



# THE IMPACT OF ENTREPRENEUR EDUCATION PROVISION TO WOMEN ON SME'S PERFORMANCE IN DOWA DISTRICT

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## ABSTRACT

Malawi has the potential to create a systematic and functional entrepreneurship ecosystem that supports emerging entrepreneurs to conceive ideas, incubate them, develop business models and scale them both for the local and export markets. Entrepreneurship education has become very important for people who want to pursue career in business fields, Malawi as an African developing country needs an economic science, there is a general recognition that entrepreneurship contributes to economic development, competition, innovation and employment generation in economies, The Study focused on women entrepreneurs from Dowa district and from that population four groups of women entrepreneurs were chosen which made a sample size of 40 and it is an descriptive research study that used Simple Random Sampling techniques. One-way ANOVA used to identify the significant difference between level of entrepreneur's education and risk faced and their performance in business activities. The findings concluded that that level of education have significant difference in managing the risk such as Inflation Risk, Interest Rate Risk, Foreign Exchange Risk faced by the entrepreneurs and the level of education have significant difference in Identification of opportunities, Communication Skills, Networking, Leadership Skills and management of the respondents.

**Keywords:** *Women Entrepreneur, Entrepreneurs performance.*

## I. INTRODUCTION

About three in four enterprises (74 percent) are micro enterprises, 23 percent are small enterprises and only 3 percent are medium enterprises. Women own the largest proportion of micro enterprises (84 percent). Firm performance refers to the venture's ability to create acceptable outcomes and actions. According to Grisna Anggadwita (2013), performance is the measure of success of a business venture in achieving its goals. As mentioned by Hashim (2011), the criteria to measure performance may vary from business to business, industry to industry and country to country. It is clear that using the same performance measurement approach for all firms is inappropriate due to complex variations that impact on the way they operate.

To manage the performance of the business venture it is important to measure its performance and therefore there is need to have a combination of metrics in place. Managing performance should be the main goal of trading profitably. Key performance indicators (KPI) are powerful management tools and are the heart of any system of performance measurement. They provide an early alert mechanism since an assessment of profitability can take some time given the time lag in reporting. Deciding the right performance measure involves identifying the areas of focus and deciding how best to measure business performance in those areas.

## II. REVIEW OF LITERATURE

Fredrick, Nancy and Brooks, (2004) is concerned with knowledge and experiences of small-scale business owners. Human capital acts as a resource and makes the founder more efficient in organizing processes or in attracting customers and investors. Gurmet and Belwal (2008), lament that the absence of technological knowhow and lack of access to technology pose a challenge for women entrepreneurs. National Directorate of Employment (NDE) (2009) in Onyebueke and Ochonogo, define entrepreneurship as the art which involves recognizing a business opportunity, mobilizing resources and persisting to exploit that opportunity. Hilbert, (2011) notes that women are more active users of digital tools than men. These digital tools can improve their living conditions and provide an opportunity to tackle longstanding challenges of gender inequalities in developing countries. In their study Adebbe, (2014) notes that E-commerce has become an important technological medium through which businesses serve their customers, respond to

competition and expand geographical reach. A study conducted by (KIPPR, 2015) revealed that one of the major reasons limiting SMEs from accessing credit was poor business record which was also collaborated by a similar study conducted by (FSD, 2015). Ubong, (2017). All stages in entrepreneurship are dependent on relevant experience, from the identification of opportunities to the execution of running a business.

### III. OBJECTIVES

- The main objective was to examine the impact of entrepreneur Education provision to women on SMEs performance.
- To examine the contribution of entrepreneur Education to women in SME's performance in Dowa district.
- To identify the risks that women face in conducting Business activities in Dowa district.

### IV. RESEARCH METHODOLOGY

The research study is based on the impact of entrepreneurship education to women on SMEs performance. The proposed study was carried out in Dowa, the women being trained in Dowa district Primary data was collected by using questionnaire The secondary data were collected from reports, books and publication etc.

### V. DATA ANALYSIS AND INTERPREATION

**Hypothesis( $H_0$ ): There is no significance difference between risk faced by entrepreneur and their level of education.**

**ANOVA Table for significance difference between risk faced by entrepreneur and their level of education**

		Sum Of Squares	Df	Mean Square	F	Sig.
Political Risk	Between Groups	14.470	3	4.823	2.613	.067*
	Within Groups	64.607	35	1.846		
	Total	79.077	38			
Inflation Risk	Between Groups	37.475	3	12.492	10.587	.000**
	Within Groups	41.295	35	1.180		
	Total	78.769	38			
Interest Rate Risk	Between Groups	24.877	3	8.292	5.865	.002**
	Within Groups	49.482	35	1.414		
	Total	74.359	38			
Foreign Exchange Risk	Between Groups	18.350	3	6.117	9.679	.000**
	Within Groups	22.750	36	.632		
	Total	41.100	39			

The P value of variables namely Inflation Risk, Interest Rate Risk and Foreign Exchange rate risk are less than 0.01, at the 1 % level of significance. Hence null hypothesis is rejected for these variables. It concludes that there is a significant difference between these variables and education of the respondents. The P value of political risk is more than 0.05, at the 5% level of significance. Hence null hypothesis is accepted It concludes that there is no significant difference between political risk and education of the respondents. The P value of Inflation Risk is less than 0.01 at the 1% level of significance meaning there is a significant difference between these variables and the education of the respondents. The P value of Interest Rate Risk is less than 0.01 at the 1% level of significance meaning there is a significant difference between these variables and the education of the respondents. The P value of Rate Risk and Foreign Exchange less than 0.01 meaning there is a significant difference between these variables and the education of the respondents.

