

UNIVERSITY OF CAPE COAST

EFFECTS OF ENTREPRENEURSHIP SKILLS ON THE PERFORMANCE
OF SMALL AND MEDIUM SCALE ENTERPRISES: A STUDY OF
SMOCK ENTERPRISES IN BOLGATANGA

BY

PATIENCE ATAABASUM AVEA

Dissertation submitted to the Centre for Entrepreneurship & Small Enterprise
Development, School of Business of the College of Humanities and Legal
Studies, University of Cape Coast, in partial fulfilment of the requirements for
the award of Masters of Business Administration degree in Entrepreneurship

JULY 2020

DECLARATION

STUDENT'S DECLARATION

I hereby declare that this dissertation is the result of my own original research and that no part of it has been presented for another degree in this university or elsewhere.

Candidate's Signature: Date:

Name:

Supervisors' Declaration

I hereby declare that the preparation and presentation of this dissertation was supervised in accordance with the guidelines for supervision of dissertation as laid down by the University of Cape Coast.

Supervisor's Signature: Date:

Name:

ABSTRACT

Small and Medium Scale Enterprises (SMEs) contribute a colossal percentage to Gross Domestic Product (GDP) in ensuring economic growth, employment, income stability and poverty reduction in most developing countries like Ghana. In spite of the above roles most of these enterprises are now collapsing as a result of not performing creditably well. It is in line with this that this study examines the effect of entrepreneurial skills on the performance of the Bolgatanga smock enterprises. The subject was investigated using a descriptive survey method that employs both qualitative and quantitative techniques to collect and analyze data using instruments such as questionnaires and interviews. Both open and close ended questions were designed for the study. The study showed that majority of entrepreneurs in the Bolgatanga smock industry had no or very little training on entrepreneurship and were engaged in enterprises which were necessity-based rather than opportunity-based. The study also found out those entrepreneurs who had entrepreneurial skills performed above average. They had the ability to recognize potentially profitable business opportunities and were risk takers. Prior knowledge of customers' needs and management skills were also important but were rated low. Several challenges were noted to affect growth and performance of the smock industry. These included poor access to credit facility, lack of adequate market, lack of business training and absence of government support. The study recommended training on entrepreneurial skills and provision of support services to the enterprise owners.

ACKNOWLEDGEMENT

I wish to express my profound gratitude and appreciation to my supervisor, Dr. Edward Amarteifio Centre for Entrepreneurship & Small Enterprise Development for his fatherly love, guidance, and suggestions toward the achievement of this Thesis.

My sincere thanks also go to the entrepreneurs of the Bolgatanga smock enterprise for the permission and availing themselves for the conduct of this research.

Lastly, to my husband Mr. Maxwell Banu for his constructive criticisms and unflinching support.

DEDICATION

To my parents Mr. and Mrs. Avea and to my siblings Prosper Avea Avea and
Avebire Asira-soh Avea.

TABLE OF CONTENTS

DECLARATION	ii
ABSTRACT	iii
ACKNOWLEDGEMENT	iv
DEDICATION	v
TABLE OF CONTENTS	vii
LIST OF TABLES	xi
LIST OF FIGURES	xii
ACRONYMS	xiii
CHAPTER ONE	1
INTRODUCTION	1
Background to the Study	1
Statement of the Problem	4
Purpose of the Study	5
Objective of the Study	5
Research Questions	6
Significance of the Study	6
Scope of the Study	7
Limitations of the study	7
Definition of Terms	8
Organisation of the Study	8
CHAPTER TWO	9
LITERATURE REVIEW	9
Introduction	9
Overview of Entrepreneurship	10
Definitions of Entrepreneurship	11
Entrepreneur	12

Development of the Entrepreneur	12
Characteristics of the Entrepreneur	16
Age of the Entrepreneur	16
The Entrepreneurs' Gender	17
The Entrepreneurs' Business Experience	17
Skills of Entrepreneurs	18
Entrepreneurship Theories	23
Psychological Theories	24
Sociological Theories	26
Theory of Entrepreneurial Discovery-Austrian Perspective	27
Timmons' Model of Entrepreneurship	28
Small and Medium Enterprises	32
Definition of Small scale enterprises in Ghanaian context	32
Operational definition of Small and Medium Enterprises	33
The Role of SMEs in Development	34
Empirical Literature Review	38
Studies conducted	38
Gap in the Literature	40
Conceptual Framework	40
Chapter Summary	42
CHAPTER THREE	43
RESEARCH METHODS	43
Research Design	43
Geographical Area of Study	44
Population	44
Sample and Sampling Procedure	45
Research Instrument	46

Pre-test	47
Validating the Instrument	47
Reliability	47
Data Collection Procedure	48
Ethical Considerations	48
Data Analysis	50
Chapter Summary	50
CHAPTER FOUR	50
PRESENTATION AND DISCUSSION OF RESULTS	50
Introduction	50
Response Rate	51
Socio-Demographic and Economic Characteristics	51
Gender of respondents	51
Age of respondents	52
Respondents' Marital Status	53
Entrepreneurs' Educational Level	54
Entrepreneurs' Number of Dependants	54
Respondents' Monthly Income	55
Findings on Research Objectives of the Study	56
Business Types	57
Form of Business Ownership	58
Age of business	59
Source of Business Idea	61
Respondents' Personal Traits	61
Type of Entrepreneurship Skill Possessed	62
Impact of entrepreneurship skills on respondents' business	63
Ranking of Entrepreneurship Skills	65

Constraints affecting SME Performance and Growth	66
Strategies Entrepreneurs used to Overcome Constraints	67
Other Issues from the Interview	68
Entrepreneurs	68
Importance of Entrepreneurship Skills in Running a Business	69
CHAPTER FIVE	70
SUMMARY, CONCLUSIONS AND RECOMMENDATIONS	70
Summary	71
Key findings of the study	72
Conclusions	73
Recommendations	75
Further Area for Research	78
REFERENCES	78
APPENDICES	86
Appendix A: Questionnaire for Entrepreneurs	86
Appendix B: Interview Questions	90

LIST OF TABLES

1: Entrepreneurship Skill	24
2: Respondents' Gender	53
3: Age of the Entrepreneurs	54
4: Entrepreneurs' Marital Status	54
5: Respondents' Level of Education	55
6: Number of Dependants	56
7: Monthly Income	57
8: Training on Entrepreneurship	58
9: Entrepreneurs' Business Type	59
10: Form of Business	60
11: Age of Business	61
12: Source of Business Idea	62
13: Personal Trait	63
14: Skills Possessed by Entrepreneurs	64
15: Impact of Skill used in Business	65
16: Ranking Entrepreneurship Skills	67
17: Constraints to SME Growth and Performance	68
18: Strategies to Overcome Constraints	69
19: Importance of Entrepreneurship Skills in Running Business	71

LIST OF FIGURES

1: Timmons Model of Entrepreneurship	30
2: Conceptual Framework	42

ACRONYMS

CEO	Chief Executive Officer
EU	European Union
GRA	Ghana Revenue Authority
GDP	Gross Domestic Product
GEDC	Ghana Enterprise Development Commission
GSS	Ghana Statistical Service
NGO	Non-Governmental Organisation
NBSSI	National Board for Small Scale Industries
PHC	Population and Housing Census
SMEs	Small and Medium Enterprises
SPSS	Statistical Package for Social Sciences

CHAPTER ONE

INTRODUCTION

The role of entrepreneurship and an entrepreneurial culture in economic and social development in developing countries has often been underestimated. Over the years, however, it has become increasingly apparent that entrepreneurship indeed contributes to economic development (Shane, 2003). In developing economies like Ghana and in the Upper East Region, most of business activities are in the informal sector and are termed as Small and Medium Enterprises (SMEs). Disadvantaged groups such as women, youth and those who are least educated and those who have retired from formal employment dominate the informal sector in Ghana. These groups mostly known as entrepreneurs are sometimes the source of innovation and have access to greater numbers of very productive people (Schumpeter, 2005). However, this potential is under-utilized due to lack of entrepreneurship skills in addition to other factors. Entrepreneurship is the viable alternative in the face of unemployment in the country, hence conscious effort must be made to harness this potential. This study would help established the essence of acquiring entrepreneurial skills in growing the smock industry in Bolgatanaga Municipality.

Background to the Study

Small and medium enterprises constitute the most important enterprises in the Upper East Region due to the simplicity of technology needed and the availability of local inputs. These industries include pottery, basketry, straw works and smock weaving as well as leather works. One distinct feature of these local industries is that they basically rely mostly on traditional talent and skill

(Population & refer to that Housing Census, 2010). Smock has recently been making progress in the local market in the Upper East region of Ghana. Its current progress seems to make the venture a dependable source of income for most people in the region. The industry involves both men and women since weaving is mostly done by women while the men do the sewing. The smock is attire worn on festive and special occasions such as festivals and marriage ceremonies. The smock has traditional value accorded it by chiefs and queen mothers of Northern Ghana.

The prominence attached to smock wearing as a national outfit dates to Osagyefo Dr. Kwame Nkrumah's "battle regalia" when he declared Ghana's independence. Currently, smock wearing has become a fashion sensation across the country especially among politicians as well as more stylish and informal designs being crafted for the youth (Soore, 2016). Though this is encouraging, scholars are skeptical about the sustainability of this indigenous industry in the current global economy. The indigenous nature of the smock weaving enterprise and its economic sustainability prospects for the savannah zone regions is under economic threat (Dzramedo and Dabuo, 2015).

In some countries, entrepreneurship is linked to regional development programs and the creation of new firms are stimulated to boost employment and output in depressed regions (Schumpeter, 2005). In others, entrepreneurship is one of the strategies designed to facilitate the participation of certain target groups such as women, youth or disadvantaged groups in the economy. Yet in other countries, entrepreneurship is taken as means to increase firm creation; while others set out to support high-growth firms (Hilsrich, 2005). Although many countries regardless of the level of economic development are making

serious efforts to support entrepreneurship, the impact of entrepreneurship appear to vary.

This underutilization of the untapped potential in the disadvantaged group is attributed to a myriad of reasons. Two major reasons to account for the underutilization of this potential are, first, Inability to effectively use entrepreneurship skills and knowledge in poverty reduction and secondly, lack of initiatives to facilitate entrepreneurship skills and knowledge among groups susceptible to poverty in order to bring meaningful economic and social transaction so as to promote and enhance income distribution (Gakure, Ngugi, Waititu & Keraro, 2013).

Many of these groups face difficulty in accessing finance from formal financial institutions as well as borrowing from informal financial sector such as village banks, Money lenders, friends and relatives. Even if the funds are made available, few among the disadvantaged groups effectively and efficiently use them to improve the performance of their SMEs because of lack of entrepreneurship skills.

Enterprises can gain competitive advantage by implementing continual and on-going innovations. The managerial skills and knowledge are in the centre of this process of innovations (Papulová & Mokros, 2007). Many times, these facts are underestimated by small entrepreneurs and overlooked by support programs for development of this size of entrepreneurship.

Small and medium enterprises (SMEs) form considerable part of Domestic Economy and they are also considered as an important source for development of the Economy (Gerber, 2005). Development and support programs for SMEs should also focus on developing entrepreneurial skills and

knowledge. However, this research seeks to understand the effect of entrepreneurial skills on the performance of SMEs in Bolgatanga Municipality.

Statement of the Problem

There are increasing number of very small enterprises that provides employment and business experience for its operators but much inroads have not been made. This is because local businesses fall short in tapping into the productivity gains of modern technology and entrepreneurial training. These small and medium size enterprises ought to serve as ‘entrepreneur nursery’ for larger future companies. This growth can practically be achieved through entrepreneur training.

Indeed, Frimpong (2013) agrees that the SME sector has done commendably well in contributing to the economy of Ghana. However, the sector still faces some challenges that require immediate attention to harness its full potentials. According to him, the full benefits of SMEs have not been realized in Ghana largely due to the difficulty SMEs have in developing entrepreneurial skills, lack of access to high quality and affordable business development services, lack of adequate technical and management support services and limited access to information on market opportunities. Thus, he recommends, deliberate investment into skill, entrepreneurship development and access to technology (Frimpong, 2013).

The indigenous smock industry is equally being hurdled by this problem. A 2014 Daily Graphic report on the smock industry indicated very wide entrepreneurial skills and valuable technical gaps in the indigenous smock industry. Business advisory support is lacking, such that skills required in smock designing and weaving to improve the total enterprise cannot be said to

be present. This problem of lack of exposure to modern designing tools, current trends in smock designing and weaving, and modern training tool which will equip them with the set of skills are also lacking. These skills are necessary for any entrepreneur to be abreast with modern textiles industry not only to improve the quality of their product but also to make them competitive.

The lack of these factors has predisposed the indigenous smock industry to stiff competition from imported products (Abdulai, Palich, & Longenecker, 2016). In view of this, Dzramedo and Dabuo (2015) opined that smock weavers in the industry have quite an in-depth experience in the industry however the industry has not made any significant impact on poverty reduction and employment. The problem of lack of entrepreneurial training being a limitation to several smock enterprises has attracted attention of some scholars (Dzramedo & Dabuo, 2015). However, the study of the industry has been considered as a microcosm of the Ghanaian textile industry. This does not allow researchers to pay attention to the dynamics of the indigenous industry. This research seeks to explore the effect of entrepreneurial skills on small and medium enterprises of the Bolgatanga smock industry.

Purpose of the Study

The purpose of the study was to have an in-depth understanding of the effect of entrepreneurial skills on the performance of SMEs in the smock enterprise of Bolgatanga.

Objective of the Study

The objectives of the study were;

1. To establish the entrepreneurship training received by the smock entrepreneurs in the Bolgatanga Municipality.
2. To determine if Entrepreneurship skills were applied in establishing the smock industry in Bolgatanga Municipality.
3. To establish the effects of entrepreneurship skills on the performance of Bolgatanga smock enterprise.
4. To identify constraints to the application of entrepreneurial skills to the smock enterprises in Bolgatanga Municipality

Research Questions

The study sought to provide answers to the following research questions through the collection of responses of industry players and resort to literature;

1. What is the level of entrepreneurial training of smock weavers and sewers?
2. What are the effects of entrepreneurial skills on the smock enterprise?
3. What are the challenges facing the smock enterprise?

Significance of the Study

This study was necessary to demonstrate to concerned players in the smock industry about the relevance of entrepreneurial skills to the developing of indigenous industries.

The research outcome will increase the understanding of factors affecting the development of SMEs. It will also offer inputs for the process of designing measures to improve SMEs development, as well as provide supporting information for formulating National entrepreneurship development strategy. Furthermore, the findings will make significant contribution to the enhancement of the growth potential of business ventures through

understanding the effects of an entrepreneur's personal traits linked to entrepreneurship skills and personal networks on entrepreneurial development.

