms have been in existence for less than one year. 67 percent of all new inventions are created by smaller firms (Kuratko, 2005: 577).

This history of the explosion of job creation by small and medium enterprises is directly linked to important initiatives taken to promote entrepreneurship in the USA. Creating jobs and fighting unemployment was a direct result of the promotion of centers and institutions in entrepreneurship and ultimately the training of entrepreneurs (Ijeoma and Ndedi, 2008: 6). The expansion in entrepreneurship has brought about a similar increase in the field of entrepreneurship education. Kuratko (2005: 577) says the growth and development in the curricula and programs devoted to entrepreneurship and new venture creation have been remarkable.

Furthermore, the number of colleges and universities that offer courses related to entrepreneurship has grown from a handful in the 1970's to over 1600 in 2005 (Kuratko, 2005: 577). Despite the expansion, entrepreneurship education remains challenged. In the light of the current global economic crisis and the high

American drop-out rate there is an earnest call to formally introduce entrepreneurship education into the school curriculum (www.nfte.com).

3.2.2 The current state of entrepreneurship education at high school level in the USA

Economic leaders and educational scholars in America are calling for an increase in initiative, self-regulating, critical thinking and lifelong learning skills among young people to meet the needs of the growing "knowledge economy". When it comes to entrepreneurs, Americans of all political stripes agree: they like them, they respect them and they need them to help build economic prosperity (www.nfte.com). Entrepreneurs do not emerge out of thin air; they have to be nurtured by their parents, their teachers and their communities.

Despite the enhanced focus on entrepreneurship education and the increase in courses offered at university and college level, the lack of entrepreneurship education at school level and especially high school level is a cause for concern. Various organisations including The Consortium for Entrepreneurship Education (CEE) and The Youth Entrepreneurship Strategy Group of the Aspen Institute are calling for the formal introduction of entrepreneurship education into the current high school curriculum. America's business, education and political leaders have reached a strong consensus on the need for a talented workforce. Unfortunately they have also reached a consensus that the current educational system fails to provide the necessary foundations for such a workforce (www.entre-ed.org).

The Youth Entrepreneurship Strategy Group (YESG) maintains that America's education and workforce challenges have resulted from a complex mix of factors (www.nfte.com). Globalization and technology have altered work patterns and altered the skills needed to build successful work lives. The educational institutions have not been able to keep up with the rapid pace of change, especially related to technological advancement. Schools, especially middle and high schools are struggling to provide their students with the fundamental tools to

succeed academically and in life. This enhances the drop-out crisis and aggravates social degradation (www.nfte.com).

The American nation has responded to these challenges through a variety of efforts including charter schools, the No Child Left Behind Act and a whole host of initiatives to improve performance and increase accountability (www.entre-ed.org). The YESG also suggests the introduction of new curricula and teaching methods that engage students and build a closer connection between school and work (www.nfte.com). Furthermore, it is suggested to build a better support network for struggling students and to build an overall school climate that fosters rigorous academics, effective relationships in the community and relevancy throughout the curriculum (www.nfte.com).

Researchers agree and the YESG as well as The Consortium for Entrepreneurship Education (CEE) support the notion that youth entrepreneurship offers one effective means to address the challenges of engaging students, building stronger support networks and nurturing a more rigorous academic environment in schools. The strong support for entrepreneurship education is justified in that entrepreneurship education is not just about teaching someone to run a business; it is also about encouraging creative thinking and promoting a strong sense of self-worth and accountability (www.nfte.com). Furthermore, the CEE listed the following core outcomes created via entrepreneurship education:

- The ability to recognize opportunities in one's life;
- The ability to pursue such opportunities by generating new ideas and marshalling needed resources;
- The ability to create and operate a new venture; and
- The ability to think in a creative and critical manner (<u>www.entre-ed.org</u>).

Youth entrepreneurship is a viable approach to engaging students by helping them to develop entrepreneurial skills and providing them with the experience of what it is like to start a business venture (www.nfte.com). Entrepreneurship education differs from other business or economics education programs, and can

complement most financial literacy curricula. The YESG further justifies the call for the introduction of entrepreneurship education into school curricula by referring to a recent survey done in 2007 of American young people between the ages of 8-21 that found that:

- 40 percent of young people would like to start a business someday;
- 63 percent believe that if they work hard, they can successfully start a new company;
- 59 percent know someone who has started a business; and
- 265 agree that starting their own business would be more desirable than other career opportunities (www.nfte.com).

Researchers agree that entrepreneurial skills cannot be taught through classroom lectures alone. These skills are acquired through experiential learning where youth are exposed to the risk, ambiguities and creativity of building a real-life business. In an effective entrepreneurship education program young people do not just learn the theory behind starting a business; they live it through a "hands on" application (www.nfte.com). The CEE has listed the following benefits that entrepreneurship education would offer high school students:

- Creation of entrepreneurial thinkers who also have the skills and tools to start their own business;
- Write a business plan;
- Apply economic principles;
- Determine individual entrepreneurial interests;
- Apply basic marketing skills;
- Use strategies for idea generation;
- Assess feasibility of ideas;
- Manage risk;
- Identify legitimate sources of capital;
- Evaluate ownership structures;
- Translate problems into opportunities;
- Apply principles of human relations management;

- Apply basic accounting principles;
- Engage in ethical business practices; and
- Demonstrate financial management (<u>www.entre.ed.org</u>).

The benefits of entrepreneurship education at all age levels have been evident for sometime. Entrepreneurship education efforts exist at all levels of education across the USA. Researchers agree that while this progress is impressive it is still quite limited as a vast majority of American and especially the youth still cannot easily access entrepreneurship education training and resources (www.entre-ed.org). Few communities have embraced entrepreneurship education as an official and integrated part of their educational system. Only nine states have formal legislation that promotes entrepreneurship education at the K-12 level. Entrepreneurship education programs also, often fall outside of school districts formal curriculum, and thus this field has grown slowly. Successful programs are in place across the USA yet only small pockets of excellence are experienced (www.nfte.com). There is no evidence of a system that is in place that offers entrepreneurship education as an option for all students.

The CEE provides various reasons why entrepreneurship education has not happened at high school level:

- America's entrepreneurial advantage has allowed them to be complacent. A
 feeling that America has a strong climate for entrepreneurs so why should
 they worry about entrepreneurship education prevailed;
- The data on the power of entrepreneurship education has been lacking;
- Schools have faced enormous challenges and have been unable to undertake
 yet another new initiative in the face other mandates for local, state and
 federal leaders; and
- Teachers lack resources and knowledge about how to teach entrepreneurship education and some believed that it was enough to provide entrepreneurship only at college level (<u>www.entre-ed.org</u>).

The CEE maintains that there no longer exists reasons to prevent the introduction of entrepreneurship education in schools and suggests that the following initiatives are needed:

- America's federal and state education leaders should make entrepreneurship education a formal part of the American high school curriculum;
- Support and implement a national entrepreneurship week that focuses on entrepreneurs and entrepreneurship education at national, state and local level;
- Develop and finance an entrepreneurship education innovation fund that provides small grants to innovative educational programs; and
- Develop a support program whereby information about entrepreneurship education and the creative programs that are emerging can be shared (www.entre-ed.org).

The YESG supports the initiatives suggested by the CEE and further suggests professional development opportunities for teachers that will equip them to teach entrepreneurship education (www.nfte.com). Furthermore, for entrepreneurship education programs to be effective, the programs will need to engage local entrepreneurs as mentors, coaches, speakers and role models. It is not enough to simply have teachers teaching a class; new partnerships will be required. Partnerships with local business organisations such as Chamber of Commerce, Small Business Development Centers, Entrepreneur's Organisations or local civic clubs such as Rotary are also an integral component of entrepreneurship education (www.nfte.com).

School districts and community leaders must invest in effective and accurate evaluation efforts. Furthermore, the creation of a State Advocate or State Advisory Council for entrepreneurship education is suggested as well as the creation of statewide Youth Business Awards Program (www.nfte.com). Finally the YESG suggest that introducing entrepreneurship education into the school curriculum would only be successful if it is supported on a federal level through relevant legislation.

3.3 <u>ENTREPRENEURSHIP AND ENTREPRENEURSHIP EDUCATION IN</u> EUROPE

3.3.1 The promotion of entrepreneurship in the European Union

The European Union (EU) has one of the world's lowest rates of entrepreneurship; between five to six percent (www.ja-ye.org). The EU is not fully exploiting its entrepreneurial potential. According to the euro barometer almost 60 percent of EU citizens have never considered setting up a business and 50 percent of Europeans agree than one should not start a business when there is a risk of failure (www.ec.europa.eu). In recent years three main arguments have been advanced in the EU to substantiate the need to promote entrepreneurship. The foremost motivation to promote entrepreneurship is the difficult employment situation. Many companies respond to the growing competitive pressure by either reducing their workforce or by relocating the business to other parts of the world. Thus it is felt that new innovative enterprises are required that will be able to withstand the competitive pressure and create new jobs (Fuchs, Werner and Wallau, 2008: 365).

Furthermore, it is estimated that every third entrepreneur in the EU will retire within the next ten years. Also, the number of business transfers within the family is decreasing. If the retiring entrepreneur fails to find appropriate successors, an estimated 70,900 enterprises and 680,000 jobs will be at risk every year (Fuchs, Werner and Wallau, 2008: 371). It is thus not surprising then that the European Commission (EC) feel that the EU need young people with entrepreneurial abilities willing to take over these enterprises. Another reason why the European Commission is promoting entrepreneurship is the transition from the industrial to the modern knowledge and information society. This transition entails significant changes regarding the structure of the labour market by flat hierarchies that poses new challenges to the workforce, requiring them to co-operate across department boundaries and take independent decisions. This creates a need for employees that display a high degree of entrepreneurial spirit in the workplace and that are willing to face the new challenges (Fuchs, Werner and Wallau, 2008: 378).

Oosterbeek, Van Praag and Ijsselstein (2008: 1) maintain that policy makers in Europe believe that more entrepreneurship is required to reach higher levels of economic growth and innovation. This is so, as empirical research provides evidence of positive links between entrepreneurial activity and economic outcomes (Van Praag and Versloot, 2007 as cited by Oosterbeek, Van Praag and Ijsselstein, 2008: 1). It is further maintained that policy makers also believe that increased levels of entrepreneurship can be reached through education and especially entrepreneurship education. Therefore such education is promoted and implemented into school curricula in many of the European member countries. A key assumption underlying these programs is that entrepreneurship skills can be taught and are not fixed personal characteristics (Oosterbeek, Van Praag and Ijsselstein, 2008: 1).

The Lisbon European Council in 2000 identified five new basic skills for a knowledge based economy, namely; ICT, technological culture, entrepreneurship, foreign languages and social skills. The European Council in Stockholm (2001) adopted three strategic objectives to improve the quality, access and openness of the education and training system (www.ec.europa.eu). These strategic objectives were further broken down to 13 specific and detailed objectives of which one of the objectives highlighted were: "developing the spirit of enterprise." The detailed work program adopted by the Barcelona Council in 2002 stressed that entrepreneurship should be learned throughout the education and training system and that the education system should contribute to facilitating the acquisition of skills needed to set up and run a business. Moreover, the European Commission's Green Paper (2003), on Entrepreneurship in Europe states that education should contribute to encouraging entrepreneurship by fostering the right mindset by providing the necessary skills for entrepreneurship and by increasing awareness of entrepreneurship as a career opportunity (www.ec.europa.eu).

In 2002, the Enterprise director General of the EU published a report on the "Best procedure" project on education and training for entrepreneurship. This report

lists a number of policy recommendations concerning entrepreneurship education in primary, secondary and tertiary education as well as in teacher training (www.ec.europa.eu). This work was followed by a project that focused on identifying specific policy measures and strategies that would make it possible to achieve progress in promoting entrepreneurship education. (www.ec.europa.eu). Furthermore, an Entrepreneurship Action Plan was adopted by the commission in February 2004, suggesting horizontal measures for the commission and the member states to create a supportive framework for entrepreneurship policy. The document focuses on five strategic policy areas, one of which aims at fueling entrepreneurial mindsets among young people (www.ec.europa.eu).

3.3.2 Entrepreneurship education and the Student Mini Company program

Oosterbeek, Van Praag and Ijsselstein (2008: 1) say that the dominant entrepreneurship education program in secondary schools and colleges in Europe is the Junior Achievement Young Enterprise Student Mini Company program. In Europe it is effective in 40 countries and more than two million students have participated in the year 2005/2006. Furthermore the growth rate of the number of students per annum amounted to 25 percent in the year 2005/2006 (Junior Achievement Young Enterprise Europe Annual report, 2006 as cited by Oosterbeek, Van Praag and Ijsselstein, 2008: 1).

The Student Mini Company (SMC) Program involves taking responsibility as a group for a small sized and short time business, from its setting up (Usually at the beginning of the school year) to its liquidation (Usually at the end of the school year). Students sell shares, elect directors, produce and market products or services, keep records and conduct shareholder meetings (Oosterbeek, Van Praag and Ijsselstein, 2008: 1). Thus students get into contact with social and economic reality in the real business world out of the school. This is a structured project which takes five to ten hours per week and is managed by a team of teachers. The teams of teachers in turn are supported by staff of the local non-profit organisation "Young Enterprise" (www.ec.europa.eu).

The objective of the program is to teach students to put theory into practice and to understand what entrepreneurship is about. In this way students are assumed to gain self-confidence and motivation, become proactive, creative and learn how to work in a team (Junior Achievement Young Enterprise annual report, 2006 as cited by Oosterbeek, Van Praag and Ijsellstein, 2008: 2). The 2005 Brussels Report of the EU maintains that the best way of learning about entrepreneurship is through direct experience and practice-based activities (www.ec.europa.eu). The SMC program gives students the opportunity to prepare for working life through the experience of running their own company. Students work in a fictitious company and run all those business and administrative activities that are typical of a real company like marketing, sales, accounts and logistics (www.ec.europa.eu).

The activities of the SMC program allow students to acquire basic business skills, but also to develop personal qualities and transversal skills that have become increasingly important for all in order to live and work in the knowledge society. Through participation in mini-companies students develop enthusiasm and learn to become more willing to take responsibility and to use their initiative or develop their own ideas (www.ec.europa.eu). According to the 2005 Brussels Report of the EU the growing success of the mini-company methodology is due to:

- The strong connection with business and with the local community and the involvement of the private sector;
- Flexibility and adaptability of these programs to different types of education and locally to different situations;
- Enthusiasm and motivation generated in students (even those who lack motivation in more traditional subjects); and
- The potential, in terms of creativity, initiative and innovation that these activities are able to unlock in young people (www.ec.europa.eu).

Not enough research has been developed so far in Europe on the impact that participation in mini-company program has had on the future career of students. However the limited evidence available so far shows clearly that these programs promote the entrepreneurial drive of young people (www.ja-ye.org). The 2005

Brussels Report of the EU confirms that 20 percent of the participants of the SMC program go on to create their own company after school (www.ec.europa.eu). This is supported by a survey done in Norway and Sweden that showed that around 20 percent of the respondents between the ages of 25 and 34 that took part in one of these have established their own company (www.ja-ye.org). The survey further suggests that students who participated in a mini-company activity were four times more likely to create their own company later on and that 25 percent of all newly founded companies in the more disadvantaged regions are founded by ex-mini-company participants, representing a huge support to regional policy terms by creating local employment in economically disfavoured regions (www.ja-ye.org). The survey results also highlighted the following findings:

- 89 percent of teachers recommend the program to their fellow teachers;
- 75 percent of the students agreed that the program made the school year more interesting;
- 70 percent of the students articulate that the program has strengthened friendship; and
- 64 percent say that the program has improved the relationship between teachers and students (www.ec.europa.eu).

The survey estimates that former mini-company students have created 2850 additional businesses in Norway and have created more than ten thousand jobs (www.ec.europa.eu). Another comprehensive survey of over a thousand secondary schools across Europe, done by Junior Achievement, reveals that 77 percent of students who receive entrepreneurship training at school level say that they will consider starting up their own business when they reach adult stage (www.ja-ye.org).

3.3.3 Some obstacles in running the program:

The Junior Achievement organisation has identified the following obstacles to implementing and running the program (www.ja-ye.org):

- Legal and administrative barriers. In a number of countries the program face
 practical difficulties related to problems of a legal or bureaucratic nature
 concerning tax;
- The tight framework in which some schools operate might not allow enough time and flexibility for the program to be implemented successfully;
- Funding. Students find it difficult to obtain funds to support their companies;
- A lack of appreciation and reward for extra commitment by teachers;
- A lack of acceptance and support by other teachers and headmasters of schools as the programs require new teaching methods; and
- Finding external advisors or volunteers to support students with the running of their companies.

3.3.4 <u>How does the European Union ensure continued commitment to the promotion of entrepreneurship education?</u>

The EU aims to step up progress in promoting entrepreneurial mindsets in society, systematically and with effective actions. For this purpose they have established the Oslo Agenda (2006) for Entrepreneurship Education in Europe. The Agenda is a rich menu of proposals from which stakeholders can pick actions at the appropriate levels and adapt them to the local situation (www.ec.europa.eu). The Oslo Agenda (2006) for Entrepreneurship Education in Europe makes the following suggestions:

- A framework for policy development should support the entrepreneurship education at European, regional and national level. This would demand political support for entrepreneurship education and require the establishment of stakeholder groups that will set targets that entrepreneurship education should reach. Furthermore the assessment of entrepreneurship education activities should also be monitored in a co-coordinated manner (www.ec.europa.eu);
- Support to educational establishments will be required. This would involve better integration of entrepreneurship programs and activities into the established curriculum. It would require the support of the use of practice based pedagogical tools whereby students are involved in concrete enterprise

- projects. Furthermore it would require sustained funding for entrepreneurship education activities. It would also be important to develop research to assess the impact of entrepreneurship education on individuals, communities, society and the economy (www.ec.europa.eu);
- **Teacher support** through training in entrepreneurship becomes essential. Teachers should also be informed about national curriculum reforms and innovative methods should be adopted to train teachers. Furthermore sharing of knowledge and techniques through the establishment of best practice schemes should be encouraged. The mobility of teachers across Europe should also be encouraged (www.ec.europa.eu);
- **Entrepreneurship** activities at school should be enhanced. Entrepreneurship should gain more academic esteem and should raise the awareness of the role of enterprises and entrepreneurs in society. This could be done by disseminating in schools a book with success stories of young entrepreneurs. The association of students with real companies and business people should be encouraged and the spontaneous initiatives of student associations should be supported. Furthermore, the involvement of alumni in school and class activities should be encouraged. Students could also be issued with a certificate acknowledging their participation in the program and their successful acquisition of entrepreneurial skills. The certificate will only be issued if the student meets the set criteria of assessment (www.ec.europa.eu);
- Building links and opening education to the outside world. This would entail creating learning communities with the mission of fostering entrepreneurial mindsets. It would require the involvement of private partners in education for entrepreneurship through funding of projects as well as providing role models for guidance and sharing of experiences. Furthermore students should also be allowed to become involved in existing companies this will through holiday iobs as enhance their experience (www.ec.europa.eu); and
- Community activities. This entails launching awareness campaigns at European and national level ensuring that entrepreneurship is understood.

