



Effectiveness of Entrepreneurship Training Courses in Ilam Province, Iran

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Abstract

Given entrepreneurs' special role in the economic growth and development, many developed and developing countries are attempting to motivate more number of people who have entrepreneurial characteristics towards entrepreneurship and entrepreneurial activities. The purpose of this research was to study the effectiveness of entrepreneurship training courses in Ilam Province, Iran. In this research a descriptive survey method was used. The statistical population consisted of 830 people that based on Cochran's formula and by using proportionate stratified random sampling method 130 people were selected as the sample. The research tool was a questionnaire which its validity was confirmed by a panel of experts' and its reliability was estimated using Cronbach's alpha as to be 0.83 proving its high reliability. Data were analyzed by SPSS Software Package. It was found that participants' inclination towards self-employment and entrepreneurship was increased after attending the courses. Also, significant differences were observed in participants' readiness to start a business, their familiarity with entrepreneurship concepts and their ability to make a business plan before and after attending the courses.

Keywords:

Effectiveness, Training courses, Entrepreneurship, Entrepreneurial skills, Ilam

INTRODUCTION

Studies on entrepreneurship show that it is one of the most widely-used solutions for the problem of unemployment in many countries (Hytti, 2003). Research in different parts of the world indicates that planning and investment on the training of entrepreneurship play an important role in economical growth and development and in the alleviation of the unemployment at society level. According to the theories of economics and the experiences of advanced and developing economies, entrepreneurs are the driving force of economic development and job creation is a valuable outcome of entrepreneurship. Numerous studies in different countries show that most knowledge, insights, skills and capabilities related to entrepreneurship behavior can be learned and are teachable which has been focused by advanced and developing countries as a decisive factor in economical development.

Entrepreneurship training can be an effective way to mobilize graduates to labor market. Studies in Europe show that these trainings may increase commitment among people and change them to entrepreneurs or entrepreneurship thinkers who are risk-takers and successful in business challenges (Urbano, 2005). According to the research, specific process and training programs can turn potential entrepreneurs to active ones by changing their insights and attitudes and equipping them with specific knowledge and skills (Kia and Ahmadzadeh, 2007). Entrepreneurship trainings results in changes in trainees' attitudes towards entrepreneurship which can be a basis for fostering their attitudes towards entrepreneurship behavior (Mohseni *et al.*, 2013). Researchers have been more inclined to examine the relationship between entrepreneurship and training, particularly entrepreneurship training, in recent years. The increasing number of entrepreneurship training programs on the one hand and greater budget devoted to these activities on the other hand have motivated both capital suppliers and training centers and relevant public organizations to study the effectiveness and efficiency of these programs and to identify the best practices (Mehrabad and Mehtari, 2008). In fact, it should be noted that in addition to

holding training courses the quality, methodology and effectiveness of these courses are important too and require careful examination and identification of effective factors including course duration, appropriate educational level, course material, trainers' characteristics and educational aids whose ignorance will result in the waste of human resources, time and capital and naturally, will do nothing to alleviate the problem of unemployment (Kia and Ahmadzadeh, 2007). Peterman and Kennedy (2003) reported that entrepreneurship education could change participants' entrepreneurship attitudes significantly. In addition to the direct effect of entrepreneurship education programs on starting a new business, participants could develop entrepreneurship attitudes in their entire professional businesses. Socio-economical development system in Iran has seen the increase in studies on entrepreneurship since 1998 so that Industrial Management Organization studied approaches to develop entrepreneurship in industrial sector in a comprehensive research in 1999. In the end, the education system is mentioned as an important component of entrepreneurship development and it is recommended that education system should promote entrepreneurship culture at all levels among the trainees (Majdi, 2001). In a study on designing a model for fostering entrepreneur managers in industries, Ahmadpour Dariani and Moghimi (2001) conclude that various factors affect entrepreneurship, one of the most important ones being educational factors. He concludes that managers who attend entrepreneurship educational courses are more success in entrepreneurship businesses (Eskandari, 2005). Badri *et al.* (2006) studied the entrepreneurial potential of the students of Isfahan University of Technology and compared them with students referring to the entrepreneurship center of the university. They reported that mean creativity, internal control and self-esteem were higher among students referring to entrepreneurship center than the students of Isfahan University of Technology. In a study on the effect of developing entrepreneurship capabilities (creativity, risk-taking, internal control, motivation to progress, and self-esteem) on students' entrepreneurship, Rasheed (2004) found