Scope of the Study

In Ghana, there are so many Small and Medium Enterprises (SMEs) operating in the country and each one of them face some challenges. These challenges normally prevent them from growing and also inhibit their contribution to the economy effectively. Within the context of this study, the focus is on the effects of entrepreneurial skills on the performance of SME's operating within the Bolgatanga Municipal Assembly in the Upper East Region. Looking at the delimitations of this study the researcher focused on the Bolgatanga smock enterprises. These include the retailers, smock weaving and sewing.

Limitations of the Study

Certain Limitations was encountered at the course of conducting this study. One of the greatest challenges encountered by the researcher was the inaccessibility of data due to extreme data gaps situations in the country. This compelled the researcher to limit the study to small enterprises.

Another limitation of this study relates to time, funds and logistics constraints, which limited the intensity of the spread or area of coverage of the study. SME's were spread throughout the length and breadth of Bolgatanga Municipal but the research only covered the smock enterprises.

The researcher was also faced with some respondents who failed to complete questionnaire given them and this limited the number of respondents who were involved in the study despite the researcher's efforts and approaches to explain the potential benefits of the study to them.

Definition of Terms

Characteristics: Key personal and organizational features of entrepreneurs in SMEs.

Enterprise: Commercial venture other than Technological and Consultancy services.

Entrepreneur: A person (male or female) who is engaged in enterprise activities.

Informal Sector: Individuals or groups of people who are engaged in legitimate business enterprises some of whom may be regulated by the government but the vast majorities are considered to be operating outside the legal regulations of the state.

Entrepreneurial Skills: Skills that complement the ability of the entrepreneur to analyze situations, opportunities and environments and assist the entrepreneur to organize, manage and assume the risks and rewards of a business or enterprise (Kuratko & Hodgetts, 2008).

Performance: A process by which an individual or organization manages its resources in line with its objective to accomplish the set goal.

Organisation of the Study

This study was presented in five chapters. Chapter one introduced the study by giving the background information of the subject matter, statement of the problem, objectives of the study, related research questions, and the organisation of the study. Chapter two focused on the theoretical framework of the research and a review of pertinent and related literature on the major aspects of the study. The methodology and approach to the study was presented in chapter three. Chapter four discussed data presentation and finding of the study.

Chapter five which was the last, gave the summary, conclusion and recommendations as unearthed by the findings of the study

CHAPTER TWO

LITERATURE REVIEW

Introduction

This study explored the effect of entrepreneurship skills on the performance of SME. This chapter covered detailed literature review of the main concepts of this research work namely entrepreneurship, theoretical

review of literature, model of entrepreneurship, empirical literature review and the conceptual framework.

Overview of Entrepreneurship

As globalization reshapes the international economic landscape and technological change creates greater uncertainty in the world economy, the dynamism of entrepreneurship is believed to be able to help to meet the new economic, social and environmental challenges (Mulegeta, 2010). Governments world-wide increasingly consider entrepreneurship and innovation to be the cornerstones of a competitive National Economy, and in most countries Entrepreneurship policies are in fact closely connected to innovation policies, with which they share many characteristics and challenges (Kuratko & Hodgetts, 2008). Despite the general interest, entrepreneurship objectives and policies nevertheless differ considerably among countries, owing to different policy needs and diverse perspectives on what is meant by entrepreneurship (Elkan, 1998). In support of this, Schumpeter (2005) states that in some countries, entrepreneurship is linked to regional development programs and the creation of new firms is stimulated to boost employment and output in depressed regions. In other countries, entrepreneurship is a key element of strategies designed to facilitate the participation of certain target groups, such as women or minorities in the economy. Some countries simply seek to increase firm creation as such, while others set out to support high-growth firms. While many countries are making serious efforts to support entrepreneurship, results appear to vary.

In other situations, countries especially developing ones such as Ghana, they want to understand the determinants of and obstacles to entrepreneurship,

and they need to analyze the effectiveness of different policy approaches. Thus, the lack of internationally comparable empirical evidence has however constrained our understanding of entrepreneurship and many questions remain unanswered (Hilsrich, 2005). Ultimately, policy making by each country must be guided, as far as possible, by evidence and facts gathered from research.

Definitions of Entrepreneurship

Different authors have defined entrepreneurship differently depending on their ideology but still there are few common elements among authors. Kirzner (2007) defined entrepreneurship on three essential attributes. First is the ability to perceive potentially profitable business opportunities. Second is the willingness to act on what is perceived. Third is the necessary organizing ability to align all available resources into a profitable combination with a profit generating potential. Entrepreneurship operates in an environment greatly influenced by government policy.

Timmons and Spinneli (2007) define entrepreneurship as a way of thinking, reasoning and acting that is opportunity obsessed, holistic in approach, and based on leadership balance. From the selected definitions of entrepreneurship in this study, there is agreement that we are talking about a kind of behavior that includes: initiative taking, the organizing and re-organizing of social and economic mechanisms to turn resources and situations to practical account and finally the acceptance of risk or failure. Nevertheless, in the case of this study, the researcher opted for a combination of Kirzner's (2007) and Timmons and Spinneli (2007) definition of entrepreneurship.

Entrepreneur

Moore, Petty, Palich, and Longenecker (2008) define an entrepreneur as an individual who discovers market needs and launches new firms to meet these needs. Kuratko and Hodgetts (2008), define entrepreneurs as individuals who recognize opportunities where others see chaos or confusion and are aggressive catalysts for change within the marketplace. Entrepreneurship is more than the mere act of enterprise creation. Enterprise creation is an important facet in entrepreneurship. The characteristics of seeking opportunity, taking risks beyond security and having the vigor to push an idea through to reality make people with an important mindset (Kuratko & Hodgetts, 2008).

In more recent times, the term entrepreneurship has been extended to include elements not necessarily related to enterprise formation (Hilsrich, 2012). Activities like conceptualization of entrepreneurship are a specific mindset resulting in entrepreneurial initiatives like social entrepreneurship, political entrepreneurship and knowledge entrepreneurship. For the purpose of this study, all active owner managers of enterprises are considered as entrepreneurs.

Development of the Entrepreneur

Contrary to the assumption of Western-based models that entrepreneurial career is chosen, in Africa, most entrepreneurs are forced into it by the urgent need to earn a living and survive (Olomi & Rutashobya, 2007). In Africa, the expansion of entrepreneurship is curtailed by legal, administrative, socio-economic and political factors rather than the characteristics of entrepreneurs themselves (Laser, 2009). Given this background, concerted

entrepreneurship development is imperative in order to cultivate entrepreneurial talents in the business community.

What has been written about entrepreneurship in Africa paints a gloomy picture (Elkan, 2000). It stresses the difficulties that Africans have sometimes experienced in running large and even small businesses (Elkan, 2000). Part of the gloom stems from viewing entrepreneurship in the wrong context. In a less restrictive economic environment, entrepreneurship is not likely to prove the bottleneck that is often feared. In particular, African entrepreneurship is more likely to succeed in relatively small businesses than in the large undertakings.

An initial upsurge of development of most societies has often been attributable to the enterprise of a minority group as it is the case with the Chinese in Southeast Asia; "Levantine" in West Africa; Asians in East Africa; Parsees in India; Samurai in nineteenth-century Japan; and Non-Conformists, especially Quakers in seventeenth-century England. They did not share a common race or beliefs that predisposed them to entrepreneurial aptitudes. However, they were all minorities, and their feelings of insecurity may have encouraged them to seek economic success (Elkan, 2000). Schatz (2002) writing specifically about Nigerians, found them "responsive to the possibility of gain and ready to pursue economic advantage vigorously and strenuously." He also describes them as "flexible and venturesome, willing to seek far and wide and to take risks in the quest for profit."

Lack of finance on reasonable terms is the most frequently cited deterrent to entrepreneurship (Elkan, 2000). Banks confine lending to the larger, established enterprises, consequently, new ventures, small or large, are forced to borrow in the informal market where interest rates are much higher (Elkan

2000). This diagnosis explains why so much thought, effort, and money has gone into development banks and other credit institutions that provide loans at subsidized rates of interest. A distinction is sometimes made between the investment aspects of entrepreneurship, that is, identifying market opportunities and acting upon them and the managerial side i.e. running a business once it is established (Hilsrich, 2012).

Most of the programs designed to improve the efficiency of SMEs are concerned only with the managerial side. They concentrate on teaching personnel management, human relations, stock control, and accountancy. The emphasis on accountancy is of long standing. Small businesses do not keep books, often fail to distinguish between business and household expenditures, and are therefore, unable to compute their total capital. No doubt, these deficiencies matter when firms grow beyond a certain size. However, for most small firms the most vital requirement is business acumen - a feel for buying in the cheapest market and selling in the dearest. That does not even require literacy: witness the early experience of Marks and Spencer, which has ultimately become one of Britain's most successful multiple chain stores (Van, 2007). There is no real evidence of improvements in performance as a result of attending a course in entrepreneurship. It is not enough simply to assert the need for training without demonstrating that it is effective. Elkan (2000) points out that Page and Steele's careful and balanced report on small enterprise development asserts rather than demonstrates need for training, although Page and Steele redeem themselves by conceding that "there is insufficient knowledge about how to provide training effectively. Their observation does

not address the pertinent issue of the benefits of entrepreneurial skills for small businesses.

Being “entrepreneurial” may not be incompatible with being bad at running a business once it has been established. For example, in most African countries, the biggest entrepreneurial successes have not been in large industry but in property development and large-scale agriculture. In Kenya one purchaser of an unprofitable large farm near Eldoret used the profits of his butchery and beer hall to transform the fortunes of his farm. Likewise, Ivorians are said to prefer agriculture and property dealing because they promise a higher rate of return than large industry (Islam, 2005).

Commercial skills are much more a product of circumstances than of innate qualities (Elkan, 2000). In Kenya, the Kikuyu have a reputation for being entrepreneurial, yet their pre-colonial history offers a satisfactory explanation in their geographical location, half way between the coast and the interior. The Akamba next door are reputed to be less entrepreneurial, yet, when the opportunity arose to create a lucrative woodcarving industry that now has a worldwide market, they showed a high degree of commercial talent (Elkan, 2000). There is a general agreement that entrepreneurial career can be developed through entrepreneurial training (Olomi, 2001).

Black, Burton, Traynor, and Wood (2005) posit that an entrepreneurial culture can be created through among other things, practical oriented business courses and need-specific training. They urge that education and training can “strengthen the need for achievement, alleviate fear of failure and enhance self-confidence”. Indeed, it has been shown that entrepreneurial learning capability does not only lead to the development of management skills but also to

entrepreneurial success in terms of improved efficiency, cost reductions, higher productivity and it also triggers personal entrepreneurial skills (Sharma & Vredenburg, 2003).

Ongoing support services are also important in creating and nurturing entrepreneurs. Writing about support systems for Micro and Small enterprises in Morogoro District in Tanzania, Mbilinyi and Shundi (1999) found that the successful entrepreneurs were those that received credit package with follow-up training component. Thus, training and technical assistance are considered necessary components of SME projects because they guarantee effective use of credit and enhance borrowers' productivity and income (Brush, 2008).

In brief, entrepreneurs can be created through provision of relevant training and education programs although in developed economies there is a conception that entrepreneurs are born and not made. That is, even though there is still an ongoing argument that no matter how much specialized education and training is offered to a person, they either have the right stuff to excel or they don't (Laser, 2007). Recent studies tend to support the argument whether entrepreneurs' traits are an inherent part of an entrepreneur's character or not.

Characteristics of the Entrepreneur

Several studies have found that demographic characteristics such as age, gender, individual background on education and former work experience all have an impact on entrepreneurial intention and endeavor (Kolvereid, 1996).

Age of the Entrepreneur

Young people are arguably cognitively sharper, less distracted by family or other responsibilities, and more open to transformative ideas (Weber 2006). However, many other forces may influence the life cycle of entrepreneurship.

The opportunity for starting a business might increase with age because many entrepreneurial resources accumulate with age including human capital, financial capital and social capital, all of which may promote both the decision to start a new business.

Weber (2006) found that individuals aged 25-44 years were the most entrepreneurially active. Findings from another study in India by Sinha (1996) disclosed that successful entrepreneurs were relatively younger in age.

The Entrepreneurs' Gender

Kuatko and Hodgetts (2008) found that females were generally less likely to be founders of new business than male. This is because women are still busy playing the role of caretaker in most families. Women spend more time with their families on a daily basis while their male counterparts spend at least half their days working on their startup or venture. Similarly, Kolvereid (1996) found that males had significantly higher entrepreneurial intentions than females.

Entrepreneurship plays an important role in creating jobs, innovation and growth. Against this backdrop, interest in women's entrepreneurship has grown among scholars and policymakers. While the rationale for women's entrepreneurship has traditionally focused on enhancing women's equality, empowerment and social inclusion, its development is now seen to make good economic sense.

The Entrepreneurs' Business Experience

Kolvereid (1996) found that individuals with prior entrepreneurial experience had significantly higher entrepreneurial intentions than those without such experience. Conversely, McClelland (2000) found that respondents

with previous government employment experience were less likely to be successful founders of small-businesses. However, the authors did not investigate the relationship between previous employment experience in private companies and entrepreneurial intentions. A research by Laser (2000) found that entrepreneurship education produces self-sufficient enterprising individuals. Furthermore, they found that entrepreneurship education increases the formation of new ventures, the likelihood of self-employment, the likelihood of developing new products, and the likelihood of self-employed graduates owning a high-technology business.

Also, the study revealed that entrepreneurship education given to employee increases the sales growth rates of emerging firms and graduates' assets. Similarly, Sinha (1996) who analyzed the educational background of the entrepreneur revealed that 72 percent of the successful entrepreneurs had a minimum of technical qualification, whereas most of the unsuccessful entrepreneurs (67%) did not have any technical background. The author summed up that entrepreneurs with business and technical educational background are in a better position to appreciate and analyze hard reality and deal with it intuitively, which seems to play a critical role in entrepreneurial effectiveness.

Skills of Entrepreneurs

Entrepreneurial Skills are the skills that complement the ability of the entrepreneur to analyze situations, opportunities and environments and assist the entrepreneur or manager to organize, manage and assume the risks and rewards of a business or enterprise (Kuratko & Hodgetts, 2008). That is, Entrepreneurship skills are particularly important to performance in emerging

market economies such as Ghana. The skills may ignite more entrepreneurial opportunities and nurture attractive innovative enterprises that will eventually create successful entrepreneurs. Several researchers have acknowledged the fact that skills such as management skills can be acquired. Personal qualities have a strong influence on the management skills and competencies of the entrepreneur Kolvereid (1996).

According to Shane (2003), an entrepreneur can discover only those opportunities related to his or her prior knowledge. It is presumed that prior knowledge creates a “knowledge corridor” that allows an entrepreneur to recognize certain business opportunities, but not others. Furthermore, literature reveals that the management skills of an entrepreneur refer to knowledge, skills, and abilities required for managing a venture (Dollinger, 1995). Another study by Kuratko and Hodgetts (2008) found that financial management, accounting, marketing and sales were meaningful skill areas of successful entrepreneurs.

