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Effect of Entrepreneurship Trainings on the Performance of Micro and Small Enterprises - Arbaminch town-Arbaminch-Ethiopia

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Abstract: ***The study was designed as descriptive research. The conscious intent to undertake this study was to adequately examine the effect of entrepreneurship trainings on the performance of micro and small-scale enterprises, Arbaminch town enterprise development office, Arba Minch, Gomo Zone, SNNPR Region, Ethiopia. The overarching objective of this study was to analyse the relationship between entrepreneurship training programs and perceived performance of MSE operators. The investigation conducted with the participants of entrepreneurship training programs. In the total 646 MSE operators, 110 participants were selected as sample population based on stratified simple random sampling technique. The primary and secondary data were employed in the study, and the primary data were properly obtained through a comprehensive structured questionnaire. The obtained data were carefully analyzed, tabulated and properly presented in appropriate tables. In this social study, descriptive statistics like mean, standard deviation, Correlation analysis and multiple linear regression analyses were used to investigate the relationship and impact of entrepreneurship trainings and perceived performance of MSE operators and MSEs. The key finding of the study was that entrepreneurship training programs/packages had low, intermediate and high correlations, with the performances of Arbaminch town MSE Operators. The Business planning preparation training exhibited a direct and significant correlation, both Marketing and business management trainings were intermediate and strong correction and accounting and financial management trainings were found low and intermediate correlation with performances MSEs.***

Keywords: Entrepreneurship, Entrepreneurship trainings, Micro and Small Enterprises (MSEs), Performance

1. Introduction

The role of Micro and Small Enterprises (MSE's) are immense, and they serve as sources for sustainable growth of economy and creating job opportunities not only for developed nations and developing countries also. Developing SME should be given prior attention for rapid economic growth for counties like Ethiopia. Generally promotion of MSEs in a country is increasingly more important to utilize the domestic resources fully, reduce regional imbalances and unemployment problems to achieve economic growth. The MSE's contributing considerable portion of economic development through creating market for local products, utilization of local raw materials, domestic human power and knowledge to the industrial sector (FEMSEDA, 2011).

The Ethiopian government framed a policy in 1997 (EC), accordingly the national MSEs development and promotion strategy had been designed to facilitate a favorable ground for the growth and development of SME sector. The core objective of this strategy was to create a conducive environment for MSEs development to attain economic growth, create long-term jobs, strengthen cooperation between MSEs, and provide a strong base for medium and large scale enterprises and promote export.

There are several internal and external factors playing a prominent role for the success of enterprises. According to Zahiruddin, Othman and Shamsuri (2012) generally the external factors are beyond the control of industries like economic, social, market and political environments. The internal factors are controllable factors by industries like planning production, human resource utilization, efforts to enhance marketing activities and so on. The well trained and skilled employees can contribute efficient performance and operations for the success of the SME's (Zahiruddin, Othman and Shamsuri (2012).

Valerio, (2014), conducted a study to investigate the intentions of the Universtiy student to become entreprenuer (self-employment) through entreprenuership education and its influence. The result of the study was most of the students have no confident to become the entrepreneur because fear of capital, less success factors and more failures, lack of experience and low-level encouragement from family and society. The influence of both entrepreneurship education and previous entrepreneurial experience are exogenous factors that may shape a student's cognitive process of self-employment intention, Kayanula (2000).

The entrepreneurship training programs has made a promising contribution to the development of entrepreneurial activities but still there are some gaps and deficiencies in training curriculums. According to a survey result in Ethiopia (2013) , 71.0% of government initiated MSEs have got entrepreneurship training services properly and that would help the trainees to run their business successfully. The Welday and Gebrehiowot (2004) stated that lack of Business

development centres (BDS) and business incubations in Ethiopia has found the major drawback for the growth and performance of small enterprises.

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The Objective of the study

The primary objective of the study was to analyse and study the effect of entrepreneurship training programs and perceived performance of MSE operators in Arab Minch town, Gomo Zone, SNNPR Region, Ethiopia.

2. Review of Literature

The several published and unpublished literatures had been reviewed and presented to support the study related to the effect of entrepreneurship training programs and perceived performance of MSE operators.

2.1 Entrepreneurship and Entrepreneur

Entrepreneurship and Entrepreneur has been defined by distinct scholars in different situations from time to time. The concept of entrepreneurship and entrepreneur was first established in the 1700s, and it was a loan word from French and the meaning has evolved ever since (Allis, 2013, Jones, 2006). An entrepreneur is a rare person who can visualize and materialize water in the desert. His foresightedness, vision, motivation, persistent efforts, the ability to presume the risks involved and their outcomes, and the thrust to achieve the desired goal, facilitate him to convert his ideas into reality. The entrepreneur carries out "new combinations," thereby helping to render old industries obsolete and established ways of doing business are destroyed by the creation of new and better ways to do them (Valerio, 2014). Entrepreneurship is a way of thinking, reasoning, and acting that result in the creation, enhancement, realization, and renewal of value for an individual, group, organization, and society and at the heart of this process are the creation and/or recognition of opportunities followed by the will and initiative to seize these opportunities (Rwamitoga, 2011).

2.2 Micro and Small Enterprises

There is no universally accepted definition for MSEs and different nations used different criteria depending on employment, total assets, net asset, paid capital and annual turnover and these are the measures to define and categorize enterprises into different categories (FDREMSEDA, 2011; Olomi, 1999).

In Ethiopian context, the MSE is defined according to MSE development strategy and Definition (CSA, 1997). This definition was based on paid capital or capital investment and employment and capital-intensive technologies also considered to define the MSE. The village cottage and handcraft enterprises used the motor operated equipment with less than 10 employees. (FDREMSEDA, 2011; Mesfin, 2015; CSA, 1997). The Classification of MSE in Ethiopia was presented in the below table.