a direct relationship between these capabilities and participants' entrepreneurial potential. In an evaluation of the status of entrepreneurship education among Argentinean students, [Postigo \(2002\)](#) stated that students mentioned creativity and innovation training courses as the most important entrepreneurship training courses. [Mohseni et al. \(2013\)](#) examined the role of entrepreneurship education in entrepreneurial attitude and the belief in self-efficacy among students and found positive impact of these trainings on them. In a study on the influence of entrepreneurship education on entrepreneurial behavior among students of Payam Noor University of Kermanshah, Iran, [Barani et al. \(2010\)](#) revealed that entrepreneurship education had positive, significant effect on students' attitudes towards entrepreneurship, mental norms and belief in self-efficacy. In a study on the effectiveness of entrepreneurship education on increasing entrepreneurial activities of job-seeking women in Shahrekord, Iran, [Salehi Najafabadi et al. \(2006\)](#) concluded that entrepreneurship education increased their activities. [Tabatabaei and Ravaei \(2010\)](#) studied the effectiveness of entrepreneurship and psychological educations and concluded that the education of job preparation and life, social and business skills resulted in the empowerment of female citizens. In a study on the effect of entrepreneurship education on the development of entrepreneurial behaviors, [Mehrabadi and Mehtari \(2008\)](#) stated that these educations positively influenced entrepreneurial behaviors. In study on the effectiveness of job preparation and entrepreneurship courses on entrepreneurial attitudes of youths applied for job creation loans in Tehran, [Hosseini et al. \(2007\)](#) found that these courses significantly influenced entrepreneurial attitudes of these youths. [Arefi et al. \(2010\)](#) studied the effectiveness of entrepreneurial educational program in high schools and revealed that the program was effective on improving entrepreneurial knowledge and skills of students. [Bandpei \(2012\)](#) examined the effect of entrepreneurial skills education on students' attitudes towards labor market and occupational self-image and concluded that this education had positive impact on their attitudes towards labor

market, occupational self-image, and self-employment. Because of entrepreneurship training courses have been held in Ilam Province and so far no evaluation has been done about them, so it is necessary to evaluate that if they had effectiveness or not. The purpose of the present study was to study the effectiveness of entrepreneurship training courses in Ilam Province, in order to help planners to evaluate the relevant activities and adjust them or course materials if required. The results can determine to what extent the institutions responsible for holding entrepreneurial training courses in Ilam Province were successful in developing entrepreneurship among trainees and can help them proceed towards the predetermined objectives of these courses regarding the training of general business and entrepreneurship skills. In total, the quality of these courses can be evaluated on the basis of the results of the present study. The planners and policy-makers of entrepreneurship can use the results of this study to gain an insight towards the effectiveness and quality of the courses.

MATERIALS AND METHODS

This research was applied and a descriptive survey method was used. The statistical population consisted of all trainees of entrepreneurship training courses in Ilam Province (N=830) that by using proportionate stratified random sampling method and based on Cochran's formula 130 people were selected as the sample. Ilam province was located in the west south of Iran country. The instrument of data gathering was questionnaire that contained two section of individual characteristics and items which provided solutions to research objectives. These items were in the form of five-point-Likert type rating scale, with rating scale ranging from 1-5. A pretest-posttest design was used for this study. The validity of questionnaire was confirmed by panel of experts. Cronbach Alpha coefficient was used for calculating reliability of questionnaire and its value was equal to 0.83. Data analysis was performed by using SPSS software. Descriptive statistical method such as mean, median, mode and coefficient of variance used for data analysis. In

order to evaluate effectiveness of entrepreneurship training courses, characteristics of participants before and after attending the training courses were compared with each other by using means comparison test (t-test).

