

The Impact of Entrepreneurship Education on the Survival and Growth of Businesses owned by Female Entrepreneurs in Zimbabwe

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Abstract: *This paper focuses on entrepreneurship education and its impact on the growth and survival of businesses owned by female entrepreneurs. A sample of 100 female owned businesses in Chinhoyi was used with a response rate of 87%. Data was analysed using the statistical package for the social sciences (SPSS). The study found that the majority (70.11%) of the female owned enterprises in Chinhoyi are affected by access to finance the most. Moreover, the study also found that most of the female entrepreneurs in Chinhoyi (63.22%) have a reasonable knowledge level on the subject of entrepreneurship. The study also established that there is a positive correlation between an entrepreneurs knowledge level on entrepreneurship and the growth of their business.*

1. Introduction

Entrepreneurship education has attracted the attention of many researchers partly due to the positive impact that entrepreneurship is believed to have on the socio-economic and political infrastructure of nations. According to Lorz (2011), the past two decades have witnessed significant growth in entrepreneurship education in most industrialized countries. Entrepreneurship education is viewed as a support instrument that is used by public policy makers to increase entrepreneurial activity in an economy thus pinpointing the importance policy makers put on entrepreneurship as a major promoter of economic development (Fayolle, Gailly, & Lassas-Clerc, 2006). However, previous research including the most popular and recent ones did not fully explore the impact of entrepreneurship education on the growth and survival of female owned businesses. Thus all known entrepreneurship education research lack this aspect of the impact that entrepreneurship education has on the growth and survival of female entrepreneurs. This was supported by Pittaway & Cope (2007) who said that the link between entrepreneurship education and outcomes is under-researched. Additionally, Oosterbeek et al. (2010) call for more research into different variants of entrepreneurship education programmes. Von Graevenitz et al. (2010) state that little is known at this point about the effect of these entrepreneurship

courses. Entrepreneurship education is thus a critical issue that needs to be explored so as to determine its impact on the growth and survival of female entrepreneurs.

Chinhoyi is a town located in Mashonaland West Province in Zimbabwe. It is also the administrative capital of the province. The town has a great historical significance attached to it in Zimbabwe. It has also been celebrated for its natural wonders which include the Chinhoyi Caves. According to the 2012 census, Chinhoyi is home to about 61,739 people and the population comprises of both sexes of different nationalities although the majority are local Zimbabweans (Zimstat, 2012). These figures also include the female entrepreneurs that constitute the population and sample for this study. Studies on female entrepreneurship show that many different factors have an impact on a women's decision to become self-employed among them being education and work experience (Vette, 2011). Patterson (2006) found that female business owners are a driving force in the U.S. economy both in terms of numbers and gross revenues. This view is shared by Brush (2001) who postulate that there is substantial evidence which shows that women own firms in all industrial sectors and that many do want to grow them in size and scope. It is against this background that this study aims to investigate the impact of entrepreneurship education in the survival and growth of businesses owned by female entrepreneurs in Zimbabwe with special reference to Chinhoyi town.

2. Research Objectives

2.1 To investigate the challenges that are associated with female entrepreneurship.

2.1 To find out the knowledge levels of female entrepreneurs on entrepreneurship.

2.3 To determine if there is a relationship between female entrepreneurs' knowledge on entrepreneurship and the survival and growth of their business enterprises.

2.4 To suggest strategies for improving the application of entrepreneurship education to real world experience.

3. Literature Review

3.1 Entrepreneurship

Bowen and Hisrich (1986) as cited in Vette (2011) postulate that “Entrepreneurship is the process of creating something different with value by devoting the necessary time and effort, assuming the accompanying financial, psychic, and social risks, and receiving the resulting rewards of monetary and personal satisfaction.” According to Wube (2010) entrepreneurship involves some kind of behavior that includes initiative taking, the organizing and reorganizing of social and economic mechanisms to turn resources and situations to practical account and the acceptance of risk or failure. On another note, Woolf 1980 defined an entrepreneur as a person who organizes, manages, and assumes the risks of a business or enterprise. The National Association for Community College Entrepreneurship (2010) defined an entrepreneur as an individual that develops a new or improved product, service or way of doing things that can exist independent of the creator, and bears the financial responsibility for risks in bringing their development to market.

3.2 Entrepreneurship Education and its importance

According to Fayolle et al., (2006) entrepreneurship education can be defined as any pedagogical programme or process of education for entrepreneurial attitudes and skills, which involves developing certain personal qualities. They add that entrepreneurship education is therefore not exclusively focused on the immediate creation of new businesses. Linan (2004) found that there are four different kinds of entrepreneurship education programmes. These are depicted in Table 1.