Table 1: Classification of MSEs based improved definition

Level of the enterprise	Sector	Human power	Total asset
Micro enterprise	Industry	≤ 5	≤ 100000($6000 or Euro 4500)
	Service	≤ 5	≤ 50,000($3000 or Euro 2200)
Small enterprise	Industry	6-30	≤ birr 1.5 million ($9000 or Euro 70000)
	Service	6-30	≤ birr 500,000($30000 or Euro 23000)

Source: FDRE (2011)

2.3 Performance

The performance can be expressed that how well a person does a piece of work or an activity and Performance is an execution or accomplishment of work and also articulate the effective business planning, financial and non-financial capitals, system of management and resource allocation, goods/services produced, satisfied customers and employees (Njoroge, 2013; Kesy, 2010; Yahya, 2012). The Tambwe (2015) stated that the performance was a growth, stagnation or decline of a business entity. The growth indicated a successful performance and decline as unsuccessful performance or failure and the Stagnation pointed out that the successful performance due to the fact that some business owners have no motive and/or intention to grow (Tambwe, 2015). According to Munune (2013), he measured the performance in different dimensions that firstly (number of employees, growth in employees, number of customers, sales turnover and value of capital assets). Secondly, proxy performance measures (geographical range of markets- national versus international markets, formal business and VAT registration. Thirdly, the subjective measures (including the ability of the business and domestic needs- confidence in running a business) and finally, entrepreneurial performance measures (the desire to start a business or the desire for growth and ownership of multiple businesses. The Munene (2013) expressed in his study that the performances of entrepreneurs have been measured in terms of motivations, creativity and innovation, risk taking, identification of opportunities, business skills, business plan, financial skills, Marketing skills, operational skill, Human resource skill, legal skill, communication skill, and management skill. The several research studies were revealed that the performance of MSEs is influenced by the level of trainings and educations (EEA, 2015; FDREMSEDA, 2011; Lorz, 2011; McStay, 2008).

2.4 Entrepreneurship training

Generally, the Entrepreneurship education programs is mainly focused on building knowledge and skills towards the entrepreneurship and explicitly preparing for starting or operating enterprise. Entrepreneurship training can be defined as a more planned and systematic effort to modify or develop knowledge, skills, etc. through learning experiences to achieve effective performance in an activity or range of activities. The methods of delivering instructions used in entrepreneurship training methods varied depending on the learners. The trainers provide instructions for MSEs operator related to how to raise finance, legal regulations, choosing premises, taxation, book keeping and accounting and marketing problems (Njoroge, 2013). The entrepreneurship training programs mainly targeted the potential entrepreneurs and it included range, vulnerable unemployed, inactive individuals or necessity-driven potential entrepreneurs and on the other hand highly skilled, innovation-led, or opportunistic potential entrepreneurs (Valerio, 2014).

2.5 Micro and Small Enterprises (MSEs) Development in Ethiopia

The MSE is playing a great role in the socio-economic development endeavors in Ethiopia like other developing countries. It creates job opportunity, tool for economic and technological transition, generating income and saving, exploiting niche market and enhancing productivity. The MSE sector is the home of entrepreneurship, an essential spring board of growth, job creation and social progress at large (Shiferaw, 2013). The Assefa et al. (2014) stated that the primary objective of the MSE strategy framework was to create a favorable environment through which facilitate economic growth, create long-term jobs, strengthen cooperation between MSEs, provide the basis for medium and large scale enterprises and promote export. Even though, the MSE contributing lot for economic growth and development, still they are suffering from various challenges like access to finance, collateral, marketing, working and sales space constraints, capital goods and machinery, licensing and registration, attitudinal challenges and institutional coordination problem (Berihu Assefa, 2014). The MSEs growth and development slowdown due inadequate infrastructure facilities, poor managerial and technical skills, and inadequate working premises are the major challenges. The success of MSE's operations based on marketing problems, low support from respective institutions, inadequate supply of raw materials and regulatory issues (Mekonnen, 2006; Mesfin, 2015). The government supported enterprises with policies and strategies to achieve consecutive economic growth and alleviating poverty (Mesfin, 2015).

2.6 Entrepreneurship Training Curriculum

According to the World Bank statement (2014), the Entrepreneurship Training and Education are two different areas of intervention. The major difference among Entrepreneurship Training and Education relies on durations, contents, accreditation of the certificate or diploma, program target audiences, methodology and so forth (Njoroge, 2013).

2.7 Training Packages

There are three levels of trainings included in the training packages offered by enterprise development office. They are 1. Reach up level, 2. Start up level and Scale up level.

2.7.1 Reach Up

The Reach Up is the first level training program that stimulates the participants' initial interest and basic skills in entrepreneurship. It targets both young men and women who wish to start own business or fresh starters. The learning activity included in this level training is goal setting, basics of business planning, market research, saving and cash flow management, creating persuasive business plan presentations, utilize social media for marketing products, etc. A new set of skill may developed after completed this level training like stronger sense of self and personal capacity and action plan to implement what they have learned.

2.7.2 Start Up

This is a second level followed by the Reach up level training. In this level the participants who desire to establish a business they will impart their ideas for small business creation and modern business knowledge through a unique, in-depth and hands on learning approach.

2.7.3 Scale Up

It is final level training programs after completed the preceding levels. The follow up participants may get continue support in their scale up dream. After both Reach Up and Start Up training programs, the follow up participants and entrepreneurs can get continue support to fulfill their dreams. In this level business development service like coaching, mentoring, networking, job-shadowing and professional business advice to strengthen and expand businesses are offered to the participants. The Valerio (2014) stated that entrepreneurship training and Education courses forced the participants to prepare action plan that may be short, medium and long term but it helps to practice trough training knowledge and it makes them successful entrepreneurs their endeavors.