**Hypothesis( $H_0$ ): There is no significance difference between entrepreneurial capabilities and their level of education**

ANOVA						
		Sum Of Squares	Df	Mean Square	F	Sig.
Financial Management	Between Groups	14.470	3	4.823	2.613	.067
	Within Groups	64.607	35	1.846		
	Total	79.077	38			
Identification of opportunities	Between Groups	37.475	3	12.492	10.587	.000**
	Within Groups	41.295	35	1.180		
	Total	78.769	38			
Managerial Skills	Between Groups	15.199	3	5.066	2.747	.057
	Within Groups	64.545	35	1.844		
	Total	79.744	38			
Communication Skills	Between Groups	31.540	3	10.513	8.296	.000**
	Within Groups	44.357	35	1.267		

	Total	75.897	38			
Networking	Between Groups	24.877	3	8.292	5.865	.002**
	Within Groups	49.482	35	1.414		
	Total	74.359	38			
Ability to Raise Money	Between Groups	13.814	3	4.605	2.497	.076
	Within Groups	64.545	35	1.844		
	Total	78.359	38			
Leadership Skills	Between Groups	39.920	3	13.307	11.177	.000**
	Within Groups	41.670	35	1.191		
	Total	81.590	38			
Time Management	Between Groups	22.983	3	7.661	5.298	.004**
	Within Groups	50.607	35	1.446		
	Total	73.590	38			

The P value of variables namely Identification of opportunities, Communication Skills, Networking, Leadership Skills and management are less than 0.01, at the 1 % level of significance. Hence null hypothesis is rejected for these variables. It concludes that there is a significant difference between Identification of opportunities, Communication Skills, Networking, Leadership Skills and management and education of the respondents. The p value of Financial Management, Managerial Skills and Ability to raise money is more than 0.05, at the 5% level of significance. Hence null hypothesis is accepted It concludes that there is no significant difference between Financial Management, Managerial Skills and Ability to raise money and education of the respondents.

## FINDINGS

- The distribution of the respondents with regards to their age, there about 40 respondents in total and the age group of 21-24 shows the frequency of 4 people and a percentage of 10%, 25-28 shows the frequency of 5 at the percentage of 13%, lastly the ages above 28 shows that the respondents had a frequency of 31 and a percentage of 77 %, this data shows that the most women in the study were above the age of 28 having a higher percentage of 77%.
- Educational training leads to successful running of business enterprises. However, in this research particularly 93% of women who had attended entrepreneurship training said through training they became creative while 7% said no. Therefore, the majority agreed that the trainings shape a person the way of thinking; transforming imagination of things into actual objects and helps them to be innovative enough to think of other profitable business ideas. While (Msoka,2013) found that training enhance creativity which eventually leads to quality improvement of products production.
- There is a difference between Inflation Risk faced by the respondents and education level of the respondents, there is a difference between Interest Rate Risk faced by respondents and education level of the respondents, there is a difference between Foreign Exchange Risk faced by the respondents and education level of the respondents and it has been found that there is no difference between political Risk faced by the respondents and education level of the respondents.
- It has been found that there is a difference between Identification of opportunities of the respondents and educational level of respondents, there is a difference between Communication Skills of the respondents and educational level of respondents, there is a difference between respondents networking and educational level of respondents, there is a difference between Leadership Skills and management skills of the respondents and educational level of respondents, It concludes that there is a significant difference between Identification of opportunities, Communication Skills, Networking, Leadership Skills and management and education of the respondents.

## SUGGESTIONS

- Entrepreneurship trainings which are offered out of the tertiary systems (institutions) and training institutions all play a great role to women community. Therefore, the entrepreneurship has been, fundamentally, a milestone in bringing economic changes to the society particularly for women.
- Further the researcher suggests that similar studies be conducted in the country to investigate why women SME owners prefer to measure performance using sales rather than profit.
- The researcher further suggests that future research on this area employ personal interviews in order to collect data from women entrepreneurs who cannot read and write.
- Though the study tends to find the impact of education to students differs to this study which focuses on women and not tertiary education but the common thing to share is the importance of entrepreneurship skills to an individual.

## CONCLUSION

Finally, this study concludes that women SME owners use different metrics to measure the performance. Further that entrepreneurship education has a positive influence on gross profit, sales turnover and the number of employees engaged by the entrepreneurs over time. The study further concludes that level of education have significant difference in managing the risk such

as Inflation Risk, Interest Rate Risk, Foreign Exchange Risk faced by the entrepreneurs and that level of education have significant difference in Identification of opportunities, Communication Skills, Networking, Leadership Skills and management of the respondents. They can also participate in women forums as well as access the internet for information on how to improve business performance. However, majority cannot access global markets for their products. This study also concludes that marketing knowledge acquired by women SME owners did not have a positive impact on the overall business performance. Further the knowledge did not expose them to marketing principles necessary for business owners and it did not facilitate them offer goods to the international market. However, they were better equipped with knowledge to face competition in their respective areas of operation. The knowledge acquired has helped them come up with innovative marketing strategies for their individual businesses.

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