To be successful, Malecki (1997) argues that entrepreneurs must know how to integrate scientific knowledge, facts, and management techniques with contextual experience. This implies that an entrepreneur’s management skills are favorable to business performance and development (Dollinger, 1995). In addition, it has been acknowledged that new ventures rely on whatever knowledge resources are brought to the table by the founders (Brush, 2008).

Through empirical studies based on his consultancy practice, Gerber (2005) points out that small business are founded mostly by technicians, specialists, or professionals in certain fields and most of entrepreneurs perform their own technical work with high quality and efficiency. However, seldom are management and managerial skills neglected. Similarly, several academic

researchers have examined the effectiveness and support initiatives focused on providing entrepreneurs with the abilities and insight to develop their businesses (Chou, 2012). A mixture of studies found that some key factors that may lead to the business failure were due to the lack of management skills or competencies (Black *et al.*, 2005) and the other perspective concluded that management skills of entrepreneurs were conducive to business performance and growth (Dollinger, 1995).

Furthermore, some scholars argue that successful entrepreneurs were typically able to employ a host of various skills in areas such as financial management, accounting and marketing (Kuratko & Hodgetts, 2008). Some researches such as that of Lussiers and Pfeifer (2001) empirically established that in addition to competencies and personality traits, human capital of individual entrepreneurs play a role in contributing to the success of entrepreneurs. Their study found that entrepreneur with higher educational level, industrial and managerial experience and business exposure has greater chance of succeeding compared to people without tertiary education, minimal industrial and managerial experience and with little or no business exposure.

Brush (2008) asserted that one of the biggest challenges facing new ventures is transforming the founder CEO's personal knowledge of the industry, market, and product into organizational resources. Management of prior knowledge is an important factor in opportunity recognition. Three major dimensions of prior knowledge considered to be important to the process of opportunity recognition are: - prior knowledge of markets, prior knowledge of ways to serve markets, and prior knowledge of customer problems (Lussiers & Pfeifer, 2001)

Some studies in service industries such as tourism and hospitality offer some insights into identifying firm resources capable of generating sustainability, including proper communication and coordination skills, behavioral performance skills, information exchange skills and speed of transaction management competency (Kuratko & Hodgetts, 2008). This argument is supported by Lerner and Haber (2007) who found that good managerial skills were critical to performance of the small tourism venture.

In brief, prior knowledge, through entrepreneurial alertness ultimately helps entrepreneurs discover innovative ways (opportunity recognition) to satisfy the needs of the customers through new products, services and processes (Kuratko & Hodgetts, 2008). And for this reason, the role and management of information in opportunity recognition is critical especially in high-technology domains. That is, higher skills and knowledge of entrepreneurs leads to greater likelihood to the success in entrepreneurship (Brush, 2008). A good number of studies have acknowledged the fact that prior knowledge of a market, industry, or customer needs are important entrepreneurship skills and can be a major advantage for entrepreneurs in terms of recognizing potentially profitable opportunities (Shane, 2000).

These studies have argued that “prior knowledge of customer needs and ways to meet them greatly enhances entrepreneurs’ ability to provide innovative solutions to these problems” and thus they are important in recognizing potentially valuable business opportunities (Shane, 2000). Three types of procedural knowledge are important (Lussiers & Pfeifer, 2001) knowledge about the industry, knowledge about the type of business and knowledge about starting up new ventures. Findings by Haber and Reichel (2007) found that a

large number of small tourism ventures in Israel showed that the entrepreneurial human capital, particularly managerial skills, were the strongest contributor to small venture performance both in short and long term perspectives. Furthermore, entrepreneurial learning capability and pro-activity have been identified as key dimensions of management skills (Sharma & Vredenburg, 2003).

Entrepreneurial learning capability does not only lead to the development of management skills but also to entrepreneurial success in terms of improved efficiency, cost reductions, higher productivity and it also triggers personal entrepreneurial skills. It has been noted that enterprises with higher learning capability are more sensitive to changes and tendencies in the market. They are usually more flexible and respond more quickly than their competitors to such changes because entrepreneurial learning provides for the creation of new useful knowledge for making decisions in the enterprise, allowing for more complete adaptation to the environment and increased efficiency capabilities Perelman (2001).

One of the necessary management skills that entrepreneurs need to have is a good plan. This in turn can help the entrepreneurs in business marketing and earn the trust of customers and suppliers (Batten, 2002) and thereby contribute to business success. Perelman (2001) reviewed the management style of women entrepreneurs in high technology industries, in a rapidly changing environment. These entrepreneurs were found to make decisions in an environment that is clouded by uncertainty and ambiguity, thus, good decision is largely dependent on their judgment. Perelman found that to be successful in their businesses, decisions that they made needed to reflect the changing needs of high-tech

industries. In addition, they were flexible in risk-taking, focus, personal involvement in day-to-day running of the business, creativity, energy renewal (innovation), understanding (insight) and business impulse (intuition) (Timmons & Spinelli, 2007). All these were required to ensure good management skills. In summary, based on the literature reviewed above, some of the most important Entrepreneurship skills which affect entrepreneurial success are listed in Table 2.1.

Table 2.1: Entrepreneurship Skill

S/N	Skills
1	Opportunity recognition
2	Willingness to act on opportunity
3	Aligning available resources to maximize profit
4	Using prior knowledge of customer needs and ways to meet them
5	Management skills

Source: Compiled from Literature Review.

Entrepreneurship Theories

Kuratko and Hodgetts (2008) define entrepreneurship theories as verifiable and logically coherent formulations of relationships, or underlying principles that either explains entrepreneurship, predict entrepreneurial

activities, or provide normative guidance. Early scholars such as Joseph Schumpeter, Marx Weber, David McClelland and others looked at entrepreneurship from hypothesizing several theories among them like psychological, sociological and economic theories. In this vein, Schumpeter and McClelland were the main proponents of the psychological theories which looked at the individual characteristics or traits of entrepreneurs which made them different from other people.

On the other hand, Marx Weber and others proposed sociological theories of entrepreneurship, where they hypothesized that the social environment under which an entrepreneur lived in, shaped a person to become an entrepreneur. The third category is the economic theories whose proponents were Adam Smith and Richard Cantillon in the 17th and 18th centuries respectively. They saw entrepreneurs as people of ‘creative destruction’ for economic growth (Schumpeter, 2005; Dollinger, 1995). Linked to the economic theory is theory of Entrepreneurial Discovery-Austrian perspective (Swedberg, 2000). This theory is based on anticipating market behavior and needs of customers exactly and correctly.

Psychological Theories

Psychological or personal theory brings out the difference in individuals’ attitudes. According to these psychological theories, the difference in attitudes (i.e. the internal attitudes) and the ability to judge and forecast the situation lead a person to become a successful entrepreneur (Holt, 1992). Islam (1989) observed that, perhaps the first and certainly, the most important theory of Entrepreneurship’s psychological roots was put forward in early 1960’s by David McClelland, who found that certain kinds of people, including and

especially those who become entrepreneurs have a high need for achievement, high need for affiliation, and high need for power.

According to McClelland, high need for achievement (N-ach) is the desire to do well, not so much for the sake of social recognition or prestige but for the sake of an inner feeling of personal accomplishment. McClelland proposes that people with high N-ach have a strong desire to solve problems on their own; enjoy setting goals and achieving them through their own efforts; like receiving feedback on how well they are doing; are highly motivated; are likely to take calculated risks and like autonomy (McClelland, 1972). According to McClelland these desires are formed during middle childhood. Despite its wide acceptance, McClelland's theory faced criticism as it failed to discuss competence and ignored the influence of external environment.

One of the elements in McClelland's theory is willingness for risk taking (Risk taking propensity). New venture creation involves taking risk and financing of such a venture is called risk capital. McClelland and Everett Hagan attribute that the inculcation of the achievement motive is associated to child rearing practices which stress standard of excellence, material wealth, self-reliance training and low father dominance. These traits are formed during childhood and produced by reasonably high standards of excellence imposed at a time when the child can attain them (McClelland, 1972).

Furthermore, Shane (2003) notes that there are several ideas as to why someone becomes an entrepreneur. Some of these ideas belong to the psychological theories of entrepreneurship, which basically suggests that there are a number of psychological traits possessed by the entrepreneur which allow him or her to undertake such a task. The following are the psychological traits

noted by Shane to be associated with an entrepreneur: there is a leader, the entrepreneur, who is the driving force behind economic events; inside the mind of this entrepreneur is a vision of a future state that is preferred to the present state through a semiconscious process of intuition and insight rooted in experience. The entrepreneur develops this vision and a strategy of how to implement it; this vision is promoted diligently and passionately by the entrepreneur.

The job for many people provides a feeling of being “alive” or the satisfaction of serving society; the strategy is deliberate and the overall vision is clear, however details may be malleable, incomplete, and emergent. Entrepreneurial strategies tend to go along with simple centralized organizational structures that respond quickly to the entrepreneur’s directives; Entrepreneurial strategies tend to be used in niche markets that have not been noticed by the large industry leaders. Essentially, Shane (2003) proposed that entrepreneur ought to see things that other people are not to see as business opportunities and be able to act on them (risk taking). This kind of inclination of behavior or traits can also be learned through training and other kinds of education programs.

Sociological Theories

The sociological theories on the other hand try to explain the social conditions from which entrepreneurs emerge and the social factors that influence their decision (Timmons 2008). Weber and others hypothesized that the adoring entrepreneurial energies are generated by the adoption of exogenously supplied religious beliefs (Weber, 1946). For the faithful, these beliefs, both in their direct implications for practical conduct and in the

entrained anxiety to generate signs of favorable predestination, produce intensive exertion in occupational pursuit (Weber, 1958). The occupational pursuit is presumed to be a systematic order of means to ends (rather than end itself) and the accumulation of productive assets.

Theory of Entrepreneurial Discovery-Austrian Perspective

Austrian Theory of Entrepreneurship relates to anticipation of market behavior and needs of customers exactly and correctly so as to produce more cheaply than competitors and earn profit (Swedberg, 2000). This is related to economic theories. Entrepreneur makes it useful for customers and hence as it will be more useful, entrepreneur can earn more. This idea is directly linked to earning profit while anticipating market and customer needs in advance.

By this theory, it is showed that successful entrepreneurs will be those who can earn more profit. Entrepreneurial discovery emerged in Austrian Economics by evolving two elements. First, the market acts as an entrepreneurially driven process and second is knowledge, which can be increased by market interaction (Kirzner, 2007). Austrian entrepreneurial discovery theory has three main concepts. These components are entrepreneurial role, the role of discovery and rivalries competition.

Essentially, the Austrian approach emphasizes entrepreneurship with economic activity and market processes. In summary Austrian approach emphasizes entrepreneurship with economic activity and market processes while according to Schumpeter's theory, entrepreneurship is a cocktail of practices relating to economic, personal and sociological aspects. Both theories have different and similar aspects on entrepreneurship.

Timmons' Model of Entrepreneurship

Timmons (2008) described different components of entrepreneurship and named them entrepreneurial processes. His model emphasizes three entrepreneurial components which are Opportunity, Resource and the Team. Each component is discussed in the following paragraphs.

(a) Opportunity

Where there are more imperfect markets there will be more opportunities to exploit. This is according to Timmons (2008), "The greater the rate of change, the discontinuities and the chaos, the greater is the opportunity." Entrepreneur will have more room to exploit prevailing opportunities. So the important task is to search for those opportunities and capitalize on them. This is a core characteristic of an entrepreneur that he or she should be opportunistic in orientation.

(b) Resources

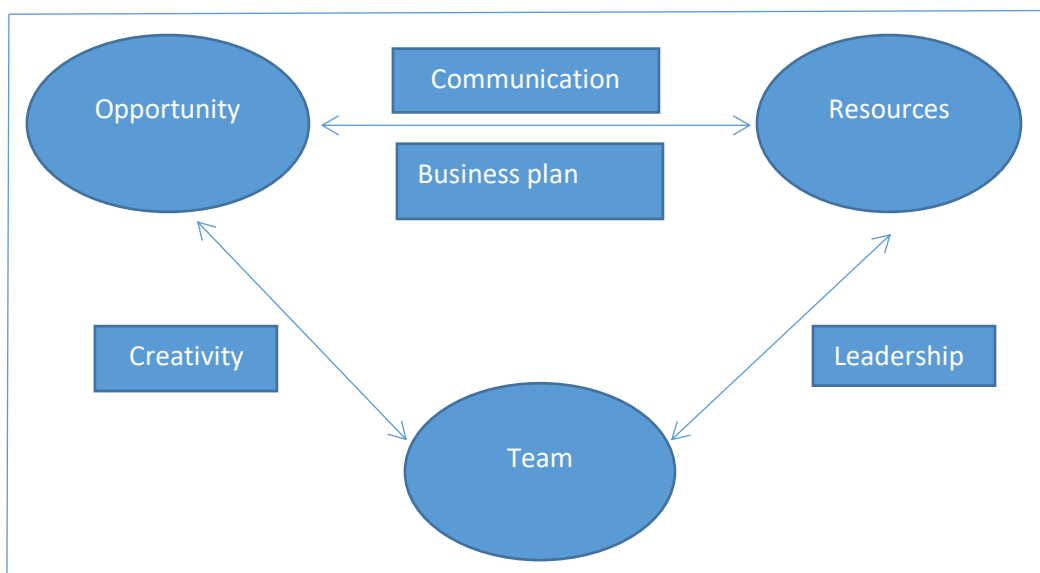
Resources are not always first priority to an entrepreneur. Innovative business idea is at top of his or her priority list. No doubt, new business always needs lots of resources but if there will be no business idea then this money is useless (Beck & Demirguc-Kunt, 2004). According Schumpeter (2005), an entrepreneur has the strength to stand up and resist if he or she feels any problem even in the form of resources. If an entrepreneur has a problem to access financial resources from a bank then he or she may have capabilities to seek alternative ways to access resources.

(c) Team

Team in a firm always stand firm with organizational objective (Schumpeter (2005). It is also a core characteristic of an entrepreneur and an

important factor of entrepreneurship. The entrepreneur should make up a team and utilize team strengths to achieve firm's overall objective. This is teamwork which works well during periods of uncertainty. Teamwork provides solidarity in times of adversity. In summary, various authors have different approaches on entrepreneurship and the entrepreneur. This may be due to their research and the environment in which they worked or are working. Each provides ways of explaining entrepreneurship. In general, innovation, risk taking and creativity are essential parts of theories of entrepreneurship.

Figure 2.1: Timmons Model of Entrepreneurship



Source: New venture creation, entrepreneurship for the 21st century

Definition and classification of SME's in Global Context

Definitions of Small and Medium Enterprises (SME's) vary from country to country, depending on one or more of thresholds laid down in respect of investment, employment, turnover etc. The issue of what constitutes a small or micro enterprise is a major concern in the literature. Different writers have usually given different definitions to this category of business. SME's have

indeed not been spared with the definition problem that is usually associated with concepts which have many components. The definition of firms by size varies among researchers as well as writers. Others define SME"s in terms of their legal status and method of production. Some attempt to use the capital assets while others use labour and turnover level.