2.8 Challenges affecting the performance of MSEs

Although MSE is contributing significantly to the economy, small enterprises face serious challenges like inaccessibility of Business development services, marketing, working location, financial, technology, institutional linkage and policy related challenges (Mesfin, 2015). Eshetu and Zeleke (2008).

2.9 Impacts of Entrepreneurship Trainings Program

The Hisrich & Peters (1998), Njorege (2013) argue that the training creates new opportunities and possibilities as well as consciousness to attempt and complete certain tasks in a different way. The various researchers and scholars pointed

out the importance of trainings in different publications and they found most common causes for internal failure of enterprises are lack of training on business management, financial management and poor planning (Njoroge, 2013).

2.10 Training impacts on business and marketing management performance of MSEs

The Zimmerer & Scarborough (1998) revealed that internal issues are especially associated with management and they are most causes for business failures. The lack of experience, poor financial control, inadequate plan and forecasting are led to bad management skills. In addition, the poor marketing, poor market awareness, improper financial management, lack of strategic planning, poor liquidity is some of the common internal causes for MSEs failures. Zimmerrer (1998), Yahya(2012), Njorege (2013).

2.11 Training impacts on Financial Management performance of MSEs

The efficient financial management is essentially support the growth of MSEs. It is one of the major determinant factors for small business developments, therefore, the adequate financial management trainings is essential for the growth and development of MSEs. The lack of financial management knowledge let to poor cash-flow management, misuse of capital, poor saving culture, poor maintenance of financial document records, incapability to repay bank loans are highly influencing the performance of MSEs, Mesfin, (2015), AMTIO, (2014), Mekonnen, (2006), Shiferaw, (2013).

2.12 Training impacts on business plans preparation of MSEs

Most of the MSE owners are neglecting the strategic planning, and it is considered essential only for larger companies (Njoroge, 2013). A comprehensive business plan is essential for devise an effective marketing strategies, create a strong customer base and promotion of the company (Cornwall, 1990). The sound business plan is not just important for a business, and it is a base for all other strategic plans. Hisrich P., 1998).

3. Methodology

The study was designed as descriptive research to properly examine the possible effect of entrepreneurship training on the performance of MSE, Arbaminch town enterprise development office, Arba Minch, Gomo Zone, SNNPR Region, Ethiopia. The Arba Minch town consisted precisely of total 646 SME's. According to federal micro and small enterprise development agency (2013) the enterprises were typically categorized in five divisions such as manufacturing, service, construction, urban agriculture and trade sectors.

3.1 Sample size of the population

The total population of the study was 646 in which the specimen of the study determined according to Zikmund, W.G.(2010) formula, $Si = S(\frac{Pi}{P})$. Where S_i =is sample size for strata, S=assumed sample from target population, P_i =is population of strata "i" and P=is total target population. Therefore, the trial of the population was 110.

3.2 Sampling method and Technique

The aggregate population of the study was stratified according to enterprises categories. The study employed stratified random sampling technique, and samples were extracted from each stratum randomly indicated in the below table in detail.

Table 2: Sampling Population

S.No	Types of enterprises	Total population	Sample population	Percentage
1	Manufacturing	224	38	34.55
2	Construction	214	36	32.73
3	Urban Agriculture	17	3	2.73
4	Service	163	28	25.45
5	Trade	28	5	4.54
Total		646	110	100.00

Source: FMASEDA (2013)

3.3 Data collections

The study was employed both primary and secondary data. The primary data was collected through comprehensively prepared structured questionnaire along with open-ended questions and the secondary data was collected from various published and unpublished journals and documents.

3.4 Data Analysis

A five-point Likert scale was employed with highest to the lowest rating like strongly agreed (5) to strongly disagreed (1) and the collected data were analyzed in descriptive statistics. The descriptive statistics employed tabulation, percentage, cumulative percentage, and reliability test, Mean and S.D. Correlation coefficient and multiple liner regression analysis. The collected data were analyzed by (SPSS) version 20.0.

4. Results and Discussions

The descriptive analyses were invariably presented regarding the effect of entrepreneurship trainings on the performance of MSEs in Arbaminch town, Gamo Gofa Zone, SNNPR region, Ethiopia. In the grand total of 646 respondents, the researcher properly distributed 110 set of questionnaires in which 97 (88.18%) questionnaires only duly filled and voluntarily returned by the selected respondents proved in the below polished table.

Table 3: executive summary of questionnaire distribution

Variables	Frequency	Percentage
Questionnaires returned	97	88.18
Questionnaires unreturned	13	11.82
Total	110	100.00

4.1 Validity and Reliability Test

The Cronbach Coefficient alpha test was employed to ensure the reliability of the instrument and measure the internal consistency of independent and dependent variables. The Pearson's product moment correlation was applied to test the reliability of the questionnaire, and the values of all items were above (> 0.05). Therefore, it was considered as good reliability shown in the below table.

Table 4: Reliability Analysis

S.No	Variables	No of Items	Cronbach's Alpha
1.	Accounting and Financial Management Trainings	13	0.68
2.	Marketing Management Trainings	5	0.72
3.	Business Management Trainings	9	0.69
4.	Business Planning Trainings	3	0.79
5	Performance of MSEs Operators	5	0.64

4.2 Demographic profile of likely respondents

The socio economic profile of the respondents like Gender, Age, Marital Status, Education and work experience, employment status, ownership, prime location of MSE were properly presented and discussed through negotiating tables.

