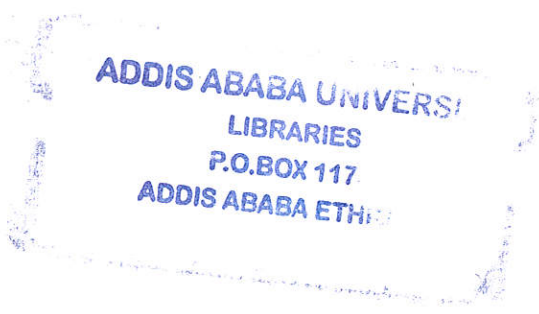


ADDIS ABABA UNIVERSITY
SCHOOL OF GRADUATE STUDIES

**THE ROLE OF TECHNICAL AND VOCATIONAL EDUCATION AND
TRAINING GRADUATE ENTREPRENEURS IN REDUCING
UNEMPLOYMENT: THE CASE OF SOME SELECTED SUB-CITIES
IN ADDIS ABABA**



BY
TESFAYE YEHIKER

JUNE 2010
ADDIS ABABA

**THE ROLE OF TECHNICAL AND VOCATIONAL EDUCATION
AND TRAINING GRADUATE ENTREPRENEURS IN REDUCING
UNEMPLOYMENT**

A thesis submitted to the school of graduate studies, Addis Ababa University in partial fulfillment of the requirements for the degree of Master of Art in Management of Vocational Education



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Acronyms and Abbreviations

AAREMSEDA	Addis Ababa Regional Micro and Small Enterprises Development Agency
ADB	African Development Bank
AU	Africa Union
BDS	Business Development Service
CIA	Cooperative Industry Areas
CSA	Central Statistical Authority
FEMSEDA	Federal Micro and Small Enterprises Development Agency
HLCLEP	Higher Level Commission for Legal Empowerment of the Poor
ILO	International Labor Organization
IOE	International Organizations for Employers
LMIS	Labor Market Information System
MoE	Ministry of education
MSE	Micro and Small enterprises
MTI	Ministry of Industry
NGO	Non Government Organization
OECD	Organization for Economic Cooperation and Development
REMSEDA	Regional Micro and Small Enterprises Development Agency
RS	Rupees
TGE	Transition Government of Ethiopia
TVET	Technical and Vocational Education and Training
UNESCO	United Nations Education, Scientific and Cultural Organization
UNIDO	United Nations Industrial Development Organization
US	United States

Abstract

The main purpose of this study was to assess the effect of TVET graduate entrepreneurs on reducing unemployment. The similarity of the current job and the training on which they graduated, factors for an entrepreneurial motivation, the problems they face, the support requirements and the sustainability of the business were the major themes of the study. A descriptive survey method was used to assess the effect of TVET graduate entrepreneurs on reducing unemployment in sixteen enterprises found in two sub-cities of Addis Ababa. The subjects of the study were 79 TVET graduate entrepreneurs, ten MSEs facilitators (two enterprises organization and supervision process owners of Addis Ababa MSEs Agency, two sub-city MSEs development coordinators, two sub-city MSEs development officers, four kebele MSEs development officers). Accordingly, stratified and purposive sampling techniques were used for selecting the entrepreneurs and facilitators respectively. The data for the study were gathered through questionnaires and interviews. Consequently, it was analyzed by percentages, frequency and mean rank order. Finally, the results of the study revealed that the majority of the TVET graduate entrepreneurs work is similar with their field of training, majority of the entrepreneurs were trainees before self employed and they were motivated to be an entrepreneur by the already established entrepreneurs. In addition to having better knowledge on field of work, participating in apprenticeship, entrepreneurship course and MSEs offices motivated them. Lack of collateral and difficulty of borrowing process were the major difficulties of the entrepreneurs. Besides, lack of market linkage, increase of raw materials cost, insufficient working capital, lack of market place were also their problems, they received moderate amount of support from concerned bodies, and the current situation of the majority of TVET graduate entrepreneurs enterprise is profitable. Therefore, it is recommended that trainees should be assigned based on their interest and awareness creation orientations should be given. The government should change the attitude of the society about an entrepreneurship through different media, an entrepreneurship course should be supported by invitation of known entrepreneurs and business incubating programs should be introduced to TVET colleges, the problems should be solved and graduate entrepreneurs must be supported in different ways so as to continue in a sustainable business situation and reduce un-employment in the city administration.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

The world is facing enormous problems, not the least of which are poverty and unemployment. Possible solution to this growing demand is to teach people to generate employment for themselves and others by using the existing resources and building of an entrepreneurial culture (Pandey, 2006). Indeed governments around the world are faced with the challenge of providing employment for their populations.

So governments must genuinely aim to create the space for entrepreneurship to flourish and a culture of innovation to take hold due to the fact that, entrepreneurial activity breeds innovation, injects competitive pressures and develops opportunities in economies, and for its role to be a foundation in many respects for broader economic developments (IOE, 2005).

Ethiopia is among the poorest countries in the world. The MoE (2006:5) revealed, "Some 31million people live below the defined poverty line of 45 US cents per day and millions are at a risk of starvation each year." So in developing countries like Ethiopia, where there are shortage of capital, managerial resources and skilled labor the promotion of small enterprises and entrepreneurship is an important approach to the economic development (MoE, 2001).

Ethiopia has gone through years of unfavorable environment for the development of entrepreneurship. The causes for this underdevelopment of entrepreneurship were social as well as political. The past years can be

analyzed in terms of three categories. It is worthwhile, therefore, to look into these three eras so as to get the clear picture of them. Feudal era (1974), the Socialism period (between the years of 1974 and 1991) and the present state.

The Feudal era (before 1974); the land lord class having control of both the urban and rural land did neither develop entrepreneurship nor did it give the opportunity for others to make use of land for the growth of capitalism. Landownership was associated with wealth, nobility and power. Since the traditional society of Ethiopia was highly influenced by social norms and values, aspired success was sought in the traditional agriculture than any other sector. Enterprising was considered as undesired profession and it was a livelihood for those who could not own land and it was also considered as blue collar job meant for people with low social profile. People engaged in crafts like blacksmith, pottery, waving, welding, and similar ones were among the despised ones in the society. All workers of Iron were regarded as 'buda' capable of preying up on human flesh. They were taught to have 'evil eyes' which could turn out people sick. The result was that black smiths of Ethiopia offend any work in Iron (Pankhurst, 1992). In those days in Orthodox Christian Religion, those who were striving hard to make money were considered as people worshipping wealth and were despised.

The Period of Socialism (1974 to 1991); the socialist ideology replaced the feudal ideology in 1974. The main feature of the replacing government's economic policy were central planning, public ownership, and the development of cooperates. Proclamation No 76/1975 prohibited a person who had a permanent job from having an industrial or commercial license. There was also limitation to the type of business formation with a capital ceiling for private

investment. Ceilings on industrial investment, for whole sale trade and for retail trade was Birr 0.5 million, Birr 0.3 million and Birr 0.2 million respectively. In the rural areas there was also a limit of 10 hectares of land holding that arrested the development of entrepreneurship in the country at that era (Taye, 1995).

The present state; the policy of the Federal Democratic Republic of Ethiopia differs markedly from the previous one. It replaced the socialist economy with market economy. The new economic policy of 1992 has the objective of transforming the economy from controlled to market based one. The government, in line with the guiding principle of free market economy, identified basic strategic elements to create enabling environment and to promote the development of private sector and entrepreneurship (Dawiet, 1999).

In general, the promotion of entrepreneurship of micro and small Enterprises (MSEs) in a country is increasingly becoming more important due to the fact that they use what the country possesses and less of what it lacks as well as for its role of employment creation for the majority of less skilled and unskilled work forces and due to their impact on economic development through creating market for local products and utilization of local raw materials and local knowledge (Yordanos, 2006). The promotion of micro and small Enterprises (MSEs) is also favored from the capital scarcity point of view especially in less developed countries like Ethiopia, which are not in a position to mobilize large amount of capital to invest in large industries. This increases the opportunity of small scale industries to be the means of achieving sustainable economic development (Assefa, 1997).

Governments must also cushion the effect of poverty on vulnerable groups by establishing vocational and technical schools which lead to the production of skilled personnel who will be self reliant and enterprising. Such skilled man power is required for the development of any nation (NWAGWU, 2006).

Understanding this the Ethiopian government after the proclamation No. 391/2004, is giving due attention for the promotion of vocational centers that create individuals who will be self reliant entrepreneurs and play essential role for the economic development of the community.

In relation to this, Wana (1998) described the focus of vocational/ technical education as a means for skills development needed for employment in the labor market, thus it has to be sensitive to market forces and be adaptive to changing environment.

Moreover, UNESCO and ILO (2002) have also explained the contribution of TVET in manpower development significantly to promote the interests of individuals, enterprises and society at large. Additionally by producing employable graduates, training that contributes not only to economic development but also to gain access of decent employment and good jobs is becoming important.

Recognizing the above facts, TVET graduates are being encouraged to engage in entrepreneurial activities or to be self employed. After the proclamation No 2/1995, the Addis Ababa city administration paid due attention for entrepreneurial activates. With related to this, cooperatives, micro and small enterprises are being promoted and strengthened to enable this sector contribute to poverty alleviation, creation of job opportunities and reduction of

unemployment. Despite attention is given for the sector, there hasn't been any rigorous study that examines entrepreneurs particularly on TVET graduates to assess their progress.

Therefore the aim of this study is to assess the effect of TVET graduate entrepreneurs on reducing unemployment and come up with recommendations that will promote them.

1.2 Statement of the Problem

Building the culture of entrepreneurship and preparing people for self employment is one of the objectives of Ethiopian technical and vocational education (MoE, 2006). However, the number of job seekers who had technical and vocational education was 53,045 which accounts for 4-7 percent of the total unemployed. Of the total 53,045 unemployed individuals only 10,123 were placed through employment offices (MoLSA, 1997).

Particularly, in Addis Ababa the problem goes serious that the unemployment rate is estimated to be about 21.4% of male and 36.1% of female. The total average rate of unemployment is 28.75% and 461,548 people are estimated to be unemployed in the city and this number will reach 569,689 in 2009/2010 (CSA, 2006).

All the aforementioned figures show that unemployment is increasing from year to year and the problem goes from bad to worse unless the newly graduated trainees treated or directed towards self employment. Those who already established their enterprises particularly of those TVET graduates should also be promoted strengthened and have to be evaluated in terms of their role of reducing unemployment. Hence, it is necessary to deal with this issue

empirically in order to promote the sector so that it will have significant contribution for the country's development in general and for individuals in particular.

As to the best of my knowledge is concerned, I haven't come across papers done particularly on TVET graduate entrepreneurs and their impact on reducing unemployment. Thus the objective of this study is to assess the effect of TVET graduate entrepreneurs on reducing unemployment. Accordingly, the following basic questions were addressed as a guide for treating the problem.

1. Is the current job of the TVET graduate entrepreneurs similar to the area on which they have been trained?
2. What factors motivated TVET graduates to be an entrepreneur?
3. What are the problems encountered by those TVET graduate entrepreneurs as they run their enterprises?
4. Are there enough support from government and non government organizations for those TVET graduate entrepreneurs?
5. Are those TVET graduate entrepreneurs in a sustainable business situation?

1.3 Significance of the Study

In addition to assessing the TVET graduate entrepreneurs on reducing unemployment, the result of the study is believed to have the following importance.

- The output of this study will have some contributions for the stake holders such as NGO's, Government offices and Bureaus, TVETs, in considering the existing problems as input;
- The output of this study may highlight areas of focus for further research on entrepreneurship development;

- The study may also serve as a stepping stone for further study related to TVET.

1.4 Delimitation of the Study

In order to carry out the study successfully, in terms of magnitude, areas to be covered and resources required to conduct the research, delimitation is necessary. So geographically, the study is delimited to Addis Ababa city administration at the enterprises of TVET graduate entrepreneurs (CIA), which are found in different sub-cities. The study also includes the Addis Ababa city's administration micro and small enterprise development agency facilitators, sub-cities' and Kebeles' micro and small enterprise facilitators.

The study only includes TVET graduates who are self employed and run their own business, but it doesn't include those graduates who work in governmental or non-governmental organizations as employees. It also assesses the sustainability of self employment situation of those graduates and their living standard.

1.5 Limitations of the Study

During conducting this research, the researcher had faced with several problems. Getting data about the educational level of the entrepreneurs was the most serious problem. Besides, the working premises or the CIAs were far from the main roads that there was no transportation. So, repeatedly going to the CIAs was another challenge. Also for entrepreneurs who did not get working premises for example those who work in the field of electricity, the only way to get them was by Mobile phone which was too costly. Nevertheless, through rigorous efforts and by bearing all the above limitations the study was accomplished successfully.

1.6 Definition of Important Terms

Entrepreneur- individuals who are graduated from TVET and engaged in running their own business.

Enterprise- it refers to an organization which is established by TVET graduate entrepreneurs and engaged in providing services and production of goods.

Micro Enterprises: are those TVET graduates enterprises with a paid up capital of not exceeding birr 20,000 and excluding high tech consultancy firms and other high tech establishments (MTI, 1997).

TVET Graduate: refers to graduate of Technical and vocational colleges' particularly in hard skill courses.

TVET Graduate entrepreneurs: they are individuals that graduated from TVET particularly in hard skills courses and run their own business.

Self employment: it is an employment situation in which TVET graduates are generating their sources of income.

Small enterprises: are those TVET graduate enterprises with a paid up capital above birr 20,000 and not exceeding birr 500,000 and excluding high tech consultancy firms and other high tech establishments (MTI,1997).

1.7 Organization of the Study

The study consists of five chapters. The first chapter includes the introduction of the study, statement of the problem, significance of the study, delimitation of the study, limitation of the study, as well as definition of terms. The second chapter is committed to review of related literatures. The third chapter deals with research design and methodology. The Fourth chapter is dedicated for data presentation and analysis. The fifth chapter deals with summery, conclusion and recommendations, lastly bibliography, sample questionnaires and other relevant documents annexed.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1. Definitions and Concepts of Entrepreneurship, Entrepreneur Cooperatives and Micro and Small Enterprises (MSEs).

2.1.1. Definitions and Concepts of Entrepreneurship and Entrepreneur.

The concept of entrepreneurship varies from country to country, period to period, and by the level of economic development as well as in terms of thoughts and perceptions. Therefore, a concise universally accepted definition has not yet emerged. Even if, it is defined differently by different scholars in almost all the definitions of entrepreneurship there is an agreement that it is a kind of behavior that includes;

- a) Initiative taking; which involves initiating to create and operate an enterprise.
- b) Organizing and reorganizing of social /economic mechanisms to turn resources and situations to practical account; which requires coordinating and controlling the factors of production and efforts of persons engaged in the enterprise.
- c) The acceptance of risk failure; which requires bearing all risk and uncertainty involved in the enterprise (Hisrich and Peters,1989).

Steinkritiansen (1996) has also described some qualities, which he believes are entrepreneurial behaviors such as creativity and curiosity, motivation by success, willingness to take risk, identification of opportunity, ability to cooperate and tolerance of uncertainty to be entrepreneurial qualities that make one pursue entrepreneurship.

Entrepreneurship is understood in a wide social, cultural and economic context. It involves, life attitude, including the gardens and courage to act in the social, cultural, and economic context (Hafterdone and Salvano, 2003). It is also expressed by Higgins as cited in Kumar, et al., (2004: 6) as follows:

Entrepreneurship is meant the function of foreseeing investment and production opportunities, organizing an enterprise to undertake a new production process, raising capital, hiring labor, arranging the supply of raw material, finding site, introducing a new technique, discovering new resource or raw materials, and selecting top manages for day to day operations of the enterprise.

The word entrepreneur is derived from the French verb 'enterpredre' which means to undertake. In the early 16th century French economist Richard Cantillo used the term entrepreneur to business, since then the word entrepreneur means one who takes the risk of starting a new organization or introducing a new idea, product or service to the society. Roy as cited in Gupta and Khanka (2002: 8) safely expresses it as follows:

An entrepreneur is an economic agent who unites all means of production, land of one, the labor of another and capital of yet another thus produces a product. By selling the product in the market, he pays rent of land, wages to labor, interest on capital and what remains in his profit. Thus an entrepreneur is an organizer who combines various factors of production to produce a socially viable product.

Peggy and Charles (2005) also identified three cases where one can be considered as an entrepreneur. First, the enterprises established on new concept/new business in which the entrepreneur develops new idea and new

product; Second those people who venture a new business in the area where they start a business to complete; and third those who buy the existing business along with the existing concept are also considered to be entrepreneurs for taking personal and financial risk. The above all definitions by different scholars encompass innovation, organizing and risk bearing activities.

