

# IMPACT OF ENTREPRENEURSHIP EDUCATION ON BUSINESS ORGANISATIONS

Bongani Thulani Gamede, University of Zululand  
Chinaza Uleanya, University of Johannesburg

## ABSTRACT

*The study explores the impacts of entrepreneurship education on business organizations. Quantitative research method was adopted for data collection. Self-designed questionnaire was administered to 450 Technical and Vocational and Training Education (TVET) lecturers, though only 371 were duly completed and analysed for the study. A major finding of the study shows that entrepreneurship education is yet to be up-help appropriately based on the provision of the adopted curriculum. Hence, the study recommends that curriculum planners consider revisiting the curriculum and ensuring that entrepreneurship education is introduced as a core module for students in all programmes and at all levels. Also, partnership between institutions of learning such as TVET colleges and business organizations should be promoted to enhance Work Integrated Learning (WIL).*

**Keywords:** Entrepreneurship Education, Technical and Vocational and Training Education (TVET), Organizations, Partnership, Students.

## INTRODUCTION

The changes that are taking place in society demand that emphasis be put on skills and abilities, rather than merely on knowledge. Thus, if entrepreneurship education and economic science has no exclusive distinct skills and abilities to provide to humans, its impact on the society at large may be considered minimal and of less importance. Nieuwenhuizen and Kroon (2003) states that, sequel to the rising need and demands of humans, the Scottish Central Committee on Economic Science education identified a number of broad aims for economic science education in secondary schools in 1982. Amongst these aims set out were to get learners ready for entry into post-school society and for the demands of labour market; to increase learners' understanding and knowledge of the workings of the modern industrialised society or communities in which they live; to develop and to improve certain life skills of learners; and to develop as well as enhance interpersonal, psychomotor and cognitive skills individuals (Gamede & Uleanya, 2018a).

In both developed and developing nations, education is viewed as investment which enhances development (Mitra, 2011). According to Uleanya et al. (2018), the curricula of schools are expected to be designed in order ensure the production of skilled manpower that will ensure that the desired goods and services needed for the development of the society are made available. In other words, graduates that are turned-out by institutions of learning are expected to be relevant towards meeting the needs and demands of their host societies. Thus, curriculum designers as well as curriculum implementers are expected to proffer answers to the following questions:

- Does the designed and implemented curriculum furnish the nation with the basic skills needed for the maintenance and expansion of the economy?
- Does the designed and implemented curriculum supply the working population in the society with the skills and necessary capacity needed for employment purposes?

If the answers to the identified questions are in the negative, it implies that the curriculum may fail in producing individuals needed by corporate industries. Such curriculum may be referred to as less relevant or irrelevant to industrial advancement in the society. In other words, a curriculum is expected to meet not only the needs of individuals, but those of the host communities and country as well. This is because, it is usually envisaged that many school leavers or graduates of secondary school economic science are likely to earn their initial living by being employed in corporate industries, as their interests and skills are so inclined. It is therefore necessary for planners of the curriculum to give serious thought to what learners should learn, in order to realize the aspirations of all stakeholders and to help learners develop their entrepreneurship skills (Uleanya et al., 2018).

### **ENTREPRENEURSHIP EDUCATION**

Entrepreneurship education is viewed as resolute intervention implemented by an educator in the life of learners in order to impact entrepreneurial interests, skills and qualities necessary for enabling and empowering them to be able to compete and survive in the business world. Entrepreneurship education is also considered as planned prescribed conveyance of entrepreneurial proficiencies, which in turn refers to the concepts, mental awareness and skills that are useful for individuals when commencing the process of setting-up, developing and enhancing the growth of their business ventures (Erasmus et al., 2006).

Frazier (2015) views entrepreneurship as a phenomenon that can be likened to the process of intellectualizing, systematising, initiating and continually innovating a business opportunity into a potentially high growth venture in a complex and/or unstable environment. These are expected while attempts of nurturing the business ventures are made. From the above definition, four key components are deduced.

Entrepreneurship education is a phenomenon which is viewed as a process which involves manageability. It is value oriented for different organisations that are involved in it and the labour market where it probably was lagging prior to its establishment. Also, it entails resources that are distinctively incorporated to create value. Lastly, it is the product of identified opportunity(s) (Gamede & Uleanya, 2018b).