Table 1. Types of Entrepreneurship Education

Category	Description
Entrepreneurial Awareness Education	To increase knowledge about entrepreneurship and to influence attitudes that may impact intentions.
Education for Start-Up	These programmes are geared toward people who generally already have an entrepreneurial idea and need to solve practical questions about becoming self-employed
Education for Entrepreneurial Dynamism	focuses on people who are already entrepreneurs and want to promote dynamic behaviours after the start-up phase
Continuing Education for	Describes life-long learning programmes and focuses on

Entrepreneurs	experienced entrepreneurs
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Source: Lorz, 2011

Matlay, (2008) holds that entrepreneurship has a positive impact on the socio-economic and political infrastructure of nations. Public policy makers recognise the importance of entrepreneurship as promoter of economic development and hence support instruments like entrepreneurship education to increase entrepreneurial activity (Fayolle, Gailly, & Lassas-Clerc, 2006). This view is also shared by the European Commission which stresses that the "primary purpose of entrepreneurship education at higher education level is to develop entrepreneurial capacities and mindsets" (European Commission, 2008) and recommends integrating entrepreneurship more fully into university curricula. Additionally, the final report of the European Commission Expert Group for Entrepreneurship Education underlines that the "important role of education in promoting more entrepreneurial attitudes and behaviours,..., is widely recognised" (European Commission, 2008). An interesting finding in Lorz's (2011) study was that entrepreneurship education is invaluable for entrepreneurs because one has to first learn how to become an entrepreneur if they want to become one.

3.3 SWOT Analysis of Female Entrepreneurship

Table 2. SWOT Analysis of Female Entrepreneurship

Strengths:	Weaknesses:
1. Social Strength of women and access to education.	1. Limited access to credit
2. Rising Female employment level - across all regions	2. Gender inequality
3. Innovation and Higher Emotional Intelligence	3. Societal barriers
4. Greater Internal motivation	4. Content and accessibility of education
5. Being a working woman	5. Socio-economic changes
6. Fear/risk aversion	
7. Lack of self confidence	
Opportunities:	Threats:
1. EU Reforms	1. Inadequate state policies
2. Special credit schemes	2. High taxes
3. Role of NGO's like KAGIDER	3. Lack of business support systems
4. Angel Investment	4. Lack of holistic

Initiatives	policies
5. Government targets for female employment	
6. Private sector support	

Source: Ng-Lun et al., (2014)

3.4 Factors affecting female entrepreneurship

Wube (2010) identified access to finance, access to markets, access to training, networks and policymakers as major factors affecting women entrepreneurship.

3.4.1 Access to finance. Access to finance is a key issue for women. Accessing credit, particularly for starting an enterprise, is one of the major constraints faced by female entrepreneurs. Women often have fewer opportunities than men to gain access to credit for various, including lack of collateral, an unwillingness to accept household assets as collateral and negative perceptions of female entrepreneurs by loan officers.

3.4.2 Access to markets. The ability to tap into new markets requires expertise, knowledge and contracts. Women often lack access to training and experience in on how to participate in the market place and are therefore unable to market goods and services strategically. Thus, women-owned SMEs are often unable to take on both the production and marketing of their goods. Further, they have often not been exposed to the international market, and therefore lack knowledge about what is internationally acceptable. The high cost of developing new business contacts and relationships in a new country or market is a big deterrent and obstacle for many SMEs, in particular women-owned businesses. Women may also fear or face prejudice or sexual harassment, and may be restricted in their ability to travel to make contacts.

3.4.3 Access to training. Women have limited access to vocational and technical training in South Asia. In fact, women on average have less access to education than men, and technical and vocational skills can only be developed on a strong foundation of basic primary and secondary education. South Asia is characterized by low enrolment among women in education, high dropout rates and poor quality of education.

3.4.4 Access to networks. Women have fewer business contacts, less knowledge of how to deal with the governmental bureaucracy and less bargaining power, all of which further limit their growth. Since most women entrepreneurs operate on a small scale, and are generally not members of professional organizations or part of other networks, they often find it difficult to access information.