Table 5: Gender of the respondents

Gender	Frequency	Percent	Cumulative percent
Male	73	75.26	75.26
Female	24	24.74	100.00
Total	97	100.00	

Source: Primary Source (2019)

From the preceding table, in the total of 97 respondents, 73 (75.25%) male and 24 (24.75%) were female. From the table considerable majority of the participants in the Enterprise development office trainings and project beneficiaries were male.

Table 6: Age of the respondents

Age	Frequency	Percent	Cumulative percent
Below 20 years	0	0	0
21 – 30 years	69	71.13	71.13
31 – 40 years	28	28.87	100.00
Above 40 years	0	0	0
Total	97	100.00	

Source: Primary Source (2019)

The preceding table revealed that 69 (71.13%) respondents were in the age bracket of 21-30 years, followed by 28 (28.87%) were fallen in 31 to 40 years cohort, and no respondents were found below 20 and above 40 years age group. From this majority of the respondents were in the young people falling in between 21-30 years and they were the main target for Enterprise development office training and projects.

Table 7: Education level of respondents

Education level	Frequency	Percent	Cumulative percent
1-5th Grade	6	6.19	6.19
6-10th Grade	15	15.46	21.65
Preparatory	4	4.13	25.78
Technical & vocational	59	60.82	86.60
Higher education	13	13.40	100.00
Total	97	100.00	

Source: Primary Source (2019)

The above table showed that 6 (6.19%) respondents were in between grade 1-5, 15 (15.46%) were in grade 6-10, and four (4.12%) respondents were preparatory school. 59 (60.83%) respondents were in Technical and vocational education, and remaining 13(13.40%) were in higher education. From this table the majority of the respondents were technical and vocational education diploma/certificate holders.

Table 8: Marital status of respondents

Marital status	Frequency	Percent	Cumulative percent
Single	82	84.54	84.54
Married	9	9.28	93.82
Divorced	6	6.18	100
Widowed	0	0.00	0
Total	97	100.00	

Source: Primary Source (2019)

The above table indicated that 82 (84.54%) responders were single, 9 (9.28%) were married and remaining 6 (6.18%) codefendants were divorced and no answerers in a widowed category. From the table the absolute majority was single category.

Table 9: Location of the MSEs

S.No	Site of MSE's	Frequency	percent	Cumulative percent
1	Secha sub city	12	12.37	12.37
2	Sikela sub city	49	50.52	62.89
3	Chamo sub city	30	30.93	93.82
4	NechSar sub city	6	6.18	100.00
Total		97	100.00	

Source: Primary Source (2019)

The preceding table sufficiently revealed that 12 (12.37%) MSE's situated in Secha sub city, followed by 49 (50.52%) located in Sikela sub city, 30(30.93%) were around Chamo sub city and remaining six (6.19%) was at NechSar sub city. From this necessary majority of MSEs were concentrated in the heart of the town.

Table 10: status of MSE operators

S.No	Status of MSE operators	Frequency	Percent	Cumulative percent
1	Owner	63	64.95	64.95
2	Manager	18	18.56	83.51
3	Employee	16	16.49	99.95
Total		97	100.00	

Source: Primary Source (2019)

The previous table showed that 63 (64.90%) respondents were the owner of the MSE's, followed by 18 (18.56%) remain the managers of the MSE's and the remaining 16 (16.49%) were employees taken care of MSE's operations on behalf of proprietors. From this majority of MSE's were operated and managed by their owners.

Table 11: The work experience of Respondents

No. of years work Experience	Frequency	Percent	Cumulative Percent
Less than 1 years	5	5.15	5.15
1-2 years	24	24.74	29.89
3- 5 years	68	70.11	100.00
Above 5 years	0	0	0
Total	97	100.00	

Source: Primary Source (2019)

From the above table clearly stated that 5 (5.15%) respondents were less than one year experience, followed by 24 (24.74%) were 1-2 years, 68 (70.11%) were 3-5 years, and none of the respondents had above 5 years experience. From the table majority of the respondents had 3-5 years work experience in their respective filed of business.

Table 12: Previous employment status of MSE operators

S. No	Previous employment Status of MSE operators	Frequency	Percent	Cumulative percent
1	Unemployed	86	88.66	88.66
2	Civil Servant	3	3.09	91.75
3	NGO or self employed	0	0	91.75
4	Student	8	8.25	100.00
	Total	97	100.00	

Source: Primary Source (2019)

The above table expressed the pervious status of the respondents that 86 (88.66%) respondents were unemployed, three (3.09%) were from civil servant service and remaining eight (8.25%) was the students. None of the respondents were NGO/self-employed. From this majority of the respondents were unemployed.

Table 13: Level of Training availed by MSE operators

S. No	Entrepreneurship training taken By MSEs operators	Frequency	Percent	Cumulative percent
1	Reach Up	`74	76.29	76.28
2	Start Up	23	23.71	100.00
3	Scale Up	0	0	
Total		97	100.00	

Source: Primary Source (2019)

The above table revealed there were three stages in the training program conducted by Enterprise development office, in which 74 (76.28%) respondents were attended reach up Program, 23 (23.72%) were attended start up and none of the respondents reached scale up level program. From this majority of respondents were enrolled in foundational level Reach up training program.

Table 14: Participation of entrepreneurship trainings by the respondents

S. No	Have you ever participated any entrepreneurship trainings	Frequency	Percent	Cumulative percent
1	Yes	13	13.40	13.40
2	No	84	86.60	100.00
Total		97	100.00	

Source: Primary Source (2019)

The preceding table sufficiently showed 13 (13.40%) respondents were participated in other organization's training programs. 84 (86.60%) were attended first time in the training program conducted by enterprise development office training program. From this majority of the respondents were attended first time in MSE's training programs conducted by the enterprise development office training program.