Kozlinska (2014) stated that there are positive relationships between business creation and education. In other words, the level of education acquired by individuals influence their abilities in the creation of business ventures. Creswell (2014) avers for the teaching and learning of entrepreneurial activities various institutions of learning: secondary or tertiary, especially in Technical and Vocational Education and Training (TVET) colleges, due to their practical nature. This is expected to ensure individual productivity which will influence and promote developments in various sectors of the society. For instance, a consensus was reached that entrepreneurial activities should be taught and learnt in tertiary institutions of learning in the United States of America, Europe, East Asia and Latin American (Du Plooy-Cilliers et al., 2014). Sequel to this consensus, many tertiary institutions designed and implemented relevant entrepreneurship teaching programmes which are actively contributing to the development of

their various societies in different ways. Hence, from the model of entrepreneurship education at school levels and the relevance of this study, the following propositions are made:

Entrepreneurship education or entrepreneurial activities in schools should be categorised as putative element of the Technical and Vocational and Training Education (TVET) curriculum and should be taught across all TVET students at TVET institutes of learning. There is a universal agreement by researchers that more weight and emphasis be placed on entrepreneurship education compare to business education, which is has more limited in its scope and coverage. This is because additional topics such as risk-taking, innovation and advancement are included in entrepreneurship education and training.

### **REASON FOR THIS STUDY**

Education is the key to success needed in the establishment of entrepreneurial culture in South Africa and many other African nations. However, this is largely dependent on the involvement of all necessary stakeholders amongst which are the state, curriculum planners, parents, educators, business organizations, and Non-Governmental Organizations (NGOs). The researchers believe that the shortage of entrepreneurs in any nation is usually due to the relative few entrepreneurship modules and entrepreneurial activities in colleges and other institutions of learning. For instance, in South Africa most TVET Colleges lack career- oriented and skills based subjects that are targeted towards economic and entrepreneurship development. The researchers believe that many graduates of TVET Colleges and many other institutions of learning within the nations are without entrepreneurial skills. Hence, this tends to aggravate the number of job seekers annually as graduates are turned out by different institutions of learning. The researchers therefore uphold the view that the introduction of entrepreneurship education to all students at and above matric level, will lead to the creation of more jobs in the nation, as many individuals will seek to create jobs for themselves and other people, rather than waiting to be employed by others. In other words, more individuals will become self-employed and positively contribute towards the development of the society through their contribution to the gross domestic product of the nation. This implies that business schools are important and necessary for the development of the nation. However, in spite of its importance and deer need in the society, it seems irrelevant based on the attitude of stakeholders towards its growth and expansion in the nation. Thus, the need for this study which seeks to proffer answer(s) to the identified question stated below:

- What are the challenges of business school in alleviating unemployment?

### **HYPOTHESIS**

*There is no relationship between business school and unemployment alleviation.*

### **METHODOLOGY**

#### **Research Design and Instrumentation**

The reviewed literatures suggest that the roles and positions of relevant stakeholders in the development of entrepreneurship education are innumerable and cannot be over emphasized. The literature study was used to gather information about the development and management of entrepreneurship education internationally and nationally. Thus, a self-designed questionnaire

was used to gather information aimed at answering the identified research question. The items of the questionnaire were deduced from reviewed literatures. Questionnaire was adopted for this study based on the view point of Kumar (2014) who avers that questionnaires perform the following crucial functions which the researchers needed in this study: it allows respondents sufficient time to consider answers before responding, ensures anonymity, and prevents possible biases. The questionnaire was divided into two (2) sections, with the aim of the study in view. Section 1 was used to elicit general and biographic information of respondents. The information acquired from this section helped the researcher to get knowledge about the respondents and the demographic nature of their colleges.

Section 2 comprised closed ended questions which were aimed at collecting information on the challenges of TVET college lecturers and the importance of entrepreneurship education. This was done through the use of a four point Likert scale represented in the below. Respondents were asked to rate their responses to the statements in the questionnaire using the identified ratings below:

Fully Agree: 4

Agree: 3

Disagree: 2

Fully Disagree: 1

The respondents were requested to cross (X) the appropriate response on the scale provided.

