

**THE RELATIONSHIP BETWEEN ENTREPRENEURIAL ORIENTATION AND
BUSINESS PERFORMANCE OF YOUTH ENTREPRENEURS IN TSHWANE
METROPOLITAN MUNICIPALITY**

by

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Submitted in accordance with the requirements for the degree of:

MASTERS IN BUSINESS MANAGEMENT

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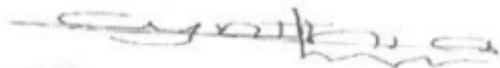
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DECLARATION

I, Cynthia Mawufemor Afua Kumadeka, student number 33343225, declare that this dissertation titled, THE RELATIONSHIP BETWEEN ENTREPRENEURIAL ORIENTATION AND BUSINESS PERFORMANCE OF YOUTH ENTREPRENEURS IN TSHWANE METROPOLITAN MUNICIPALITY, is my own work and that all the sources that I have used or quoted have been indicated and acknowledged by means of complete references. I hereby further declare that, this study has not been submitted to any other university for assessment and qualification purposes.



Cynthia Mawufemor Afua Kumadeka

15 February 2019

Date

DEDICATION

This dissertation is dedicated to my beloved mother Mrs Josepha Gbordzoe for her constant support, and unreserved love; my endearing husband, His Majesty King Kumadeka IV for being patient, understanding, and very supportive. I am truly indebted to my sons Dela, Makafui Kumadeka, and my lovely daughters Kekeli, and Sesime Kumadeka for enabling me to utilise a considerable quantity of family time to pursue my studies.

My final dedication goes to my co-supervisor, the late Professor Simon Radipere, a humble, gentle, and beautiful soul whom God unfortunately called home from this earth. He will not be here to celebrate this day with me, but I thank God for giving me the opportunity to meet someone like him. His words of encouragement and motivation pulled me through difficult moments and will remain with me forever. Wherever he is, I know he will be smiling down on me and congratulating me for completing my dissertation. May his soul rest in perfect peace.

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The National Youth Development Agency, for allowing me the use the database of youth entrepreneurs of the Tshwane Metropolitan Municipality.

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ABSTRACT

Youth unemployment is one of the key global challenges facing the world today. Statistically, the global youth unemployment rate is 13.1%. Youth entrepreneurship is viewed as a possible solution to youth unemployment. Interestingly, the world has adopted entrepreneurship as a strategic approach to facilitate economic participation among the youth. Youth entrepreneurship has gained importance in recent years in many countries, as a way of fostering employment opportunities, boosting economic competitiveness, and promoting local and regional development.

Youth involvement in entrepreneurship assists in boosting their confidence, achieving economic independence, and alleviating poverty. Some researchers describe entrepreneurial orientation as innovativeness, pro-activeness, risk taking, and competitive aggressiveness. Other researchers see entrepreneurial orientation as being pushed or pulled into entrepreneurship. In this study, push and pull factors to become entrepreneurs were used to determine the entrepreneurial orientation of the respondents.

The objectives of the study were to investigate whether there is a relationship between entrepreneurial orientation and the business performance of youth entrepreneurs in the Tshwane Metropolitan Municipality. A descriptive research design within a quantitative research approach was adopted using online surveys and physical administration of questionnaires. The study used a census method to sample 555 youth entrepreneurs in the Tshwane Metropolitan Municipality. A low response rate was achieved as only 96 respondents fully completed the questionnaires, which were used in the analysis.

The collected data was analysed using the Statistical Package for Social Sciences. The findings of this study revealed that push factors had a significant influence on the business performance of youth businesses in the Tshwane Metropolitan Municipality; whereas there was no statistical evidence to suggest that pull factors predicted the business performance of youth businesses in the study area.

The research found that entrepreneurship among young individuals is essential to enhancing young people's economic development. The study discovered that most TMM youths were pulled in to starting their own businesses. The research also suggested that, EO could encourage TMM youth entrepreneurs to continue to become innovative, take- risk, be pro-active and competitive aggressive in the businesses.

Key terms: Entrepreneurship, Entrepreneurs, Youth Entrepreneurship, Entrepreneurial Orientation, Youth Entrepreneurial Orientation, Pull and Push factors, and Business Performance.

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List of abbreviations

| | |
|--------|---|
| ANC | African National Congress |
| ANOVA | Analysis of Variance |
| AYC | African Youth Commission |
| AYC | African Youth Charter |
| BEE | Black Economic Empowerment |
| BER | Bureau for Economic Research |
| CBD | Central Business District |
| COT | City of Tshwane |
| COTMM | City of Tshwane Metropolitan Municipality |
| DPRU | Development Policy Research Unit |
| DTI | Department of Trade and Industry |
| EDP | Entrepreneurship Development Programme |
| DESTTL | Department of Entrepreneurship, Supply Chain, Transport, Tourism and Logistics Management |
| EO | Entrepreneurial Orientation |
| EU | European Union |
| GDP | Gross Domestic Product |
| GEM | Global Entrepreneurship Monitor |
| ICSB | International Council for Small Business |
| IDP | Integrated Development Plan |
| ILO | International Labour Organisation |
| IOSR | International Organisation of Scientific Research |
| IUP | Indiana University of Pennsylvania |
| KPI's | Key Performance Indicators |
| MCDA | Multi-Criteria Decision Analysis |
| NKC | National Knowledge Commission |
| NYDA | National Youth Development Agency |
| NYP | National Youth Policy |
| NYS | National Youth Strategy |
| OECD | Organisation for Economic Co-operation and Development |
| RERC | Research Ethics Review Committee |

| | |
|---------|---|
| SAJESBM | South African Journal of Entrepreneurship and Small Business Management |
| SDGs | Sustainable Development Goals |
| SEAANZ | Small Enterprise Association of Australia and New Zealand |
| SEDA | Small Enterprise Development Agency |
| SETA | Sector Education and Training Authority |
| SIGS | Sustainable and Inclusive Growth Strategy |
| SMME | Small Medium and Micro Enterprise |
| SPSS | Statistical Package for Social Sciences |
| SSA | Sub-Saharan Africa |
| STATSSA | Statistics South Africa |
| TEA | Total Entrepreneurial Activity |
| TEDA | Tshwane Economic Development Agency |
| TGDS | Tshwane Growth and Development Strategy |
| TMM | Tshwane Metropolitan Municipality |
| TMSDF | Tshwane Metropolitan Spatial Development Framework |
| TQM | Total Quality Management |
| UCT | University of Cape Town |
| UN | United Nations |
| UNCTAD | United Nations Conference on Trade and Development |
| UNISA | University of South Africa |
| UYF | Umsobomvu Youth Fund |
| YED | Youth Employment Decade |
| YEDS | Youth Enterprise Development Strategy |
| YLED | Youth Leadership and Entrepreneurship Development |

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CHAPTER 1

BACKGROUND TO THE STUDY

1.1 INTRODUCTION AND BACKGROUND

Newspapers worldwide carry headlines announcing youth unemployment. With an estimated 88 million unemployed young women and men across the globe, there is an urgent need for employment creation efforts focusing on youth (Sharu & Guyo, 2013:973). In a recent study, the International Labour Organisation (ILO, 2017b:1) found that the global unemployment rate would rise modestly from 5.7% to 5.8% in 2017, representing an increase of 3.4 million of jobless people.

In its World Employment and Social Outlook Trend for Youth, ILO (2018:2) estimated that the global youth unemployment rate stands at 13% in 2018, which is three times higher than that for adults, which is 4.3%. The youth unemployment rate refers to the number of unemployed 15–24 year-olds, expressed as a percentage of the youth labour force (Organisation for Economic Cooperation and Development (OECD), 2017:1).

The OECD (2017:1) describes unemployed people as those who report that they are without work, who are available for work, and have taken active steps to find work in the last four weeks. In 2017, the average unemployment rate for young people aged between 15 and 21 years in the European Union (EU) was 16.8% (Eurostat news release, 2018:2). However, in South Africa, almost one in every two active young South Africans is unemployed, compared to 22% of prime-aged adults (aged 25-54 years), and less than 7.5% of older adults (aged 55-64 years), as reported by the South Africa Policy Brief (OECD, 2015:1). A lot has changed since then as far as unemployment is concern.

In 2018, 38.8% of the unemployed people were youth (Statistics South Africa (STATSSA), 2018b:22). In the past five years, unemployment in Tshwane Metropolitan Municipality (TMM) according to the 2011 census increased from 24.2%, to 26% (STATSSA, 2017b:1). The unemployment rate in the TMM was 28.7% in 2018 (STATSSA, 2018c:7). The youth unemployment rate in the TMM according to the 2016 demographics was 32.6% (City of Tshwane, 2018b:1).

Sitoula (2015:12) explained that when jobs are fewer, the youth are generally more likely to be unemployed; and when an economic crisis cripple the job market, young people are the first to be laid-off. This has led to thousands of retrenched youth returning to rural areas, where the chances of finding other jobs are limited, thus, prompting many young people to become entrepreneurs by necessity, “rather than entrepreneurs by choice” (Sitoula, 2015:12).

In view of the above, the question that needs to be answered is whether youth unemployment is the cause of youth entrepreneurship and/or whether youth entrepreneurship is a possible solution to youth unemployment. Accordingly, Chiloane-Tsoka (2016:558) pointed out that youth entrepreneurial initiatives have long been accepted as a possible solution to the high levels of unemployment in South Africa. The importance of entrepreneurship as a contributor to job creation, innovation and economic development is widely acknowledged (Malebana, 2014:1020). According to Baporikar (2015:75), promoting youth entrepreneurship does not only help reduce unemployment, but more importantly, provides the young people with the alternative of shaping their own destiny by starting their own businesses, instead of waiting for jobs to be provided for them.

1.2 PROBLEM STATEMENT

The phenomenological studies of youth entrepreneurship articulate Entrepreneurial Orientation (EO) and business performance of youth. Using the lens of OE and business performance of youth, is the reason why the youth are becoming entrepreneurs. Verheul, Thurik, Hessels and Van der Zwan (2010:17) explain that the youth can be pulled or pushed to become an entrepreneur.

Verheul et al. (2010:7) assert that the motivation behind a youth entrepreneur stems from either positive factors that “pull” individuals to entrepreneurship, or negative situational factors that “push” individuals to engage in entrepreneurial activities. The “pull” factors are positive attractions to entrepreneurship, such as seeking independence, self-fulfilment and social development possibilities, while “push” factors are negative situations arising from dissatisfaction with the current state, such as job dissatisfaction, difficulty finding employment, insufficient salary, or inflexible working hours.

Accordingly, Sambo and Chiloane-Tsoka (2015:190) highlight that the youth have been driven to depend on self-employment, such as working as a backyard mechanic, panel beater, or auto electrician in order to survive.

However, Nieman and Nieuwenhuizen (2014:37) argue that even though young South Africans are spurred to begin their own businesses, youth entrepreneurship is not seen as an authentic or attractive career decision, because many young people are compelled to become entrepreneurs due to a plethora of factors beyond their control. Along these lines, and in tandem with investigating the relationship between entrepreneurial orientation and business performance of the youth, this study likewise sees the need to examine whether youth entrepreneurs in the TMM were pulled or pushed into becoming entrepreneurs and whether these factors affect the performance of their businesses, given that South Africa can no longer depend exclusively on large organisations or the government for job creation (Herrington, Kew & Kew, 2012:19).

1.3 THE SIGNIFICANCE OF THE STUDY

This study will be beneficial to youth entrepreneurs in the study area. It will also assist agencies and the government of South Africa to identify the type of policy that should be put in place to help young business owners to become successful entrepreneurs. The study will enhance the researcher's knowledge of the relationship between EO and the business performance of youth entrepreneurs. The study identified the pull and push factors that influence the EO of youth entrepreneurs, which can help in providing the right support for each type of the entrepreneurs. The study further investigated whether EO has an influence on the business performance of youth entrepreneurs.

1.4 OBJECTIVES OF THE STUDY

The study had both primary and secondary objectives, with the secondary objectives being categorised into theoretical objectives and empirical objectives.

1.4.1 Primary objective

The primary objective of this study was to investigate whether there is a relationship between entrepreneurial orientation and the business performance of the youth in entrepreneurship in the Tshwane Metropolitan Municipality.

1.4.2 Secondary objectives

In order to achieve the primary objective, the following secondary objectives were formulated:

Theoretical objectives

- To conceptualise EO from the literature.
- To conceptualise business performance from the literature.

Empirical objectives

- To determine the relationship between EO and business performance.
- To determine whether EO predicts business performance.
- To determine which pull factors influence the EO of youth entrepreneurs.
- To determine which push factors influence the EO of youth entrepreneurs.

1.5 RESEARCH HYPOTHESES

This study hypothesised that:

- H1a: There is no relationship between EO and the business performance of youth entrepreneurs.
- H1b: There is a relationship between EO and the business performance of youth entrepreneurs.
- H2a: EO does not predict the business performance of youth entrepreneurs.
- H2b: EO does predict the business performance of youth entrepreneurs.

1.6 RESEARCH QUESTION

This study attempted to answer the following question:

- Is there a relationship between EO and the business performance of youth entrepreneurs in TMM?

1.7 RESEARCH METHODOLOGY

The research methodology in this study focused on research design, sampling, data collection, and data analysis.

1.7.1 Research design

This study adopted a quantitative research method. Quantitative research examines relationships between variables, which are measured numerically and analysed using a range of statistical and graphical techniques (Saunders, Lewis & Thornhill, 2016:166). The

researcher chose the quantitative research approach, because it is appropriate for testing objective theories, by examining the relationship among variables. These variables, in turn, can be measured using instruments, so that numeric data can be analysed via statistical procedures (Creswell, 2014:4). Quantitative data collection and analysis focuses on the collection of information that is measurable and countable (Franklin, 2012:170). In the current study, the data was collected in a controlled and replicable manner, in order to test the hypotheses formulated. The structure and the approach of the study called for methods such as interview questionnaires. This study, therefore, used a structured online interview and physical hand delivery questionnaires. The data was gathered in accordance with University of South African's (Unisa's) ethical framework.

1.7.2 Sampling

The census sampling method was used in this study as the entire population was sampled. The census method was embraced because the researcher only used a database containing 555 youth entrepreneurs in TMM. According to Leedy and Ormrod (2015:206), a large sample is the most appropriate for quantitative study compared to a small one.

1.7.3 Data collection

The study used a web-based questionnaire and hand delivery questionnaires to collect data. The questionnaire is a self-reporting data collection instrument that each research participant fills during a research study (Johnson & Christensen, 2012:197).

A pilot study was conducted on selected youth entrepreneurs from TMM one month before the actual data collection exercise. The importance of pilot study was to test any weaknesses in the questionnaire. Further, this preliminary test was carried out to verify the authenticity of the research instrument's viability, simplicity, usability and reliability of the study. This can be related to external validity. In order to ensure the reliability and validity of the results of this study, the researcher used interview questions from prior studies.

1.7.4 Data analysis

Data analysis is the process followed to obtain useful information from raw data. The analysis describes and summarises the data. The data was gathered through a survey that targeted youth business entrepreneurs in TMM. The major data analysis techniques used in

this study were descriptive and inferential statistics. The results were used for discussions, drawing the conclusions and making recommendations.

1.8 PRELIMINARY LITERATURE REVIEW

Youth entrepreneurship involves the development and/or improvement of an innovative frame of mind, abilities and open doors for youngsters (Moroney & Thompson, 2013:3). It is progressively acknowledged as a basic method of income generation among young people (Vogel 2015:79), and for quite some time has been acknowledged as a conceivable solution for unemployment in South Africa (Chiloane-Tsoka, 2016:558). Accordingly, the OECD (2014:3) affirms that one conceivable approach to deliver youth unemployment is to help them in starting their own businesses.

The OECD (2014:3) note that youth entrepreneurship is vital in addressing high unemployment rate and that young people are bound to prefer self-employment than being employed. To the contrary, however, their rate of self-employment is much lower. Indeed, as noted by Baporikar (2015:75) advancing youth entrepreneurship does not only help reduce unemployment, but also depicts that young people have the alternative of shaping their own destiny. In the same vein, Sitoula (2015:12) opined that numerous young people are pushed to become entrepreneurs by necessity, rather than by choice. Being pulled and/or pushed into entrepreneurship is alluded to as entrepreneurial orientation (EO) (Van Geenhuizen, Middel & Lassen, 2008:1).

According to Zeebaree and Siron (2017:45), EO emerged as a conceivable antidote to the issues confronting businesses that need to accomplish continued sustainable differential advantage. Fatoki (2014:126) defines EO as a procedure through which people in an established enterprise pursue entrepreneurial opportunities to develop, without regarding the level and notion of currently available resources.

This study investigated the relationship between EO and business performance in relation to what inspires the youth in TMM to start their own business. The study paid specific attention as to whether the youth were influenced by pull or push factors to become entrepreneurs, as well as whether any of the above variables can impact on the performance of their businesses.

1.9 RESEARCH SETTING OF THE STUDY

This study was carried out in Tshwane Metropolitan Municipality (TMM), in Gauteng Province. Approximately, 3.2 million of the total population in the Gauteng province lives in the City of Tshwane (COT) and its environs. Tshwane Metropolitan Municipality represents approximately 24.1% of the province's population (Mathebe, 2018:3). The TMM is the administrative capital, and one of the fastest growing municipalities in South Africa (Sambo & Chiloane-Tsoka, 2015:191).

The TMM prides itself for having an average annual economic growth rate of 4.4% in 2018 (United Nations (UN), 2018b:11). According to the Tshwane Metropolitan Spatial Development Framework (TMSDF), the City's vision is to be the 'African Capital City of Excellence', with the mission of ensuring sustainable livelihoods for residents through a system of a developmental local government that delivers effective, efficient and affordable services (TMSDF, 2012:10).

With a population of approximately two and a half million inhabitants, coupled with an anticipated population growth rate of 4.4%, the TMM has one of the highest unemployment rates in the country, accounting for nearly 52.8% of the youth unemployment rate (STATSSA, 2018c:23). Furthermore, the TMM is renowned for its vibrant and diverse economy, which contributes 26.8% of Gross Domestic Product (GDP) in the Gauteng Province and 9.4% of the GDP of the national economy (STATSSA, 2017a:1).

In addition, the TMM is conscious of the triple challenge of poverty unemployment and inequality, and has therefore introduced a project called "Tshepo 10 000" to empower 10 000 young people (Nevhunama, 2013:1). According to Matshediso (2015:1), one of the main challenges facing the TMM is unemployment and the need to empower the youth with entrepreneurial skills, in order for them to establish their own businesses.

Figure 1.1 presents a map of TMM together with the cities comprising the regions of the City of Tshwane. In spite of the various economic activities in the municipality, most of the youth have been reported to be stranded and failing engage in economic ventures, especially before the 'Tshepo 10 000' Project was introduced with the aim to empower the youth in the Municipality. The map represents the area coverage of TMM and the central business districts, which includes: Winterveldt, Soshanguve, Ga-Rankuwa, Akasia, Pretoria, Pretoria North, Roodeplaat, Refilwe, and Cullinan.

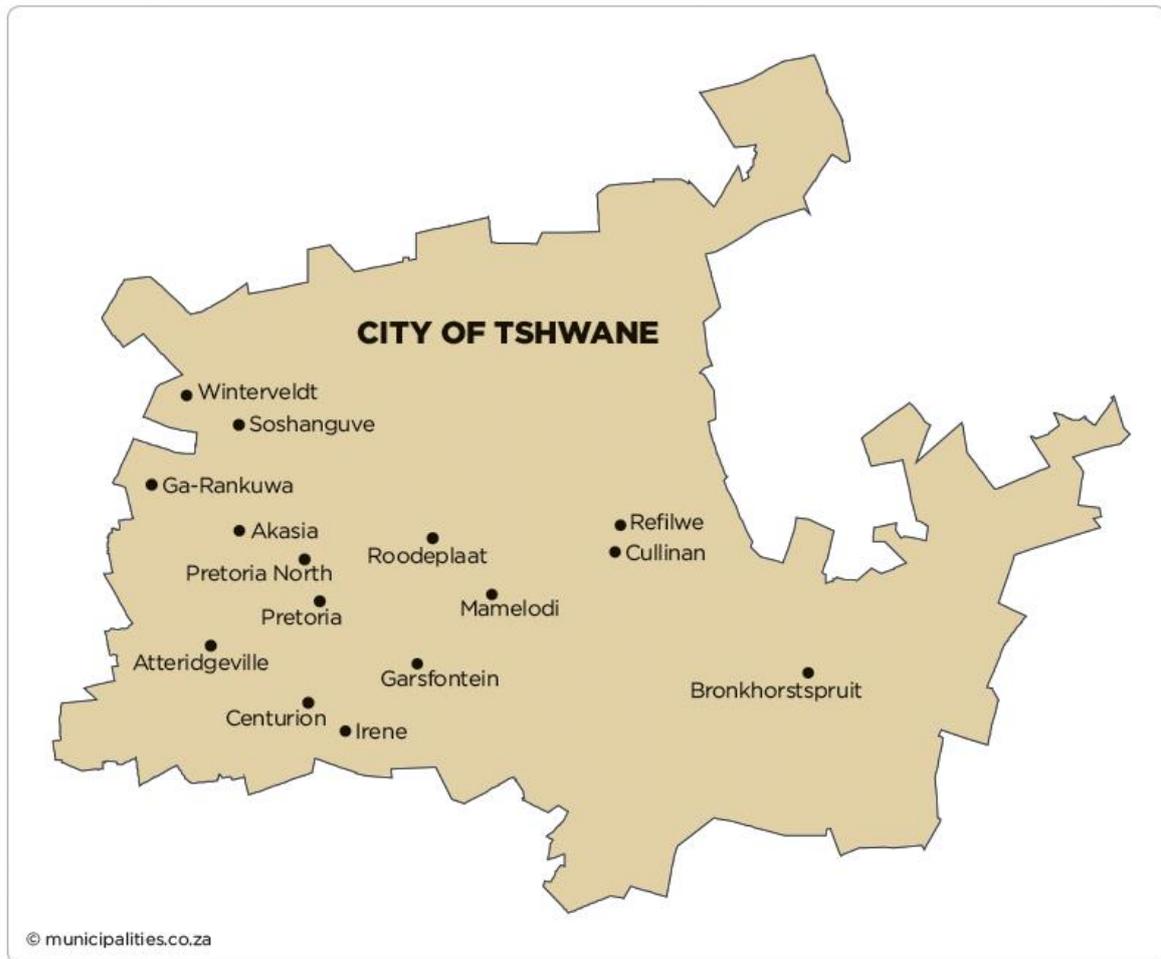


Figure 1.1: Tshwane Metropolitan Municipality
 Source: Municipalities of South Africa (2018:1)

The TMM has many advantages to generate more economic activities than other municipalities in the Gauteng Province. One of the advantages is the number of Universities accessible to the youth in the TMM such as the University of South Africa (Unisa), University of Pretoria (UP), Tshwane University of Technology (TUT) as well as many Colleges such as Richfield among others. The presence of these higher learning institutions opens up the youth’s smart intellectuals centers in the settings to enable them to become familiar with the business opportunities around them.

1.10 RATIONALE AND MOTIVATION OF THE STUDY

Increasingly, South Africans are exposed to myriads of social-economic challenges, including crime and drug abuse due to unemployment, poverty and inequality in the TMM. Under these circumstances, one cannot downplay the role which youth entrepreneurs can play in paving a good future for them. In view of the above, the rationale of this study is that

youth entrepreneurship in the TMM can address the triple challenge of poverty, unemployment, and inequality. From this point of view, the researcher will be able to underscore the key issues and challenges that are fundamental in promoting youth entrepreneurship in the TMM.

1.11 THE PURPOSE OF THE STUDY

This study seeks to investigate the relationship between EO and business performance of youth entrepreneurs in TMM.

1.12 OUTLINE OF THE CHAPTERS

The study consists of the following chapters:

Chapter 1: Background to the study

This chapter provides the introduction and background to the study, problem statement, the significance of the study, objectives of the study which includes: preliminary and secondary objectives. The secondary objectives are further divided into theoretical objectives and empirical objectives, research hypotheses and research question. The chapter further presents research methodology which includes: research design, sampling, data collection and data analysis followed by preliminary literature review, research settings, rationale and motivation of the study, the purpose of the study and the outlines of the chapters.

Chapter 2: The Literature review

This chapter presents literature on entrepreneurship which includes: definition of entrepreneurship, youth entrepreneurship, characteristics of entrepreneurs, challenges faced by entrepreneurs and indicators of successful entrepreneurs. The study also presents entrepreneurial orientation and this includes: components of entrepreneurial orientation and pull and push factors of entrepreneurship. The chapter further discussed the concept of youth including definitions of youth, youth entrepreneurship in South Africa, National Youth Development Agency, policy guidelines on youth entrepreneurship and youth entrepreneurship in Tshwane Metropolitan Municipality. The final section of this chapter focused business performance which includes: turnover, profit margin, growth and youth business performance.

Chapter 3: Research methodology

This chapter outlines the statement of the research problem, research question, objectives of the study which includes primary objective and secondary objectives which further divides into theoretical objectives and empirical objectives. The research methodology section includes: research design, qualitative and quantitative research design, classification of research design with degree of research question crystallisation, researcher's control variables, topical scope and participant's perceptual awareness. The chapter also presents, sampling design including research environment, population, sample frame and sampling method.

Also included in the chapter is the method of data collection which includes: research environment, construction of the questionnaire, types of questions used in the questionnaire, Likert-scale questions, measurement scales, nominal scales, ordinal scales, interval scales, ratio scales, cleaning and verification of data, missing values and fieldwork. The chapter further presents data analysis which includes: descriptive statistics, inferential statistics, regression and Pearson's correlation analysis. The final part of the chapter presents research reporting, pilot study, reliability and validity, which further split into: reliability, validity and response rate. The final section of the chapter presents ethical considerations.

Chapter 4: Results and findings

This chapter presents the biographical information of the respondents, which includes: distribution of participants according to age, gender, ethnic group, and highest academic qualification obtained. The chapter also presents nature of the businesses which includes: distribution of participants according to industry, ownership, number of years in business and location. The next section of the chapter presents descriptive statistics of EO which includes: frequency, descriptive, that is, mean, standard deviation, skewness, Kurtosis and Cronbach alpha. Further, the reliability of the research instruments which includes: correlation analysis between EO, performance, and push and pull factors, hypothesis testing using correlation analysis, regression analysis of relationships between EO, business performance and pull and push factors and evaluation of models using analysis of variance.

Chapter 5: Summary, conclusions and recommendations

This chapter focused on the summaries, conclusions and recommendations of the study. The chapter presents objectives of the study – revisited, which includes: primary objective revisited and secondary objectives revisited. The secondary objectives presents theoretical objectives revisited and empirical objectives revisited. The overview of the literature study including summary of the main findings is provided. The contribution of the study, limitations of the study, recommendations, and further research areas are also presented in the chapter.

1.13 CONCLUSION

This chapter presented the background of the study by paying specific attention to youth unemployment. A preliminary literature on youth entrepreneurship has also been provided to give an insight of the subject matter. The rationale and motivation of the research, problem statement, research objectives, the research question and hypotheses have been presented. The significance of the study, as well as the research methodology which inter alia highlighted issues relating to the sampling, data collection, data analyses and ends with the outline of the chapter have been clearly discussed.

The next chapter examines the literature review.

CHAPTER 2

LITERATURE REVIEW

2.1 INTRODUCTION

This chapter reviews scholarly literature on entrepreneurship with attention paid to defining entrepreneurship definition, youth entrepreneurship, characteristics of entrepreneurs and challenges faced by entrepreneurs. The chapter also present entrepreneurial orientation with focus on innovation, pro-activeness, risk-taking and competitive aggressiveness. The pull and push factors of entrepreneurship are also discussed. The chapter further unpacks the concept of *youth*, which includes definition, youth entrepreneurship in South Africa, National Youth Development Agency, policy guidelines on youth and youth entrepreneurship in TMM. Lastly, review is done on business performance such as turnover, profit margin, growth and youth business performance.

2.2 ENTREPRENEURSHIP

The importance of entrepreneurship as a contributor to job creation, innovation and economic development is widely acknowledged (Malebana, 2014:1020). In the view of Rajasekaran, Chinnathai and Ramadevi (2015:24), the new ventures developed through entrepreneurship yield a wide spectrum of economic benefits through innovation, generation of new businesses, creation of new jobs, and development of innovative products and services. However, entrepreneurial behaviour quiet often relates to innovative behaviour and this creates an ever-changing landscape of entrepreneurship (Kuckertz & Prochotta, 2018:1). Also, entrepreneurial attitudes can effectively be improved with entrepreneurship learning, which will overall encourage entrepreneurship (Alam, Kousar, & Rehma, 2019). Therefore, entrepreneurs need to be innovative, continuously learning and become creative in order to take advantage of the opportunities in the market.