Furthermore it is also important to celebrate successful entrepreneurship education activities by establishing awards in recognition of these achievements (www.ec.europa.eu).

3.4 <u>ENTREPRENEURSHIP AND ENTREPRENEURSHIP EDUCATION IN CHINA</u>

3.4.1 The entrepreneurship environment in China

China's recent economic success resulted, to a great extent, from the release of the entrepreneurial potential inherent in its business sector (Li, Zhang and Matlay, 2003: 495). Traditionally China was perceived as a "slow development" economy specialising mainly in the export of high quality flows of relatively low quality goods and services (Millman, Matlay and Liu, 2008: 802). Contemporary China, however, as one of the fastest growing economies in the world, relies heavily on well educated and highly skilled workers. Increasingly demand for knowledge workers and professional managers outstrip the supply available in local and regional labour markets. This adds further pressure on China's education system that is already struggling to keep pace with the rapid expansions of the economy.

In the post 1978 period, the growth of the Chinese economy was significant, delivering double figures percentage growth per annum, outpacing the performance of most other economies in the world (Millman, Matlay and Liu, 2008: 804). From 1980-2002 the growth of Chinese GDP averaged eight to ten percent per annum and in 2005, China became the fourth largest and fastest growing economy in the world (Millman, Matlay and Liu, 2008: 804). This growth has been led by small and medium sized enterprises (SME's) composed of collective enterprises, co-operatives, individually owned businesses, private companies and foreign joint ventures (Li, 2002: 27 and Gibb and Li, 2003: 405). The last decade saw the registration of more than 33 million SME's accounting for 99 percent of all economically active units in China. Evidence has shown that for the past two decades SME's have contributed to 76,6 percent of the additional GDP and 60 percent of total exports amounting to one hundred and fifty billion

USA dollars (Wei, 2001 as cited by Li, Zhang and Matlay, 2003: 496). Job creation in the SME sector was equally impressive. China has experienced a net increase in private enterprises that cumulatively created 5,2 million new jobs (Millman, Matlay and Liu, 2008: 804).

Furthermore, when China joined the World Trade Organization (WTO) in 2001, trade liberalisation forced the economy to become more flexible and competitive. Previously, most organisations relied mainly on inexpensive, low skilled or temporary labour. Since 2001, however, increased flexibility and intense competition in the Chinese economy have boosted demand for an educated, committed and flexible labour force (Li, Zhang and Matlay, 2003: 497). Millman, Matlay and Liu (2008: 803) said that to mitigate the growing demand for knowledge workers, the Chinese Government, in line with the recommendations of the United Nation's World Youth Report (2005) and the World Millennium Development Goals (2000) has embarked on a concerted expansion and consolidation of its educational system in general and entrepreneurship education in particular.

The success of the Chinese economy over the past two decades has been widely attributed to the freeing of the entrepreneurial spirit and endeavour in China, but the phenomenal growth was achieved under circumstances in which entrepreneurship education lingered in its formative stage (Li, 2002: 23). This raises the important question as to what entrepreneurship education can achieve in the future.

3.4.2 An overview of the existing entrepreneurship education programs in China

In China, entrepreneurship education is still in its initial stages. Millman, Matlay and Liu (2008: 804) maintain that the Chinese government has in the last decade been under tremendous pressure to accept entrepreneurship as a key element of policies aimed to solve youth unemployment problems and to focus on the benefits provided by entrepreneurship education. Realising the significance of entrepreneurship education, Chinese authorities called for its introduction into the

secondary school curriculum. Cheung (2008: 501) says that with no official prescribed syllabus on what and how to teach entrepreneurship education, schools enjoy flexibility and this brings about diversity and choice in entrepreneurship education programs currently provided.

Cheung (2008: 504) through his study of Entrepreneurship Education in Hong Kong's Secondary Curriculum provides an overview of the existing entrepreneurship programs in China. Cheung (2008: 504) supports Millman, Matlay and Liu (2008: 804) in the notion that entrepreneurship education is still in its initial stages. Evidence shows that the majority of schools in China have between three to five years experience in entrepreneurship education and that about 28 percent of schools had just begun to offer entrepreneurship education in the last two years (Cheung, 2008: 504). The existence of the group of newcomers indicated that more and more schools were starting to become interested in entrepreneurship education.

Cheung (2008: 504) further maintains that the majority of programs offered lasted for more than one year and that the programs targeted senior students only. This was due to the assumption that junior students are not ready for entrepreneurship education. Cheung (2008: 505) challenges this assumption with reference to the lifelong learning model of entrepreneurship education provided by The Consortium for Entrepreneurship Education in the USA and suggests that entrepreneurship education should be extended to people of all ages, including junior students who could be taught basic skills and ideas before advancing to something more complex. Furthermore the study also revealed that schools tended to take a comprehensive approach in delivering entrepreneurship education. This means that instead of sticking to one approach, they would use a variety of teaching strategies in order to achieve different targets. The teaching strategies included, having workshops with students, running business competitions, using case studies and project learning. In addition schools introduced mentoring programs but still rely heavily on the didactics approach (Cheung, 2008: 507).

Millman, Matlay and Liu (2008: 807) refer to the Know About Business Program (KAB Program) to describe the content of entrepreneurship education. The KAB program consists of the following eight modules:

- What is enterprise?
- What is entrepreneurship?
- Who is the entrepreneur?
- How do I become an entrepreneur?
- How do I find a good business idea?
- How do I organize an enterprise?
- How do I operate an enterprise? and
- What are steps to become an entrepreneur and how do I write a business plan?

Cheung (2008: 507) maintains that the existing entrepreneurship programs in schools are largely interdisciplinary training. They are interdisciplinary not only in the sense of involving the transmission of different subject knowledge, but also in that they engage students in the development of various personal attributes. It was prooved that the existing programs aimed to give students knowledge of Accounting, Marketing, Law and Information Technology. Apart from technical skills and academic knowledge, the existing programs were also aimed at cultivating the personal attributes believed to be essential to students' personal development and this included problem solving, leadership and communication skills (Cheung, 2008: 507). Furthermore, the study done by Cheung (2008: 507) also reported that schools offering entrepreneurship programs integrated the program into other subjects such as Business Studies, Commerce and Accounting.

Networking is crucial for entrepreneurship education worldwide. It accelerates the development of entrepreneurship education by giving a valuable source of guest speakers, mentors or judges for business plan competitions (Saboe, Kantor and Walsh, 2002: 82). According to Cheung's (2008: 507) survey the entrepreneurship programs offered in Chinese secondary schools are also conducted in partnership with parties outside schools. Furthermore the survey proved that the objective of providing entrepreneurship education in Chinese

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schools supported Ashmore's (2001: 3) belief that entrepreneurship education is a way to explain economic theory. The survey also revealed that the programs allowed students to witness and/or be involved in the whole process of running a business; from the selection of products, setting prices, distribution and advertising to the calculation of profits and losses. Cheung (2008: 508) argued that helping students understand the business world should not be interpreted as encouraging them to start their own business in future and this view was supported by the survey results which implied that the actual starting up of a business in the future is not the main concern of school entrepreneurship programs.

Cheung (2008: 509) however, supports the notion that the entrepreneurship education programs offered enhance students' awareness of the business world and help to bridge the gap between school and work. Furthermore, the survey also showed that entrepreneurship education programs offered assist in developing students' personal attributes including:

- Collaboration skills:
- Communication skills;
- Creativity;
- Critical thinking skills;
- Information technology skills;
- Numeracy skills;
- Problem solving skills;
- Self management skills; and
- Study skills (Cheung, 2008:511).

Ashmore (2001: 82) refers to the above skills as soft skills and reiterates that these skills can upgrade a young person's abilities to succeed as an employee and an entrepreneur. Furthermore, knowledge about the business world and soft skills like communication and critical thinking skills can also help students gain meaning in their life. Thus, Cheung (2008: 511) maintains that the entrepreneurship education programs offered can help at risk youth by showing

them that knowledge gained in schools could become tools for future business. In this way entrepreneurship education is more than just the teaching of how to run a business; it is life education that helps students see meaning in life and change their future.

3.4.3 <u>Factors that hinder the development of Entrepreneurship Education in China</u>

Educational development in China is indeed impressive and researchers agree that entrepreneurship education has indeed impacted positively on economic development in China. However, as China seeks to turn its enormous population from a burden into an asset, it faces huge challenges especially in terms of education rural-urban education gap continuous persist (www.asiasociety.org). More than half of China's population is engaged in agriculture; and more than 70 percent of its rural population lives on less than two dollars a day. While the top tier of China's school system is a productive, exam oriented meritocracy, rural schools that serve 800 million people lag behind in teacher qualifications, facilities, student achievement and access to upper secondary and higher education (www.asiasociety.org). This rural-urban income and education gap is the biggest challenge to China's peaceful growth. The Chinese government however is beginning to address the problem with additional resources for rural education, creation of a vast technology-based distance learning system, and incentives for teachers to work in rural areas (www.asiasociety.org).

Furthermore, China also faces a capacity challenge. As China seeks to rapidly expand and modernize its education system, there are capacity issues at all levels of education. This involves a lack of teachers to teach required subjects as well as the lack of the required skills among existing teachers on how to teach in the more inquiry-oriented approach introduced by the new curriculum (www.asiasociety.org). Cheung (2008: 512) in his survey found that in most schools, entrepreneurship education programs are the responsibility of one teacher as there is a lack of experienced teachers to teach entrepreneurship education.

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There was also a lack of support from other teachers who did not understand the needs and teaching strategies of entrepreneurship education.

Furthermore, time is another factor that hinders progress in entrepreneurship education. Schools tend to allocate more teaching time to English, Math's and Science than to Entrepreneurship Education (Cheung: 2008: 512). This is problematic as the practical activities of entrepreneurship education are time consuming. Financial problems are another major obstacle. Due to its practical nature, entrepreneurship education programs require more funds than other teaching subjects. This becomes problematic if entrepreneurship education programs have to compete against other teaching subjects for limited resources (www.asiasociety.org). Cheung (2008:512) reports that currently entrepreneurship education programs are sponsored by private companies, government departments, schools, students and parents. It is further emphasized that the existence and success of entrepreneurship education programs depends on the sponsorships as it looses out when competing for funds in the educational budget.

3.4.4 Future plans for entrepreneurship education in China

The Chinese Ministry of Education has a bold long-term vision for education and of the structures to achieve it. This involves a modernized curriculum aimed at developing student creativity and ability to apply knowledge (www.asiasociety.org). China already provides a world-class education to its top five to ten percent of high school students and the Ministry of Education will continue to work towards eradicating the income-education gap that continues to exist in China through increased resource allocation and skills development in rural areas.

Furthermore, Chinese education leaders use international benchmarking to improve their system. The syndrome of rejecting any ideas "not invented in China" is not an issue in Chinese education. Chinese leaders study approaches that produce results in other countries and benchmark their own models against

the best in the world (<u>www.asiasociety.org</u>). This benchmarking system as well as the fact that China place a high value on teaching English in their schools ensures that Chinese education is internationally oriented (Cheung: 2008: 512). This contributes to Chinese business success throughout the world.

A study done by The Council of Chief State School Officers of the Asia Society found that China is modernizing its curriculum to incorporate twenty first century skills (www.asiasociety.org). With this, China is trying to move away from its traditional didactic teaching practices with their heavy emphasis on rote memorization to a curriculum that incorporates inquiry methods, classroom discussion, application of knowledge and use of technology. Changing the approach to teaching would promote entrepreneurship programs as its implementation requires the same strategies.

The study of The Council of Chief State School Officers also found that teacher's development enjoys high priority in Chinese education (www.asiasociety.org). Teaching is an honoured profession in China and teachers have strong subject matter preparation and are exposed to practice through observing experienced teachers. Furthermore, once teachers are hired, there is a system of continuous professional development and it is through this system that the ministry of education aims to train and develop entrepreneurial knowledge and skills among existing teachers.

3.5 ENTREPRENEURSHIP EDUCATION IN SOUTH AFRICA

3.5.1 An overview of the entrepreneurship environment in South Africa

The current state of the South African economy is a concern for the future adults of the country as they are confronted with problems of crime, corruption, mismanagement and unemployment (North, 2002: 24). Gouws (1997, as cited by Co and Mitchell, 2006:348) estimated that more than eight million people will be unemployed in South Africa by 2010. South Africa's capacity to absorb new

recruits into the formal sector has fallen from 62 percent to less than four percent in the last three decades (Davies, 2001: 32).

In South Africa the unemployment situation is far more serious than people think it is. According to the survey of the Central Statistical Service for the second quarter of 2009 about 4,7 million or 23,6 percent of economically active people in South Africa were unemployed (www.statssa.gov.za). This translates into only one out of seven job seekers in South Africa to be likely to find a job. Furthermore, over the past few years the South African economy has lost more than five hundred thousand jobs (www.southafrica.info; 28 March 2008). It is also estimated that more than five million people will remain permanently unemployed (Gouws, 2002: 41).

Unemployment has serious consequences, not only for individuals but also for the country as a whole. The consequences of unemployment include an increase in crime and an increase in frustration. Van Eeden (2004 as cited by Horn, 2006: 113) states that notwithstanding the improved Grade 12 pass rate in recent years, matriculants are discouraged by newspaper headings which indicate that only between five and seven percent of successful candidates find employment in the formal sector.

Thus for young people to escape from the vicious circle, active intervention is necessary. The South African economy is clearly in need of self driven people who have the willingness to engage in life-long learning, who can develop themselves, who are open to new opportunities and who possess emotional intelligence (Horn, 2006: 120). Co and Mitchell (2006: 348) support the notion that there is a need for young people to be trained and educated in the field of entrepreneurship so that they can become job creators rather than job seekers once they leave the educational system.

Horn (2006: 120) says that unfortunately, the majority of South Africans are raised in homes where they have no, or very little, exposure to business

innovation and entrepreneurship. Consequently, they have little notion of themselves as resource creators or mobilizers and economic risk taking is not strongly prevalent in most communities (Davies, 2001:32). The 2004 edition of the South African Global Entrepreneurship Monitor report stated that South Africans were less likely than their counterparts in developing countries to be innovative, to see good business opportunities or to believe that they have the necessary skills to start a business (Shay and Wood, 2004: 34). The ratio of entrepreneurs to workers in South Africa is approximately one to 52, while the ratio in most developed countries is approximately one to ten (Isaacs, Visser, Friedrich and Brijlal, 2007: 613). Furthermore, Shay and Wood (2004: 34) present disturbing findings with their research, which show that young South Africans believe significantly less in themselves as business starters, compared with similar developing countries such as Argentina, India, Brazil and Mexico. Kroon and Meyer (2001: 480) say that most people in South Africa are brought up to believe that they must try and avoid risk by acquiring a job with financial and job security, a pension plan, medical aid and other benefits.

Furthermore, the South African education system has in the past tended to lean towards a teacher reproduction rather than learner / experimental learning culture, thus not preparing learners adequately to think critically or to be creative and explore opportunities that arise from environmental changes (Horn, 2006: 120). The weaknesses of the education system in providing entrepreneurial skills are also highlighted in the 2004 edition of the South African Global Entrepreneurship Monitor report. Orford (2004: 26) states that the three most frequently identified factors that limit entrepreneurial activity in South Africa are a lack of entrepreneurial capacity due to weaknesses in the education system, inadequate access to financial support for entrepreneurs, and failure by government in the delivery of support to entrepreneurs.

Horn (2006: 120) agrees that The South African Education System has for years failed to develop entrepreneurial skills and attitudes among learners. Or ford (2004: 26) states that the key to raising the rates of entrepreneurial activity

appears to lie in dramatic improvements in the education and training system. Isaacs, Visser, Friedrich and Brijlal (2007: 623) agree that the key to the success of establishing a culture of entrepreneurship in South Africa is education and emphasizes that this depends on all stakeholders including the state, educators and learners themselves. Orford (2004: 26) emphasizes the fact that effective entrepreneurship should improve the human capital base for entrepreneurship and have significant positive influence on particularly four areas crucial to entrepreneurship:

- Learners' self-confidence about their ability to start a business;
- Learners' understanding of financial and business issues;
- Learners' desire to start their own business; and
- Learners' desire to undertake higher education.

3.5.2 The development of entrepreneurship education in South Africa

The education system plays an important role in developing entrepreneurial skills and shaping attitudes towards entrepreneurship. Depending on the grade level and subject choices effective schooling should develop awareness and skills in areas more specifically related to business, such as Entrepreneurship, Economics and Accounting (Horn, 2006: 120). North (2002: 250 says that many people blame the school system for the lack of entrepreneurial excellence in South Africa and furthermore states that many school leavers who have not received tuition in subjects such as Business Economics or Economics are sent into the working world as "economic illiterates".

Education and curriculum experts have been involved since 1990 in various projects and programs for introducing entrepreneurship into the school curriculum (North, 2002: 25). In 1997, a decision was taken by the Department of Education to introduce entrepreneurship into primary and secondary school curriculums. Since 2000, entrepreneurship has been introduced into the curriculum for Grades 3 to 9. For these grades, entrepreneurship forms part of the Economic Management Sciences (EMS) curriculum (Shay and Wood, 2004: 34).

The overall objective of the proposed new subject was described as follows:

The knowledge and skills learners obtain must be of such a nature that they should realize and discover that they:

- Are participants or role-players in the economy;
- Should become skillful consumers;
- Must manage their own money matters in a responsible way;
- Should develop a positive attitude towards productive work; and
- Can become successful entrepreneurs who could engage in entrepreneurial activities (Department of Education and Culture: House of Assembly, 1992 as cited by North, 2002: 25).

The syllabus contains the following modules: basic economic concepts and processes, consumer skills, productivity and entrepreneurship. Thus entrepreneurship programs are compulsory up to Grade 9 and one of the four learning outcomes specified for EMS for Grades 7 to 9 is entrepreneurial knowledge and skills (Shay and Wood, 2004: 34).

The Department of Education planned through Curriculum 2005 to introduce entrepreneurship into Grades 10, 11 and 12 as part of Business Studies. However, this strategy was only implemented for Grade 10 in 2006, Grade 11 in 2007 and Grade 12 in 2008 respectively (Isaacs, Visser, Friedrich, Brijlal, 2007: 614). Business Studies is an optional subject and deals with the knowledge, skills, attitudes and values critical for informed, productive, ethical and responsible participation in the formal and informal economic sectors. The subject encompasses business principles, theory and practice that underpin the development of entrepreneurial initiatives, sustainable enterprises and economic growth (The National Curriculum Statement: Business Studies, 2006: 1).