Historical Development of Entrepreneurship

The concept of entrepreneurship was first established in the early 1700's in French military history and passed through several periods (Hisrich and Peter, 1989). In this regard, the overall historical development is summarized briefly;

Earlier Period-In earlier periods an entrepreneur was one who attempted to establish trade routes and signed contract with money persons (persons who have money) to sell his goods and renders himself as a go between while the capitalist was a passive risk bearer, the merchant-adventure took the active role in trading, bearing all physical and emotional risks.

Middle ages - In the Middle Ages, the term entrepreneur was used to describe both an actor and person who managed large production projects. In such large projects, this person did not take any risk, but merely managed the project using the resource provided. A typical entrepreneur in the middle ages was the person in charge of great architectural works, such as castles and fortifications, public building, abbeys and cathedrals.

17th Century- An entrepreneur was being viewed as a person who entered into a contractual arrangement with the government to perform a service or to

supply stipulated products. Since the contract price was fixed, any resulting profits or losses reflected the effects of the entrepreneurs.

18th century - Richard Cantillon, a person that developed one of the early theories of the entrepreneur and is regarded by some as the founder of the term viewed the entrepreneur as a risk taker, observing that merchants, farmers, craftsman and other sole proprietors, “ buy at a certain price and sale at an uncertain price, therefore Operating at a risk.”

In the 19th and 20th century- entrepreneurs were frequently not distinguished from managers and were viewed from an economic perspective. Briefly stated, the entrepreneur organizes and operates an enterprise for personal gain. He pays current prices for materials consumed in the business, for the use of the land, for the personal services he employs and for capital he requires. He contributes his own initiative, skill and ingenuity in planning, organizing and administering the enterprise, he also assumes the chance of loss and gain consequent to unforeseen and uncontrollable circumstances.

In the middle of 20th Century- In the middle of 20th century, the notion of an entrepreneur as an innovator was established. The function of the entrepreneur is to reform or revolutionize the pattern of production by exploiting an invention or more generally, an untried technological possibility for producing a new commodity or producing an old one in a new way, opening a new source of supply of materials or a new industry. In this century, its concept is developed further and it is defined in considering different principles, disciplines and personal perspectives. Another form of enterprise that undertakes entrepreneurial activities are co-operatives.

2.1.2. Concepts of Co-operatives

They are forms of business organizations, which are generally formed by the working and lower middle class or economically weak sector of the society for safeguarding their interests against exploitation by powerful businesspersons especially of those who acts as intermediaries (MoE, 2001). In cooperative organization the aim is not to gain profit but to give service for its members. So central to the legal concept of a co-operative is its' legal obligation to promote the economic interests of its members.

Co-operatives are form of enterprises in which entrepreneurial activities are democratically carried on for a mutual benefit and in an equalitarian fashion. A co-operative is an autonomous association of persons united voluntary to meet their common economic, social and cultural needs and aspirations through a jointly owned and democratically controlled enterprise (ILO, 2002). They deliver well-being to citizens, wealth to nations; promote entrepreneurship and participation. The fact that owners and customers/clients/suppliers of the business are identical is the characteristics feature of a co-operative.

2.1.3. Micro and Small Enterprises (MSEs)

According to OECD MSE and Entrepreneurship outlook (2005:20), the significance of micro and small enterprises is described as:

MSEs and entrepreneurship are now recognized worldwide to be the key source of dynamism, innovation and flexibility in advanced industrialized countries, as well as in emerging and developing countries. They are responsible for most net job creation in OECD countries and make important contributions to innovation, productivity and economic growth.

There is no single definition for micro and small enterprises, which can be useful for all purposes (Lettice, 1996). Due to this, countries define MSEs, in various ways depending on the level of their economic growth and their socio-economic cultural situations. Usually, the basis for categorization is the number of workers in the enterprise, the volume of sales, the amount of capital and other criteria. To substantiate this, let us see the definitions used in some countries.

In the United States of America, the small business administration (SBA) defines MSEs based on the number of employees, total asset and annual sales of the enterprise. Enterprises are called small family business if they have four or fewer Employees with annual sales of USD 499 or less while those having 5 to 9 employees with annual sales from USD 500 to USD 2,499 are classified as small enterprises.

In India, those with fixed capital not more than Rs 500,000 are called tiny enterprises. Instead of the usual naming as micro enterprises while small enterprises are having a fixed capital investment between Rs 500,000 and Rs 6,000,000 for all enterprises but between 500,000 and 7,500,000 for ancillary and export oriented units (Islam, 1996).

The European Commission defines MSE, based on turnover, balance sheet and number of employees. Accordingly, a micro enterprise is one with less than two million turnover and less than ten employees, where as a small enterprise is one with less than ten million turnovers and has not more than fifteen employees.

To consider the definition of MSEs in Ethiopia, it was first defined by proclamation No, 124/1977. It defined small scale industry as any manufacturing activity that uses power machines and has fixed asset excluding buildings and land improvements, not exceeding birr 200,000.

The Ministry of Trade and Industry of Ethiopia in its micro and small enterprises development strategy defined micro and small enterprises as follows (MTI, 1997).

- Micro enterprises- are those small business enterprises with a paid up capital of not exceeding birr 20,000 and excluding high-tech consultancy firms and other high-tech establishments;
- Small enterprises- are those enterprises with a paid up capital of above 20,000 and not exceeding birr 500,000 and excluding high tech consultancy firms and other high tech establishment;

The central statistical Authority (CSA, 2000) on the other hand uses the classification of MSEs into the informal sector, cottage or handicrafts, small-scale manufacturing industries, medium and large-scale manufacturing industries. The CSA based its definitions on the size of employment and extent of automation which means that it considers the number of employees and the available machines in the enterprises.

2.2. The Importance of Entrepreneur Education

Schools should send out the message that being an employee is not the only option after the completion of studies. In doing this many countries have come to realize the importance of conducting entrepreneurship education at various

levels to enhance entrepreneurial motivation of trainees and help trainees develop entrepreneurial behavior.

Entrepreneurship education plays an active role in the development of a country's economy by creating individuals who have the need for achievement, willing to take risk, have self-confidence in decision-making and independence for creativity (MOE, 2001).

It is due to the tireless efforts of their entrepreneurs that developed countries are leading in their economic development. Most of these entrepreneurs are the result of their well-organized education and training system in which the training effects of the training institutions and enterprises play a crucial role. If we take America, it is because of the farsighted and creative entrepreneurs that its economy is at the level of global leadership, most entrepreneurs are action-oriented people who believe that working hard and being smart is the key to success (Oldham, 1988).

Everyone is born with an entrepreneurial seed deeply within us. It is therefore necessary to take proper care and nurture this seed so that an entrepreneurial talent becomes alert; this implies that with proper training and development programs, it is possible to build/nurture an interested and motivated person to become successful entrepreneur. In accordance with this, Saboe et al.,(2002) stated it, TVET institution helps to develop a more positive attitude to problem solving abilities and responsibilities, to foster the acquisition of practical and management skills and to awaken the spirit of entrepreneurship.

2.3. Entrepreneurial Motivation

Motivation is the degree to which an individual desires and is willing to exert effort towards achieving certain goals. It also refers to energetic forces within individuals that drive them to behave in certain ways and to environmental forces that trigger these drives. In light of this, Desai (1999) aptly put it: Motivation refers to the way in which urges, drives, aspirations and strivings or needs, direct, control or explains the behavior of human beings. He says that the urges, drives, desires, aspirations, strivings or needs of human being influences human behavior. He further notes that if the entrepreneur feels motivated his behavior will bring about the desired action.

The Entrepreneurial motivation is one of the most important factors which accelerate the pace of economic development by bringing the people to undertake risk bearing activities. McMullan and Long (1990) also concurred that, it is possible to motivate man to be more entrepreneurial so the young entrepreneur should be motivated to come out with determination to do something of their own, also to contribute to the national income and wealth in the economy.

If a country wants to achieve the growth at the grass root level, through social justice and the crimationation of poverty, it will have to provide institutional support and structural change in organization of financial institutions to promote entrepreneurship development.

As stated by Desai (1999), there are three basic elements of motivational factors, these are entrepreneurial motivation, personal efficiency and copying capability. Therefore he says, apart from earning a livelihood and /or making profit, the entrepreneur is also motivated to fulfill his /her innate urge to

achieve success in life, improve his/her social standing, gaining social recognition to provide something to society. But this does not mean that motivational factors are uniform, they may vary from place to place, time to time and from entrepreneur as well. Behind any person making entrepreneurial decisions, therefore, there are always some motivational factors that mood his entrepreneurial trait.

Motivational Factors

There are several motivational factors that induce the person to undertake entrepreneurial activities which relate to creating a new business. The entrepreneurial characteristics are formed through a combination of various social, economic, cultural and psychological factors to which the person becomes subjected right from childhood. The factors that motivate a person to become an entrepreneur may be classified into prime motivators, motives, compelling factors, facilitating factors and opportunity factors (Raman, 2004).

Prime motivators, an entrepreneur may embark on an enterprise on his/her initiative or under inspiration from sources such as members of his/her family, close relations and friends, government agencies or the success stories of other entrepreneurs.

Motives, in practice there are two types of motives, better understood as intrinsic and extrinsic motives. Intrinsic motives are motives that people own from their inside and have pulling effect, which include the need to achieve, the drive to get a certain level, profit or wealth, the need to exercise independence and control the drive to enjoy power or prestige or significance in the society. In contrast to the pull effect which comes from intrinsic motives. Extrinsic motives have push effect on individuals to engage in entrepreneurial activity.

E.g. Unemployment, displacement, disappointment, or dissatisfaction in one's previous experience.

Compelling factors, sometimes it is the external compulsion rather than internal motives that push people to launch their enterprises. People may be suddenly thrown out of employment and may be compelled to seek or accept other jobs.

Facilitating factors, the factors facilitating entrepreneurship include the encouragement and support from members of the family or friends or relatives. The experience gained from employment, good educational background and skills and property acquired or inherited, support from sources like friends or family may be in the form of material or moral support. Moral support from one's close relatives and friends boosts moral recharges, self confidence, stimulate enterprise, and strengthen people to face challenges.

The opportunity factors of entrepreneurship are trade information, business contacts, knowledge about sources of raw materials and good education and training.

2.4. Factors Affecting the Prospective Graduate Entrepreneurs

Technical and vocational education and training is the vital aspect of the education process, which contributes to the social, cultural, and economic development of a society. However, the success of TVET strategy is more dependent on the existence of employment opportunities, particularly self-employment. For this to happen, adequate and necessary partnership between TVET and enterprises, the ability of TVET institutions to discover and provide appropriate skills are paramount requirements.

2.4.1. Labor Market Information System

Labor market information is something that many young people need in particular and at the same time have less access to get the turning point of their life in order to decide and establish their successful business (Temesgen, 2008).

Responsive training policy requires more often accurate, regular, and upto date labor market information and socio-economic trend analysis systems to develop information on labor markets and to monitor the training, which is necessary to adjust instantly to changes of skills in demand. Subsequently, labor market information (LMI) provides timely data for vocational training centers on the type of occupation and number of the skilled labor force required by the economy. It can serve as an “early warning system” on what is happening in the labor market including the current employment patterns and problems associated with it, as well as future trends and opportunities in the labor market (Yekunoamlak, 2000).

Similarly, Okaka (2007) pointed out that a sound labor market analysis and monitoring system is necessary for capturing early Signal disturbance in the labor market, assisting the changing employment and unemployment situation, formulation of well target policies and programs, monitoring the impact of specific policies and programs and incentives. Moreover, labor market information should fulfill a number of requirements to serve the needs of users. Examples of these requirements are the accessibility, comprehensiveness, timeliness, regularity, scope and coverage, accuracy, institutional collaboration and cooperation and present ability of the

information stored. However, TVET systems in many countries have not yet established sustainable institutional set up required by LMI.

2.4.2. Apprenticeship Training

Apprenticeship is a job training program undertaken by a trainee in an organization pursuant to an agreement concluded among training institution, an organization, and a trainee to enable the trainee to put to practice the technical and vocational education and training acquired in training institution and to be acquainted with work (Negarit Gazeta, 2004:2554).

As stated by Ziderman also (2003), “Apprenticeship is a key method for employment.” To this end, apprenticeship training is believed to familiarize trainees with real work life who eventually qualify as self or wage employees in their specialized areas. Moreover, it helps to make strong and healthy relationship between the institution and employers, and trainees and employers. Therefore, the training will become more relevant to the labor market in general and to the trainees in particular (streamer, 2006). Apprenticeships are not only seen as an initial time preparation for occupational life but also as bridges for further lifelong learning.

It is now accepted generally that TVET programs to be of good quality and relevant, they must reflect the state of art in the world of work. To do so, it is advisable that they cooperate with the existing enterprises that have the latest technologies and production process that most TVET graduates will aspire to work with. However, according to Atchoarena and Andare (2002) numerous constraints on implementation of apprenticeship have been identified over the past years in Sub Saharan Countries .They may be summarized as follows;

Insufficient number of training places, lack of appropriate work place and qualified supervision, lack of coordination between the employer and TVET centers, reluctance of employers to take on large share of the training burden, lack of regulation and contracts that protect the interest of all parties (enterprises, apprentices, TVET centers), lack of national apprenticeship scheme, problems of assessment and lack of mutual understanding.

2.4.3 Guidance and Counseling

Trainees' perception to be an entrepreneur can be made effective by guidance and counseling program, which is part of the TVET program. In the same manner Brehanu et al., (2005) stated that the success of TVET program will partly depend on the extent to which the graduates be adequately counseled regarding the labor market.

In many TVET institutions, the value of career counseling and vocational guidance is to play an important part in the self-employment promotions, which in turn brings a change in their perception to be an entrepreneur and the individual who is responsible for this is the vocational guidance counselor. Mankind (1994) asserted this as the counselor may help the client by suggesting feasible employment openings. And also Sziraczki and Reerink (2005) discussed as guidance and counseling is required for school leavers and first time job seekers in order to make informed decisions. However, most youth do not get vocational guidance (Brewer, 2004).

The career guidance puts the trainees on the axis of needs and helps them to make decision with relation to risk. With related to this Herr and Cramer (1988) stated, it is possible to facilitate individual decision making by educating persons to choose.

The aim of vocational guidance in TVET is to enable future trainees choose the right career and make full use of the initial and lifelong learning opportunities allocated by TVET system (MoE, 2006).

2.4.4. Components of the Curriculum

“Successful employment or self-employment of TVET programs usually gives a great deal of emphasis for the relevance of the curriculum to the labor market and sensitivity to the regularly changing nature of it”(Wana, 1998:66). In addition, periodic evaluation of TVET curriculum is necessary in order to ensure its proper implementation, effectiveness and to improve and update its context in line with the changing technology and science. In line with this idea, it is emphasized in the report of UNESCO (1999) second TVET congress at Seoul, the challenges facing the learner of the twenty first century demand innovative approach in TVET. This is seen most clearly in the need for a reoriented curriculum to take account of new subjects and issues of importance, Such as technology, entrepreneurial capacity and requirement of the rapidly growing service industries.

In Ethiopia the TVET curriculum is composed of four main parts- main courses, supportive courses, common courses and business courses. The business courses are courses designed to provide necessary skills to the trainees to be successful Entrepreneurs. The aim of the course is to enable the trainees to plan, manage and sell their product in the competitive market. TVET program have to be designed to equip trainees with the knowledge, skills, attitudes and capacities required to make them ready for the world at work. To achieve such objectives, it is necessary for the TVET institutions to adapt the right method. In the same vein, Chandan (1999) pointed out that different methods of training could be used during the training program. However,

which delivery method of training to be used for a particular program is determined by variety of factors such as by the types of skills called for jobs to be filled, the availability of training resources, facilities, the size of the training group, etc. A common feature, in this regard, instruction strategies for delivering entrepreneurship education should engage students in experimental learning and lead them to observe, interpret, analyze, make decisions, and consider consequences (Daly, 2001). By engaging students in entrepreneurship projects, teachers serve as facilitators, allowing students to use their own knowledge through learning, application, action, review and reflection (Dewerry house, 2001).

2.5. Concepts of Self Employment and Unemployment

Self employment is a kind of an employment which is found or created by an individual or group of people (members of cooperatives) or family members who are the owner and at the same time employees of the business (firm), which are not waged /paid earners (Molla, 2008). Similarly, ILO (1984:23) quoted as saying:

It is one of the areas of employment that self-employed individuals are engaged in some kind of economic activity from which they directly receive the rewards of their labor, either in terms of output itself or in terms of benefits from the sale of the output.