2.2.1 Defining entrepreneurship

The term *entrepreneurship* has several definitions. For instance, Staniewski and Awruk (2015:583) define entrepreneurship as a person who plans the commencement of his or her business in the near future. Similarly, Coetzee (2016:14) defines it as the result of a disciplined, systematic process of applying creativity and innovation to needs and

opportunities in the market. Accordingly, Steenekamp (2013:27) claims entrepreneurship as a process of finding resources in areas of relative abundance (opportunity), combining the factors of production (efforts), and supplying resources to areas of scarcity (need), while being uncertain (risk) about the difference (profit or loss) between the associated input (costs) and the desired output (rewards). Similarly, the National Knowledge Commission (NKC) (2008:1) perceives entrepreneurship as the professional application of knowledge, skills and competencies to the new ideas of an individual, by launching an enterprise for generating wealth, employment, and social development.

In the same vein, Mwatsika (2015:426) explains that entrepreneurship is the mindset and process of initiating, and developing economic activity by combining risk-taking, creativity and/or innovation with sound management within an existing organisation. Rajesekaran et al. (2015:24) view entrepreneurship as a venture that yields economic benefits through innovations that can lead to future investment in growth and development activities. Owing to a lack of uniformity, the working definition of entrepreneurship for the purpose of this study is a business undertaking that is pursued by people who are enticed and/or driven to embark on such an endeavour due to socio-economic influences such as unemployment and/or retrenchment.

2.2.2 Youth entrepreneurship

There are many young individuals who are driving projects for society; and youth development initiatives are dedicated to transforming people's life (National Youth Policy 2015: 3). The participation of young people in the economic struggle is essential. Developing them to have the spirit and drive towards entrepreneurship would imply preparing them to be effective and helpful in the society, while at the same time making the society enterprising. It has been noted that, to achieve economic prosperity lies in the youth entrepreneurship development (Adetayo, 2017:130).

In this regard, it is essential that young people engage meaningfully in the economy, or else they stand to be victims of what the International Labor Organisation (ILO) calls a long-run 'scarring effect' (Matsumoto, Hengge & Islam 2012:1), whereby, once unemployed, finding jobs in the future is even more hard.

2.2.3 Characteristics of entrepreneurs

Nieman and Niewenhuizen (2014:28) reveal that successful entrepreneurs exhibit passion, the locus of control, creativity, innovation and take reasonable risks. The authors added that leadership, good human relations, a positive attitude, determination and persistence, persistent problem-solving, and commitment are of paramount importance to the success of entrepreneurs. Ceptureanu (2015a:345) explains that successful youth entrepreneurs are the directors of their business, while staff are always deeply engaged in operational procedures, both emotionally and in terms of time spent in the business. Further, Ceptureanu (2015a:345) argue that the adoption of a participatory, democratic and consultative management style, coupled with quality employee engagement likewise play a significant role in the success of youth entrepreneurship.

2.2.4 Challenges faced by entrepreneurs

Globally, young entrepreneurs face various challenges in the growth of their businesses, such as a lack of support and general resources (Phillips, Moos & Nieman, 2014:85). According to the OECD (2014:7), the challenges faced by young entrepreneurs include, but are not limited to: a lack of awareness of potential entrepreneurship among role models that results in discouragement or even negative social attitudes. In addition, education and training programmes generally do not do enough to nurture entrepreneurial attitudes and skills. Notably, lack of prior work and entrepreneurship experience is a major determinant of business start-up and entrepreneurship performance. Moreover, fewer financial resources and difficulty in obtaining external finance, including debt finance, hamper business start-ups. Other challenges with business start-ups are limited business venture, networking and business-related social capital, while market barriers include bias in financial markets to support youth-owned businesses and discrimination in product markets.

From the South African perspectives, Gwija, Eresia-Eke and Iwu (2014:17) classify some of the major challenges facing youth entrepreneurs as follows: start-up and expansion capital, regulatory red tape, lack of interest in entrepreneurship as an option, and lack of awareness of entrepreneurial support initiatives. Other challenges include inadequate entrepreneurial skills, access to markets, access to human resources, access to appropriate technology, and crime and socio-cultural constraints. In addition to this, Sambo (2015:192) mentions access to finance, and business development support services, such as business mentors and business incubators, as some of the challenges faced by youth entrepreneurs in South Africa.

Furthermore, the Bureau for Economic Research (BER) (2016:7) explains that in South Africa, Small Medium and Micro Enterprises (SMMEs) are specifically challenged by access to finance and credit, poor infrastructure, low levels of research and development (R&D), onerous labour laws, an inadequately educated workforce, inefficient government bureaucracy, high levels of crime, and lack of access to markets.

Statistics by FinScope (2010:1) indicate that 39% of small business owners cite money-related matters as the main obstacle they face when starting-up their businesses, while 34% cite business strategy issues as the main obstacle (determining what to sell, finding their target market, dealing with competitors, etc.). Similar challenges include cost of business set-up being too high, poor internal control systems, lack of basic management skills, market access and business linkages, lack of access to information for business operations and strategic planning, the inability to compile records (basic bookkeeping), poor entrepreneurship skills, and a history of bankruptcy (Marivate, 2014:23).

Tang, Tang, Marino, Zhang and Li (2008:222) conclude that without adequate resources, all business strategic intentions and plans would fail. These scholars explain that fear of failure and embarrassment prevent people with ideas from exploring them and venturing onto a competitive stage; high crime rates that can cause stress, as well as the additional cost of security, which retards the development of emerging markets, such as South Africa. The youth of TMM are no exception when it comes to the above challenges. SMMEs interviewed by the TMM experience challenges that could be linked to failure of business expansion and growth prospects (Moreno, Zarrias & Barbero, 2014:1516).

2.2.5 Indicators of successful entrepreneurs

Successful entrepreneurs are influenced by myriads of factors such as independence, recognition, personal satisfaction, financial rewards, self-esteem, and their contribution to economic growth and development (Mariotti & Glackin, 2013:9). Scarborough (2012:12) adds that the pursuit for opportunity to create their own destiny, to make a difference to reach the full potential in terms of maximising profits, as well as making a meaningful contribution to society and be recognised for their effort, while doing what they enjoy doing, and having fun when doing it are key indicators of a successful entrepreneur. Furthermore, Rajesekaran et al. (2015:24), highlight that innovativeness, the generating of new businesses, the creation of new jobs, and the development of innovative products and services characterise successful entrepreneurs. Notwithstanding, Scarborough, Wilson and Zimmerer (2009:31) point out

that the foregoing indicators can be curtailed by business uncertainty, stress and inadequate working capital.

2.3 ENTREPRENEURIAL ORIENTATION

Entrepreneurial orientation was coined in 1983 by Miller, as an established business practices for successful entrepreneurs (Yusoff, Razak, Zainol & Hassan, 2018:3). Following Covin and Slevin's theorising (1991:20), entrepreneurial behaviour, or more specifically, EO reflects a strategic aspect to plot all businesses on. Mason, Floreani, Miani, Beltrame and Capelletto (2015:1650) refer to EO as the strategy-making processes that enable entrepreneurs to formulate the purpose, vision and competitive advantage of their businesses.

Accordingly, Mason et al., (2015:1650) agreed that EO is vitally essential to business success and continuity. Matchaba-Hove, Farrington and Sharp (2015:38) support that EO enables more small businesses to implement entrepreneurially-orientated strategies in an entrepreneurially orientated manner as a prelude for making them more successful. EO hinges on the ability of the business owners to explore and exploit the new market (Yusoff, Razak, Zainol & Hassan, 2018:3). Through EO, a wide range of phenomena of interest can be investigated (Wales, Monsen & McKelvie, 2011:895). The EO involves promoting innovative ideas, taking risky decisions, and being pro-active and aggressive in the market, with a high level of autonomy (Garcés -Galdeano, Larraza-Kintana, Gracia-Olaverri & Makri, 2016:30). It is perceived as a good predictor of business performance (Shehu & Mahmood, 2014:486).

Indeed, Bolton and Lane (2011:220) add that EO could be valuable to future business owners, business incubators, and potential investors, who are considering supporting business proposals. The EO helps an entrepreneur to create and sustain competitive advantage in the marketplace (Van Geenhuizen, et al., 2008:1). Furthermore, firms that have a strong EO, where they direct their strategic decisions and practices toward pursuing new opportunities, perform much better than firms that do not adopt an EO (Muchiri, 2013:2). EO is particularly useful because it contributes to the fundamental understanding of what entrepreneurship is (Callaghan & Venter, 2011:28).

Venter (2014:22) states that EO helps businesses to identify opportunities and launch new ventures, hence businesses that exhibit a strong EO generally experience higher performance. Lumpkin and Dess (1996) assert that the EO component, such as competitive

aggressiveness and autonomy should be regarded as vital elements of EO, other than the widely-used aspects of innovation, risk-taking and proactivity (DeepaBabu & Manalel, 2016:24). The EO can be interpreted in five ways, notably, innovativeness, risk-taking, proactiveness, competitive aggressiveness, and autonomy (Schillo, 2011:2; Venter, 2014:24).

2.3.1.1 Components of entrepreneurial orientation

The EO's five main components are: innovativeness, pro-activeness, risk-taking, competitive aggressiveness and autonomy.

2.3.1.2 Innovativeness

Innovativeness is defined as a willingness to introduce new ideas, experiences and a novelty that are part of current practices and trends related to technologies (Eshun & Bonuedi, 2015:81). Kurtulmus and Warner (2015:740) claim that innovativeness is associated with the implementation of new and creative ideas that facilitate the company's survival within intensely competitive markets. Su, Xie and Wang (2015:230) describe innovativeness as a tendency to embrace and support new ideas, novelty, experimentation and creative processes that may result in new products, services or technological processes. Hussain, Ismail and Akhtar (2015:2) explain that innovativeness refers to a general willingness to depart from proven practices, or the tendency of a firm to engage and support new ideas. Al-Dhaafri, Al-Swidi and Yusoff (2016:91) conclude that innovativeness represents the willingness and tendency of the organisation to adapt activities aimed at innovation in terms of strategies, processes and behaviours.

2.3.1.3 Pro-activeness

Pro-activeness enables entrepreneurs to predict the future demands of a market, thereby creating first-mover advantages for their companies (Kurtulmus & Warner, 2015:740). Su, *et al.* (2015:230), refer to pro-activeness as activities which seek new opportunities that may or may not be linked to the present line of operations, introduction of new products/services and brands ahead of competitors, and strategically avoiding and removing operations which are in the declining stages of their life cycle. Fatoki (2012:123) explains that pro-activeness refers to a forward-looking perspective that is a characteristic of a marketplace leader who has the foresight to seize opportunities in anticipation of future demand. Hussain, *et al.* (2015:2), define pro-activeness as the ability to take the initiative, especially at the opportune moment. According to Al-Dhaafri *et al.* (2016:91), pro-activeness is related to first-mover

advantages in terms of gaining the best opportunity, shaping the environment, creating change, and acting in expectation of the future demand.

2.3.1.4 Risk-taking

Risk-taking is the appropriation of the entrepreneurial resources and assets for major projects that, in case of failure, could harm the firm's future (Kurtulmus & Warner, 2015:740). Risk-taking involves taking daring actions that involve uncertainty, borrowing heavily, and committing significant economic resources to assume the unknown. Risk-taking portrays how entrepreneurs are poised to take courageous measures such as embarking on a fresh project, transferring many of the organisation's resources to undertake ventures with a highly unpredictable outcome (Eshun & Bonuedi, 2015:81). Eshun and Bonuedi (2015:81) explain that depicting risk-taking behaviour can reveal how entrepreneurs are willing to take on risky resources such as external financial capital. According to Su et al. (2015:230), risk-taking denotes the willingness to commit resources to operations with high failure rates and unknown outcomes. Hussain et al. (2015:2) add that risk-taking is the propensity of entrepreneurs to take bold decisions. In fact, Al-Dhaafri et al. (2016:91) reveal that risk-taking implies taking action that may lead to ambiguous results that have a high risk of failure or unbelievable success.

2.3.1.5 Competitive aggressiveness

Competitive aggressiveness refers to firm's propensity to directly challenge its competitors to achieve and improve position aimed at outperforming industry rivals in the marketplace (Lumpkin & Dess, 1996:148). It embodies the willingness to be unconventional, rather than to rely on traditional methods of competing (Lumpkin & Dess, 1996:148). Accordingly, Eroglu and Quagraine (2018:9) assert that competitive aggressiveness is the creation of a planned long-term strong competitive posture aimed at gaining competitive business advantage.

2.3.1.6 Autonomy

Fatoki (2012:123) defines autonomy as an individual's independent actions in bringing forth an idea or vision and seeing it through to completion. Autonomy can also refer to whether an individual or team of individuals within an organisation has the freedom to develop an entrepreneurial idea, and then see it through to completion (Mastering strategic management. Entrepreneurial orientation, 2018:1). If an entrepreneur offers high autonomy, people are given the independence required to bring a new idea to fruition, unfettered by the shackles

of corporate bureaucracy (Mastering strategic management. Entrepreneurial orientation, 2018:1). The above features represent the ideal characteristics of an entrepreneur, which will enable the young entrepreneur to perform optimally whenever he/she establishes a business.

2.3.2 Pull and push factors of entrepreneurship

The EO is determined by two factors, notably the pull and push factors. Pull factors are the positive factors that help entrepreneurs to become successful, and which provide a business with better chances of survival than push factors, while push factors are the negative factors that affect individual businesses (Van Praag, 2003:11). Reference to the pull and push factors is underscored by the assumption that people are pushed by their own internal forces and pulled by the external forces to make a decision (Kim, Chan & Quah, 2012:51). Segal, Borgia and Schoenfield (2005:44) and Verheul, et al., (2010:7) claim that what inspires the youth to become an entrepreneur stems from either positive factors that “pull” individuals to entrepreneurship, or negative situational factors that “push” individuals to engage in entrepreneurial activities.

The “Pull” factors are positive attractions to entrepreneurship, such as seeking independence, self-fulfilment and social development possibilities, while “push” factors are negative situational factors arising from dissatisfaction with the current state, such as job dissatisfaction, difficulty finding employment, insufficient salary, or inflexible working hours. Nieman and Nieuwenhuizen, (2014:37) emphasise that many South Africans are forced to become entrepreneurs due to retrenchment, job frustration and job loss. The main reasons (forces) that drive individuals to become entrepreneurs are classified as either opportunity (pull factors), or necessity (push factors). Nieman and Nieuwenhuizen (2014:37) also explain that necessity-driven entrepreneurs are entrepreneurs who have few or no other income generation or employment opportunities; and that they become entrepreneurs by necessity, rather than by choice.

Opportunity-driven entrepreneurs are entrepreneurs who pursue a perceived market opportunity and choose to start their own businesses, despite having the option of generating an income through employment elsewhere at the time of starting a business. According to Nieman and Nieuwenhuizen (2014:39), pull factors are those factors that encourage people in conventional positions to leave their current jobs to become entrepreneurs, due to an opportunity that they saw in the market.

Nieman and Nieuwenhuizen (2014:39) expound that push factors on the other hand are those factors that encourage entrepreneurship due to traditional jobs being less attractive because an individual does not have any other career choice or option. The push factors embody the following aspects: unemployment, job security, disagreement with a previous manager, unable to fit into an organisation, retrenchment, being rendered redundant in a former job, accommodating work and home roles, peer pressure, unable to cope with working hours, and unable to grow in former employment.

On the other hand, the pull factors likewise took into account issues relating to use of past experience and training, want to provide jobs to family members, want to be different, want for personal development, want to generate personal wealth and want to identify an opportunity in the market place. The sub-sector that follows provides a detailed explanation of the push and pull factors of EO. Table 2.1 below presents the factors that determine the pull and push factors of entrepreneurship.

Table 2.1: Pull and push factors of entrepreneurship

| Pull factors | Push factors |
|---|--|
| <p>Independence, which is the freedom to work for oneself.</p> <p>Achievement that is a sense of acknowledgement gained from managing one's own venture.</p> <p>Recognition with the desire to attain the social standing enjoyed by entrepreneurs.</p> <p>Personal development is the freedom to pursue personal innovation.</p> <p>Personal wealth to gain the financial rewards of entrepreneurship.</p> <p>Opportunity identification in the marketplace, or which leads to a different lifestyle for the entrepreneur.</p> | <p>Unemployment refers to a person that does not have a job in the established economy.</p> <p>Job security occurs if a person is appointed on a contract basis for a short period.</p> <p>Disagreement that occur with management, career limitations and setbacks in a conventional job.</p> <p>Not fitting in within the organisation, or the inability to pursue personal innovation in a conventional job.</p> <p>Retrenchment, which is a job loss due to the restructuring of an organisation.</p> <p>The limitations of financial rewards from conventional jobs.</p> <p>Marriage break-up or divorce, where a person needs additional income.</p> |

Source: Nieman and Nieuwenhuizen (2014:39)

The motivations caused by the pull and push factors of entrepreneurs stimulate the potential expectations of the entrepreneur. This motivation leads directly to entrepreneurial decisions. Push and pull motivational factors determine personal entrepreneurial behaviour, stimulate a person's expectations, and create an entrepreneurial need, which results in the formulation

of entrepreneurial motivation (Ismail, Shanisudin & Chowdhury, 2012:4). Thus, if the youth of the TMM are motivated, they can become successful entrepreneurs.

Entrepreneurs who are motivated by push factors tend to possess lower levels of relevant human capital, which they need to manage a successful high-growth business. As opportunity entrepreneurs start voluntarily (often in the area of their expertise), they may be better prepared for their entry into self-employment, and have a higher chance of survival (Verheul et al., 2010:9). Verheul et al. (2010:9) maintain that pull entrepreneurs are successful, in terms of both venture success (sales per employee) and personal income. Figure 2.1 shows the relationship between the pull and push factors of entrepreneurship.

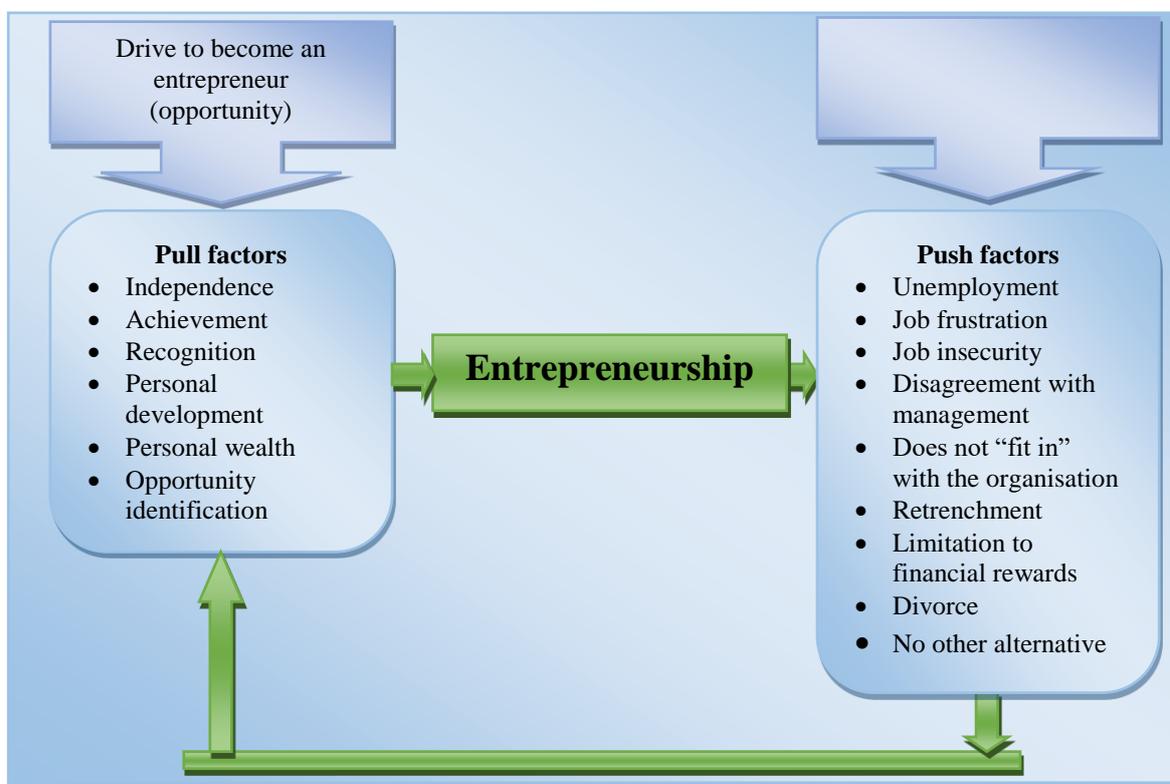


Figure 2.1: The relationship between the pull and push factors of entrepreneurship
Source: Nieman and Nieuwenhuizen (2014:38)

The left-hand side of Figure 2.1 indicates the factors that attract an individual to become an entrepreneur (positive factors), while the right-hand side shows the factors that push an individual into entrepreneurship (negative factors).

2.4 THE CONCEPT OF YOUTH

This section consists of definition of youth, youth entrepreneurship in South Africa, National Youth Development Agency, policy guidelines on youth entrepreneurship and youth entrepreneurship in Tshwane Metropolitan Municipality.

2.4.1 Definitions of youth

The UN (2018a:1) defines youth as a young person whose age falls between 15 and 24 years, without prejudice to other definitions by member states. Youth is defined as the passage from a dependent childhood to independent adulthood. It is when young people are in transition from a world of, rather secure development to a world of choice and risk (Eurostat, 2009:17). Youth is a period of life during which people’s dreams and life aspirations begin to take shape and influence life choices (Bignotti & Le Roux, 2016:2). The definitions of youth are based on the fact that a distinction can be made between the countries that have recognised young people within their constitutions, the countries that have recognised young people in terms of laws or other legal acts, and the countries that have addressed youth through strategic or other programmatic documents (Perovic, 2018:5).

In Figure 2.2 below, various age categories of young people in Europe were analysed. This presentation was based on distinct convictions of each constituency on, the continent, and presents their definition of youth according to the disposition these youth give to their environment.

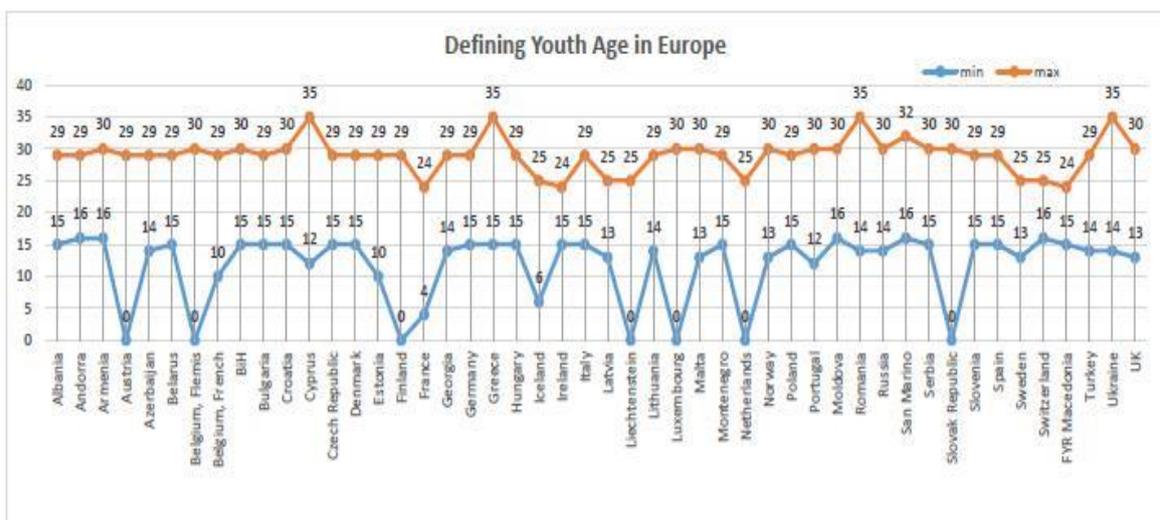


Figure 2.2: Defining youth age in Europe

Source: Perovic (2018:8)

Young people are certainly in a specific social position since they are no longer entitled to child benefits and protection, but still need additional care, since they do not yet have all the possibilities and opportunities that are available to adults (Perovic, 2018:2). Youth can also be regarded as the stage of life where most people get employed and have their first jobs, gaining financial independence and assuming new responsibilities and roles, in order to further shape their own identity (Ceptureanu, 2015b:345). Figure 2.2 defines youth according to age in various European countries. The analysis shows that youth definitions vary in the different countries, depending on the unique circumstances, such as cultural geography and various policy settings. The top items in the figure indicate the maximum age of youth, and the bottom items shows the minimum age of youth in Europe.

On the other hand, the African Youth Commission (AYC) (2006:11) emphasises that youth or young people refer to every person between the ages of 15 and 35 years. In South Africa, the South African National Youth Policy (NYP), as well as its National Commission Act Integrated Youth Development Strategy (draft 1, 2), defines youth as a group of young people from ages 14 to 35 years. The NYP (2014:12) defines youth as those who fall within the 14 to 35 years age group. The definition of youth espoused in the NYP is broad and inclusive. It includes two distinct categories of young people, namely minors and adult youth. Minors include young people aged between 14 and 17 years, and adult youths are those between 18 and 35 years of age (Youth Enterprise Development Strategy (DTI, 2013:34).

For the purpose of this study, youth is classified as young people between the ages of 18 and 35 years.

Youth entrepreneurship is the practical application of enterprising qualities, such as initiative, innovation, creativity, and risk-taking, to the work environment (either in self-employment or employment in small start-up firms), using the appropriate skills necessary for success in that environment and culture (Riahi, 2010:394). The author maintains that youth entrepreneurship plays a significant role in creating employment, providing essential goods and services, raising the degree of competition in the market, ultimate promotion of innovation and resilience through experience-based learning, promoting a strong social and cultural identity and continuously creating and growing diverse employment opportunities different than the traditional fields available in a particular city.

The Department of Trade and Industry (DTI) categorises youth businesses according to two component parts: youth-empowered enterprise and youth-owned enterprise. A youth-empowered enterprise is a form of enterprise that constitutes between 25% and 50% ownership and is controlled by young men or women, whereas a youth-owned enterprise is a form of enterprise in which 51% or more of the ownership and control are in the hands of young men or women (DTI, 2013:35).

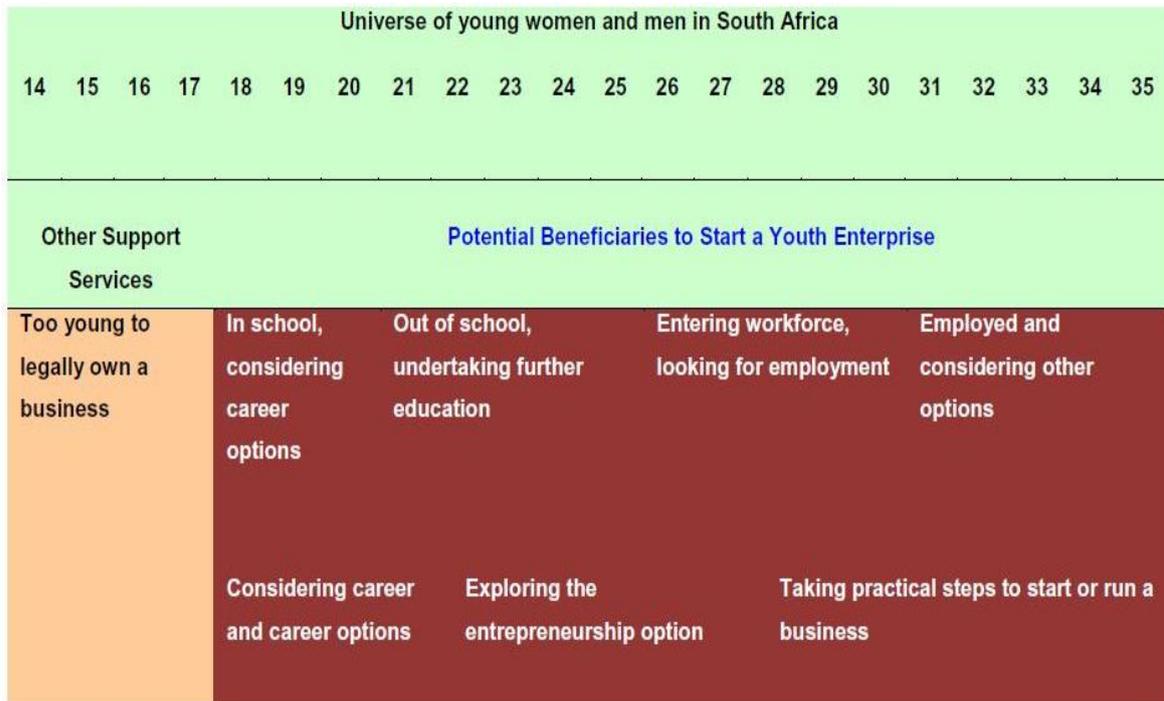


Figure 2.3: Youth beneficiary ages for youth to start their own enterprise range from 14 to 35 years

Source: Youth Enterprise Development Strategy (2013:35)

Figure 2.3 illustrates the categories of youth according to the respective ages at which they can start businesses and legally become entrepreneurs. For example, youth between the ages of 14 and 17 years are viewed as too young to start their own businesses given that they are supposed to be in school. In addition, youth aged between 18 and 35 could still be in school, but some of them may be considering their career options, which means that they can diversify into becoming an entrepreneur. Conversely, youth between the ages of 21 and 25 years are expected to have completed their basic education, and to be either deciding to further their education, or exploring the alternative entrepreneurship option.