Bolton Committee (1971) first formulated an "economic" and "statistical" definition of a small firm. Under the "economic" definition, a firm is said to be small if it meets the following three criteria:

- It has a relatively small share of their market place;
- It is managed by owners or part owners in a personalized way, and not through the medium of a formalized management structure;
- It is independent, in the sense of not forming part of a large enterprise.

Under the "statistical" definition, the Committee proposed the following criteria:

- The size of the small firm sector and its contribution to GDP, employment, exports, etc.;
- The extent to which the small firm sector's economic contribution has changed over time;
- Applying the statistical definition in a cross-country comparison of the small firms' economic contribution.

The Bolton Committee applied different definitions of the small firm to different sectors. Whereas firms in manufacturing, construction and mining were defined in terms of number of employees (in which case, 200 or less qualified the firm to be a small firm), those in the retail, services, wholesale, etc. were defined in terms of monetary turnover (in which case the range is 50,000-

200,000 British Pounds to be classified as small firm). Firms in the road transport industry are classified as small if they have 5 or fewer vehicles. There have been criticisms of the Bolton definitions. These centres mainly on the apparent inconsistencies between defining characteristics based on number of employees and those based on managerial approach.

In Japan, small-scale industry is defined according to the type of industry, paid-up capital and number of paid employees. Consequently, small and medium-scale enterprises are defined as: those in manufacturing with 100 million yen paid-up capital and 300 employees, those in wholesale trade with 30 million yen paid-up capital and 100 employees, and those in the retail and service trades with 10 million yen paid-up capital and 50 employees. (Ekpenyong, 1992)

European Union (EU) Member States, traditionally have their own definition of what constitutes an SME, for example the traditional definition in Germany had a limit of 250 employees, while, for example, in Belgium it could have been 100. But now the EU has started to standardize the concept. Its current definition categorizes companies with fewer than 10 employees as "micro", those with fewer than 50 employees as "small", and those with fewer than 250 as "medium" By contrast, in the United States, when small business is defined by the number of employees, it often refers to those with fewer than 100 employees, while medium-sized business often refers to those with fewer than 500 employees. Canada also defines a small business as one that has fewer than 100 employees (if the business is a goods-producing business) or fewer than 50 employees (if the business is a service-based business), and a medium-sized business as fewer than 500. (Carsamer, 2009)

Small-scale industries are defined as manufacturing units employing not more than 30 persons. For the purpose of differentiating them from the other small-scale non-farm economic activities, the emphasis is placed on the manufacturing aspect. Manufacturing means producing or making physical items. This means that pure service activities such as government services, retail trade, banking, recreation and insurance services are not included. However, repair services are included in the manufacturing enterprises because they have something to do with formally manufactured goods. The argument is that manufacturers do not always produce a finished good but only perform one stage in a sequence of a process. The fact that an item can be repaired implies that there is a further stage in the manufacturing process (Chapman & Walker, 1987:p.3 cited by Dinye, 1991).

After looking at the definitions and classifications of SME's in the global perspective, it is important to examine definitions of SME's given in the context of Ghana.

Small and Medium Enterprises

Definition of Small Scale Enterprises in Ghanaian Context

In Ghana, various definitions have been given for Micro, Small and Medium scale enterprises but the most commonly used criterion is the number of employees of the enterprise (Kayanula & Quartey, 2000). In using this definition, confusion often arises in respect of the unpredictability and cut off points used by the various official sources.

According to the National Board for Small Scale Industries (NBSSI, 1990) SME's is defined in Ghana by applying both the "fixed asset and number of employees" criteria. It defines a small-scale enterprise as a firm with not more

than 9 workers, and has plant and machinery (excluding land, buildings and vehicles) not exceeding 10 million Ghanaian cedis and micro with employees less than five. As espoused by the Ghana Statistical Service (GSS), firms less than 10 employees as small-scale enterprises and their counterparts with more than 10 employees as medium and large-sized enterprises. Ironically, the GSS in its national accounts considered companies with up to 9 employees as SME's (Kayanula & Quartey, 2000). The value of fixed assets in the firm has also been used as an alternative criterion for defining SME's.

The Ghana Enterprise Development Commission (GEDC), on the other hand, uses a 10 million Ghanaian cedis upper limit definition for plant and machinery. It is important to caution that the process of valuing fixed assets poses a problem. Secondly, the continuous depreciation of the local currency as against major trading currencies often makes such definitions outdated (Kayanula & Quartey, 2000)

Operational Definition of Small and Medium Enterprises

There are variations in the definitions of micro, small and medium enterprises. The most commonly used criterion is the number of employees of the enterprise. SME's in Ghana tend to have few employees who tend also to be mostly relatives of the owner hence there is often lack of separation between ownership and control.

From the above discussion both in Ghana and other part of the world, it can be concluded that Micro and Small-Scale Enterprises has different definitions. As a result, an operational definition is important for the study. The most commonly used principle which has been identified from the various definitions is the number of employees of the enterprise. As contained in its

Industrial Statistics, the Ghana Statistical Service (GSS) considers firms with less than 10 employees as Small Scale Enterprises (Kayanula & Quartey, 2000) and it is this definition that has been adopted and used in the course of the study. The employee principle which has been considered in this study is also in line with the definition of Small-Scale Enterprises adopted by the NBSSI.

The idea behind this employee base principle is due to the fact that firms can easily be identified by their number of employees and in part because the process of valuing fixed assets, will pose a problem since mode of accounting system used by one enterprise will vary from one to other as well as continuous depreciation in the exchange rate often makes such definitions obsolete.

The Role of SMEs in Development

Two schools of thought have emerged in the studies of SME's. They are the pro-SME's and anti-SME's perspectives. Most donor countries and development agencies share the view of the pro-SME's that is springing up of such entrepreneurial and innovative ventures help promote economic growth and help reduce the high poverty level in such developing economies (Beck & Demirguc-Kunt, 2004). The pro-SME has argued that SME's enhance competition and entrepreneurship and thus have economy wide benefits in efficiency, innovation and productivity growth. Thus direct government support of SME's can help countries reap social benefits. Second, SME's are generally more productive than large firms but are impeded in their development by failures of financial markets and other institutions for capital and other non-financial assistances. Thus, pending financial and institutional improvements, direct government support of SME's can boost economic growth and development. The growth of SME's boosts employment more than the growth

of large firms because SME's are more labour intensive (Snodgrass & Biggs, 1996). So subsidizing SME's may help reduce poverty (Beck & Demirgüç-Kunt, 2003).

However, the anti-SME has questioned the efficacy of SME's in promoting growth and reducing poverty. First, they argue that large enterprises may exploit economies of scale and more easily undertake the fixed cost associated with research and development, boosting productivity.

They argue further that some researchers found that small businesses are neither more labour intensive nor better at creating jobs than large firms (Beck & Demirgüç-Kunt, 2003). Moreover, they doubt the crucial role of small businesses and instead emphasize the importance of the business environment facing all firms, big and small. Small businesses create monopoly. They are of the view that if there are low entries and exit barriers, well defined property rights, effective contract enforcement, and access to finance, it will work to promote conducive business environment for all firms and not only small firms (Demirgüç-Kunt, 2003).

Levy and Powell (2005) noted that, SME's are thought to be flexible and innovative organizations that are able to respond quickly to customer and market demands (flexibility). Contrary to what happens in large firms. The production technologies of many manufacturing SME's may inhibit flexibility (Gupta & Cawthorn, 1996), while Carrie et al. (1994) believe that it is people rather than technology that provides flexibility.

It is estimated that that about 69% of the country's population are employed in the MSE sector. Thus the sector provides employment for a considerable number of people both in rural areas as well as cities. However,

despite this recognition and its significance for local and national economic development, research has not investigated systematically, the real strengths and weaknesses of these rural enterprises, at least in Northern Ghana where poverty is very high (GSS, 2007). SME's and entrepreneurs are bedrocks of new goods and services, new methods of production, the opening up of an economy by setting or opening up of new markets, introduction of new sources of supply as well as industrial re-organisation (Jennings, 1994). So the innovativeness of these ventures is their capabilities to create a change by altering the conventional ways in terms availability of technology, strategy, skills and styles.

Private sector development is said to be critical for employment creation, growth and development of Africa (Kurokawa et al., 2008). The development of small and medium enterprises (SME's) is acknowledged as a key condition in promoting equitable and sustainable economic development in Africa. This sector, in terms of economic development has the potential to provide for growth in employment and contribute towards reducing poverty among urban cities in most developing countries. In Ghana, a key strategy the government has adopted for increasing employment and production is to take measures to improve the capacity of the private sector as a means of accelerating the growth of small and medium scale manufacturing industries.

Another current happening is that most entrepreneurs are stuck at mainly the micro level. It is interesting to note that less than 5 percent of large businesses are Ghanaian owned. According to World Bank estimates, most businesses in Ghana, which account for 70 percent of employment in the

country, fall within the categories of “micro”, “small” and “medium” entrepreneurs.

Small enterprises in Ghana are said to be a characteristics feature of the production landscape and have been noted to provide about 85 percent of manufacturing employment of Ghana (Aryeetey, 2001). SME’s are also believed to contribute about 70% to Ghana’s GDP and account for about 92% of businesses in Ghana. SME’s therefore having a crucial role to play in stimulating growth, generating employment and contributing to poverty alleviation, given their economic weight in African countries. SME’s forms a huge chunk of businesses in both the formal and the informal sector. Whilst SME’s in developed countries make a significant contribution to GDP and national employment, there is not sufficient data to say the same about SME’s in Ghana (Culkin & Smith, 2000).

SME’s in Ghana tend to have few employees who tend also to be mostly relatives of the owner hence there is often lack of separation between ownership and control. Also since SME’s do not traditionally rely on public funds there is lack of accountability and no regulations to comply with in relation to compliance (Abor & Adjasi, 2007). Mostly, the owner managers of these SME’s are hampered by lack of managerial competencies (Gockel & Akoena, 2002). There are a number of factors which pose as barriers to the development of the SME sector in Ghana. These are identified as access to international markets, technology, equipment and finance (Aryeety, 1994).

In Ghana about 48 percent of the population represents the youth population which is from ages 15-35 years of age. Like many African countries, Ghana’s population is fairly youthful (Baah et al, 2007). A survey conducted

amongst small scale enterprises in Ghana revealed that young people owned almost 40.0 percent of the enterprises .Younger youth aged 15-25 owned only 5.4 percent of enterprises whilst those aged between 26-35 years owned 33.8 percent (Osei, et al., 1993). From this it is believed that micro and small enterprises in Ghana has a good future.

Empirical Literature Review

Some studies have been conducted with entrepreneurs in SMEs in Ghana and others outside Ghana. Next is a review of some of these studies in relation to entrepreneurship skills affecting the growth and performance of SMEs.

Studies Conducted

Several studies on the subject of effect of entrepreneurship skills on SMEs have been done outside Ghana. Chou (2008) conducted a study in Taiwan to understand the effects of entrepreneurship skills and interpersonal networks on increasing overall business performance for Bed-and-Breakfast (BandB) inns. This study used a sample of 110 BandB operators in Taiwan and found that entrepreneurship skills and interpersonal networks have direct and positive effects on the success of the business. BandB operators with higher entrepreneurship skills were able to take advantage of interpersonal networks and interaction in order to increase success.

Agbim (2013) conducted a study in Makurdi town, Benue State of Nigeria and specifically examined the relative contribution of management skills to the success of SMEs. The study used a survey research method using questionnaires on 366 entrepreneurs in trade sector. The study found that the highest relative contribution was made by skills for planning and budgeting for

a vibrant marketing strategy. This strategy provided attractive range of products, skills to act quickly on detecting changes in the environment, skills for assessing sales problems as a way of maintaining good customer relations, skills to focus on product quality so as to capture a sizeable market share, and management expertise skills to attract and keep competent employees. This study however, looked at management skills of entrepreneurs in trade sector only and did not examine other entrepreneurship skills in other sectors as is the current study.

Gakure, Ngugi, Waititu and Keraro (2013) reviewed various literatures regarding the effect of entrepreneurial skills on the sustainability of Small and Medium Family Enterprises after the exit of the founders. This was followed by a study of 225 Small and Medium Enterprises (SMEs) in Nairobi's Enterprise road and Thika's light industrial areas in Kenya. The study established that entrepreneurial skills have a great positive influence on sustainability of Small and Medium Family Enterprises.

More specifically, the study indicated that seventy per cent of the corresponding change in sustainability of Small and Medium Family Enterprises after the exit of the founder can be explained by a unit change in entrepreneurial skills. The findings further suggested that an entrepreneur inculcates an entrepreneurial culture in the enterprise and that entrepreneurial skills of the managers drive the enterprise to above average performance leading to high profitability for the sustainability of the of Small and Medium Family Enterprise. The study, however, recognized that other factors such as managerial skills, succession plans, individual behaviors and human resource management skills also play a significant role in the sustainability of Small and Medium Family Enterprises after the exit of the founders.

Gap in the Literature

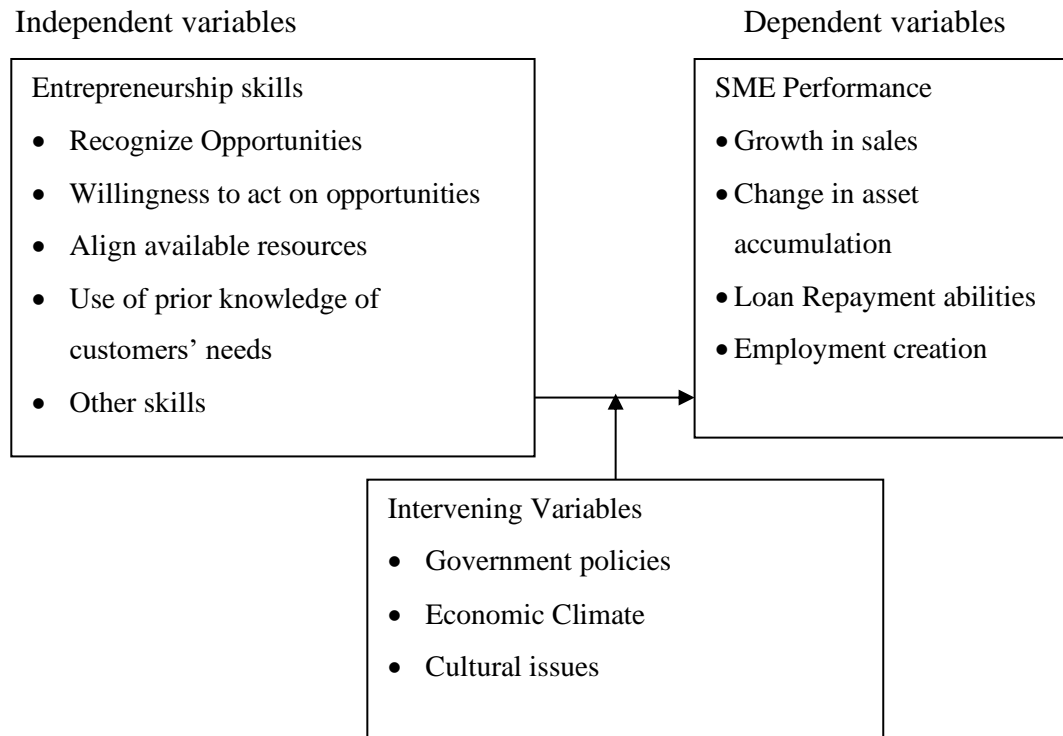
The studies shown in the preceding discussion, looked at the impact of finance and training on enterprise performance of individual businesses. The prime focus was on Owner-managers rather than entrepreneurs' skills. Secondly, most of these studies discussed examined one single business sector and were done in urban settings and not rural type of environment where socio-economic idiosyncrasies are different.