In many countries, 60% of man power which is found in the informal economy constitutes self employed individuals (World employment report of 2004/05 as cited in Yekunoamlak, 2006). Besides, ILO (1985) reported that in case of Ethiopia most of the self employed individuals in urban areas are engaged in micro and small enterprises for which the government is trying to create an enabling legal and institutional environment, and provides support service.

Unemployment is the condition of joblessness at the current wage rate. In economic term, it is generally to mean involuntary unemployment (Pande and Mithani, 1990). However, voluntary unemployment may also be occurred due to the negative attitudes towards the existing job or lack of interest to enter into some sort of jobs in the labor market. Voluntary unemployment is attributed to the individuals' decisions, where as involuntary unemployment exists because of the socio- economic environments in which the individuals operate.

2.6. Concept of Technical and Vocational Education and Training

The notion of vocational education is in itself difficult to interpret, vocational is usually associated with training so that the idea of vocational training makes perfect sense. Training is also linked to specific jobs, career, skill or vocation (Holt, 1987). Hence, vocational / technical education could be defined as a term referring to educational process, in addition to general education it involves the study of technologies and related science, acquisition of practical skill and knowledge relating to occupations in various sectors of economic and social life (UNESCO, 1978).

Similarly, vocational education can be defined as a part of general education which makes an individual more employable in one group of occupations than in another. It may be differentiated from general education, which is of almost equal value regardless of the occupation which is to be followed (Evans, 1971). Hence, the program is decisive in developing human resources that needed to realize the national economic and social development goals

2.6.1. Objectives of Technical and Vocational Education and Training

Technical and vocational education training colleges/Institutions have economical, social and individual objectives. Technical and vocational education helps to provide the man power demands of any country to meet the economical and social objectives of nations when content of the curriculum in TVET programs are derived from the occupational standards or more directly from analysis of the tasks that are to be carried out on the actual work places.

UNESCO (2002) strongly stated that the aim of TVET is to produce qualification skills demanded in a given social and economical context and to contribute towards the implementation of national policy with regard to employment promotion, poverty reduction, private sector promotion, increased productivity and enhanced competition in both local and global market .The purpose of TVET as it is indicated above is to satisfy the need for trained man power that performs practical work in the economy.

The current Ethiopian Education and Training Policy enlist some basic objectives of TVET (TGE, 1994:19) as, “TVET contributes to a wide dissemination of scientific and technological knowledge; enhance the quality of life by exploring the individual’s general and technological knowledge, promote professional skills and improve status.”

In line with this, the Ethiopian national TVET strategy has also stated the following general objectives: to create a competent, motivated, adaptable and innovative work force in Ethiopia contributing to poverty reduction and social and economic development through facilitating demand-driven, high quality

technical and vocational education and training is required in all sectors of skills development (MoE, 2006).

2.6.2. Technical and Vocational Education and Training for Self Employment

One of the most important features of TVET is its orientation towards the world of work and the emphasis of the curriculum on the acquisition of employable skills (MoE, 2006).

In its plan of action for the second decade of education (2006-2015), the AU (Africa union) recognizes the importance of TVET as a means of empowering individuals to take control of their lives and recommends therefore the integration of vocational training into general education system. In her research about poverty reduction through TVET in Nigeria, Nwagwu (2006) Stated that one possible avenue to poverty reduction is through vocational education.

TVET delivery systems are therefore well placed to train the skilled and entrepreneurial work force that a country needs to create wealth and emerge out of poverty. The important characteristics of TVET is that it can be delivered at different levels of sophistication which means that TVET institutions can respond to the different training needs of learners from different socio-economic , academic and sustainable livelihood. The youth, the poor, and the vulnerable of society can therefore be benefited from TVET.

2.7. Problems and Challenges of TVET Graduate Entrepreneurs in MSEs.

As different researchers at different times found out the followings are the common problems that MSEs face as they run their enterprise or during startup.

2.7.1. Lack of Finance

“MSEs face problems in getting loans from banks that can help them to invest in new equipments to be more productive”(Finnegan, 1999:45). Access to finance is a major bottle neck for the rapid growth and development as well as for the survival of the existing MSEs (HLCLEP, 2006). This is due to the fact that most banks are reluctant to provide small enterprises with loan and credit. Moreover, the interest rate of most micro finance institutes, which is higher than the loan rate of formal banks, inhibits the effectiveness in addressing the needs of micro enterprises.

Since there are difficulties for obtaining commercial finance for business many are required to find finance from ‘alternative sources’ this can be of legal or illegal (White and Kenyon 1996). Such as loan provided by family members, loan provided by friends, additional employment (i.e. finding a casual, part time or in some cases even a fulltime job, to provide extra money to live on or to invest in to the business), seeking a financial partner or investor, usually older people with more financial capacity, use of credit cards, personal loans establishing account with supplier, grants, prizes.

Assefa (1997) has also strengthened that the most serious problem facing MSE sector has been rising of investment capital and lack of credit access. With regard to this, ADB/ OECD (2005) report confirmed that the source of capital for MSEs is personal savings or borrowing from relatives or friends.

2.7.2 Lack of Premise and Land

Finding to work on well-located and secure place is a prerequisite of many graduates who want to establish their own business. Lack of appropriate premises tends to force many entrepreneurs to operate their business in

unsuitable and sometimes unsanitary working conditions. The issue of land provision and land lease system has greatly constrained the chances of micro, small, medium enterprises who aspire to start up as well as for the growth and survival of existing ones (HLCLEP, 2006). The work spaces such as cooperative industry areas or business incubators are property developments accommodating the start up and development of small nascent businesses (White and Kenyon, 2002).

2.7.3. Shortage of Raw Materials Supplies

Another serious constraint of these graduate entrepreneurs is shortage of raw materials. According to the CSA (1995), one of the major obstacles that these graduate entrepreneurs face is the irregularity of supply of raw materials. And based on the assessment survey conducted in Addis Ababa, shortage of raw materials is one of the constraints of MSEs (MTI, 2005).

2.7.4. Lack of Sufficient Market and Promotional Support

Marketing their products effectively as well as accessing and acquiring information on business opportunities are the major bottle necks that small and micro enterprises face all over the country (HLCLEP, 2006). As a result, the design and quality of products of MSEs are below standard. In addition, lack of marketing skills renders small business to be in competitive. Irrespective of any other advantages or disadvantages that might have, market failures disproportionately affect entrepreneurs. According to Biggs (2000) such irregularity deserves appropriate support.

2.7.5. Infrastructure Problems

Shortage of Infrastructures such as water, electricity, market and roads have been the major constraints to the development of the MSEs (Temesgen, 2007).

According to the CSA (2003a) survey, the infrastructural facilities such as electricity, and telephone, inadequate production and distribution, lack of information and lack of proper policy & strategy were problems for the development of the sector.

2.7.6 Lack of Information and Information System

Another common problem for those entrepreneurs who aspire to start and those already started business is lack of information. MSEs essentially require information related to market, raw materials, utilities, technology, business opportunities and information about government policies and regulation. For instance, survey conducted by Desta in tigray region (2002) pointed out that one of the problems of MSEs in the region is information. According to the World Bank (2006) survey on MSEs constraint issues, about three fourths of small business operators had never sought help in running their business. The majority said, they did not know where to go for help. Likewise, most of the unemployed said that they were unaware of any Government program in Addis Ababa that could help them to find a job or start a business.

2.7.7. Lack of Entrepreneurial, Managerial and Other Skills

Sievers et al., (2003) stated that lack of managerial skills and marketing knowledge and how to access them are the major problems in MSEs. In relation to this what is seen greatly among the entrepreneurs of MSEs, is a general lack of knowledge such as entrepreneurial and managerial capacity and also shortage of marketing experience. Lack of skilled labor, which in turn leads to problems in production due to the unfamiliarity of workers with rapid changing technology, lack of coordination of production process, and inability to trouble shoot failures on machinery or equipments is a critical problem that MSEs are facing since they cannot afford to employ specialists in the fields of

planning, Finance, and administration, quality control, and those with technical knowledge (HLCLEP,2006).

2.7.8. Inadequate Consultancy and Advisory Services

In a dynamic business environment, every business requires technical knowhow, in this regard, consultancy services, from NGOs or Government is necessary for those entrepreneurs to diagnose their business. In addition, coordination among the various facilitators for the provision of support is essential (Temesgen, 2007).

2.7.9. Technological Problems

The issue of technology is also another problem for entrepreneurs of MSEs. This is also expressed by Assefa (1997), since technological development is very low in the country, most of the small-scale enterprises use obsolete technology of production, which is out dated, unhygienic and inflexible.

2.7.10. The Tax System and Government Policy

Most MSEs, particularly the small scale operators are subject to subjective tax system as most of them do not have a proper accounting system. Taxation is based on estimation of earnings and is highly subjective and they face higher water & electricity tariff. The (CSA, 2000) result showed that some owners of MSEs reported that Government regulation were obstacles for starting their business operation as well as for expanding.

2.7.11. Social/ Cultural Constraints

The following socio- cultural problems are considered affecting the development of MSEs.

- Lack of enterprise culture in the country, which required a drastic change.
- Considerable lack of positive attitude in the country.

- Excessive corruption which actually constrain private enterprise (HLCLEP, 2006).

2.7.12. Lack of Business Cooperation among Enterprises

The other factor that hinders growth and expansion of MSEs is the ineffectiveness with which they interact with large or similar firms. In other words formal or informal linkages or business cooperation through net working are not common, large public enterprises and few foreign affiliates, don't out source some of their operation to local MSEs .The legal and institutional mechanisms to enforce contractual obligations and Government policy to design appropriate incentive mechanism for encouraging the expansion of business linkages/sub contracting managements are at their infant stages (HLCLEP, 2006).

2.8. Financial and Non-Financial Service Facilitators of TVET Graduate Entrepreneurs in MSEs

According to Finnegan (1999:2), "MSEs require two types of services, Financial and non financial services." Financial services are services that are related with the provision of finance while the non-financial services relate with supports to be given other than finance such us giving training, information etc. These facilitators such as the government offices and bureaus, micro finance institutions for provision of loans, TVETs for providing skill tests, productivity improvement center (PIC) that performs training, skill test, prototype development, research, NGOs (NGO net work, GTZ, plan Ethiopia ,wise concern) that facilitate training and promotion marketing, are stake holders that are working for the promotion of MSEs entrepreneurs.

Generally the supports to be given by facilitators are the followings, giving training in entrepreneurship training, generacting business ideas, producing

business plan, assisting enterprise formation & business license, identifying legal form of business, linking to access of premises, linking to access of finance, introducing official qualification test, linking for up grading technical skills in large scale companies, linking to technology center for equipment supply (GFA, 2005).

2.9. Making Business Sustainable

Enterprises need to ensure that their core business activities continue to add value and are under taking efficiently and effectively. Enterprises also need a supportive enabling environment characterized by, among other things, the existence of open, rule based, predictable and non-discriminatory markets and a non-corrupt and well governed economy.

The concept of 'sustainable enterprise' is related to the general approach to sustainable development, forms of progress that meet the needs of the present without compromising the ability of the future in an approach which postulates a holistic, balanced and integrated perspective on development (ILO, 2007).

2.9.1 Business Expansion Support

Growing or expanding an existing business is an aspect often forgotten in enterprise promotion programs and requires specific skills, knowledge and attitudes that differ to that of establishing a new business while many businesses may have the potential to expand and add additional staff, they are often fearful of such a development. There is a need for support measure to assist such a vital step. A different set of training needs can be found among those young people currently in business compared to those who are starting out for the first time. These include; the management of business finances, time management, how to improve sales, how to manage and reduce cost, about marketing, stock control techniques, how to fire and hire, how to choose

the right staff, how to make decision regarding insurance (White and Kenyon, 2002).

2.9.2 Business Development Services

Business development services (BDS) comprise a wide range of non-financial services provided by public and private suppliers to entrepreneurs who use them to efficiently operate and make their business grow. The types of services in a functioning BDS system are determined by the demand articulated on the part of the businesses.

Some examples of BDS include;

- Market access services- such as market information, market linkages, trade fairs and product exhibitions, show rooms, advertising.
- Input supply services-such as linking SMEs to input suppliers, improving suppliers' capacity to provide regular supply of quality inputs, information on in Put supply of sources.
- Technology and product development services- such as technology transfer/commercialization, linking SMEs and technology suppliers.
- Training and technical assistant- such as management training, technical training, counseling/advisory services.
- Infrastructure related and information services- such as transport and delivery,
- Business incubators, telecommunications, information via print, radio, Tv, internet access.
- Policy and advocacy- such as training in policy advocacy, analysis and communication of policy constraints.

- Access to finance-such as linking business to banks and micro finance institutions, provide information on credit schemes and conditions, encourage savings. (WWW.bds.form.net/bds.reader.htm)

2.9.3. Small Business Promotion Programs

Business promotion programs should be based on around four key objectives.

- i. To increase the rate of new business formation;
- ii. To increase the rate of survival and success of new enterprises;
- iii. To increase the rate of development of new enterprises that is to help them grow faster and more efficiently;
- iv. To increase the efficiency of the dissolution process if a firm fails. (Lictestein and Lyons, 1996:11-12)

The following are keys for creating sustainable growth; identifying and developing the greatest capabilities of your business, establishing match between your service customers and potential products, learn how to effectively manage skills, develop ability to expand new markets, define and implement long-term path to sustained growth, tap in to underutilized creativity, build innovative strategies in to the core of your business (www.techscribecommunication).

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1 Research Methodology

A descriptive survey method is employed for the purpose of this study on the assumption that this method is relevant to describe the existing situation and the past events (Best, 1989). In addition, according to Cohen and Manion (1996), descriptive survey method of research is a method of research used to describe the nature of the existing conditions. It is, therefore, competent to use descriptive survey method approach to describe the current situations that take place with related to TVET graduate entrepreneurs.

3.2 Sources of Data

The data were obtained from primary and secondary sources. The primary sources of data were secured from TVET graduate entrepreneurs, regional micro and small enterprises' (MSEs) facilitators, sub-city micro and small enterprises' (MSEs) facilitators, and Kebele micro and small enterprises' (MSEs) facilitators. As secondary sources, various available documents and publications were thoroughly analyzed to acquire background information about the issue.

3.3 Population and Sampling Techniques

In Addis Ababa, there are 10 sub-cities out of which two sub-cities (Gulele and Arada) were selected using purposive sampling technique, considering the geographical proximity which has an advantage for the researcher in terms of time and resource utilization and to gather adequate and reliable data. Then, the TVET graduate entrepreneurs' enterprises in the sub-cities were stratified based on the sector they engaged in such as Construction, Metal and wood

work, Electricity, Tailoring and Leather technology. According to Leedeey and Ellis (1989), proportional stratified sampling technique is appropriate when the population contained strata that appear in different proportions. So, after the sample size is allocated proportionally, the enterprises were selected using random sampling technique. Consequently, it was possible to gather relevant data. Accordingly, among 78 TVET graduate entrepreneurs' enterprises available in these sub-cities 20% of them were taken (which is about sixteen enterprises). On the other hand, purposive sampling technique was employed for MSEs facilitators who have more proximity for the work and have better experience. Based on this, two MSE regional facilitators, four sub-city facilitators and Four Kebele facilitators were included in the sample to get additional information.

3.4 Instrument of Data Collection.

Questionnaire is appropriate to secure data from many people at time and has characteristics that allow respondents express their ideas and opinions freely and confidently, with regard to this (Anderson, 1990) stated, the use of questionnaire is motivated from the need to collect data from large number of respondents. Therefore, the researcher used questionnaire with an open and close ended type. Also semi structured interview which allows the respondents to speak freely to some extent and facilitate conditions to probe additional information (Best,1989) were prepared and administered for micro and small enterprises' (MSEs) facilitators at the regional, sub-city and kebele level.

3.5 Procedures of Data Collection

Initially, the data gathering instruments, open and close ended questionnaires were prepared based on the reviewed literature and TVET graduate entrepreneur issues. Then after, eight copies were distributed to TVET

graduate entrepreneurs in Gulele Sub-city to conduct a pilot test in order to check the clarity and understandability of the tools and make necessary corrections and maintain the validity of each question. Accordingly, questionnaires were revised, some vague and ambiguous items were modified depending up on suggestions and recommendations collected and also based on inputs obtained from thesis advisor and professionals. Eventually, it was translated into Amharic based on the feedback given by the pilot test participant, first by the researcher, and then by language expert. Before distributing the questionnaires, the researcher made the objectives of the study clear to all respondents so as to avoid unnecessary confusions. In order to maximize the rate of return, attempts were made to distribute the questionnaire at convenient time for respondents. In addition, a close follow up were made to obtain reliable questionnaire return.