However, youth aged between 26 and 30 years are the major job seekers, while those aged 31 and 35 years are mostly employed and/or considering other options. At the same time,

these last two categories are the groups that usually take a practical step towards starting or running a business. Figure 2.3 also shows the youth beneficiary base. The potential beneficiary ages for youth to start their own enterprise range from 14 to 35 years (DTI, 2013:35). Ceptureanu (2015b:346) highlights that most young people exhibit excessive caution, precaution, or even fear of investment, and avoid lending as much as possible. Ceptureanu (2015b:346) indicates that the youth try to observe and learn from experienced entrepreneurs, and to avoid investment, where possible, at least in the first phase of business start-up. Ceptureanu (2015a:346) argues that another feature of young businessmen/women that are increasingly evident is that of building solid and close business relationships in time and even partnerships with customers, where trust plays a significant role.

Youth entrepreneurship has become a major focus in South Africa in recent years, especially after the formation of the Umsobomvu Youth Fund (UYF) in 2001 (Nieman & Nieuwenhuizen, 2014:47). The objective of the Fund is to encourage young people to become entrepreneurs, and to give them access to finance and markets. According to Fatoki (2011:162), youth entrepreneurship enhances self-esteem and makes the youth more productive members of their families and communities. Youth entrepreneurship brings about growth in an economy, in that by providing employment, employees and the business will pay taxes, thereby contributing to government revenue. Entrepreneurship, including youth entrepreneurship, improves the general standard of society as a whole, which leads to political stability and national security. Youth entrepreneurship also reduces crime, poverty and income inequality (Mutezo, 2005:33).

The youth (18 to 35 years) constitute 41,2% of the South African population, but the number of young people involved in entrepreneurial activity remains extremely low at 6% of the total youth population (DTI, 2013:14). South Africa's Total Early-Stage Entrepreneurial Activity (TEA) index, which stands at 8,9% of youth, contributes a mere 10% to youth entrepreneurship development, representing 0,9% of the total TEA index (DTI, 2013:14). Women's TEA index tends to be far worse than that of men. Therefore, there is no doubt that accelerating entrepreneurship among young people will have a positive impact, not only in terms of creating equity in the economy and also by raising the levels of the overall economic indicators of South Africa (DTI, 2013:15).

The YEDS policy instrument (2013-2023) intends providing support schemes for young entrepreneurs, with the objective of creating and managing sustainable and effective

businesses capable of providing permanent jobs and employment growth. These interventions include mentorship and coaching; youth business incubation; business infrastructure support; linkages to procurement opportunities; youth entrepreneurship awards; youth entrepreneurship promotion and awareness; youth special projects and sector-specific enterprise creation and national youth service programmes (DTI, 2013:5). The government believes that enhancing youth economic participation through entrepreneurship and other relevant integrated interventions cannot be achieved by its efforts alone, but is a shared responsibility that calls for a partnership between government, the private sector, and broader civil society. According to the DTI's strategic framework that guides all stakeholders within the enterprise development fraternity to integrate support programmes, creating youth-owned businesses that are sustainable and which can contribute meaningfully to the development of the country, is of particular importance to the youth entrepreneurship development (DTI, 2013:5).

2.4.2 Youth entrepreneurship in South Africa

The high unemployment rate of the South African youth has resulted in the government turning to the promotion of youth entrepreneurship as a solution. For youth entrepreneurship to be successful, the young-adult owned businesses need to be entrepreneurially orientated (Matchaba-Hove & Goliath, 2018:498). Accordingly, Fatoki and Chindoga (2011:162) assert that the high youth unemployment rate in particular has led to the government turning to the promotion of youth entrepreneurship as a solution. In South Africa, STATSSA (2018b:1) reveals that the unemployment rate in South Africa increased by 0.5% to 27.2% in quarter two (July 2018), compared to the first quarter of 2018. Furthermore, the unemployment in the COT is 28.7%, while the youth (15-34 years) unemployment rate is 40.1% (STATSSA, 2018c:7). The NYDA's Annual Report of 2017 emphasised that extremely high youth unemployment has an impact on both the economic and social landscape of a country (NYDA, 2017:13).

South Africa's alarmingly high and growing unemployment rate as alluded earlier prompted the establishment of the NYDA in June 2009 (Chiloane-Tsoka, 2016:558). Similarly, Herrington, Kew and Mwanga (2017:7) also claim that, the level of which South Africa carries out entrepreneurship operations is comparatively small compared to other nations. In South Africa, the (NYDA) drives youth entrepreneurship. According to the NYDA (2017:13), of the 5.5 million unemployed people in South Africa, 65,9% are youth. This

makes unemployment predominantly a youth problem. Entrepreneurial intentions in South Africa are also significantly lower than those of the African region as a whole (Herrington et al., 2017:7). This is why South Africa has been advised by “Rich Dad, Poor Dad” that entrepreneurship should be taught from the elementary school level, which will encourage children to adapt to the entrepreneurial concept from a very early age (Kiyosaki, 2015:3). Mrs Zulu, the Minister of Small Business Development, emphasised that a long-term solution to South Africa’s unemployment crises is to create a nation of entrepreneurs, not job seekers (SME South Africa, 2014:1).

Globally, the International Labour Organisation (ILO) report reveals that the global youth unemployment rate was 13% in 2018, which was higher than the figure for grown-ups, which was at 4.3% (Youth Employment Decade (YED), 2018:1). According to the ILO (2017b:13), the regional average youth unemployment rate rose from 18.9% in 2016 to 19.5% in 2017 (ILO, 2017b:13). In other words, for the first time, one in five youth was looking for a job or did not find a job. This implies that the number of unemployed youth increased by 9.8 to 10.2 million between 2016 and 2017. Employment opportunities in many countries are becoming fewer and fewer, with many school-leavers facing the grim future of not getting employment in the formal sector. Promoting youth entrepreneurship will not only help to reduce unemployment, it will likewise show young people that they have different choices to shape their own destiny, by starting their own businesses as opposed to wait for employment (Baporikar, 2015:75). In the researcher’s view, this will enable young people to follow their dreams. While youth entrepreneurship is an under-explored field, the main factor contributing to its growing attention is the increased number of unemployed young people. Spinnelli and Adams (2012:5) stress the value of the global entrepreneurial revolution, as it has transformed battered economies into buoyant ones, and has continued to transform developing countries.

Boateng, Boateng and Bampoe (2014:111) explain that entrepreneurship is considered by many countries in the world to be the economic engine, due to the fact that it involves a new pursuit that provide goods and services to people, create jobs, and enhance the economic growth and development of many countries. The significance of entrepreneurship in job creation, innovation and economic development is also broadly recognised (Malebana, 2014:1020). At the same time, Nieman and Nieuwenhuizen (2014:37) explain that, even though entrepreneurship is not always seen as a legitimate or desirable career choice, many

youths are forced to become entrepreneurs due to retrenchment, job frustration and job losses.

2.4.3 National Youth Development Agency

The NYDA was established in 2008 to tackle challenges that the nation's youth are faced with. The NYDA drives its mandate from legislative frameworks such as the NYDA Act (No. 54 of 2008). The NYDA activities include (NYDA, 2018a:1):

- Lobbying and advocating the integration and mainstreaming of youth development in all spheres of government, the private sector, and civil society.
- Initiating, implementing, facilitating and coordinating youth development programmes.
- Monitoring and evaluating youth development interventions across the board, and mobilising for the active participation of youth in civil society engagement.

The gravity of the challenges, which the youth face in South Africa, is also faced with multi-pronged efforts that simultaneously promote the development of sustainable livelihoods, reduced poverty and inequality, and prioritise the development of policies, which create an enabling environment for youth development (NYDA, 2015:1). Therefore, the government is determined to resolve these challenges by embarking on a long-term developmental strategy, through the establishment of parastatals to investigate their problems and to provide various funds to cater for their financial predicaments, thereby promoting growth and development among the youth of the country (NYDA, 2015:1).

2.4.4 Policy guidelines on youth entrepreneurship

The policy guidelines by the United Nations Conference on Trade and Development (UNCTAD) could be applicable to the legislative framework for youth entrepreneurship. The UNCTAD (2012:17) policy guide on youth entrepreneurship reveals that supporting policy-makers in developing countries and transition economies to design policies and programmes and the establishment of institutions, can provide an adequate foundation for the expansion and growth of youth-led enterprises. The guide, which takes into account the ongoing challenges facing young people, including unemployment, poverty and gender discrepancies are aligned with global Sustainable Development Goals (SDGs) of the 2030 agenda for sustainable development. This agenda identifies promoting entrepreneurship, decreasing the number of unemployed youth and increasing the number of young people

who obtains vocational and technical skills as high priority goals. The policy guide on youth entrepreneurship has the same six priority policy areas and provide measures that have a direct impact on the youth, as indicated in Figure 2.4 (UNCTAD, 2012:17). These measures are informed by goals, and the goals are informed by their microenvironment.

Figure 2.4 shows the key components of the policy framework that can improve youth entrepreneurship. This policy framework was presented and analysed at the conference held at the United Nations’ meeting on Trade and Development. This policy was designed to assist the policy-maker, drawing their attention to the policy objectives and recommendations that could provide a basis to develop country-specific initiatives, measures and institutions to promote and facilitate youth entrepreneurship. It boasts a practical checklist, an inventory of good practices and selected monitoring indicators.



Figure 2.4: Key components of the Entrepreneurship Policy Framework
Source: UNCTAD (2012:18)

2.4.5 Youth entrepreneurship in Tshwane Metropolitan Municipality

The empowerment of youth in the TMM is important for long-term economic prospects of the Municipality. It will therefore be essential to not only ensure that the youth can access all the benefits and support offered by the UYF programme, but also to prioritise youth

empowerment in the implementation of the Tshwane Growth and Development Strategy (TGDS) (2018:3) strategies and interventions.

The 2014 inaugural address by the City of Tshwane's Mayor, Solly Tsheoiso Msimanga, assisted the Tshwane Economic Development Agency (TEDA) to identify factors that can assist to unite the SMME sector. NYDA is currently running the Entrepreneurship Development Programme (EDP). The EDP is aimed at creating the right environment for young entrepreneurs to access relevant entrepreneurship skills, knowledge, values and attitudes for their businesses (NYDA, 2018b:1). The EDP offers a range of services through the awareness and structured training programmes offered at the NYDA's sixteen branches in South Africa. The awareness programme offers to young people aspiring to become entrepreneurs, or existing business owners who want to attend the structured/modular training courses in NYDA branches in South Africa, the following: basic entrepreneurship skills, characteristics of an entrepreneur, as well as basic business requirements (NYDA, 2018b:1).

2.5 BUSINESS PERFORMANCE

Business performance is a multidimensional concept, which depends on the indicators used to assess it (Mason et al., 2015:1652). Rodriquez-Gutierrez, Moreno and Tejada (2015:195) state that the performance of small businesses is very important to the economy for various reasons, including job creation, economic development and poverty alleviation. The variables that are generally considered as indicators of business performance are the increase or maintenance of the firm's market share, profitability and growth (Rodriquez-Gutierrez et al., 2015:195).

There are various ways to measure business performance. The most commonly used methods are financial statements and sales' results. However, depending on the type of business, there are other ways of measuring how the business is performing, such as key performance indicators (KPIs). Developing KPIs should be a priority for the business owner, in order to enhance the success of the business. Indeed, Rodriquez-Gutierrez et al. (2015:195) underpin that the key KPIs that articulate business performance includes, but not limited to, turnover and profitability.

2.5.1 Turnover

The Business Dictionary (2018a:1) defines turnover as the annual sales volume net of all discounts and sales taxes. It determines the number of times an asset (such as cash, inventory and raw materials) is replaced or resolved during an accounting period.

2.5.2 Profit margin

The information about a company's performance, especially its profitability, is useful in substantiating managerial decisions regarding potential changes in the economic resources that the firm will be able to control in future (Burja, 2011:215). The profitability of a business influences its value and the amount of income it generates for its owner. Two financial indicators that measure the profitability of a business are net profit and the return on assets. The percentage of net profit is the ratio of the net profit to the sales, while the percentage of return on assets is the ratio of net profit to the total value of the assets. The percentage of net profit measures the ability of the business to generate surplus cash, and the percentage of return on assets measures how effectively the business makes use of its resources (Markgraaf, 2018:2). The profitability of a business can be determined by looking at income statements, which can show the profits and losses of the business, or by using financial ratios, which are made up of profitability ratios. Profitability ratios are used to measure the ability of a business to turn sales into profits and to earn profits on assets that have been committed. In addition, profitability ratios provide some insight into the overall effectiveness of the management team. There are three important profitability ratios: net profit margin, return on assets and return on equity (Hatten, 2012:191).

2.5.3 Growth

Growth is important and the key to the survival of any business venture (Dugguh, Aki & Isaac, 2018:23). The authors indicate that there is much to gain when growth in business is seen as akin to individual growth. Businesses must develop growth strategies to attract human resources, remain in business and compete in order to increase the level of profit (Dugguh et al., 2018:23). Growth is the first significant increase in sales, profits and/or the number of employees after starting the business. The expansion represents a more controlled increase of market share and the company's size after the growth stage (Bjerke, 2007:162).

Growth increases the overall business performance including sales, assets base, employee retention, goodwill and increases business profit that drive investment and economic

development. Business growth, as earlier mentioned, entails introducing new products and services or adding new features to existing products (Dugguh et al., 2018:24). Growth could also mean the expansion of an organisation in order to buy new assets, develop new products or service, thereby enhancing new investments in the economy (Dugguh et al., 2018:24). Growth could also mean an expansion of an organisation in order to buy new assets, develop new products or services, thereby enhancing new investments in the economy. Figure 2.5 illustrates various factors that can lead to successful growth for an entrepreneur in a business, and how strategy and culture can contribute to growth.

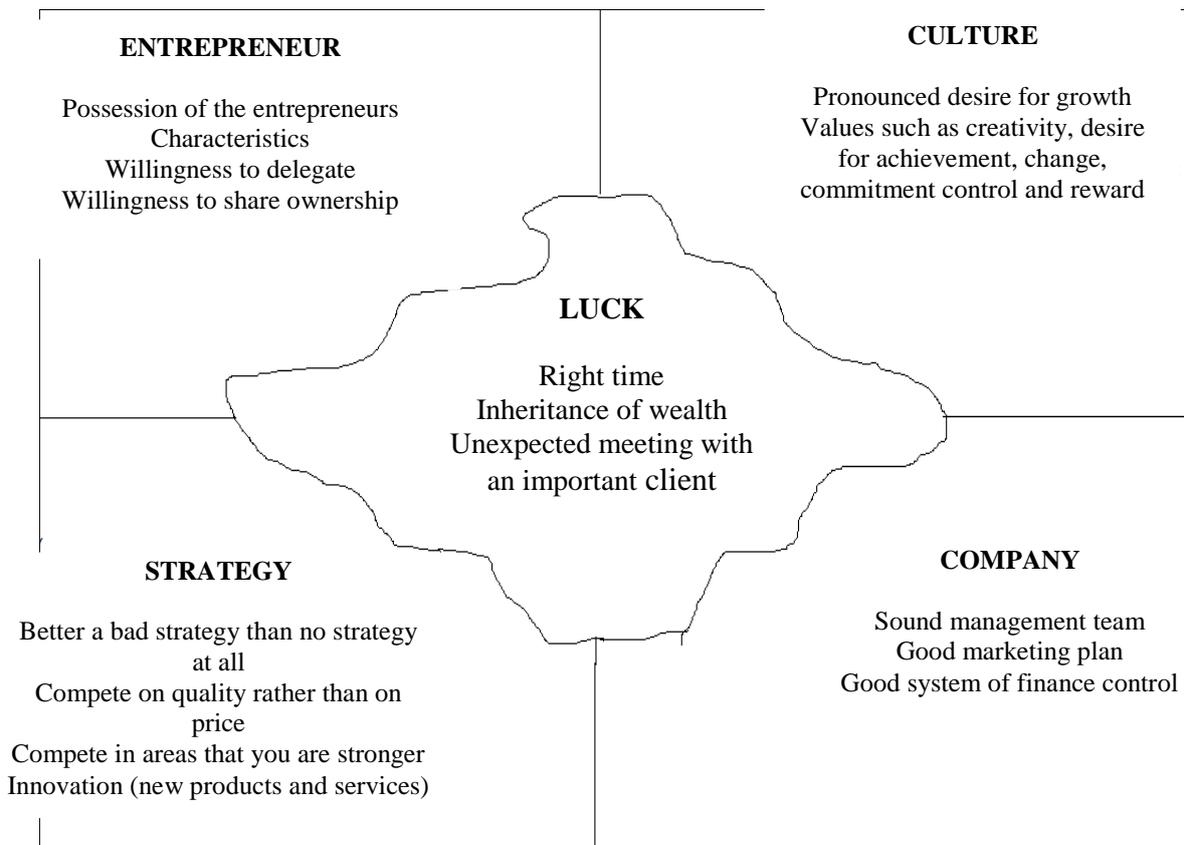


Figure 2.5: Factors for successful growth
Source: Burns (2011:291)

2.5.4 Youth business performance

The focus of every established businessperson is on the profitability and success of the business. Every entrepreneur wants to realise a profit, and if the business is profitable, it will lead to the success of the business. Youth entrepreneurs in the TMM would therefore like to become successful. Given the importance of entrepreneurship to business performance, EO is a crucial measure of how a business is arranged to discover and explore market

opportunities (Uddin, Bose & Yousuf, 2015:344). It is therefore important to understand this relationship in terms of the need for businesses, especially small businesses, to perform, in order to grow the economy.

Successful businesses are needed to help overcome the socio-economic challenges faced by South Africans. In view of this, Matchaba-Hove and Vambe (2014:12) emphasise that the implementation of entrepreneurially-orientated strategies leads to improved business performance.

Any entrepreneur would want his/her business to be a success (Phillips et al., 2014:85). Success can be measured on various variables, including the turnover, profit and employment levels of the firm.

Rodriquez-Gutierrez et al. (2015:200) note that most people know that business success is important and that without it, the business could ultimately collapse. This could result in job losses and further unemployment. In addition, EO is perceived as an indicator of entrepreneurial equality and is therefore a crucial factor in business success and growth. In this study, the growth of a firm was investigated, as growth makes business larger, and more profitable (Phillips et al, 2014:85).

Scholars have theorised that the incidence of firm-level entrepreneurial behaviours, which include the propensity to engage in relatively high levels of risk-taking, innovativeness and proactive behaviours, is positively associated with organisational profitability and growth (Bedi & Vij, 2012:22). The authors confirm that the magnitude of this relationship seems to vary across studies, while some studies found that businesses that adopt a strong EO perform better than firms that do not. According to Bedi and Vij (2012:22), the relationship between EO and business performance is not that straightforward but is rather shaped like an inverted “U”, which means that, a high degree of EO is not always desirable in a certain market and structural conditions. Thus, there is a considerable variation in the reported relationships between EO and business performance.

Accordingly, Verheul et al. (2010:9) claim that entrepreneurs motivated by push factors tend to possess lower levels of relevant human capital, which they need to manage a successful, high-growth business. Owing to the fact that opportunity entrepreneurs start voluntarily (often in the area of their expertise), they may be better prepared for their entry into self-employment and have a higher chance of survival. Opportunity entrepreneurs also tend to

be more motivated than necessity entrepreneurs by non-monetary rewards. Likewise, opportunity entrepreneurs tend to have higher opportunity costs than necessity entrepreneurs. At the micro level, pull entrepreneurs are more successful, both in terms of venture success (sales per employee) and personal income (Verheul et al., 2010:9). Figure 2.6 illustrates the relationship between EO and business performance, where the components of EO, such as autonomy, innovativeness, risk-taking, competitive aggressiveness and pro-activeness, relate to the business performance of a firm. These components, if well blended, are capable of positively increasing the rewards of the organisation.

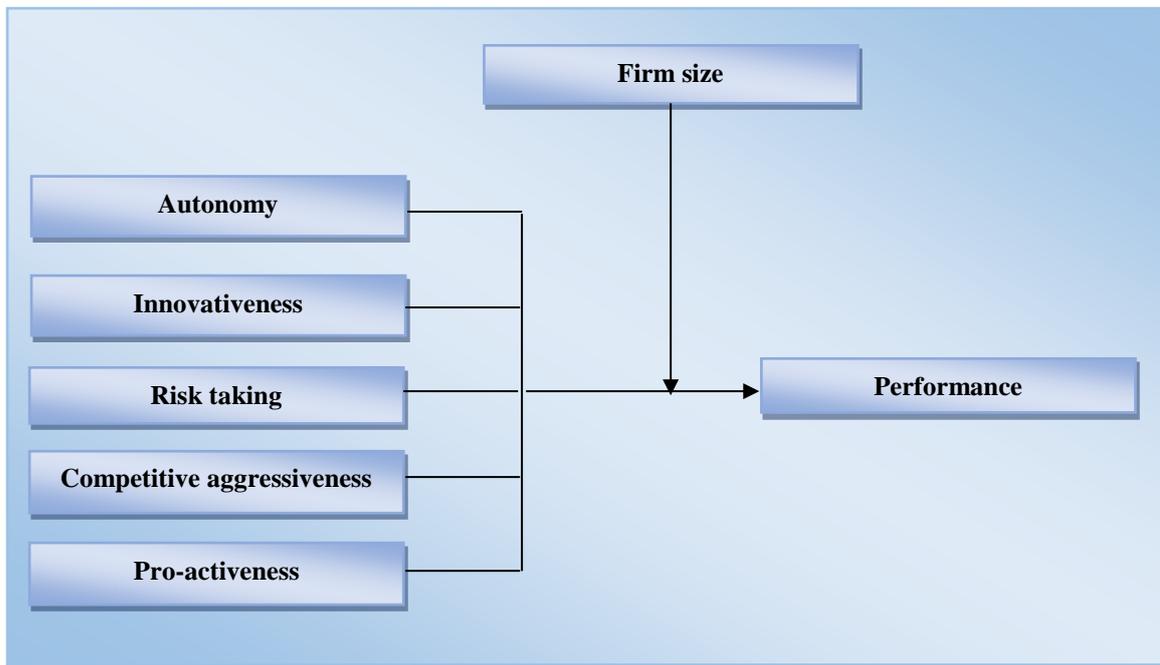


Figure 2.6: Relationship between entrepreneurial orientation and business performance
Source: Lee and Lim (2009:6)

According to Matchaba-Hove and Vambe (2014:12), in a study conducted in the Eastern Cape Province of South Africa, the high failure rate of small businesses in the retail sector highlighted the need to develop plans to improve their levels of business performance. Evidence showed that the implementation of entrepreneurially focused strategies would lead to improved business performance. This further supports the fact that EO and business performance have a strong relationship.

2.6 CONCLUSION

In this chapter, the literature has indicated that the youth unemployment rate is very high in South Africa. This was apparently confirmed by STATSSA which puts the rate of youth

unemployment at 27.7% in the second quarter of 2018. The government has, therefore, prioritised promoting youth entrepreneurship as a possible solution to this problem by establishing NYDA in June 2009.

The literature also discovered that there are distinct definitions for entrepreneurship, and with the varied definitions, the researcher has operationalized the definition for this study as the business enterprise that is pursued by individuals who are encouraged and/or motivated to embark on such efforts because of socio-economic factors such as unemployment and retrenchment. The study presents that EO is important to business success. This is because EO can assist youth entrepreneurs to start, operate, grow and expand their businesses. Notably, EO can be classified into five clusters, which are: autonomy, innovativeness, risk-taking, pro-activeness and competitive aggressiveness. The EO can also be viewed from push and pull perspectives. Push factors are negative factors such as unemployment, a job insecurity disagreement with an employer, unable to fit into an organisation, retrenchment, or being redundant in a former job. The study also revealed that pull factors are positive factors that encourage individuals to leave their current jobs in order to become entrepreneurs because of a market opportunity they saw.

The literature also discussed the pull and push factors, as well as how EO can predict the business performance of youth entrepreneurs in the TMM. In view of the above, the study revealed that youth entrepreneurship in the TMM can play an important role in the economy of the province. Youth entrepreneurship in TMM is important for youth to be empowered. Developing the youth in TMM to have the spirit and drive towards entrepreneurship means preparing them to become successful and useful members of society. The aim of every established businessperson is to make profit and be successful. The youth in TMM also want to be successful in their businesses as business performance is an integral part of an enterprise.

The EO is a crucial measure of how a business is arranged to discover and explore a market opportunity. The literature highlighted that the implementation of entrepreneurially-orientated strategies leads to improved business performance. Success is measured in different variables, including the turnover, profit and employment levels of the firm. The EO is also perceived as an indicator of entrepreneurial equality and is therefore a crucial factor in business success and growth. Businesses that adopt a strong EO perform better than those that do not. The review provided new insights into EO and business performance and how

they correlated to each other. Accelerating entrepreneurship among the youth will positively impact on the economy of the country. The government however, believes that successful youth entrepreneurship cannot be achieved through its efforts alone, but should be done in partnership with the private sector and the broader civil society.

In view of the above, the results of this review revealed that youth entrepreneurship in the TMM can play an important role in the economy of Gauteng Province and TMM. The chapter that follow presents the research methodology adopted in this study.

CHAPTER 3

RESEARCH METHODOLOGY

3.1 INTRODUCTION

The chapter presents the statement of the research problem, research question, objectives of the study, which are made up of a primary objective and secondary objectives. The secondary objectives are further divide into: theoretical objectives and empirical objectives. The chapter also presents the research hypotheses, research methodology, sampling design, method of data collection, data analysis, research reporting, pilot study, reliability and validity of the research instrument and the ethical considerations.

3.2 STATEMENT OF THE RESEARCH PROBLEM

This study examined whether youth entrepreneurs in the TMM were pulled or pushed into becoming entrepreneurs, and whether these factors affected the performance of their businesses.

3.3 RESEARCH QUESTION

This study attempted to answer the following question: “Is there a relationship between EO and the business performance of youth entrepreneurs in TMM?”

3.4 OBJECTIVES OF THE STUDY

The objectives of the study were made-up of primary and secondary objectives and the secondary objectives were divided into theoretical objectives and empirical objectives.

3.4.1 Primary objectives

The primary objective of this study was to investigate whether there is a relationship between EO and the business performance of youth in entrepreneurship in the TMM.

3.4.2 Secondary objectives

In order to achieve the primary objective, the following secondary objectives were formulated:

3.4.2.1 Theoretical objectives

- To conceptualise EO from the literature.
- To conceptualise business performance from the literature.

3.4.2.2 Empirical objectives

- To determine the relationship between EO and business performance.
- To determine whether EO predicts business performance.
- To determine which pull factors influence the EO of youth entrepreneurs.
- To determine which push factors influence the EO of youth entrepreneurs.

3.5 RESEARCH HYPOTHESES

The following research hypotheses were formulated in this study:

- H1a: There is no relationship between EO and the business performance of youth entrepreneurs.
- H1b: There is a relationship between EO and the business performance of youth entrepreneurs.
- H2a: EO does not predict the business performance of youth entrepreneurs.
- H2b: EO does predict the business performance of youth entrepreneurs.

3.6 RESEARCH METHODOLOGY

The research methodology section presents research designs, qualitative and quantitative research designs, classification of research designs, degree of research question crystallisation, researchers' control of variables, topical scope and participants' perceptual awareness.

3.6.1 Research design

Research is a systematic process of collecting, analysing and interpreting information (data) to increase the understanding of a phenomenon in which we are interested in (Leedy & Ormrod, 2015:20). A research design is the plan and structure of investigation, which is conceived in such a way as to obtain answers to the research questions (Cooper & Schindler, 2014:125). It also constitutes the blueprint for the collection, measurement and analysis of data (De Vaus, 2013:2). There are various types of research designs, namely descriptive,

correlational, experimental, semi-experimental, and review. This study used a descriptive research design.

