

Creating entrepreneurs

Seven-year research study by Allan Gray Orbis Foundation and the University of Pretoria identifies the top competencies of action-driven business owners across diverse backgrounds

TOTT CONTRIBUTOR

Aspiring entrepreneurs from all backgrounds can start businesses if they cultivate a set of 14 entrepreneurial competencies.

This is the key finding of a seven-year joint academic study by the Allan Gray Orbis Foundation (AGOF) and the University of Pretoria (UP) on how to foster a rise in business start-ups in a highly diverse society.

Titled "SA's Entrepreneurial Competency Framework," the research presents a toolkit highlighting the most valuable competencies aspiring entrepreneurs need to develop at different levels, as well as the most effective teaching strategies for those from diverse backgrounds within the SA context.

In collaboration with Prof Melodi Botha, an expert and researcher in entrepreneurship at UP, the two organisations joined forces to answer two questions: "Which entrepreneurial competencies should be developed?", and "How can these entrepreneurial competencies be enhanced?"

"SA's Entrepreneurial Competency Framework showcases the creation and validation of distinctive entrepreneurial competency frameworks and pedagogies tailored for our school children, university students, and entrepreneurs," Botha said.

The research was conducted in seven phases over seven years.

In phase one, the researchers reviewed existing entrepreneurial frameworks from around the world, with more than 200 academic and industry sources analysed, including information about the Fourth Industrial Revolution.

Out of this, 16 different common frameworks or models were identified.

In phase two, 1,150 local entrepreneurs were surveyed, an initial list of 228 entrepreneurial competencies were extracted from the 16 models, and after numerous workshops and discussions with experts, a shorter list of 19 key entrepreneurial competencies were identified.

In phase three, several statistical tests

were conducted, and it was found that various different competencies were necessary before and during the entrepreneurial journey.

"We found that taking successful action as an entrepreneur involved six key competencies: opportunity assessment, innovation, calculated risk-taking, having a growth mindset, displaying leadership, and possessing self-efficacy," Herman said.

In phase four, a series of workshops with entrepreneurs and experts yielded a short list of 14 key competencies, while extensive research during phase five revealed the four best teaching method categories to develop the 14 entrepreneurial competencies: Idea, opportunity and product development exercises, role-play and simulations, business canvas development, and getting entrenched in business start-ups through internships.

The 14 key entrepreneurial competencies:

- Action orientation;
- Autonomy (locus of control);
- Calculated risk-taking;
- Curiosity;
- Growth mindset;
- Innovation;
- Leadership;
- Opportunity recognition;
- Opportunity assessment;
- Problem-solving;
- Resilience;
- Self-efficacy;
- Value creation; and
- Value-driven.

(Source: Allan Gray Orbis Foundation and University of Pretoria)

For phase five, the research included reviewing both international and SA literature, analysing content, and using a mix of research methodologies to determine the best approach to teach and develop the 14 entrepreneurial competencies for different groups.

In phase six, various demographic profiles were analysed to see who might possess the most entrepreneurial competencies, but one key feature for business start-ups emerged across demographics.

"Those individuals who possess a growth

mindset emerged as the most likely to start businesses," Botha said.

The final phase of the research was geared towards solving the absence of a "valid and reliable way to measure entrepreneurial competencies in SA or Africa", which prompted the team to work with Prof Alewyn Nel, an industrial psychologist from UP's human resource management department, to develop the measurement tool they needed.

The tool was tailored to three groups — adults, university students and high school pupils — to effectively measure entrepreneurial competency in each group.

"What became clear from our work is that many entrepreneurship education programmes take a generic approach when developing entrepreneurial competencies.

"They often fail to consider individual learning styles, sticking to a one-size-fits-all method.

"Even some international frameworks that were tested didn't quite meet the mark," AGOF head of impact assurance Carl Herman said.

"In SA, a diverse country with people from many different backgrounds, this lack of personalisation is a growing concern.

"Programmes need to address the unique needs and characteristics of different groups to be truly effective, and they need to be interactive and practical."

Conclusion

"The research showed that improving one entrepreneurial competency can help improve others, as they are often interconnected," Herman said.

"Through this extensive entrepreneurial competency research, we invite everyone to envision a SA where each entrepreneur, whether budding, emerging, or established, has access to entrepreneurial competencies that speak to their individual entrepreneurial profile and journey.

"A SA where we no longer adopt a blanket approach but celebrate and nurture the unique SA entrepreneurial competency framework that ignites entrepreneurial competencies within each entrepreneur."

The research can be accessed here: <https://allangrayorbis.org/article/empowering-tomorrows-entrepreneurs/>



BLISSFUL CELEBRATION: Ocean Bliss Café's Stoffel Coetzee hands out free cupcakes on Saturday November 1, to celebrate the much-loved East Beach venue's first anniversary. **Picture: SUE GORDON**