This research seeks to fill this gap and will use both quantitative (questionnaire) and qualitative (in-depth interview) methods to assess the effect of entrepreneurship skills on Small and Medium Enterprise and the challenges entrepreneurs face in their entrepreneurial activities in Bolgatanga municipality of the Upper East region, Ghana.

Conceptual Framework

A conceptual framework is a research tool for developing awareness and understanding of the situation under scrutiny and to communicate it. It assists a researcher to make meaning of subsequent findings (Guba & Lincoln, 2005). A conceptual framework explains the possible connection between the variables and answers the why questions (Smyth, 2004). By examining the entrepreneurial skills possessed by the SME managers, the study will bring to attention the effect of these skills on business performance of the respective entrepreneurs. This relationship is represented in Figure 2.1.

Figure 2.2: Conceptual Framework



Source: Field Survey (2017)

The entrepreneurship skills are expected to result in change in performance of entrepreneurial activities including growth in sales, improvement in asset accumulation, change in income level, improvement in local employment and smooth repayment of loans acquired specifically to improve the business. In this relationship, the entrepreneurship skills have been found to have impact on growth and performance of the enterprise (Agbim, 2013).

Other independent variables include management skills and amount of credit advanced to SMEs for start-up or expansion (Agbim, 2013). The

entrepreneurship skills which have effect on the growth and performance of the enterprise are conceptualized as the independent variables while entrepreneurial growth and performance activities are dependent variable. Also there are intervening variables such as government policies on SMEs, Economic climate of the area and culture of the area which have a moderating influence on the impact of various entrepreneurship skills on entrepreneurial activities.

Chapter Summary

The chapter had elaborate discussions on literatures that have dealt with small and medium size enterprises. It also looked at entrepreneurship skills and its effects on the performances of the local enterprises. First the concept was reviewed from the global perspective and secondly narrowed to the local content. The literature has laid down the foundation that will help to understand the effect of entrepreneurship skills on the performance of Bolgatanga smock enterprise in the following chapters.

CHAPTER THREE

RESEARCH METHODS

This chapter focused on the methodology used in this study to address research objectives. It explained the research design, geographical areas of study, target population, sample size and sampling techniques, data collection methods and data analysis. Furthermore, this section also discussed reliability and validity of data and finally the ethical considerations.

Research Design

The research design has been defined by Kusi (2006) as “a plan for undertaking a systematic exploration of the phenomenon of interest.” All the decisions made by the researcher in planning the study constitute the design of the research. The research design is actually the plan or blue print that guides the researcher in conducting a research (Yin 2003).

In this study descriptive research was adopted because this research is concerned with describing the characteristics of the problem with narration of facts and characteristics of individuals, group or situation that the research is investigating (Kothari 2008). Furthermore, this study adopted a descriptive research design, which according to Cooper and Schindler (2003) involves surveying people and recording their responses for analysis. The justification for the adoption of descriptive research design is based on its ability to generate the required data from the sampled respondents for analysis.

In addition, this study incorporated both quantitative and qualitative research approaches within the descriptive design in order to better understand relationship between variables in the research problem. The quantitative approach was through questionnaire while qualitative approach was through use

of interviews that allowed the researcher to collect information for understating characteristics of respondents in situations and helped to uncover rationale for their decisions (Saharan, 2003).

In general, a combination of quantitative and qualitative approaches was used for several reasons. First, the research sought to understand the phenomenon in terms of effects of entrepreneurs' skills on small and medium. Secondly information was intended to complement data from interviews.

Geographical Area of Study

The scope of this study is within the Bolgatanga Municipality of the Upper East region. The Bolgatanga Municipality located in the Upper East Region, approximately, between latitudes 10°30' and 10°50' North and longitudes 0°30' and 1°00' West. Bolgatanga Municipality shares boundaries to the north with the Bongo District, south and east with the Talensi and Nabdam Districts, and to the west with the Kassena-Nankana Municipality. It covers a total land area of 729 square kilometers. The Bolgatanga Municipality has a total population of 131,550 representing 12.6 percent of the population of the Upper East Region. The rural population account for 50.2 percent of the population. The Municipality has a youthful population and more than 70 percent of the population is economically active. Among the economically active population, 97.6 percent are employed and 2.4 percent are unemployed in the Municipality. One-fifth of employed population is engaged in craft and related trades (Ghana Statistical Service, 2010).

Population

Population is a group of individuals or items that share one or more characteristic from which data can be gathered (Cresswell, 2006). The target

population is all entrepreneurs within Bolgatanga smock enterprise. The target population comprises people who either weave the smock material or those who sow them.

Sample and Sampling Procedure

A sample size is a portion or subset of the study population which is used to represent the population of the study (Kothari, 2008). Information gathered from the sample can be generalized to the general population of the study if samples are carefully selected to reflect the population characteristics.

The sample size is determined based on the formula used to estimate it.

The equation is given below

$$n = \frac{N}{1 + N\alpha} 2$$

where n=sample size, N=total population (Total number of entrepreneurs)

α = confidence level

N = 1845 which is the sample, and significant level of 5% (α) = 0.05.

1845

n

$$\square \frac{1845}{1 + 1845(0.1)^2} \square 94.858 \quad n = 94.85 \square 95$$

Specifically purposive sampling procedures were used. The purposive sampling procedure enabled the researcher to use her personal judgment to select the entrepreneurs who could provide her the information on the effect of entrepreneurial skills on Small and Medium Enterprises within the Bolgatanga smock enterprise. With regards to the homogeneous type of purposive sampling

you decide to include people or sites in your study because they have a common trait or characteristics (Cresswell, 2006). The strategy requires that you, first, establish the traits that you are interested in and look for people who exhibit such traits for the study (Kusi, 2012). The homogeneous purposive sampling strategy was very appropriate since the main characteristic trait that the researcher required was entrepreneurs in the smock industry in Bolgatanga municipality. Ninety five (95) respondents were selected through a purposeful sampling. Patton (2002) asserts that the logic and power of purposeful sampling lies in selecting information rich cases for in depth study. "Information rich cases are those from which one can learn a great deal about issues of central importance to the purpose of inquiry (Patton, 2002).

Research Instrument

The instrument used to gather data was a semi structured questionnaire and a semi-structured interview. The questionnaire was considered appropriate for the study because respondents had to answer themselves and large amounts of information can be collected from a large number of people in a short period of time and in a relatively cost effective way. Again, respondent who were so much engaged and had no time could fill and return later.

The semi-structured questionnaire had both open and closed ended questions. The close ended questions enabled the researcher to collect standardized information from the respondents while the open ended questions elicited responses on the effect of entrepreneurial skills on the Bolgatanga smock industry. This helped the researcher asked follow-up questions and the respondents to offer further explanations to questions.

Pre-test

A pilot study was conducted with fifteen entrepreneurs in the smock industry within Talensi District. Pre-testing the research instrument enabled the researcher to fine-tune the questions before the actual field work. Pretesting was a method of checking that questions work as intended and are understood by those entrepreneurs who are likely to respond to them

Validating the Instrument

According to Polit and Hungler (1993) the validity of an instrument is the degree to which an instrument measures what it intend to measure. An instrument is valid if it measures what it is intended to measure and accurately achieves the purpose for which it was designed (Patton, 2002). Validity is concerned with the extent to which the instrument would measure what it intends to measure. The questionnaire sought information on the effect of entrepreneurial skills on the Bolgatanga smock industry. To ensure validity, colleagues' researchers were consulted to see if the instrument actually solicits the right desire. Also pretesting the instrument in Talensi Nabdam showcased the right responses. In addition, the questions were strictly based on the objectives of the study. Moreover, my supervisor who is an expert in research reviewed the questions to ensure that the questionnaire contained relevant questions that could elicit information on the stated topic and objectives.

Reliability

Polit and Hungler (1993) refer to reliability as the degree of consistency with which an instrument measures the attribute it is designed to measure. Reliability relates to the consistency of the data collected (Wallen & Fraenkel, 2001). The reliability of the instrument is concerned with the extent to which

results of the study are consistent over time. To ensure this, the test-retest strategy was adopted. Here, samples of the questionnaires administered to fifteen entrepreneurs of Talensi-Nabdam smock industry in the morning and the questions were re-administered to the sampled entrepreneurs in the afternoon. The result was then analysed to confirm for consistency.

Data Collection Procedure

Data was gathered through the self-administered questionnaire and interview. The questionnaire was given to the respondents to fill and those who did not have time could take it home, fill it and return in a week's time. This became more relevant as some of the entrepreneurs hardly had time for the interview and requested to fill the questionnaire on their own.

The face-to face interview is presented as enabling a 'special insight' into subjectivity, voice and lived experience (Rapley, 2004). In this study the main focus was to find out the effect of entrepreneurial skills on the Bolgatanga smock enterprise. Sixty five questionnaires were administered to 65 entrepreneurs and 30 of the entrepreneurs were selected for the interview session. A fifteen minutes face to face interview was conducted at the work places of the sampled entrepreneurs. No matter what style of interviewing you use and no matter how carefully you word questions, it all comes to naught if you fail to capture actual words of the person being interviewed (Patton ,2002). The interviews with interviewees were recorded using a digital recorder which was later transcribed.

Ethical Considerations

The general agreements shared by researchers about what is proper and improper in the conduct of scientific inquiry (Babbie 2004:63). These include

seeking permission, voluntary participation, no harm to participants, informed consent, anonymity and confidentiality (Babbie 2004). Sekgobela (2008) contends that ethical guidelines direct researchers so that their studies are of a high standard. Consequently, these ethical issues were upheld in high esteem throughout the conduct of this research.

Since the study was carried out in the field, the researcher sought for permission from the individual entrepreneurs before administering the questionnaires. A letter to this effect was written and delivered in person. The letter clearly states the objectives and purpose of the study so that respondent will be in the known to offer their best.

(a) Anonymity

Research participants' wellbeing and interests need to be protected. Participants' identities in the study should be masked as far as possible (Trochim 2006). The people who read the research and the researcher should not be able to '... identify a given response with a given respondent' (Babbie 2004:65). The names of participants are not revealed anywhere in this study. A coded system was employed to conceal the true identity of respondents. The thirty interviewee were coded as X1 to X30.

(b) Confidentiality

According to Strydom (2002:67), confidentiality '... indicates the handling of information in a confidential manner.' This definition implies that the researcher must jealously guard all the information disclosed by the participant so that only the researcher has access to it. To this end, the researcher was the sole custodian of documents used and information collected in this study. The researcher's colleagues did not have access to the raw data which

was treated as ‘privileged information’ (Strydom 2002:68). A tape recorder was used during the interviews and permission was sought from the participants. After such information had been transcribed the tape recordings were deleted.

Data Analysis

Firstly, the data which emanated from the closed ended questions was edited, coded and analysed using the Statistical Package for Social Sciences (SPSS). The result was then presented descriptively in frequencies using tables. Secondly, descriptive-narrative method was used to analyse the qualitative responses generated through the open ended questions. The data was transcribed, coded and analysed manually, and presented narratively.

Chapter Summary

The chapter has explained and justified the research methodology used during the data collection and data analysis in this study. The chapter also described how data analysis was conducted as well as how the requirements for reliability and validity of the research design were met. Ethical considerations and problems encountered in this research were also discussed in this chapter. The next chapter deals with analysis and discussion of research results

CHAPTER FOUR

PRESENTATION AND DISCUSSION OF RESULTS

Introduction

The purpose of the study was to have an in-depth understanding of the effect of entrepreneurial skills on the performance of SMEs in the smock

enterprise of Bolgatanga. This chapter presented and discussed the result of the study obtained from respondents from the fieldwork. This is based on interview data from respondents' observation and questionnaire administered. This was guided by the following specific objectives:

1. To establish the entrepreneurship training received by the smock entrepreneurs in the Bolgatanga Municipality.
2. To determine if Entrepreneurship skills were applied in establishing the smock industry in Bolgatanga Municipality.
3. To identify constraints to the application of entrepreneurial skills to the smock enterprises in Bolgatanga Municipality.
4. To establish the effects of entrepreneurship skills on the performance of Bolgatanga smock enterprise.

Response Rate

A total of 95 questionnaires were administered to the entrepreneurs of the Bolgatanga smock enterprise. Only 85 questionnaires were returned completed. This represented a response rate of 89% which was better than industrial average 20 to 40 (Mugenda & Mugenda 1999).

Socio-Demographic and Economic Characteristics

The survey gathered data from both males and females who were into smock weaving, sewing and retail business within Bolgatanga municipal.

Gender of Respondents

Table 4.1 revealed that 46 of the respondents were males and 39 were females who were mainly into smock sowing and weaving respectively. This is evidence that, the craft is dominated by males, representing 54.1% while the females accounted for 45.9%.

Table 4.1: Respondents' Gender

Gender	Frequency	Percentage
Female	39	45.9
Male	46	54.1
Total	85	100.0

Source: Field data (2017)

Age of Respondents

Table 4.2 shows that 65.0% of the Entrepreneurs were within the age range of 26 - 45 years, 20.0% were in the age range of 66 – 55 years. Entrepreneurs who responded to the questionnaires had 7.0% of them in the age range of 18 – 25 years and 8.0% of the respondents were of 56 years and above. These results indicated that most of the entrepreneurs within the smock industry in Bolgatanga municipality were people within the age range 26 - 45 years who took up small business as source of employment. The capital demand to set up the small scale weaving and sewing favoured those within the 26 - 45 years range. At age 26, one must have gathered enough money from farming and other pay job to raise enough funds to start a small scale business).