3.6.2 Qualitative and quantitative research design

There are two types of studies that can be conducted, that is, qualitative and quantitative studies. Qualitative research refers to the meaning and definition of things, while quantitative research refers to a measure of it (Blumberg, Cooper & Schindler, 2014:148). Both qualitative and quantitative research are used to research many problems that businesses face (Blumberg et al., 2014:148). This study employed a quantitative methodology. Quantitative research examines relationships between variables, which are measured numerically and analysed using a range of statistical and graphical techniques. The quantitative research was to measure the correlation between the EO of youth entrepreneurs and the performance of their businesses in the TMM. Quantitative research is generally associated with positivism, especially when used with predetermined and highly structured data collection techniques (Saunders et al., 2016:166).

Quantitative research is also associated with a deductive approach, where the focus is on using data to test theory (Saunders et al., 2016:166). It often incorporates controls to ensure the validity of data, as with an experimental design. A quantitative research design may use a single data collection technique, such as a questionnaire, and corresponding quantitative analytical procedures. Quantitative research designs can be divided into experimental designs and non-experimental designs, such as surveys (Creswell, 2014:12).

Experimental research seeks to determine if a specific treatment influences an outcome. The researcher assesses this by providing a specific treatment to one group and withholding it from the other and then determining how both groups scored on an outcome (Creswell, 2014:13). A non-experimental design, according to Sage Research Methods (2018:1), includes research designs in which an experimenter either describes a group or examines relationships between pre-existing groups.

3.6.3 Classification of research design

A researcher faces the task of selecting the specific design to use in a study. A number of different design dimensions exist, but there is no simple classification system that defines all the variations that must be considered. Cooper and Schindler (2014:126) describe research designs, using four descriptors, as discussed below:

3.6.3.1 Degree of research question crystallisation

A study may be viewed as exploratory or formal (Cooper & Schindler, 2014:126). Exploratory studies tend toward loose structures, with the objective of discovering future research tasks. The immediate purpose of exploration is usually to develop hypotheses or questions for further research. The formal study, on the other hand, begins where exploration ends. In other words, it begins with a hypothesis or research question and involves precise procedures and data source specifications. The goal of a formal research design is to test the hypotheses or answer the research questions posed (Cooper & Schindler, 2014:126). This study can be viewed as a formal research design, as it is testing the hypotheses of the study.

Conversely, a descriptive study is concerned with answering questions such as who, what, where, when, or how much. An example of a descriptive study on employee theft, would measure the types of theft committed (clothing, electronics, houseware, etc.), how often, when (time of year, time of day, day of week), where (receiving stock, stockroom, sales floor), and by whom (gender, age, years of service, departmental assignment) (Cooper & Schindler, 2014:127). Descriptive research provides an accurate description or picture of the status or characteristics of a situation or phenomenon. The focus is not on identifying cause-and-effect relationships, but rather on describing variables that exist in a given situation and, sometimes, on describing the relationships that exist among those variables (Johnson & Christensen, 2014:366).

Causal studies seek to discover the effect that a variable has on another (or others), or why certain outcomes are obtained. The concept of causality is grounded in the logic of hypothesis testing, which in turn, produces inductive conclusions (Cooper & Schindler, 2014:139). Before cause and effect can be established at a minimum level, the three necessary conditions for concluding that the relationship between variable A and variable B is causal according to Cooper and Schindler (2014:139) are:

- There must be a statistically correlated/covariance relationship between variable A and variable B;
- Variable A must occur before variable B; and
- Spurious relationships must be eliminated.

These three conditions were duly met in this study. The EO can be regarded as an independent variable, while youth business performance is dependent on the orientation of youth entrepreneurs in the TMM.

A causal-explanatory study is concerned with determining, how one variable produces changes in another. In a causal-explanatory study, relationships among variables are explained for instance, why the crime rate is higher in mall A than in mall B (Cooper & Schindler, 2014:127). A causal-predictive study attempts to predict an effect on one variable by manipulating another variable, while holding all other variables constant (Cooper & Schindler, 2014:127). Therefore, this study is a casual-explanatory study, as it is concerned with finding out if there is a relationship between EO and business performance of youth entrepreneurs in TMM.

3.6.3.2 Researcher's control of variables

In terms of the researcher's ability to manipulate variables, the researcher attempted by judicious, to select themes according to strict sampling procedures and the statistical manipulation of findings (Cooper & Schindler, 2014:127). Furthermore, the researcher adopted the ex-post facto design, because the findings and objectives of the research were addressed via the outcome of the questionnaires sent to the participants, and this has been incorporated in the research report.

3.6.3.3 Topical scope

Statistical studies are designed for breadth, rather than depth. They attempt to capture a population's characteristics by making inferences from a sample's characteristics (Cooper & Schindler, 2014:127). This study made use of statistical methods, as it was interested in obtaining the opinions of many participants, which was regarded as breadth, and not depth.

3.6.3.4 Participants' perceptual awareness

The perceptual knowledge of the participants affects the result of research studies in subtle ways in that, participants think that something is happening out of the ordinary, which makes them behave less naturally. Their perceptions serve as a reminder for the researcher to examine the validity of the study and quantify results (Cooper & Schindler, 2014:129).

3.7 SAMPLING DESIGN

Sampling refers to the selection of subset of persons or things from a larger population with the intention of representing the particular population (Neuman, 2011:241). It is the framework, or roadmap, that serves as the basis for the selection of a survey sample, and affects many other important aspects of a survey. In a broad context, survey researchers are interested in obtaining some type of information about some population, or universe, of interest (Shapiro, 2008:1). Furthermore, sampling is the process of selecting units (people, organisations) from a population of interest (Awe, 2012:16).

A sample design can be simple or complex. For example, if the sampling frame consists of a list of every unit, together with their addresses in the population of interest, and if a mailing survey is to be conducted, then simple random sampling would be appropriate. In this regard, the sample design was based on a sampling interval of 10 (select every 10th unit) from the list (Shapiro, 2008:1). According to Cooper and Schindler (2014:344), the different steps in the sampling design take due consideration of the target population, parameters of interest, sampling frame, the appropriate sampling method, as well as the sample size.

3.7.1 Research environment

This study was conducted in natural field conditions or actual environment conditions as participants completed the questionnaires at their workplaces as emails were sent to the work (business's) email address or they completed the questionnaire which was handed to them.

3.7.2 Population

Welman, Kruger and Mitchell (2005:52) refer to population as the study of an object, and that it consists of individuals, groups, organisations, human products and events. Accordingly, Salkind (2012:185) describes population as a group of potential participants to whom researchers want to generalise the results of their study. In view of the above, the target population for this study was all youth entrepreneurs between the ages of 18 and 35 years and residing in TMM.

3.7.3 Sample frame

The sample frame is a complete list of all samples in the target population from which the samples are drawn (Saunders et al., 2016:277).

Without a sampling frame, it would not have been possible to employ the probability sampling, which means that non-probability sampling will have to be considered (Saunders et al., 2016:277). An incomplete or inaccurate list means that some cases would have excluded a potential sample in the target population to have a chance of being selected (Saunders et al., 2016:277). The sample frame of the study was obtained (grant and voucher beneficiaries) from the NYDA. The list contained the contact details of 555 respondents. From the grant beneficiaries' list, a total of 225 beneficiaries were residing in TMM. Likewise, from the voucher beneficiaries' list, a total of 330 beneficiaries were residing in the TMM. All youth entrepreneurs on the list were in the age group of between 18 and 35 years.

3.7.4 Sampling method

The sample frame was a representative of the population. This was important in order to enable the researcher to generalise the findings to the population as a whole. There are two sampling methods, namely probability sampling and non-probability sampling. Probability samples are those in which members of the population have a known chance (probability) of being selected for the sample (Tustin, Ligthelm, Martins & Van Wyk, 2005:344).

According to Cooper and Schindler (2008:408), probability sampling is also known as random sampling, which is based on the concept of random selection (that is, a controlled procedure that ensures that each population element is given a known non-zero chance of selection). They identified the following probability methods: simple random sampling, systematic sampling, and stratified sampling. They further explained that non-probability samples are instances where the chances (probability) of selecting members from the population in the sample are unknown.

On the other hand, non-probability sampling relies on the discretion of the researcher and includes the following sampling methods: judgemental sampling, purposive sampling, convenience sampling, quota sampling, and multiplicity or snowball sampling (Cooper & Schindler, 2008:408). In this study, the census method was applied, where the whole population was surveyed.

Census refers to the quantitative research method, in which all the members of the population are enumerated (Surbhi, 2016:1). The census method was chosen as there were only 555 youth entrepreneurs on the NYDA database that were residing in the TMM.

According to Leedy and Ormrod (2005:206), in general, the larger the sample, the better it is for the purpose of obtaining accurate results. Owing to the fact that this was a quantitative study, higher numbers were needed for better analysis. For this reason, the entire group was selected for the survey.

3.8 METHOD OF DATA COLLECTION

The first step of data collection in this study involved secondary data, which was collected by means of an extensive literature review. The literature review focused on entrepreneurship, EO and how it affects the performance of entrepreneurs, push and pull factors of entrepreneurship, and other aspects of entrepreneurship. The second step of the data collection focused on primary data. The data was gathered by means of an online web-survey and physical hand delivered questionnaires.

3.8.1 Research instrument

Modern research methods use a range of data collection techniques, including questionnaires, structured interviews, in-depth interviews, observation and content analysis (Balnaves & Caputi, 2001:66). The three most common forms of data collection are case studies, surveys, and experimental methods. Case studies investigate “what is happening” and are very common in policy and exploratory research. A survey can cover a range of issues, and normally results in a variable by case matrix (person by age, and education). An experimental method, which is like a survey, results in a variable by case matrix (Balnaves & Caputi, 2001:66). Typically, surveys gather data at a particular point in time, with the intention of describing the nature of existing conditions, or identifying standards against which existing conditions can be compared, or determining the relationships that exist between specific events (Cohen, Manion & Morrison, 2011:256).

A structured questionnaire was used in this study. According to Johnson and Christensen (2012:162), a questionnaire is a self-report data collection instrument that each research participant fills during the study. Researchers use questionnaires to obtain information about the thoughts, feelings, attitudes, beliefs, values, participation, personality, and behavioural intentions of the research participants. A web-based online survey is mostly characterised by a low response rate (Tustin et al., 2005:193). For this reason, in this study, the researcher sent the online survey and hand-delivered questionnaires to participants. A link was provided to the questionnaire, and participants were able to access the questionnaire once they had

clicked on the shared web-link. Twenty minutes were allocated for the completion of the questionnaire, which was then returned to the researcher.

Web-based surveys have the potential to reach a greater number of participants. Therefore, web-based surveys are advisable, and emails can also be used to contact participants, in order to advise them to visit a particular website. An internet survey has the added advantage of being cheap to administer (Cohen et al., 2011:276). Furthermore, a web-based survey is a cheap and convenient means of communicating with participants. It is also easier to make follow-ups with participants to obtain the completed questionnaires from them (Cohen et al., 2011:276).

However, Cvent Guest (2016:1) underscores that a web-based survey is vulnerable and/or can lead to limited sampling and respondent availability, where certain populations are less likely to have internet access and to respond to online questionnaires. Cvent Guest (2016:1) adds that a web-based survey is also difficult to draw probability samples based on e-mail addresses or website visitations, as well as a lack of cooperation from the participants.

3.8.2 Construction of the questionnaire

The questionnaire, as a general term, includes all methods of data collection in which each respondent is asked to respond to the same set of questions in a predetermined order (De Vaus, 2014:71). The research instrument for this study was developed by adapting previously used and relevant questions, such as those contained in the research conducted by Venter (2014:71) and Maebane (2015:126). Four questions were adapted from Venter (2014:71), while six questions were adapted from Maebane (2015:126). The researcher ensured that they were directly related to the topic, and adapted them to comply with the objectives of the study. Table 3.1 specifies the number of questions under each section topic/outline of the questionnaire.

Table 3.1: Number of questions in the questionnaire

| Question number | Name of section | Number of questions/options |
|---|---|-----------------------------|
| SECTION 1: BIOGRAPHICAL AND BACKGROUND INFORMATION | | |
| 1.1 | Age | 2 |
| 1.2 | Gender | 2 |
| 1.3 | Ethnic group | 5 |
| 1.4 | Highest academic qualification obtained | 6 |
| SECTION 2: NATURE OF THE BUSINESS | | |
| 2.1 | What is the total number of employees both full-and part-time in your business? | 4 |
| 2.2 | In which industry does your business operate? | 11 |
| 2.3 | Type of ownership | 6 |
| 2.4 | Number of years in business | 3 |
| 2.5 | Where is your business located? | 5 |
| SECTION 3: ENTREPRENEURIAL ORIENTATION | | |
| 3.1 Innovativeness, risk-taking, pro-activeness, and competitive aggressiveness | | |
| 3.1.1 | Innovativeness | 7 |
| 3.1.2 | Risk-taking | 4 |
| 3.1.3 | Pro-activeness | 4 |
| 3.1.4 | Competiveness aggressiveness | 3 |
| 3.2: Push and pull factors of entrepreneurial orientation | | |
| 3.2.1 | Push factors | 12 |
| 3.2.2 | Pull factors | 10 |
| SECTION 4: BUSINESS SUCCESS OF YOUTH ENTREPRENEURS | | |
| 4.1 | Attitude towards the success of the business | 12 |
| 4.2 | Business performance | 3 |
| 4.3 | Assessment of profitability of your business | 4 |
| 4.4 | Assessment of turnover of your business (past two years) | 4 |

3.8.3 Types of questions used in the questionnaire

For the purpose of this study, closed-ended questions and Likert-scale questions were used to collect. Closed-ended questions come in a varied forms and are defined by their need to have explicit options from which a respondent can choose. They are conclusive in nature, as they are designed to create data that is easily quantifiable (Survey Monkey, 2018:1). Closed-ended questions were employed in this study because they are easier and quicker for people

to answer. They prompted the answers of different respondents to easily compare and analyse, clarify the question's meaning for respondents, and also, inspire fewer irrelevant or "clouded" answers (Copeland, 2017:1). A total of 11 closed-ended questions were asked in the questionnaire in Sections, 1, 2 of 4.3 and 4.4 of the questionnaire.

3.8.3.1 Likert-scale questions

The Likert scale is a variation of the summated rating scale and consists of statements that indicate either a favourable or an unfavourable attitude to the research subject (Tustin et al., 2005:408). Likert-scale questions allowed respondents to specify their level of agreement with a statement. It measured the extent to which the respondents were motivated to start a business by allowing the respondent to select one option and the Likert-scale questions assigned numerical rankings. Sections 3.1 of the questionnaire used a 5-point Likert-scale. Sections 3.2 and 4.1 of the questionnaire used a 4-point Likert-scale.

3.8.4 Measurement scales

Measurement in research consists of assigning numbers to empirical events, objects, or properties or activities in compliance with a set of rules (Cooper & Schindler, 2014:246). Measurement scales are set of levels or numbers, which are used in a particular system of measuring things or are used when comparing things (Collins Dictionary, 2018:1). The measurement scales that were employed in this study include:

3.8.4.1 Nominal scales

With nominal scales, information collected on variables can be grouped into two or more categories that are mutually exclusive and collectively exhausting. Nominal scales have questions with categories, such as gender (male or female) (Gerber & Hall, 2017:35).

3.8.4.2 Ordinal scales

Ordinal scale questions the levels that are ordered, such as Likert-scale questions or levels of a treatment (low, medium, high) (Gerber & Hall, 2017:35). Ordinal scales also include the characteristics of the nominal scale plus an indication of order (Cooper & Schindler, 2014:252).

3.8.4.3 Interval scales

Interval scales have the power of nominal and ordinal data, plus one additional strength: They incorporate the concept of equality of interval i.e. the scaled distance between 1 and 2 equals the distance between 2 and 3 (Cooper & Schindler, 2014:253).

3.8.4.4 Ratio scales

Ratio scales incorporate all of the powers of the previous scales, plus the provision of absolute zero or origin. Ratio data represent the actual amounts of a variable, for example, the measuring of physical dimensions such as weight, height or distance (Cooper & Schindler, 2014:253).

3.8.5 Cleaning and verification of data

Gerber and Hall (2017:36) refer to data verification as the process of ensuring that the data is clean, correct and useful. Routines, often called “validation rules”, check for the correctness and meaningfulness of data. The basic statistics, such as frequencies and means, as well as maximums and minimums, were calculated on each variable (or question) to look for errors in the data (Gerber & Hall, 2017:36). The different types of variables that were validated include (a) nominal variables: calculate frequencies, (b) ordinal variables: calculate frequencies and (c) continuous variables: calculate means, maximum and minimum values (Gerber & Hall, 2017:36). No data was removed simply because it appeared to be incorrect; instead, the researcher referred back to the original questionnaire when she was uncertain (Gerber & Hall, 2017:36).

3.8.6 Missing values

Missing values are incomplete fields for certain variables (questions). The statistical package uses a special character to indicate missing values, and will not use this value in calculations. It is important to note, in this regard, that a missing value is NOT the same as 0 (Gerber & Hall, 2017:36).

3.8.7 Fieldwork

Due to the challenges of obtaining questionnaires from the participants, the researcher attended a workshop held at NYDA for youth entrepreneurs. During the workshop, 70 copies of the questionnaire were physically distributed by the researcher to participants for completion.

3.9 DATA ANALYSIS

Data processing is the conversion of data into a usable and desired form. Most of the data processing is done by using computers and is automatic. The output or “processed” data can be obtained in different forms, such as images, graphs, tables, vector files, charts, or any other desired format, depending on the software or method of data processing. Data processing can also be undertaken by any activity which requires the collection of data. Collected data needs to be stored, sorted, processed, analysed and presented. The complete data is divided into six primary stages (Planning Tank, 2018:1), notably, data collection, data storage, data sorting, data processing, data analysis as well as data presentation and reporting. This study adhered to all the above stages of data processing. Data analysis of the questionnaires was conducted. The answers to the questionnaires were analysed, to provide the answer for the overall research question.

The major data analysis techniques used in this study were descriptive and inferential statistics. Numbers are meaningless, unless one can find the patterns that lie beneath them (Leedy & Ormrod, 2015:229). The data collected in this study was organised in a manner that made it easy to interpret. Collected data was captured by the statistician on an Excel spreadsheet and then coded, before being exported to the Statistical Package for Social Sciences (SPSS) version 125. Data coding ensured that the raw data were transformed into a format that could be used in a computer analysis, using a statistical programme (Bryman & Bell, 2007:375).

3.9.1 Descriptive statistics

Descriptive statistics enabled the researcher to describe and compare variables numerically (Saunders et al., 2016:527). Descriptive statistics such as the mean (as a measure of central tendency) and standard deviation, kurtosis and skewness (as a measure of the distribution of opinions around the mean) were initially used to measure the perceptions of participants. The standard deviation was used to measure the extent of the distribution of the perceptions of participants from the mean value.

3.9.2 Inferential statistics

Inferential statistics use a random sample of data, taken from a population, in order to describe and make inferences about the population (Minitab Express, 2018:1). Minitab Express (2018:1) explains that inferential statistics are valuable when the examination of

each member of an entire population is not convenient or possible. For example, measuring the diameter of each nail that is manufactured in a mill is impractical. Instead, one can measure the diameters of a representative random sample of nails, and then use the information from the sample to make generalisations about the diameters of all the nails.

3.9.3 Regression

The influence of EO factors such as innovativeness, risk-taking, pro-activeness, competitive aggressiveness, and pull and push factors on business performance is discussed with reference to multiple linear regression. Business performance was a dependent variable, while EO factors were independent variables. For the purpose of this study, a two-step multiple linear regression analysis was performed in order to control the confounding effect of background variables such as age, gender, ethnic group, education, number of employees, industry, number of years in business, and business location on both the dependent and independent variables. Failure to control or eliminate the confounding effect of background and geographical variables could have led to spurious associations that affect the validity of the regression results.

3.9.4 Pearson's correlation analysis

Pairwise relationships between EO and other factors were determined using Pearson's correlation analysis (Maltby, Williams, McGarry & Day, 2010:59). Pearson's correlation determines the magnitude, as well as the significance, of the association between two variables. The correlation coefficient ranges from -1 to +1. A correlation coefficient of 0 means that there is absolutely no relationship between the variables under investigation. However, correlation values between 0 and 0.1 indicate a weak relationship, 0.1 – 0.3 modest, 0.3 – 0.5 moderate, 0.5 – 0.8 strong, 0.8 - 0.9 very strong, while a correlation value of 1 represents a perfect correlation between the variables (University of Strathclyde, 2014:36).

3.10 RESEARCH REPORTING

This study was set to investigate whether there was a relationship between EO and the business performance of youth entrepreneurs in TMM. The data for the study was gathered from youth entrepreneurs operating in TMM. The objective of the study was to investigate whether there is a relationship between EO and business performances of youth

entrepreneurs in the TMM. The findings of this study will be utilised towards the development of youth entrepreneurs in TMM.

3.11 PILOT STUDY

The purpose of the pilot study is to test research protocols, data collection instruments, sample recruitment strategies, and other research techniques, in preparation for a larger study (Cone & Foster, 2006:234). In view of the above, a pilot study was conducted in TMM with six youth entrepreneurs, who were not part of the sample to pre-test the research instrument in order to identify problems, barriers and/or limited access to research participants.

The pilot study enabled the researcher to refine the sampling strategy and find the most effective way of dealing with participants, and conducting a web-online survey. The purported pilot study was conducted two weeks before the commencement of data collection for actual study, in order to test for any weaknesses in the research instrument and to assess its viability, simplicity, usability and reliability. Minor amendments, as pointed out during the pilot study, were made to the structure of the questionnaire.

3.12 RELIABILITY AND VALIDITY OF THE RESEARCH INSTRUMENT

Validity and reliability are the most important criteria for the evaluation of a study (Bryman & Bell, 2015:49). Cohen et al, (2011:179) state that if a piece of research is invalid, then it is worthless. Therefore, the validity of quantitative data is improved through careful sampling, appropriate instrumentation, and proper statistical treatment of the data. The validity and reliability of measurement instruments influence the extent to which a researcher can legitimately learn something about the phenomenon under investigation (Leedy & Ormrod, 2015:114).

3.12.1.1 Reliability

Reliability is the consistency with which a measuring instrument yields certain results when the entity being measured has not changed (Leedy & Ormrod, 2014:91). Cohen et al. (2011:179) argue that reliability is a measure of consistency over time and similar samples.

To ensure the reliability of the instrument used in this study, some of the questions were adopted by the researcher from existing instruments, while most questions were self-formulated with high levels of validity, in order to collect statistical data, which ensured

reliable results. There is a variety of methods for calculating internal consistency, of which one of the most frequently used is Cronbach's alpha. This statistical method was used to measure the consistency of responses to a set of questions (scale items that are combined as a scale to measure a particular concept) (Saunders et al., 2016:451).

It consists of an alpha coefficient with a value between 0 and 1. A value of 0.7 indicates that the questions combined in the scale are measuring the same thing (Saunders et al., 2016:451).

3.12.2 Validity

Validity is the "extent to which the instrument measures what it is intended to measure" (Leedy & Ormrod, 2014:89). There are four different forms of validity tests in research: face validity, content validity, criterion validity and construct validity. Face validity measures the extent to which an instrument is supposed to measure the phenomenon under investigation. Content validity is when recognised experts in the area under investigation are asked to give an opinion on the validity of the tool. Criterion validity measures the results of two related phenomena and compares them to determine the extent to which the results are related. Construct validity tests the link between a measure and the underlying theory. If a test has construct validity, one would expect to see a reasonable correlation with tests measuring related areas (Leedy & Ormrod, 2015:114).

Validity also involves ensuring that the research instrument measures what it is intended to measure (Saunders, Lewis & Thornhill, 2009:150). The questionnaires in this study were tested for validity through a process of pre-testing, by piloting the instrument with six respondents and who were not part of the final data collection process. Comments received from participants led to minor adjustments being made to the questionnaire, after which it was distributed to respondents in the TMM. The researcher ensured that the questions were objective, simple, short and understandable (Saunders et al., 2009:157).

The internal validity of the research design refers to approximate validity, which indicates that a relationship between two variables is causal (causes or results in), or not casual (informal) (Johnson & Christensen, 2014:281). Furthermore, internal validity is also referred to as causal validity, as it is about establishing trustworthy evidence of cause and effect. External validity (or generalising validity) was important for generalising from a set of research findings to other people, settings, times, treatments and outcomes (Johnson & Christensen, 2014:305). The fact that part of the research instrument was adapted from

similar studies conducted by Venter (2014:71) and Maebane (2015:126) could also ensure both the internal and external validity of the instrument.

3.12.3 Response rate

The response rate of the study was low. Table 3.2 indicates the response rate of the study per industry in which the participants operated.

Table 3.2: Response rate of the study

| Industry | No. contacted | No. participated | Response rate % |
|--|----------------------|-------------------------|------------------------|
| Agriculture | 0 | 0 | 0 |
| Manufacturing | 71 | 8 | 11.2 |
| Electricity, gas and water | 43 | 9 | 21.1 |
| Construction | 0 | 0 | 0 |
| Retail distribution | 266 | 55 | 20.6 |
| Transport communication | 43 | 8 | 18.7 |
| Wholesale trade | 0 | 0 | 0 |
| Catering, accommodation and other trade | 18 | 1 | 5.6 |
| Finance and business services | 71 | 11 | 15.5 |
| Real estate, renting and business activities | 43 | 4 | 9.4 |
| Other | 0 | 0 | 0 |
| Total | 555 | 96 | 17.3 |

A total of 555 questionnaires were sent out to youth entrepreneurs in TMM, as shown in Table 3.2. A total of 153 responses were obtained. Of these responses, 96 questionnaires were completed in full, while 57 questionnaires were partially completed. This gave the completed questionnaire's response rate of 17.3%. The participant's response rate was obtained by taking 96 questionnaires divided by the total questionnaires of 555 that was sent out to youth entrepreneurs in TMM. This response rate was low considering that, in theory, a return rate of about 35%, is considered satisfactory for most surveys, as suggested by Nazarian (2013:36).

3.13 ETHICAL CONSIDERATIONS

Ethics refer to the appropriateness of one's behaviour in relation to the rights of those who become the subject of the research, or who are affected by it (Saunders et al., 2009:183).

Ethical issues are important in any research study, and participants need to be assured that the information provided by them is handled with strict levels of confidentiality. It was important to conduct fair and ethical research in order not to overstep the rules laid down by the UNISA (2016) Policy on Research Ethics, which would result in the violation of the protection of the participants.

For the purpose of this study, the (UNISA's) (2016) Policy on Research Ethics was strictly adhered to. It involved a process of applying to the Research Ethics Review Committee of the Department of Entrepreneurship, Supply Chain, Transport, Tourism and Logistics Management (DESTTL) to fulfil the requirements of obtaining ethical clearance. This was meant to ensure that the researcher understands the research ethics process and does not transgress the behavioural norms, as established by the University, in conducting the research. Key ethical issues considered in this research included confidentiality, the voluntary nature of participation, obtaining consent from participants, and the conduct of the researcher before, during and after the research. The Research Ethics Review Committee granted ethical approval for this study, and a clearance letter was issued (Refer to Annexure E).

3.14 CONCLUSION

This chapter provided details on the relevant methodology that was used in the study, which investigated the relationship between EO and the business performance of youth entrepreneurs in the TMM. The study employed a quantitative research methodology. This technique was used because it measured the correlation between EO of youth entrepreneurs and the performance of their businesses in TMM. The data was collected by means of an on-line survey and hand delivered questionnaires. The target population was youth entrepreneurs who are residing in TMM and between the ages of 18 and 35 years. The entire population was sampled.

The data collected in this study was organised in such a way that it was easy to interpret. The data was captured by the researcher, checked by the web-designer, cleaned and coded by the statistician and was later transferred into SPSS for analysis. All the data processing was done using computers. The processed data is presented in figures and tables.

The next chapter presents the result and discussions of the findings.

CHAPTER 4

RESULTS AND DISCUSSIONS

4.1 INTRODUCTION

This chapter presents the results on the EO of youth entrepreneurs in TMM. The EO was determined by establishing whether the youth of TMM were influenced by push or pull factors into becoming entrepreneurs and the impact that these factors (push and pull) have on the business performance of youth entrepreneurs in TMM. This chapter presents the biographical information, nature of business, descriptive statistics of EO and the reliability of the research instrument. The reliability of the research instrument was analysed using Cronbach's alpha. The chapter also covers the influence of EO factors on business performance using correlation and regression analysis.