Most existing networks are male dominated and sometimes not particularly welcoming to women but prefer to be exclusive. Even when a woman does venture into these networks, her task is often difficult because most network activities take place after regular working hours. There are hardly any women-only or women-majority networks where a woman could enter, gain confidence and move further. Lack of networks also deprives women of awareness and exposure to good role models. Few women are invited to join trade missions or delegations, due to the combined invisibility of women-dominated sectors or sub sectors and of women as individuals within any given sector.

3.4.5 Access to policymakers. Most women have little access to policymakers or representation on policymaking bodies. Large companies and men can more easily influence policy and have access to policymakers, who are seen more as their peers. Women tend not to belong to, and even less reach leadership positions in, mainstream business organizations, limiting their input into policymaking through lobbying. Women's lack of access to information also limits their knowledgeable input into policymaking.

4. Methodology

The case study design was utilized in this research on the impact of entrepreneurship education in the survival and growth of businesses owned by female entrepreneurs in Zimbabwe. The study targeted all female entrepreneurs with businesses in Chinhoyi regardless of their industry. A sample size of 100 female entrepreneurs was decided on using convenience and purposive sampling techniques. An open ended and closed ended questionnaire was the data collection instrument used to gather the primary data for the study. Internet sources, scientific articles and books were some of the ways that were used to gather secondary data for the study. The statistical package for the social sciences (SPSS) was used to analyze data in this study. Text, tables and graphs were also used to present the information in this study.

5. Results and Discussions

5.1 Response rate

Out of the 100 questionnaires that were distributed to the sample of Chinhoyi female entrepreneurs, 87 questionnaires were returned giving the study a response rate of 87%.

5.2 Factors affecting business interests of female entrepreneurs in Chinhoyi

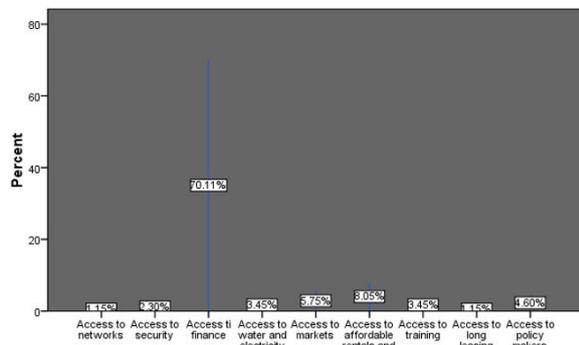


Figure 1. Which of the following affects your business interests the most?

Figure 1 shows that the business interests of female entrepreneurs in Chinhoyi are affected by numerous factors. Access to networks affects 1.15% of the respondents, access to security affects 2.3%, access to finance affects 70.11%, access to water and electricity affects 3.45%, access to markets affects 5.75%, access to affordable rentals and licenses affects 8.05%, access to training affects 3.45%, access to long leasing periods affects 1.15% and access to policy makers affects 4.6% of the respondents. However, most of the respondents understudy (70.11%) are affected by access to finance the most.

5.3 Entrepreneurship knowledge levels

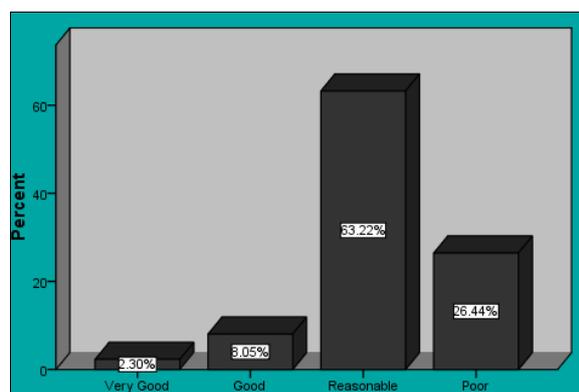


Figure 2. What best describes your knowledge level on entrepreneurship?

As shown in Figure 2, 2.3% of the female entrepreneurs understudy believe that they possess a very good knowledge level of entrepreneurship concepts. 8.05% believe that their knowledge levels on entrepreneurship is good, 63.22% believe that they possess a reasonable knowledge level on this subject while 26.44% perceive their knowledge level on entrepreneurship to be poor. However, most of the

female entrepreneurs understudy claim to have a reasonable knowledge level on entrepreneurship.