### **Population and Sampling**

Questionnaires were administered to 450 TVET college lecturers who were randomly selected for this study. They were informed about the importance of the study as well as their freedom to quit at any point of the study. However, 371 respondents returned their duly completed questionnaires which constituted 82% of the total administered questionnaire. It represented a satisfying response for the researchers were adopted for the study. The researchers assume that the non-responses might have been based on the fact that some lecturers were no longer available in their campuses at the point of collection of the questionnaires as they were engaged in marking the external examinations in outside centres.

### **Data Analysis**

At the end of the collection of the questionnaires, the mass obtained data obtained were reduced to a format which was most suitable for analysis. All responses of respondents were coded and frequency distribution was used for the analysis. This was based on the view of Kumar (2014) who strongly supports the use of frequency tables, as it is believed that frequency tables provide answers to two important issues identified below:

- The number of times that the response does occur.
- The percentage of the response compared to the entire responses.

## RESULTS AND DISCUSSION

### General and Biographical Profile of the Respondents

When the item of TVET college lecturers' qualification was analysed, it was realized that all the respondents had fully completed the information regarding general and biographical data.

<b>Educational Qualification</b>	<b>No</b>	<b>%</b>
Matric (Grade 12)	47	13
Matric+1 (M+1)	73	20
Matric+2 (M+2)	128	34
Matric+3 (M+3) and above	123	33
<b>Total</b>	<b>371</b>	<b>100</b>

In Table 1, a total population of 371 (n=371) responded.

Table 1 revealed that a high proportion of TVET college lecturers (97%) have good academic qualifications. This shows that the education level of the TVET college lecturers is improving.

### TVET College Lecturers' Challenges of Entrepreneurship Education

In this section, TVET college lecturers were required to indicate their challenges of entrepreneurship education.

		<b>Strongly Agree</b>	<b>Agree</b>	<b>Disagree</b>	<b>Strongly Disagree</b>	<b>Total</b>
Entrepreneurship as a subject at senior phase level in secondary schools can help learners who fail to further their education in future to start their own businesses	N	152	124	72	23	371
	%	41%	33%	20%	6%	100%
Entrepreneurship as a subject at senior phase level in secondary schools can help learners who fail to further their education in future to run businesses for other people	N	147	119	62	43	371
	%	40%	32%	17%	11%	100%

The results presented in Table 2, shows the responses of respondents regarding the challenges of entrepreneurship education faced by them. The respondents were asked to rate their responses according to the following scale: Strongly Agree, Agree, Disagree, and Strongly Disagree.

### The Role of Management in the Organisation

Management in organisation should focus on the capabilities of the organisation, the operation-oriented organisations needs to increase the number and variety of products they produce. Management should ask themselves the following questions: "*What can we do best?*" and "*What is easy to produce?*" In the case of service organisations, management should ask themselves the following, "*What services are more convenient to offer?*" A major disadvantage

of operation-oriented management is that management concentrates mainly on solving operational problems and forgets about the sales and marketing of the organisation (Muofhe, & Du Toit, 2011). Management adapts the organisation to environmental changes, for example by aligning its employment policies with the dictates and provisions of the law. Meanwhile, the management of certain corporate institutions performs significant roles in the development of entrepreneurship education as well as entrepreneurial activities in the nation.

Management directs a business towards its goals without the input of other stakeholders and resources of the business would be channelled towards reaching its goals. Business organisations cannot maintain the purpose for their existence without effective management. Management sets and keeps the operations of the business on a balanced course. Within the business, a balance must be maintained between the target objectives of the business, the resources needed by the business in the realization of the set objectives, the employees' personal goals as well as the employer's/owner's personal interests.