4.2 SECTION 1: BIOGRAPHICAL INFORMATION

In order to understand the profiles of the youth entrepreneurs that participated in this study, their biographical information was analysed. The presentation of results on biographical information of participants follow in the subsections below:

4.2.1 Distribution of participants according to age

Figure 4.1 shows the distribution of participants according to age. Of the 96 entrepreneurs that participated in this study, the majority (82%) were in the age group between 25 and 35 years, while 18% were between the age group 18 and 24 years. Youth entrepreneurs are categorised between the ages of 18 and 35 years. Globally, the overall age pattern for entrepreneurship shows the highest participation rates among the 25–35 year olds; therefore, reflecting on people in their early and mid-careers (Kelly, Singer & Herrington, 2016a:26). This implies that the ambition of young people, particularly those who have accumulated some experience, networks and other resources could be of value in starting a business (Kelly, Singer & Herrington, 2015b:26). Accordingly, Perovic (2018:8) explains that most entrepreneurs initiate their entrepreneurial careers between the ages of 22 and 45 years. Figure 4.1 shows the distribution of participants according to age.

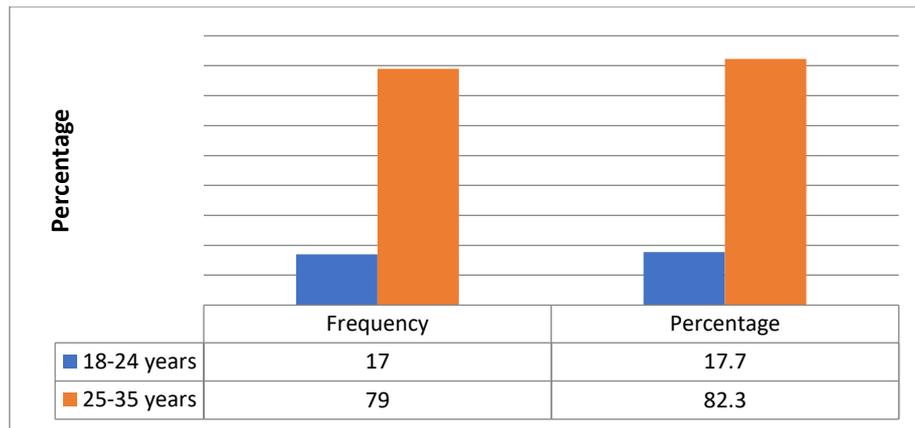


Figure 4.1: Distribution of participants according to age

In South Africa, youth aged between 25 and 35 years are entrepreneurially active, accounting for between 50% and 60% of all early-stage activity (Herrington & Kew, 2017:31). The low prevalence of entrepreneurial activity in the 18–24 years age cohort is in line with general global trends of entrepreneurial activity in the South African context (Herrington et al., 2017:31). Herrington et al. (2017:31) expand that the percentage of 18–24 year-olds in South Africa involved in the early-stage entrepreneurial activity is significantly lower than the average for sub-Saharan Africa (SSA), which, at 26% is more than five times the South African figure for this age group. This can be attributed to the South African pre-democracy where there were limited opportunities for individuals and the youth to become entrepreneurs.

4.2.2 Distribution of participants according to gender

The distribution of participants according to gender as illustrated in Figure 4.2 reveals that 67.7% of the entrepreneurs that participated in this study were females. Male entrepreneurs that participated in this study constituted 32.3% of the total number of participants. Although the ratio of male to female participation in entrepreneurship varies, cultural differences of female participation in the economy is a consistent finding, in that men are more likely to be involved in the entrepreneurial activity (Herrington et al., 2017:32). Several studies maintain that women face greater challenges in becoming entrepreneurs (Herrington et al., 2017:32). These challenges include but are not limited to higher levels of domestic responsibility; lower levels of education (particularly in developing countries); and lack of female role models in the business society. Other challenges may also prevent a woman from perceiving, as well as acting, on entrepreneurial opportunities.

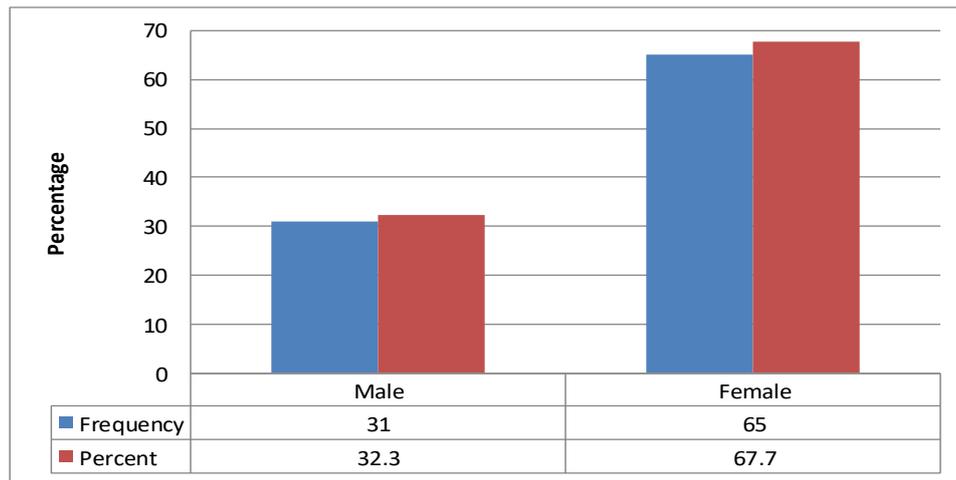


Figure 4.2: Distribution of participants according to gender

According to Herrington et al. (2017:32), these challenges comprise of fewer business-orientated networks in their communities; lack of capital and assets; and a lower social status. The findings of this study did not match the findings of the 2017 South African GEM Report. This can be attributed to the fact that the South African population has more females than males, as indicated by STATSSA (2018d:32). According to STATSSA (2018d:32), women constitute 51% of the total South African population and lag behind men in literacy, education and employment. In view of the above, it is relatively easier for males to engage in entrepreneurial activities.

4.2.3 Distribution of participants according to ethnic group

Distribution of participants according to ethnic groups (African, Asian, Coloured and White) are demonstrated in Figure 4.3. Entrepreneurs of African origin were the majority, constituting 99% of the total number of entrepreneurs who took part in the study. There was only one white entrepreneur that participated. Despite a visible presence of entrepreneurs of Asian descent in TMM, none of them participated as they were either too busy or did not find any benefit to participate in the study.

Africans make up the majority of South Africa's early-stage entrepreneurs. Although their involvement declined in 2015 (from 85% in 2013 and 2014 to 68% in 2015), 2016 had seen a resurgence in early-stage entrepreneurial activity among Africans, who now make up three-quarters of the entrepreneurial population (Herrington et al., 2017:32). Early-stage entrepreneurial activity among Whites has decreased by a third (from 18% to 12%) (Herrington et al., 2017:32).

A positive finding is that the increase in African entrepreneurial participation is, and continues to be driven by a robust increase in opportunity-motivated entrepreneurship. In as far as entrepreneurial motivation is concerned, Africans are 207 times more likely to be motivated by opportunity than by necessity (compared to 1.8 times more likely in 2015) (Herrington et al., 2017:32). Conversely, Coloured entrepreneurs are the only group that show an increase in the proportion of necessity-driven entrepreneurs in this population group. They are only 1.4 times more likely to be motivated by opportunity, rather than by necessity (Herrington et al., 2017:32). In addition, Indian and White entrepreneurs show high positive ratios of opportunity versus necessity motivation. These two groups are 8 and 4 times more likely to be opportunity-driven respectively (Herrington et al., 2017:32).

The findings of the current study match the findings of Herrington et al. (2017:32), which showed that African communities in South Africa are currently being backed by policies such as Black Economic Empowerment (BEE) programmes. Boshoff (2012:1) reveals that since 1994, the post-apartheid government in South Africa has established BEE programmes which aimed at empowering Black (African) South Africans to gain access in the mainstream economy.

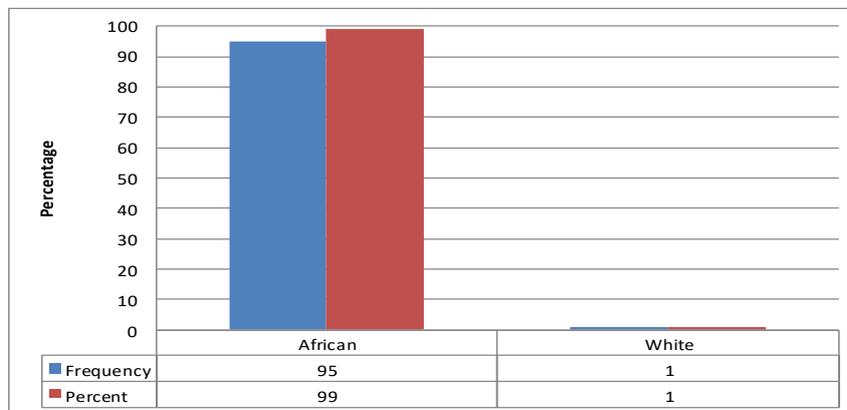


Figure 4.3: Distribution of participants according to ethnic group

4.2.4 Distribution of participants according to highest academic qualification obtained

Distribution of participants according to highest academic qualification obtained as illustrated in Figure 4.4 shows that 33.3% of the participants were holders of a post-graduate degree, 27.1% have a post matric certificate post, 18.8% have a diploma, 15.6% hold an undergraduate university degree, while 5.2% are holders of matric/grade 12 certificates.

There were no participants with lower than matric level of education. The above findings can be attributed to the fact that, after post-democratic South Africa, more opportunities were created to black South Africans. According to Macha (2017:1), the black youth have higher educational attainment now than at any point in South Africa’s history. This has caused more young entrepreneurs to become academically inclined. However, TMM has a large concentration of persons with matric and post-matric qualifications currently recorded at 57.3% (City of Tshwane, 2018a:20).

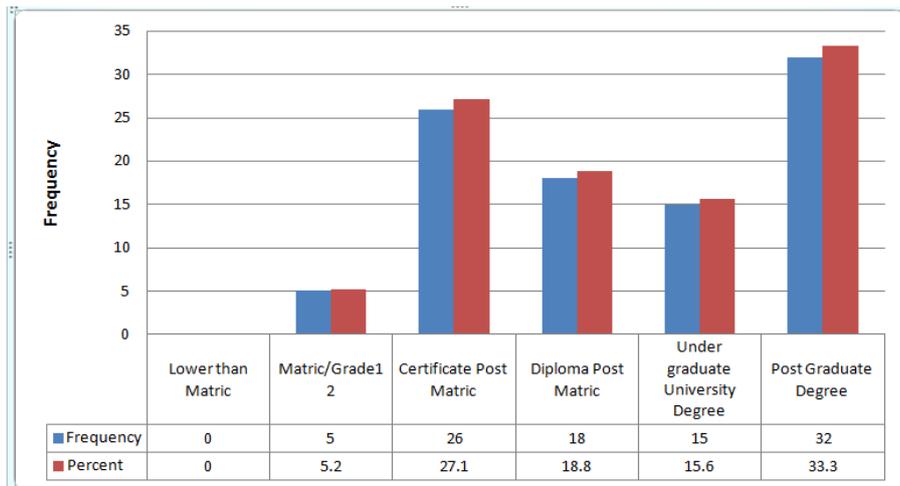


Figure 4.4: Distribution of participants according to highest academic qualification obtained

4.3 SECTION 2: NATURE OF THE BUSINESS

4.3.1 Distribution of all employees, both full-time and part-time in the business

With respect to the number of staff, Figure 4.5 depicts that 95.8% of the respondents employed between 11 and 20 employees in their operations, while 3.2% employed between 21 and 50 employees, both full-time and part-time in the business. As presented in the graph, only 1% had 51 and above employees. None of the participants employed less than 11 employees in their business. This confirms that youth entrepreneurs contribute to job creation in the TMM.

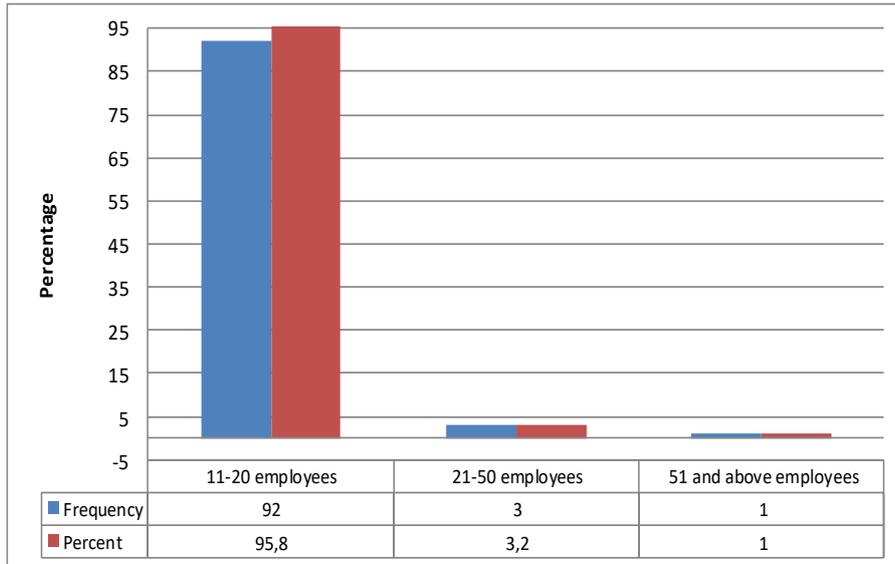


Figure 4.5: Distribution of employees, both full-time and part-time in the business

4.3.2 Distribution of participants according to industry

The distribution of participants according to the industry as illustrated in Figure 4.6 show that 57.3% of the participants were in the retail distribution industry, while 11.5% were in the finance and business services. Some 9.4% were operating in the electricity, gas and water industry, while 8.3% were operating in the manufacturing and transport communication industries respectively. Real estate, renting and business activities presented 4.2%, catering and accommodation and other trade were represented albeit with as low as 1%. There were no participants operating in the agriculture, construction and wholesale trade industries.

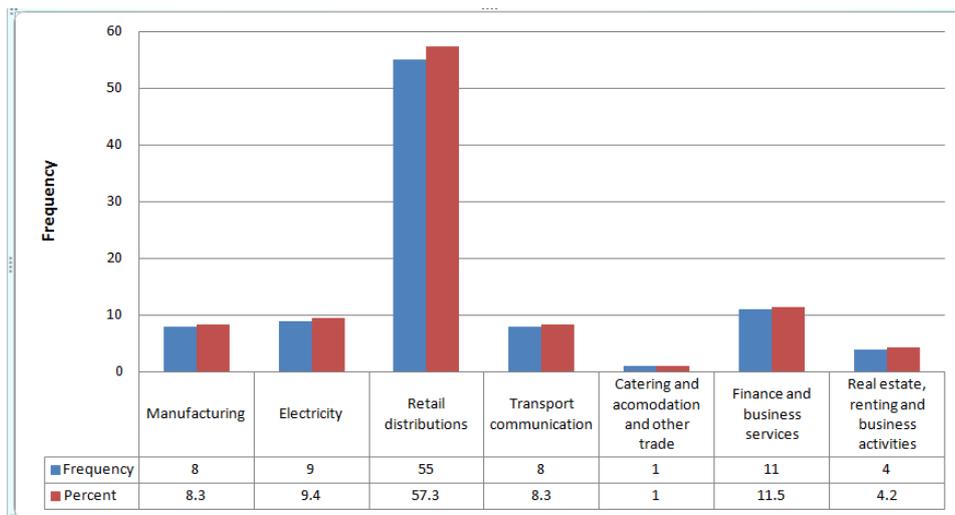


Figure 4.6: Distribution of participants according to industry

4.3.3 Distribution of participants according to type of ownership

Distribution of participants according to the type of ownership as illustrated in Figure 4.7 reveals that the majority (50%) of the businesses were close corporations, while 24% were in partnerships. Private Company (Pty) Ltd's accounted for 11.5%, co-operatives accounted for 9.4%, while business trusts were 5.1%. No participants were sole proprietors.

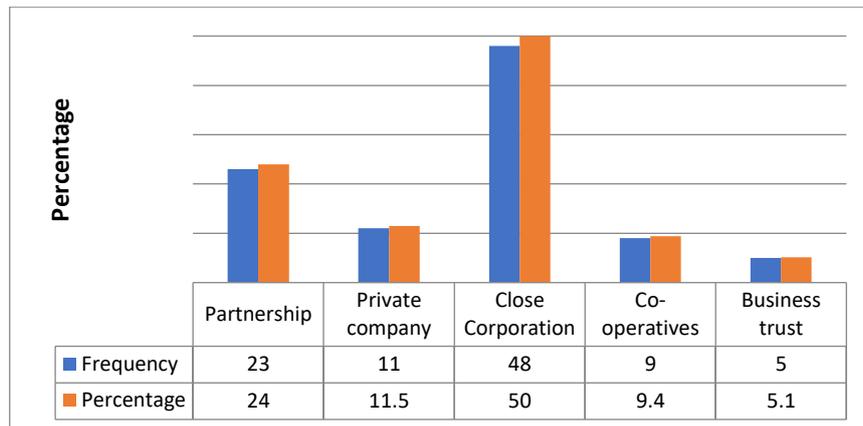


Figure 4.7: Distribution of participants according to type of ownership

4.3.4 Distribution of participants according to number of years in business

The distribution of participants according to the number of years in business is illustrated in Figure 4.8.

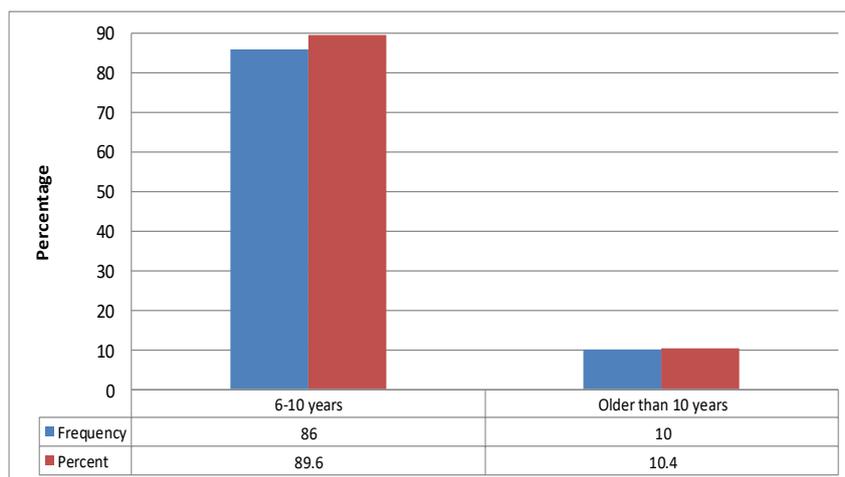


Figure 4.8: Distribution of participants according to number of years in business

Of 96 participants, 89.6% confirmed that they were in business between 6 and 10 years, and 10.4% stated that they have been operating for more than 10 years. There were no

participants operating in business for less than 5 years. This experience is of great value in this study in that, it provides informed inputs on the total years in which participants are operating their businesses.

4.3.5 Distribution of participants according to location

The distribution of participants according to location is illustrated in Figure 4.9. A total of 40.6% of the businesses were located in the Tshwane Central Business District (CBD), 3.1% were located in Tshwane industrial areas and 1% were located in a Tshwane township. No participants was located Tshwane informal settlements. The highest (55.3%) of the participants was located Tshwane informal settlements. The highest (55.3%) of the participants selected the option “Other”, which means they were located in other parts of Tshwane, namely Akasia, Atteridgeville, Bronberg, Bronkhorstspuit, Centurion, Crocodile River, Cullinan/Rayton/Refilwe, Eersterust, Ekangala, Elands River, Ga-Rankuwa, Hammanskraal, Laudium, Mabopane, Mamelodi, Pienaarsriver, Pretoria, Soshanguve, Rethabiseng, Roodeplaat, Temba and Winterveld. This indicates that the number of participants operating in other parts of TMM was higher than those that operated in the TMM.

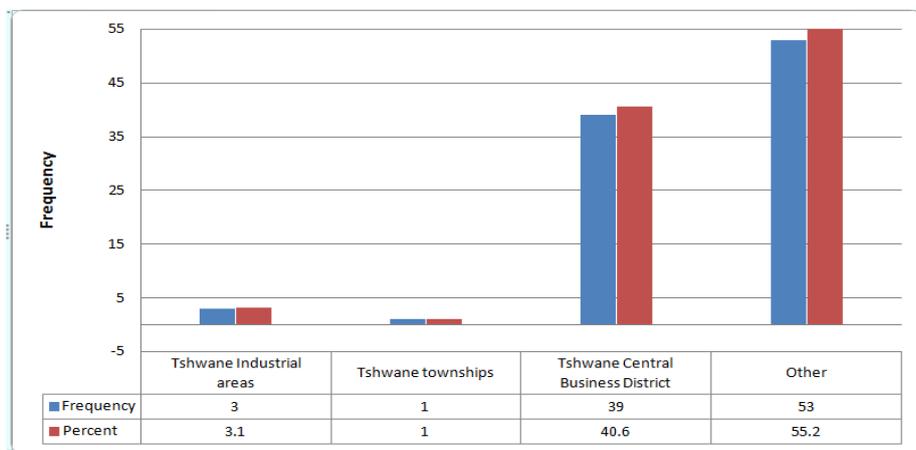


Figure 4.9: Distribution of participants according to location of their businesses

4.4 DESCRIPTIVE STATISTICS OF ENTREPRENEURIAL ORIENTATION

The questionnaires aimed to capture the participant’s perspective on the overall EO and the four characteristics of EO, namely: innovativeness, risk-taking, pro-activeness and competitive aggressiveness. They were described using basic statistics that included the mean, standard deviation, skewness and kurtosis. The push factors and pull factors and

business performance were also described using the mean, standard deviation, skewness and kurtosis. The reliability of the above elements was described using Cronbach's alpha.

The Likert scale was used in the questionnaire, and this scale required participants to indicate their level of agreement regarding the different characteristics of EO.

The 5 point Likert-scale ranged from 1=strongly disagree, 2=disagree, 3=neither agree nor disagree (neutral), 4=agree, and 5=strongly agree. The 4 point Likert-scale ranged from 1=strongly disagree, 2= disagree, 3=agree, and 4=strongly agree.

Table 4.1: Descriptive statistics of variables measuring Mean, Standard deviation, Skewness, Kurtosis and Cronbach's alpha

| Variables | Mean | Stand. Dev | Skewness | Kurtosis | Cronbach's alpha coefficients |
|----------------------------|-------------|-------------------|-----------------|-----------------|--------------------------------------|
| Overall EO | 4.82 | 0.89 | -0.89 | 0.19 | 0.92 |
| Innovativeness | 4.92 | 1.04 | -1.07 | 0.20 | 0.87 |
| Risk-taking | 4.85 | 1.09 | -1.03 | 0.76 | 0.83 |
| Pro-activeness | 4.76 | 0.89 | -0.62 | 0.28 | 0.69 |
| Competitive aggressiveness | 4.62 | 1.14 | 0.56 | -0.58 | 0.62 |
| Push factors | 2.81 | 0.46 | 0.40 | 1.11 | 0.80 |
| Pull factors | 4.21 | 0.44 | -0.34 | -0.31 | 0.75 |
| Business performance | 4.21 | 0.48 | -0.21 | -0.05 | 0.88 |

Table 4.1 above presents the descriptive statistics relating to the variables being investigated, namely EO, the push and pull factors and business performance (mean, standard deviations, skewness, kurtosis to indicate the internal consistency of the Cronbach's alpha). In terms of the EO variables, innovativeness recorded the highest mean score (M = 4.9; SD = 1.04), followed by Overall EO (M=4.82; SD= 0.89) and Risk-taking (M=4.85; SD= 1.09) respectively. Pro-activeness also recorded a high mean score (M=4.76; SD =0.89), as well as competitive aggressiveness (M = 4.62; SD =1.14), pull factors (M= 4.21; SD= 0.44) and business performance (M=4.21; SD=0.48). However, the push factors recorded the least mean score (M=2.81; SD=0.46).

Skewness values for the EO variables, the pull and push factors and business performance variables were low, and ranged between -0.21 and 0.56. The positive and negative signs were indicative of skewness to the left and right (Cohen et al., 2011). The kurtosis values ranged

between -0.05 and 0.76, and were falling within the -1 and above the +1 normality ranges recommended coefficients (Mintonga, 2015:149).

Except for the pro-activeness and competitive aggressiveness variables, all the other variables recorded Cronbach’s alpha coefficients ranging from 0.75 to 0.92, which were above the 0.70 threshold for reliability.

4.4.1 Frequency

The perceptions of participants on EO (innovativeness, risk-taking, pro-activeness, competitive aggressiveness), as well as business performance of youth entrepreneurs, and the push and pull factors were analysed using frequencies and percentages.

4.4.1.1 Entrepreneurial orientation

This section covers section 3 of the questionnaire, namely EO, which included innovativeness, risk-taking, pro-activeness and competitive aggressiveness. Responses were assessed on a 5-point Likert-scale, ranging from 1=strongly disagree, 2=disagree, 3=neither agree nor disagree (neutral), 4=agree, and 5=strongly agree. The results are as follows:

Innovativeness

This subsection presents the analysis of innovativeness of youth entrepreneurs in TMM using frequencies and percentages.

- My business regularly introduces new products/services

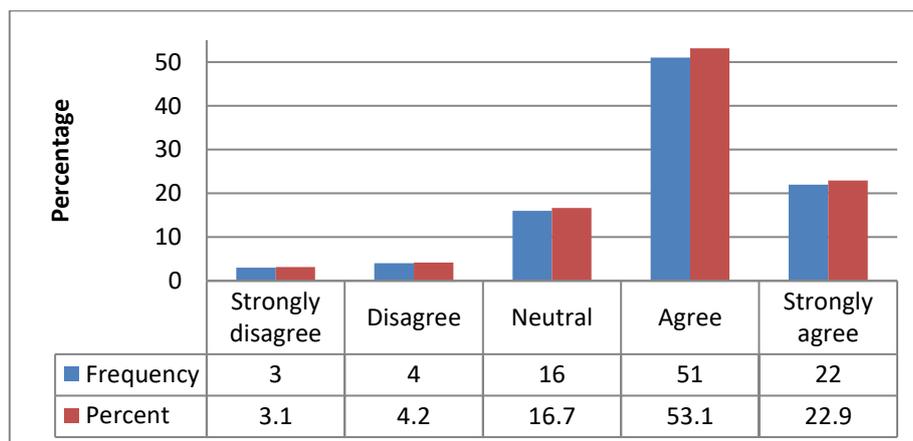


Figure 4.10: Regularly introducing new products/services

Figure 4.10 shows participants' business regularly introduces new products/services. A total of 51 (53.1%) participants agreed that youth entrepreneurs in the TMM regularly introduced new products/services, while 22 (22.9%) strongly agreed. To the contrary, 16.7% of the participants expressed neutral views on this matter (neither agreed nor disagreed); 4 (4.2%) disagreed that youth entrepreneurs in the TMM regularly introduced new products/services, while 3 (3.1%) strongly disagreed.

- My business places a strong emphasis on innovative products/services

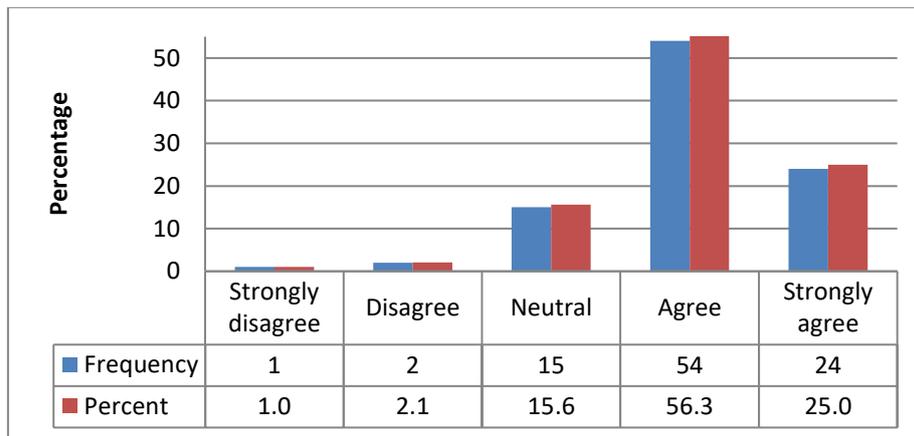


Figure 4.11: My business places a strong emphasis on innovative products/services

Figure 4.11 shows participants' behaviour on whether they place a strong emphasis on innovative products/services. Of the 96 participants, 54 (56.3%) agreed that youth entrepreneurs in TMM place a strong emphasis on innovative products/services, while 24 (25.0%) strongly agreed. On the other hand, 15 (15.6%) of the participants expressed neutral opinions on this matter. In addition, 2 (2.1%) disagreed, while 1 (1.0%) strongly disagreed.

- My business is continuously pursuing new opportunities

Participants' behaviour on whether they continuously pursue new opportunities is illustrated in Figure 4.12. The results shows that 45 participants, (46.9%) strongly agreed, 43 (44.8%) were in agreement, 6 (6.3%) expressed neutral opinions, while 2 (2.1%) strongly disagreed.

