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RESEARCH ARTICLE

Review of the Impact of Entrepreneurship Education on the Performance of Small, Medium and Micro Enterprises (SMMES) in Rural South Africa

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Abstract

The future of the economies of various nations across the globe lies in the entrepreneurial trends and activities. Entrepreneurship in this regard is viewed from the activities of Small, Medium and Micro Enterprises (SMMES). Entrepreneurial activities are also viewed as development driving tool for rural societies. However, necessary skills are needed for such desired goal to be achieved and the education provided by institutions of learning is one by which entrepreneurial expertise can be attained. Conversely, entrepreneurship education is not considered as a major subject receiving due attention in South African institutions of learning. Hence, this study explores the impact of entrepreneurship education on the performance of Small, Medium and Micro Enterprises (SMMES). Review method was adopted for this study. Thus, relevant literatures were reviewed. The findings of the study amongst others show that relevant skills are needed for entrepreneurial activities to thrive in rural societies and aid the needed development. Also, entrepreneurship education tends to impact entrepreneurial activities. The study therefore recommends amongst others that entrepreneurship education should be promoted in rural based institutions of learning in South Africa taking into cognizance the needs and demands of the communities and its surroundings where the institutions are situated.

Keywords: *entrepreneurial activities, entrepreneurial skills, Small, Medium and Micro Enterprises (SMMES)*

INTRODUCTION

Entrepreneurship refers to an individual's ability to turn ideas into action. It includes creativity, innovation and risk-taking, as well as the ability to plan and manage projects in order to achieve objectives (European Commission, 2012). Entrepreneurship education should aim to accomplish the following goals: first, to develop young people's entrepreneurial mindsets, enabling them to be more imaginative and self-confident in their endeavours and increasing their attractiveness to employers; second, to foster innovative business start-ups; and third, to strengthen entrepreneurs' role in society and the economy.

Many people tend to use the concepts of entrepreneurship education and entrepreneurship training synonymously and, though distinctions can be made, the current

study also uses them interchangeably. Friedrich, Visser and Brijlal (2007) postulates that the two terms have not been formalised in the South African context, hence the convention of applying and using them had to be sourced elsewhere. For the purpose of this study, entrepreneurship education and training are defined as a lifelong learning process that instils entrepreneurial skills development, life management, interactions, self-guided actions, a capacity for innovation and ability to encounter change, where attitude, will and desire to take action combined with knowledge and advanced competence (Finland Ministry of Education, 2009).

Entrepreneurship education should not be confused with general business or economic studies, as its goal is to promote creativity, innovation and self-employment. Entrepreneurship

training is an intentional effort to teach specific abilities, which are knowledge bearing, to complete the project better (Antonites, 2003). (Antonites and Van Vuuren, 2005) asserted that training creates new opportunities and possibilities as well as consciousness to attempt and complete certain tasks in a different way. Entrepreneurship training is the coverage of the areas from economic development to business plan preparation, with a major focus on the entrepreneur. (Friedrich, Visser & Brijlal 2007) defined entrepreneurship training as a process, including issues such as creativity, innovation and the ability to take risks.

Foxcroft, Wood, Kew, Herrington and Segal (2002) consider entrepreneurship education as the extent to which the education system is effective in providing instruction and experience in the

creation and management of SMMEs. Entrepreneurship education can also be defined as a life-long learning process which proceeds through at least five distinct stages of development (Consortium for Entrepreneurship Education, 2004). The stages include the basics, competence, awareness, creative applications start up and finally, growth. (Jones & English, 2004) define entrepreneurship education as the process of providing individuals with the ability to recognise commercial opportunities and the knowledge, attitudes and skills to act on them.

Entrepreneurship education can be characterized as the transfer and facilitation of information regarding how, by whom, and with what consequence future commodities opportunities are discovered, evaluated, and finally exploited. Ladzani and Van Vuuren (2002)

defined entrepreneurship education as a three-legged pot of motivational, entrepreneurial and business skills training. Stokes, Wilson and Wilson (2010) stated that human beings have behaviours, attributes and skills which can be developed through learning, which is also the case with entrepreneurship education. The definition of entrepreneurship education adopted at European level stresses that this concept is much wider than just 'training on how to start a business' (Raposo & Do Paco, 2010).