Furthermore, Business Studies will ensure that learners:

 Acquire and apply essential business knowledge, skills and principles to productively and profitably conduct business in changing business environments;

- Create business opportunities, creatively solve problems and take risks,
 respecting the rights of others and environmental sustainability;
- Apply basic leadership and management skills and principles while working with others to accomplish business goals;
- Be motivated, self directed, reflective life-long learners who responsibly manage themselves and their activities while working towards, business goals;
 and
- Be committed to developing themselves and others through business opportunities and ventures (The National Curriculum Statement: Business Studies, 2006: 1).

Business Studies has four intended learning outcomes namely; Business Environments, Business Ventures, Business Roles and Business Operations. Learning Outcome 2, Business Ventures is the outcome that specifically focuses on entrepreneurship. The goal of the learning outcome is for learners to be able to identify and research viable business opportunities and explore these related issues, through creation of achievable business the ventures (www.pgwc.curriculum.gov.za). This learning outcome focuses on the generation of ideas, research, drawing up and presentation of business plans and business information and the development and implementation of achievable action plans. Learners analyse issues related to initiating a business, such as entrepreneurship, forms of ownership, location factors, legal considerations (e.g. contracts) and social and environmental issues. Learners are introduced to entrepreneurial enterprises through case studies and cover topics on the definition of an entrepreneur, the characteristics of a successful entrepreneur, business success factors and reasons why businesses fail (www.pgwc.curriculum.gov.za).

Gouws (2002: 45) says that the primary aim of entrepreneurship education in South Africa should be to develop a cadre of entrepreneurs who will promote economic growth and create employment to meet the rising economic expectations of all South Africans. Teachers should then be trained to meet the primary aim of entrepreneurship education. Gouws (2002: 45) reiterates that

teachers cannot continue teaching in the old rote memorization style and that an outcome based approach is required. The outcomes based learning approach of Curriculum 2005 requires teaching entrepreneurship to involve the following:

- Active learners:
- Ongoing assessment;
- Critical thinking;
- Reasoning;
- Reflection and action;
- Learning that is relevant and connected to real-life situations;
- Learner-centeredness with the teacher as facilitator using group work;
- Learning programs as guides that allow teachers to be innovative and creative
 in designing programs; learners who take responsibility for their own learning
 and who are motivated by constant feedback; and
- Flexible time-frames that allow learners to work at their own pace and where input from the community is encouraged.

Rabbior (1990, as cited by Gouws, 2002: 45) also suggests the following approaches for teaching entrepreneurship:

- Teachers must not insist on a single definitive answer;
- A variety of teaching styles and approached should be used;
- Use the case study approach to link theory to reality;
- Familiar information should be presented in unfamiliar ways. It should:
- surprise students by presenting the unexpected;
- challenge the status quo;
- focus on better integration with communities;
- entail activities and approaches that enhance self-confidence;
- highlight common pitfalls threatening the success of ventures;
- focus on opportunities; and
- entail practical application of pupil's knowledge and skills.

The Learning Program Guidelines for Business Studies (2008) provides activities that encourage active learner involvement through case studies, assignments and projects. Some of these activities involve learners doing SWOT analysis, creating ideas, developing business plans and participating in market days. The Subject Assessment Guidelines of Business Studies also provide assessment programs for Grades 10-12 that requires that learners are assessed on whether they can practically apply entrepreneurial knowledge by doing case studies (Subject Assessment Guidelines: Business Studies, 2008: 1).

The first group of Grade 12 learners that was exposed to entrepreneurship in their curriculum completed their schooling career in 2008. This study will specifically assess the effectiveness of entrepreneurship education in the Further Education and Training phase (Grade 10-12) in stimulating and enhancing entrepreneurial knowledge and skill.

3.5.3 The current state of entrepreneurship education in South Africa

Entrepreneurship was introduced into the curriculum for Grade 10 in 2006, Grade 11 in 2007 and Grade 12 in 2008 as part of the optional subject Business Studies. The first group of Grade 12 learners who were exposed to entrepreneurship completed their school career in 2008. Unfortunately, the preliminary evidence suggests widespread problems across the country in establishing entrepreneurship programs in schools, with many schools not offering any entrepreneurship education (Shay and Wood, 2004: 34). The primary reason for this appears to be that schools do not have teachers able to teach entrepreneurship and that suitable supporting materials are not available in many schools.

Isaacs, Visser, Friedrich and Brijlal (2007: 618) in their research on the effectiveness of entrepreneurship education taught through the 2005 revised curriculum at FET level found that entrepreneurship education offered by schools in the South African context presented major differences from one school to another. Alberti, Sciascia and Poli (2004 as cited by Isaacs, Visser, Friedrich and Brijlal, 2007: 619) say that for effective entrepreneurship education there should

be a relationship between the goals of entrepreneurship programs, the audience to which the program is delivered, the contents of the entrepreneurship module, the method of delivery or pedagogy and finally the assessment that will be used. Isaacs, Visser, Friedrich and Brijlal (2007: 619) found that in the South African context these five issues are not treated as a whole and are addressed individually. Furthermore, they found that assessment still focused mainly on tests and written exams and that the teaching of the entrepreneurial module in fact did not motivate learners to be creators of jobs, but rather encouraged them to seek employment with a stable income.

Isaacs, Visser, Friedrich and Brijlal (2007: 621) say that their research confirmed the assumption that there is a lack of entrepreneurial teaching in high schools in South Africa. In their study they found that almost 60 percent of the schools in their sample offered no entrepreneurship programs. Schools provided the following reasons for not providing entrepreneurship programs:

- Schools are still following the curriculum of 1994;
- They do not have sufficient human and physical resources;
- Teachers are not equipped, nor trained to teach the subject of Economic Management Science and Entrepreneurship;
- Schools receive little support from Government;
- The syllabus on entrepreneurship is not available and / or the school have very little information on what is required;
- Entrepreneurship is not considered a priority (laboratories and libraries are considered more important);
- Meaningful relationships with businesses are non existent (in other words the absence of a strong network for support is absent);
- Businesses prefer supporting Mathematics and Science programs; and
- In rural areas distances poses a major problem, in that it presents challenges to service providers with regard to traveling to and from the school and to the office.

In terms of assessment the study found that the common means of assessment were tests, individual and group project work and that very little practical activity took place. On a positive note the study found that in schools where entrepreneurship programs were offered it also culminated in a school fundraising event namely the annual entrepreneurship day. This event provides learners with an opportunity to exhibit the skills that they acquired during the year to manufacture and sell products to fellow learners (Isaacs, Visser, Friedrich and Brijlal, 2007: 621).

Isaacs, Visser, Friedrich and Brijlal (2007: 622) conclude their study by stating that there is a general consensus at national and provincial levels of a policy commitment to promote entrepreneurship education at school level. However between policy and implementation a great void exists, manifested by inertia and unwillingness to deal with change proactively. It was found that lack of adequate training and resources hampered the implementation of entrepreneurship education and the development of entrepreneurial skills. It was suggested that training for teachers, the provision of resources and closer co-operation between government and service providers would assist in the improvement of the provision of entrepreneurship education (Isaacs, Visser, Friedrich and Brijlal, 2007: 626).

The above findings and the fact that 2008 saw the first group of Grade 12 learners who were exposed to entrepreneurship education leave school justifies the current study. The current study will investigate the effectiveness of entrepreneurship education in the FET phase in stimulating entrepreneurial interest. Due to time constraints and course requirements the investigation in the current study will be limited to three schools in the Nelson Mandela Bay Municipality. However the study creates a platform for future investigation in this regard that could be launched on a national scale.

3.6 WHAT CAN SOUTH AFRICA LEARN FROM THE GLOBAL TRENDS IN ENTREPRENEURSHIP EDUCATION?

3.6.1 <u>Lesson to be learnt from the USA approach</u>

Entrepreneurship education efforts exist at all levels of education across the USA and the benefits of entrepreneurship education at all age levels have been evident for sometime. However despite this impressive progress a vast majority of Americans still cannot easily access entrepreneurship education and training resources. This is because America's entrepreneurial advantage has allowed Americans to be complacent (www.entre-ed.org). Thus it can be concluded that the USA is still in the process of implementing entrepreneurship education.

What is indeed impressive is the commitment of non governmental institutions such as The Consortium for Entrepreneurship Education (CEE) and The Youth Entrepreneurship Strategy Group (YESG) to the implementation of Entrepreneurship Education (www.nfte.com). These institutions targets potential drop-out candidates and provide them with the necessary skills to create a job and generate an income for themselves. Furthermore, only nine states have formal legislation that promotes entrepreneurship education at the K-12 level. This can soon be improved as there is increasing pressure for the Federal and State governments to further their support of entrepreneurship education by passing legislation that makes entrepreneurship education a formal part of all school curriculums (www.entre-ed.org).

Entrepreneurship education is also promoted through a national entrepreneurship week organized by The Consortium for Entrepreneurship Education and focuses on entrepreneurs and entrepreneurial activities. This enhances everyone's awareness about entrepreneurship education and its benefits (www.entre-ed.org). Researchers agree that entrepreneurial skills cannot be taught through classroom lectures alone. Entrepreneurial skills are acquired through experiential learning where youth are exposed to the risk, ambiguities and creativity of building a real life business (www.nfte.com). For entrepreneurship education programs to be

effective the programs will need to engage local entrepreneurs as mentors, coaches, speakers and role models. This requires partnerships with local business organizations such as Chamber of commerce, Small Business Development Centers, Entrepreneurs organizations and local civic clubs such as Rotary. The YESG promotes the development of such partnerships through the entrepreneurship programs they offer. (www.nfte.com).

It is further suggested that entrepreneurship education can be enhanced by creating professional development opportunities for teachers that will equip them to better teach entrepreneurship education. (www.entre-ed.org). Furthermore, the development of a support program whereby information about entrepreneurship education and the creative programs that are emerging can be shared will also enhance the teaching of entrepreneurship (www.entre-ed.org). The creation of a State Advocate or Advisory Council for entrepreneurship education that can provide grants to innovative educational programs is also suggested. Finally the development of a Youth Business Awards Program will go along way in promoting entrepreneurship education (www.entre-com).

3.6.2 Lessons for South Africa from the European Union (EU)

A vital lesson to be learnt from the European Union (EU) is the positive commitment to entrepreneurship education. Entrepreneurship education enjoys a high priority on the European Council's agenda and a commission was appointed to investigate the current state of entrepreneurship education in Europe and to identify ways to enhance it. The 2005 Brussels Report of the EU identified that the dominant entrepreneurship education program in secondary schools in the EU is the Junior Achievement Young Enterprise Student Mini Company program. The report emphasized that the best way of learning about entrepreneurship is through direct experience and practice based activities (www.ec.europa.eu). This requires a strong connection with business and with the local community as well as the involvement of the private sector.

The 2005 Brussels Report of the EU also emphasizes that entrepreneurship programs should be flexible and adaptable to the varying situations in the different countries but that a universal standard be maintained in terms of assessment (www.ec.europa.eu). The EU continually strives towards promoting an entrepreneurial mindset in society and for this purpose has established The Oslo Agenda (2006) for entrepreneurship education in Europe. The Agenda is a rich menu of proposals from which stakeholders can pick actions at the appropriate levels and adapt them to the local situation (www.ec.europa.eu).

The Oslo Agenda (2006) suggests that European, regional and national policies should support entrepreneurship education in Europe. This demands political support for entrepreneurship education and requires the establishment of stakeholder groups that will set targets that entrepreneurship education should reach. This will also require support to educational establishments by the relevant authorities in the form of funding and resources. Furthermore, teacher support through training is emphasized as essential for the success of entrepreneurship education (www.ec.europa.eu).

The Oslo Agenda (2006) also suggests that entrepreneurship activities at school should be enhanced by providing more academic esteem to entrepreneurship. This could be done by disseminating in schools information on success stories of young entrepreneurs. Also by acknowledging the achievement of school entrepreneurs like sport achievements are acknowledged. Furthermore, the involvement of alumni in school and class activities should be encouraged (www.ec.europa.eu).

Building links and opening education to the outside world by establishing networks of private partners could enhance entrepreneurship education through the funding of projects as well as providing role models for guidance and sharing of experiences. Furthermore, students should also be encouraged to become involved in existing companies through holiday jobs to enhance their experience. Community activities to raise the awareness of entrepreneurship education are

also encouraged. Finally, it is important to acknowledge successful entrepreneurship education activities by establishing an awards program to recognize these achievements (www.ec.europa.eu).

3.6.3 Lessons from China

Entrepreneurship education in China is still in its foundation stage. However looking at the recent economic success of China, the Chinese approach to entrepreneurship education could offer valuable lessons to South Africa. Furthermore, the fact that China like South Africa integrates entrepreneurship programs into subjects like Business Studies and Commerce further justifies an investigation into the Chinese approach.

Cheung (2008: 207) says that entrepreneurship programs offered in Chinese secondary schools are conducted in partnership with parties outside schools as networking is crucial to the success of entrepreneurship education. Thus, the Chinese approach as the USA and European approach also emphasize a network approach to entrepreneurship education. Furthermore, the Chinese approach also emphasizes continued government support through policies and funding for entrepreneurship education. Millman, Matlay and Liu (2008: 804) say that the Chinese Government has accepted that entrepreneurship is a key element in solving youth unemployment and for this reason the Chinese Ministry of Education has developed a bold long term vision for education and specifically for entrepreneurship education.

China similar to South Africa has an income-education gap that continues to persist. China continually works towards eradicating this gap through increased resource allocation and skills development in rural areas. China also offers incentives to skilled teachers to encourage them to teach in rural areas (www.asiasociety.org). Furthermore, Chinese education is internationally oriented as education leaders study approaches that produce results in other countries and benchmark their own models against the best in the world (www.asiasociety.org). The Chinese approach to entrepreneurship education highlights the move away

from traditional rote memorisation techniques to more practical inquiry methods. Furthermore, just like the USA and the EU, China emphasize teacher development as a requirement for successful entrepreneurship education. The Chinese also see teaching as an honoured profession and values their teachers by providing them with incentives and adequate remuneration (www.asiasociety.org).

3.7 <u>CLOSING REMARKS</u>

This chapter seeks to establish global trends with regards to entrepreneurship education by investigating the USA, the EU and China's approach to entrepreneurship education. Each of these countries or union of countries provides a unique approach to entrepreneurship education and it cannot clearly be stated that the one is better than the other; however their respective approaches offers valuable lessons and allows South Africa to benchmark against approaches that has worked in other countries.

It is evident from the study that entrepreneurship is an important growing phenomenon by how much value economic power houses like the USA and the EU and a developing power house like China places on it and how much effort goes into promoting entrepreneurship education. Although entrepreneurship education is still in its initial stages in many countries, these countries have realized the value thereof and are striving to reap the benefits of implementing entrepreneurship programs successfully.

Even though the different countries have different approaches to entrepreneurship education and they might be at different stages of implementing entrepreneurship education common trends could be identified to serve as a benchmark for South Africa. This includes:

- A practical approach to teaching entrepreneurship;
- Government commitment to promote entrepreneurship education through policy implementation and the funding of programs;

- A network-support structure to enhance the practical experience of the subject; and
- Teacher development through training to improve the teaching of entrepreneurship.

Furthermore, South Africa has more in common with China than with the other countries especially in terms of the education-income gap that continues to persist in both countries. Thus South Africa can learn a lot from the Chinese approach. China continually works to eradicate the education-income gap by allocating more resources to their rural areas. Furthermore, China provides incentives to teachers to encourage them to teach in the rural areas so as to bring about development in these areas. South Africa could also learn a valuable lesson from China in the way that this country values their teachers. Finally the Chinese benchmarking approach could also assist South Africa. Like China, South Africa should investigate what produces results internationally and adapt it to be implemented locally.

South Africa has only introduced entrepreneurship education over the last four years, and preliminary evidence suggests that widespread problems are experienced with the implementation. This study will continue to investigate to what extent the introduction of entrepreneurship education has enhanced entrepreneurship knowledge and skills amongst the youth of the Nelson Mandela Bay Municipality. Furthermore, suggestions will be made to address problems identified so as to improve the implementation of entrepreneurship education in the area.

Chapter 4 will provide an outline of the research methodology followed in the study.

CHAPTER 4: RESEARCH METHODOLOGY

We cannot hold a torch to light another's path without brightening our own path.

(Ben Sweetland, 2006)

4.1 INTRODUCTION

Currently the prospect for new entrants to the labour market is not particularly favourable. School leavers are faced with unsuccessful job applications, unemployment and staff retrenchment. It is estimated that more than eight million people will be unemployed in South Africa by 2010 (Gouws, 1997: 143). The formal employment sector is no longer able to provide jobs to the increasing number of unemployed people (Maré, 1996: i). As a result of less jobs being available to economically active persons in South Africa increasingly more school leavers will be required to provide for their own economic survival. Maré (1996: i) maintains that school leavers have to become more self supporting. Horn (2006: 120) says that the situation forces school leavers to be more enterprising and create their own job opportunities.

Davies (2001, as cited by Horn, 2006: 120) states that an enterprising mind-set therefore needs to be inculcated that favours the formation of employers and not employees. Given that there simply are not enough existing jobs to absorb the annual influx of school leavers into the labour market, the creation of new jobs through enterprise development is a pressing priority in South Africa (www.ssaci.org.za). Horn (2006: 120) agrees that the South African economy is clearly in need of self-driven people who have the willingness to engage in lifelong learning, can develop themselves, is open to new opportunities and who possesses emotional intelligence. Maré (1996: i) says that school learners will have to be exposed to an entrepreneurship curriculum that will assist them to develop entrepreneurial skills and knowledge. Shay and Wood (2004: 34) emphasize that the education system plays an important role in developing entrepreneurial skills and shaping entrepreneurial attitudes.

Entrepreneurship has been introduced into the education curriculum for Grade 3-9 since 2000. For these grades entrepreneurship forms part of a compulsory subject Economic Management Science (EMS) (DoE, as cited by Horn, 2006: 120). Entrepreneurship has also been introduced into the curriculum for Grade 10 in 2006, Grade 11 in 2007 and for Grade 12 in 2008 as part of an optional subject Business Studies (Horn, 2006; 120). Learning Outcome (LO) 2 of Business Studies named; Business Ventures focuses on the entrepreneur and entrepreneurship. 2008 saw the first Grade 12 learners matriculating with a formal entrepreneurship qualification.

Unfortunately, preliminary evidence suggests wide-spread problems across the country in establishing entrepreneurship programs in schools (Shay and Wood, 2004: 34). The CIE at UCT says that South African young adults simply do not leave school with the skills they need to start a business (www.entrepreneurship.co.za; 27 July 2006).

The current study aims to investigate whether the entrepreneurship programs introduced into the secondary school curriculum provides school leavers with the required knowledge and skills to establish their own business. Thus the study will investigate whether the entrepreneurship program that forms part of the subject Business Studies contributes to enhancing entrepreneurial activities. The study will focus particularly on the Nelson Mandela Bay Municipality.