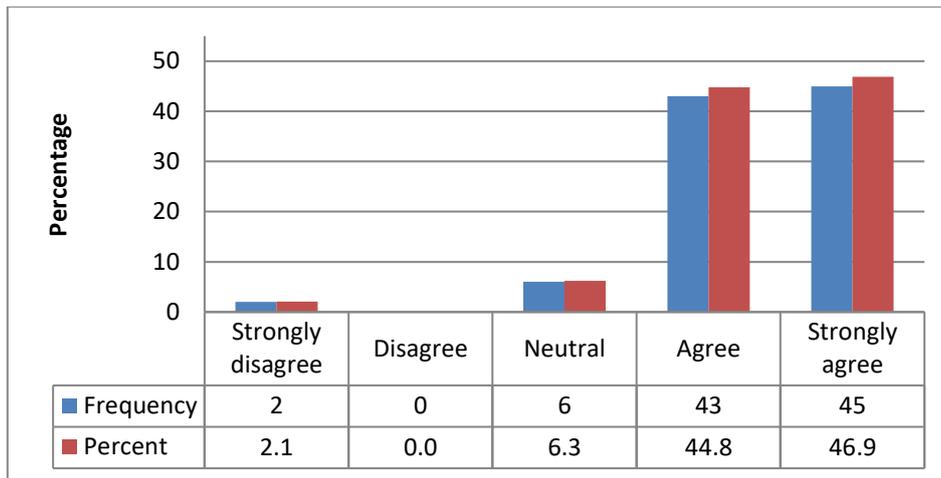


Figure 4.12: My business is continuously pursuing new opportunities

- Changes in my product lines have been quite dramatic

Responses of participants on whether changes in product lines have been quite dramatic are presented in Figure 4.13. A total of 30 (31.3%) were in disagreement, 26 (27.1%) were neutral, and 25 (26.0%) agreed. On the lower percentages, 10 (10.4%) strongly agreed, and 5 (5.2%) strongly disagreed.

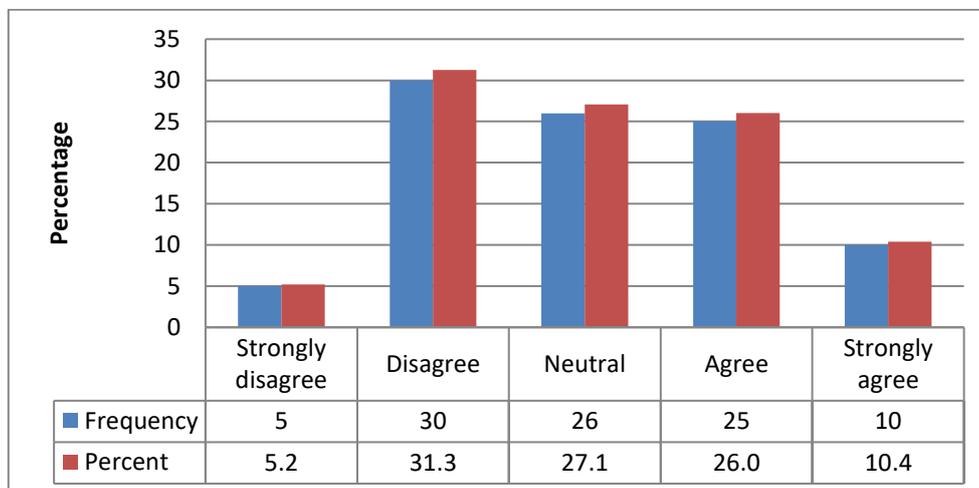


Figure 4.13: Changes in my product lines have been quite dramatic

- In my business there is a strong relationship between the number of new ideas generated and the number of new ideas successfully implemented

Participants' responses to if there is a strong relationship between the number of new ideas generated, and the number of new ideas successfully implemented, are illustrated in Figure

4.14. A total of 43 (44.8%) were in agreement that there is a strong relationship between the number of new ideas generated and the number of new ideas successfully implemented, while 27 (28.1%) strongly agreed. However, 19 (19.8%) had neutral opinions, 6 (6.3%) disagreed, and 1 (1.0%) strongly disagreed.

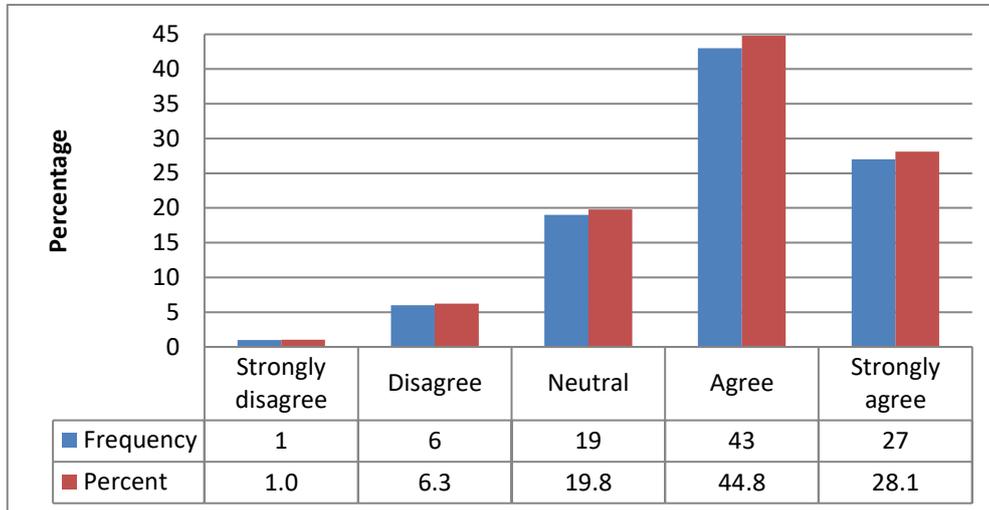


Figure 4.14: In my business there is a strong relationship between the number of new ideas generated and the number of new ideas successfully implemented

- My business places a strong emphasis on continuous improvement in product/service delivery

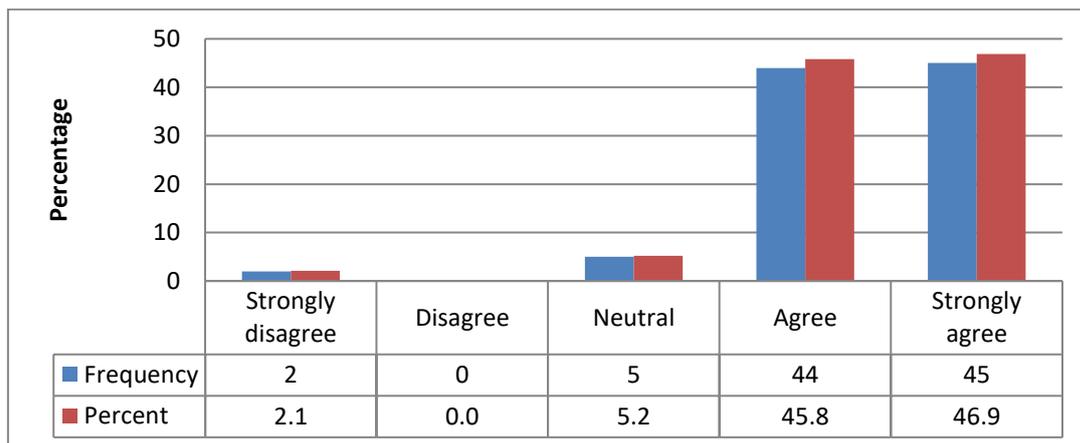


Figure 4.15: My business places a strong emphasis on continuous improvement in product/service delivery

Participants' responses on whether the business places a strong emphasis on continuous improvement on product/service delivery are illustrated in Figure 4.15. A total of 45 (46.9%)

of the participants strongly agreed, and 44 (45.8%) were in agreement. On the other hand, 5 (5.2%) were neutral, and 2 (2.1%) were in strong disagreement.

Participants' responses on whether they believe that innovation is an absolute necessity for the future of the business are shown in Figure 4.16. The results show that 52 (54.2%) of the participants strongly agreed that innovation is an absolute necessity for the future of the business, 42 (43.8%) agreed, and 2 (2.1%) were neutral in opinion. None of the participants gave a negative response to the necessity of innovation for the future of the business.

- My business has a widely-held belief that innovation is an absolute necessity for the future of the business

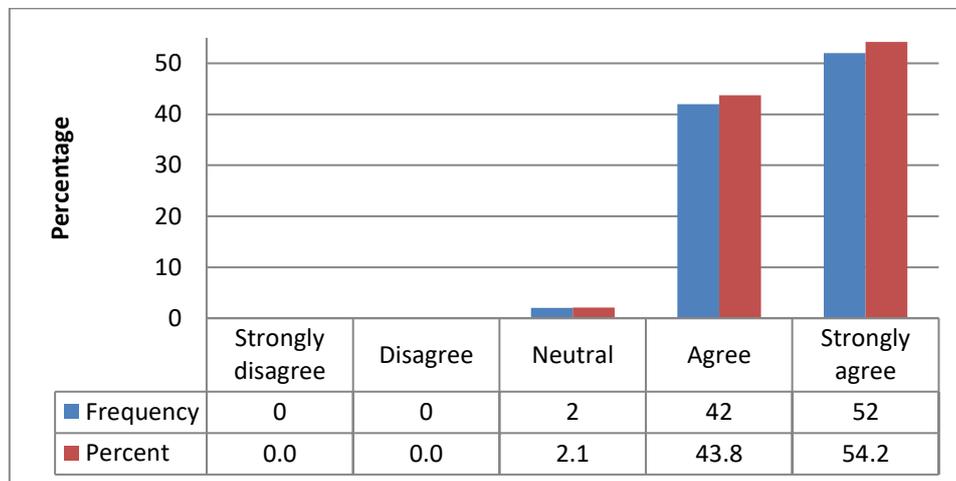


Figure 4.16: My business has a widely-held belief that innovation is an absolute necessity for the future of the business

Risk-taking

This subsection presents the analysis of risk-taking of youth entrepreneurs in TMM using frequencies and percentages.

- When confronted with uncertain decisions, my business typically adopts a bold posture in order to maximise the probability of exploiting opportunities

Participants' responses on the above statement are shown in Figure 4.17. It is shown that 58 (60.4%) disagreed with the statement, 18% (18.8) had a neutral viewpoint, and 16 (16.7%) agreed. Very low percentages, that is, 3 (3.1%) strongly agreed, and 1 (1%) strongly disagreed.

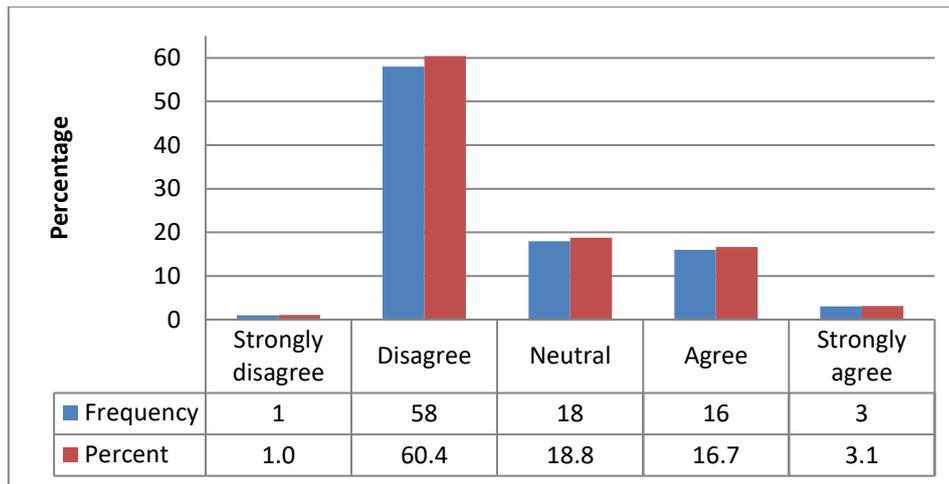


Figure 4.17: When confronted with uncertain decisions, my business typically adopts a bold posture in order to maximise the probability of exploiting opportunities

- In general, my business has strong inclination towards high-risk projects

Figure 4.18 shows participants' reactions on whether the business has a strong inclination towards high-risk projects. A total of 28 (29.2%) of the participants disagreed, 27 (28.1%) were in agreement, 21 (21.9%) were neutral in opinion, 20 (20.8%) strongly agreed, and 1% of the participants strongly disagreed with the statement.

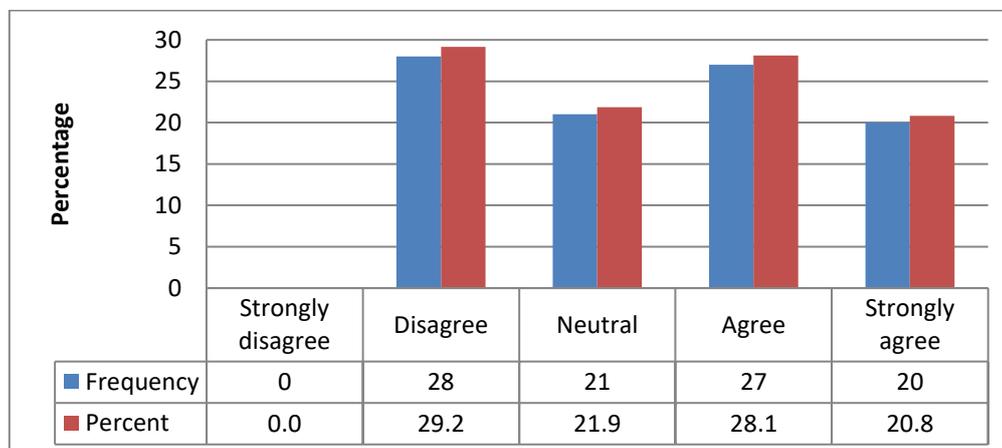


Figure 4.18: In general, my business has strong inclination towards high-risk projects

- Employees are often encouraged to take calculated risks concerning new ideas

Figure 4.19 shows the responses of participants if employees are often encouraged to take calculated risks concerning new ideas. A total of 40 (41.7%) were in disagreement, 34

(35.4%) participants were neutral, 13 (13.5%) agreed, and 9 (9.4%) strongly agreed. No participants strongly disagreed with the statement.

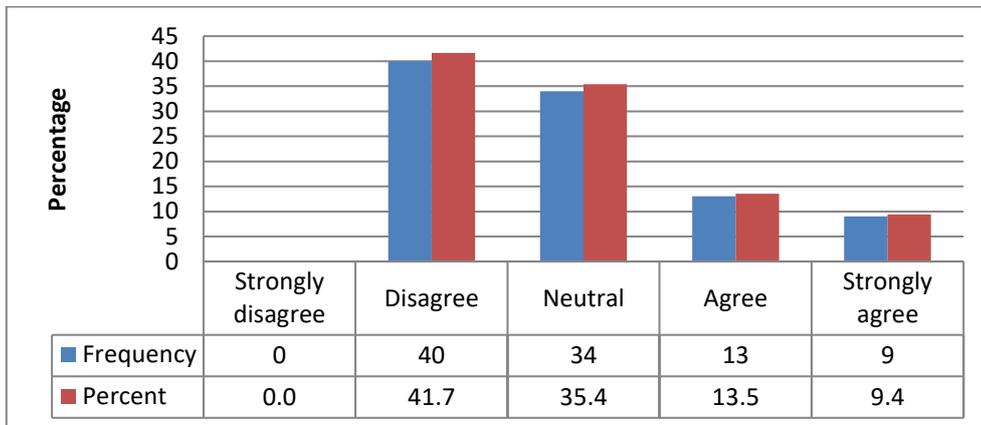


Figure 4.19: Employees are often encouraged to take calculated risks concerning new ideas

- The term “risk-taker” is considered a positive attribute for employees in our business

Figure 4.20 shows participants’ responses, on if the term “risk-taker” is considered a positive attribute for employees in their business. The results shows that 35 (36.5%) of participants were neutral on this statement, 30 (31.3%) disagreed, 19 (19.8%) agreed, 11 (11.5%) strongly agreed, and 1 (1.0%) strongly disagreed.

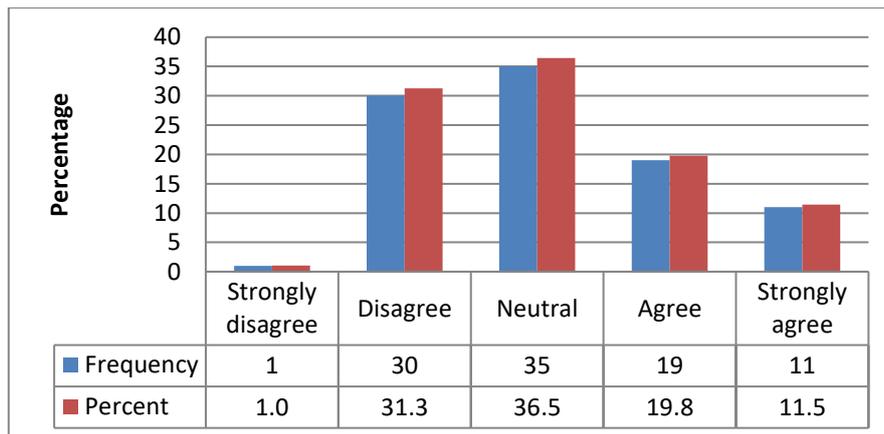


Figure 4.20: The term “risk-taker” is considered a positive attribute for employees in our business

Pro-activeness

This subsection presents the analysis of pro-activeness of youth entrepreneurs in TMM using frequencies and percentages.

- My business is very often the first to introduce new products/services

Figure 4.21 shows participants' responses if the business was very often the first to introduce new products/services. A total of 34 (35.4%) of participants agreed, while 26 (27.1%) disagreed. Comparatively, 20 (20.8%) were neutral in opinion, 13 (13.5%) strongly agreed, and 3 (3.1%) strongly disagreed with the statement.

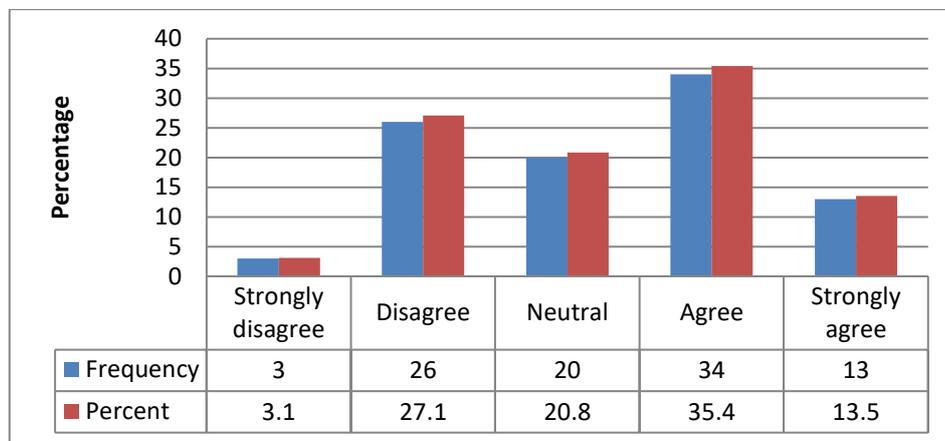


Figure 4.21: My business is very often the first to introduce new products/services

- My business typically initiates actions that competitors respond to

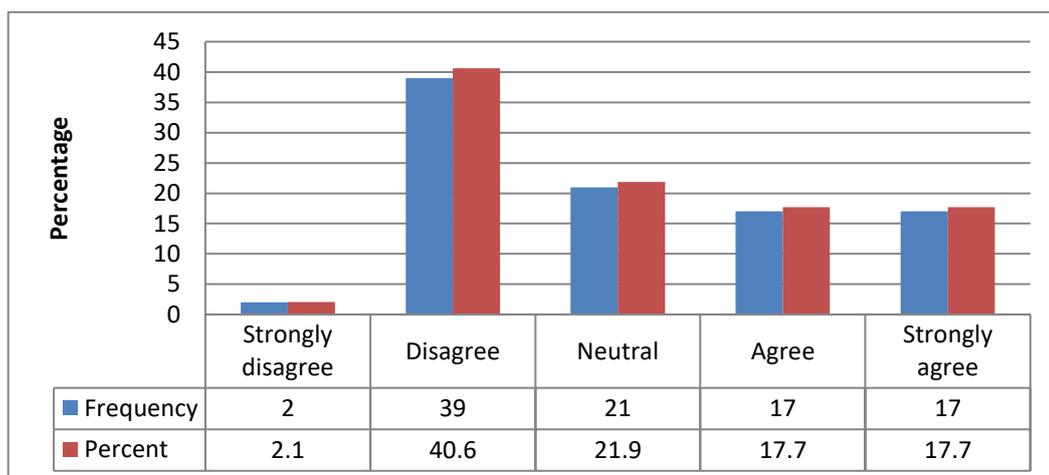


Figure 4.22: My business typically initiates actions that competitors respond to

Figure 4.22 shows the responses of the participants on whether the business typically initiate actions that competitors respond to. The analysis revealed that 39 (40.6%) disagreed with this statement, while 21 (21.9%) were neutral in opinion. On the other hand, a 17 (17.7%) agreed and strongly agreed respectively, and 2 (2.1%) strongly disagreed.

- My business continuously seeks out new products/services

Figure 4.23 shows the responses of participants, namely if the business continuously seeks out new products/services. The results show that 44 (45.8%) strongly disagreed with this statement, and 43 (44.8%) disagreed, 7 (7.3%) were neutral, 2 (2.1%) agreed, while none of the participants strongly agreed with this statement.

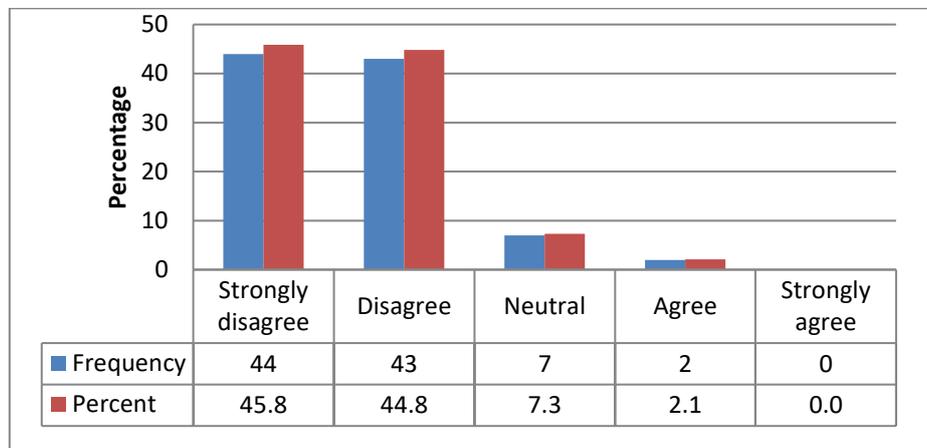


Figure 4.23: My business continuously seeks out new products/services

- My business continuously monitors market trends and identifies future needs of customers

Figure 4.24 shows the responses if the business continuously monitors market trends and identify future needs of customers. A total of 46 (47.9%) agreed with this statement, and 42 (43.8%) strongly agreed. Notably, 8 (8.3%) were neutral, while none of the participants strongly disagreed or disagreed with the statement.

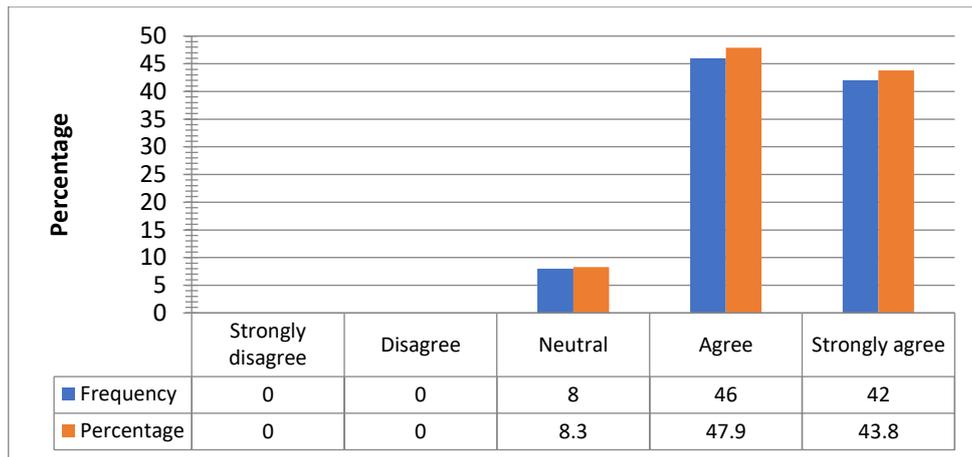


Figure 4.24: My business continuously monitors market trends and identifies future needs of customers

Competitive aggressiveness

This subsection presents the analysis of competitive aggressiveness of youth entrepreneurs in TMM using frequencies and percentages.

- My business is competitive to overcome threats posed by competitors

Figure 4.25 shows participants' responses on if the business is competitive to overcome threats posed by competitors. A total of 49 (51.0%) of the participants disagreed, while 29 (30.2%) had a neutral opinion. However, some 10 (10.4%) of the participants agreed, 8 (8.3%) strongly agreed, while none of the participants strongly disagreed with this statement.

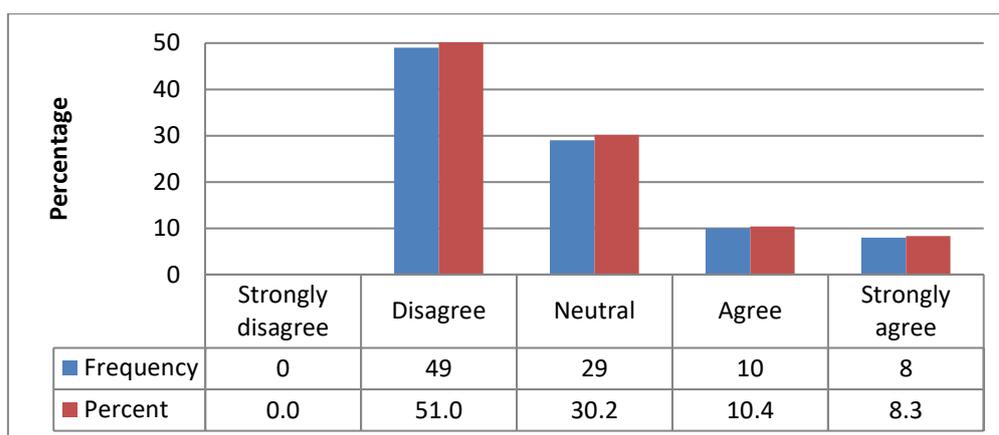


Figure 4.25: My business is competitive to overcome threats posed by competitors

- My business participates in marketing through aggressive advertising

Figure 4.26 shows the responses of participants on if the business participates in marketing through aggressive advertising. The results shows that 24 (25.0%) of the participants disagreed, and 23 (24.0%) agreed and strongly agreed respectively. To the contrary, 15 (15.6%) of the participants were neutral, and 11(11.5%) strongly disagreed with this statement.