Entrepreneurship education seeks to prepare people to be responsible, enterprising individuals who are able to take risks, manage results and learn from outcomes (Bbenkele & Ndedi, 2010). It also helps SMME owners and managers to learn how to prevent and solve business problems (Ladzani & Van Vuuren, 2002; Hisrich & Roche, 2008, as well as

Omotosho, Gamede & Uleanya, 2020). Entrepreneurship education can also help enhance leadership and boost the need for achievement, enhance self-confidence and influence growth-related entrepreneurial and managerial attitudes and perceptions as well as alleviate the fear of failure in business (Ibrahim, Soufani, Poutziouris & Lam, 2004). Since this study seeks to explore the impact of entrepreneurship education on the performance of SMMEs in rural areas of South Africa, it is important to assess the state of entrepreneurship education in South Africa.

Entrepreneurship Education in South Africa

A growing body of academic research has examined the effectiveness of entrepreneurship education with the aim of inculcating entrepreneurial mindset, attitude and awareness as a career option. The effectiveness of

entrepreneurship education has been measured through entrepreneurial behaviour (Souitaris, Zerbinati, & Al-Laham, 2007); Rauch & Hulsink, 2015), or through entrepreneurial intention constructs such as attitude, perceived behavioural control, subjective norms, and self-efficacy (Piperopoulos & Dimov, 2015); Fayolle & Gailly, 2015). For instance, a systematic review of the impact of entrepreneurship education in higher education shows that there are a number of benefits for students.

For example, this education will help an individual to bring about personal change (attitude, knowledge, skills, feasibility, and entrepreneurial intention), and also helps with business-start-up (Nabi, Shankar & Dennis, 2015). Nevertheless, a few studies have indicated that entrepreneurship education could also achieve negative outcomes. For

instance, Oosterbeek, van Praag, & Ijsselstein (2010) have reported that the development of entrepreneurial skills is insignificant, and the entrepreneurial intention turns into negative outcomes. Scholars argue that the contradictory findings may be due to methodological rigours or statistical artefacts (Martin, McNally, & Kay, 2013); Rideout & Gray, 2013). Issues such as a lack of external validity, no validity and reliability tests, and inadequate sample sizes had decreased the quality of the studies. Furthermore, most of the entrepreneurship education studies had demonstrated neither the comparative studies nor longitudinal, thus little knowledge exists regarding how well it can impact on personal attributes, especially intention-behaviour.

It is imperative to examine the relationship between

entrepreneurship education and learning outcomes. Numerous studies in entrepreneurship education examine whether attending a course or programme in entrepreneurship education impact on the skills e.g. (Von Graevenitz, Harhoff, & Weber, 2010); (Chang & Rieple, 2013) and students' intentions (Rauch & Hulsink, 2015) and also, the majority of the studies are descriptive or exploratory studies, e.g. (Hegarty, 2006; Yu Cheng, Chan, & Mahmood, 2009). Conversely, these theses are seen as different from other studies because of those reasons. First, it focuses on the use of different pedagogical approaches in teaching entrepreneurship education, rather than the result of attending an entrepreneurship programme or not. Second, the result from findings revealed that the users of different pedagogical approaches could impact

differently on the development of the students' managerial and entrepreneurial skills (which later in this thesis refers to the learning outcomes).

The empirical study tests the impact of two types of pedagogical approaches by making a comparison between the teacher-centred versus student-centred approaches. Fourth, the study used an experimental design, two experimental groups with a control group. Thus, increased the analysis of statistical power. Additionally, the thesis is not only examining the impact of different pedagogical approaches in developing students' learning outcomes, but also how the development of the skills could influence the level of students' entrepreneurial intention. This study aims to understand the delivery method that can increase the benefits of entrepreneurship education in higher education. The

study will mainly focus on examining the relationship between the pedagogical approaches used in teaching entrepreneurship education, as well as the learning outcomes (in this thesis is referring to managerial skills and entrepreneurial skills) and entrepreneurial intention (Hegarty, 2006); (Yu Cheng, Chan, & Mahmood, 2009).