The primary objective of this study is thus to enhance entrepreneurship education at secondary school level (FET level) by investigating how effective the current entrepreneurship education program is, in providing school leavers with the entrepreneurial knowledge and skills for establishing their own business. The study will aim to provide recommendations on how to improve entrepreneurship education at secondary school level so as to enhance entrepreneurial activities. This chapter will provide an explanation of the research methodology followed to achieve the primary objective of the study.

4.2 THE RESEARCH PARADIGM

4.2.1 Quantitative versus qualitative

Collis and Hussey (2003: 47) identify two main research paradigms or philosophies, namely the positivistic (quantitative) and the phenomenological (qualitative) paradigms. These two paradigms should be regarded as the two extremes of a continuum, where the features and assumptions of the one paradigm are gradually relaxed and replaced by those of the other paradigm.

The positivistic approach seeks the facts or cause of social phenomena, with little regard to the subjective state of the individual (Collis and Hussey, 2003:52). Positivism maintains that human behaviour should be studied in the same way as natural science. Logical reasoning is used in the positivistic research so that precision, objectivity and rigour replace hunches, experience and intuition. Positivists regard laws as the basis of explanation and, as establishing causal relationships between variables by establishing causal laws and linking them to theory. According to Collis and Hussey (2003: 53) a theory is a set of interrelated variables, definitions and propositions that presents a systematic view of phenomena by specifying relationships among variables with the purpose of explaining phenomena.

Allen (1990, as cited by Collis and Hussey, 2003: 53) defines phenomenology as the science of phenomena and refers to phenomenon as a fat or occurrence that appears or is perceived whose cause is in question. It can thus be concluded that the phenomenological paradigm is concerned with understanding human behaviour from the participants own frame of reference. The phenomenological paradigm assumes that social reality forms part of the individual, and that social reality is dependant on the mind. Thus what is researched cannot be unaffected by the process of the research. The phenomenological paradigm emphasizes the subjective state of an individual and uses interpretative techniques to translate the meaning and not the frequency of phenomena (Collis and Hussey, 2003: 53).

The research objective of the present study is to investigate the effectiveness of the current content of entrepreneurship programs at secondary schools (FET level) in developing entrepreneurial knowledge and skills amongst the youth. The aim, which is to establish why school leavers lack entrepreneurial initiatives question the relevance of the current entrepreneurship programs and dictates that a phenomenological, qualitative approach be used in this study.

4.2.2 Qualitative research and the phenomenological paradigm

The primary objective of the current study questions the relevance of the current entrepreneurial programs in the FET curriculum and suggests that a phenomenological, qualitative approach be followed. In the phenomenological paradigm a fact or occurrence that appears or is perceived, and of which the cause is in question, is studied. Thus, the phenomenological paradigm is concerned with understanding human behaviour from the participant's frame of reference.

The aim of qualitative research is to gather an in-depth understanding of human behaviour and the reasons that govern such behaviour. The qualitative method investigates the why and how of decision making and not just what, where and when (www.wikipedia.org). Leedy and Ormrod (2005: 133) says that the term qualitative research encompasses several approaches to research that are in some respect quite different from one another. However all qualitative approaches have two things in common:

- They focus on phenomena that occur in natural settings that is in the "real world"; and
- They involve studying these phenomena in all its complexity (Leedy and Ormrod, 2005: 133).

The qualitative approach assumes that social reality is within us and therefore the act of investigating reality has an effect on that reality. Furthermore, this approach emphasizes the subjective aspects of human activity by focusing on the meaning, rather than the measurement of social phenomena (Collis and Hussey, 2003: 53). It is believed that social reality is dependant on the mind and that there is no

reality independent of the mind. Thus, what is researched cannot be unaffected by the process of the research. Leedy and Ormrod (2005: 133) says that qualitative researchers believe that the researchers ability to interpret and make sense of what he or she sees is critical for understanding any social phenomenon. Thus in this sense the researcher becomes the instrument in much the same way that a sociogram, rating scale or intelligence test is an instrument.

Leedy and Ormrod (2005: 134) suggest that a qualitative research study is suitable for the following purposes:

- Description where it can be used to reveal the nature of a certain situation, setting, process, relationship, system or people;
- Interpretation where it enables the researcher to gain newinsight about a
 particular phenomenon, develop new concepts or theoretical perspectives
 about the phenomenon and discover the problems that exist within the
 phenomenon;
- Verification Where it allows a researchers to test the validity of certain assumptions, claims, theories or generalisations within the real world context;
 and
- Evaluations Where it provides a means through which a researcher can judge the effectiveness of particular policies, practices or innovations.

Furthermore, Van Maanen (1983, as cited by Collis and Hussey, 2003: 53) says that research methods used under this approach are an array of interpretative techniques which seek to describe, translate and otherwise come to terms with the meaning, not the frequency of certain more or less naturally occurring phenomena in the social world.

4.2.3 A justification for the choice of research approach

A qualitative approach is a focus on phenomena that occur in the "real world". The current study focuses on the "real world phenomena" of whether secondary school education develops entrepreneurial knowledge and skills amongst school leavers. Furthermore, a qualitative approach will allow the researcher to reveal the

nature of the current entrepreneurship education program and to provide a description thereof.

The qualitative approach will also allow the researcher to gain insight about the implementation of entrepreneurship education in secondary schools and it will assist the researcher to discover any problems that might exist within the current entrepreneurship education programs. Furthermore, the approach also provides the researcher with a means through which to judge the effectiveness of particular policies and practices of the entrepreneurship education programs offered to secondary school learners.

4.3 RESEARCH DESIGN

The study follows a qualitative research approach and the specific research method that is used is a case study approach. Leedy and Ormrod (2005: 135) say that in a case study a particular individual, program or event is studied in depth for a defined period of time. The entrepreneurship program that forms part of the subject Business Studies that is offered to Grade 10, 11 and 12 learners is the focus of the current study. A multiple or collective case study approach is used as the information of three schools are collected and analysed in this study.

A case study is especially suitable for learning more about a little known or poorly understood situation (Leedy and Ormrod, 2005: 135). Collis and Hussey (2003: 68) agree with this notion when they describe case studies as exploratory research, used in areas where there are few theories or a deficient body of knowledge. Entrepreneurship education was introduced into the FET (Grade 10-12) curriculum in 2006. The program is in operation for the past four years and only the 2008 Grade 12 learners have completed the full program. The phenomenon is thus still fairly new and very little theory is available on the effectiveness of the program.

In the current study the researcher aims to draw conclusions about the effectiveness of the current entrepreneurship program in developing entrepreneurial knowledge and skills amongst school leavers. Furthermore, the researcher aims to provide findings that could be generalised to other situations.

Moreover, the case study approach also requires that the researcher collects extensive data on the individuals and programs being investigated. Leedy and Ormrod (2005: 135) say that in many instances, the researcher may spend an extended period of time on site and interact regularly with the people who are being studied. The researcher has been involved with the three schools that will be used in the study for the past three years. The researcher has witnessed the implementation of the program and has monitored the progress of the program over the past three years. Furthermore, the researcher has regularly met the teachers involved in the program at the three schools to discuss the progress of the program.

Verification and validation of the researcher's observations was obtained through a questionnaire which was issued to teachers and learners involved in the program at the three schools. Data collected through the questionnaire was categorised into meaningful themes and a description of the data will be given. This will be followed by identifying patterns that might exist in the data and than discussing these patterns. Finally, a connection between the current case and the national implementation of entrepreneurship education programs will be made by synthesizing and drawing conclusions that could be generalised and applied on a regional, provincial and national level.

4.4 <u>SAMPLING DESIGN</u>

Collis and Hussey (2003: 155) describe a sample as some members of a population, where a population refers to a body of people or any other collection of items under research. The population of the current study would be all those involved in entrepreneurship education programs offered at FET (Grade 10-12)

level in the Nelson Mandela Bay Municipality (NMBM). This includes learners, teachers and the Department of Education.

The study aims to establish whether the current entrepreneurship program in the FET curriculum fosters the development of entrepreneurial knowledge and skills. The primary objective of the study dictated that teachers and current Grade 12 learners who are involved in the entrepreneurship education should be used in the investigation. The case study approach followed in the study further suggested that the sample of learners and teachers used should come from the three schools identified for the case study.

The present study focuses specifically on the Nelson Mandela Bay Municipality (NMBM). The NMBM in the Eastern Cape Province is made up of the former municipalities of Port Elizabeth, Uitenhage and Despatch. The NMBM is approximately 200,00ha in size with boundaries stretching to Coega in the North and Rocklands in the west. It is the fifth largest metro in the country and the biggest municipality in the Eastern Cape in terms of geographical area (www.sacities.net). The population of the NMBM is estimated at approximately 1,1 million. Just over half of the population is Black (54 percent), with a further 23 percent being Coloured, 17 percent being White, one percent Indian and five percent other. The metro houses 273 schools of which approximately 67 is secondary (high) schools (www.nelsonmandelabay.gov.za).

Judgemental sampling was used to select three distinct schools in the NMBM. Schools were selected on the basis of the predominant community it serves. Thus, the three schools selected comprises a school serving a predominantly Black community, a school serving a predominantly Coloured community and a school serving a predominantly White community. The schools that were selected are FET public schools and offers Business Studies in its Grade 10-12 curriculum. Furthermore, the schools have an enrolment of more than 400 learners for Grade 10-12 and their enrolment for Grade 12 learners exceed 100 learners. The schools that were selected are Molly Blackburn High School, Uitenhage High School and

Despatch High School. The schools will further be referred to in the study as school A, school B and school C respectively. A short profile of the schools will now be rendered. The information for the profile was gathered by asking teachers at the school to complete a profile sheet. (See Appendix 2)

PROFILE OF SCHOOL A

Molly Blackburn High School was officially established in 1993 and is situated in Mbengo Street in the Kwa-Nobuhle Township of Uitenhage. Mr. P.K Ngqondi is the current principal of the school and the school has a staff establishment of 48 permanently employed state paid teachers. The school had a learner enrolment of 1700 learners at the beginning of 2009, while the school building only offers 34 classrooms to host the learners. Thus, some classes have to accommodate 50 or more learners at a time.

The staff members as well as all the learners are Black and Xhosa speaking. The medium of instruction at the school is English but teachers often have to explain subject content to learners in Xhosa. The school has a Grade 12 enrolment of 240 learners of whom 145 of them do Business Studies. A total of 502 learners do Business Studies on a FET level. The school has eight commerce teachers that teach a combination of Accounting, Business Studies and Economics at FET level. Of the eight teachers only two has been trained by The Department of Education to teach Business Studies.

Molly Blackburn High School obtained a 90 percent pass rate in the first FET Grade 12 exam written in 2008. This achievement was just an extension of a proud academic record, as the schools Grade 12 pass rate has been hovering around the 90 percent for the past five years.

PROFILE OF SCHOOL B

Uitenhage High School is situated in Dower Avenue, Jubilee Park, Uitenhage. The school was established in 1964 and is currently celebrating its 45th year of existence. Mr. T. E. Heynes is the current principal of the school and heads a staff of 45 of whom 42 are Coloured and three are White. The school enrolment at the beginning of 2009 was 1327 learners of whom 771 were enrolled for the FET grades. 80 percent of learners at the school are Coloured and 20 percent are Black. The school is dual medium; thus instruction takes place in both English and Afrikaans. The school building hosts 35 classrooms and a teacher learner ratio of one teacher for every 35 learners is maintained.

The school has eight Commerce teachers who teach Accounting, Business Studies and Economics. Three teachers have been trained by The Department of Education to teach Business Studies to the FET grades. A total of 354 learners do Business Studies in the FET grades at the school. Furthermore, the school has 195 learners enrolled for the Grade 12 FET exam in 2009, and 93 of these learners does Business Studies as a subject. The school also has a good academic record as the Grade 12 pass rate for the past five years has ranged between 70 and 90 percent.

PROFILE OF SCHOOL C

Despatch High School was established in 1949 and is now in its 60th year of existence. The school is situated in Amperbo Street, Botharus, Despatch. The current principle of the school is Mr. C. Bartle and he heads a staff of 37 teachers. All the teachers at the school are White. The school has 862 learners enrolled for 2009 of which 489 were registered for the FET grades.

More than 90 percent of the schools learners are White with the rest of the learners being Coloured. The medium of instruction at the school is Afrikaans. Furthermore, 152 learners are registered to write the Grade 12 FET exam in 2009 and 67 of these learners does Business Studies. The school has four Commerce teachers of who two are in charge of teaching Business Studies. Both of these

teachers have received training from the Department of Education to teach Business Studies. Despatch High School has consistently maintained a Grade 12 pass rate record of above 90 percent for the past five years.

4.5 <u>DATA COLLECTION</u>

Collis and Hussey (2003:162) say that it does not matter whether the research study follows a broadly positivist or phenomenological approach there will always be a combination of quantitative and qualitative inputs into the data generating activities. Furthermore, it is maintained that the balance between using quantitative and qualitative inputs will depend on the analytical requirements of the study and the overall purpose of the research.

The primary objective of the current study dictates that a qualitative research approach be followed. Although qualitative data collection methods provide a real life basis for analysis and interpretation it can be very expensive and time consuming. Furthermore, it also presents problems relating to rigour and subjectivity (Collis and Hussey, 2003: 163). On the other hand, the main advantage of using qualitative data collection methods is the relative ease and speed with which the research can be conducted. However, quantitative data collection methods are also not without problems as the analytical and predictive power which can be gained from the statistical analysis must be set against the issues of sample representativeness, errors in measurement and quantification and the danger of reductionism (Collis and Hussey, 2003: 162).

The current study employs a mixture of qualitative and quantitative data collection approaches so as to harvest the advantages that both approaches provide. The researcher actively observed The Department of Education's implementation of the new curriculum for Business Studies that introduced entrepreneurship education to FET learners for the first time in 2006. The researcher observed the training of teachers and the implementation of the new curriculum and made extensive notes of the process. Furthermore, the researcher

was also part of preparing the first group of Grade 12 learners who wrote the FET exam in 2008.

The researcher made extensive notes during the introduction of new curriculum and has also monitored the progress for the last three years. Furthermore, the researcher has also had extensive discussions with teachers involved in the implementation of the program as well as officials from the Department of Education. To substantiate this qualitative approach used to gather information the use of a quantitative data collection method was also employed. Questionnaires were developed and used to gather information that would validate the observations of the researcher. The questionnaires were given to teachers and learners involved in the program at the three identified schools. The aim of the questionnaires was to establish the view that current participants of the program have of the programs ability to enhance entrepreneurial activities.

A minimum of two and a maximum of three teachers at each school were asked to complete the questionnaires developed for teachers. Furthermore, a minimum of 30 and a maximum of 50 learners were asked to complete the questionnaire for learners at each school. The researcher made appointments with the schools and explained the purpose of the questionnaire to the relevant teachers and learners and waited while they completed the questionnaires. The analysis of the information gathered through the questionnaires as well as the researchers observation notes will serve as a basis for the exposition of the findings of the study. This will be done in the next chapter.

4.6 <u>MEASURING INSTRUMENT</u>

In a qualitative approach, the researcher's ability to interpret and make sense of what he or she sees is critical for understanding any social phenomenon. Thus, the researcher is seen as an instrument in much the same way that a socio-gram rating scale or intelligence test is an instrument (Leedy and Ormrod, 2005: 133). The researcher in the current study has also been used as an instrument, in that the

researcher has observed the implementation and progress of the entrepreneurship education program in the FET curriculum and will now draw from this observation to support the data collected through questionnaires.

Furthermore, questionnaires were developed to gather information on the success of the entrepreneurship education program in the curriculum. Collis and Hussey (2003: 173) say that questionnaires can be described as a list of carefully structured questions, with the view of eliciting reliable responses from a chosen sample. The aim of questionnaires is to establish what a selected group of participants do, think or feel.

The current study used self constructed questionnaires that consisted of open and closed questions as well as multiple choice questions. Separate questionnaires were developed for teachers and learners. The questionnaires were constructed to measure the following variables:

- The confidence and desire to start a business (entrepreneurial attitude);
- The achievement orientation and risk profile of participants;
- The understanding of financial issues involved in a business;
- The practical experience and business know-how (entrepreneurial skills);
- The view of creativity and innovation; and
- The availability of role models and the involvement of local businesses in entrepreneurship education.

A letter requesting the identified schools to participate in the study was sent to the schools and in particular the Commerce Head of Department (HOD) at the school. (See Appendix 1). When permission was granted the Commerce HOD at the schools were asked to complete a profile sheet. (See Appendix 2). This was to establish a short demographical profile of the school and specifically the learners that will be involved in the study. The researcher then made appointments with the respective schools to address the teachers and the learners who were going to complete the questionnaires. Collis and Hussey (2003: 176) describes this setting up of a meeting to explain the purpose of the questionnaire to groups of

respondents as the group distribution method and says that this method is suitable where the survey is being conducted at a few locations. At the meetings that were arranged in the current study the purpose of the questionnaire was explained to those who were going to complete the questionnaires.

Furthermore, the explanation was supported by a covering letter attached to the questionnaire explaining the purpose of the questionnaire as well as assuring the respondents of the confidentiality of the information. (See Appendix 3 for the covering letter). After this explanation the respondents were asked to complete the questionnaires. (See Appendix 4 for the questionnaire for the teachers and Appendix 5 for the questionnaire for the learners). Three teachers and 50 learners completed the questionnaires at school A and school B, while 2 teachers and 34 learners completed the questionnaires at school C.

4.7 <u>DATA ANALYSIS</u>

The primary objective of the study is to improve entrepreneurship education in secondary schools at FET level by investigating how effective the current entrepreneurship education program is in providing school leavers with the entrepreneurial knowledge and skills for establishing their own business. The researcher observed and monitored the introduction and progress of entrepreneurship education into the FET curriculum over the past three years and made extensive notes in this regard. Furthermore, questionnaires were given to teachers and current Grade 12 learners involved in the entrepreneurship education program to establish their views on the ability of the program to enhance entrepreneurial activity.

The primary objective of the current study dictates that a qualitative research approach be followed. The researcher has however used a mixed methodology approach in terms of data collection as questionnaires that would normally be used in a quantitative study were employed in the current study to gather data. In

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addition to the questionnaires the researcher also made extensive notes of observations while monitoring the progress of the program in the FET curriculum.

Quantifying as well as non quantifying methods are used to analyze the data collected. Informal quantifying methods in the form of data displays are used to identify patterned behaviour in the responses given in the questionnaires. Miles and Huberman (1994, as cited by Collis and Hussey, 2003: 268) explain that a display is a visual format that presents information systematically so that the user can draw valid conclusions and take the needed action. The data displays that are used in the current study include tables and graphs, and it provides an exposition of the data gathered by the questionnaires. The data displays also allow the researcher to reduce the data collected to some extent.

Furthermore, the non quantifying method of explaining is used to expose some of the data collected. Lindlof (1995, as cited by Collis and Hussey, 2003: 262) describes the explaining method as understanding the coherence of meaning and action in the cases under study. Thus, through explaining the researcher attempts to makes sense of the way that the participants in the research make sense of their own actions, goals and motives.