5.4 Business survival and growth

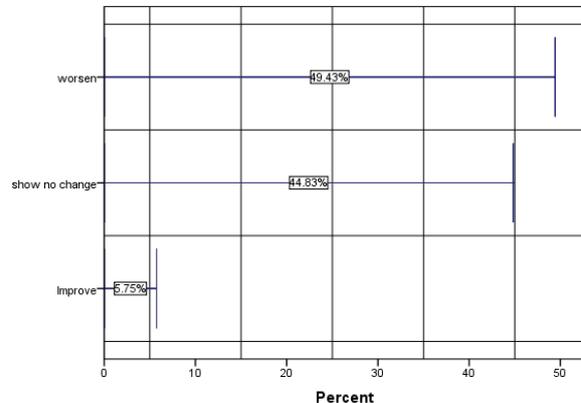


Figure 3. Compared to 2016, operating profit for 2017 (January to December) is expected to;

Figure 3 shows that only 5.75% of the female entrepreneurs understudy anticipated an improvement in their operating profit for 2017 compared to 2016. 44.83% expected their operating profit to show no change while 49.43% expected it to worsen.

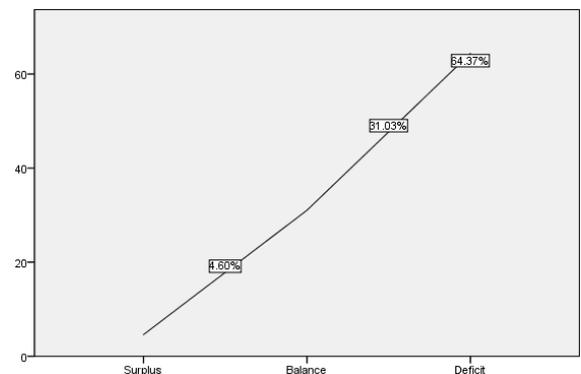


Figure 4. Operating profit for 2017 (January to December) is expected to be in;

As depicted in Figure 4, only 4.6% of the female entrepreneurs understudy expect their operating profit for 2017 to be in surplus. 31.03% expects it to be in balance while 64.37% expect it to be in deficit.

5.5 Relationship between entrepreneurship education and business survival and growth

Cross Table 3 (see appendix 1) clearly shows that all female entrepreneurs (2.3%) who regarded their knowledge levels on entrepreneurship to be very good also expected their operating profit for 2017 to improve compared to that of the previous year. Of the 8% who claimed their knowledge level on entrepreneurship to be good, 3.4% expected their

operating profit for 2017 to improve compared to that of 2016 and the other 4.6% expected it to show no change. Of the 63.2% who claimed their knowledge level on entrepreneurship to be reasonable, 13.8% expected their operating profit for 2017 to show no change compared to that of 2016 and the other 49.4% expected it to worsen. All of the 26.4% who claimed their knowledge level on entrepreneurship to be poor, expected their operating profit for 2017 to show no change compared to that of 2016. All female entrepreneurs who claimed to have reasonable knowledge on entrepreneurship either expected their operating profit not to change or to worsen. Only those female entrepreneurs who claimed to have very good or good knowledge levels on the subject of entrepreneurship expected their operating profit to improve.

6. Conclusions

The study aimed to investigate the impact of entrepreneurship education in the survival and growth of businesses owned by female entrepreneurs in Zimbabwe. The following conclusions were made;

The factor that is affecting the business interests of female entrepreneurs in Chinhoyi the most is that of access to finance. 70.11% of the respondents understudy cited access to finance as the factor that is affecting their business interests the most. This might be because the country is currently going through a financial crisis. In a newspaper article in the Zimbabwe Independent, Mpofo (2016) reported that "Zimbabwe is facing its worst financial crisis in seven years". Hence, access to finance may be difficult given the financial crisis that the country is currently experiencing.

Most of the female entrepreneurs in Chinhoyi (63.22%) have a reasonable knowledge level on the subject of entrepreneurship. Thus, their knowledge level on entrepreneurship is not on neither of the two extremes of good and bad but in-between the two.

Very few (5.75%) female entrepreneurs in Chinhoyi expect an improvement their operating profit for 2017 compared to 2016. Hence, most of the respondents understudy do not expect their businesses to grow in 2017 more than they did in 2016.

Most of the female entrepreneurs in Chinhoyi do not expect to be in profit in 2017. They expect to just break even or to actually make loses which may make it inevitable for most of them to close down. This is not surprising given Chichoni's (2011) finding that up to 75% of new businesses that open up in the country eventually fail.

An increase in operating profit signifies growth in a business hence there is a positive correlation between an entrepreneurs knowledge level on entrepreneurship and the growth of their business. Thus entrepreneurship education has a positive impact on the growth and survival of businesses. Hence, its absence would cripple the ability of the female business owners to drive their businesses towards survival and growth.

7. References

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