Entrepreneurship Training in South African Higher Learning Institutions: Past and Current Settings

Training and education in entrepreneurship play a key role in transforming the South African economy from stagnation and jobless growth to that of a vibrant and high-growth scenario. To achieve this goal, it is essential to significantly enlarge the long-term supply of those who are entrepreneurial-inclined. This can only be achieved if entrepreneurship education and training take a central role

(Friedrich, Visser & Brijlal 2007). Though this assertion is inconsistent with one of the hypotheses of this study, it is still relevant, because it argues that education/training in entrepreneurship can always act as a catalyst to the desire of performing an entrepreneurial activity. What seems to be a challenge to the South African government is the high demand for entrepreneurship courses for students who want to grow their entrepreneurial intentions, while entrepreneurship is a young and developing field of study in the country. Recognising the importance of the field of entrepreneurship in the global business environment, universities responded by increasing the number of faculties to deliver these courses, to modernise the administration of the programmes and to conduct research in the field (Co & Mitchell, 2006).

Similarly, South Africa has identified the development of small and medium enterprises (SMEs) as one of the vehicles for sustainable economic growth, with the youth having been identified as one of the targeted groups in the National Small Business Strategy (Friedrich, Visser & Brijlal 2007). However, there are major setbacks, such as lack of education and training, which have impacted negatively on the management capacity in South Africa. The same reason is the basis for the low level of entrepreneurial creation, as well as the heightened level of failure rate (Herrington & Maas, 2007). With the exception of entrepreneurship academic qualifications, (Herrington, Herrington, Mantei, Olney, & Ferry, 2009) criticised the quality of entrepreneurship training, which results in local entrepreneurs and graduate entrepreneurs having poor

business and managerial skills. (Co & Mitchell, 2006) identified various courses, offered in the area of entrepreneurship at South African Higher Learning Institutions (SAHLIs).

This list of courses offered by the SAHLIs confirm what many studies have shown that entrepreneurship education and training in South Africa lacks a practical component, hence the call by Scheepers, Morris, van Vuuren and Cornwall (2009) to the full-time academic staff members who teach entrepreneurship, to provide practical experience to inspire students to form their own business enterprises, otherwise a practical component should be included in course work which could be taught by an experienced entrepreneur. In South Africa, some universities started to teach entrepreneurship as early as the 1990s to as recently as 2002 (Co & Mitchell, 2006). These

universities include three comprehensive universities, four universities of technology and eight traditional universities.

In 2006, South Africa had a total of 23 universities and universities of technology. However, only 15 had already started an entrepreneurship programme, meaning that eight universities had not yet responded to the call. This unavailability of this crucial field in some universities translates to a lack of awareness of entrepreneurship among the students, consequently resulting in poor entrepreneurial activity. Luiz & Mariotti (2011) ascertained that South Africa, as a relatively young democracy, is faced with enormous challenges in its social and economic settings. Job creation is not happening at a satisfactory level, while the expectations of school-leavers to find jobs in the corporate world are very high. School-leavers

have a scant idea of how to create their own businesses. During the previous political dispensation, the economic settings in South Africa were satisfactorily served by Higher Learning Institutions (HLIs) in that they provided a resource pool for large corporations. As a consequence, there was the creation of a sentiment, among students, that oriented them to only seek employment in large corporations in the formal sector. With the economy in transition, small businesses now account for an increasing proportion of economic activity; hence HLIs need to shift their focus and determine their role in the economy and society, specifically in what they offer (Co & Mitchell, 2006). The authors suggested the following ways through which HLIs can help create a more entrepreneurial disposition among young people:

- a) *Instilling a clear understanding of risks and rewards*
- b) *Teaching opportunity seeking and recognition skills*
- c) *Creating enterprises*
- d) *Developing entrepreneurial traits in students*
- e) *Providing the necessary support for entrepreneurs*
- f) *Providing legitimacy to their endeavours.*

The HLIs should go much further. They should become more active in economic development and link their research activities to local development, as well as encourage informed local planning and policy-making, support the development of industrial infrastructure and improve access for historically disadvantaged communities which are majorly rural areas (Co & Mitchell, 2006).