4.3 Descriptive statistics

The descriptive statistics was employed to analyse the Entrepreneurship training programs and perceived performance of MSEs through percentage, mean and standard deviation. The Mean and Standard Deviation analysis were used a specific scale to analyze the question statements in three levels according to their weights (Sekaran, 2003). The weights were classified in to three ranges that Weak Agreement from 1 to 2.33, Good Agreement from 2.34 to 3.66 and Strong Agreement from 3.67 to 5.00. The highest value of SD indicated that there was a bigger variation regarding agreed, disagreed and neutral whereas the lowest value stated that little variation among the respondents (Rumsey, 2016). These analyses were presented in the below tables obviously. The mean and SD analysis between training programs and performance of MSE operators were shown below in the table.

Table 15: The training programs and performance of MSEs of operators

Variables	Mean	S. D
Accounting/financial management trainings	3.29	0.81
Marketing management trainings	4.25	0.82
Business management trainings	3.69	0.87
Business Planning trainings	4.58	0.59
Perceived performances of MSE operators after training programs	3.68	0.49

4.3.1 Accounting and Financial Management trainings

The above table showed the mean and SD values were 3.29 and 0.81 respectively. When compare to all other variables, the Accounting and Financial Management trainings received a low impact because the training program curriculum was essentially focused on motivating a new business start ups with necessary ideas rather than detail accounting and financial concepts of MSEs.

4.3.2 Marketing management trainings

According to the table value the mean and SD were 4.25 and 0.82 respectively. The marketing management training delivered a good impact than other independent variables due to more emphasis placed for the trainees to enhance their

passion and potentiality in creativity and value addition to marketing the products and services.

4.3.3 Business Management Training

The mean and SD values of business management training were 3.69 and 0.87 respectively. The value indicated the highest standard deviation that showed satisfaction of MSE operators. This indicated that the MSE operators were given high emphasis and attentively followed business management trainings than other variables in the training categories.

4.3.4 Business planning training

The table value revealed the mean and SD were 4.58 and 0.59 respectively. The highest mean and lower SD values indicated that the project implementers were focused acute attention to this category of the training than other three entrepreneurship trainings. Therefore, the projects were facilitating to consolidate the personal vision and possible opportunity in the locality of trainees through SMART (specific, Manageable, Achievable, Relevant and Time bounded) principle.

4.3.5 Perceived performances of MSE operators after training programs

The table showed the mean and SD values were 3.68 and 0.49 respectively. The performance of MSE operators had been found better and they effectively performing their businesses.

4.4 Correlation Analysis

The Pearson's Product Moment Correlation Coefficient analysis was employed to investigate the association between entrepreneurship trainings on perceived performance of MSE's operators. According to Devore and Peck (1993) , if the correlation coefficient is less than 0.5 represent a weak, greater than 0.5 but less than 0.8, represent a moderate and greater than 0.8 represent a strong relationship. Pearson correlation coefficient is a technique used to measure the degree of association between two variables and the value of 'r' fallen in between -1 and +1. The r +1 indicated a perfect positive linear (straight-line) while r -1 perfect negative linear or perfect inverse relationship. When correlation value approaches +1 represented a stronger and 0 value signified the weaker association between the variables.

4.4.1 Correlation analysis between Accounting/Finance training and the Performance of MSE Operators

Table 16: The Relationship between Accounting/Financial Management Training and performance of MSE operators

		Performance of MSEs Operators
Designing the value proposition	Pearson Correlation	0.018**
	Sig. (2-tailed)	0.2
	N	97
Preparing value proposition sheet	Pearson Correlation	0.19**
	Sig. (2-tailed)	0.04
	N	97
Key Business activity and resource costing	Pearson Correlation	0.13**
	Sig. (2-tailed)	0.02
	N	97
Record keeping	Pearson Correlation	0.67**
	Sig. (2-tailed)	0.02
	N	97
Source of business finance	Pearson Correlation	0.25**
	Sig. (2-tailed)	0.02
	N	97
Estimating annual sales income	Pearson Correlation	0.31**
	Sig. (2-tailed)	0.01
	N	97
Revenue and pricing strategy	Pearson Correlation	0.61**
	Sig. (2-tailed)	0
	N	97
Managing of cash, stock and credit	Pearson Correlation	0.49**
	Sig. (2-tailed)	0
	N	97
Financial analysis skill	Pearson Correlation	0.38**
	Sig. (2-tailed)	0.03
	N	97
Pricing of product/service	Pearson Correlation	0.65**
	Sig. (2-tailed)	0
	N	97
Understanding Terms and conditions of the loan	Pearson Correlation	0.67**
	Sig. (2-tailed)	0
	N	97
Loan processing procedure	Pearson Correlation	0.31**
	Sig. (2-tailed)	0
	N	97
Taxation issues	Pearson Correlation	0.26**
	Sig. (2-tailed)	0.02
	N	97

**Correlation is significant at the 0.01 level (2-tailed)

The above table showed there was a weak and statistically not significant relationship according to the correlation value (r=0.018 P<0.05), (r=0.19, P<0.05), (r=0.13, P<0.05) and (r=0.25, P<0.05). There was intermediate and statically significant relation found as per the correlation result (r=0.65, P<0.05), (r=0.31, P<0.05), (r=0.61, P=0.00), (r=049, P=0.00), (r=0.38, P<0.05), (r=0.65, P=0.00), (r=0.67, P=0.00), (r=0.31 P=0.00) and (r=0.26, P<0.05).