Lincoln and Guba (1985, as cited by Collis and Hussey, 2003: 278) suggest that data analysis should be evaluated through the following criteria:

- Credibility;
- Transferability of findings;
- Dependability; and
- Conformability.

Credibility demonstrates that the research was conducted in such a manner that the subject of the enquiry was correctly identified and described (Collis and Hussey, 2003: 278). Furthermore, the credibility criteria involve establishing that the results of the qualitative research are believable from the perspective of the participant in the research (www.socialresearchmethods.net). Credibility can be

improved by the researcher involving him or herself in the study for a prolonged period of time, by persistent observation of the subject under study to obtain depth of understanding, by using different sources and collection methods of data and through peer debriefing on a continuous basis.

Credibility in the current study was attained by the researcher's prolonged observation of the implementation and progress of the entrepreneurship education program in the FET curriculum as well as through continuous discussion with the teachers involved in the program with regard to the progress of the program. Furthermore, credibility was enhanced by using both observation and questionnaires to collect data. The questionnaires were also distributed to three demographically different schools to further enhance the credibility.

Transferability refers to the degree to which the results of the qualitative research settings can be generalized or transferred to other contexts (www.socialresearchmethods.net). The current study focuses on three demographically different schools in the Nelson Mandela Metropolitan Municipality. The schools share a common feature in that all three schools offer entrepreneurship education as part of the subject Business Studies in the FET curriculum. The entrepreneurship education offered by the schools is offered on a national basis in all secondary schools who offer Business Studies on a FET level. The aim of the entrepreneurship education as set out in the National Curriculum Statement for Business Studies (2006) is to create an awareness of entrepreneurship and stimulate entrepreneurial activities. to (www.pgwc.curriculum.gov.za). Thus, the findings made through investigation of the three schools could be used as a sound basis for further investigation on regional, provincial and national level.

Dependability refers to the fact that the research process is systematic, rigorous and well documented (Collis and Hussey, 2003:278). The idea of dependability emphasizes the need for the researcher to accountant for the ever-changing context within which research occurs. The research is responsible for describing

the changes that occur in the setting and how these changes affected the way the research approached the study. The researcher in the current study provides a detailed exposition of the context surrounding the phenomenon being investigated. Furthermore, the process followed to gather and analyse information is explained in detail in the current chapter. This detailed explanation of the approach followed in the study secures the dependability of the findings of the study.

Finally, conformability refers to the degree to which the results of the study could be confirmed or corroborated by others. The findings of the current study are validated by referring to the responses on the questionnaire and by doing a data audit of the data collection and analysis procedure. Furthermore, the current study investigates a phenomenon that is relatively new and of which very little has been written about. However, the current study's findings will be compared to the findings of preliminary studies in this regard.

4.8 <u>CLOSING REMARKS</u>

This chapter provides a detailed exposition of the methodology followed in the current study. The primary objective of this study is to improve entrepreneurship education in the FET curriculum by investigating how effective the current entrepreneurship education program is in providing school leavers with the entrepreneurial knowledge and skills to establish their own business. The primary objective of the current study thus questions the relevance of the current entrepreneurship education programs in the FET curriculum and suggests that a qualitative research approach be undertaken.

A qualitative case study approach is used in this study. A mixed methodologies approach was taken with data collection when both observations and questionnaires were used to collect data. Furthermore, both quantifying and non quantifying methods were employed to analyse the data collected so that credible, transferable, dependable and conformable findings would be made available.

The next chapter provides a detailed exposition of the findings of the study by providing explanations of observations made as well as of the responses given on the questionnaire. Furthermore, summaries of the responses of questionnaires will also be visually displayed in tables and graphs and interpretations of these visual displays will be rendered.

CHAPTER 5: FINDINGS AND ANALYSIS

The ultimate measure of a man is not where he stands in moments of comfort, but where he stands at times of challenge and controversy.

(Martin Luther King Junior, 1963)

5.1 <u>INTRODUCTION</u>

Entrepreneurship is a key driver of an economy (www.entre-ed.org). Wealth and a high majority of jobs are created by small businesses started by entrepreneurially minded individuals. Researchers agree that fostering a robust entrepreneurial culture will maximize individual and collective economic and social success on a local, national and global scale (www.entre-ed.org). Entrepreneurship education plays a pivotal role in enhancing an entrepreneurial culture.

The global trends on entrepreneurship and entrepreneurship education that were discussed in Chapter 3 of this study support the notion that entrepreneurship education enhances an entrepreneurial culture. This is so, as it was established that the introduction of entrepreneurship education into schools positively impacted on entrepreneurial activity in all the countries that was studied. Kuratko (2005: 577) maintains that despite the expansion of entrepreneurship and remarkable developments in the field of entrepreneurship education it remains a challenged discipline. Furthermore, it is how countries deal with the challenges of entrepreneurship and entrepreneurship education that could determine future economic success.

According to the Global Entrepreneurship Monitor (GEM) Report of 2007 South Africa was ranked 23rd out of 43 countries with a Total Entrepreneurship Activity rate of 7,8 percent (Herrington and Maas, 2007: 38). This is significantly lower than the average of 13,2 percent for developing countries. For the last five years

the GEM study has identified education and training as the key factor limiting an improvement to South Africa's rate of entrepreneurial activity.

Entrepreneurship education was introduced into the Further Education and Training (FET) phase of South African secondary schools in 2006. Isaac, Visser, Friedrich and Brijlal (2007: 622) maintain that despite a general consensus at national and provincial levels of a policy commitment to promote entrepreneurship education at FET level, a great void exist between the policy and the actual implementation thereof. The current study investigated how the current entrepreneurship education program offered at FET level contributed to establishing an entrepreneurial culture amongst our youth. More specifically the study investigated whether the current entrepreneurship education developed entrepreneurial knowledge and skills amongst our school leavers that would allow them to start their own business.

A qualitative study was launched and three schools from Nelson Mandela Bay Municipality (NMBM) were selected as a sample for the study. Data were collected through observation as well as questionnaires that were issued to teachers and Grade 12 learners that were involved in entrepreneurship education at the sample schools. In this chapter a brief summary of the demographical information will be given, where after a detailed exposition of the findings of the current study will be provided. Some of the key findings that will be discussed include:

- Is entrepreneurship education taught at the sample schools?
- What is being taught in the current entrepreneurship programs?
- The risk profile and achievement orientation of school leavers;
- The desire among school leavers to start a business;
- The development of financial knowledge;
- Does entrepreneurship education develop business know-how and provide practical experience?
- The development of creativity;

- Entrepreneurial knowledge and the use of role models;
- The involvement of local business (entrepreneurs) in teaching entrepreneurship education;
- Government policies and Department of Education (DoE) support;
- Teacher training;
- Resources for teaching entrepreneurship education; and
- The recognition of entrepreneurial activities at school.

5.2 <u>A SUMMARY AND ANALYSIS OF THE DEMOGRAHPICAL FINDINGS</u> OF THE STUDY

The current study followed a qualitative case approach where a sample of three schools was investigated. The sample was selected from all the secondary schools in the NMBM and consisted of a school that serves a predominantly black community, a school that serves a predominantly coloured community and a school that serves a predominantly white community. A profile of these schools was supplied in Chapter 4 after which the schools were referred to as School A, B and C respectively. This summary will also refer to the sample schools as School A, B and C to explain the demographical findings.

5.2.1 Demographic details of teacher respondents

The following table provides the demographic details of the teachers of entrepreneurship education at the three sample schools:

TABLE 5.1: DEMOGRAPHIC DETAILS OF TEACHERS INVOLVED IN ENTREPRENEURSHIP EDUCATION AT THE SAMPLE SCHOOLS

CHARACTERISTICS	SCHOOL A	SCHOOL B	SCHOOL C
GENDER:			
Male	1	0	0
Female	1	3	2

RACE:			
Black	2	0	0
Coloured	0	3	0
White	0	0	2
AGE:			
20-30 Years	0	0	1
30-40 Years	1	1	0
40-50 Years	1	0	0
50-60 Years	0	2	1
QUALIFICATIONS:			
Commerce Degree and Teaching	0	0	2
Diploma			
Education Degree / Diploma –	1	3	0
Commercial subjects			
Other Degree / Diploma – Commercial	1	0	0
subjects			
RISK PROFILE:			
Risk taker	2	1	0
Risk averse	0	2	2
PERSPECTIVE ON STARTING A			
BUSINESS:			
Will encourage learners to start their own	2	1	1
business			
Will encourage learners to seek	0	2	1
employment with affixed salary			

The table above clearly indicates that the majority of teachers teaching entrepreneurship education at the sample schools are female. Furthermore, the majority of teachers involved in teaching the subject are older than 40 years and would thus have been educated in a time when the focus in education was on

teacher reproduction rather than a learner experimental learning experience as required by Outcomes Based Education (OBE). Moreover, most of the teachers have been teaching for more than ten years, thus they would have been accustomed to the route memorisation teaching style used to teach Business Economics. Teachers were only recently (three years ago) required to teach Business Studies and more specifically entrepreneurship education in a more practical outcomes based approach. As with all changes a mind shift was required by teachers to accommodate the practical aspects of teaching entrepreneurship. Teachers are still grappling with this mind shift as both teachers and learners admits to limited practical activities being offered. Teachers blame a broad syllabus and limited time in which to complete the syllabus as reason for offering limited practical activities.

Horn (2006: 120) maintains that the majority of South Africans are raised in homes where they have no or very little exposure to business innovation and entrepreneurship. Thus it is not surprising that all of the teachers in the current study rely on theoretical knowledge gained through studying relevant courses, diplomas or degrees to teach Business Studies and entrepreneurship. Furthermore, Davies (2001: 32) says that South African's have little notion of themselves as resource creators or mobilisers and economic risk taking is not strongly prevalent in most communities.

The findings of the current study supports this notion as more than half (four of seven) of the teachers in the study admitted to being risk averse. An interesting finding in terms of the risk profile is that in school A that serves a predominantly Black community and where all the teachers are black; both teacher respondents indicated that they are risk takers and that they would encourage their learners to start their own businesses. This phenomenon can be attributed to transformation in South Africa. Furthermore it was also found that at school B and C it was the younger teachers who indicated that they would encourage their learners to start their own business while the older teachers indicated that they would rather encourage their learners to seek employment with a fixed salary.

5.2.2 <u>Demographic details of learner respondents</u>

34 Grade 12 learners at each of the sample schools were selected to complete the questionnaires. To facilitate the process of data collection a group of learners who were clustered together as a class were used at each school. The following table provides a summary of the gender distribution of learner respondents at each of the sample schools.

TABLE 5.2: GENDER DISTRIBUTION OF LEARNER RESPONDENTS
AT EACH OF THE SAMPLE SCHOOLS

SCHOOL	MALE	FEMALE	TOTAL
A	20	14	34
В	11	23	34
С	8	26	34
TOTAL	39	63	102
PERCENTAGE	38,2%	61,8%	100%

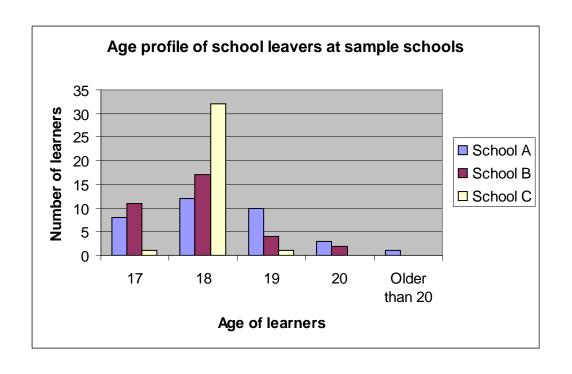
The above table reflects a much higher female participation in entrepreneurship education than male participation. Teacher respondents confirmed that there is a higher interest amongst female learners to participate in the entrepreneurship education. This finding is reflective of the transformation and women empowerment processes in South Africa and corresponds with the 2007 GEM Report findings that said that an increasing number of female entrepreneurs have entered the South African Market between 2005 and 2006 (Herrington and Maas, 2007, 38).

The following table provides a breakdown of the age distribution of learner respondents at the sample schools. This table is supported by a block graph that illustrates the age distribution of the learner respondents.

TABLE 5.3: AGE DISTRIBUTION OF LEARNER RESPONDENTS

AGE OF	SCHOOL	SCHOOL	SCHOOL	TOTAL	PERCENTAGE
LEARNERS	A	В	C	NUMBER	
				OF	
				LEARNERS	
17	8	11	1	20	19,6%
18	12	17	32	61	59,8%
19	10	4	1	15	14,7%
20	3	2		5	4,9%
Older than	1			1	1.0%
20					
				102	100%

FIGURE 5.1: BLOCK GRAPH ILLUSTRATING AGE DISTRIBUTION OF LEARNER RESPONDENTS



The table and graph above clearly indicate that the average age at which school leavers enter the labour market is 18 years. Furthermore, the second highest age group in the sample distribution is 17 year olds indicating that the age level of school leavers is declining. The table also illustrate that there are a few learner respondents at school A and B that are 20 years and older. Teachers at these schools believe that this is still remnants of the educational imbalances of the past, and agrees that the average age of school leavers is 18 years.

5.3 EMPIRICAL FINDINGS AND ANALYSIS

5.3.1 <u>Is entrepreneurship being taught?</u>

South African policy makers like their counterparts around the world looked at entrepreneurship as a means to boost economic growth, job creation and poverty alleviation (www.sasix.co.za; 5 February 2009). Researchers agree that there is a need for young people to be trained and educated in the field of entrepreneurship so that they can become job creators rather than job seekers once they leave the educational system (Horn, 2006: 120; Co and Mitchell, 2006: 348) Entrepreneurship education was introduced at FET level in 2006 and 2008 saw the first group of Grade 12 learners leaving school with entrepreneurship qualifications. The implementation of entrepreneurship education in South African schools support the notion of Drucker (1985, as cited by Kuratko, 2005: 580) that entrepreneurship can be taught.

The current study found that indeed entrepreneurship education is taught at FET level in the sample schools as 100 percent of the respondents (teachers as well as learners) agreed to it being part of the Business Studies Curriculum. Furthermore, this response was validated by the fact that the majority of learner respondents could explain what an entrepreneur is and could correctly list the characteristics of an entrepreneur.

This finding contradicts the study done by Isaacs, Visser, Friedrich and Brijlal (2007: 621) that found that there is a lack of entrepreneurial teaching in high schools. However, the findings of the current study provide an explanation for the 2008 GEM report findings. The report found that despite the poor overall entrepreneurship rate, South Africa's performance over the last few years indicates that there has been a 2,6 percent increase in the TEA rate from 2006 to 2008 (Herrington, 2009: 43).

Furthermore, Hindle (2004, as cited Greene and Rice, 2007: 139) says that education of entrepreneurship is divisible into two main areas: "Teaching it" and "Teaching about it." The current study found that the entrepreneurship education offered at FET level in South Africa adheres much more to the "Teaching about it" area than to the "Teaching it" area. "Teaching it" requires embracing the vocational area of entrepreneurships and involves the practical components of a much applied area of knowledge.

The current study found the practical component of teaching entrepreneurship to be lacking in the current program. This was confirmed by the responses of both learners and teachers on practical activities in the curriculum. Learners responded to a question on what type of practical activities have you been exposed to by answering that they did case studies and group projects involving business plans. Learners at two of the schools also mentioned exposure to market day activities. Teachers blamed the lack of practical activities on a too broad syllabus that was supposed to be completed in limited time.

5.3.2 What is being taught in entrepreneurship education?

According to the Consortium of Entrepreneurship Education's Lifelong Entrepreneurship model discussed in Chapter 2 the FET phase of Grade 10-12 in secondary schools will fall in phase 3 of the Lifelong model. This phase is called the creative application phase and allows for learners to search opportunities and develop a unique business concept. The model prescribes that learners should learn how to analyse the business environment and community, investigate the

demographics of the market and determine a market strategy. The focus falls on advanced creativity, exploring and finding opportunities, the practical experience of doing a feasibility study and developing a business plan (Kroon, De Klerk and Dippenaar 2003: 320).

Furthermore, Garavan and O'Cinneide (1994: 5) suggested the following objectives for entrepreneurship education:

- To provide knowledge relevant to entrepreneurship;
- To provide skills in the use of techniques in the analysis of business situations and in the synthesis of action plans;
- To identify and stimulate entrepreneurial drive, talent and skills;
- To undo the risk averse bias of many analytical techniques;
- To develop empathy and support for all unique aspects of entrepreneurship;
 To devise attitudes towards change; and
- To encourage new start-ups and other entrepreneurial ventures.

Kyrö (2002 as cited by Fayolle and Klandt, 2006: 98) also suggests that entrepreneurship education has two elements: entrepreneur and enterprise. According to Gouws (2002 as cited by Isaacs, Visser, Friedrich and Brijlal, 2007: 623) the following aspects should be included under the theme entrepreneur:

- Entrepreneurial qualities;
- Entrepreneurial skills; and
- Self knowledge.

Furthermore, under enterprise or entrepreneurial processes the following aspects should be covered:

- Economic education;
- Searching for a business idea;
- Compiling a business plan; and

• Starting a business, e.g. market day or flea markets.

Global trends discussed in Chapter 3 also identify the following main themes in entrepreneurship education:

- What is an enterprise?
- What is entrepreneurship?
- Who is the entrepreneur?
- How to become an entrepreneur;
- How to find a good business idea;
- How to organise and operate an enterprise; and
- How to write a business plan.

The current study found that the objectives of the subject Business Studies as discussed in Chapter 3 reflects what literature prescribes and also resembles the global trends identified. The specific learning outcome that focus on entrepreneurship has as a goal that learners should be able to identify and research viable business opportunities and explore these related issues through the creation of achievable business ventures (www.pgwc.curriculum.gov.za). This learning outcome focuses on the generation of ideas, research drawings up and presentation of business plans and business information and the development and implementation of achievable action plans.

In addition to this the data collected from the respondents at the sample schools confirmed that the following objectives of entrepreneurship education were covered:

- What is an entrepreneur?
- What are the characteristics of an entrepreneur?
- What is a business plan and how to compile a business plan?

This was validated by the fact that 96 percent of the learner respondents could correctly explain what an entrepreneur is as well as correctly list the characteristics of a successful entrepreneur. The current study also found that the learner respondents had limited real life examples of entrepreneurs on which to test this theoretical knowledge due to the lack of entrepreneurial role models.

Furthermore, 81 percent of learner respondents could correctly explain what a business plan is, while 88 percent of the respondents indicated that they had a good idea how to compile a business plan. Once again the study found that this knowledge was theoretically based as prescribed textbooks provided template business plans on which learners could just fill in the details of a business opportunity.

Teacher respondents confirmed that the above mentioned objectives of entrepreneurship education were covered and said that these topics were covered by doing case studies from prescribed text books. The teachers also shared the following concerns:

- The lack of time to allow sufficient practice of the aspects and to link theory to reality; and
- The fact that schools use different text books in which content are dealt with in different ways.