Furthermore, in 2001 and 2002, the education and training system was regarded as the number one limiting factor for entrepreneurship in South Africa (Herrington & Wood, 2003). Fatoki & Garwe (2010) also, confirm that entrepreneurship education is still one of the prime factors limiting the growth of the economy of South Africa. This, therefore, means that an improvement in entrepreneurship education may improve the low rate of entrepreneurial activity of SMEs in South Africa, which is regarded as the economic engine of the African continent. Davies (2001) noted that South Africa's capacity to absorb a new labour force into the formal sector has fallen from about 62% to less than 4% in the past four decades. Co and Mitchell (2006) are of the view that active intervention in the form of entrepreneurship education is necessary if people,

especially the youth are to escape the challenges that will come with unemployment.

Co and Mitchell (2006) further stated that it is widely accepted and it is no longer surprising that the only way South Africa can address unemployment and revitalise the economy is through the rediscovery of the entrepreneur who is able to take calculated risks, one who breaks new ground and also is innovative. The South African economy needs entrepreneurs to address the problem of unemployment (Co & Mitchell, 2006). This, therefore, means that people need to be educated and trained so as to be equipped with entrepreneurial skills and values. Educating people in the field of entrepreneurship will encourage them to create jobs rather than just becoming job seekers.

Lack of entrepreneurship education has been identified by South African

experts as one of the prime factors in South Africa (Herrington & Wood, 2003; Fatoki & Garwe, 2010). Meanwhile, Umsobomvu (2002) recommended that entrepreneurship education is integrated into the school curriculum at all levels so as to build a strong entrepreneurial culture. It has to be noted that entrepreneurship is still a young developing field (Alberti, Sciasciam & Poli, 2004) with growing importance in the global business environment and it is for this reason that there has been an increased demand for entrepreneurship education. Entrepreneurship education is still in its early developmental stages (Mitchell, 2006) even though some institutions of higher learning in South Africa have been involved since the early 1990s (Co & Mitchell, 2006). According to North (2002) there is an urgent need for young

people to be educated and trained in the field of entrepreneurship. This shows the importance of entrepreneurship education. He argued that entrepreneurship education can contribute to the idea of empowering as many people as possible so as to unleash the previously stifled human potential of South Africans. Entrepreneurship education is an important factor that can contribute to the development of an entrepreneurial culture in developing countries (Burger, O'Neill & Mahadea, 2005). Programmes which aim to develop entrepreneurship are numerous in South Africa, but tangible results are difficult to see. This may be because of insufficient growth within existing firms to reduce unemployment (Bbenkele & Ndedi, 2010) thus also motivating the need for this study. Due to the history of discouragement of entrepreneurship and the culture

of working for others, there is still an absence of entrepreneurial education for young people in a way that could encourage them to enter a business and acquire a culture of entrepreneurship (Agupusi, 2007). Bbenkele and Ndedi (2010) noted that entrepreneurship education is a common course of study in higher education settings. They also mentioned that to successfully address the challenge of youth unemployment, certain things need to be developed regarding the training of potential entrepreneurs through tertiary institutions. Karimi, Chizari, Biemans & Mulder (2010) agree that entrepreneurship education can play a crucial and significant role in changing views of South Africans towards self-employment and gaining the necessary skills to manage a business. In the view of Ndedi and Bbenkele (2010), it is the behaviour to

engage in the start-up process that really matters and that is what is lacking in most entrepreneurship programmes in South Africa.