3.6 Data Analysis

To analyze the data, both quantitative and qualitative data analysis were employed. With regard to this, Creswell (2002) suggested that mixed methods are useful to capture the best of both qualitative and quantitative method approaches. Hence, data obtained through closed ended questionnaires were quantified using descriptive statistics such as percentage, frequency, and mean rank order. In addition the data gathered through open ended questionnaires and interviews were analyzed using qualitative method to substantiate the quantitative analysis. Likewise, the names given for the interviewed are all pseudonyms that do not represent the real name of the interviewed and the time indicated with related to the interview made are all according to local time.

CHAPTER FOUR

PRESENTATION AND ANALYSIS OF DATA

This chapter deals with the analysis and interpretation of data obtained through questionnaires and interviews from sample respondents of TVET graduate entrepreneurs in MSEs and the facilitators of these entrepreneurs at kebele, sub-city and regional level.

Out of the total 79 questionnaire copies distributed to TVET graduate entrepreneurs, 73 (92.41%) were filled and returned. Besides this, the opinions of two enterprises' organization and supervision process owner of Addis ababa MSEs agency, two MSEs development office coordinators at sub-city level, two MSEs development officers at sub-city level and four MSEs development officers at Kebele level interviewees were also gathered, processed and injected into the body of the analysis and interpreted as deemed necessary. The Interpretation and analysis were made based on the basic questions raised in chapter one of the study.

4.1 Characteristics of the Respondents

This section is concerned with the description of personal backgrounds of the sample respondents. It provides data on sex distribution, age structure, respondents address, educational level, and year of experience, field of specialization, sectors of engagement, and the list of enterprises. Accordingly the responses and other relevant data are organized and analyzed in order to determine the outcome of the study in the following ways.

Table 1 Respondents by Sex, Age, Address and Educational level.

Nº	Variables	MSE		Respondents	
		Facilitators		No	%
		No	%	No	%
1	Sex:				
	Male	7	70	52	71.23
	Female	3	30	21	28.7
	Total	10	100	73	100
2	Age:				
	15-19	-	-	-	-
	20-24	-	-	28	38.36
	25-29	-	-	38	52.05
	30 and above	-	-	7	9.59
	Total			73	100
3	Address:				
	Arada Sub-city	-	-	30	41.09
	Gulele Sub-city	-	-	43	58.91
	Total			73	100
4	Educational Level:				
	Bachelor Degree	10	100	-	-
	Masters Degree	-	-	-	-
	Total	10	100		
5	Year of Experience:				
	1-5	6	60		
	6-10	-	-		
	11-15	-	-		
	16-20	4	40		
	Total	10	100		

A breakdown of the study population in terms of gender as indicated in item 1 of table 1, males constitute an overwhelming majority that is 7(70%) of the MSEs facilitators and 52(71.23%) of the TVET graduate entrepreneur respondents, while females make up 3(30%) of MSEs facilitators and 21(28.77%) of TVET graduate entrepreneurs which is a small minority. From this one can deduce that the responses of the subject in this study have

represented predominantly males' idea. In contrast, it is possible to agree that females' involvement in both MSEs facilitation positions and MSEs business operation is relatively less.

Likewise, as can be observed on item 2 of the same table, the majority of the TVET graduate entrepreneur respondents about 38 (52.05%) are in the range of 25-29 ages, 28 (38.36%) of the respondents are in the range of 20-24 ages and 7(9.59%) of the respondents are at the age of 30 and above. This shows clearly that the largest portion of TVET graduate entrepreneur respondents are youngsters and the data is representative of these young self employed entrepreneurs.

Regarding their address, on item 3 of this table, the majority of TVET graduate entrepreneurs which is about 43(about 58.91%) are from Gulele sub-city and 30(41.09%) are from Arada Sub-city which implies that the majority of respondents are taken from Gulele sub-city due to the fact that there are more number of MSEs in the Gulele sub-city.

In item 4 and 5 of this table, the educational qualification and work experience of the MSEs facilitators are indicated. All the respondents of the MSEs facilitators who are working at different levels replied as they had Bachelor degree. Concerning their work experience, 6(60%) of the MSEs facilitators replied as they had 1-5 years experience and 4 (40%) of the respondents replied as they had 16-20 years of experiences. This implies that the facilitators would be competent enough for their respective jobs that the graduate entrepreneurs can be beneficiary from.

Table 2 Field of Specialization, Sectors and Names of the Enterprises.

№	Items	Respondents	
		No	%
1	Construction	22	30.14
	General Mechanics	15	20.55
	Wood work	1	1.37
	Secretary	3	4.11
	Electricity	14	19.18
	Tailoring	15	20.55
	Information system	1	1.37
	Hair dressing	2	2.7
	Total	73	100
2	Construction	26	35.62
	Wood and metal work	13	17.81
	Electricity	15	20.55
	Tailoring	12	16.44
	Leather technology	7	9.59
	Total	73	100
3	T.M Construction	6	8.22
	Raye Construction	5	6.85
	Miraf Construction	6	8.22
	Zoble Construction	4	5.48
	Birhan Lewtatoch Construction	5	6.85
	Black lion metal work	4	5.48
	Esat wood and metal work	3	4.11
	Wanes M. and Wood work	6	8.22
	Habesha tailoring	3	4.11
	Radiant tailoring	3	4.11
	Holy savior tailoring	6	8.22
	Eman leather works	3	4.11
	Google electricity	3	4.11
	Limat Ethiopia electric	6	8.22
	Elshaday leather work	4	5.48
	Witness electric	6	8.22
	Total	73	100

On item 1 of table 2, different types of fields of specialization of TVET graduate entrepreneurs are listed; accordingly, 22(30.14%) of the respondents were

trained in the field of Construction, 15(20.55%) of them were trained in General Mechanics, and in Tailoring each, 14(19.18%) of the respondents were trained in Electricity, 3(4.11%) of them in Secretary, the rest, which are insignificant were trained in Wood work 1(1.37%), Information system 1(1.37%), and Hair dressing 2(2.74%). This shows that the majority of the TVET graduate entrepreneurs were trained in Construction. Next to Construction, the graduate entrepreneurs were trained in General Mechanics, tailoring and electricity. Which implies that these fields of trainings may be best suited for graduates for self employment.

On item 2 of this table, five sectors are listed in which the TVET graduate entrepreneurs engaged in. Accordingly, 26(35.62%) of the respondents work on construction sectors, 15(20.55%) of the respondents work on electricity sector, 13(17.81%) of the respondents work on wood and metal works, 12(16.44%) of the respondents work on tailoring and 7(9.59%) of the respondents work on Leathering technology. This shows that the five sectors are the area of focus for TVET graduate entrepreneurs. Moreover, it is possible to observe that the majority of the TVET graduate respondents were from construction sector due to the increased number of construction enterprises available in the sub-cities. As the data obtained confirmed, the number of TVET graduate respondents who are working on the field of leather technology are relatively low may be due to the fact that there are no students graduated in the field of leather technology and TVET colleges do not give training in the field of leather technology.

The different TVET graduate entrepreneurs enterprises are listed on item 2 of table 3. In accordance with this, five of them are construction enterprises with total of 26(35.62%) respondents, three of them are wood and metal work

enterprises with total of 13(17.81%) respondents, three of them are electricity enterprises with total of 15(20.55%) respondents, three of them are tailoring enterprises with total of 12(16.44%) respondents and two of them are leather technology enterprises with total of 7(9.59%) respondents. From this, it is possible to observe that the study assesses the five sectors considering their distribution in the sub-cities (sample areas). To this end, it is possible to observe that the numbers of construction enterprises that the study includes are relatively greater. This is due to the greater number of construction MSEs in the sample areas. In the same way it is possible to observe that the number of leather technology enterprises that the study includes are relatively smaller because of the smaller number of leather technology MSEs in the sample areas.

4.2 Vocational Background of the Respondents

This section provides data about the graduate entrepreneurs' background with related to their major field of training. Such as their initial interest towards the field of training, their interest to work on the field of training, its' relevance and importance to their current work, the importance of an apprenticeship training, and additional trainings for their current work are included. Therefore the responses obtained and other relevant data are organized and analyzed in the following ways.

Table 3 Importance and Relevance of Major Field of Training to Current Job

Nº	Item	Respondents	
		Nº	%
1	How much was your interest towards your major field of training?		
	A. Very high	46	63.01
	B. High	12	16.44
	C. Moderate	12	16.44
	D. Low	1	1.37
	E. Very low	2	2.74
	Total	73	100
2	How much was your interest to work with your major field of training?		
	A. Very high	45	61.64
	B. High	14	19.18
	C. Moderate	12	16.44
	D. Low		
	E. Very low	2	2.74
	Total	73	100
3	What is the relevance of your major field of training to your work?		
	A. The same	50	68.49
	B. Different	23	31.51
	C. If, other	-	-
	Total	73	100
4	To what extent is your major field of training important for your work?		
	A. Very important	56	76.71
	B. Important	11	15.07
	C. Moderate	1	1.37
	D. Less important	3	4.11
	E. Not important	2	2.74
	Total	73	100

As can be observed from item 1 of table 3, the respondents were asked how much their interest was towards their major field of training. Accordingly, Majority of the respondents that is 58(79.45%) replied as they had very high and high interest towards their major field of study, 16(16.44%) of the respondents replied as they had moderate interest towards their major field of training, and the rest which is insignificant about 3(4.1%) replied as they had

low and very low interest towards their major field of training. This indicates that the majority of the respondents got into their field of training based on their choices or interests.

Item 2 of table 3 indicates responses obtained from the respondents regarding their interest to work with their major field of training. The responses confirmed that the majority of the respondents that is 59(80.82%) replied as they had very high and high interest to work with their major field of training, while 12(16.44%) replied as they had moderate interest to work with their major field of training. Insignificant respondents about 2(2.74%) replied as they had very low interest to work with their major field of training. This indicates that majority of the respondents had captured enough skill on their major field of training that could help them to be competent in the world of work. In support of this, W/t Elsa, one of the MSEs' Officers in Gulele sub-city of kebele 03/04/05 during an interview with the researcher pointed out that:

...the TVET graduates are coming frequently to Kebeles to organize themselves and work on different sectors (March 10, 2010, 4:00AM).

As it is depicted on item 3 of the same table, the respondents were asked about the relevance of their major field of training to the work they are running. The majority, which is 50(68.49%) replied that their major field of training is relevant to the work they are running while 23(31.51%) replied as their major field of training is different from the work they are running. This indicates that most of the respondents work on their major or relevant field of training.

With regarded to item 4 of this table, the respondents were asked to the extent to which their major field of training was important for their current work.

Almost all the respondents about 67(91.78%) replied as their major field of training was very important and important to their current work, and 1(1.37%) of the respondents replied as their major field of training was moderately important for their current work, while the rest which is 5(6.85%) replied as their major field of training was less important and not important for their current work. This implies that the major field of training for the majority of the respondents is very important for their current work. This may be since they earn their living on their fields of training.

Table 4 Importance of Additional Trainings for Current Job

No	Items	Respondents	
		No	%
5	If you have been trained in apprenticeship program, how much is it important for your current work?		
	A. Very important	42	57.53
	B. Important	21	28.77
	C. Moderate	1	1.37
	D. Low	3	4.11
	E. Very low	6	8.22
	Total	73	100
6	To what extent you require training related to your current work?		
	A. To a very large extent	29	39.73
	B. To a large extent	18	24.66
	C. Moderate	23	31.51
	D. To a less extent	1	1.37
	E. To a very less extent	2	2.74
	Total	73	100
7	If you have been trained in appropriate skill to carry out your work, to what extent is it supportive for your current work?		
	A. To a very large extent	23	31.51
	B. To a large extent	19	26.03
	C. Moderate	16	21.92
	D. To a less extent	5	6.85
	E. To a very less extent	2	2.74
	F. Not trained	8	10.96
	Total	73	100

On item 5 of table 4, the respondents were asked about their participation in apprenticeship program and its importance for their current work. Majority about 63(86.30%) of the respondents replied that participating in the program was very important and important for their current work. A respondent that is 1(1.37%) replied that participating in the program was moderately important for their current work; while the rest which is 9(12.33%) replied participating in the program had low and very low importance for current work. In favor of the majorities' responses, Ziderman (2003) stated that apprenticeship training is a key method of employment.

Likewise, item 6 of table 4 demands the respondents whether or not they need training related to their current work. About 47(64.39%) of the respondents replied that they require training related to their current work at a very large and large extent, 23(31.51%) replied that they require training related to their current work moderately and 3(4.11%) replied that they require training related to their current work at a less and very less extent. This indicates that the respondents need an additional training related to their current work.

The last item in table 4, the respondents were asked if they have been trained in appropriate skill to carry out their work and to the extent it supported for their current work. The majority of the respondents about 42(57.54%) responded that the appropriate skill training they took was supportive for their current work at a very large and large extent, 16(21.92%) of the respondents replied as the appropriate training they took was supportive for their current work moderately, while 7(9.59%) of the respondents replied the appropriate training they took was supportive for their current work at a less and very less extent while the rest, 8(10.96%) respond as they did not train in appropriate skill to carry out their work. Based on the majorities' idea an appropriate

training which is supportive for current work is essential for graduate entrepreneurs. In support of this, Ato Surafel who is one of the MSEs' Officer of Gulele sub-city during an interview with the researcher disclosed that:

The government provides appropriate skill training for these TVET graduate self-employed entrepreneurs in collaboration with NGOs such as UNIDO, ILO, World Vision, and GTZ (March 7, 2010, 8:30 PM).

This indicates that the government gave attention for these additional skill trainings, considering the supportive role for graduate entrepreneurs.

4.3 The Entrepreneurial Motivation of Graduate Entrepreneurs

One of the objectives of TVET is creating individuals who are self reliant and competent in the real world market (MOE, 2006). Accordingly TVET graduates are working on different sectors under (MSEs) the micro and small enterprises as self employed entrepreneurs. So this part consists data with related to the the entrepreneurial motivation of TVET graduates together with its organization and analysis.

Table 5 Entrepreneurial Motivation

№	Item	Respondents	
		№	%
1	What were you doing before being self employed entrepreneur		
	A. Student	32	43.84
	B. Daily laborer	5	6.85
	C. Employed in government organization	4	5.48
	D. Unemployed	18	24.66
	E. Employed in non government organization	7	9.59
	F. State if any other	7	9.59
	Total	73	100
2	How much have you been motivated by the information you have about an already established TVET graduate entrepreneurs while you were a trainee?		
	A. To a very large extent	22	30.14
	B. To a large extent	25	34.25
	C. Moderate	18	24.66
	D. To a less extent	-	-
	E. To a very less extent	3	4.11
	F. Not motivated at all	5	6.85
	Total	73	100

As can be observed on item 1 of table 5, the respondents were asked to point out what they were doing before being self-employed entrepreneurs. The majority about 32(43.84%) responded that they were students, before they became entrepreneurs. This tells us that they became self-employed entrepreneurs immediately after graduation, which could be due to the fact that the concerned bodies might have motivated them to be self employed entrepreneurs, 18(24.66%) of the respondents replied they were unemployed before being self employed entrepreneurs and this may be due to lack of labor market information, absence of information about where to go, or due to

underestimation of their skill. The rest which is about 16(21.92%) replied as they were daily laborers, employed in government and non-government organizations but now they are self employed entrepreneurs. In support of this, the MSEs' development Officer, Ato Debebe from Arada sub-city during an interview with the researcher asserted:

There are occasions in which they discussed with trainees to motivate them to be self-employed entrepreneurs after graduation and there are also occasions that the institution or the college sends the prospective graduate entrepreneurs to kebeles to organize themselves and work in different sectors (March 8, 2010, 4:30AM).

This indicates that the TVET graduates were motivated by College administrators and facilitators in kebeles or sub-cities.

The respondents were asked on item 2 of this table, if they had been motivated by information about already established entrepreneurs. With regard to this, the majority that is 47(64.39%) replied that they were motivated by the information about an already established entrepreneurs, and 18(24.66%) replied that they were motivated moderately by the already established entrepreneurs. Insignificant amount which is 8(10.96%) replied that they were motivated at a very less extent by the already established entrepreneurs and also they were not motivated at all by the information about already established entrepreneurs.