Furthermore, the study also identified that learner respondents lack creativity as the respondents could not provide any new creative ideas for a business that they would like to start. The majority of learners indicated that they would like to start. The majority of learners indicated that they would start a fast food outlet, a restaurant, a beauty salon, hairdresser, car shop, internet cafe, guest house or a cell shop. Learner respondents agreed that it was important to have a good idea for starting a business but the study established that learners would struggle to identify an opportunity if presented with one. Teacher respondents confirmed this

in that they said if learners were given a case study they would struggle to identify the opportunity in the case.

5.3.3 How is entrepreneurship education taught?

As discussed in Chapter 2 Kirby (2003, as cited by Fayolle and Klandt, 2006: 45) argues that to develop entrepreneurs or more enterprising individuals the focus of the education system needs to be shifted away from the traditional to what is termed "the entrepreneurial." To achieve this it is suggested that a learning approach will need to be adopted that allows:

- Learners to take ownership of their own learning;
- That will involve learners in problem solving of real world situations so that they develop both intuitive and rational thinking;
- That will enhance decision making, stimulate effectiveness and the ability to cope with uncertainty; and
- That will provide learners with role models who are involved in both the learning and assessment process to demonstrate role orientation, ability and motivation.

As discussed in Chapter 3 the outcomes based learning approach of Curriculum 2005 requires that the teaching of entrepreneurship involve:

- Active learners who work at their own pace;
- The doing of activities that will develop critical thinking and reasoning skills and that will encourage reflection and action;
- Learning that is relevant and connected to real life situations; and
- Where the input of the community is encouraged.

Teachers in the current study agreed that a new approach was necessary to teach the more practical entrepreneurship education. However the teacher respondents maintained that it was difficult to implement these practical teaching strategies due to large numbers in classes, a fixed syllabus and time limitations. The current study found that most of the teaching in the sample schools still takes place through didactical textbook explanations. Furthermore, problem solving and critical thinking activities were limited to mock real life scenarios from text book case studies. The study also found that there was an absence of entrepreneurial role models as there is a lack of involvement of local entrepreneurs in teaching entrepreneurship education. This was confirmed by teachers as five of the seven teacher respondents admitted to not ever having invited entrepreneurs to their school for assistance with teaching entrepreneurship or for any other reason.

Furthermore, 79 percent of the learner respondents indicated that their school has not introduced them to local entrepreneurs. Some learners at school A indicated that their school introduced them to an entrepreneur through a motivational talk arranged for Grade 12 learners at the school. The teacher respondents at that school however indicated that even though it was a local entrepreneur who addressed them it was not organized by the business studies teachers and it bore no relation to subject content.

Teacher respondent's at all three schools indicated that lack of time prevented them from inviting entrepreneurs to participate in the teaching of entrepreneurship education. Furthermore, teachers also sighted the fact that entrepreneurs were busy and unwilling to assist and this prevented them from organising field trips or giving learners projects to complete that would require them to visit and interview local entrepreneurs.

5.3.4 The risk profile and achievement orientation of school leavers

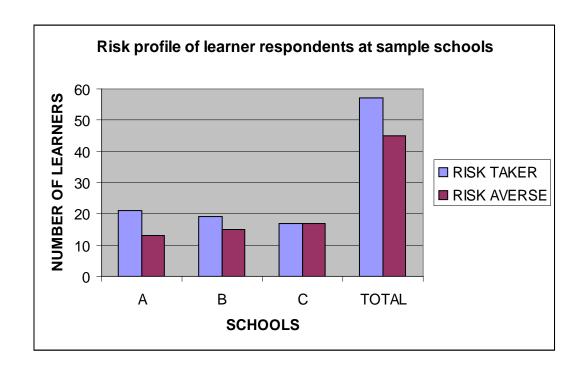
The following table illustrated the risk profile of learner respondents at the sample schools.

TABLE 5.4: RISK PROFILE OF LEARNER RESPONDENTS AT SAMPLE SCHOOLS

SCHOOL	RISK TAKER	RISK AVERSE
A	21	13
В	19	15
С	17	17
TOTAL	57	45
PERCENTAGE	55,9%	44,1%

The following Graph illustrates the data provided in table 6 above.

FIGURE 5.2: BLOCK GRAPH ILLUSTRATING THE RISK PROFILE OF LEARNER REPONDENTS AT SAMPLE SCHOOLS



The above table and graph illustrates that 55,9 percent of learner respondents indicated that they were risk takers. This finding contradicts the research done by Davies (2001: 32) that said that risk taking is not strongly prevalent in South African communities. This current risk profile could be attributed to changing

legislation and transformation processes in South Africa that emphasizes freedom to pursue your dreams.

The average learner respondent would have been born in 1991 and would have started their schooling in 1997. Thus they would have been educated in a time when a lot of emphasis was placed on freedom to pursue your dream and this could have encouraged risk taking. The 55,9 percent of learner respondents who indicated that they were risk takers could be an indicator of the dawn of a new generation of risk takers. However the 44,1 percent learner respondents who indicated that they were risk averse serve as evidence that there is still a lot of risk adversity present amongst our school leavers. This could possibly be attributed to parental and teacher attitudes towards risk influencing the risk profile of these learners.

In terms of achievement orientation learner respondents were asked: What they are going to do after school? The following table provides the details with regard to learner responses to this question.

TABLE 5.5: TABLE INDICATING WHAT LEARNER RESPONDENTS
ARE PLANNING TO DO AFTER SCHOOL

OPTION	SCHOOL	SCHOOL	SCHOOL	TOTAL	PERCENT
	A	В	C		
Further their studies at a					
tertiary institution	31	25	25	81	79,4%
Look for work in a local					
organisation	2	5	5	12	11,8%
Start their own business					
	1	2	4	7	6,9%
Work overseas					
	-	2	-	2	1,9%
TOTAL				102	100%

According to the table above 79,4 percent of learner respondents indicated that they plan on furthering their studies at a tertiary institution. This is an ideal, but unfortunately research shows the opposite. Horn (2006: 113) says that due to high cost of tertiary education and the stringent academic requirements only ten percent of school leavers will be accepted by tertiary institutions to further their studies. What is even worse is that these learners are most of the time not encouraged to think of an alternative option and is thus left devastated and stranded if they are not accepted at a tertiary institution.

Furthermore, only 6,9 percent of learner respondents indicated that they would like to start their own business. This serves as support to the 2004 GEM Report findings that stated that South Africans were less likely than their counterparts in developing countries to be innovative, to see good business opportunities or to believe that they have the necessary skills to start a business (Shay and Wood, 2004: 34). As discussed in Chapter 3 Isaacs, Visser, Friedrich and Brijlal (2007: 613) said that the ratio of entrepreneurs to workers in South Africa is approximately 1 to 52, while the ratio in most developed countries is approximately 1 to 10.

Kroon and Meyer (2001:480) say that most people in South Africa are brought up to believe that they must try and avoid risk by acquiring a job with financial and job security, a pension fund, medical aid and other benefits. Furthermore to attain such a job you need to be qualified and thus have to pursue your studies. The findings of the current study are in line with this notion, as the majority of learner respondents indicated they wanted to pursue their studies. The second highest option chosen was to find a job in a local organisation. Thus, this study found that the majority of learner respondents were not interested in starting their own business as they were not encouraged to see entrepreneurship as a career option.

5.3.5 The desire among school leavers to start a business

With reference to Table 5.5 above it is clear that only 6,9 percent of learner respondents in the current study indicated a desire to start their own business. As discussed in the previous section it was found that the finding of the current study corresponds to the findings of previous researchers and supports the findings of the 2004 GEM Report. This report stated that South Africans are less inclined to start their own business and are more focused on acquiring a job with a fixed salary (Shay and Wood, 2004: 34). This finding is also prevalent in the low TEA rate that has been reigning in South Africa for the last few years.

Furthermore, the study found that offering entrepreneurship as part of Business Studies that also focuses on Small Business Management creates the impression with learners that entrepreneurship education also provides skills that they would require to obtain a job in a firm rather than use to start their own business. Thus entrepreneurship education is not presented in a way that promotes entrepreneurship as a career option.

An interesting finding of the study was that even though only 6,9 percent of learners indicated a desire to start their own business, 79,4 percent of learners indicated that they would like to become an entrepreneur. On investigation, teacher respondents provided an explanation for this finding. Teachers said that text books describe the characteristics of entrepreneurs by referring to well known figures like Oprah Winfrey and Richard Branson and that learners like to emulate these famous people as their role models. However learners are unable to make the link that in order to become famous and rich you have to start on a small scale by starting your own small business.

5.3.6 The development of financial knowledge

Teaching entrepreneurship also involves teaching about financial aspects as it is important for an entrepreneur to be able to calculate how much funds would be required to start a specific business. For effective decision making and efficient running of a business it is essential that an entrepreneur understands and is able to

calculate cash flow and profits. Thus these aspects should form an integral part of entrepreneurship education.

To establish whether financial aspects are dealt with and whether entrepreneurship education contributes to the development of financial knowledge among school leavers questions with regard to this was set in both learner and teacher questionnaires. The following table provides an indication of the learner responses to the financial question:

TABLE 5.6: LEARNER RESPONSES TO QUESTIONS CONCERNING FINANCIAL KNOWLEDGE

QUESTIONS ON FINANCIAL ASPECTS	SCHOOL	SCHOOL	SCHOOL
	A	В	C
Do you know how to calculate how much funds			
you would require to start a specific business?			
Yes	22	26	30
No	12	8	4
Describe the concept of profit.			
Could correct describe profit	14	25	27
Could not provide a correct description of profit	20	9	7
Which of the following is more important to			
you?			
Making a profit	7	6	6
Rendering a service	2	3	2
Both	25	25	26

The table above indicates that the majority (78 of 102) learners admit to knowing how to calculate how many funds would be required to start a business. Teacher respondents also agree that this aspect is covered by the syllabus. Furthermore,

teachers acknowledged that it is difficult to teach these aspects to learners who have limited mathematical skills. Teachers maintain that the majority of learners who do Business Studies do not do Mathematics or Accounting but rather do Mathematical Literacy that does not develop higher order mathematical skills. Thus, the teacher's reports that learners find it difficult to comprehend this section of the work and struggle to do the calculations.

In terms of the concept profit 66 of the 102 (64,7 percent) learner respondents could correctly describe profit. This confirmed that this aspect was dealt with and that learners had a fairly good idea what it entailed and how to calculate it. However, at school A 20 of the 34 learners incorrectly described profit. On questioning teacher respondents at this school about the result teachers said that it could be attributed to a language problem. Thus it could have been that learners did not understand the question or could not express themselves well enough to provide the correct answer as the questions were set in the learners' second language. Xhosa is the learners at school A's first language.

The study also found the fact that the majority of learners (76 of 102) indicated that that both making a profit and rendering a service was important to them enlightening. This indicates that learners realize that a business should not just focus on making a profit but that if the business renders a required service to the community they would be able to make a profit.

5.3.7 <u>Does entrepreneurship education develop business know-how and provide practical experience?</u>

When learners were asked in the questionnaire what is needed to start a business, 78 of the 102 (76,4 percent) learners indicated that you will need capital. A further 42 learners mentioned a business plan. Items that were mentioned on a lesser scale included: knowledge, skills, experience, ideas, licence and location. Even though all the learner respondents agreed in a subsequent question that on the questionnaire that it was important to have a good idea to start a business only 4 respondents mentioned it as a requirement to start a business.

Not one learner respondent indicated that a good business opportunity is required to start a business. This finding stands in stark contrast with what was discussed in Chapter 2 where reference was made to Timmons and Spinelli (2007: 90) that suggested that money follows high potential opportunities conceived and led by a strong management team. Thus, emphasizing that a good business opportunity is at the heart of the entrepreneurial process.

The current study also found that the entrepreneurship education programs offered in the FET phase of secondary schools made no mention of an entrepreneurship model. This explains the incorrect emphasis on capital, business plans and ideas as the most important requirements to start a business. Furthermore, it was also found that the syllabus does not distinguish between an idea and an opportunity. As discussed in Chapter 2, Timmons and Spinelli (2007: 89) maintain that it is important for an entrepreneur to distinguish between an idea and an opportunity as a good idea is not necessarily a good opportunity. In Chapter 2 an opportunity was described as consisting of 4 integrated elements that all needed to be present for it to be rendered a business opportunity. These four elements are a need, the means to fulfil the need, the method to apply the means to fulfil the need and a method to benefit. Furthermore, the fact that ideas and opportunities are confused could be seen as one of the reasons for the poor sustainability of start-up businesses in South Africa.

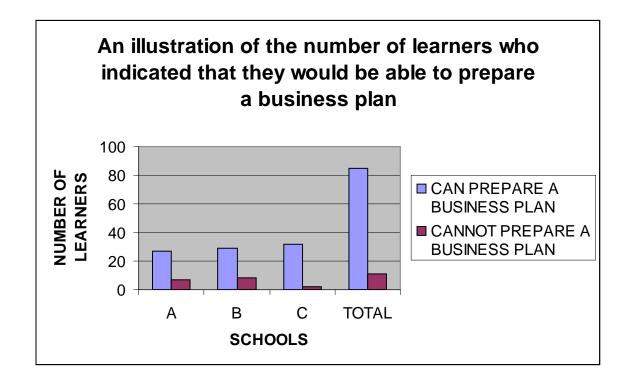
The questionnaires also asked questions pertaining to the drawing up of business plans. The following table indicates learner responses to questions regarding business plans:

TABLE 5.7: LEARNER RESPONSES TO QUESTIONS REGARDING BUSINESS PLANS

QUESTIONS	SCHOOL	SCHOOL	SCHOOL	TOTAL	PERCENT
CONCERNING	A	В	C		
BUSINESS PLANS					
What is a business					
plan?					
Could provide a correct					
explanation.	27	26	32	85	83,3%
Could not provide a					
correct explanation.	7	8	2	11	16,7%
Would you be able to					
prepare a business					
plan?					
Yes	28	30	32	90	88,2%
No	6	4	2	12	11,8%

The following graph illustrates the responses of learners on whether they would be able to prepare a business plan.

FIGURE 5.3: BLOCK GRAPH ILLUSTRATING THE NUMBER OF
LEARNERS WHO INDICATED THAT THEY WOULD BE
ABLE TO PREPARE A BUSINESS PLAN



The table and graph above clearly indicate that learners have a good understanding of business plans. The majority (83,3 percent) of learners could correctly explain what a business plan is. Furthermore, 88,2 percent of learners also indicated that they would be able to prepare a business plan. Teacher respondents confirmed that business plans are covered in the syllabus and that learners are also required to prepare a business plan for a specific business that they would like to start as a project. However, teachers also mentioned that prescribed textbooks provide learners with examples of business plans as well as templates of business plans that learners can just copy and fill in their own details. Thus the study found that entrepreneurship education developed learners' knowledge in terms of business plans. However, the study also found that this knowledge was text book based and lacked a link to real life.

Furthermore, the study found that other practical activities at the schools were limited to doing case studies on business aspects. Two schools also mentioned assignments that involved learners interviewing local entrepreneurs about how they deal with challenges in the business environment. Teacher respondents at these schools however explained that this was an extremely difficult exercise as learners would struggle to get hold of an entrepreneur as entrepreneurs were busy and unwilling to assist. The study found no evidence of a practical activity resembling the Student Mini Company (SMC) program so effectively used in the teaching of entrepreneurship education in the USA and the EU.

Questions were also asked pertaining to market day activities. Learners were asked whether they have ever been involved in a market day. The following table illustrates the responses of learners to this question:

TABLE 5.8: LEARNER RESPONSES TO QUESTIONS REGARDING MARKET DAY PARTICIPATION

SCHOOL	HAVE	HAVE NOT
	PARTICIPATED	PARTICIPATED
SCHOOL A	0	34
SCHOOL B	15	19
SCHOOL C	28	6
TOTAL	43	59
PERCENT	42,2%	57,8%

The above table clearly illustrates that less than half (42,2percent) of the learner respondents were exposed to market day activities. This confirms the notion that limited practical activities in which learners can gain practical experience are offered by schools. All the learners at school A indicated that they have never been involved in a market day. When questioned about this the teacher respondents at the school said that they would like to organise a market day for the learners but that the schools timetable does not allow for it. Furthermore,

teachers at the other schools agreed that organizing a market day was time consuming and this was a problem as they had limited time available in which to complete the prescribed syllabus.

Furthermore, learners were also asked whether they think that they would be able to start their own business with the knowledge and experience they gained doing Business Studies and entrepreneurship education. The following table indicates learner responses to this question:

TABLE 5.9: LEARNER RESPONSES ON WHETHER THEY THINK
THEY CAN START THEIR OWN BUSINESS WITH THE
KNOWLEDGE AND EXPERIENCE GAINED THROUGH
ENTREPRENEURSHIP EDUCATION

SCHOOL	THINK THAT THEY WOULD BE ABLE TO START THEIR OWN BUSINESS	THINK THEY WILL NOT BE ABLE TO START THEIR OWN BUSINESS
SCHOOL A	31	3
SCHOOL B	33	1
SCHOOL C	29	5
TOTAL	93	9
PERCENT	91,2%	8,8%

The above table clearly indicate that the majority (91,2 percent) of learners think that they will be able to start their own business with the knowledge and experience gained through entrepreneurship education. The study found this result to be over optimistic and bias as in another question on the questionnaire the majority of learners expressed their concern at the lack of practical activities that provided practical experience. This view was further confirmed by teacher responses. All of the teachers indicated that the knowledge and experience provided by the current entrepreneurship education program was not sufficient to

allow learners to start their own business immediately after school. Teachers explained that entrepreneurship education provides the necessary knowledge and skills but that learners would require more time to practice these skills and to refine their knowledge before being able to start their own business.

On the positive side when learners were asked why they would start a specific business, the majority of learners indicated that they would do so to address a need in their community and in so doing try to make a profit. This indicated that learners have an understanding why businesses should be started.

5.3.8 Does entrepreneurship education develop creativity?

Researchers agree that creativity is an essential characteristic of an entrepreneur. Rwigema and Venter (2004: 65) as well as Timmons and Spinelli (2001:8) emphasize creativity as a key characteristic of successful entrepreneurs. As discussed in Chapter 2 creativity is important as it is manifested in the creation of new products, services, inventions of ways to cut cost, improvements of products and the search for imaginative alternatives to what competitors offer. Furthermore, Gouws (2002, as cited by Isaacs, Visser, Friedrich and Brijlal, 2007:623) also highlighted creativity as one of the entrepreneurial qualities that needs to be developed by entrepreneurship education.