South Africa's future entrepreneurial capacity depends on how well the nation is equipping individual citizens to start their own businesses and to individuals to be able to provide employment, not only for themselves but also for others (GEM, 2005). It is beyond reasonable doubt that education is key and entrepreneurship education may play a critical role in developing the culture of entrepreneurship in South Africa and the rest of the continent. To realise the idea of a better life for all South Africans, the entrepreneurial energies and capabilities of all citizens should be harnessed and improved to ensure that the country's full potential for economic growth is unleashed (North, 2002). Improving and promoting entrepreneurship

education in South Africa at all levels of education and to all people will help the nation realise the goal of economic growth, employment creation and also improve its Total Entrepreneurial Activity (TEA).

The link between entrepreneurial skills, entrepreneurship education and entrepreneurial activity

The 2008 South African GEM report highlights that South Africa has a poor skill level, which leads to below average entrepreneurial capacity (Herrington et al., 2009). This report also indicates that entrepreneurship education and training can have a significant impact on entrepreneurial attitudes and aspirations. In a study of the determinants of entrepreneurship in South Africa involving 65 entrepreneurs and 65 non-entrepreneurs from Cape Town, Johannesburg and Durban, (Muhanna, 2007) found that

participants who did not want to become entrepreneurs cited lack of entrepreneurial skills as a barrier. The 2007 global GEM report, which involved 42 countries found that perceived skills were determined by the level of education and the availability of entrepreneurship training programme (Bosma, Jones, Autio and Levie, 2007). Bosma et al. (2007:37) found that individuals' beliefs that they have the necessary skills and knowledge to start a business are linked to the level of early-stage entrepreneurial activity and nascent entrepreneurial activity. According to them, having the skills and knowledge to start a business is significantly correlated with early-stage entrepreneurial activity and nascent entrepreneurial activity. Bosma et al. (2008) note that entrepreneurial activity is multifaceted. They defined it as "the extent to which people in a

population are creating new business activity, both in absolute terms and relative to other economic activities, such as business closure." The findings in the 2008 global GEM report indicate a generally positive and complex relationship between training in starting a business and entrepreneurial attitudes, aspirations and activity (Bosma et al., 2008).

The European Commission (2006) suggests that entrepreneurship education helps develop both personal qualities and attitudes and formal knowledge and skills, resulting in the competence of students in entrepreneurship. The personal qualities and attitudes developed from entrepreneurship education contribute to the probability of a person identifying opportunities and acting on them. The knowledge and skills relate to what an individual must do to establish a new enterprise and how to succeed in

developing an idea into a practical, goal-oriented enterprise (European Commission, 2006). Binks, Starkey and Mahon (2006) are of the view that the skills required for entrepreneurship are those that relate to the entrepreneurial process as a whole. Hegarty (2006) argues that what should be taught in entrepreneurship courses is a skill set. She identifies the following skills as the outcomes of entrepreneurship education:

- a) Seeking out original and viable business and market opportunities;
- b) Sourcing and responsibly using built, natural, socio-economic and human resources;
- c) Making the opportunity-resource connection in an extraordinary way;

- d) Commitment to implementing a business idea without assurance of rewards;
- e) Building a support network that shares in the passion for the enterprise; and
- f) Rejoicing in operating one's own business venture and delivering the product or service.

Alberti et al, (2004) assert that opportunity specific knowledge and venture specific knowledge is vital for entrepreneurial success. They further contend that there should be a balance in the conveyance of theories to the development of skills and attitudes in entrepreneurship education and a balance in the provision of general and specific knowledge. Garavan and O'Connell (1994) in (Niyonkuru (2005) concur that effective entrepreneurship education contains

both factual knowledge and practical applications. Following the findings of a study on entrepreneurship education conducted in Rwanda, Niyonkuru (2005) argues that entrepreneurship education should convey entrepreneurial skills, attitudes and behaviours that students can use in identifying opportunities, evaluation of opportunities and commitment of resources to pursue the opportunity and the creation of a new venture. He further states that the contents of entrepreneurship education should be those features that enable students to conceive of and start new businesses (Niyonkuru, 2005).

Sequel to the foregoing, it can be stated that entrepreneurship education plays a vital role in stimulating entrepreneurial attitudes and aspirations. Meanwhile, in order for entrepreneurship education to contribute to entrepreneurial

activities in the society, it must impart the skills that are necessary for identifying and evaluating an opportunity, marshalling the resources required, starting and managing a business. Thus, in the following section, the types of skills that can be developed through entrepreneurship education are therefore explained.