Enterprises' organization and supervision process owner of the Addis ababa MSEs agency, Ato Kibret during an interview confirmed that:

The graduates were being motivated by the information they had about an already established entrepreneurs that led them to organize and work by themselves (March 6, 2010, 4:00AM).

This infers that already established graduate entrepreneurs have great motivational effect for the prospective TVET graduate entrepreneurs.

Table 6 Possible Motivational Factors of TVET Graduate Entrepreneurs

№	Item	Respondents						
		VH	H	M	L	VL	M	R
1	Labor market information in your institution (college)	10	14	14	21	14	2.79	8
2	Guidance and counseling service given in your in institution (college) by guidance office	12	15	30	13	3	3.14	6
3	The entrepreneurship course you took and the trainers	25	16	18	10	4	3.66	4
4	The society such as family, friends, relatives neighbors etc	28	10	19	14	2	3.66	4
5	The culture of the society you live in e.g. If you live in a society that loves work	7	1	24	16	8	3	7
6	Facilitators in Kebeles, sub cities or NGOs	23	24	16	7	3	3.78	3
7	Medias such as Radio, TV, Newspaper, Brochures, Pamphlets, Posters etc.	13	32	18	8	2	3.63	5
8	Easy access to finance	5	15	8	20	25	2.38	9
9	Having better knowledge on the field of work	16	41	12	1	3	3.91	1
10	Apprenticeship program	20	29	16	8	-	3.84	2

Note: VH=very high=5, H=high=4, M=moderate=3, L=low=2, VL=very low=1, M=mean, R=rank

In table 6, the possible motivational factors of TVET graduate entrepreneurs are listed. Based on the mean value result, item 9 (Mean value=3.91), having better knowledge on the field of work is ranked the primary motivating factor for graduates to be self employed entrepreneurs.

The last item of this table (Mean value=3.84), participating in apprenticeships program is ranked as the second motivating factor for graduates to be self-employed entrepreneurs.

Facilitators in kebeles and sub-cities or NGOs, item 6 (Mean value=3.78), ranked as the third motivating factor for graduate to be self-employed entrepreneurs. In support of item six, Ato Surafel, the MSEs' Officer of Gulele sub-city during an interview with researcher expressed as:

...there are occasions in which they discussed with trainees to motivate them to be self employed entrepreneurs after graduation (March 7, 2010, 8:30).

This implies that Kebele or Sub-cities facilitators contribute their share for motivating the prospective TVET graduates.

Item 3 and 4 (Mean value=3.66), the entrepreneurship course they took and the trainers together with the society such as family, friends, relatives and neighbors respectively ranked equally as the fourth motivating factor for TVET graduates to be self-employed entrepreneurs.

Medias such as Radio, TV, Newspaper, Brochures, Pamphlets, and Posters which is item 7 (Mean value=3.63) of table 6, ranked as fifth motivating factor for graduates to be self employed entrepreneurs.

The second item of this table (Mean value=3.14), Guidance and Counseling service given by guidance officers in colleges or institutions ranked as a sixth motivating factor for graduates to be self employed entrepreneurs. In support of this, SZIRACZKI and Reeink (2005) discussed that guidance and counseling is required for the school leavers and first time job seekers in order to make informed decisions. However, most youth do not get vocational guidance (Brewer, 2004).

As can be seen on item 5 (Mean value=3) of this table, the culture of the society in which entrepreneurs live ranked the seventh motivating factor for TVET graduates to be self employed entrepreneurs.

Labor market information in colleges or institutions, which is the first item of this table 6 (Mean value =2.79), ranked the eighth motivating factor for graduates to be self employed entrepreneurs. In support of this LMI (Labor market information) serve as an 'early warning system' on what is happening in the labor market including the current employment patterns and problems associated with it, as well as future trends and opportunities in the labor market (Yekunoamlak, 2000). But the rank indicates the trainees did not get labor market information to the extent that can motivate them.

Lastly, item 8 (Mean value=2.38), easy access to finance is ranked as the ninth motivating factor of graduate entrepreneurs to be self-employed. The rank also indicates that it is difficult to get access to finance.

4.4 Problems Related with TVET Graduate Entrepreneurs

TVET graduate entrepreneurs face with different problems as they run their enterprises that prevent them from expanding their enterprises so this part consists data related to the available problems together with the organization and analysis of the responses obtained and other relevant data.

Table 7 Problems Related Issues of TVET Graduate Entrepreneurs

№	Item	Respondents	
		№	%
1	Among the followings which one mainly solves your problem of startup capital?		
	A. Bank loans	2	2.41
	B. Personal savings	33	39.75
	C. Micro finance institutions	15	18.1
	D. Family or relatives	33	39.75
	E. If other, please specify	-	-
	Total	83	100
2	What were the major difficulties with regard to obtaining the startup capital?		
	A. Absence of collateral	30	41.1
	B. absence of information about where to go	15	20.55
	C. Borrowing process difficulty	28	38.36
	D. If other please specify	-	-
	Total	73	100
3	To what extent problems prevented you from expanding your enterprise?		
	A. To very large extent	31	42.47
	B. To large extent	23	31.51
	C. Moderate	14	19.18
	D. To less extent	3	4.11
	E. To very less extent	2	2.74
	Total	73	100

As it is shown on item 1 of table 7, the respondents were asked to point out their sources of finance when they started business. Accordingly, the majority about 66(79.5%) of the respondents replied that their major source of finance during starting their business were personal savings and family or relatives, 15(18.1%) of the respondents replied that their source of finance were micro finance institutions. The rest which is insignificant number of the respondents 2(2.41%) replied that their source of finance were Bank loans. This finding is consistent with the idea that there are difficulties for obtaining commercial finance for business; therefore, many are required to find finance from alternative sources, which can be legal or illegal (Kenyan and white, 1996), such as loans provided by family members or friends and personal savings. ADB/OECD (2002) also reported that the source of capital for MSEs is personal savings or borrowing from relatives or friends.

On item 2 of table 7, the respondents were asked about the major difficulties that they face with regard to obtain the startup capital, Accordingly, 30(41.1%) of the respondents replied that obtaining collateral was the major difficulty, since the micro finance institutions ask collateral to provide credit, 28(38.6%) of the respondents replied as there was bureaucracy in borrowing process which was the major difficulty in obtaining startup capital while the rest about 15(20.55%) of the respondents replied that there was problem of obtaining information about where to go to obtain the startup capital. This finding is consistent with the idea Biggs (2002) stated, MSEs tend to suffer from item high input, transaction and investment costs, because of poor bargaining power and lack of collateral. According to the World Bank report on MSEs constraint issues, the majority of the MSEs did not know where to go for help.

The respondents were asked to what extent the inadequacy problems prevented them from expanding their enterprise on item 3 of table 7. In connection with this, majority about 54(73.98%) of the respondents replied that the in availability problems prevented them from expanding their enterprise at a very large and large extent while 14(19.18%) of the respondents replied that the problems prevented them from expanding their enterprise moderately. Insignificant amount which is 5(6.88%) replied that problems prevented them from expanding their enterprise at a less and very less extent.

Table 8 Actual Problems of TVET Graduate Entrepreneurs

№	Item	Respondents						
		VSP	MP	M	MIP	NP	M	R
1	High interest rate of credit and saving institutions	33	13	18	4	5	3.89	7
2	Low lend ceiling of credit and saving instructions	27	7	25	4	10	3.51	12
3	Insufficient working capital	39	15	6	10	3	4.1	3
4	Lack of linkage between market and enterprise	45	14	10	4	-	4.37	1
5	Lack of BDS providers and coordination such as in business linkage promotion, consultancy and advisory service	32	18	14	4	5	3.93	6
6	Lack of managerial, technical, and record keeping skills	30	10	21	10	2	3.77	9
7	Increase in prices of raw materials	47	12	2	3	9	4.16	2
8	un availability of raw materials in close proximity	29	10	13	11	10	3.51	12
9	Lack of technical advise an product quality improvement	25	19	19	6	4	4.01	4
10	Insufficient size of production premises (sites)	37	3	13	10	10	3.64	10
11	High level of taxes	7	1	10	16	39	1.92	17
12	Lack of access to modern technology such as lack of using modern design, modern machineries	26	10	24	9	4	3.62	11
13	Interference of the government on production decision	4	3	10	22	34	1.92	17
14	Interference of the government on product sales and price fixation	7	5	15	18	28	2.25	16
15	High market competition	17	21	19	5	11	3.38	14
16	Lack of market place for display/sale	43	4	17	1	8	4	5
17	Inconvenience working place	31	10	7	11	14	3.45	13
18	Lack of infrastructures such as electricity water, telephone, roads, secretarial service	14	14	17	7	21	2.9	15
19	Collateral loan requirements by credits and saving institutions	36	12	10	3	12	3.78	8

NOTE: VSP=very serious problem=5, MP=major problem=4, M=Moderate=3 MIP=minor problem=2, NP=not a problem=1, M=mean, R=rank.

In table 8, the possible problems of TVET graduates entrepreneurs are listed. Based on the mean values obtained from the data, item 4 (Mean value =4.37), lack of linkage between market and enterprise ranked as the first problem of graduate entrepreneurs. In support of this, irrespective of any other advantages

or disadvantages that might have market failure disproportionately affect entrepreneurs, such irregularity deserves appropriate support (Biggs, 2000). With related to this the MSEs' Officer of Gulele Sub-city, Ato Surafel during an interview with the researcher Contend that:

Every government institution works which costs up to 500,000 Birr are decided to be done by MSEs but those enterprises that do not get shed or working places have faced with this market linkage problems (March 7,2010,8:30).

An increase in price of raw materials which is, item 7 (Mean value=4.16), ranked as the second problem that graduate entrepreneurs faced.

The third item of this table (Mean value=4.1), insufficient working capital is ranked the third problem of graduate entrepreneurs. Inconsistent with this, (HLCLEP, 2006) stated that most banks are reluctant to provide small enterprises with loans and credits. The MSEs' Officer of Gulele sub-city, Ato Surafel during an interview with the researcher disclosed that:

The saving and credit institutions, e.g. Addis Bidir and Kuteb are arranged to work in link with the government to make things easy for getting working capital (March7, 2010, 8:30).

Lack of technical advice on product quality improvement that is item 9 (Mean value=4.01) of table 8, is ranked as a fourth problem of graduate entrepreneurs which indicates that technology and product development services are not given at the required amount, which prevents them from being competent in the market.

Concerning item 16 (Mean value=4), lack of market place for display/sale is ranked as a fifth problem of graduate entrepreneurs that prevents them from promoting and selling their products.

Likewise, item 5 (Mean value=3.93), lack of BDS providers and coordination such as business linkage promotion, consultancy and advisory service is ranked as a sixth problem of graduate entrepreneurs which indicates that these services are not given at the required level for enterprises. With regards to this, the enterprises' organization and supervision process owner of the Addis Ababa MSEs agency, Ato Kibret in his interview response argued:

...BDS is given for those enterprises which are in need of it (March 6, 2010, 4:00Am).

The first item of table 8 (Mean value=3.89), high interest rate of credit and saving institutions is ranked the seventh problem of graduate entrepreneurs. This goes in line with HLCLEP (2006) report which indicates that the Interest rate of most micro finance institutions which is higher than the lend rate of formal banks inhibits the effectiveness of micro and small enterprises.

The last item of the same table (Mean value=3.78), collateral loan requirements by credits and saving institutions is ranked as the eighth problem of graduate entrepreneurs that prevented enterprises from borrowing money. In relation to this, Ato Debebe the MSEs' Officer of Arada sub-city disclosed that:

The borrowing process has been simplified by allowing group collateral and a condition in which an individual can be guaranteed for the enterprises without any requirement except his free of loan (March 8,2010,4:30).

Lack of managerial, technical and record keeping skills which is, item 6 (Mean value=3.99) of table 8, ranked as the ninth problem of graduate entrepreneurs that prevented them from expanding their enterprise. In this regard MSEs Officer of Arada sub-city, Ato Debebe pointed out that:

MSEs have managerial problems that create disagreement among the members and poor record keeping which is difficult for auditing (March 8, 2010, 4:30).

The World Bank also reported (2006) that lack of proper education and experiences were the major obstacles for entrepreneurs.

With regards to item 10 (Mean value=3.64), insufficient size of production premises (sites) is ranked as the tenth problem of TVET graduate entrepreneurs that prevented the entrepreneurs not to expand their enterprise. In consistent with this HLCLE (2006) stated that issue of land provision and land lease system has greatly constrained the chances of micro, small, and medium enterprises who aspire to start as well as for the growth and survival of the existing ones.

As of item 12 (Mean value=3.62), lack of access to modern technology such as using modern design, modern machineries is ranked as an eleventh problem of graduate entrepreneurs that prevented them from expanding their enterprise and be competent. In consistent with this Assefa (1997) stated that since technological problem is very low in Ethiopia, most of the small scale enterprises use obsolete technology of production which is out dated, unhygienic and inflexible.

About item 2 and item 8 (Mean value=3.51), low lend ceiling of credit and saving institutions and unavailability of raw materials in close proximity respectively ranked as twelfth problem for entrepreneurs of TVET graduates which means that the amount of money that the credit and saving institutions lend at a time is not enough to expand the enterprise and raw materials are found far from production areas that creates delayance in the production process.

Similarly, item 17 (Mean value=3.45), having inconvenience working place is ranked as thirteenth problem of graduate entrepreneurs. With regard to expanding their enterprise finding to work on well located and secure place is a prerequisite of many graduates who wants to establish their own business.

Item 15 (Mean value=3.38), market competition is ranked as fourteenth problem of graduate entrepreneurs. But, there should be competition among enterprises since growth and development comes when there is competition.

With regards to item 18 (Mean value=2.9), lack of infrastructures such as electricity, water, telephone, road, secretarial services ranked as fifteenth problem of graduate entrepreneurs, which may be due to the fact that most cooperative industrial areas are far from the main roads that there are shortages of infrastructures.

Regarding item 14 (Mean value=2.25), interference of the government on product sales and fixation is ranked as sixteenth problem of graduate entrepreneurs. However the rank indicates the less seriousness of the problem which implies that interference of the government is low.

Lastly, item 13 and 11 (Mean value=1.92), interference of the government on production decision and high level of tax respectively ranked as an seventeenth problem of graduate entrepreneurs. Here again the rank indicates that the problems are less serious, which implies that government interference is low and the level of tax is small. In support of this, the MSEs' Officer of Arada sub-city, Ato Debebe during an interview with the researcher pointed out that:

The MSEs entrepreneurs are free from income tax to give time to build up their capital (March 8, 2010, 4:30AM).

Besides, above all problems seen in running the business that prevents the growth and expansion of enterprises, as the MSEs officers and coordinators during an interview with the researchers pointed out there are also problems observed from the side of the entrepreneurs themselves that prevent them from being successful. Such entrepreneurs' problems include disagreement among members of the enterprises, selling and renting of the premises given, working on sectors other than what they agreed to work on, feeling sense of dependency, need for continuous support and employing other workers rather than working on their own.

4.5 Related to Support for the TVET Graduate Entrepreneurs

TVET graduate entrepreneurs require different kinds of supports from different bodies in order to continue in a sustainable business situation and contribute their share to the economic development of the country. So this part consists of data related with the support requirement issues of TVET graduate entrepreneurs and its organization and analysis together with Other relevant data.

Table 9 Support for TVET Graduate Entrepreneurs

№	Item	Respondents	
		No	%
1	Who supports you to expand your business?		
	A. The government (Kebele or sub-city) facilitators	63	86.30
	B. NGOs such as GTZ	1	1.37
	C. No one	9	12.33
	D. Specify	-	-
	Total	73	100
2	How do you rate the supports being given for you from concerned bodies?		
	A. Very high	11	15.07
	B. High	17	23.29
	C. Moderate	25	34.25
	D. Low	9	12.33
	E. Very low	11	15.07
	Total	73	100
3	How do you see the supports given to expand your enterprise?		
	A. Very important	27	36.99
	B. Important	14	19.81
	C. Moderate	14	19.81
	D. Less important	9	12.33
	E. Not important	9	12.33
	Total	73	100

Item 1 of table 9 seeks information regarding supporter(s) to expand their business. On which, majority of the respondents about 63(86.30%) responded that government bodies such as kebele or sub-city facilitators support them to expand their enterprises, while 1(1.37%) replied that they were supported by NGOs. The rest which is 9(12.35%) replied that they are not supported by any one. In support of this, Ato Debebe, the MSEs Officer of Arada sub-city during an interview with the researcher pointed out that:

NGOs' such as World Vision, UNIDO, ILO, GTZ, CCF Arada support the graduate entrepreneurs of MSEs for providing skills and trainings about entrepreneurship (March 8,2010,4:30AM).