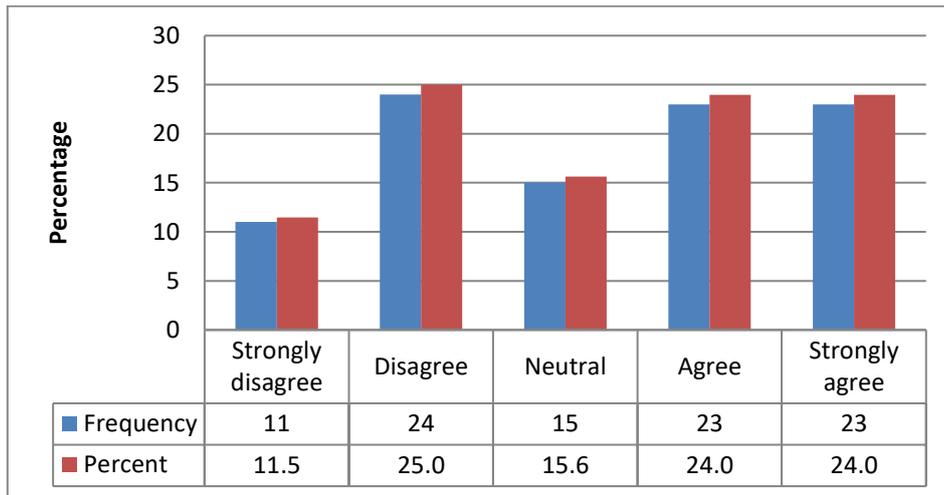


Figure 4.26: My business participates in marketing through aggressive advertising

- My business implemented strategies that promote competitive aggressiveness to gain an increased market share

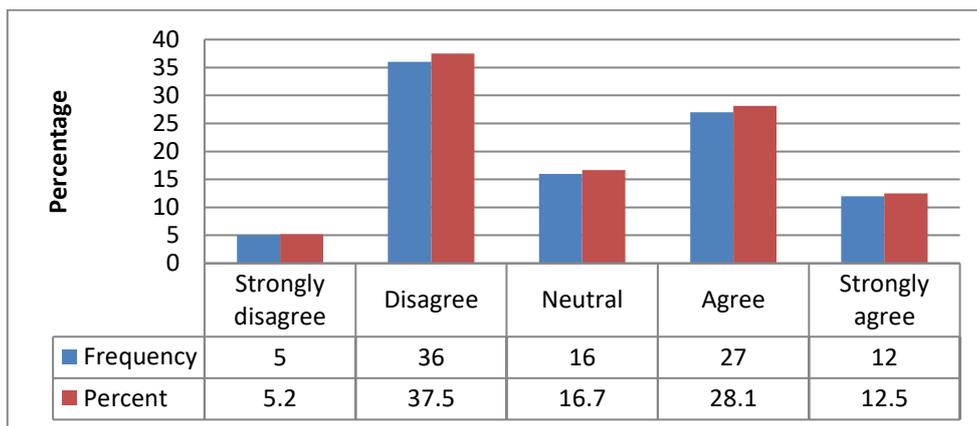


Figure 4.27: My business implemented strategies that promote competitive aggressiveness to gain an increased market share

Figure 4.27 shows responses of participant on if the business implemented strategies that promote competitive aggressiveness to gain an increased market share. The results reveals that 36 (37.5%) of the participants disagreed, while 27 (28.1%) agreed, 16 (16.7%) were neutral in opinion, 12 (12.5%) strongly agreed, and 5 (5.2%) strongly disagreed.

4.4.1.2 Push and pull factors of entrepreneurial orientation

This section presents the analysis of the factors that push and pull the youth of TMM into entrepreneurship.

Push factors of entrepreneurial orientation

The subsection provides an analysis of the push factors of EO, using frequencies and percentages.

Participants' views on EO push factors are based on a 4-point Likert scale ranging from 1=strongly disagree, 2=disagree, 3=agree and 4=strongly agree.

- I started my business because I was unemployed

Figure 4.28 shows participants' responses on if the business was started because of unemployment. A total of 33 (34.4%) of participants disagreed and agreed respectively, 30 (31.3%) strongly agreed, while none of the participants strongly disagreed with this statement.

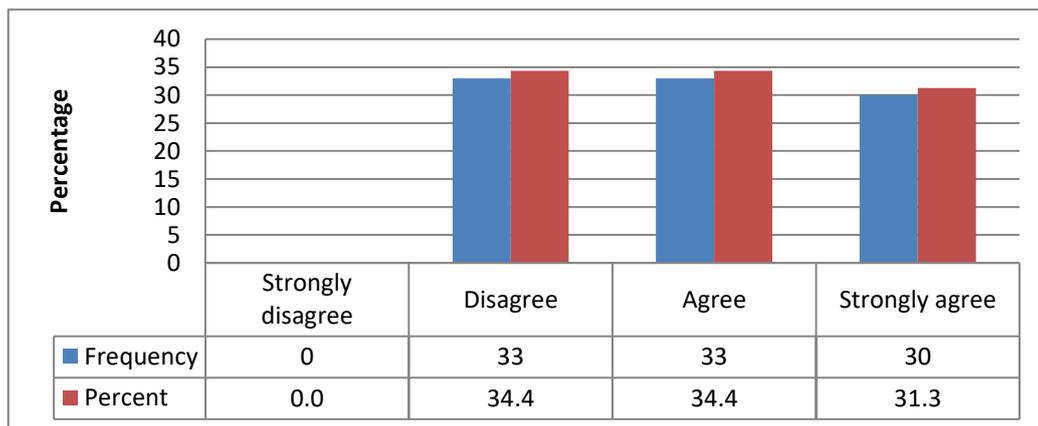


Figure 4.28: I started my business because I was unemployed

- I started my business because of job security

Figure 4.29 shows participants' views on whether the business was started because of job security. A total of 37 (38.5%) of the participants agreed, while 36 (37.5%) strongly agreed, 23 (24.0%) disagreed, while none of the participants strongly disagreed with the statement.

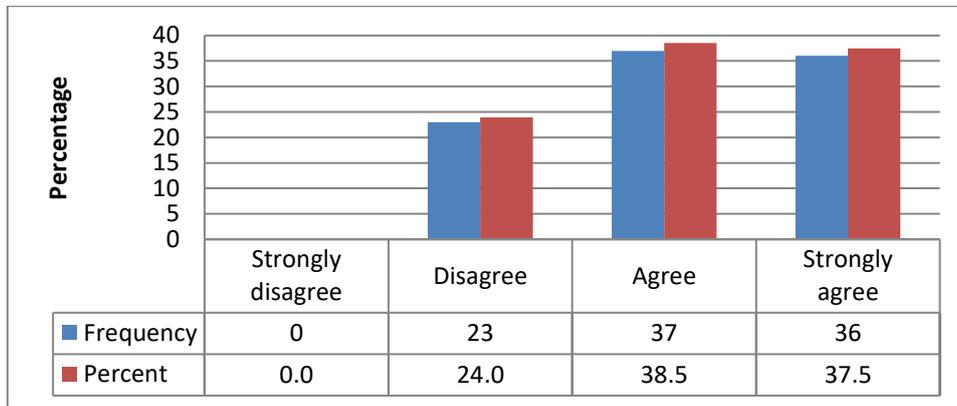


Figure 4.29: I started my business because of job security

- My business started because I had a disagreement with my previous manager

Figure 4.30 shows participants' opinion on if the business was started because of a disagreement with a previous manager. A total of 53 (55.2%) of participants disagreed with this statement, while 37 (38.5%) strongly disagreed. Further, 6 (6.3%) agreed, while none of the participants strongly agreed with the statement.

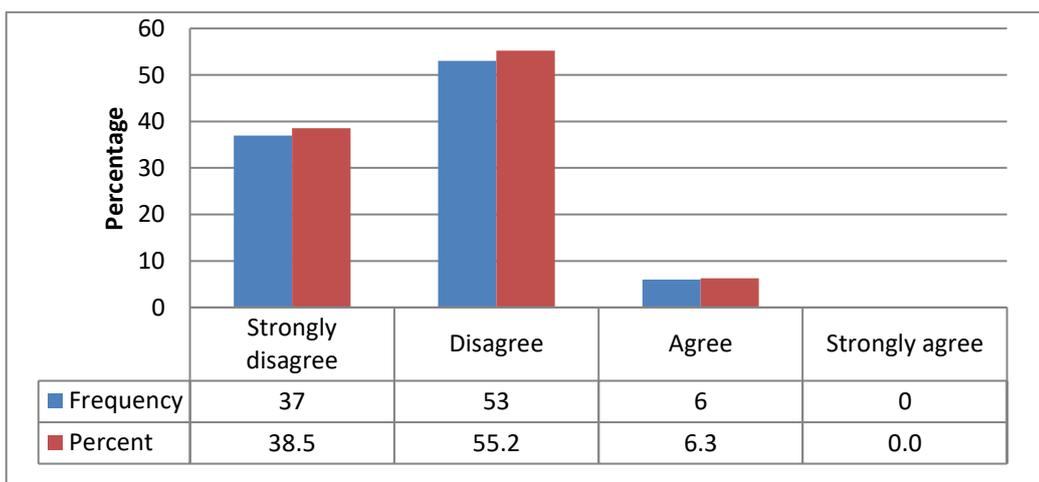


Figure 4.30: My business started because I had a disagreement with my previous manager

- I embarked on my business because I don't fit into the organisation I was working for/or my working environment

Figure 4.31 shows participants' responses on the statement "I embarked on my business because I don't fit into the organisation I was working for/or my working environment". The results revealed that 41 (42.7%) of participants strongly disagreed with this statement, while 37 (38.5%) disagreed. Moreover, 10 (10.4%) agreed, and 8 (8.3%) strongly agreed with this statement.

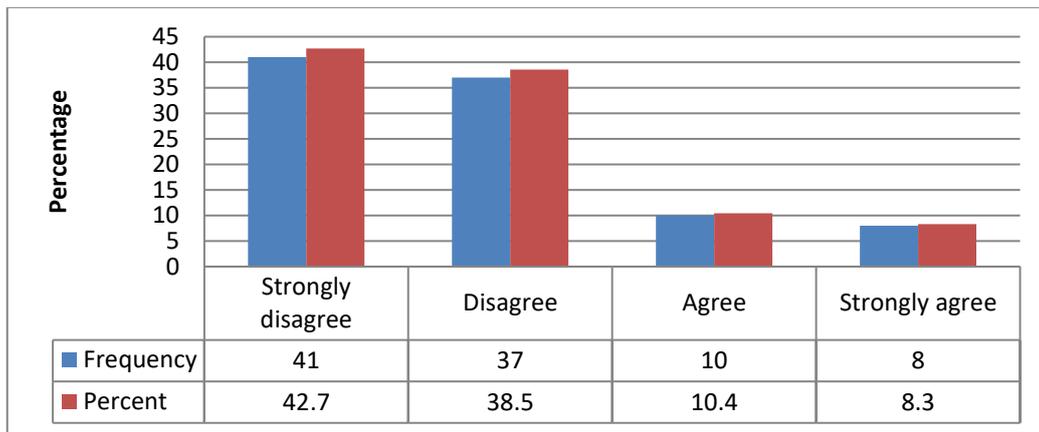


Figure 4.31: I embarked on my business because I don't fit into the organisation I was working for/or my working environment

- Retrenchment was the cause of this business

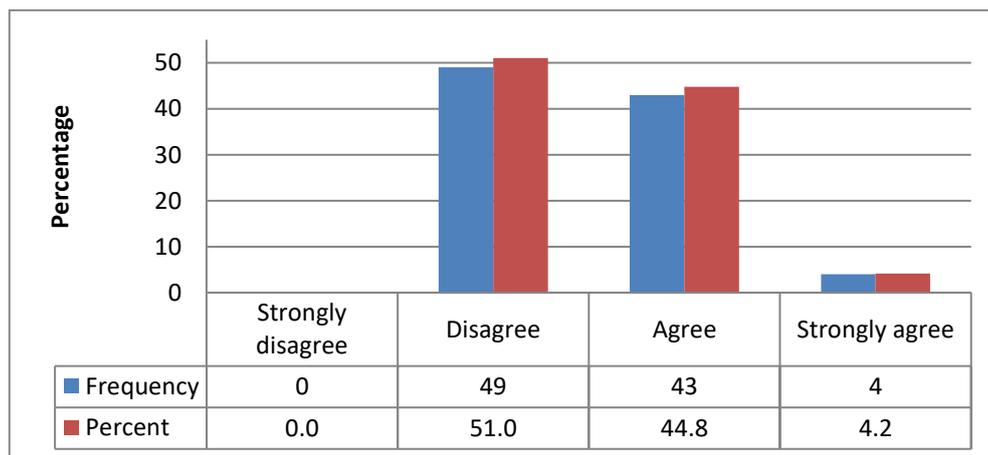


Figure 4.32: Retrenchment was the causes of this business

Figure 4.32 shows the responses of participants on if retrenchment was the cause of this business. The results showed that 49 (51.0%) of participants disagreed, 43 (44.8%) agreed, 4 (4.2%) strongly agreed, and none of the participants strongly disagreed.

- I was rendered redundant in my former job, then I think of turning the area of my strength into business

Figure 4.33 shows participants' responses on if being rendered redundant in their former job, and thinking of turning the area of their strength into business. A total of 37 (38.5%) of the participants agreed, while 36 (37.5%) disagreed. On the other hand, 23 (24.0%) strongly agreed, and none of the participants strongly disagreed with this statement.

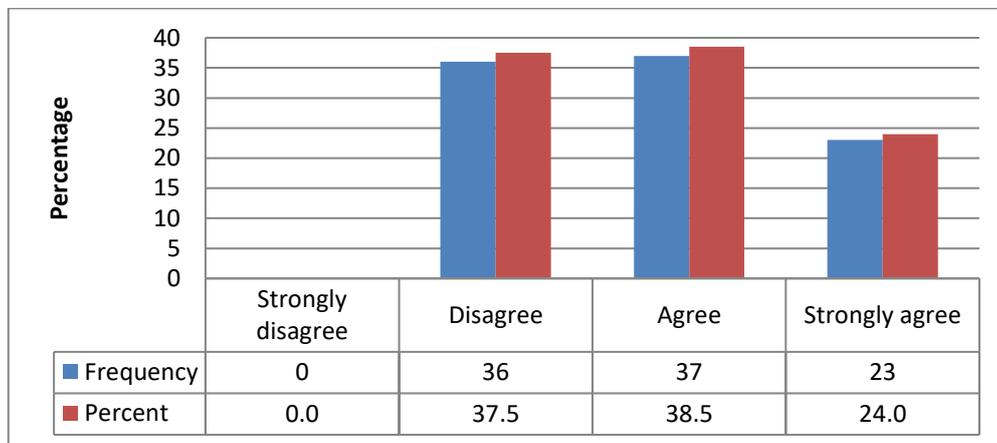


Figure 4.33: I was rendered redundant in my former job, then I think of turning the area of my strength into business

- I started my business because I need to accommodate work and home roles

Figure 4.34 shows participants' opinions on starting the business because of the need to accommodate work and home roles. A total of 37 (38.5%) of participants agreed with this statement, while 28 (29.2%) strongly agreed. To the contrary, 25 (26.0%) disagreed, and 6 (6.3%) strongly disagreed.

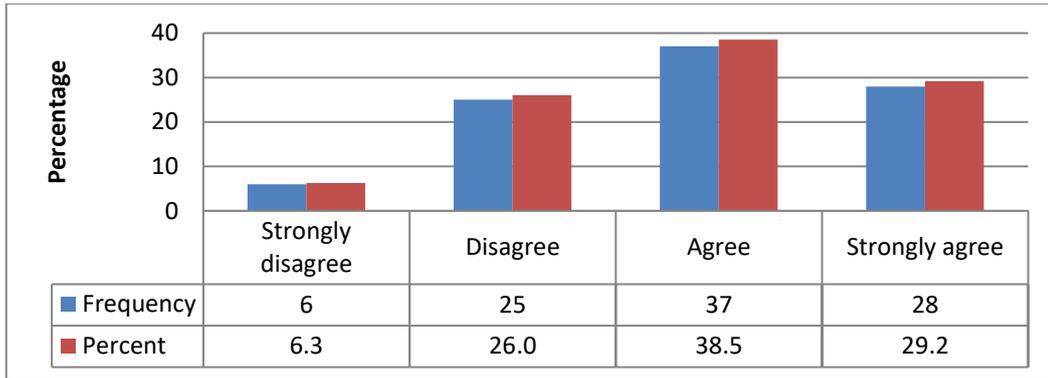


Figure 4.34: I started my business because I need to accommodate work and home roles

- Peer pressure forced me to leave my former job

Figure 4.35 shows participants' responses on if peer pressure forced them to leave their former jobs. The results shows that 62 (64.6%) of the participants disagreed, while 31 (32.3%) agreed; 3 (3.1%) strongly agreed, and none of the participants strongly disagreed with the statement.

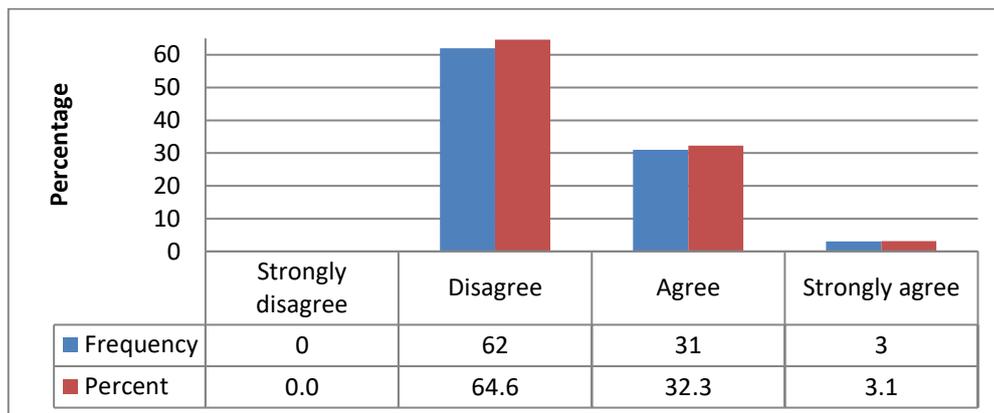


Figure 4.35: Peer pressure forced me to leave my former job

- I could not cope with the strict working hours, then I pulled out of my former job

Figure 4.36 shows participants' views on the failure to cope with strict working hours and the pulling out of a former job. A total of 53 (55.2%) of participants disagreed, 38 (39.6%) agreed, 5 (5.2%) strongly agreed, and none of the participants strongly disagreed with the statement.

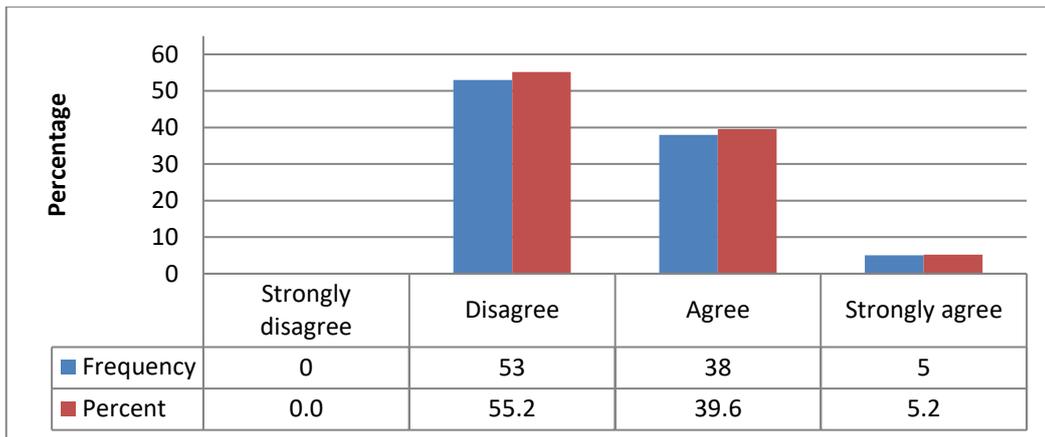


Figure 4.36: I could not cope with the strict working hours, then I pulled out of my former job

- I did not see myself growing in my former employment, then I opted out and started this business

Figure 4.37 shows participants' responses on the statement "I did not see myself growing in my former employment, then I opted out and started this business." A total of 38 (39.6%) of the participants strongly agreed, and 34 (35.4%) agreed; while 24 (25.0%) disagreed, and none of the participants strongly disagreed with the statement.

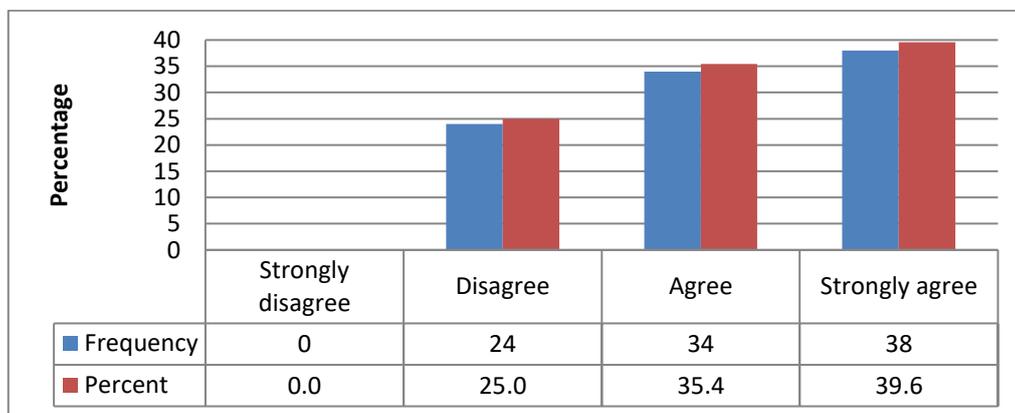


Figure 4.37: I did not see myself growing in my former employment, then I opted out and started this business

- I started my own business because of marriage break-up

Figure 4.38 shows the responses of participants on statement "I started my own business because of marriage break-up". The results shows that 63 (65.6%) of participants disagreed,

31 (32.3%) agreed, and 2 (2.1 %) strongly agreed with the statement. None of the participants strongly disagreed with the statement.

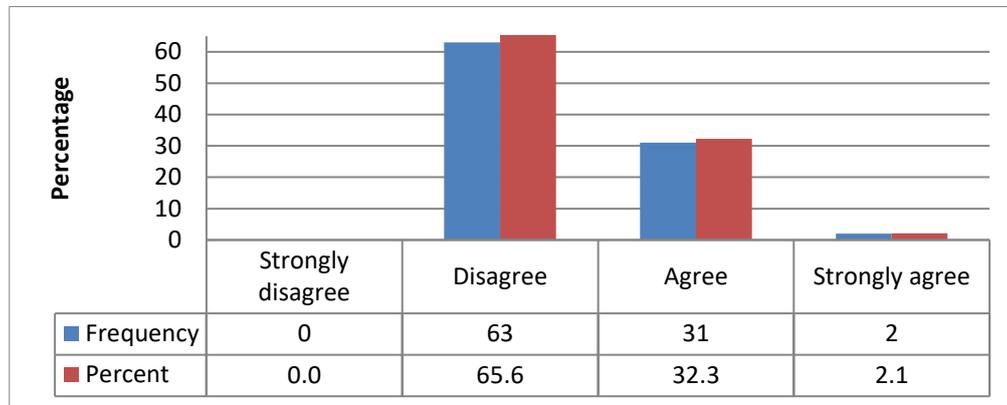


Figure 4.38: I started my own business because of marriage break-up

- I started my own business because I have no other alternatives

Figure 4.39 shows participants’ responses on the statement “I started my own business because I have no other alternatives.” A total of 48 (50.0%) of participants disagreed with this statement, while 36 (37.5%) agreed; and 12 (12.5%) strongly agreed. None of the participants strongly disagreed with the statement.

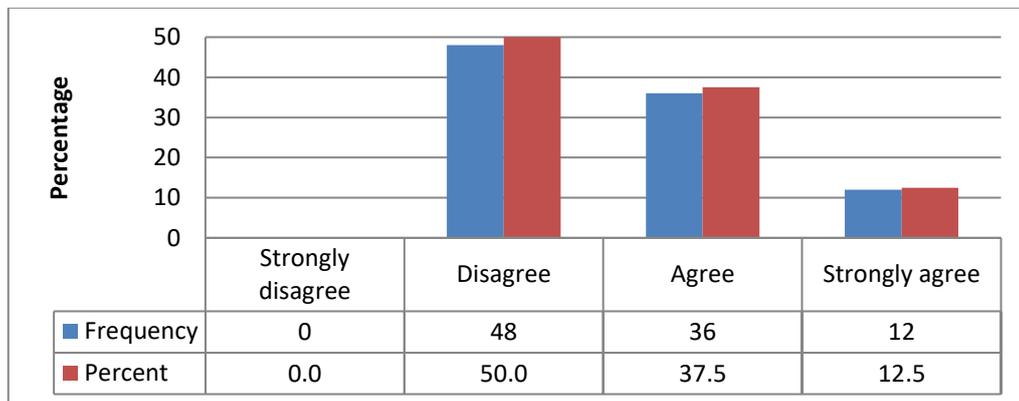


Figure 4.39: My own business was started because of no other alternatives

Pull factors of entrepreneurial orientation

This section of the questionnaire covers the second part of EO, and dwells on the factors that pull the youth to entrepreneurship in TMM. This subsection provides an analysis of the pull factors on EO using frequencies and percentages. Responses of participants on the pull

factors of EO were also based on a 4-point Likert scale that was ranging from 1=strongly disagree, 2=disagree, 3=agree, and 4=strongly agree.

- I started my own business because I want to be independent

Figure 4.40 shows the perceptions of participants on the statement “I started my own business because I want to be independent.” A total of 49 (51.0%) of the participants strongly agreed, 37 (38.5%) agreed, 6 (6.3%) strongly disagreed, and 4 (4.2%) disagreed.

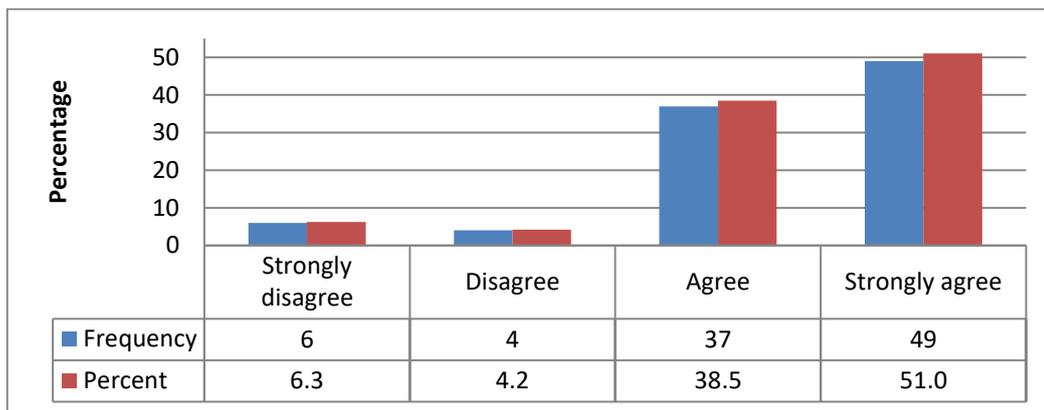


Figure 4.40: I started my own business because I want to be independent

- I started my own business because I want to achieve something

Figure 4.41 shows the responses on “I started my own business because I want to achieve something. A total of 68 (70.8%) of the participants strongly agreed, 26 (27.1%) agreed, 1 (1.0%) strongly disagreed, and 1 (1.0%) disagreed with the statement respectively.

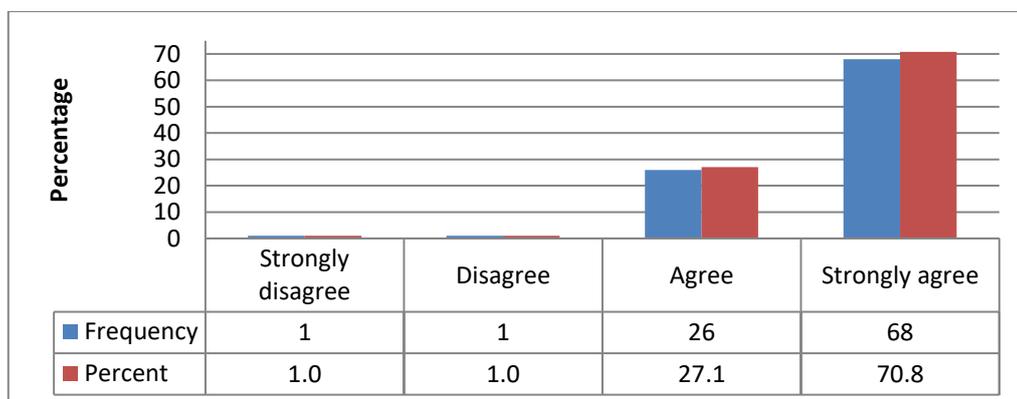


Figure 4.41: I started my own business because I want to achieve something

- I started my own business because I wanted recognition

Figure 4.42 shows the respondents opinions on “I started my own business because I wanted recognition.” A total of 34 (35.4%) of the participants strongly disagreed, 30 (31.3%) agreed, 20 (20.8%) strongly agreed, and 12 (12.5%) disagreed with the statement.

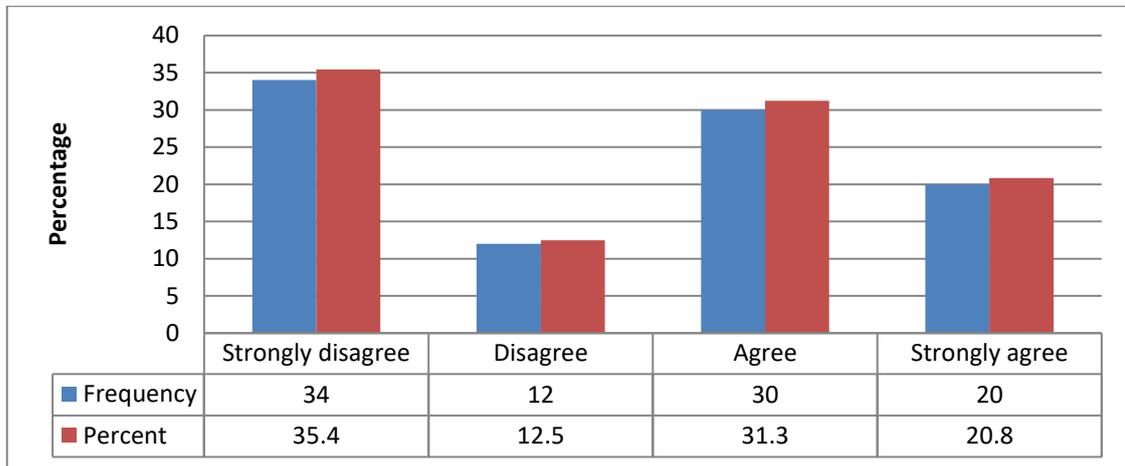


Figure 4.42: I started my own business because I wanted recognition

- I started my own business because I wanted to be challenged

Figure 4.43 shows participants’ responses on “I started my own business because I wanted to be challenged”. A total of 51 (53.1%) of the respondents strongly agreed, 31 (32.3%) agreed, 13 (13.5%) strongly disagreed, and only 1 (1%) disagreed with the statement.