Critical skills required to embark on entrepreneurial projects

The concept of 'skills' comes from the field of psychology, where it reflects the differences, similarities, and uniqueness of behaviour and widely used to explain human development across different domains. There is a need to clarify the meaning of 'skills' as this term is usually used interchangeably with 'competency' (Ray, 1993). For instance, Mitchelmore and Rowley (2010) studied skills classified as competencies. They describe

'entrepreneurial competency' as behaviour that an individual demonstrates that is relevant to the exercise of successful entrepreneurship. Baum, Locke and Smith (2001) refer to competencies as individual characteristics that are required in performing a specific job. Bird (2002) argued that competencies are underlying characteristics such as knowledge, motives, traits and skills, which result in venture birth, survival or growth. Conversely, Leitch (2006) refers to skills as capabilities and expertise in a particular occupation or activity. Nevertheless, according to Lichtenstein and Lyons (2001), the point is regardless of how 'skills' are defined, the entrepreneurs build new skills through the process of personal transformation, and through an ongoing and supportive context.

Some researchers have proposed the skills required for being an

entrepreneur. For instance, Leitch (2006) classified skills into three types: basic, generic, and specific. He describes basic skills as encompassing literacy and numeracy skills; generic skills as skills that are required by many jobs, for example, skills in teamwork and communication, as well as more specific skills. These skills are less transferable between occupations. In contrast, Hisrich and Peters (1998) categorized the various skills that are required by entrepreneurs. These include technical skills (written and oral communication, technical management and organizing skills), business management skills (planning, decision making, marketing and accounting skills), and personal entrepreneurial skills (inner control innovation, risk-taking and innovation).

Additionally, the categories outlined by Hisrich and Peters (1998) have

earlier been identified under the entrepreneurial skills theme. According to their study, a particular set of 17 entrepreneurial skills was identified as critical to enterprise success. Smith, Schallenkamp and Eichhol (2007) provided an expanded literature review relating to each skill, along with the results of an exploratory study with a group of the Small Business Development Centre (SBDC) Directors located in several mid-American states. Although it was an exploratory study, it demonstrated a wide range of prior and perceived skills that are needed by an individual who is pursuing entrepreneurial activities, especially in the early stage of their career as an entrepreneur. Overall, the skills can be divided into four themes. These themes are (a) technical, (b) managerial, (c) entrepreneurial, and (d) reflectivity skills.

'Technical skills' are defined as the skills necessary to be successful in one's line of business. They comprise the knowledge and capabilities to perform specialized tasks related to specific skills. In other words, these skills are practical and can be obtained from training and through experience working in a particular field (Chell, 2013). For example, a person who has strong operational skills in his/her field (for example, a web developer) might create new ventures in order to exploit their technical or job experience. Lichtenstein & Lyons (2001) claimed that technical skills are comprised of managing operations, managing supplies, production space skills, and managing plant and equipment, technology and production processes. In their survey, Smith & Schallenkamp (1998) defined 'technical skills' as operational skills

that are necessary to produce the product or service.

'Managerial skills' are defined as the skills needed to organize the work on a day-to-day basis. The entrepreneur must have the managerial skills to perform various functions effectively. According to some small business literature, managerial skills are crucial for running successful small businesses (Lerner & Almor, 2002). These skills are:

- a) Management - planning, organizing, supervising, and networking;
- b) Marketing/sales - identifying customers, distribution channels, supply chains;
- c) Financial - managing financial resources, budgeting; iv. Legal - organization form, privacy, security, risk management; and

d) Administration - people relations, advisory board relations.

Entrepreneurial skills cover the ability to turn a business idea into a feasible business opportunity, to start and to grow a business enterprise (Nehete, Narkhede & Mahajan, 2011).