Management can do four things in the development of entrepreneurship: decide what has to be done; decide the process in which it will be done; the order that it will take for it to be done; and finally, check that its orders have been carried out. Management plays an important role in planning, organising, leading and control in organisations. Managers cannot decide to do something unless they know what should be done; they cannot order a task to be done until they have decided how it should be done. The following are the fundamental management activities:

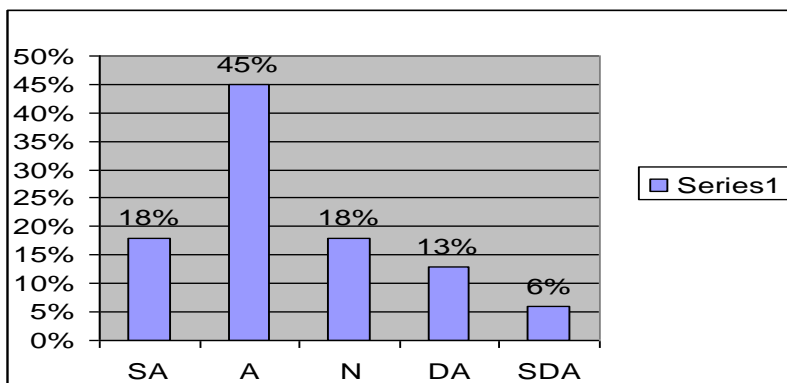
- Planning determines the mission and goals of the business, including the way in which the goals are to be reached in the long term, as well as the resources needed for the task. It determines the future position of the business and the plans needed to indicate how that position is to be reached.
- Organising entails the development of an organisational structure or framework which is expected to specify how individuals, materials and equipment will be employed and put to use respectively in order to attain the predetermined goals and objectives of the business firm.
- Leading entails directing and motivating the human resources of the business. Leaders align the actions of subordinates with the predetermined goals and the plans for achieving them.
- Control means that managers should constantly establish whether the business is in a proper way towards the accomplishment of its goals. At the same time, control forces management to ensure that activities and performance conform to the plans for reaching the predetermined goals (Muofhe & Du Toit, 2011).

### **The Impact of Entrepreneurship on Organisational Productivity**

According to Statistics South Africa, Quarter 2 (2018) review, measures are expected to be taken in order to correct the discrepancies of the past in the labour market or labour force. For instance, if economic science subjects can be introduced, they will help to create effective young leaders. Management is the same at all levels but the differences arise in the way particular firms carry out their management roles.

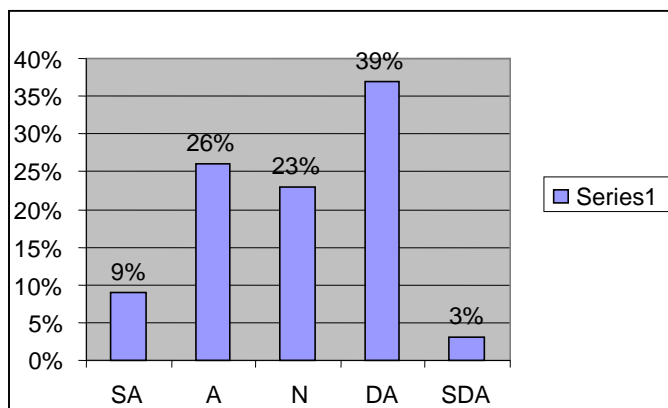
Economic science subjects should help learners to plan for the future, control business activities and organise other business activities. People who have taken commerce and entrepreneurship at school are productive in the labour market. Entrepreneurship should produce good managers who can manage business activities and as a result ensure that positive contributions are made towards the enhancement of economic growth in the nation. All the basic principles of business management can be implemented easily. Organisational productivity improves the organisation because skilled labour is employed and less time is spent by managers in training employees (Statistics South Africa, 2018).

How development of new entrepreneurship will impact on organisational productivity?  
(Figure 1)



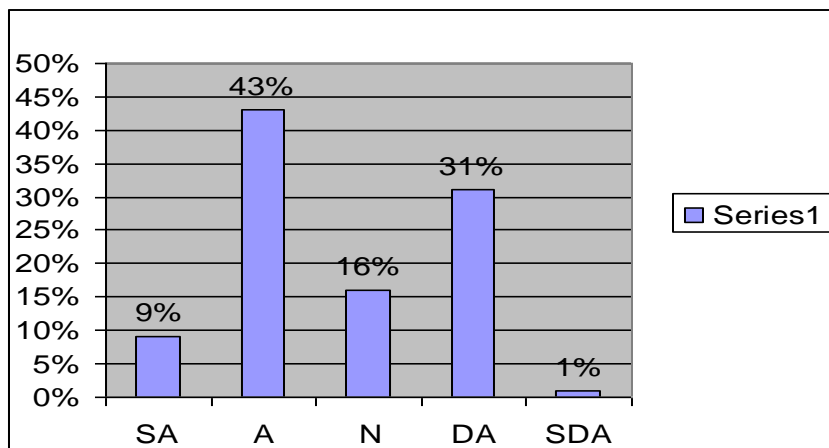
**FIGURE 1**  
**EMPLOYEES BECOMES PRODUCTIVE WITHIN THE FIRST FEW DAYS OF THEIR EMPLOYMENT IN AN ORGANISATION**