RESULTS AND DISCUSSION

According to the results, 52.8% of the respondents were female. The highest age frequency of respondents (39.8%) was in age class of 20-25 years. The highest frequency of respondents' education level (47.9%) was devoted to bachelor degree. Among participants, 77.2% were unemployed and 22.8% were employed (Table 1). Also, 57.7% of trainees had expressed their interest for the employment before attending the courses. This rate was reduced to 16.4% after attending the courses. The respondents' inclination for self-employment and entrepreneurship increased after attending the courses so that whereas only 26% had expressed their inclination for entrepreneurship before the courses, it was increased to 48.3% after the courses.

Since the objective of the present study was to evaluate the effectiveness of entrepreneurship training courses, the means of variables of the participants were compared by t-test before and after attending the training courses. Findings have been shown in Table 2.

Hypothesis 1: There is a significant difference between trainees' readiness to enter business world before and after attending the courses.

The results of t-test presented in Table 2 indicate that the comparison mean amount of

readiness to enter business world was significant before and after attending the courses at the 0.01 level. These findings are in agreement with Hosseinian *et al.*, 2007, Mehrabad and Mehtari, 2008; Tabatabaei and Ravaei, 2010; Tabatabaei and Hosseinian, 2004 and Tabatabaei and Hosseinian, 2009. Since the mean of this variable was 1.97 before attending the courses which increased to 3.91 after the courses, it can be said that attending the courses enhanced it among participants. Therefore, entrepreneurship training courses probability can be prepared participants to enter the business world.

Hypothesis 2: There is a significant difference between trainees' familiarity with entrepreneurship concepts before and after attending the courses.

Results of t-test shown in Table 2 reveal a significant difference in mean amount of the variable of trainees' familiarity with entrepreneurship concepts before and after attending entrepreneurship training courses at the 0.01 level. Since the mean amount of this variable increased from 2.36 before attending the course to 4.05 after attending them, it can be said that attending entrepreneurship training courses resulted in higher amount of this variable among trainees. Therefore, it can be said that entrepreneurship training courses can familiarize trainees with business and entrepreneurship concepts which is consistent with Arefi *et al.* (2010).

Hypothesis 3: There is a significant difference between trainees' creativity and innovation before and after attending the courses.

Table1: Some individual characteristics of respondents

Variable	Groups	Frequency	Percentage
Gender	Male	58	47.2
	Female	65	52.8
Age (year)	Lower than 20 year	4	3.3
	20-25	49	39.8
	25-30	41	33.3
	30-35	25	20.3
Education	Higher than 30 year	4	3.3
	Diploma	21	17.4
	Associate	34	28.1
	Bachelor	58	47.9
	Master and doctoral	8	6.6
Job	Unemployment	95	77.2
	Employment	28	22.8

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Table 2: Comparison of participant's entrepreneurial characteristics before and after attending the training courses

Variable	Before the courses		After the courses		t-statistic	p-value
	Mean	SD	Mean	SD		
Readiness to enter business world	1.97	0.584	3.91	0.662	-3.77**	0.000
Familiarity with entrepreneurship concepts	2.36	0.492	4.05	0.536	-5.25**	0.000
Creativity and innovation	2.01	0.607	2.08	0.536	-1.25	0.324
Ability to evaluate entrepreneurship opportunities	3.56	0.642	3.90	0.735	-2.90	0.06
Ability to design business plans	3.02	0.645	3.87	0.713	-2.14*	0.04
Familiarity with business regulations	2.83	0.687	3.90	0.795	-4.19**	0.000
Business establishment and administration	3.43	0.703	3.76	0.668	-1.34	0.098

* p< 0.05

** p< 0.01

Rank scale: (1: very low, 2: low, 3: medium, 4: high, 5: very high)

The results of t-test are presented in Table 2. According to these results, attending entrepreneurship training courses had no significant influence on trainees' creativity and innovation. Given the fact that mean amount of this variable was 2.01 among trainees before attending the course and that it was increased to 2.08 after the courses, it can be concluded that entrepreneurship training courses did not enhance this variable among trainees. This finding is in agreement with Arefi *et al.* (2010) and in disagreement with Hezarjaribi (2003), Postigo (2002), and Sharafi and Moghaddam (2013). It can be concluded that the creativity and innovativeness are talents which can be acquired only by long-term education and practice. Therefore, probability short-term entrepreneurial courses cannot be expected to create creativity among trainees.