This indicates that graduate entrepreneurs are supported in one way or another by different bodies that may either be governmental or nongovernmental.

On item 2 of table 9, the sample respondents were asked to what extent they rate the support given from concerned bodies. Accordingly, majority about 45(61.65%) of the respondents replied that the support given is moderate and below that, 28(38.36%) replied that the support given is very high and high which shows that the support given for these self employed entrepreneurs is not at the required level.

Respondents were also asked how they perceive the supports given in order to expand their enterprises. Accordingly, majority about 55(76.59%) of them replied that the support given is moderately and above that important to expand their enterprise, while 18(24.66%) of the respondents replied that the support given is less and not important to expand their enterprise.

Table 10 Possible Requirements of Supports for TVET Graduate Entrepreneurs

№	Item	Respondents						
		VI	I	M	LI	NI	M	R
1	Facilitating access to finance	54	2	10	-	7	4.32	5
2	Providing training and skill in entrepreneurship	55	12	5	1	-	4.66	1
3	Access to appropriate technology such as the use of modern machineries, or modern technology.	55	5	9	4	-	4.52	2
4	Training in record keeping procedures	45	6	12	3	7	4.08	8
5	Encouraging saving	50	5	13	3	2	4.34	3
6	In organizing field visit for the purpose of sharing experience	47	13	4	8	1	4.33	4
7	Facilitating to participate in trade fairs for the purpose of advertising net working, gaining experience and market promotion, such as exhibitions	47	10	6	5	5	4.14	7
8	Training in product development and quality improvement	51	15	2	4	1	4.52	2
9	Training about how to fire and hire	30	10	13	12	8	3.4	9
10	Access to market, information and advice such as linking business to banks and micro finance institutions	46	16	2	3	6	4.27	6

NOTE: VI=very important=5, I=important=4, M=moderate=3, LI=less important=2, NI=not important=1, M=mean, R=rank

Table 10 consists of the required supports of TVET graduate entrepreneurs. Item 2 (Mean value=4.66) of the table, providing training and skill in entrepreneurship is ranked as the first requirement of graduate entrepreneurs of MSEs to be supported. With regard to this, Ato Hailu, the MSEs Coordinator of Gulele sub-city during an interview with the researcher pointed out that:

Training and skills in entrepreneurship are being given for these Graduate entrepreneurs (March 7, 2010, 4:30 AM).

This indicates that the government gives response for the requirement support of the graduate entrepreneurs.

Item 3 and Item 8 (Mean value=4.52), access to appropriate technology such as use of modern machineries and use of modern technology and training in product development and quality improvement respectively ranked as the second requirements of graduate entrepreneurs to be supported. This infers that the entrepreneurs highly require the use of modern technology and product quality improvement to be competent in the market.

Encouraging saving, item 5 (Mean value=4.34) of table 10, is ranked as the third requirement of graduate entrepreneurs to be supported. This indicates that the entrepreneurs should be encouraged for saving which can be the base for growth.

As to item 6 (Mean value=4.33), organizing field visit for the purpose of sharing experience is ranked as the fourth requirement of graduate entrepreneurs to be supported. This indicates that, due to the frequent change of technology they need to share their experience.

With regards to item 1 (Mean value=4.32), facilitating access to finance is ranked as the fifth requirement of graduate entrepreneurs to be supported. In support of this, Ato Tesfaye, the enterprises organization and supervision process owner of the Addis Abeba MSEs Agency expressed that:

The government is facilitating all the necessary steps to access finance for those graduate entrepreneurs (March 6, 2010, 5:00 AM).

This means that the government is giving due attention to fulfill the requirements of the graduate entrepreneurs.

As to the last item of this table, item 10 (Mean value=4.27), access to market, information, advice such as linking business to banks and micro finance institutions is ranked as the sixth requirement of graduate entrepreneurs to be supported.

Similarly, item 7 (Mean value=4.14) , facilitating to participate in trade fairs for the purpose of advertising, networking, gaining experience and market promotion such as exhibitions is ranked as the seventh requirement of graduate to be supported. The MSEs' Officer of Gulele sub-city, Ato Surafel replied that:

Exhibitions are prepared three to four times annually by the Kebeles and two times annually by sub-cities so that these graduate entrepreneurs in MSEs can advertise or promote their products (March 7,2010,8:30).

The fourth item of table 10, (Mean value=4.08), training in record keeping procedures is ranked as an eighth requirement for graduate entrepreneurs to be supported. This indicates that they need to be provided with trainings about record keeping procedures.

Lastly, item 9 (Mean value=3.4), training about how to fire and hire is ranked as ninth requirement of graduate entrepreneurs to be supported. In support of item four and nine, training needs such as the management of business finances and how to fire and hire workers are required by those people who are in business (White and Kenyon, 2000).

4.6 Business Sustainability of TVET Graduate Entrepreneurs

TVET graduate entrepreneurs have to be assessed and their performance should be evaluated in order to check their progress and enable them continue in a sustainable business situation so as to contribute their share for reduction of unemployment on a continual base. So this part consists data relevant with these issues and its organization and analysis together with other relevant data.

Table 11 Sustainability of the TVET Graduate Entrepreneurs

No	Items	Respondents	
		No	%
1	What is the current situation of your enterprises?		
	A. Running with profit	35	47.95
	B. Running with loss	14	19.81
	C. No loss no profit	24	32.88
	D. If any other specify	-	-
	Total	73	100
2	Have you returned your loan?		
	A. Yes	29	39.73
	B. No	28	38.36
	C. Other	16	21.92
	Total	73	100
3	If your answer for question No "2" is 'NO', what is your reason?		
	A. Because the interest is high	13	46.43
	B. Because the market is not good	10	35.71
	C. Because of Bankruptcy	5	17.86
	D. State if any other	-	-
	Total	28	100
4	Why if 'B' of item 3		
	A. The design and quality of product was not good	6	13.3
	B. Because of lack of linkage to market/lack of market access	10	35.71
	C. Lack of sale rooms/display	8	28.57
	D. Lack of infrastructures such as roads, transport	4	14.28
	E. Lack of advertisement	-	-
	F. If other please specify	-	-
	Total	28	100

With regard to the sustainability of TVET graduate entrepreneurs, Item 1 of table 11, the respondents were asked about the current situation of their enterprise. Accordingly, the majority of the respondents about 35(47.95%) replied that their enterprise is profitable, while 14(19.18%) of the respondents confirmed that their enterprise runs with lose. The rest, which is 24 (32.88%), replied that the enterprise has no loss or profit. With regarded to this the respondents in response to the open ended questions as well as MSEs Officers and Coordinators explained that there are auditors at the sub-city and Kebele level that evaluate the capital changes of this self employed entrepreneurs. This will help the entrepreneurs to be active and always think about their growth.

On item 2 of the same table, the respondents were asked whether or not they returned their loan. 29(39.73%) of the respondents indicated, they have returned their loan, while 28(38.36%) of the respondents did not return their loan, and 16(21.92%) of the respondents replied that they did not take any loan. This implies that even if they need to be supported and strengthen indifferent terms, among those who took the loan half of the respondents are in the right path.

Item 3 of table 11 ask respondents for the reasons if they did not return their loan. Majorities' responses that is 13(46.43%) confirmed that they did not return their loan since the interest was high, while 10(35.7%) of the respondents answered that they did not return their loan since the market was not good and 5(17.6%) of the respondents were not able to return their loan due to bankruptcy. This indicates that the high interest rate of loans and market problems have influences on the capital changes of the graduate entrepreneurs.

Furthermore, respondents were asked what their reason was if they selected “Choice B” of item 3. According to the responses obtained, 10(35.71%) of the subjects replied that the market was not good due to lack of market linkage or lack of market access, 8(28.57%) of the respondents replied, the market was not good because of lack of sale rooms/display, 6(13.33%) of the respondents replied as the market was not good since the design and quality of products was not good, the rest which is 4(8.89%) replied as the market was not good due to lack of infrastructures such as roads, transport, etc. So this finding pointed that lack of market linkage, lack of sale rooms, or displays, poor design and quality of products and lack of infrastructures are causes for market failure.

Table 12 The Present and Future of TVET Graduate Entrepreneurs

No	Items	Respondents	
		No	%
5	How do you rate your contribution for creating job opportunity?		
	A. Very high	28	38.36
	B. High	22	30.14
	C. Moderate	20	27.4
	D. Low	3	4.11
	E. Very Low		
	Total	73	100
6	What is your future plan for your enterprise?		
	A. Diversify the existing enterprise	71	48.63
	B. Increase Saving	27	18.49
	C. Employ Additional Workers	20	13.7
	D. Buy new Equipments or machines	28	19.18
	E. Close the enterprise		
	F. Search for other jobs		
	G. If any other		
Total	146	100	

In addition, the respondents were asked to rate their contribution for creating job opportunity (Table 12, Item 5). Majority of the respondents about 28(38.36%) answered that they had very high contribution for creating job opportunity while 22(30.14%) of the respondents confirmed as they had high contribution for creating job opportunity. Out of the respondents 20(27.4%) of them indicated that they had moderately contributed for reduction of unemployment and the rest which has insignificant number 3(4.11%) pointed that they had low contribution for creating job opportunity. The majorities' idea was confirmed by the responses to the open ended questions that the graduate entrepreneurs had contributed for reduction of unemployment by creating additional job opportunities.

The subjects were also asked about their future plan regarding their enterprise (Table 12, item 6). The responses obtained indicate that 71(48.63%) of them have the plan to diversify the existing enterprise. About 27(18.49%), 28(19.18) and 20(13.7%) of the respondents respectively answered that their future plan is to increase saving, to purchase new equipments or machines and employ additional workers. This implies that the graduate entrepreneurs have the plan to expand their enterprises and therefore feel that their enterprises could be sustained.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

This chapter includes summary of the major findings, conclusions and recommendations of the study.

5.1 Summary of the Findings.

The purpose of this study was to assess the effect of TVET graduate entrepreneurs on reducing un-employment in some selected sub-cities of Addis Ababa, specifically on the CIAs. In order to achieve the objectives of the study, the research attempts to address the basic questions listed in chapter one. Hence based on the data collected and interpretation made, the following major findings were identified.

5.1.1 Characteristics of the Respondents.

- The majority of the SMEs facilitators and TVET graduate entrepreneur respondents were males;
- The majority of TVET graduate entrepreneur respondents were about in the range of 20-29 ages. That represents young self employed entrepreneurs;
- Majority of TVET graduate respondents were from Gulele sub-city may be due to more number of available MSEs in the sub-city;
- Concerning the academic qualification and work experience of the SMEs facilitators, at kebele, sub-city and regional level, they had all first degree and considerable number of service years;
- Significant proportion of TVET graduate respondents were trained in construction, followed by general mechanics, tailoring, electric, secretary, hair dressing, wood work, and information technology.

5.1.2 Vocational Background of the Respondents

- As the study findings disclosed, majority of the TVET graduate respondents had very high interest towards their major field of training. Accordingly, the majority of the TVET graduate respondents had an interest to work on their major field of training;
- Majority of TVET graduate respondents were working on their major field of their training (specialization);
- Major fields of training on which the TVET graduates specialized were very important for their current work;
- The research revealed that apprenticeship training in which the graduate respondents participated was very important for their current work;
- The majority of TVET graduate respondents require training related to their current work at a very large extent; and
- The skill training in which the TVET graduate entrepreneur respondents participated were important for their current work to a very large extent.

5.1.3 Entrepreneurial Motivation

- The majority of the TVET graduate respondents were trainees before being self employed entrepreneurs;
- According to the finding, majority of the TVET graduate respondents were motivated by information obtained about the already established TVET graduate entrepreneurs;
- The TVET graduate entrepreneur respondents ranked the possible motivational factors for an individual to be an entrepreneur. Accordingly, having better knowledge on the field of work ranked first, followed by participating in apprenticeship program, facilitators in kebeles, sub-cities or NGOs, the entrepreneurship course they took etc.

5.1.4 Problems of Graduate Entrepreneurs

- Due to different constraints, the major source of finance for TVET graduate entrepreneurs during starting their business were personal savings and family or relatives;
- According to the findings, the major difficulties with regard to obtain startup capital for TVET graduate entrepreneurs were lack of collateral and difficulty of borrowing process;
- The existence of problems hindered TVET graduate entrepreneurs to expand their enterprise;
- The TVET graduate entrepreneur respondents ranked the possible problems of TVET graduate entrepreneurs that prevented them from expanding their enterprises from one up to eighteen. Accordingly, lack of linkage between market and enterprise ranked first, followed by increase in price of raw materials, insufficient working capital, lack of technical advice on product quality improvement, lack of market place for display or sale etc.

5.1.5 Support for TVET Graduate Entrepreneurs

- According to the findings, the TVET graduate entrepreneurs were supported mainly by the government bodies such as such as kebele or sub-city facilitators;
- The finding disclosed that, the TVET graduate entrepreneurs received moderate amount of support from concerned bodies;
- The support given for TVET graduate respondents from the concerned bodies were very important to expand their enterprises;
- The TVET graduate entrepreneur respondents ranked the possible requirements for support that could help them to expand their enterprise from one up to nine. Accordingly, providing training and

skill in entrepreneurship ranked first, followed by access to appropriate technology such as use of modern machineries, use of modern technology and training in product development and quality improvement, encouraging savings, organizing field visit for the purpose of sharing experience, facilitating access to finance, access to market, information and etc.

5.1.6 Sustainability of the TVET Graduate Entrepreneur Enterprises

- The finding disclosed that the current situation of majority of TVET graduate entrepreneur enterprises were profitable;
- The research revealed that the capital changes of the graduate entrepreneurs were evaluated by kebele and sub-city auditors;
- Among those who took loan, half of TVET graduate entrepreneurs had returned their loan;
- The finding disclosed that reasons for not returning the loan were high interest, market problems, and bankruptcy;
- According to the findings, reasons for market problems were lack of market linkage, lack of display/ sale rooms, low quality and poor design product, lack of infrastructures such as roads, transport etc;
- The investigation revealed that TVET graduate entrepreneurs had very high contribution for creating additional job opportunities; and reduction of unemployment; and
- According to the findings, TVET graduate entrepreneurs had planned to diversify their enterprises, to purchase new equipments or machines, to increase savings and to employ additional workers.

5.2 Conclusions

In light of the major findings of the study, the following conclusions were drawn:-

- I. TVET graduate trainees who had an interest towards their fields of training captured enough skill that enabled them to be competent and confident in the world of work. They enhanced to work on their major field of training as entrepreneurs which had great contribution to the socio-economic development of the country. Besides, an apprenticeship training which gives a real work experience for the trainees had been found to be important factor for acquiring appropriate experience enabling trainees to develop confidence for self employment. Even though TVET graduate entrepreneurs need skill trainings relevant to their work that can fill skill gaps they had. It can be conclude that, having initial interest towards the field of training, participating in apprenticeship and taking skill trainings relevant to their work had great contribution for TVET graduates to be successful self employed entrepreneurs.
- II. Information about already established and existing self-employed TVET graduate entrepreneurs had motivating effect for TVET trainees to be entrepreneurs. In addition, having better knowledge on the field of work, participating in apprenticeship , facilitators in kebeles and sub-cites or NGOs, an entrepreneurship courses and trainers, guidance and counseling service given in colleges/ institution , mass medias, the culture of the society, labor market information in colleges or institutions and easy access to finance were the possible motivational factors. This leads to conclude that all those motivational factors have influential impact on TVET trainees to be prospective self employed entrepreneurs.