Table 4.2: Age of the Entrepreneurs

Age	Frequency	Percentage
18 – 25	6	7.0
26 – 35	21	25.0
36 – 45	34	40.0
46 – 55	17	20.0
56 +	7	8
Total	85	100.0

Source: Field data (2017)

Respondents' Marital Status

Table 4.3 indicates that 64.2% of respondent were married, 4.7% were single, 18.9% were widow/widower and 9.4% were divorced. These results implied that entrepreneurs in Bolgatanga municipal were mostly married people who conducted small businesses to supplement their spouse's income. The age criteria in Table 4.2 gave results that showed that majority were active segment of society, whom according to the Bolgatanga society had to settle for marriage as a sign of maturity. The society considers marriage as the first form of responsibility in life.

Table 4.3: Entrepreneurs' Marital Status

Marital Status	Frequency	Percentage
Single	4	4.7
Married	57	67
Divorced	8	9.4
Widow/widower	16	18.9
Total	85	100.0

Source: Field data (2017)

Entrepreneurs' Educational Level

Table 4.4 shows that 52.9% of the smock industry entrepreneurs were illiterate, they could neither read nor write. 32.9% of the respondents had received primary level education, 9.5% and 4.7% had received junior and senior high school level education respectively. None of the respondents did obtain tertiary education. These results suggest that majority of the entrepreneurs were illiterates, this explains why the entrepreneurs were mostly in common business activities because they did not have much experience and innovation skills to be creative in business formation. Furthermore, they were involved in these enterprises because there were less employment opportunities for them in formal employment sectors as indicated by one of the interviewee.

“I did not go to school, I do not have any certificate and I cannot get job at the government work. This is what I learnt from my father and I do it to feed my family.”

Table 4.4: Respondents' Level of Education

Literacy Level	Frequency	Percentage
Illiterate	45	52.9
Primary school	28	32.9
Junior high school	8	9.5
Senior high school	4	4.7
Tertiary education	0	0.0
Total	85	100.0

Source: Field data (2017)

Entrepreneurs' Number of Dependants

Table 4.5 indicates that respondents with 3-5 dependants were 34.1%, 6-10 dependants were 31.8%, those with 1-2 dependants were 21.1% and

13.0% had more than 10 dependants. These results suggest that most entrepreneurs in the smock industry within Bolgatanga municipal had large families (3-10) dependants (65.9%). Their enterprises remained small because most of the earnings were spent on maintaining large number of dependants rather than re-investing the earnings through expansion or new business start-ups. The large number of dependants was responsible for poor business growth and development.

Table 4.5: Number of Dependants

Number of Dependants	Frequency	Percentage
1-2	18	21.1
3-5	29	34.1
6-10	27	31.8
Above 10	11	13.0
Total	85	100.0

Source: Field data (2017)

Respondents' Monthly Income

Table 4.6 indicates that 67.0% of Entrepreneurs had monthly income less than GHS500, 22.4% of the respondents had a monthly income between GHS 501 - 700, only 10.6% made a monthly income between GHS 701 - 1000 while none of the entrepreneurs had a monthly income of GHS 1001 and more. These results suggest the majority of entrepreneurs of the smock industry within Bolgatanga municipality were low income earners. With large families to support, much of the income was spent on food and other immediate family needs.

Table 4.6: Monthly Income

Monthly Income (GHS)	Frequency	Percentage
Less than 500	57	67.0
501 – 700	19	22.4
701 – 1000	9	10.6
1001 – 1300	0	0.0
Total	85	100.0

Source: Field data (2017)

Findings on Research Objectives of the Study

This study took into account the Entrepreneurs' characteristics and general information considered useful in explaining the effect of entrepreneurship skills on small and medium scale enterprise within Bolgatanga municipal. The findings in regard to each research objective as outlined in chapter one are discussed in the following sections:

Research Objective 1: To establish the entrepreneurship training received by the smock entrepreneurs in the Bolgatanga Municipality

Table 4.8 shown shows that 83.5% of the Entrepreneurs had not received any kind of training on entrepreneurship skills and only 16.5% had some training on entrepreneurship skills. These results suggested that the majority (83.5%) of entrepreneurs in Bolgatanga municipal were starting or running their enterprises with limited or without entrepreneurship skills identified in the literature studied in this research. This may have contributed to their stagnating business performance for a long time due to the inability to adopt to the modern fashionable design.

As findings showed that most of enterprises started were based on other people's ideas, this assertion is supported by comments from interviewee X2:

“Here in Ghana, we have the culture of copying other people’s businesses rather than starting a business by using prior knowledge of customers’ needs and ways to meet them. Identifying and recognizing potentially profitable business opportunity is very difficult given our level of understanding of business. This happens a lot of time. So you see same kind of business being duplicated and we scramble for the small market in Bolgatanga municipal. So we cannot grow beyond certain points.”

Table 4.7: Training on Entrepreneurship

Entrepreneurship Training	Frequency	Percentage
No	71	83.5
Yes	14	16.5
Total	85	100.0

Source: Field Data (2017)

Business Types

Table 4.8 shows that 48.2% of the respondents were into smock sewing, 28.3% of the respondents were into smock weaving and the remaining 23.5% were into retail trading. These results suggested that most respondents were involved in smock sewing.

Table 4.8: Entrepreneurs’ Business Type

Business Type	Frequency	Percentage
Retail	20	23.5
Smock sewing	41	48.2
Smock weaving (cloth)	24	28.3
Total	85	100.0

Source: Field data (2017)

Form of Business Ownership

As discovered in Table 4.9 below, 85.9% of businesses were informal and unregistered, 5.9% of Entrepreneurs operated as sole proprietors, 8.2% of respondents were in partnership and none of the respondents operated as a company. These results suggested that most respondents were either not registered because of bureaucratic hurdles in registration processes (Tin Number, presentation of cash flow estimates, Trade license regulations and yearly tax/Levy payments to Ghana Revenue Authority) or simply did business single handedly by bearing all risks as a sole proprietor with little or no knowledge on business registration. One interviewee X9 said:

“We operate unregistered businesses because the process of registration is too complicated and requires a lot of money. We cannot afford the money to set up permanent premises or rent strategically located buildings. By not registering the businesses, we save on taxes. Registration only makes you visible and thus regular visits by tax authorities.”

Businesses which were not registered had a limited scope of the customer base. Such businesses only served household consumption based on strict daily budgets on small quantities of purchases. Big customers such as

government agencies, mining companies and private companies dealt with registered enterprises that followed a strict code of purchases and supplies procedure in a process that involved proper documentation and sometimes complex payment procedures that could take months to effect.

It became obvious that lack of knowledge on business registration and the advantages attached to registration contributed to the rise of informally run businesses. But also, as a consequence of poor government planning and monitoring procedures, people opted for the cheaper option of ignoring formal business registration requirements.

Table 4.9: Form of Business

Business Form	Frequency	Percentage
Sole proprietorship	5	5.9
Partnership	7	8.2
Company	0	0.0
informal (not registered)	73	85.9
Total	85	100.0

Source: Field data (2017)

Age of Business

Table 4.10 shows that 49.4% of Entrepreneurs had been operating for 5-7 years, 32.9% had been operating for 2-4 years, 11.8% of the respondents have been operating between 8-10 years and only 5.9% had been operating for over 10 years. These results suggest that majority of the respondents (82.3%) had been running their enterprises between 2 – 7 years. However because of limited access to capital and limited entrepreneurship skills they remained small in nature and operated mostly for survival

To probe on the possible causes of this phenomenon, it was noted from the interviewees that fear of the unknown made majority of entrepreneurs to stick to what already know.

One of the smock weavers X7 said:

“I have been weaving for 7 years and I am comfortable with it. When I weave the smock cloth, I sell them to the smock tailors and then go to buy new thread for weaving. When I see the thread are scarce or unavailable, I wait for some period to buy them when they are available. This is my trusted way of operating my business. I know it may sound ridiculous but that is what I do year in year out”.

Table 4.10: Age of Business

Age of Business	Frequency	Percent
2-4years	28	32.9
5-7years	42	49.4
8-10years	10	11.8
more than 10 years	5	5.9
Total	85	100.0

Source: Field data (2017)

Research Objective 3: To determine if Entrepreneurship skills were applied in establishing the smock industry in Bolgatanga Municipality

Having identified the Entrepreneurship Skills from the Literature review, the researcher was interested in exploring the entrepreneurship skills applied in the establishment of their enterprises. The findings are presented as shown below:

Source of Business Idea

Table 4.11 shows that 69.5% of Entrepreneurs obtained ideas to start new business by copying already established businesses, 12.9% of the respondents used their own experience or knowledge acquired over a period of time to start a new business, 9.4% of entrepreneurs started their business through recognizing profitable business opportunities, 3.5% of the respondents were compelled by the necessity to survive and 4.7% from other sources such as travel experience, utilizing own talent or skills, inherited the business or was convinced by a friend. These results suggest that entrepreneurs in Bolgatanga municipal had limited entrepreneurship skills to start or run opportunity based businesses as the majority of them copied businesses ideas from already established businesses.

Table 4.11: Source of Business Idea

Source of Idea	Frequency	Percent
Copy from other established businesses	59	69.5
Recognized profitable opportunity	8	9.4
Experience/knowledge of customer needs	11	12.9
Necessity to survive (own employment)	3	3.5
Other sources	4	4.7
Total	85	100.0

Source: Field data (2017)

Respondents' Personal Traits

Table 4.12 shows that 72.9% of Entrepreneurs had experience in running their businesses, 9.4% of the respondents searched for information about business opportunities. The survey indicated that 8.3% of the respondents explored customer needs in the local markets before business start-up. 5.9% had

some form of entrepreneurship education, and only 3.5% were willing to take risks to explore new business ideas. These results suggested that the entrepreneurs lacked the basic skills in running their enterprises. They were just comfortable with doing the same kind of business for extended periods of time through experience learnt by observation. They neither bothered to seek for more information about business opportunities nor take calculated risks. Thus, they remained small and did business as a necessity for survival.

Table 4.12: Personal Trait

Trait	Frequency	Percentage
Entrepreneurship education/knowledge	5	5.9
Business experience	62	72.9
Willingness to take risk	3	3.5
Prior information before starting business	8	9.4
Ability to study customer needs in a market	7	8.3
Total	85	100.0

Source: Field data (2017)

Type of Entrepreneurship Skill Possessed

Table 4.13 shows that entrepreneurs were divided in terms of entrepreneurship skills they possessed. That is, 57.6% had prior knowledge of customers’ needs in the market and duly responded to those needs, 15.3% were ready and willing to act on business opportunity (risk taking), and 10.6% had the ability to recognize potentially profitable business opportunities. 9.4% of the respondents had the ability to organize resources to pursue business opportunities and 7.1% of respondents had management skills.

These results suggested that entrepreneurs had some entrepreneurship skills to carry out business but most of these skills had not been developed. These responses could not be confirmed as true because the respondents did self-assessment and decided on the skill (skills) that he or she thought was relevant to how he or she did business.

Table 4.13: Skills Possessed by Entrepreneurs

Skills	Frequency	Percent
Ability to recognize profitable opportunity	9	10.6
Willingness to act on opportunity	13	15.3
Ability to align resources to produce opportunity	8	9.4
Prior knowledge of customer needs	49	57.6
Management skills (managing a business)	6	7.1
Total	85	100.0

Source: Field data (2017)

Research Objective 3: To establish the effects of entrepreneurship skills on the performance of Bolgatanga smock enterprise.

Following the questionnaire and interview interactions with the entrepreneurs of the Bolgatanag smock enterprises, the following findings revealed the effects of entrepreneurship skills on the performance of the smock enterprise.

Impact of Entrepreneurship Skills on Respondents' Business

Table 4.15 indicates that 48.2% of the entrepreneurs who applied the entrepreneurship skills were able to increase sales revenue, 27.1% increased enterprise' asset value, 15.3% expanded their businesses or started completely new businesses and only 9.4% of the respondents managed to employ more

workers. These results suggested that entrepreneurship skills and knowledge had positive impact on enterprise performance. Results became greater with an increased knowledge of entrepreneurship skills. It was also noted from the interview that those entrepreneurs who received entrepreneurship training performed far better than those who never received any training. This was summarized by interviewee X8:

“Having skills in entrepreneurship has helped me to see opportunities rather than copy from others. These skills helped me to outperform my colleagues. So the training on entrepreneurship and business management I attended in Tamale was the best thing I received. It helped me on how to see opportunities and how to manage and market my business. It also gave me the courage to act on opportunities and organize resources such that I can rally capital and human resources to pursue the opportunities in the market. I am now reaping the benefits of that training”,

These results are in agreement with studies by Messy and Temu (2008) that showed that enterprises owned by recipients of business training had higher level of assets and sales revenue compared to enterprises owned by non-recipients of training.

Table 4.14: Impact of Skill used in Business

Impact of skill used	Frequency	Percentage
Business has expanded	13	15.3
Increase in sales	41	48.2
Employment creation	8	9.4
Increase in enterprise asset value	23	27.1
Total	85	100.0

Source: Field data (2017)

Ranking of Entrepreneurship Skills

Table 4.15 shows that 51.1% of the respondents ranked ability to organize resources and aligning them to pursue business opportunities as the most important thing that has contributed to good business performance. This was followed by ability to recognize profitable business opportunity (21.2%). Other skills as ranked by respondents were Management skills (10.9%), willingness to act on business opportunity 9.4% and 8.4% of the respondents cited prior knowledge of customers' needs and ways to meet them as vital for enterprise success. This was understandable because posed with these questions in the interview, an interviewee X14 commented:

“Knowing customer needs may at times be costly because needs change with consumer preference. Prices also affect what the market need. You may go for particular goods that are currently marketable but by the time you return with the goods you find the market is flooded or consumers have switched to something else. So knowing customer needs and ways to meet them alone may not be very important for success.”

Table 4.15: Ranking Entrepreneurship Skills

Skill used in business	Frequency	Percent
Ability to recognize profitable business opportunity	18	21.2
Willingness to act on opportunity	8	9.4
Ability to organize and align resources	43	51.0
Prior knowledge of customer needs and ways to meet them	7	8.4
Management skills (ability and knowledge to manage a business)	9	10.9
Total	85	100.0

Source: Field data (2017)

Research Objective 4: To identify constraints to the application of entrepreneurial skills to the smock enterprises in Bolgatanga Municipality.

The study captured the respondents' views on factors that hindered their performance and growth and also probed on the possible strategies used to counter the constraints.

Constraints Affecting SME Performance and Growth

Table 4.16 shows that the most notable constraints faced by the respondents in the Bolgatanga smock industry was lack of access to finance (45.9%). This was followed by lack of business training (29.4%), lack of adequate market for products/services (15.3%), competition among fellow entrepreneurs accounted for 5.9% while 3.5% of the respondents considered absence of government support and assistance to have less impact on the growth and performance of small and medium scale enterprise. This was particularly true because the private sector influenced entrepreneurship support programs

through advocacy, finance and awareness creation through trainings and capacity building.