A total of 63% of participants agreed that employees become productive within the first few days of their employment; about 18% were neutral; while 19% disagreed (Figure 2).



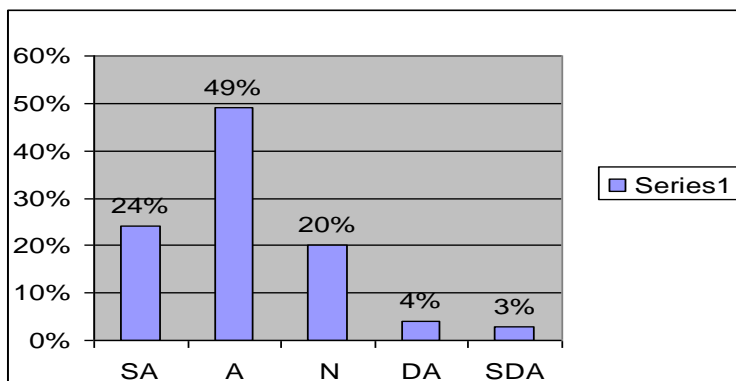
**FIGURE 2**  
**MANAGERS WILL SPEND LESS TIME ON PROVIDING TRAINING AND DEVELOPMENT ACTIVITIES FOR EMPLOYEES**

A total of 35% of participants agreed that managers will spend less time on training and developing employees, about 23% of participants were neutral, while 42% of participants disagreed that management would spend less time on training and developing employees (Figure 3).



**FIGURE 3**  
**ORGANISATIONAL PRODUCTIVITY WILL IMPROVE BECAUSE SCHOOLS WILL BE ABLE TO RECRUIT GRADUATES TO INCREASE THE NUMBER OF EDUCATORS**

A total of 52% of participants agreed that organisational productivity would be improved because the school would be able to recruit students who have finished studying in order to have enough educators, while 16% were neutral and 32% disagreed with the above statement.



**FIGURE 4**  
**SKILLED EMPLOYEES WILL BE HIRED AND THIS WILL INCREASE PRODUCTIVITY IN SCHOOLS AND IN ORGANISATIONS**

A total of 73% of participants agreed that skilled employees would be hired which would help to increase productivity, although 20% of participants were neutral, and 7% participants disagreed with the above statement.

**FINDINGS**

The findings of the study are discussed sequel to the identified research question:  
 How does the development of entrepreneurship subjects impact on organisational productivity?



Employees become productive within the first few days of their employment.

A large number of the participants (63%) agreed that employees become productive within their first few days of employment. A total of 18% were neutral about the productivity of employees within the first few days and about 19% of participants disagreed that employees become productive. According to Creswell (2014), the reason for the Skills Development Act, No. 97 of 1998, is to enhance workers' quality of life and improve productivity in the workplace. Although employees may be doing what they have studied to do and are happy at work they may experience work-related problems later and may lose interest and become less productive. People become productive during the first few months or few years of their employment because some of their goals are being realised and thereafter they may become less productive. It is important that management keep its employees productive at all times. Organisations should constantly encourage employees' skills development and come up with new ideas for skills development.

Management will spend less time in the training and development of employees.

Only 35% of participants agreed that managers will spend less time in training and developing employees. This is true because many people will be semi-qualified and they will not need too much training. Only 23% of participants were neutral and a total of 42% disagreed that managers will spend less time in training and developing employees. Hannula (2018) maintains that many graduates struggle to find jobs because the curricula do not appear to equip graduates to enter the job market as skilled and trained personnel. Curricula generally focus on academic content as opposed to skills development and training.