- III. Since lack of collateral and difficulty of borrowing process were the major obstacles to obtain startup capital, personal savings and family or relatives were the major sources of finance for TVET graduate entrepreneurs to start their business. The existence of problems prevented TVET graduate entrepreneurs from expanding their enterprise at a very large extent. The TVET graduate entrepreneur respondents identified possible problems such as lack of linkage between market and enterprise, increase in price of raw materials, insufficient working capital, lack of technical advise on product quality improvement , lack of market place for display /sale, and etc. So it is possible to conclude that the aforementioned and other problems prevented the TVET graduate entrepreneurs from expanding their enterprise.
- IV. The support given for TVET graduate entrepreneurs from government bodies (Kebele and sub-city facilitators) were very important to expand their enterprises. The TVET graduate entrepreneurs ranked the possible requirements for support that would help them to expand their enterprises. Accordingly, providing Training and skill in entrepreneurship, access to appropriate technology, training in product development and quality improvement, encouraging savings, organizing field visits, facilitating access to finance, access to market, information and advise and so on were some of the supports the entrepreneurs require. It is, therefore, easy to conclude that the TVET graduate entrepreneurs require supports for the expansion of their enterprises.
- V. Since the current situation of most TVET graduate entrepreneur enterprises are profitable, they had returned their loan but there are TVET graduate entrepreneurs that did not return their loan due to high interest rate, bankruptcy, and market problems related lack of market

linkage, lack of display/sale rooms, low quality and poor design product and lack of infrastructures . The capital changes of these enterprises were evaluated by Kebele and sub-city auditors. The TVET graduate entrepreneurs had planned to diversify their enterprise, to buy new equipments or machines, to increase saving and to employ additional workers that contributed to create an additional job opportunity. That has adverse effect on reducing un-employment.

5.3 Recommendations

On the basis of the research findings and the conclusions drawn, the following recommendations were forwarded for promoting the TVET graduate entrepreneurs and self-employment creation of the prospective TVET graduates so that they will contribute a lot for reduction of unemployment:

- I. Since interest is the driving force for any activity, it is observed that those TVET trainees who developed interest in their field of training became competent and confident in the real world of work which leads them to be an entrepreneur. It can, therefore, recommended that trainees should be assigned based on their interest, or trainees interest should be respected/maintained and awareness creation should be given by concerned bodies of the colleges or institution;
- II. Apprenticeship training (which is now called cooperative training) builds up confidence. Therefore, TVET colleges or institutions have to establish close link with the industrial sector and coordinate the trainings that take place in colleges or institutions and in industries to develop reliable skills that can make TVET graduates competent in self-employment market;
- III. Having only better knowledge on the field of work would not be enough motivational factors by its own for TVET graduates to be entrepreneurs. The

entrepreneurship course should be given more attention and be supported by inviting known entrepreneurs who can be best ambassadors for promoting entrepreneurship and sharing their experience;

IV. Concerned bodies (Government, Agencies at different levels) should work to change the attitude of the society towards an entrepreneurship by encouraging a broad and dynamic concept of an entrepreneurship through different media in collaboration with institutions or colleges;

V. Training institutions or colleges should introduce business incubating programmes to awaken the spirit of entrepreneurship among trainees. They also have to establish labor market information unit and strengthen the support given by guidance and counselors by organizing enough staff with professional counselors;

VI. In order to contribute their share to the overall development of the economy and reduce unemployment, problems faced the TVET graduate entrepreneurs should be uprooted and be supported in one or more of the following ways:

- Regarding lack of market linkage, facilitating government institutions' works which costs up to 500,000 birr to be done by MSEs TVET graduate is a good start, which is to be strengthened and appreciated but the government should also initiate and allow them to participate in a competitive market system by their own;
- Concerning problems of market place for display or sale, the AAREMSEDA should work in collaboration with the Addis Ababa city administration to provide market place, if possible near their working space in a considerable amount of rent or lease;
- To overcome quality problems, the government (AAREMSEDA) should facilitate conditions to provide training and prepare proper grading

system to improve the level of productivity, competitiveness and quality of goods and services they produce;

- Regarding shortage of capital, the MFIs in collaboration with other banks should create reasonable rate of loan interest for those MSEs which are established by TVET graduates and the loan ceiling must also increase;
- About BDS facility, besides the government support, non-governmental and private organizations should be allowed to participate in offering BDS facilities in a reasonable service charge;
- The TVET graduate entrepreneurs should be supported in terms of providing modern machineries and make use of modern technology and the government should facilitate this by providing on a long term credit base;
- The government should arrange conditions to create close follow up of those TVET graduate entrepreneurs for checking their progress and improve their drawbacks;
- Regarding collateral requirement, the group collateral and guarantying an individual for the group if he/she is free of loan, which is now being worked on, is a one step ahead procedure. However, it should be simplified farther and conditions be arranged to provide loan guarantying the fixed assets the enterprises had;

The government should facilitate:

- All possible conditions to access raw materials at lower price for those TVET graduate entrepreneurs;
- Provision of information on markets and business opportunities through different Media; and
- TVET graduate entrepreneurs' participation in trade fairs, for the purpose of advertising, networking, gathering experience and

market promotion such as exhibitions and Bazaar on a continual base.

- Those TVET graduate entrepreneurs who rent their shed and employ other workers instead of working by their own should be advised to work by themselves.

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Appendix A
Addis Ababa University
School of Graduate Studies

Department of Business Education (Vocational Education Management)

Questionnaire to be filled by TVET graduate entrepreneurs in micro and small enterprises (MSEs).

The purpose of this questionnaire is to collect data that enable to assess the effect of TVET graduate entrepreneurs on reducing unemployment; accordingly, the success of this study depends on the sincerity and frankness of your response. I, therefore, request you to give response for each questionnaire in a careful manner. Your responds will be kept confidential.

Thank you in advance for your cooperation!

Please Note that:

- No need of writing your name.
- For multiple choice items, you can choose more than one if you believe that two or more alternatives are equally important.
- Put a tick "✓" mark in the box in front of your choice.

Part I: Questions related to background of the respondents.

1. Sex: A. Male B. Female
2. Age: A.15-19 B. 20-24 C. 25-29
 D.30 and above
3. Address: Sub-city _____
4. Major Field of study _____
5. Type of your enterprise production _____
6. Name of your enterprise _____

Part II: Questions related to similarity of the training and present job of the graduate entrepreneur.

1. How much was your interest towards your major field of training?

- A. Very high B. High C. Moderate
D. Low E. Very low

2. How much was your interest to work with your major field of training?

- A. Very high B. High C. Moderate
D. Low E. very low

3. What is the relevance of your major field of training to the work you are running ?

- A. The same B. Different C. If, other_

4. To what extent is your major field of training important for your current work?

- A. Very important B. Important C. Moderate
D. Less important E. Not important

5. If you have been trained in apprenticeship program, how much is it important for your current work?

- A. Very important B. Important C. Moderate
D. Low E. Very low F. Not trained

6. To what extent you require training related to your current work?

- A. To very large extent B. To large extent C. Moderate
D. To less extent E. To very less extent

7. If you have been trained in appropriate skill to carry out your work, to what extent is it supportive for your current work?

- A. To a very large extent B. To a large extent C. Moderate
D. To a less extent E. To a very less extent F. Not trained



Part III: Questions related to entrepreneurial motivation of the graduate entrepreneurs.

1. What were you doing before being self employed entrepreneur?

- A. Student B. Daily Laborer C. Employed in government organization D. Unemployed E. Employed in non government organization F. State if any other _____

2. How much have you been motivated by the information you have about an already established TVET graduate entrepreneurs while you were a trainee?

- A. To very large extent B. To large extent C. Moderate D. To less extent E. To very less extent F. Not motivated at all

3. What motivated you to be self employed entrepreneur?

Please rate the following possible motivational factors based on their motivational values for you?

*Rate (5=Very high, 4=High, 3=Moderate, 2=Low, 1=Very low).

State if any other _____

No	Possible motivational factors	Rating				
		Very high	High	Moderate	Low	Very low
1	Labor market information in your institution (College).					
2	Guidance and counseling service given in your institution (College) by Guidance officers.					
3	The entrepreneurship course you took and the trainers.					
4	The society such as family, friends, relatives, neighbors etc.					
5	The culture of the society you live in. Eg. If you are living in a society that loves work.					
6	Facilitators in Kebeles, sub-cities, or NGOs.					
7	Medias such as Radio, TV, Newspapers, Brochers, Pamphlets, posters etc.					
8	Easy access to finance,					
9	Having better knowledge on the field of work.					
10	Apprenticeship program					

State if any other _____

Part IV: Questions related to problems of TVET graduate entrepreneurs.

1. What were your major sources of finance when you start your business?

A. Bank loans B. Personal savings

C. Micro finance institutions D. Family or relatives

E. if other, please specify _____

2. What were the major difficulties with regard to obtaining the start up capital?

A. Absence of collateral.

B. Absence of information about where to go.

C. Borrowing process difficulty.

D. If other please specify, _____

3. To what extent the availability of problems prevented you from being expand your enterprise?

A. To very large extent B. To large extent C. Moderate

D. To less extent E. To very less extent

Part V: Questions related to support for the TVET graduate entrepreneurs.

1. Who supports you to expand your business?
 - A. The government such as kebele or sub-city facilitators
 - B. NGOs'
 - C. No one
 - D. Specify if any other _____

2. How do you rate the supports being given for you from concerned bodies?
 - A. Very High B. High C. Moderate
 - D. Low E. Very low

3. How do you see the supports given with regarded to expanding your enterprise?
 - A. Very important B. Important C. Moderate
 - D. Less important E. Not important.

4. What are the essential supports you required? Please rate the following possible supports in the order of importance for you.

*Rate (5=Very important, 4=important, 3=Moderate2=Less important, 1=Not important).

No	Possible Supports	Rating				
		Very important	important	Moderate	Less Important	Not important
1	Facilitating access to Finance (credit).					
2	Providing training and skill in entrepreneurship.					
3	Access to appropriate technology such as the use of modern machineries, use of modern design etc.					
4	Training in record keeping procedures.					
5	In encouraging saving.					
6	In organizing field visits for the purpose of sharing experience.					
7	Facilitating to participate in trade fairs for the purpose of advertising, net working, gaining experience and market promotion such as exhibitions.					
8	Training in product development and quality improvement.					
9	Training about how to fire and hire workers.					
10	Access to market, information and advices such as linking businesses to banks and micro finance institution.					

4. What are the problems you faced with? Please rate the following possible problems based on your exposure?

*Rate (5=Very serious problem, 4=Major problem, 3=Moderate problem, 2=Minor problem, 1=Not a problem)

No	Possible problems	Rating				
		Very serious problem	Major Problem	Moderate Problem	Minor Problem	Not a Problem
1	High interest rate of credit and saving institutions.					
2	Low lend ceiling of credit and saving institutions.					
3	Insufficient working capital.					
4	Lack of linkage between market and enterprise.					
5	Lack of business development service(BDS) providers and coordination such as in business linkage promotion, consultancy and advisory services etc.					
6	Lack of managerial, technical and record keeping skills.					
7	Increase in price of raw materials.					
8	Non availability of raw materials in close proximity.					
9	Lack of technical advice on product quality improvement.					
10	Insufficient size of production premises (sites).					
11	High level of Taxes.					
12	Lack of access to modern technology such as lack of using modern design, modern machineries etc.					
13	Interference of the government on production decision.					
14	Interference of the government on product sales and price fixation.					
15	High market competition.					
16	Lack of market place for display or sale.					
17	Inconvenience working place.					
18	Lack of infrastructure such as electricity, water, telephone, roads, secretarial services etc					
19	Collateral loan requirements by credit and saving institutions					

State if any other _____

**Part VI: Questions related to the business sustainability of the TVET
graduate entrepreneurs.**

1. What is the current situation of your enterprise?

- A. Running with profit B. Running with lose
C. No loss no profit D. If any other specify _____

2. Who is the appropriate body to assure the current situation of your enterprise?

3. Have you returned your loan?

- A. Yes B. No

4. If your answer is "No" for question No 4, what is your reason?

- A. Because the interest is high B. Because the market is not good.
C. Because of Bankruptcy D. State if any other _____

5. Why if 'B' of item "4".

- A. The design and quality of the product is not good.
B. Because of lack of linkage to market/lack of market accessibility/.
C. Lack of sale rooms/display/.
D. Lack of infrastructures such as roads, transportation etc.
E. Lack of advertisement.
F. If other, please specify _____

6. How do you rate your contribution for creating job opportunity?

- A. Very high B. High C. Moderate
D. Low E. Very low

7. What is your future plan for your enterprise?

- A. Diversify the existing enterprise.
B. Increase saving.
C. Employ additional workers.
D. Buy new equipments or machines
E. Shut the enterprise.
F. Search for other jobs.
G. G. If any other _____

8. Why if 'E' or 'F' of item 7

9. Do you think that you have contributed for reduction of unemployment?

A.If 'yes' how, _____

B.If 'No' why? _____

Thank You for your cooperation

Appendix B

አዲስ አበባ ዩኒቨርሲቲ

የትምህርት ፋኩልቲ

ከቴክኒክ እና ሙያ ት/ት ቤቶች ተመርቀው በአነስተኛ እና ጥቃቅን ስር

ተደራጅተው በሚሰሩ ስራ ፈጣሪዎች የሚሞላ መጠይቅ።

የዚህ መጠይቅ ዋና ዓላማ ከቴክኒክ እና ሙያ ት/ት ቤቶች ተመርቀው በመደራጀት የሚሰሩ ስራ ፈጣሪዎች ለስራ አጥ ቅንሳ ያደረጉትን አስተዋጾ ለማጥናት ነው። ለጥናቱም ስኬት የእርስዎ ግልጽ እና አዎንታዊ መልስ ወሳኝ ነው። በዚህ መጠይቅ የሚሰጡትም ማንኛውም መረጃ ከእርስዎ ፈቃድ ውጭ ለሌላ ጉዳይ እንደማይውል በቅድሚያ እገልጻለሁ።

መጠይቁን ለመሙላት ፈቃደኛ ለመሆንዎ በቅድሚያ አመሰግናለሁ።

የሚከተሉትን ልብ ይበሉ!

- ስም መጻፍ አያስፈልግዎትም
- የምርጫ ጥያቄዎች ከአንድ በላይ መልስ ይኖራቸዋል ብለው ካሰቡ ከአንድ በላይ መልስ መስጠት ይችላሉ።
- ከመለሱት መልስ ፊት ለፊት ይህን ምልክት አስቀምጡ “ √ ”

ክፍል አንድ፡ የአጠቃላይ መረጃ ጥያቄዎች

- | | | | | |
|--------|----------|--------------------------|------------------|--------------------------|
| 1. ጾታ | ሀ. ወንድ | <input type="checkbox"/> | ለ. ሴት | <input type="checkbox"/> |
| 2. እድሜ | ሀ. 15-19 | <input type="checkbox"/> | ሐ. 25-29 | <input type="checkbox"/> |
| | ለ. 20-24 | <input type="checkbox"/> | መ. 30 እና ከዚያ በላይ | <input type="checkbox"/> |
3. አድራሻ፡ ክፍለ ከተማ _____
4. የሰለጠነበት ሙያ መስክ _____
5. ድርጅቱ የሚያመርተው ወይም የሚሰራበት ዘርፍ _____
6. የድርጅቱ ስም _____

ክፍል 2: - የስራ ፈጣሪው የሰለጠነበትን የሙያ መስክ እና አሁን የሚሰራውን ስራ ተመሳሳይነት የተመለከቱ ጥያቄዎች።

1. ለሚሰሩበት የሙያ መስክ የነበረዎት ፍላጎት ምን ያክል ነበር?
 - ሀ. በጣም ከፍተኛ ሐ. መካከለኛ ሠ. በጣም ዝቅተኛ
 - ለ. ከፍተኛ መ. ዝቅተኛ
2. በሰለጠነበት የሙያ መስክ ለመስራት የነበረዎት ፍላጎት ምን ያክል ነበር?
 - ሀ. በጣም ከፍተኛ ሐ. መካከለኛ ሠ. በጣም ዝቅተኛ
 - ለ. ከፍተኛ መ. ዝቅተኛ
3. የሰለጠነበት የሙያ መስክ አሁን ከሚሰሩበት ስራ ጋር ያለው ግንኙነት ምንድን ነው?
 - ሀ. አንድ አይነት ለ. የተለያየ ሐ. ሌላ
4. የሰለጠነበት የሙያ መስክ አሁን ለሚሰሩት ስራ ምን ያክል ይጠቅማል?
 - ሀ. በጣም ጠቃሚ ሐ. መካከለኛ ሠ. አይጠቅምም
 - ለ. ጠቃሚ መ. በጠቂት ይጠቅማል
5. የስራ ላይ ልምምድ ስልጠና /Apprenticeship Training/ ተካፍለው ከሆነ አሁን ለሚሰሩት ስራ ምን ያክል ጠቅሞዎታል?
 - ሀ. በጣም ይጠቅማል ሐ. መካከለኛ ሠ. በጣም ዝቅተኛ
 - ለ. ይጠቅማል መ. ዝቅተኛ
6. አሁን ለምሰሩት ስራ ምን ያክል ስልጠና ያስፈልግዎታል?
 - ሀ. እጅግ በከፍተኛ መጠን መ. በዝቅተኛ መጠን
 - ለ. በከፍተኛ መጠን ሠ. እጅግ በዝቅተኛ መጠን
 - ሐ. መካከለኛ
7. አሁን ከሚሰሩት ስራ ጋር በተያያዘ ስልጠና ወስደው ከሆነ በምን ያክል መጠን ስራዎትን አግዟል?
 - ሀ. እጅግ በከፍተኛ መጠን መ. በዝቅተኛ መጠን
 - ለ. በከፍተኛ መጠን ሠ. እጅግ በዝቅተኛ መጠን
 - ሐ. መካከለኛ ረ. አልሰለጠንኩም