Table 4.16: Constraints to SME Growth and Performance

Constraints	Frequency	Percentage
Lack of access to soft loans	39	45.9
Lack of adequate market	13	15.3
Lack of entrepreneurship training (skills)	25	29.4
Competition from other entrepreneurs	5	5.9
Absence of government support and assistance	3	3.5
Total	85	100.0

Source: Field data (2017)

Strategies Entrepreneurs used to Overcome Constraints

Table 4.18 shows that entrepreneurs in the smock industry used different strategies to overcome constraints they faced. The most commonly used strategy was introducing new business strategies in their operations (55.2%) and this included shifting business to new location or new market, applying new selling tactics, copying other successful businesses in trading centres. Other strategies involved sourcing funds from friends/ relatives (24.4%) to overcome lack of adequate credit facilities. 10.3% Of the respondents considered pooling their resources together to harness the power of economies of scale and the prospects of conducting market research to find market needs (7.0%).

Table 4.17: Strategies to Overcome Constraints

Strategy Used	Frequency	Percentage
Source finance from friends/relatives	20	24.4
Conduct regular market survey	6	7.0
Buy and read books on entrepreneurship skills	3	3.1
Pooling resources together with other entrepreneurs	9	10.3
Introduce new business strategies	47	55.2
Total	85	100.0

Source: Field data (2017)

The least commonly used strategy by entrepreneurs was buying and studying books about business (3.1%), this because 52.2% of the respondents are illiterate as indicated in table 4.5. It is also believed that books about business are sources of empty concepts that have no practical results to local market conditions. These results suggested that entrepreneurs did not simply let their enterprises deteriorate but strived to find ways to keep them viable as it was the major source of their livelihood.

Other Issues from the Interview

Several issues emerged from the interview conducted. The findings are presented below:

Entrepreneurs

Entrepreneurs who had received entrepreneurship training tended to do better than their illiterate counterpart. The educated entrepreneurs were able to see potentially profitable business opportunities, could easily amass resources including applying for more credit to pursue the business opportunities and consequently discovered opportunities ahead of everyone else. One interviewee

commented that most of the entrepreneurs were risk averse and did not have critical entrepreneurship skill of willingness to act on business opportunities.

Most entrepreneurs opted to do familiar businesses that they had seen their friends and relatives do due to peer pressure and the instinct to survive, most of the interviewees jumped into the smock business without baseline study.

Importance of Entrepreneurship Skills in Running a Business

To find the degree of agreement or disagreement with the statement “Entrepreneurship Skills are important in running a business successfully” the entrepreneurs had mixed answers but with a clear-cut trend. 63.5% completely agreed with the statement and made it known that in the current world of competition, only people with an edge in business skills can make it even in a crowded market. 17.4 % simply agreed with the statement without putting much emphasis on the degree of agreement. They thought that skills were important and were vital ingredients for success. 11.5 % somehow agreed with the statement but noted that sometimes other factors like business location and level of capital investment may influence business performance regardless of the skills.

They also were of the opinion that some customers just need to buy what they find regardless of how skillful the seller is. 6.9 % somehow disagreed with the statement giving reasons that are based on luck, witchcraft and even organized attempts to take other competing businesses out of the market. This was interesting and more research could be done on this seemingly insignificant proportion of respondents to come up with viable conclusions. 1 % of the entrepreneurs disagreed completely with the statement.

Table 4.18: Importance of Entrepreneurship Skills in Running Business

Response	Frequency	Percentage
I agree completely	54	63.5
I somehow agree	9	10.5
I agree	14	16.5
I somehow disagree	6	7.2
I disagree completely	2	2.3
Total	85	100.0

Source: Field Data (2017)

Cumulatively speaking, 90.5% of entrepreneurs believed that entrepreneurship Skills had a part to play in the success of their business. This information is shown in Table 4.18.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

This chapter focused on the presentation on the summary of the major findings on each research objective as given in chapter four. Conclusions were made based on the findings. The chapter further gave recommendations to various stakeholders in entrepreneurship development based on the views of the

respondents and findings from the study. Finally, suggested area for further research was presented.

Summary

The purpose of the study was to find out the effect of entrepreneurship skills on the performance of small and medium scale enterprise in the Bolgatanga smock industry in the Upper East Region of Ghana. The objectives that guided the study were;

1. To establish whether Entrepreneurs within the Bolgatanga Municipality had received training on entrepreneurship skills.
2. To determine if Entrepreneurship skills were applied in establishing the smock industry in Bolgatanga Municipality.
3. To establish the effects of Entrepreneurship skills on the Bolgatanga smock industry
4. To identify constraints that limited the application of entrepreneurial skills in the smock industry.

To achieve the stated objectives, the research adopted a case study design. Therefore, the researcher engaged respondents in a systematic exploration of the phenomenon, discovering what it is so as to give a fair presentation of the data. In addition, this study incorporated both quantitative and qualitative research approaches within the case study design in order to better understand relationship between variables in the research problem. The research instrument adopted for the study was the questionnaire and semi-structured interview which was administered to one hundred (100) entrepreneurs but only received ninety five filled questionnaires.

Key Findings of the Study

This section presents the major findings of the research which was guided by the research objectives.

1. Entrepreneurs of the smock industry in Bolgatanga municipal were mostly middle aged people with majority of them having attained primary school education. It was also noted that most entrepreneurs were married and supported averagely 7 dependants.
2. The main types of business in the smock industry were smock weaving mostly done by women, smock sewing mostly done by men and retail trading done by both men and women
3. The study conducted revealed that only very few respondents (16.5%) had some training on entrepreneurship. Thus the majority of Entrepreneurs of the smock industry started or running their enterprises with limited or no entrepreneurial skills.
4. The findings of the study showed that most of entrepreneurs (69.5%) of the Bolgatanga smock industry started their business ventures by copying from other existing successful businesses in the area.
5. The research indicated that entrepreneurs encountered several constraints in the course of running and developing their businesses. These included lack of access to finance, lack of adequate and sustainable market, lack of business training, and unsupportive government system regarding operation of the Bolgatanga smock industry

6. The study revealed that entrepreneurs of the Bolgatanga smock industry were small business operators in an informal sector and their motive for starting and running business was to create own employment.
7. The study also revealed that for lack of access to finance, respondents overcome this constraint by sourcing finance from friends and relatives.

Conclusions

These results suggested that entrepreneurs had some entrepreneurship skills to carry out business but most of these skills had not been developed. This calls for entrepreneurship training if entrepreneurs are to move from survival based business practices to opportunity based business opportunities. These responses could not be confirmed as true because the respondents did self-assessment and decided on the skill (skills) that he or she thought was relevant to how he or she did business.

The high number of dependants and low education offered little to improve on business performance. Most ventures were informal in nature thus responsible for the low levels of income. The lack of entrepreneurial skills has greatly impeded growth of the Bolgatanga smock industry. There is a need to deliberately sensitize these entrepreneurs into a mind-set of developing their business to grow into large enterprises rather than commit resources to only cater for daily household needs.

Entrepreneurs of the Bolgatanga smock industry were involved in a variety of enterprises. The study also showed that entrepreneurs were involved in businesses that met customers' needs on daily basis. They pursued these kinds of businesses because they required low capital for startup, needed no prior experience and the input raw materials were easily accessed locally. These

included retail trade, weaving and sewing. The sewing is usually done by men while weaving is done by women. Most of these businesses were informal in nature. Sole proprietorship was slowly picking up and very few were formally registered. Furthermore, most of these enterprises had been operating for 3-7 years implying that there were demands for the product in the market.

The few market opportunities in the exhausted venture meant that entrepreneurs relied on the same suppliers and same customers. This duplication of businesses contributed to the low earnings revealed through this study. A reasonable number of entrepreneurs used their previous experience and knowledge on business to start up the venture they were running at the time of this study and a small number got their business start-up idea from recognizing potentially profitable business opportunities. This outcome in the study suggested that there were few businesses started to exploit opportunities in the market. This group had some element of risk taking and was calculating in their business endeavors. The only setbacks that hindered their growth were lack of affordable loans (capital), lack of government support and large households to take care of. It also emerged that there was no one dominant entrepreneurial skill although the ability to organize and align available resources to pursue the opportunities was ranked first, followed by the ability to recognize profitable business opportunities. These results implied that entrepreneurial skills had not been developed among entrepreneurs due to absence of support programs to offer affordable training in entrepreneurship. The results also showed that entrepreneurs with the relevant skills to run their enterprises were able to make more sales, created more opportunities for others than those with limited or no entrepreneurial skills.

The findings also indicated that entrepreneurs applied different strategies to overcome these constraints. It can be concluded that Entrepreneurs developed innovative strategies to overcome constraints, some of which were institutional and others were inherent to small and medium enterprises. The business activities in the study area were predominantly informal in nature, thus the study findings indicated that entrepreneurial skills contributed to positive performance of the Bolgatanga smock enterprise, particularly, moving from informal businesses to formal economy. These entrepreneurial skills in order of importance were: ability to organize and align resources, ability to recognize profitable business opportunities, and management skills. Other entrepreneurial skills considered important but not ranked high were: willingness to act on opportunity and prior knowledge of customer needs and ways to meet them.

The results further showed that entrepreneurs who adopted the relevant entrepreneurial skills to run their businesses were able to create more sales, created more opportunities for others as compared to those with limited or no entrepreneurial Skills.

Recommendations

Based on the findings of the research it is recommended that:

- i. No product can ever grow without sufficient demand and for that matter, the patronage of indigenous smock products must be encouraged. Establishments like schools, banks and other institutions should adopt the different smock textiles apart from their usual traditional wear in order to increase patronage of the product. The use of smocks as part of the normal Friday African wear should be encouraged instead of using

imported textiles in this regard. The Center for Traditional Textiles should be established to promote the activities of traditional textile products. The center should be focused towards the survival of traditional smock industry. This will help boost their activities and put them in a stronger position to compete in the broader market

- ii. The smock enterprises are informal in nature and grow slowly over a period of time. This has hampered their transition to formalized business entities. The government through its National Board for Small Scale Industry (NBSSI) development program should develop strategies and policies to motivate entrepreneurs to formalize their business. This will help the smock enterprises to expand into larger businesses that will solve some chronic national problems of poverty, lack of markets and will result in employment creation as well. Once the enterprises are formalized, the government through Ghana Revenue Authority (GRA) will benefit through levies and taxes imposed on these enterprises and the incomes associated with employment.
- iii. Most entrepreneurs had attained lower education level and these were the productive and active labour force of Ghana's population (18-45Years). This group has little entrepreneurial skills and engaged mostly in "cut and paste" type of business just to survive. The government through National Board for Small Scale Industry (NBSSI) development programs should support these enterprises through provision of business training together with development and support services to new business start-ups. This will ensure that entrepreneurs will engage in businesses that have growth potential to expand as an avenue for employment creation.

- iv. Financial constraint was a major challenge to the industry. To solve this, it is recommended that, financial assistance be extended to operators in the small scale enterprises. A fund should be set up by government and other relevant organizations to provide resources to businesses in the traditional textile industry at low interest rates. In the terms of specific actions, the Bolgatanga Municipal Assembly, financial institutions and relevant NGOs should extend financial support to the industry. This should be in the form of loans which are easily accessible. It must, however, be noted that, this cannot be successful with educating the artisans on the need to seek financial support to expand their operations. Improving access to credit facility has a tendency of increasing production to make it more visible in markets.
- v. The government through the National Board for Small Scale Industry (NBSSI) development programs should mobilizes to develop and offer small business management training programs to improve their entrepreneurship skills and offer ongoing support such as regular supervision and mentoring. Such support services will instill confidence in the poorly trained members of the community, re-enforce the acquisition and assimilation of entrepreneurship skills and help to boost their business.
- vi. Also, there should a national traditional textile fair which seeks to expose and sell Ghanaian traditional textiles like the smock and kente to the rest of the world. This should be a national event organized annually to create more awareness of these products. On the part of strategic actions at the grassroots level, smock makers need to expose their product during trade

fairs to create more awareness of the industry to the outside world. Smock festivals need to be instituted and be celebrated annually, like the case of Bonwire in the Ashanti Region as this will help in the marketability of smocks. By itself, tourism, during the festivals, will help boost the economic prospect of the product. Funds raised during the festival can also be used to institute a smock fund where artisans can access easy and soft loans

Further Area for Research

This research only focused on the Bolgatanga smock industry as a small and medium scale enterprise. There are a number of small and medium scale enterprises in the Bolgatanga municipal, hence further research could be conducted on the effect of entrepreneurship skills in the other small and medium enterprises. This will help to ascertain the real effect of entrepreneurship skills on small and medium scale enterprises in the Upper East Region and the country at large.

REFERENCES

- Abor J. & Adjasi C. K.D. (2007). Corporate Governance and the Small and Medium Enterprise Sector. *Theory and Implications Journal of Corporate Governance* 7: 1-2,
- Agbim, K. (2013). The relative contribution of management skills to Entrepreneurial Success: A survey of small and Medium Enterprises (SMEs) in the Trade Sector. *Journal of business management* , 7 (1), 8-16.
- Babbie, E. (2004). *The practice of social research*. (10th ed.) London: Wadsworth / Tomson.