Entrepreneurial skills are needed to develop innovative products and services and to generate solutions to the emerging needs in the marketplace (Smith et al., 2007). According to Sarasvathy and Venkataraman (2011), entrepreneurs include not only those who seek and find opportunities, but also those who transform their vision into a product through commitment in order to make a product or service ready to use. Chandler & Hanks (1994) described the skills from the view of business founders. Business founders usually scan the

environment, select a good opportunity, and formulate strategies. That is why some scholars define entrepreneurial skills as the ability to recognize and envision taking advantage of the opportunity, as well as the ability to see the firm's creation, which requires the person's willingness and capacity to generate an effort to work long hours (Chandler & Jansen, 1992). Opportunity identification has been identified as an important ability of successful entrepreneurs (Ardichvili et al., 2003).

Additionally, social networking helps the entrepreneur to obtain resources, information, business contacts, and sustainability. A study conducted by Sandhu, Sidique, & Riaz (2011) revealed that social networking is an important factor in influencing entrepreneurial activities in Malaysia. In line with this, Morris et al., (2013) also found that

students who study entrepreneurship education improved their opportunity recognition and their building of networks. Reflectivity skill refers to how the person reflects on what has happened and tries to improve on their weaknesses. Smith et al. (2007) explained these skills as including the ability to reflect, take responsibility, produce a creative solution, and cope with problems that arise. This is similar to the emotional intelligence concept, which refers to the capacity to understand and explain ones' and others' emotional reactions and to use emotions to enhance thought (Mayer & Caruso, 2002). For example, Shepherd (2004) asserted the importance of educating students about emotion and learning from failure.

The technical, managerial, entrepreneurial, and reflectivity skills are the important skills needed by

entrepreneurs to be successful. For instance, a research study of small business failure in Canada has attributed the high failure rate to lack of management skills such as strategic planning, marketing, cash management, networking, negotiation, and general management skills (Ibrahim & Soufani, 2002). Rae (2007) concurred that both sets of managerial and entrepreneurial skills are required to run a successful venture. This is consistent with the findings of researchers such as (Chandler & Jansen, 1992), who found that most successful founders are competent in managerial skills, entrepreneurial skills, and technical skills. Conversely, though, Lerner & Almor (2002) found that a firm's performance is related to the strength and variety of the owners' skills. In other words, entrepreneurs must be jacks-of-all-trades; although

they need not be experts in any single skill, they must be sufficiently good at a wide variety of skills to make sure that they can make their business sustainable (Lazear, 2004).

CONCLUSION AND RECOMMENDATIONS

The study explored the impact of entrepreneurship education on the performance of Small, Medium and Micro Enterprises (SMMEs) in Rural South Africa. Small, Medium and Micro Enterprises (SMMEs) are considered from the perspective of entrepreneurial activities. Relevant literatures were reviewed following the subject matter. Reviewed literatures showed that over the last two decades, there have been a number of investigations in different contexts that have sought to generate a list of entrepreneurial skills with varying levels of categorization. Though most of these studies used alternative terms such

as 'competency' or 'expertise', the findings are most relevant to the field of entrepreneurial skills. Additionally, reviewed literatures suggest that entrepreneurial activities through Small, Medium and Micro Enterprises (SMMEs) are needed for development to be experienced in rural areas. However, skills and expertise are needed. Thus, the place of institutions of learning towards ensuring and enhancing such entrepreneurial skills and expertise become eminent. Sequel to the findings of the study, the following recommendations are made:

- Entrepreneurship education should be taken and treated as important in all institutions of learning in rural areas. This can be done by ensuring that courses, modules or subjects which treat entrepreneurship are made compulsory to be

offered by all students at various levels.

- Entrepreneurship education should be promoted in rural based institutions of learning in South Africa taking into cognizance the needs and demands of the communities and its surroundings where the institutions are situated. This can be done through the organisation of entrepreneurship related competitions within and outside various rural institutions of learning. The relevance of the activities to the need of their host community and eventually the global world should be taken into consideration.
- Students should be encouraged and sponsored to undertake entrepreneurial activities while still studying. This can be done through partnerships between

institutions of learning and established firms which promote entrepreneurship.

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