4.4.2 Correlation Analysis between Marketing trainings and Performance of MSE Operators

Table 17: The Relationship between Marketing Management Training and Performance of MSE Operators

		Performance of MSEs Operators
Knowing the customer	Pearson Correlation	0.96**
	Sig. (2-tailed)	0.04
	N	97
Customer handling	Pearson Correlation	0.81**
	Sig. (2-tailed)	0
	N	97
Reaching customer	Pearson Correlation	0.84**
	Sig. (2-tailed)	0
	N	97
Effective business communication	Pearson Correlation	0.83**
	Sig. (2-tailed)	0

	N	97
Designing marketing materials and promotion tools	Pearson Correlation	0.79**
	Sig. (2-tailed)	0
	N	97
Validating the customer problem assumptions	Pearson Correlation	0.67**
	Sig. (2-tailed)	0.02
	N	97

**Correlation is significant at the 0.01 level (2-tailed)

There was a strong and positive relationship found according to the correlation value (r=0.96, P<0.05), (r=0.81, P=0.00), (r=0.84, P=0.00), (0.83, P=0.00), and (r=0.79, P=0.00). There was statistically significant and intermediate relation established based on the result that (r=0.67, P<0.05). Therefore, a significant strong positive correlation (p<0.01) was identified between Training on marketing and Performance of SME's operators.

4.4.3 The Correlation analysis between business Management training and Performance of MSE Operators

Table 18: The Relationship between Business Management Training and Performance of MSE Operators

		Performance of MSEs operators
Product and Service Features and Benefits	Pearson Correlation	0.78**
	Sig. (2-tailed)	0
	N	97
Testing minimum viable product	Pearson Correlation	0.81**
	Sig. (2-tailed)	0
	N	97
Networking for business success	Pearson Correlation	0.61**
	Sig. (2-tailed)	0
	N	97
Effective Team management	Pearson Correlation	0.53**
	Sig. (2-tailed)	0.02
	N	97
Quality Improvement and Management	Pearson Correlation	0.76**
	Sig. (2-tailed)	0
	N	97
Human Resource Issues	Pearson Correlation	0.53**
	Sig. (2-tailed)	0.03
	N	97
Business Expansion & Growth Strategies	Pearson Correlation	0.66**
	Sig. (2-tailed)	0.01
	N	97
Managing Crisis in business	Pearson Correlation	0.41**
	Sig. (2-tailed)	0
	N	97

**Correlation is significant at the 0.01 level (2-tailed)

The preceding table sufficiently revealed there was a significantly beneficial relationship found according to the correlation values (r=0.78, P=0.00), (r=0.81, P=0.00), (r=0.76, P=0.00), (r=0.61, P=0.00), (r=0.53, p<0.05), (r=0.53, P<0.05), (r=0.68P<0.05), and (r=0.41, P=0.00).

4.4.4 The Correlation analysis between Business Planning training and Performance of MSE Operators

Table 19: The correlation analysis between Business Planning training and Performance of MSE Operators

		Performance of MSEs Operators
Articulating business Idea	Pearson Correlation	0.86**
	Sig. (2-tailed)	0
	N	97
Project Planning & Management	Pearson Correlation	0.81**
	Sig. (2-tailed)	0
	N	97
Preparing Business Plans/Proposals	Pearson Correlation	0.91**
	Sig. (2-tailed)	0
	N	97

**Correlation is significant at the 0.01 level (2-tailed)

The previous table depicted that there was a significantly positive and very strong relationship found between the Business Planning training and performance of MSEs operators according to the correlation result the (r=0.86, P=0.00), (r=0.81, P=0.00), and (r=0.91, P=0.00). Therefore, the business planning training had a significantly positive relationship with performance of the MSE operators.

4.5 Multiple Regression Analysis for Hypothesis Test

4.5.1 Shapiro-Wilk Test of Normality

The test of normality of data is a prerequisite for many statistical tests because normal data are underlying assumption in parametric testing. The sample size of the study is appropriate for the Shapiro-Wilk test of normality. According to the test of normality, the Significant value is greater than 0.05, indicated the data is normal and while below 0.05 is the data significantly deviate from a normal distribution (IBM, 2013). Therefore, the significant value of variables of this study was fallen in between the range of 0.965 and 0.623.

The multiple liner regressions analyses were used to assess the impact of Entrepreneurship trainings on performance of MSE operators in Arbaminch town. The independent variables were Accounting/Financial, marketing, Business management and Business Planning trainings and the performance of MSE operators were assumed as dependent variables. In this study the multiple Linear Regression analysis was employed to test the effect of multiple independent variables on the single dependent variable with interval scale. Therefore, to reinforce study the following hypothesis were framed and tested.

4.5.2 Hypothesis one

- **H0:** there was no significant impact between the Accounting/Financial management training and the performance of MSEs operators
- **H1:** there was a significant impact between the Accounting/financial management training and the performance of MSEs operators

Table 20: Regression analysis between Accounting and financial management training and the performance of MSE operators

Variables	Standardized coefficient		
	Beta	T	Sig
Constant		4.052	0.000
Designing the value proposition	0.011	0.531	0.053
Preparing value proposition sheet	0.067	0.969	0.763
Key Business activity and resource costing	0.103	0.432	0.230
Record keeping	0.191	1.021	0.010
Source of business finance	0.201	1.759	0.000
Estimating annual sales income	0.026	0.226	0.000
Revenue and pricing strategy	0.047	0.415	0.279
Managing of cash, stock and credit	0.117	1.025	0.000
Financial analysis skill	0.075	0.676	0.000
Pricing of product/service	0.200	1.617	0.000
Understanding Terms and conditions of the loan	0.034	0.299	0.000
Loan processing procedure	0.049	0.419	0.000
Taxation issues	0.073	0.698	0.504

According to the test result value the Multiple R 0.417, R square 0.174, Regression 5.561, and
Residual value 26.377, F 1.346 and Sig F 0.00

The coefficient of multiple regressions R indicated the degree of association between MSE operators' performances and Accounting/financial management training was 0.417 and R square value was 0.174. Therefore, the proportion of the variation in MSE business performance explained by the accounting/financial management training that was jointly 17.4% (0.174) and the remaining 82.6 % of the variation in Perceived performances of MSEs were explained by other variables that was not considered in this study. The above table expressed that the variables were statistically significant at 99% confidence level, and the designing value preposition, preparing value preposition sheet, key business activity and resource costing, revenue/pricing strategy and taxation issues were statistically insignificant, even at 95% confidence level. The Source of Business financing, pricing product/service and record keeping was the best predictor of MSEs performance with Beta-value of (0.201), (0.200) and (0191) respectively. Therefore, the null hypothesis rejected and alternative hypothesis was accepted. The Accounting/financial management training variables were significantly explained at 99% confidence level for MSEs performance in the Arba Minch town.