Hypothesis 4: There is a significant difference between trainees' ability of evaluating entrepreneurial opportunities before and after attending the courses.

As t-test results in Table 2 shows, entrepreneurship training courses had no significant influence on trainees' ability to evaluate entrepreneurial opportunities. The mean amount of this variable was 3.56 before attending the courses which increased to 3.90 after the courses. So, the training courses could not enhance this ability among trainees. It can be said that the ability of evaluating entrepreneurial opportunities is a professional field and specific capability among entrepreneurs whose acquisition requires specific, professional courses. So, short-term courses may

fail to help trainees acquire this skill.

Hypothesis 5: There is a significant different between trainees' ability to develop a business plan before and after attending the courses.

According to the results of t-test summarized in Table 2, entrepreneurship training courses resulted in significant differences in the mean amount of the variable of trainees' ability to develop a business plan at the 0.05 level. Given the fact that mean amount of this variable was increased from 3.02 before the courses to 3.87 after the courses, it can be concluded that attending entrepreneurship training courses improved this ability among participants. This finding is inconsistent with Arefi *et al.* (2010). Therefore, it can be said that in addition to learning business concepts and financial calculation methods, participants acquire a preliminary ability to design a business plan.

Hypothesis 6: There is a significant difference between trainees' knowledge of business regulations before and after attending the courses.

The results of t-test shown in Table 2 indicate significant differences in trainees' knowledge of business regulations before and after attending entrepreneurship training courses at the 0.01 level. Since the mean amount of this variable was increased from 2.83 before the courses to 3.90 after the courses, it can be said that attending these courses increased this variable amongst participants. Since entrepreneurs' knowledge of business regulations is a prerequisite for their success, they pay a special attention to this issue in training courses in order to improve

their knowledge of relevant regulations.

Hypothesis 7: There is a significant difference between trainees' managerial skills of business establishment and administration before and after attending the courses.

According to the results of t-test presented in Table 2, mean amount of the variable of managerial skills of business establishment and administration was not significantly changed before and after attending entrepreneurship training courses. Since the mean amount of this variable was insignificantly increased from 3.43 before the courses to 3.76 after the courses, it can be said that the courses did not have significant influence on participants' managerial knowledge. This finding is in disagreement with Gallowy *et al.* (2005). Because of training courses are short term and periodical and also because some skills are inherent in people, so only short term training cannot affect on amount of managerial skills.

CONCLUSIONS AND RECOMMENDATIONS

- Given the fact that training courses changes participants' insight about career selection and that government is trying to shrink its human resources and limit the recruitment, it is recommended that more graduates are covered by these courses to create self-employment and entrepreneurship thought among them.

- Since entrepreneurship courses are successful in improving participants' readiness and decision to enter business world, it is recommended that the involved managers and officials attempt to improve condition of start up business.

- It was found that entrepreneurship training courses helped participants acquire the ability of making a business plan. Given the importance of business plan in the success of a business, it is recommended that after entrepreneurship training courses, contests are held on making business plans. Then, the best business plans can be identified and fulfilled in addition to the emphasis on the crucial importance of business plan on the process of initiating a business and the encouragement of participants of the courses.

- It was revealed that entrepreneurship training courses did not improve creativity among par-

ticipants. Therefore, given the importance of creativity and innovation in entrepreneurial activities, the necessity to foster creative minds for the development of innovation and the indivisible nature of sustainable businesses and innovation in the modern world, it is recommended that entrepreneurship training courses are designed so that experienced trainers are used for the education so as to foster creativity amongst trainees.

- According to the results, training courses failed to foster the ability of evaluating entrepreneurial opportunities among trainees. Therefore, since the acquisition of the ability to assessing entrepreneurial opportunities is a specific field in entrepreneurship, it is recommended that long-term specific courses are designed for the improvement of the skills.

- Results showed that training courses failed to create the ability of assessing entrepreneurial opportunities in trainees. Therefore, since the ability to evaluate entrepreneurial opportunities is a specific entrepreneurial field, it is recommended that long-term specific training courses are held to create and improve this skill.

- Results indicated that the training courses failed to create managerial ability amongst trainees. Therefore, it is recommended to hold more managerial courses for the participants.

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