- Batten, F. (2002). Out of the Blue and Black. *Havard Business Review* 16(4), 34-39.
- Aryeety, E. (1994). Financial Integration and Development in Sub-Sahara Africa. A Study of informal finance in Ghana. *Working Paper* No.76, ODI, London
- Aryeety, E. (2001). Priority Research Issues Relating to Regulation and Competition in Ghana. *Centre for Regulation and Competition Working Paper Series*. (Paper No.10)
- Baah, Y. Anthony & Achakoma A. Kennedy. (2007). Youth Employment in Ghana, Policies and Trade Union Initiative. *Ghana Trade Union Congress Discussion Paper*. 105
- Beck, T. Demirgüç-Kunt, A. & Levin, R. (2003). SMEs Growth and Poverty: Cross-Country Evidence. *World Bank Working Paper*.
- Black, E., Burton, F. G., Traynor, A. M., & Wood, D. A. (2005). *Are Entrepreneurs Born or Made? Views of Entrepreneurs and Venture Capitalists*
- Brush, C. G. (2008). Research on Women Business owners: Past trends, a new Perspective and Future Direction. *Entrepreneurship Theory and Practice*. , 16 (4), 5-29.
- Carrie, A. S., Macintosh, R., Scott, A., G. A. (1994). Linking strategy to production management structures and systems. *International Journal of Production Economics*, 34: 293-304
- Chou, H. (2012). A Study of the Effects of entrepreneurship and Interpersonal Network on the Business Performance of Bed and Breakfast Inn Operators in Taiwan

- Culkin, N. & Smith, D. (2000). An Emotional Business: a Guide to Understanding the Motivations of Small Business Decision Takers. *Qualitative Market Research*. 3(3), 145-157
- Cresswell, J. W. (2006). *Qualitative inquiry and research design*. Choosing among five traditions. Thousand Oaks. CA; Sage Publications
- Dollinger, M. (1995). *Entrepreneurship: Strategies and Resources*. New York: Irwin Inc
- Dzramedo, B.E. & Dabuo, R. (2015). Challenges and Sustainability of Smock Weaving within the West Gonja District of the Northern Region. *Ghana Journal of Science, Technology and Development*, 12(3), 21-55
- Dzramedo, B. E., Ahiabor, R. & Gbadegbe, R. (2013). The Relevance and Symbolism of Clothes within Traditional Institutions and its Modern Impacts on the Ghanaian Culture. *Journal of Art and Design Studies*, Vol. 13-15
- Elkan, W. (2000). Entrepreneurs and Entrepreneurship in Africa. *The World Bank Research Observer* , 3 (2), 71-188.
- Frimpong, C. Y. (2013). Strengthening SMEs in Ghana. *International Journal of Business and Management* ,1 (1), 23-38
- Gakure, R., Ngugi, P. K., Waititu, A. G., & Keraro, V. N. (2013). Succession Planning and the Sustainability of Small and Medium Family Enterprises after the exit of the Founders. *Prime Journal of Business Administration and Management* , 3 (3), 927-938.
- Gockel, A. G., & S. K. Akoena (2002). Financial Intermediation for Poor Credit Demand by Micro - Small and Medium Scale Enterprises in Ghana. A

- Further Assignment for Financial Sector IFLIP Research Paper 02-6
International Labour Organisation. Geneva
- Gerber, S. (2005). *Using SPSS for Windows: Data Analysis and Graphics*. New York: Springer
- Guba, E. G., & Lincoln, Y. S. (1989). *Fourth Generation Evaluation*. Newbury Park: Sage Publications
- Gupta, M. & Cawthorn, G. (1996). Managerial implications of flexible manufacturing for SMEs. *Elsevier Advanced Technology, Technovation*. 16(2): p77-83
- Ghana Statistical Service, (2007). *Pattern and Trends of Poverty in Ghana: 1991-2006*. Accra: Ghana
- Ghana Statistical Service, (2010). State of Ghana population report: Investing in young people - The nation's precious assets [2006]. Accra: NPC
- Haber, S., & Lerna, A. (2007). The Cumulative nature of the Entrepreneurial Process. The Contribution of Human Capital Planning and Environment Resources to Small Ventures' performance. *Journal of Business Venturing* , 22, pp.119-145
- Hilsrich, R. (2005). *Entrepreneurship: New venture Creation*. New Delhi, India: Tata McGraw- Hill.
- Hilsrich, R. (2012). *Entrepreneurship*. Boston: McGraw-Hill
- Holt, D. (n.d.). *Entrepreneurship New Venture*. Retrieved on 25/06/17 from www.actetsme.org/archive/smesurvey.html
- ILO. (2003). *Ghanaian Women entrepreneurs: Going for Growth*. Geneva International Labor Office

- Islam, M. (2005). *Theories on Entrepreneurship*. University of Bangladesh Grand Commission
- Jennings, C. (1994). Enterprise Britain: “A national profile of small business owners and the self-employed”. Small Business Research Trust
- Kayanula D. & Quartey, P. (2000). The Policy Environment for Promoting Small and Medium Sized Enterprise in Ghana and Malawi. *Finance and Development Research Programme Working Paper*. Series No.15
- Kirzner, I. (2007). Entrepreneurial Discovery and the Competitive Market Process: An Austrian Approach. *Journal of Economic Association*, 35 (1), 66-85
- Kolvereid, L. (1996). Entrepreneurship Theory and Practice. *Entrepreneurship*, 212, pp. 47 – 57
- Kurokawa, K., Tombo, F. & Willem te Velde, D. (2008). Donor Support to Private Sector Development in Sub-Saharan Africa. *JICA ODI Working Paper*. Paper 290.
- Kusi, H. (2012). *Qualitative research: A guide for researchers*. Accra New town: Emmpong Press
- Kuratko, D., & Hodgetts, R. M. (2008). *Entrepreneurship in the Millenium*. New Delhi: South Western Akash Press.
- Laser, S.(2009) Are Entrepreneurs Made or Born? *International Journal of Business and Management* ,1 (1), 23-38
- Levy, M & Powell, P (2005). *Strategies for Growth in SMEs: The Role of Information and Information Systems*. Butterworth-Heinemnn.
- Lussiers, L. & Pfeiffer, D. (2001). Critical analysis and modelling of small business performance. Bowperson publishing, San Francisco.

- Malecki, E. (1995). Culture- A mediator of global and Local forces. *Human resources and Industrial Spaces* , 4 (2), 105-127
- Mbilinyi, M., & Shundi, F. (1999). Context and Issues in gender Patterns in Micro-Small Enterprises of Tanzania. *Rome AIDOS*
- McClelland, D. (2000). *The Achievement motive*. Massachusetts, USA: Havard University
- Moore, C., Petty, J. W., Palich, L. E., & Longenecker, J. G. (2008). *Managing Small Business; An Entrepreneurial Emphasis* (14 ed.). USA: South Western Cengage Learning
- Mugenda, O. & Mugenda, A. (1999). *Research Methods: Quantitative and Qualitative Approaches*. Acts Press, Nairobi.
- Mulugeta, C. (2010). Factors Affecting the Performance of Women Entrepreneurs in Micro and Small Enterprises: The case of Dessie Town. *Masters Thesis*. Ethiopia.: Bahirda University.
- NBSSI (1990), “Supporting Micro & Small Scale Enterprises”. *A handbook on Enterprise Development Part 1*. NBSSI, Print Solutions, Accra
- Olomi, D. (2001). Entrepreneurial Motivation in a Developing Country - context; Incidence, Antecedents and Consequenses of Growth-seeking Behavior among Tanzanian Owner-managers. *PhD Thesis, University of Dar es Salaam*
- Olomi, R, & Rutashobya, S. R. (2007). Entrepreneurial Inclinations of Vocational Education Students: A Comparative study of Male and Female trainees in Iringa Region. *Tanzania Uongozi Journal of Management* 6(8), 37-46.

- Onyango, O. L. M. (2014). Effect of Entrepreneurship Skills on the Performance of Small and Medium Enterprises in Kahama, Tanzania: A case study of pride supported entrepreneurs. Master of Business Administration Thesis submitted to the Open University of Tanzania.
- Osei B, Baah-Nuakoh A, Tutu K.A, & Sowa N.K (1993), *Impact of Structural Adjustment on Small-Scale Enterprises in Ghana*
- Papulova, Z., & Mokros, M. (2007). *Importance of Managerial Skills and Knowledge in Management for Small Entrepreneurs*. Bratislava, Slovakia: Comenius University
- Perelman, A. (2001). Women Entrepreneurs: A Comparative Analysis of Decision Style in Hi-Tech Firms. *Abstract International*, 16, 8-13
- Patton, M. Q. (2001). *Qualitative research and evaluation methods*. Thousand Oaks, CA: Sage Publications
- Polit, D., Bell, T. C., & Hungler, B. (2004). *Research Process in Nursing: Methods, Evaluation and Use*. (5 ed.). Porto Alegre Artmed.
- Rapley, T. (2004). Interviews. In C. Seale, G. Gobo, J. F. Gubrium & D. Silverman (Eds), *Qualitative Research* (pp. 15-33). Thousand Oaks: Sage Publications
- Shane, S. (2003). *A General Theory of Entrepreneurship: The Individual Opportunity*. Edward Elgar Publishers
- Sharma, S., & Vredenburg, H. (2003). Proactive Corporate Environmental strategy and the development of Competitively valuable Organizational Capabilities. *Strategic Management Journal*, 19, 729-753

- Sekgobela, C.B. (2008). *Pregnancy – related challenges encountered by student nurses at the South African Military Health Services Nursing College*. Unpublished masters dissertation. Pretoria: Unisa
- Schalz, S. (2002). *Nigerian Capitalism.*, [<http://www.jstor.org/stable>] Retrieved August 4, 2017
- Schumpeter, J. (2005). *The Theory of Economic Development*. Cambridge Mass.
- Sinha, R. (1996). *The Family Business; Its Governance for Sustainability*. New York: Routledge
- Smyth, A. (2004). *The Wealth of Nations*. London: Everyman's Library
- Snell, S., Linde, C., & Sharma, D. (1996). Establishing Framework for Research in Strategic Human Resource Management: Merging Resource Theory and Organizational Learning. *Research in Human Resource Management, 14* , 61-90
- Snodgrass, D. R. & Tyler Biggs. (1996). *Industrialization and the Small Firm: Patterns and Policies*. San Francisco. San Francisco
- Strydom, H. (2002). *Information collection: Participant observation*. In: De Vos, A.S., Strydom, H., Fouche C.B. & Delpont C.S.L. 2002. *Research at grass roots: For the social sciences and human service professions*. (2nd edition) Pretoria: Van Schaik. 278 – 289
- Swedberg, R. (2000). *Culture and the role of an entrepreneur from an interdisciplinary perspective*. Oxford University Press.
- Timmons, J., & Spinelli, S. (2007). *New Venture Creation: Entrepreneurship in the 21st Century*. (7 ed.). New Delhi, India: Tata McGraw-Hill

- Trochim, W.M.K. (2006). *Ethics in research*. Accessed 17/09/2017 from the World Wide Web; [www.Social % 20 research methods. Net / kb / ethics](http://www.Social%20researchmethods.Net/kb/ethics).
Php. 02: 19: 39 GMT.
- Van, C. (2007). What is the Value of Entrepreneurship? A Review of Recent Research. *Small Business Economics*. 29, 351-382
- Weber, M. (2006). *The Protestant Ethic and the Spirit of Capitalism*. (T. Parsons, Trans.) New York: Oxford University Press
- Yin, R. (2003). *Case Study Research: Design and Methods*. Thousand Oaks, USA: Sage Publications.

APPENDICES

Appendix A: Questionnaire for Entrepreneurs

UNIVERSITY OF CAPE COAST

DEPARTMENT OF MANAGEMENT

Effect of entrepreneurial skills on Bolgatanga smock industry

This research is for academic purposes only and any information given shall be treated confidentially.

It will take approximately 10 – 15 minutes of your time.

1. Gender
 - (i) Male ()
 - (ii) Female ()
2. Would you kindly give your age?
 - (i) 18-25 () (ii) 26-35 () (iii) 36-45 ()
 - (iv) 46-55 () (v) >55 ()
3. What is your Marital status
 - (i) Single ()

- (ii) Married ()
 - (iii) Divorced ()
 - (iv) Widow/widower ()
4. What is your Level of education?
- (i) Illiterate ()
 - (ii) Primary school ()
 - (iii) Junior high school ()
 - (iv) Senior high school ()
 - (v) Tertiary education ()
5. How many dependants do you have in your household?
- (i) 1-2 ()
 - (ii) 3-5 ()
 - (iii) 6-10 ()
 - (iv) >10 ()
6. What is Your Monthly Income?
- (i) < GH¢1000 ()
 - (ii) GH¢1001 - GH¢3000 ()
 - (iii) GH¢3001 - GH¢5000 ()
 - (iv) GH¢5001 - GH¢10,000 ()
 - (v) > GH¢1,000,000 ()
7. Do you have any training on Entrepreneurship?
- (i) Yes ()
 - (ii) No ()
8. What Type of business do you run?
- (i) Retail (buy & sell smocks) ()
 - (ii) Sewing of smock ()
 - (iii) Weaving of smock material ()
9. What is your business form?
- (i) Sole proprietorship ()
 - (ii) Partnership ()
 - (iii) Company ()
 - (iv) Not registered (informal) ()
10. For how long have you been operating your current business?

- (i) 2-4 ()
- (ii) 5-7 ()
- (iii) 8-10 ()
- (iv) >10 ()

11. What was the source of your business idea?

- (i) Copy other established business ()
- (ii) Recognized potentially profitable business opportunity ()
- (iii) Anticipation of customer needs ()
- (iv) Necessity to survive or create own employment ()
- (v) Other (please specify)
-

12. Which of the following do you think best explains your Personal traits?

- (i) Entrepreneurship education/knowledge ()
- (ii) Business experience ()
- (iii) Willingness to take risks ()
- (iv) Search for more information about business prior to Starting business ()
- (v) Anticipation of customer needs in the local market ()

13. What entrepreneurship skill(s) do you think you possess?

- (i) Ability to recognize potentially profitable business opportunities ()
- (ii) Willingness to act on business opportunities (take risks) ()
- (iii) Ability to align available resources to produce business Opportunities ()
- (iv) Prior knowledge of customers' needs and ways to meet them ()
- (v) Management skills (knowledge to manage a venture) ()

14. How has the entrepreneurship skill(s) contributed to the success of your business?

- (i) Has been able to expand my business activities ()
- (ii) Has been able to increase sales revenue ()
- (iii) Has employed more workers ()
- (iv) Has increased the level of enterprise's asset value ()

15. Rank the following entrepreneurship skills (i, ii, iii, iv, and v) according to how important they are to the performance of your business.

Rank-: (i) = Most important skill; (ii) = Very important; (iii) = Important;

(v) = Fairly important; (v) = Least important skill

- (i) Ability to recognize potentially profitable business opportunity ()
- (ii) Willingness to act on business opportunities (risk taking) ()
- (iii) Ability to organize resources to align to available opportunity ()
- (iv) Prior knowledge of customer's need and ways to meet them ()
- (v) Management skills (ability and knowledge to manage a business venture) ()

16. What major constraint do you face that limit your business growth and performance? (pick 1 answer only among the given options)

- (i) Lack of access to affordable loans ()
- (ii) Lack of adequate market ()
- (iii) Lack of entrepreneurship training ()
- (iv) Competition from other entrepreneurs ()
- (v) Absence of government support and assistance ()

17. What strategy(s) do you use to overcome these constraints?

- (i) Source finance from relatives/friends ()
- (ii) Conduct regular market research ()
- (iii) Buy and read books rather than go for formal training ()
- (iv) Pooling resources together with other micro-entrepreneurs ()
- (v) Introducing new business strategies ()

18. What other comments can you make on:-

(a) Ownership and management of your business

.....
.....

(b) Entrepreneurship skills and knowledge

.....
.....

(c) Do you agree with this statement? “Entrepreneurship Skills are important in running a business successfully” (Tick in the appropriate box)

- (i) I agree completely ()
- (ii) I somehow agree ()
- (iii) I agree ()
- (iv) I somehow disagree ()
- (v) I disagree completely ()

Appendix B: Interview Questions

I would highly appreciate if you would fill-in the responses to the questions in this questionnaire.

It will take approximately 10 – 15 minutes of your time.

1. Please tell me your experience about use of Entrepreneurial skills in running your business.

.....
.....

2. What business types are you engaged in and why?

.....
.....

3. Where did you get the idea of starting your own business?

.....
.....

4. Which Entrepreneurial Skill(s) do you possess and is/are helping you in business growth and development?

-
.....
5. What constraints do you face in the course of conducting your business?
.....
.....
6. What other comments can you make about Entrepreneurship skills in the Bolgatanga business environment?
.....
.....
.....

THANK YOU