The current study found that the way in which entrepreneurship education is currently presented provides limited opportunity for the development of learner creativity as the current program places more emphasis on theoretical knowledge. This is evident in the uncreative answers they provided to the question: "If they had to start a business, what type of business would they start?" No new, exciting, creative and innovative businesses were mentioned. Learners mentioned mundane examples that included fast food outlets, restaurants, beauty salons, hairdressers, bed and breakfast institutions, coffee shops, cell shops, car shops and internet café's. This finding was further confirmed by the answers learner respondents provided to the question: "What did you do for the market day at your school?"

Once again no creative activities were mentioned. The majority of learners indicated that they were involved in "stalls" selling food items.

5.3.9 Entrepreneurial knowledge and the use of role models

As indicated earlier 100 percent of the respondents (teachers as well as learners) agreed that entrepreneurship education was offered as part of the Business Studies curriculum at FET level. In Chapter 2 and earlier in this chapter it was explained that entrepreneurship education has two focus points namely; the entrepreneur and the enterprise or entrepreneurial process. Gouws (2002, as cited by Isaacs, Visser, Friedrich and Brijlal, 2007: 623) postulates that entrepreneurship education should be structured around these two points and emphasized entrepreneurial qualities and skills under the theme entrepreneur. Furthermore, business ideas, compiling a business plan and gaining experience of starting a business through market day activities were highlighted under the theme entrepreneurial processes.

The previous section elaborated extensively on business ideas, business plans and market days. Thus, this section will focus primarily on entrepreneurial qualities and skills. To establish whether learners had knowledge about entrepreneurial qualities learners were asked to explain what an entrepreneur was as well as to list characteristics of a successful entrepreneur. The following table provides an indication of learner responses to these questions:

TABLE 5.10: LEARNER RESPONSES TO QUESTIONS PERTAINING TO ENTREPRENEURIAL QUALITIES

QUESTIONS	SCHOOL	SCHOOL	SCHOOL	SCHOOL	PERCENT
CONCERNING	A	C	В	C	
THE					
ENTREPRENEUR					
What is an					
entrepreneur?					
Correctly explained.	32	33	33	98	96,1%

Provided an incorrect					
explanation.	2	1	1	4	3,9%
What characteristics					
do you think an					
entrepreneur should					
have?					
Supplied correct					
characteristics.	33	31	34	98	96,1%
Provided incorrect					
characteristics.	1	3	0	4	3,9%

The above table clearly indicate that learners have knowledge in terms of entrepreneurial qualities as the majority of learners (96,1 percent) could correctly describe what an entrepreneur is and also list characteristics that an entrepreneur should have. Teachers also confirmed that these aspects were covered by the syllabus. However, the current study found that this knowledge about the entrepreneur was text book bound and that learners were not provided with sufficient opportunities to put this theoretical knowledge to practice. As explained earlier entrepreneurial skills like creativity were not developed by the current entrepreneurship education program due to the lack of practical activities that will enhance these skills.

Learners were also asked whether they knew any successful entrepreneurs in their area and whether their school has introduced them to any successful entrepreneurs. The following table illustrates learner responses to these questions:

TABLE 5.11: LEARNER RESPONSES WITH REGARD TO ENTREPRENEURIAL ROLE MODELS

QUESTIONS	SCHOOL	SCHOOL	SCHOOL	SCHOOL	PERCENT
CONCERNING	A	C	В	C	
ENTREPRENEURIAL					
ROLE MODELS					
Do you know any					
<u>successful</u>					
entrepreneurs in your					
area?					
Yes	28	29	28	82	80,4%
No	9	5	6	20	19,6%
Has your school					
introduced you to					
successful					
entrepreneurs?					
Yes	10	7	4	21	20,6%
No	24	27	30	81	79,4%

The study found it to be positive that 80,4 percent of learners indicated that they knew a successful entrepreneur in their area, as this would mean that learners would have a role model to emulate. Teacher respondents however explained that the fact that learners knew entrepreneurs does not necessarily mean that they would know them well enough to follow their example. Teachers also raised a concern that some of the entrepreneurs that learners were referring to were local taxi owners, spaza shop owners and tavern owners who are involved in activities that they not necessarily want learners to emulate.

Furthermore, the study found the fact that 79,4 percent of learners indicated that their schools have not introduced them to successful entrepreneurs to be a serious concern. As discussed in Chapter 2 research prescribes the teaching of

entrepreneurship education through the use of role models. Kirby (2003, as cited by Fayolle and Klandt, 2006: 46) suggest that it is necessary to adopt a learning approach that will provide learners with role models who will be involved in both the learning and assessment processes to demonstrate role orientation, ability and motivation.

Furthermore, in all of the countries studied in Chapter 3 to establish global trends on entrepreneurship education the use of role models in teaching entrepreneurship education is emphasized. These countries also place great emphasis on close relations between the schools and local businesses. Teacher respondents in the current study indicated that they did not involve local entrepreneurs in the teaching of entrepreneurship education due to time constraints and the fact that local entrepreneurs were unwilling to assist. Thus the current study found that entrepreneurial role models were not used in teaching entrepreneurship education. Furthermore, it was found that the entrepreneurial knowledge that was provided could have been much more meaningful and easier to emulate if learners could see, identify and experience what they learn.

5.3.10 The involvement of local businesses in teaching entrepreneurship education

As described in the previous section, teaching entrepreneurship education through the use of entrepreneurial role models is very important. In Chapter 2 Kirby (2003, as cited by Fayolle and Klandt, 2006: 46) prescribes the use of entrepreneurial role models to demonstrate role orientation, ability and motivation. Entrepreneurial role models are found in local businesses. It therefore becomes important to involve local businesses in teaching entrepreneurship.

Furthermore, Chapter 3 also explains how the USA, the EU countries and China successfully use local businesses in teaching entrepreneurship education. In the EU local businesses are involved with the setting up and running of Student Mini Companies. In addition to this local businesses also assist teachers in explaining certain aspects of the content and furthermore allow learners to gain practical experience by working in their companies during school holidays.

In the current study teachers indicated that the extent of local businesses becoming involved in the teaching of entrepreneurship was limited to learners doing assignments that required them to interview entrepreneurs on certain entrepreneurial and business aspects. Teachers further explained that even this was difficult as learners would struggle to get an entrepreneur to interview as they would either be to busy or unwilling to assist.

Five of the seven teacher respondents indicated that they have never invited an entrepreneur to their school to assist with the teaching of entrepreneurship or for any other reason. Furthermore, all teachers indicated that the involvement of local businesses in their schools were limited to the sponsorships of cultural or sporting events. The current study thus found that there was limited relations among sample schools and local businesses in their area and also that the sample schools does not involve local business in the teaching of entrepreneurship education.

5.3.11 Government policies and Department of Education support

It was found in Chapter 3 that countries like the USA, the EU and China place high emphasis on the development of policies that will enhance the implementation of entrepreneurship education as well as policies that will support the teachers implementing the programs. In the EU a policy framework with checks and controls is in place to ensure efficient implementation of policies and that allows for revision if it is found that a policy is not working. Isaacs, Visser, Friedrich and Brijlal (2007: 622) maintain that there is a general consensus at national and provincial level of a policy commitment to promote entrepreneurship education at school level. However between policy and implementation a great void exist, manifested by inertia and unwillingness to deal with change proactively. The findings of this study tend to support the above view as teacher respondents indicates that besides providing teachers with policy documents very little has been done by Government to enhance the implementation of the policy and the teaching of entrepreneurship education. This is totally opposite from global trends where emphasis is placed on teacher support.

Teachers expressed a concern about the fact that little guidance is given on teaching the subject at Grade 10 and 11 levels and that too much emphasis is placed on assessment activities in Grade 12. Teachers feel that the excessive focus on assessment hampers the teaching of the subject. Furthermore, teachers expressed a concern about the lack of policy review as well as the lack of teacher involvement in such processes. Teachers indicated that entrepreneurship education was but one of four learning outcomes of Business Studies and that the time that was allocated to teach entrepreneurship was not sufficient. Teachers however maintained that they have no way of bringing about a change in this regard as complaining to the Department of Education about this would be to no avail. Teachers thus follow a text book teaching approach to complete the large amount of prescribed content in the limited time available to them.

In addition to this teachers expressed a concern with regard to the lack of government policies to establish relations between business and education so as to assist with getting businesses involved in the teaching of entrepreneurship education. On investigation the study found that there was no initiative from Government's side to establish relations between schools and businesses so as to enhance the practical aspect of teaching entrepreneurship. The study also found that there were no initiatives in the form of competitions being offered by the Department of Education to encourage entrepreneurial activities. Chapter 3 described how competitions are used globally to encourage entrepreneurial activities among learners.

Furthermore, teachers also indicated that the Department of Education (DoE) was committed to moderating Grade 12 assessment activities but provided limited guidance in terms of teaching the subject at Grade 10 and 11 levels. A concern was also expressed that DoE officials lacked classroom experience and was thus reluctant to provide assistance on teaching the subject. Instead they would refer teachers to the policy documents. The current study found that the South African policies with regard to entrepreneurship education emulate global policies on this

topic. However this study also found that there is a lack of a checks and control framework to ensure the correct implementation of the policy. Furthermore the study also found that there is a lack of support for teachers teaching entrepreneurship education.

5.3.12 Teacher training

In Chapter 3 the training of teachers to teach entrepreneurship was emphasized as an important requirement to achieve the primary aim of entrepreneurship education. Gouws (2002: 45) reiterates that teachers cannot continue to teach in the old rote memorization style and that an outcome based approach is required.

In 2006 when the National Curriculum Statement (NCS) was introduced all teachers were required to undergo training this training was held over a 5 day period and focused primarily on policy requirements and not so much on how to teach the content. Since than very few (less than 5) workshops has been held to assist teachers in teaching the subject in an outcome based approach. At these workshops attention was given to the use of case studies, projects and assignments as it was prescribed as assessment activities.

All of the teacher respondents in the current study admit to having been trained to teach Business Studies. However all of them also indicated that limited workshops were offered after this initial training by the DoE to better equip them to teach the subject. Teachers also raised a concern about these workshops in that it took them away from their classes as it was offered during school time. When asked whether they require additional training; all of the teachers agreed positively to this. Thus, the current study found that additional training is required to enhance the teaching of Business Studies and entrepreneurship education.

5.3.13 Resources for teaching entrepreneurship education

All of the teachers in the current study admitted to having all the required policy documents to teach the subject. However, when asked whether they have all the required material to teach the subject; all the teachers raised a similar concern. The concern involved the variety of text books available for the subject. The fact that no uniform text book is prescribed by the DoE allowed schools to select the text book they preferred. This created confusion as each school chooses a different text book.

Furthermore, teachers indicated that beside the odd study material (mostly exam papers) provided to Grade 12 learners by the DoE no other learning material has been received. No posters, no audiovisual material or any other material was supplied to teachers. Teachers were unanimous in saying that if teachers wanted to enhance the teaching of the subject by using supporting resources they would have to find it themselves and also pay for it themselves. Thus, the current study found that the resources supplied to teachers by the DoE to teach the subject was limited to text books. Thus, there was a lack of additional resources used to enhance the teaching of the subject.

5.3.14 The recognition of entrepreneurial achievements

In Chapter 3 the importance of acknowledging entrepreneurial excellence was emphasized. In the EU schools acknowledged entrepreneurial achievements by making it known to the rest of the school and also by allowing the achieving learners certain special privileges. Furthermore, Chapter 3 also mentioned that schools support the entrepreneurial initiatives of their students and that they proudly invite back past pupils who have made entrepreneurial achievements to share their success stories with current students.

In the current study all the teacher respondents indicated that their schools did not acknowledge entrepreneurial achievements. They reiterated that only academic achievement in the subject was acknowledged. Academic achievers would be awarded certificates for academic excellence in the subject if they obtained marks of above 80 percent in the exams the school offered. As described previously, teachers also mentioned that there were no activities other than academic activities to assess entrepreneurial achievement. Thus, no competitions were offered to learners to display their entrepreneurial ability. The current study thus found that there was alack of activities to encourage entrepreneurial achievement as well as a lack of acknowledgement of these achievements.

5.4 CLOSING REMARKS

Isaacs, Visser, Friedrich and Brijlal (2007: 614) say that entrepreneurship education can be defined as the purposeful intervention by an educator in the life of the learner to impart entrepreneurial qualities and skills to enable the learner to survive in the world of business. Kroon, De Klerk and Dippenaar (2003: 319) maintain that entrepreneurship education should develop a generation of people who are creative, innovative and willing to take risks. Furthermore, Henry, Hill and Leitch (2005: 101) indicate that through the study of entrepreneurship, entrepreneurs will be able to benefit from learning an innovative approach to problem solving, adapt more readily to change, become more self-reliant and develop their creativity.

Gouws (2002: 45) says that the primary aim of entrepreneurship education in South Africa should be to develop a cadre of entrepreneurs who will promote economic growth and create employment to meet the rising economic expectations of all South Africans. Furthermore, Gouws (2002:45) reiterates that teachers need to be trained accordingly as they would not be able to continue to teach in the old rote memorization style, but would rather have to employ an outcomes based approach.

Alberti, Sciascia and Poli (2004, as cited by Isaacs, Visser, Friedrich and Brijlal, 2007: 619) says that for effective entrepreneurship education there should be a relationship between the goals of entrepreneurship programs, the audience to

which the program is delivered, the contents of the entrepreneurship module, the method of delivery or pedagogy and finally the assessment that will be used. Isaacs, Visser, Friedrich and Brijlal (2007: 619) found that in the South African context these five issues are not treated as a whole and are addressed individually, and that this hampered the achieving of the goal of entrepreneurship education.

The findings of the current study supports the findings Isaacs, Visser, Friedrich and Brijlal (2007: 621) as it found that the five issue mentioned above were not operating harmoniously. The current study found that entrepreneurship education was indeed taught at FET level in secondary schools and that the content that was prescribed was inline with what researchers prescribe as well as with global trends. However the current study identified concerns with the way entrepreneurship education was taught. Even though there was a positive increase in the risk profile of school leavers, they showed little desire to start their own business after school. Thus, the current study found that the way in which entrepreneurship education was taught in fact did not motivate learners to be creators of jobs, but rather encouraged them to seek employment with a stable income.

The next chapter will provide a detailed rendition of the conclusions made by the study as well as offer some recommendations on how to improve entrepreneurship education.

CHAPTER 6: CONCLUSIONS AND RECOMMENDATIONS

"Successful people are those who never shy away from decisions."

(Penny Heyns, S.A. Olympic swimmer, 2000)

6.1 <u>INTRODUCTION</u>

Given that there simply are not enough existing jobs to absorb the annual influx of school leavers into the labour market, the creation of new jobs through enterprise development is a pressing national priority (www.ssaci.org.za). Horn (2006: 120) says that the South African economy is clearly in need of self driven people who have the willingness to engage in life-long learning, can develop themselves, is open to new opportunities and who possesses emotional intelligence. Davies (2001 as cited by Horn, 2006: 120) states that an enterprising mindset therefore needs to be inculcated that favours the formation of employers and not employees.

Furthermore, the Global Entrepreneurship Monitor (GEM) study for South Africa has for the last few years consistently highlighted the fundamental importance of education in equipping school leavers with the knowledge and skills required to become entrepreneurs (Shay and Wood, 2004: 34). Entrepreneurship education was introduced into the curriculum of South African schools in 2000. Entrepreneurship education was officially introduced on a FET (Grade 10-12) level in 2006 and 2008 saw the first group Grade 12 learners matriculating with a formal entrepreneurship education qualification.

The primary objective of this study is to improve entrepreneurship education at secondary school level by investigating how effective the current entrepreneurship education program is in providing school leavers with the entrepreneurial knowledge and skills required to start their own business. A qualitative study was launched where a mixed methodology approach was

followed for the data collection and analysis. The study focused specifically on the Nelson Mandela Bay Municipality (NMBM), where three secondary schools were selected to participate in the study.

The previous chapter provided an analysis of the findings of the study. In this chapter conclusions in terms of the specific findings of the study is presented. This is followed by a summative conclusion of the study. Furthermore, recommendations on how to improve the current entrepreneurship education program are presented. In conclusion a final reflection on how the study progressed is presented.

6.2 CONCLUSIONS

6.2.1 <u>Conclusions with regard to the current entrepreneurship education offered</u> in the FET phase of secondary schools

With reference to the research questions presented in Chapter 1 and the findings of the study presented in Chapter 5 the following conclusions are made:

- Entrepreneurship education is taught at FET level in the secondary schools in NMBM. It is offered as one of four learning outcomes of the optional subject Business Studies. Thus the entrepreneurship education content makes up 25 percent of the Business Studies curriculum. Teachers find it difficult to complete all the aspects prescribed in the very broad curriculum of Business Studies as the school year provides too little time. Thus the practical aspect of entrepreneurship is neglected.
- The content of the entrepreneurship education program offered corresponds with what is prescribed by literature as discussed in Chapter 2. Furthermore, it is aligned with global trends regarding the content of entrepreneurship education as discussed in Chapter 3. However the content of the entrepreneurship education offered in secondary schools in NMBM is text book based and lacks a link to real life situations.

- The content on the current entrepreneurship model does not make mention about an entrepreneurship model and therefore incorrectly places the emphasis on capital and business plans as the most important requirements to start a business. Furthermore, the entrepreneurship program does not distinguish between an idea and an opportunity and thus learners are not aware of the fact that not all ideas are necessarily good business opportunities.
- The methods used to teach entrepreneurship education in secondary schools in NMBM does not comply with what is prescribed by literature and also not to the global trends on how it should be done. Furthermore, it is also does not adhere to what is prescribed by the National Curriculum Statement policy documents on how to teach the subject, as only a limited amount of practical activities are offered. The practical activities that are offered is text book based case studies and projects that lack a link to real life situations. Furthermore, there is also a lack of involvement of local business in teaching the subject.
- The risk profile of school leavers indicated that school leavers are becoming less risk averse and that more learners are prepared to take a risk. Furthermore, the school leavers have a high achievement orientation as the majority aspires to further their studies at a tertiary institution.
- The manner in which entrepreneurship education is offered does not create a
 desire among school leavers to start their own business after school. Rather, it
 prepares them for the world of work and encourages them to seek employment
 with a fixed salary.
- Financial aspects are dealt with in the entrepreneurship education program and contribute to the development of financial knowledge. However, teachers indicated that learners indicated that learners find it difficult to the required calculations.

- The entrepreneurship education program covers relevant aspects about the entrepreneur and the entrepreneurial process. Learners develop knowledge about how to start a business as well as how to compile a business plan. However due to the lack of practical activities and the lack of involvement of local businesses in the teaching of the subject this knowledge is text book based and lacks a link to real life situations.
- Market days where learners could exercise their entrepreneurial abilities were very seldom organised, thus contributing to the lack of practical experience gained by school leavers.
- The entrepreneurship education program does not foster the development of creativity among school leavers. The program does not offer practical activities that encourage learners to think out of the box and to come up with innovative ideas or products.
- Real life entrepreneurial role models are not used in the teaching of
 entrepreneurship education and this limits the value of the entrepreneurial
 knowledge that is transferred to learners. Text books make reference to
 celebrity entrepreneurs and learners aspire to become famous like these
 celebrities, not realizing that they first have to start their own business to
 eventually get to that stage.
- Local businesses are not involved in the teaching of entrepreneurship education. Thus, learners are not exposed to real life entrepreneurs and also do not get valuable real life business advice. Furthermore, the entrepreneurship education program also does not offer any opportunities to learners to become involved in local businesses through holiday jobs. This further limits practical experience gained.