Organisational productivity will improve because schools will be able to recruit graduates in order to have more educators.

A total of 52% of participants agreed that organisational productivity would improve because institutions will recruit students who have finished studying—this would increase the number of educators. A total of 34% of participants disagreed that schools recruit students who have finished their studies to improve organisational productivity, while about 16% were neutral. Robbins (2001) argues that the explicit goal of the selection process is to hire individuals who have the knowledge, skills and abilities to perform the jobs within the organisation successfully.

Skilled employees will be hired which will increase productivity in schools and organisations.

Large numbers of participants (73%) agreed that skilled employees will be hired in the organisation and this will increase productivity in schools and organisations. Since more people are educated they will increase productivity in the workplace. About 20% of participants were neutral and only 7% of participants disagreed that skilled employees would increase productivity. Uleanya et al. (2018) argue that recent legislation has fundamentally altered the relationship between schools and their local education authorities, and that a particularly important feature of this altered relationship is the need to “*manage*” educational provision at school level. It has also been argued that many of these skills are management skills, and that schools can therefore profitably consider management practices and models which have evolved in organisations where market conditions have always obtained.

## CONCLUSION

The study explored the impacts of entrepreneurship education on business organizations. TVET educators were adopted as sample population based on the fact that TVET colleges are more involved in practical trainings compared to many other institutions of learning which are theoretical in their approach. The findings of the study indicate that the null hypothesis is to be

rejected. In other words, there is relationship between business school and unemployment alleviation. The finding concurs with the work of Nieuwenhuizen and Kroon (2003) who are of the opinion that business schools are useful tools in alleviating poverty from nations, especially when they are adequately handled and channelled for such purpose. This implies that the establishment of business schools can help alleviate unemployment, though there could be challenges. Further findings of the study also reveal that employees are usually prone to being more efficient, effective and productive in their first few days/months in their various jobs. Moreover, as they progress on the job, the need will arise for the establishment to provide skills development trainings necessary for improving the quality of lives of employees as well as enhancing their productivities. Meanwhile, managements of organizations seem to spend more money and time on training employees when they are recruited. This is attributed to the disparities or gaps between the adopted school curricula and actual work place experiences. Suffice to state that if school curricula make provision for students to be trained as entrepreneurs, it will be easy for them to adapt in any work place environment in which they find themselves.

### **RECOMMENDATIONS**

Sequel to the findings of this study, the following recommendations are made:

- Curriculum planners should consider revisiting the curriculum in order to ensure that entrepreneurship education is inclusive in all programmes and at various levels. This will help institutions of learning to produce more entrepreneurial inclined personnel.
- Curriculum planners should liaise with local organizations which are prospective employers of graduates from the various institutions of learning, to ensure that their demands and needs are duly considered during curriculum planning and implementations. This will enable graduates to be relevant in and around their host communities before exploring farther options.
- Trainings should be conducted periodically for employees with the involvement of curriculum planners as well as the institutions of learning who may have their own inputs. This will help to enhance the quality of items that will be considered during curriculum planning and implementation.
- Partnerships between institutions of learning and organizations should be encouraged. This will enhance the practical ability of students when putting theories which are being taught to use.
- Students should be encouraged to be creative and function as entrepreneurs while undergoing their courses/programmes in their various institutions of learning. This can be done in form of practical test or examinations for which they are graded. This will help to increase their desire for entrepreneurship as they are bound to make profit while undertaking such exercises.
- Business schools should be established across the nation and students should be motivated to attend.
- Individuals should be encouraged to establish business schools in order to help boost the knowledge of students and turn out more business oriented graduates. This will help increase the orientations of people about entrepreneurship and possibly increase the number of entrepreneurs.
- The business schools should be properly monitored to ensure that the right courses that will assist in poverty alleviation, motivate and support more entrepreneurs, among others are offered
- Partnerships amongst the business schools, the government and Non-Governmental Organizations (NGOs) should be encouraged. This will enhance the quality of education provided by such business schools and possibly help to increase the number of entrepreneurs and enterprises in the nation. This will in turn have positive impacts on the economy of the nation.

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