4.5.3 Hypothesis Two

- **HO:** there is no significant impact between Marketing management training and the performance of MSE operators
- **H1**: there was significant impact between Marketing management training the performance of MSE operators

Table 21: Regression analysis between marketing management training and the performance of MSE operators

Variables	Standardized coefficient		
	Beta	T	Sig
Constant		4.580	0.00
Knowing the customer	0.259	1.953	0.00
customer handling	0.169	1.654	0.001
Reaching customer	0.159	1.517	0.000
Effective business communication	0.199	1.812	0.000
Designing marketing materials and promotion tools	0.115	1.116	0.001
Validating the customer problem assumptions	0.103	1.230	0.000

According to the result of multiple regression values were Multiple R 0.58, R square 0.33, Regression 7.54, Residual 38.13, F 0.155 and Sig F 0.00

The coefficient of multiple regressions R indicated the degree of association between MSE operators' performances and marketing management training was 0.58 and R square value was 0.33. Therefore, the proportion of the variation in MSE business performance explained by the marketing management training that was jointly 33% (0.33) and the remaining 67% of the variation in Perceived performances of MSEs were explained by other variables that was not considered in this study. The above table indicated that the variables statistically significant at 99% confidence level. The highest predictor of MSEs performances was knowing the customer was with Beta-value of 0.259, followed by knowing the customer was the highest predictor of MSEs performances with Beta-value of 0.259, followed by Effective business communication, customer handling skill, reaching customers, designing marketing materials/promotion tools, and validating customer's problems with Beta-values of 0.199, 0.169, 0.159, 0.115 and 0.103 respectively. Therefore, the null hypothesis rejected and alternative hypothesis was accepted. The marketing management training variables were significantly explained at 99% confidence level for MSEs performance in the Arba Minch town.

4.5.4 Hypothesis Three

- **H0:** there was no significant impact between the Business management training and the performance of MSEs operators
- **H1:** there was significant impact between Business management training and the performance of MSEs operators

Table 22: Regression analysis between business management training and the performance of MSE operators

Variables	Standardized coefficient		
	Beta	T	Sig
Constant		6.477	0.00
Product and Service Features and Benefits	0.011	0.093	0.003
Testing minimum viable product	0.092	0.803	0.001
Networking for business success	0.016	0.146	0.000

Effective Team management	0.033	0.299	0.000
Quality Improvement and Management	0.090	0.753	0.000
Human Resource Issues	0.073	0.675	0.000
Business Expansion & Growth Strategies	0.016	0.138	0.000
Managing Crisis in business	0.098	0.873	0.004

According to the result of multiple regression values were Multiple R 0.183, R square 0.033, Regression 0.782, Residual 22.66, F 0.380 and Sig F 0.00

The coefficient of multiple regressions R indicated the degree of association between MSE operators' performances and business management training was 0.183 and R square value was 0.033. Therefore, the proportion of the variation in MSE business performance explained by the business management training was jointly 3% (0.033) and remaining 97% of variations in performances of MSE operators were explained by other variables that were not considered in this study. The Beta-value of product/service feature/benefits, testing minimum viable product, network business success, effective team management, quality management, HR issues, business expansion/growth strategy and managing crises in business, 0.011, 0.092, 0.016, 0.033, 0.090, 0.073, 0.016, and 0.098 respectively indicated that there was a positive relation relationship between Business management training and perceived performances of MSEs were statistically significant at 99% confidence level. Therefore, the null hypothesis rejected and the alternative hypothesis was accepted. The MSEs performance influenced the Management training.

4.5.5 Hypothesis four

- **H0:** there was no significant impact between the Business Planning training and the performance of MSEs operators
- **H1:** there was significant impact between Business Planning training and the performance of MSEs operators

Table 23: Regression analysis between business planning training and the performance of MSE operators

Variables	Standardized coefficient		
	Beta	T	Sig
Constant			0.00
Articulating business Idea	0.163	1.578	0.000
Project Planning & Management	0.320	1.735	0.000
Preparing Business Plans/Proposals	0.853	1.995	0.000

Multiple R 0.800, R square 0.64, Regression 13, Residual 19.125, F 1.284 and Sig F 0.00

The coefficient of multiple regressions R indicated the degree of association between performance of MSEs and business planning training was 0.800 and R square value was 0.64. Therefore, the proportion of the variation in MSE business performance explained by the business planning training was jointly 64% (0.64) and remaining 36% of variations in performances of MSE operators were explained by other variables that were not considered in this study. The R square value 64% was statistically significant. The highest predictor of MSEs performance was preparing business plans/proposals with Beta value 0.853 followed by the Beta value calculated for Project planning/management (0.320), and Articulating business vision (0.163). The (independent) explanatory variables coefficients were zero and it was statistically significant at 99% confidence level. Therefore, the null hypothesis rejected and alternative hypothesis was accepted.