ክፍል 3: - ከተመራቁ ስራ ፈጣሪዎች የስራ ፈጣሪ ተነሳሽነት ጋር የተያያዙ ጥያቄዎች።

- በራሶዎት ስራ ፈጥረው ከመስራት በፊት ምን ነበሩ?
 - ሀ. ተማሪ መ. ስራ አጥ
 - ለ. የቀን ሰራተኛ ሰራተኛ ሠ. መንግስታዊ ያልሆነ መስሪያ ቤት ሰራተኛ
 - ሐ. የመንግስት መስሪያ ቤት ረ. ሌላ ካለ
- ሰልጣኝ እያሉ ከቴክኒክ እና ሙያ ት/ቤቶች ተመርቀው ተደራጅተው ስለሚሰሩ ስራ ፈጣሪዎች ያገኙት መረጃ ምን ያክል እርስዎን ስራ ፈጣሪ ለመሆን አነሳስቶታል?
 - ሀ. እጅግ በከፍተኛ መጠን መ. በዝቅተኛ መጠን
 - ለ. በከፍተኛ መጠን ሠ. እጅግ በዝቅተኛ መጠን
 - ሐ. መካከለኛ ረ. ባጠቃላይ አላነሳሳኝም
- ስራ ፈጥረው በራስዎት እንዲሰሩ ምን አነሳሳዎት? ለስራ ፈጣሪነት ቀስቃሽ ወይም አነሳሽ ሊሆኑ ይችላሉ ተብለው በሰንጠረዥ ውስጥ የሰፈሩ ነጥቦችን እርሶን ካነሳሳዎት ምክንያቶች አኳያ ደረጃ ይስጥ፡ -

ደረጃ* (5 = በጣም ከፍተኛ 4 = ከፍተኛ 3 = መካከለኛ 2 = ዝቅተኛ 1 = በጣም ዝቅተኛ)

ተ.ቁ	ቀስቃሽ ወይም አነሳሽ መንስኤዎች	ደረጃ				
		በጣም ከፍተኛ	ከፍተኛ	መካከለኛ	ዝቅተኛ	በጣም ዝቅተኛ
1	የኮሌጅ ወይም ቤተ-ምህንድስና ውስጥ የነበረው በመማክርት ባለሙያ የሚሰጥ የማማክር አገልግሎት					
2	የስራ ፈጠራ ት/ት ኮርስ እና አሰልጣኞች (Entrepreneurship)					
3	ህብረተሰቡ ማለትም ቤተሰብ፣ ጓደኛ፣ ዘመድ ጎረቤት					
4	የምትኖርበት ህብረተሰብ ስራ ወዳድነት					
5	የቀበሌ ሰራተኞች፣ የክፍለ ከተማ ሰራተኞች፣ መንግስታዊ ያልሆኑ መስሪያቤቶች ለምሳሌ GIZ					
6	ከመረጃ ማግኛ መንገዶች ራዲዮ፣ ቴሌቪዥን፣ ጋዜጣ፣ በራሪ ወረቀት በሚለጠፉ ወረቀቶች					
7	በኮሌጅ ወይም ቤተ-ምህንድስና ውስጥ የነበረው የስራ ገበያ መረጃ					
8	በቀላሉ መነሻ ገንዘብ ማግኘት					
9	በምትሰሩበት ስራ የተሻለ እውቀት መኖር					
10	የስራ ላይ ልምምድ ማድረግ (Apprenticeship Training)					

ሌላ ካለ ይጥቀሱ _____

ክፍል 4: - ከቴክኒክ እና ሙያ ት/ቤቶች ተመርቀው ስራ ፈጥረው የማሰሩ ስራ ፈጣሪዎች የማጋጥሟቸው ችግሮችን የተመለከቱ ጥያቄዎች።

1. ስራችሁን ለመጀመር ዋነኛ የገንዘብ ምንጭኦችሁ ምን ነበር?
 - ሀ. የባንክ ብድር መ. ቤተሰብ ወይም ዘመድ
 - ለ. ከግል ቁጠባ ሠ. ሌላ ካለ ይጥቀሱ _____
 - ሐ. አነስተኛ የገንዘብ ተቋማት

2. መነሻ ካፒታል ለማግኘት በዋነኛነት ያጋጠማችሁ ችግር ምን ነበር?
 - ሀ. የብድር መያዣ ማጣት
 - ለ. የት መሄድ እንደሚገባ መረጃ ማጣት
 - ሐ. የብድር ሂደቱ ውስብስብነት
 - መ. ሌላ ካለ ይጥቀሱ _____

3. የችግሮች መኖር ምን ያክል ድርጅታችሁን እንዳታስፋፋ አድርጓል?
 - ሀ. እጅግ በከፍተኛ መጠን መ. በገብቅተኛ መጠን
 - ለ. በከፊተኛ መጠን ሠ. እጅግ በገብቅተኛ መጠን
 - ሐ. መካከለኛ

4. ያጋጠሟችሁ ችግሮች ምን ምን ናቸው? ካጋጠሟችሁ ችግሮች በመነሳት የሚከተሉትን ችግሮች በተሰጧቸው ደረጃ መስረት መድቡ።

ደረጃ* (5 = በጣም አንገብጋቢ ችግር 4 = ዋና ችግር 3 = መካከለኛ ችግር
2 = ዝቅተኛ ችግር 1 = ችግር አይደለም)

ተ.ቁ	የሚያጋጥሙ ችግሮች	አንገብጋቢ ችግር	ዋና ችግር	መካከለኛ ችግር	ዝቅተኛ ችግር	ችግር አይደለም
1	የብድር እና ቁጠባ ተቋማት ከፍተኛ የሆነ የብድር ወለድ					
2	የብድር እና ቁጠባ ተቋማት የብድር ጣራ ማነስ					
3	የመነሻ ካፒታል አጥረት					
4	የገበያ ትስስር አለመኖር					
5	ንግዱን ስለማስፋፋት በተመለከተ የማማከር አገልግሎት አለመኖር					
6	አስተዳደራዊ፣ ቴክኒካዊ እና የመዝገብ አያያዝ ክህሎት አለመኖር					
7	የጥሬ እቃ ዋጋ መጨመር					
8	የጥሬ እቃ አቅርቦት በቅርብ አለመኖር					
9	የምርቱን ጥራት በማሳደግ ላይ ሙያዊ እገዛ አለመኖር					
10	የማምረቻ ቦታ ጥበት					
11	ከፍተኛ ግብር					
12	ዘመናዊ በሆኑ መሳሪያዎች አለመጠቀም ለምሳሌ በዘመናዊ ዲዛይን አለማምረት፣ እና ዘመናዊ ማሽን አለመጠቀም የመሳሰሉት					
13	በምርት ሂደት የመንግስት ጣልቃ ገብነት					
14	በዋጋ አተማመን እና አሻሻጥ የመንግስት ጣልቃ ገብነት					
15	ከፍተኛ የሆነ የገበያ ውድድር					
16	የሽያጭ ወይም የማሳያ ስፍራ አለመኖር					
17	የማይመች የስራ ቦታ					
18	የግብቶች እጥረት ምሳሌ የመብራት፣ የውሃ፣ የስልክ፣ የመንገድ፣ የጽፈት አገልግሎት የመሳሰሉት					
19	የብድር እና ቁጠባ ተቋማት የብድር መያዣ መጠየቅ					

ሌላ ካለ ይጥቀሱ _____

ክፍል 5: - በቴክኒክ እና ሙያ ት/ቤቶች ተመርቀው የራሳቸውን ስራ ፈጥረው የሚሰሩ ስራ ፈጣሪዎች የሚያስፈልጓቸው እርዳታዎችን የተመለከቱ ጥያቄዎች

1. ድርጅታችሁን ለማስፋፋት የሚረዳችሁ ማን ነው?

ሀ. መንግስታዊ መስሪያ ቤቶች ምሳሌ የቀበሌ ወይም የክፍለ ከተማ አስተባባሪዎች

ለ. መንግስታዊ ያልሆኑ መስሪያ ቤቶች ምሳሌ GTV

ሐ. ማንም አይረዳችሁም

መ. ሌላ ካለ ይጥቀሱ _____

2. ከሚመለከታቸው አካላት የሚሰጣችሁን እርዳታ እንዴት ትገልጻላችሁ?

ሀ. በጣም ከፍተኛ መ. ዝቅተኛ

ለ. ከፍተኛ ሠ. በጣም ዝቅተኛ

ሐ. መካከለኛ

3. ድርጅታችሁን ከማስፋፋት አንጻር የሚሰጣችሁን እርዳታ እንዴት አያችሁት?

ሀ. በጣም ጠቃሚ መ. በዝቅተኛ መጠን ጠቃሚ

ለ. ጠቃሚ ሠ. ጠቃሚ አይደለም

ሐ. መካከለኛ

4. በጣም የሚያስፈልጋችሁ እርዳታዎች ምን ምን ናቸው? የሚከተሉትን የእርዳታ መንገዶች ከፍላጎታችሁ አንፃር ደረጃ ስጡ።

ደረጃ* (5 = በጣም ጠቃሚ 4 = ጠቃሚ 3 = መካከለኛ
2 = አነስተኛ ጠቀሜታ 1 = አይጠቅምም)

ተ.ቁ	የእርዳታ መንገዶች	ደረጃ				
		በጣም ጠቃሚ	ጠቃሚ	መካከለኛ	ዝቅተኛ ጠቀሜታ	ጠቀሜታ የሰውም
1	የገንዘብ ብድር ማመቻቸት					
2	የስራ ፈጠራ ክህሎትን በስልጠና ማገዝ /Entrepreneurship Training/					
3	የዘመናዊ ማሽኖች ተጠቃሚ ማድረግ ብሎም በዘመናዊ ንድፍ /Design/ የተሰሩ ምርቶችን እንዲያመርቱ ማስቻል					
4	ስለ መዝገብ አያያዝ ስልጠና መስጠት					
5	ቁጠባን እንዲያሳድጉ ማስቻል					
6	ከመሰል ድርጅቶች ጋር የልምድ ልውውጥ እንዲኖር ሁኔታዎችን ማመቻቸት					
7	ምርትን ለማስተዋወቅ እንዲሁም ግንኙነት ለመፍጠር እና ልምድ ለመውሰድ ያስችል ዘንድ የንግድ ባዛር እና ኤግዚብሽን ላይ እንዲካፈሉ ማስቻል					
8	የምርትን ጥሪት በማሳደግ ላይ ስልጠና መስጠት					
9	ሰራተኛ እንዴት እንደሚቀጠር እና እንደሚሰናበት ስልጠና መስጠት					
10	ስለ ገበያ መረጃ መስጠት እንዲሁም ከባንክና ብድር ተቋማት ጋር ማገናኘት					

ሌላ ካለ ይጥቀሱ _____

ክፍል 6: - ከቴክኒክ እና ሙያ ት/ቤቶች ተመርቀው ተደራጅተው የሚሰሩ ሰራ ፈጣሪዎች የድርጅታቸውን ጥንካሬ ወይም አስተማማኝነት የተመለከቱ ጥያቄዎች።

1. የድርጅታችሁ ወቅታዊ ሁኔታ እንዴት ነው?
ሀ. አትራፊ ነው ሐ. አላተረፈም፣ አልከሰረም
ለ. በኪሳራ ላይ ነው መ. ሌላ ካለ ጥቀሱ
2. የድረጅታችሁን ወቅታዊ ሁኔታ የሚያረጋግጠው አካል ማን ነው? _____

3. ብድራችሁን መልሳችኋል?
ሀ. መልሰናል ለ. አልመለስንም

4. ለተራ ቁጥር አራት መልስዎት አልመለስንም ከሆነ ምንክንያቱ ምንድን ነው?
ሀ. ወለዱ ከፍተኛ ስለነበር
ለ. ገበያው ጥሩ ስላልነበር
ሐ. በኪሳራ ምክንያት
መ. ሌላ ካለ ይጥቀሱ _____

5. ለአምስተኛ ተራ ቁጥር ጥያቄ መልስዎት በ “ለ” ምርጫ የተጠቀሰው ከሆነ ምንክንያቶች ምንድን ነው? _____
ሀ. የምርቱ ጥራት እና ዲዛይን ጥሩ አለመሆን
ለ. የገበያ ትስስር አለመኖር
ሐ. የሽያጭ ወይም የማሳያ ቦታ አለመኖር
መ. የግባቶች ማለትም የመንገድ፣ የትራንስፖርት እጥረት
ሠ. ሌላ ካለ ጥቀሱ _____

6. ለተጨማሪ የሰራ እድል ፈጠራ ያደረጋችሁትን አስተዋጾ እንዴት ትለኩታላችሁ?
ሀ. በጣም ከፍተኛ መ. ዝቅተኛ
ለ. ከፍተኛ ሠ. በጣም ዝቅተኛ
ሐ. መካከለኛ

7. የድርጅታችሁ የወደፊት እቅድ ምንድን ነው? ከአንድ በላይ መልስ መስጠት ይቻላል?

ሀ. ድርጅታችሁን ማስፋፋት

ሠ. ድርጅቱን መዘጋት

ለ. ቁጠባን ማሳደግ

ረ. ሌላ ስራ መፈለግ

ሐ. ተጨማሪ ሰራተኛ መቅጠረ

ሰ. ሌላ ካለ ጠቁሱ _____

መ. አዳዲስ ማሽኖችን መግዛት

8. ለተራ ቁጥር 10 ጥያቄ መልስዎት “ሠ” ወይም “ረ” ከሆነ ምክንያትዎ ምንድን ነው?

9. ለስራ አጥነት ቅነሳ አስተዋጾ አድርገናል ብላችሁ ታስባላችሁ?

ሀ. መልስዎ “አዎ” አድርገናል ከሆነ እንዴት? _____

ለ. መልስዎ አላደረግንም ከሆነ ለምን? _____

ስለትብብርዎ እናመሰግናለን!!

Appendix C
Addis Ababa University
School of graduate studies
Department of business education(Vocational management)

Interview guide to MSEs, Facilitators who are involving in the development of the sector. The purpose of this interview is to collect data that enable to assess the effect of TVET graduate entrepreneurs on reducing unemployment. Accordingly the success of this study depends on the sincerity and frankness of your response. Your responds will be kept confidential.

Thank you in advance for your cooperation

Part I: Question Related to the Back ground of Respondents.

1. Name of the organization you work

2. Academic qualification

A. Diploma

B. Bachelor degree

C. Masters degree

D. PH

3. Year of experience

A. 1-5

B. 6-10

C. 11-15

D. 16-20

4. Your work position _____

Part -II Questions Related To TVET Graduate Entrepreneurs

1. Whom do you think plays the major role to motivate the graduates to be self employed entrepreneurs?

2. How far the rules, regulations, legal frame works and proclamations of credit associations and town municipalities are suitable for TVET graduates who are running their own business?

3. Do you think that that TVET graduate entrepreneur faces problems during running their own business? What are those problems? What are your shares of responsibilities to solve those problems?

4 .What are the possible supports that the TVET graduate entrepreneurs need? Who are the supportive bodies? What are your shares of responsibilities to support them?

5. Do you know graduate entrepreneurs that are in a sustainable business situation? If yes, how do you evaluate them? Please specify your ways of evaluation.

6. Do you think that those TVET graduate entrepreneurs in MSEs reduced unemployment or created job opportunities? If yes, would you verify?

Thank You for your cooperation.

DECLARATION

I, the underlined, declare that this thesis is my original work and has not been presented for a degree in any other university and that all sources of materials used for this thesis have been duly acknowledged.

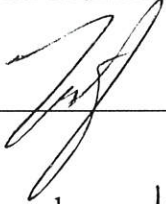
Name Tesfaye Zeshiber

Signature 

Date of Submission 10/6/2010

This thesis has been submitted for examination with my approval as a university Advisor.

Name Getachew Adugna

Signature 

Date of approval 10/6/2010