- A void exists between policy goals and the implementation of policies with regard to entrepreneurship education. No control system is in place to check whether the goals of the policies are being achieved. Furthermore, no revision of the policies has taken place since its inception. In addition to this, the lack of involvement of teachers who teaches the subject in developing the policies further hampered implementation as the policies did not take class room reality into account.
- Very little support is available for teachers teaching entrepreneurship education. The Department of Education (DoE) focuses primarily on the moderation of assessment activities of Grade 12 learners and further provides limited support to teachers in terms of teaching the subject.
- Assessment through tests and examinations is still very prominent in the curriculum.
- Limited training has been provided to teachers. Teachers were initially trained
 in terms of policy implementation during the induction phase of NCS in 2006.
 Since than very little training has taken place on how to enhance the teaching
 of the subject. Thus, besides the introduction of case studies and the doing of
 projects teachers have continued to teach in the ways they were accustomed
 too.
- No resources other than textbooks are provided to teachers by the DoE to
 teach entrepreneurship education. Furthermore, the fact that the DoE does not
 prescribe a uniform text book for all schools creates confusion. Schools select
 the text book they prefer and because the content is addressed differently in
 the different text books schools offer the prescribed content in different ways.
- There are no initiatives, like competitions, in place that encourages learners to excel entrepreneurially. Furthermore, there is also a lack of acknowledgement

of entrepreneurial activities. Schools only acknowledge the academic achievement of learners in the subject.

• Finally, there is no evidence in the schools of Non Governmental Organisations (NGO's), like Junior Achievement (JA), offering entrepreneurship programs or any assistance to teachers in teaching entrepreneurship education.

6.2.2 Summative conclusion

Policies are in place on a national and provincial level to promote entrepreneurship education at school level (Isaacs, Visser, Friedrich and Brijlal, 2007: 623). However, very little is being done by Government and the Department of Education to ensure that policy goals are reached. Alberti, Sciascia and Poli (2004, as cited by Isaacs, Visser, Friedrich and Brijlal, 2007: 619) maintain that for effective entrepreneurship education there should be a relationship between the goals of entrepreneurship programs, the audience to which the program is delivered, the contents of the entrepreneurship module, the method of delivery or pedagogy and finally the assessment that will be used. It was found by the current study that the five aspects mentioned above were not operating harmoniously in the entrepreneurship education programs currently offered at FET level in secondary schools in NMBM.

The current study found that the way in which entrepreneurship education is offered did not comply with policy prescriptions and thus did not achieve policy goals. It was found that the entrepreneurship education program did not effectively develop entrepreneurial knowledge and skills to establish a desire amongst school leavers to start their own business after school. Thus, the study concludes that the entrepreneurship education program currently offered at FET level in secondary schools fail to achieve the goal of entrepreneurship education, as it is not successful in creating a cadre of entrepreneurs that can promote economic growth and create employment to meet the rising need in NMBM and in South Africa.

6.3 **RECOMMENDATIONS**

6.3.1 Recommendations on how to improve entrepreneurship education

With reference to the conclusions of the study described in the previous section, the following recommendations are offered to improve entrepreneurship education at secondary schools in NMBM as well as in South Africa:

- The policies with regard to entrepreneurship education need to be reviewed. Teachers involved in the teaching of entrepreneurship education should be involved in this review process, as this would allow them to claim ownership of the policies. If teachers understand the goal of the policy they will strive to achieve the goal.
- Furthermore, a policy framework needs to be established with controls in place to ensure that policies are correctly implemented and where problems are experienced corrective measures must be taken.
- The policy framework must also make provision for a support system for teachers teaching the subject. This support system must be able to provide guidance to teachers and assist in enhancing the way the subject is taught. This can happen at district level where schools in the same area can form a support group. These groups can meet on a regular basis to share ideas, method and teaching strategies that will enhance the teaching of the subject. This will also contribute to uniformity in the way the subject is taught. Furthermore, DoE officials can than also arrange for experts on the subject as well as local businesses to provide inserts at these meetings that will further enhance the way the subject is taught.
- Ongoing training through regular workshops is required to support teachers and to enhance the teaching of entrepreneurship education. This training

should be provided by the DoE and the Ministry of Education should ensure that local DoE offices are proving this training to teachers.

- To further enhance the training provided to teachers The Ministry of Education should involve stakeholders from industry in the training process. Furthermore, The Ministry of Education and the DoE should involve tertiary institutions as knowledge centres in the training of teachers.
- To obtain the goal of entrepreneurship education the National Curriculum Statement need to offer entrepreneurship education as an independent subject and not as one of the learning outcome of Business Studies. Entrepreneurship education covers sufficient content to justify its independence as a subject. Offering entrepreneurship education as an independent subject would eradicate confusions about the goal of the subject. Teachers would than be able to focus on creating a desire with learners to start their own business and not as is the case with Business Studies prepare them to become efficient employees. Furthermore, this will also address the current time constraints experienced by teachers teaching the subject and allow more time for practical activities to be offered.
- This will also allow more time for the practice of financial calculations.
 Furthermore, teachers can enhance the way this section is taught by inviting financial experts or even the accounting teacher to explain this section of the content to the learners.
- In terms of the content of the subject entrepreneurship education should make provision for an explanation of the entrepreneurship model so as to ensure that learners are correctly focused on business opportunities as the most important requirement to start a business. Furthermore the content of entrepreneurship education must also clearly emphasize the difference between ideas and opportunities so that learners know that not all ideas are necessarily good business opportunities.

- To develop entrepreneurial skills and to create entrepreneurs, entrepreneurship education must offer a variety of practical activities that will provide school leavers with the required practical experience they require to start their own business. Providing practical activities would ensure that a link is made between entrepreneurship education content and the real world of entrepreneurship. Practical activities should involve market day activities and learners launching an in-school business. Exposure to such activities and experiencing success in this regard will encourage the desire among school leavers to start their own business after school.
- Providing learners with practical activities will also allow learners to explore
 their own entrepreneurial qualities and allow for the development of
 creativity. It is of the utmost importance that entrepreneurship education is
 offered in such a way that it enhances the development of creativity and
 inspires innovation. Learners should be taught how to think out of the box to
 address problems in their immediate surroundings.
- Besides tests and exams, learners should also be assessed on a practical
 activity such as launching their own, in-school business. Local business can
 become involved in assessing this activity and schools should ensure that they
 acknowledge the entrepreneurial achievement of learners that excel in this
 activity.
- Local entrepreneurs should be used in the teaching of entrepreneurship
 education so that learners are provided with visible real life role models to
 emulate. These entrepreneurs could be asked to explain part of the content of
 the subject to the learners or just to tell learners how they went about starting
 their own business. This will enhance the entrepreneurial knowledge
 transferred to learners as they would now be able to link the theory to real life
 situations.

- Past pupils who have achieved entrepreneurial success should be invited back to the school to share their success story with the learners.
- Policies should be developed that will enhance the relations between schools and local businesses. Local businesses should realise that social responsibility does not just mean assisting the needy, but also requires assistance with the development of future business leaders. Entrepreneurship education should be a permanent item on the agenda of local business forums. Furthermore, the Department of Education should work closely with the local business chambers to establish closer links between schools and local businesses. Teachers should be able to ask local business people to explain certain business aspects to learners. This will enhance the entrepreneurial knowledge of learners as they will be getting real life business advice.
- Furthermore, a program should be developed between local business and schools that will allow learners to work at local businesses during school holidays. This will allow learners to gain first hand experience in how to run a business.
- The DoE should prescribe a uniform text book for schools to use in the teaching of entrepreneurship education. Furthermore, additional resources, like audio visual material and posters explain subject content, should be developed and provided to schools to assist teachers in teaching the subject.
- Furthermore, networking between all stakeholders and participants in the system of educational service delivery is required.
- To encourage entrepreneurial activities among learners the DoE could initiate
 a competition that will award prizes to learners who develop the best business
 plan or who has launched the best in-school business. Local businesses can
 assist in judging the competition activities.

- Schools should also be encouraged to involve Non Governmental Organizations (NGO's) like Junior Achievement (JA) in the teaching of entrepreneurship education as well as to provide extramural activities to learners.
- The establishment of entrepreneurial societies among learners at school level should be encouraged as this will allow learners to collaborate with peers in terms of entrepreneurial activities.
- Finally, establishing contact on a broader contact through discussions with foreign counterparts will allow for the sharing of ideas and the emulating of best practices in terms of entrepreneurship education.

Recommendations in terms of further research

The goal of entrepreneurship education is to develop entrepreneurs who are able to promote economic growth and create employment. Unemployment is particularly rife in the rural areas of the country. The current study focused primarily on the NMBM which is an urban area. There is thus an opportunity to do a study on the impact of entrepreneurship education in rural areas.

Furthermore, the current study also creates an opportunity for further research on a national level, where the relationship between entrepreneurship education and economic growth can be investigated.

6.4 FINAL REFLECTION

The current study focused on the importance of entrepreneurship education in addressing unemployment among the youth of the NMBM and South Africa as a whole. On the positive side the study found that entrepreneurship education is offered at secondary schools and that entrepreneurial knowledge is being developed. However, the study also found that entrepreneurship education at school level does not receive the high priority that the South African context

requires. Thus, the study concluded that various policy changes and changes to the entrepreneurship education curriculum are required to achieve the goal of entrepreneurship education.

The current study provides recommendations to improve the current entrepreneurship education program so as to assist in achieving the goal of entrepreneurship education. The literature with regard to entrepreneurship education from a South African context is limited. Even though the current study only focused on the NMBM it contributes to the collective knowledge concerning entrepreneurship education in South Africa.

6.5 <u>CLOSING REMARKS</u>

Entrepreneurship education is the key to establishing a culture of entrepreneurship in South Africa. Thus, entrepreneurship education should become a "main stream" activity in the education system. Policy makers should ensure that policies are developed that will support the promotion of entrepreneurship education and ensure that these policies are correctly implemented. Finally, the success of entrepreneurship education depends on the commitment and participation of all stakeholders, including the state, private organizations, teachers and learners themselves. The goal of entrepreneurship education will only be achieved through collaborative participation.

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APPENDIX 1:

LETTER REQUESTING SCHOOLS TO PARTICIPATE IN THE STUDY



30 September 2009

Sample School Address

ATTENTION: COMMERCE HEAD OF DEPARTMENT

RE: REQUEST PARTICIPATION IN RESEARCH STUDY

Research is important to investigate current systems and to suggest recommendations to improve the system.

A research study is being launched to determine the effectiveness of the entrepreneurship education program in the current FET curriculum in developing entrepreneurial knowledge and establishing entrepreneurial skills in our school leavers. This research is being conducted as part of a MBA Dissertation at the NMMU Business School.

The research is confined to the Nelson Mandela Bay Municipality and will require secondary schools from the municipality to assist with data collection. The researcher hereby wishes to request the participation of your school in the study.

It will require Grade 12 learners doing Business Studies as well as the teachers involved in the teaching of Business Studies to complete a questionnaire posing questions on entrepreneurship. In addition to this to this the school will also be required to complete a short demographical profile sheet.

Your assistance in this matter will be highly appreciated.

We trust that this request will meet with your favourable approval.

Thank you.

H. H. SATHORAR The Researcher

APPENDIX 2:

PROFILE SHEET OF SAMPLE SCHOOL



SAMPLE SCHOOL PROFILE:

NO	QUESTION	ANSWER			
1	Name of school				
2	Name of principal				
3	Address of school.				
	Area where school is				
	situated				
4	Demographics of school				
	population.				
	(Race breakdown)				
5	Number of teachers				
6	Number of physical				
	classes available to				
	teach in				
7	Total number of				
	learners				
8	Total number of				
	learners in the GET				
	phase (GR 8 & 9)				
9	Total learners in the				
	FET Phase (GR10-12)				
10	No of commerce				
	teachers				
11	No of commerce	Subject	Gr. 10	Gr. 11	Gr. 12
	learners in the FET	Accounting			
	phase	Bus Stud			
		Eco			
12	Signature of Student				
	Teacher				
13	Signature of HOD				
14	Signature of Principal				

APPENDIX 3:

COVER LETTER EXPLAINING THE PURPOSE OF THE QUESTIONNAIRE TO RESPONDENTS



15/10/09

Dear respondent

RE: RESEARCH QUESTIONNAIRE

Research is important to investigate current systems and to suggest improvements.

A research study is being launched to determine the relevance of the entrepreneurship program in the current FET curriculum in developing entrepreneurial knowledge and establishing entrepreneurial skills in our school leavers. This research is being conducted as part of a MBA Dissertation at the NMMU Business School.

You are hereby request to assist in the attempt to collect information in this regards.

It would be appreciated if you could please take 15 minutes to complete the attached questionnaire. The questionnaire will be used to establish perspectives on the current entrepreneurship programs in the FET curriculum.

The questionnaire is filled in anonymously and the information supplied will be treated as highly confidential. Please express your honest opinions on the questionnaire.

Thank you for you assistance.

Yours faithfully

H.H. SATHORAR THE RESEARCHER

APPENDIX 4:

QUESTIONNAIRE FOR TEACHERS



15/10/09

Dear respondent

Please complete the following questions.

Thank you.

SECTION A: DEMOGRAPHICAL

1.	Name of School:
2.	Gender: MALE FEMALE
3.	Please state your age:
4.	Please state your race:
5.	Are you currently teaching Business Studies on a FET level?
	YES NO
6.	Specify the Grades that you are teaching Business studies to:
7.	Please state your highest qualification:
8.	Please state the subjects that you are qualified to teach:

9.	Do you see yourself as (Tick appropriate box)
	A risk taker
	Someone who plays it safe
10	Would you encourage your learners to (Tick appropriate box)
10.	Seek employment with a fixed
	salary
	Start their own business
SECTI	ION B: THE SUBJECT BUSINESS STUDIES AND SKILL
OLC 11	DEVELOPMENT
11.	Have you received NCS training to teach Business Studies?
	VEC. NO.
	YES NO
12.	Is Business Studies very different from the old subject Business
	Economics?
	YES NO
13	What are some of the major changes in the subject Business
10.	Studies?
14.	Do you have all the required NCS documents for Business Studies
	explaining how the subject should be taught?
	VEO NO
	YES NO
15.	Are regular workshops offered by the Department of Education to
	develop skills so as to enhance the teaching of the subject.
	YES NO
16	Do you have all the relevant learning material required to teach the
10.	subject? If not, what do you require?

SECTION C: ENTREPRENEURSHIP IN THE CURRICULUM AND ENTREPRENEURIAL ACTIVITIES

17.	What LO and AS deals with entrepreneurship?
18.	Have you received any specific training to teach the entrepreneurship content in the curriculum?
19.	YES NO Does the curriculum require you to engage learners in practical
	activities regarding entrepreneurship? YES NO
20.	What type of practical activities did you engage your learners in?
21.	Have you ever organized a market day for your learners?
22	YES NO Does learners struggle to grasp the financial aspects involved in
∠∠ .	Does learners struggle to grasp the financial aspects involved in entrepreneurship?
23	YES NO Do you know any successful entrepreneurs?
	YES NO
24.	Have you ever invited any entrepreneurs to your school to talk to your learners? If not, why not?

25. How are the local businesses in your area involved in your school?
26. What are some of the major challenges involved in teaching? entrepreneurship to your learners?
27. How does your school acknowledge successful entrepreneurial activities of learners?
SECTION D: OPINION AND RECOMMENDATIONS
28. What do you enjoy the most about teaching the LO on entrepreneurship?
29. In your opinion do learners enjoy the entrepreneurship LO in the curriculum?
YES NO
30. Why do you think it is important for learners to do Business Studies?

31. Do you think the current curriculum provides the learners with sufficient knowledge and practical skills to start their own businesses?
YES NO
32. If you could change anything about the current curriculum what would it be?
THANK YOU FOR YOUR PARTICIPATION.

APPENDIX 5:

QUESTIONNAIRE FOR LEARNERS



2009/10/15

Dear respondent

Please complete the following questions.

Thank you.

SECTION A: DEMOGRAPH	IICAL	
----------------------	-------	--

10.	Name of School	ol:	 	
11.	Grade:		 	
12.	Gender:			
	MALE		FEMALE	
4	Age:		ı	
	16 years			
	17 years			
	18 years	3		
	19 years	3		
	20 years	6		
	Older than	20		

5. Have you done Business Studies at school in the past three years?

YES

NO

SECTION B: RISK PROFILE AND ACHIEVEMENT ORIENTATION

6.	What are you going to do after school? Tick the appropriate box.
	Further my studies at a tertiary institution
	Look for work in a local organization
	Work overseas
	Travel
	Start my own business
	Other
7.	Do you see yourself as a
	Risk taker
	Someone who plays it safe
8.	Do you think there is risk involved in starting your own business? Briefly explain your answer.
9.	If you had to start your own business what type of business would it be?
10.	Why would you want to establish this type of business?
SECT	ION C: BUSINESS & FINANCIAL KNOWLEDGE
4.4	D 11 11 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
11.	Describe the concept of profit?
10	What is more important to you? Tick the appropriate have
ΙZ	2. What is more important to you? Tick the appropriate box.
	Making a profit
	Rendering a service
	Both

13.	What do you need to sta	art a business?
14.	Do you think it is import business?	ant to have a good business idea to start a
	YES NO	
15.	What is a business plan	?
16.	Would you be able to pr	repare a business plan for your own business?
17.	Do you know how to cal start a business?	culate how much funding you would require to
	YES NO	
18.	Have you been involved describe your role.	I in any type of business previously? If yes,
SECTIO	ON D: ENTREPRENEUR	AND ENTREPRENEURSHIP
19.	What is an entrepreneu	r?
20.	Do you know any succe	essful entrepreneurs in you area?
21.	What characteristics do	you think an entrepreneur should have?
22.	Would you like to become	ne an entrepreneur?
	YES NO	

SECTION E: ENTREPRENEURSHIP IN CURRICULUM

23.	Did you cover the topic entrepreneurship in Business Studies?
	YES NO
24.	What type of practical exercises were you exposed to with regard to entrepreneurship?
25.	Has your school introduced you to successful entrepreneurs? If yes, how did this happen?
26.	Have you been involved in a market day at your school? If yes, what did you do for the market day?
27.	Do think you would be able start a business of your own with the knowledge and experience you gained doing Business Studies? YES NO
28.	What did you enjoy the most about doing Business Studies?
29.	If you could suggest a change to the subject that would make it better and more interesting, what would it be?
30.	Would you recommend your friends to do Business Studies? YES NO

THANK YOU FOR YOUR PARTICIPATION.