4.6 The strategies for upgrading the Entrepreneurship Training Programs

The challenges confronted by the entrepreneurship training programs and various strategies framed for advancement of the programs discussed below.

Table 24: Post training supports and follow ups

S.No	Does the Enterprise development Office providing post training supports and follow ups	Frequency	Percent
1	Yes	78	80.41
2	No	19	19.59
Total		97	100.00

Source: Primary source (2019)

From the above table, it was explicit that 78 (80.4%) respondents availed post training support services while 19 (19.6%) weren't utilized any post training supports and follow up from Enterprise development office Enterprise business growth (EBG) project. Therefore, majority of respondents confirmed that Enterprise development office provided post training supports and follow up to enhance the skills and performances of MSEs operators.

Table 25: The length of Entrepreneurship training programs

S.No	How would you rate the length of training program	Frequency	Percent
1	Short Time	1	01.03
2	Fair	30	30.93
3	It was long time training	66	68.04
Total		97	100.00

Source: Primary source (2019)

Above table showed 1(1.03%) respondents said the length of the training programs was short time, 33 (30.93%) respondents opinions were fair time duration and remaining 66 (68.04%) had an opinion that time period of the programs very long. From this the majority of the respondents were sincerely believed that the training period required long duration to satisfactorily complete all contents of the training programs.

4.7 Missing Topics

According to the open-ended questions, the majority of the respondents were expressed their opinions that the topics like Auditing techniques, time management, technical trainings, operational management, budget and allocation, business model and prototypes, and government policy directions were uncontained in the present training programs and these topics should be included further to enrich the entrepreneurship training.

4.8 Strategies for Improving Entrepreneurship training programs

The respondents were replied for the open-ended question regarding the strategies for improving training programs. The majority of the he respondents were suggested that continues follow up for trainees, a special tie-up between SME's and financial institution, SME products market should be created, stationery materials should be provided, develop more comprehensive training programs, allowances and refreshments for SME's, organizing a practicing scenario for fresh and young entrepreneurs.

5. Summary of Conclusion

The core points of the findings of the study were summed up and presented as a summary and conclusions below as follows.

- The socio economic analysis of the respondents was revealed that 75.25% of respondents were male and most of the project beneficiaries were male. The 71.13%, of respondents participated in the training programs were youth in between 21and 30 years old. Most of the respondents 60.82% belonged to were technical and vocational education diploma/certificate holders. 84.54% participants were single and majority of the MSEs (50.51%), concentrated at sikela sub city. The majority of MSEs operators 64.9% were the owners the business. The 72% of respondents had two-five year experience in respective filed for business. Most of the participants (88.6%) of the training program were unemployed.
- In the descriptive statistics analysis, 76.28% respondents were attended reach up Program offered by Enterprise development office. The majority 86.58% of the respondents were attended first time training program at Enterprise development office.
- The overall mean and SD score were ranged highest 4.58 to lowest 3.29. The Accounting/ financial management training mean and SD (3.29, 0.81) had a low-level impact on the training program. The mean and SD (4.25, 0.82) for marketing management training were indicated the very good and excellent impact from the respondents. The business management training mean and SD (3.69, 0.82) showed a positive impact on the training program. The business planning training mean and SD (4.58, 0.59) indicated a good impact on the training program and finally the perceived performance of MSE operators mean and SD (3.68, 0.49), indicated a fair impact on after the trainings.
- The correlation analysis between the training programs and perceived performance of MSE operators discovered that the Accounting/financial management trainings had fallen in between very low to medium association, Marketing Management trainings had a statistically medium to substantial correlation, the Business Management Trainings was ranged between a medium to strong correlation and Business Planning Training had a very strong correlation with the perceived performance of MSE operators relatively other training programs.
- The multiple liner regression analysis described that Entrepreneurship training programs had a significant impact on perceived performance of Arbaminch town MSEs Operators. The Business Planning training was the strongest predictor variable and marketing management trainings was the second predictable variable than other three categories. The Accounting/financial and Business management trainings were the weakest predictor variable on perceived performance of MSE operators.
- According to the multiple linear regressions analysis there was positive and statistically significant relationships were found between Accounting/financial management training, marketing management training, Business management training and business planning training and perceived performance of MSE operators. Therefore, the null hypothesis was rejected and alternative hypothesis were accepted in all the four cases.
- Responses regarding the questions that strategies for enrichment of training programs, most of the respondents (80.4%) were availed the post training programs and follow up services. The (64.9%) respondents were stated that the training programs had long-time duration and suggested to include some other topics than the existing program contents.

6. Recommendations

Based on the findings of the study, following suggestions were forwarded.

- The entrepreneurship development office has to define clearly the pre-requisite skills for trainees and offer a need based trainings to enhance the MSE operators' skills to handle financial and other crises happened in the business.
- A comprehensive and appropriate training program has to offer for the operators and the training programs have to support to action oriented, risk minimizing, and problem solving and financial trainings.
- The entrepreneurship development office has to design a competency model that defines desired skills and abilities required and critical skills considers to evaluate to train and developed the MSEs operators.
- The Enterprise development office has to consider the respondents' feedback and redesign alternative techniques to consolidate all training packages without the redundancy and missing of subject matter.
- The Enterprise development office has to review the missing topics and included new concepts like Auditing techniques, time management, required technical trainings, operational management, budget preparation and allocation, supporting business models and prototypes, and updated government policy directions.
- The Enterprise development office has to devise a strategy to enrich the training programs and encourage the MSE operators through continues and maintain follow up actions, establish link between MSE operators and financial institution, build adequate market opportunities, offered stationery materials, initiate more comprehensive programs, arranged required allowances and refreshments,

set-up a practising ground for fledgling entrepreneurs and making training programs easily accessible, affordable and continuous follow up.

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