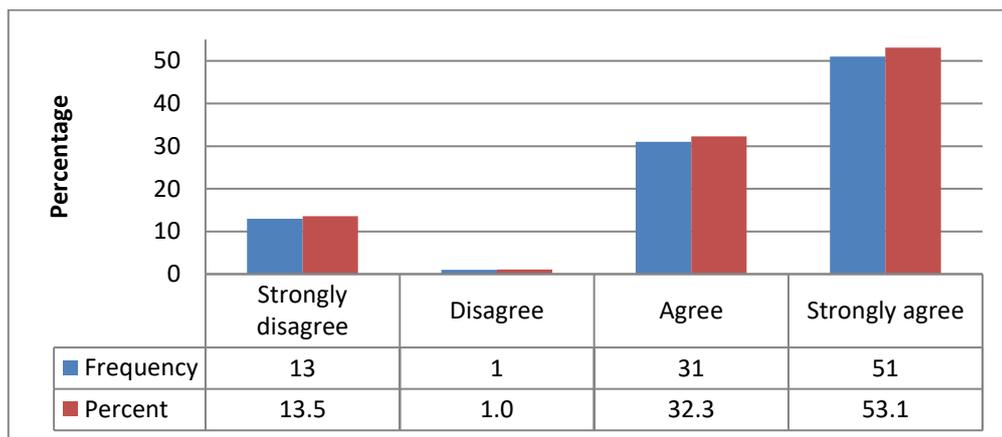


Figure 4.43: I started my own business because I wanted to be challenged

- I started my own business because I want to use my past experience and training

Figure 4.44 shows the responses on “I started my own business because I want to use my past experience and training. A total of 40 (41.7%) of the participants strongly agreed, 36 (37.5%) agreed, 16 (16.7%) strongly disagreed, and the remaining 4 (4.2%) disagreed with the statement.

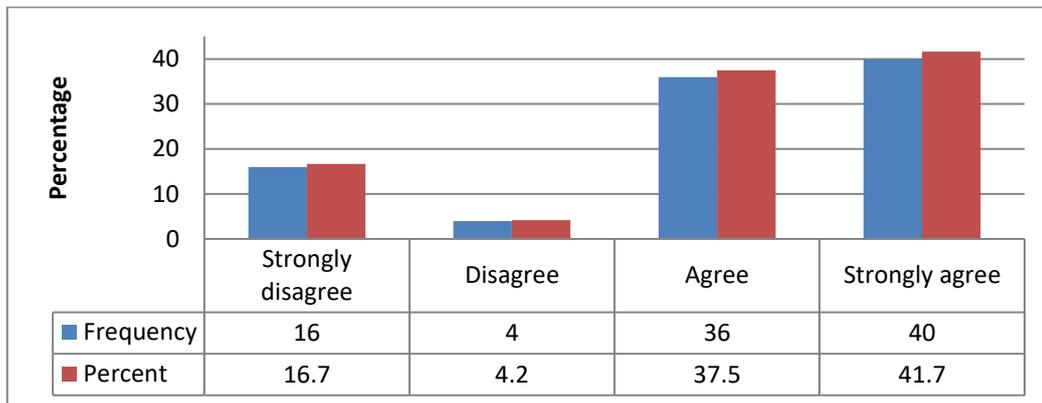


Figure 4.44: I started my own business because I want to use my experience and training

- I started my own business because I want to provide jobs to family members

Figure 4.45 shows participants’ responses on “I started my own business because I want to provide jobs to family members”. A total of 47 (49.0%) of the participants strongly disagreed, 21 (21.9%) agreed with the statement, 18 (18.8%) strongly agreed, and 10 (10.4%) disagreed.

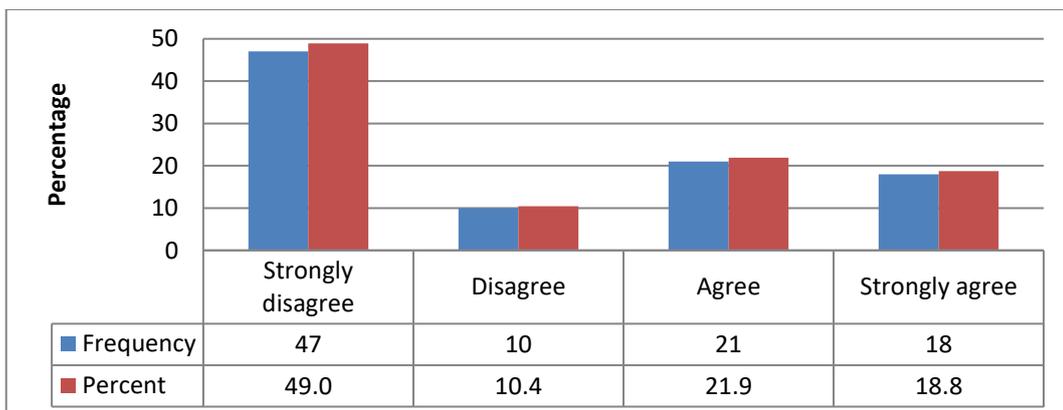


Figure 4.45: I started my own business because I want to provide jobs to family members

- I started my own business because I want to be different from others

Figure 4.46 shows participants' responses on "I started my own business because I want to be different from others". A total of 36 (37.5%) of participants strongly agreed with the statement, while 27 (28.1%) agreed. Comparatively, 26 (27.1%) strongly disagreed, and 7 (7.3%) disagreed with the statement.

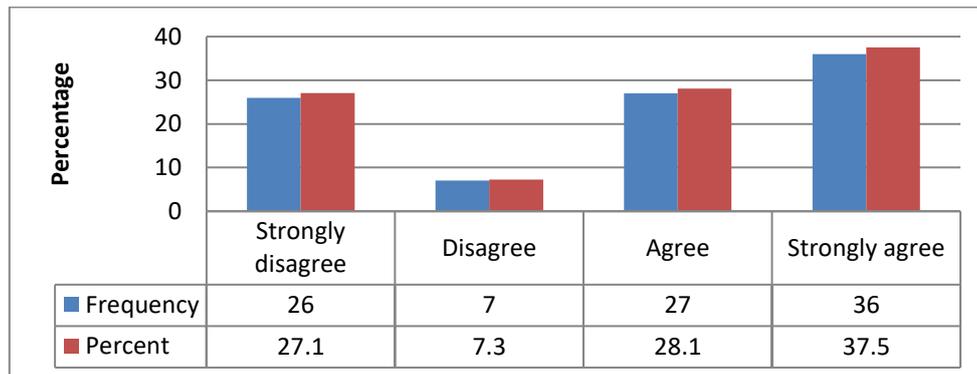


Figure 4.46: I started my own business because I want to be different from others

- I started my own business because I want personal development

Figure 4.47 shows participants' responses on "I started my own business because I want personal development". The results shows that 47 (49.0%) of the participants agreed with the statement, and 46 (47.9%) strongly agreed. To the contrary, 3 (3.1%) strongly disagreed, while none of the participants disagreed with the statement.

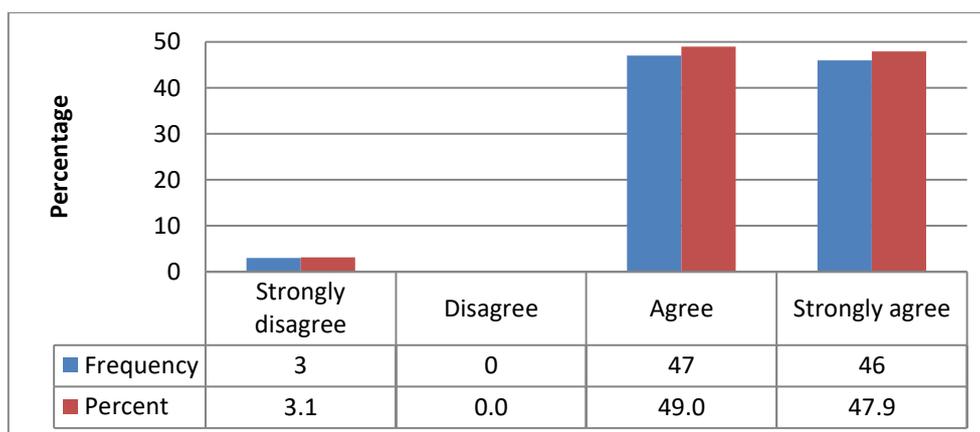


Figure 4.47: I started my own business because I want personal development

- I started my own business because I want to generate my personal wealth

Figure 4.48 shows participants' responses on "I started my own business because I want to generate my personal wealth". A total of 61 (63.5%) of the participants strongly agreed, while 19 (19.8%) agreed. On the other hand, 13 (13.5%) strongly disagreed, and 3 (3.1%) disagreed with the statement.

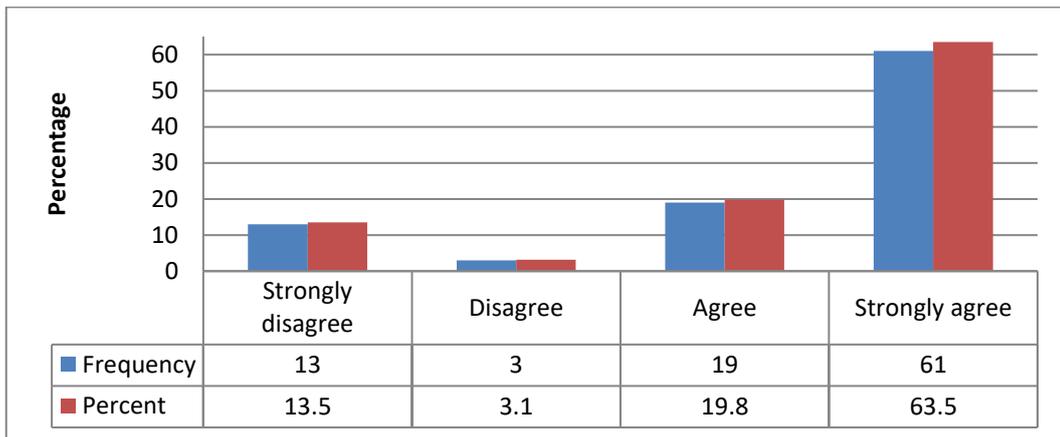


Figure 4.48: I started my own business because I want to generate my personal wealth

Figure 4.49 shows the responses of participants on "I started my own business because I identified an opportunity in the market place." A total of 58 (60.4%) of the participants strongly agreed, 33 (34.4%) agreed, 5 (5.2%) strongly disagreed, and none of the participants disagreed with the statement.

- I started my own business because I identified an opportunity in the market place

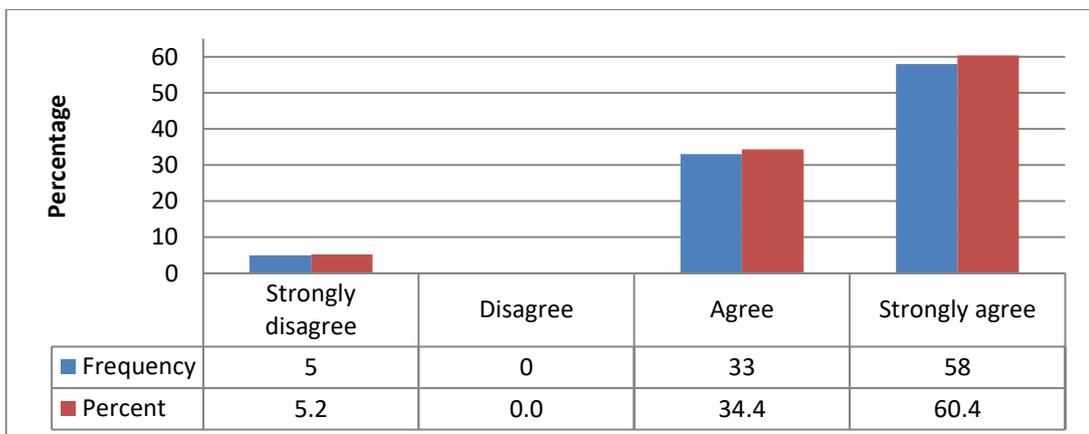


Figure 4.49: I started my own business because I identified an opportunity in the market place

Business success of youth entrepreneurs

Section 4.1 of the questionnaire evaluated the business success of youth entrepreneurs on a 4-point Likert scale which ranged from 1=strongly disagree, 2=disagree, 3=agree and 4=strongly agree. This subsection presents the analysis of business success of youth entrepreneurs in TMM using frequencies and percentages.

- I have experienced growth in turnover

Figure 4.50 shows participants' responses on "I have experienced growth in turnover." A total of 59 (61.5%) of participants agreed with this statement, 19 (19.8%) strongly disagreed, 16 (16.7%) strongly agreed, and 2 (2.1%) disagreed with the statement.

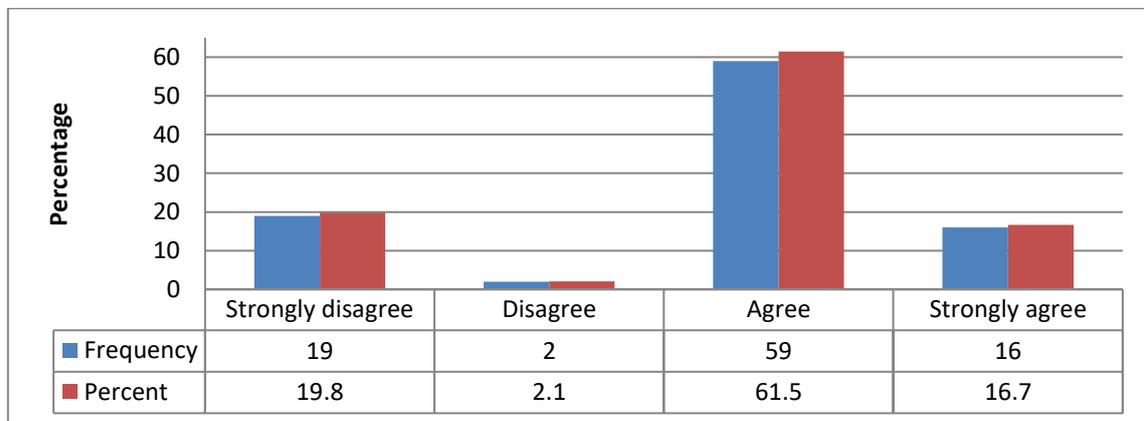


Figure 4.50: I have experienced growth in turnover

- I have experienced growth in profit

Figure 4.51 shows participants' responses on "I have experienced growth in profit". The results shows that the most participants agreed, 60 (62.5%), 18 (18.8%) strongly disagreed, 16 (16.7%) strongly agreed, and 2 (2.1%) disagreed with the statement.

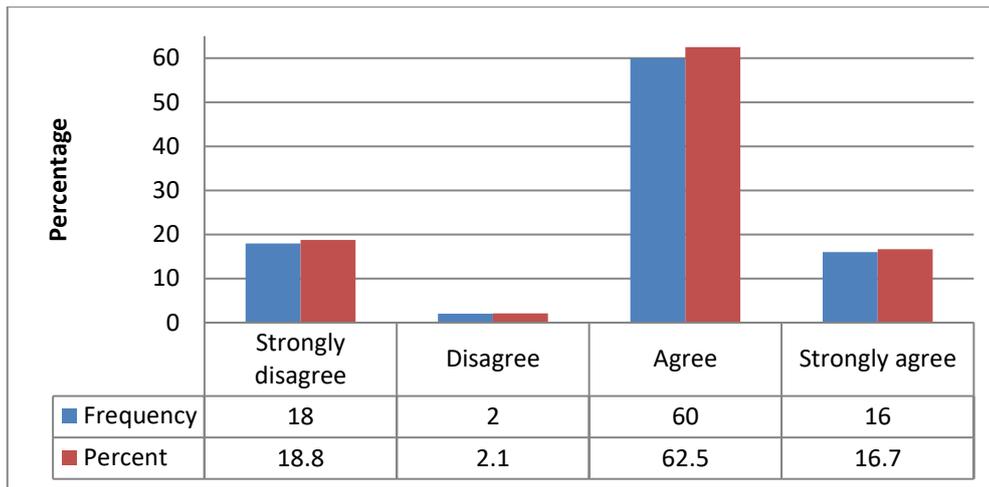


Figure 4.51: I have experienced growth in profit

- I have experienced growth in the market share

Figure 4.52 shows participants' responses on "I have experienced growth in the market share". A total of 39 (40.6%) of participants agreed with the statement, 36 (37.5%) strongly disagreed, 19 (19.8%) strongly agreed, and 2 (2.1%) disagreed with the statement.

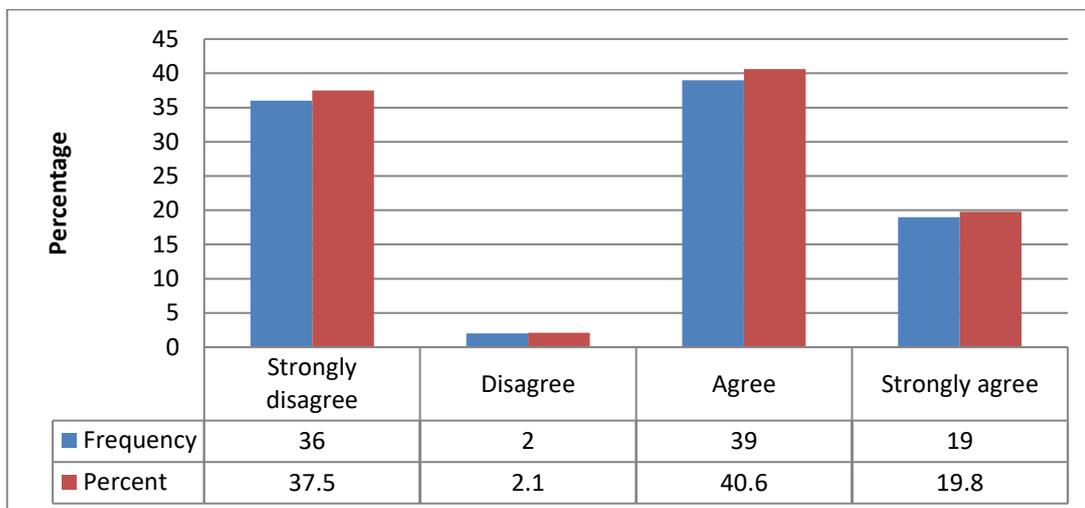


Figure 4.52: I have experienced growth in the market share

- My sales have grown higher

Figure 4.53 shows participants' responses on "my sales have grown higher". More than half of the participants agreed with the statement, 50 (52.1%), 29 (30.2%) strongly disagreed, 15 (15.6%) strongly agreed, and only 2 (2.1%) disagreed with the statement.

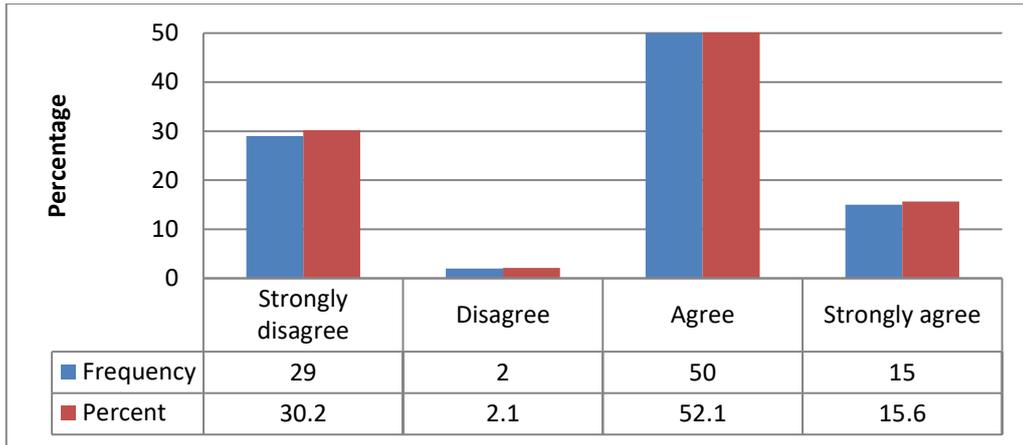


Figure 4.53: My sales have grown higher

- The competitive positions of my business have improved

Figure 4.54 shows participants' responses on "the competitive positions of my business have improved". A total of 53 (55.2%) of participants agreed with the statement, and 21 (21.9%) strongly agreed, 20 (20.8%) strongly disagreed, and only 2 (2.1%) disagreed with the statement.

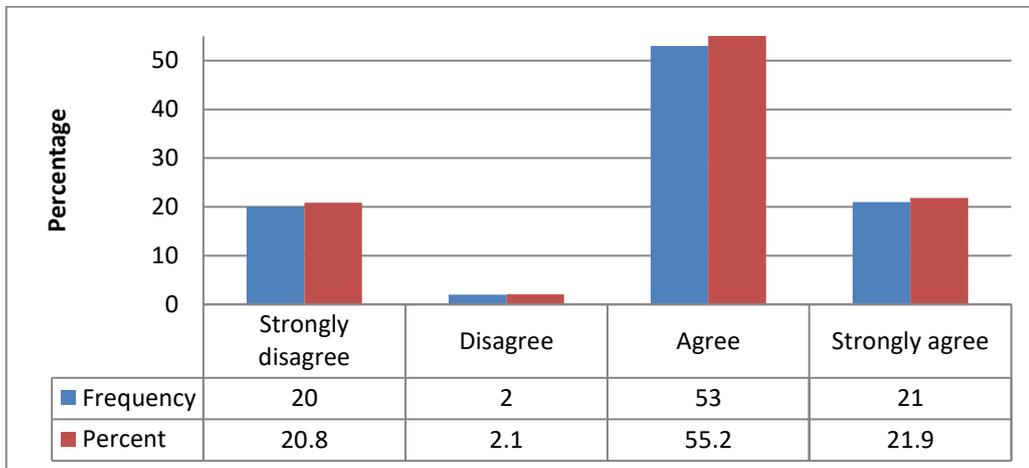


Figure 4.54: The competitive positions of my business have improved

- The effectiveness of my business has improved

Figure 4.55 shows the responses of participants on "the effectiveness of my business has improved". A total of 54 (56.3%) of participants agreed with the statement, 26 (27.1%) strongly agreed, 14 (14.6%) strongly disagreed, and 2 (2.1%) disagreed with the statement.

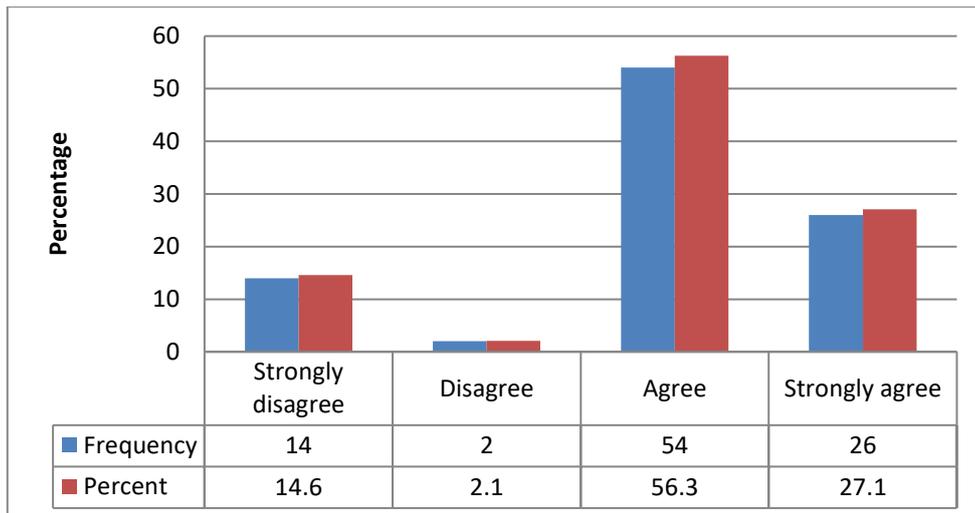


Figure 4.55: The effectiveness of my business has improved

- The efficiency of my business has improved

Figure 4.56 shows the responses of participants on “the efficiency of my business has improved”. A total of 56 (58.3%) agreed with the statement, 26 (27.1%) strongly agreed, 11 (11.5%) strongly disagreed, and 3 (3.1%) disagreed with the statement.

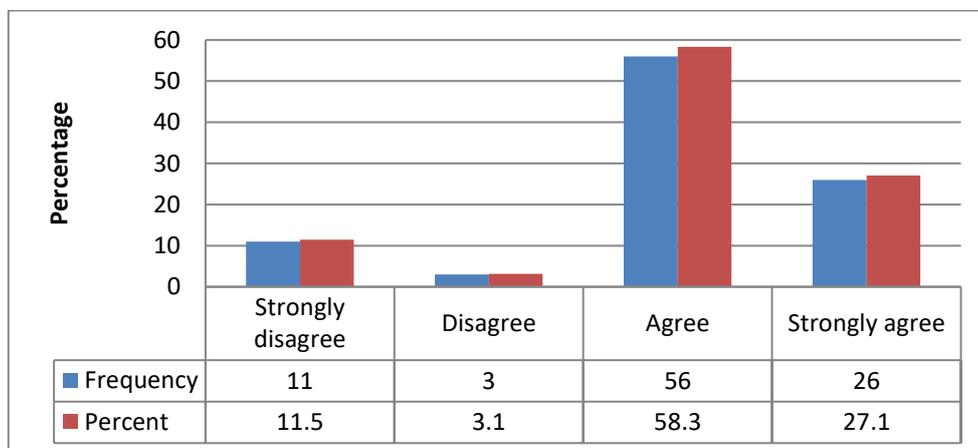


Figure 4.56: The efficiency of my business has improved

- In my business, employees are viewed as the most valuable assets of the business

Figure 4.57 shows participants’ responses on “in my business, employees are viewed as the most valuable assets of the business”. Most participants strongly agreed with the statement, 47 (49.0%), and 46 (47.9%) agreed. Only 3 (3.1%) strongly disagreed, and none of the participants disagreed with the statement.

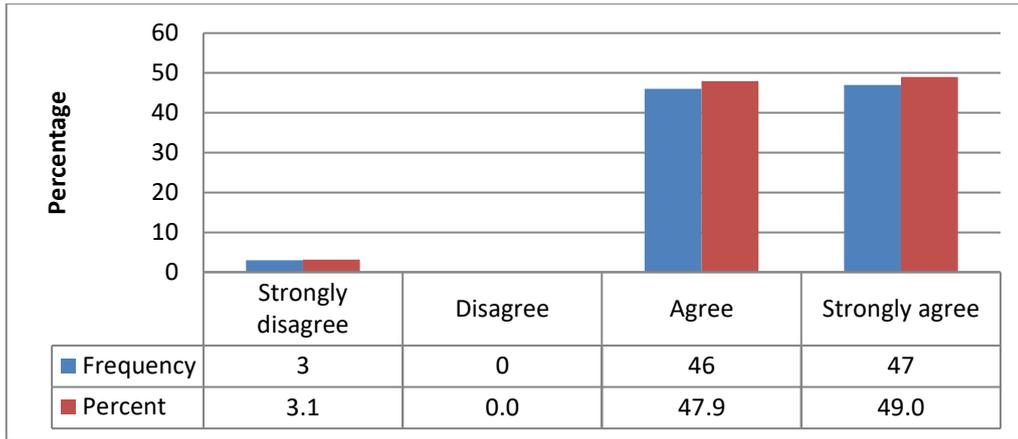


Figure 4.57: In my business, employees of the business are viewed as the most valuable assets

- My employees are highly committed to the business

Figure 4.58 shows participants' responses to the statement "my employees are highly committed to the business". Most participants agreed with the statement, 47 (49.0%), and 37 (38.5%) strongly agreed. Comparatively, 11 (11.5%) strongly disagreed, while only 1 (1.0%) disagreed with the statement.

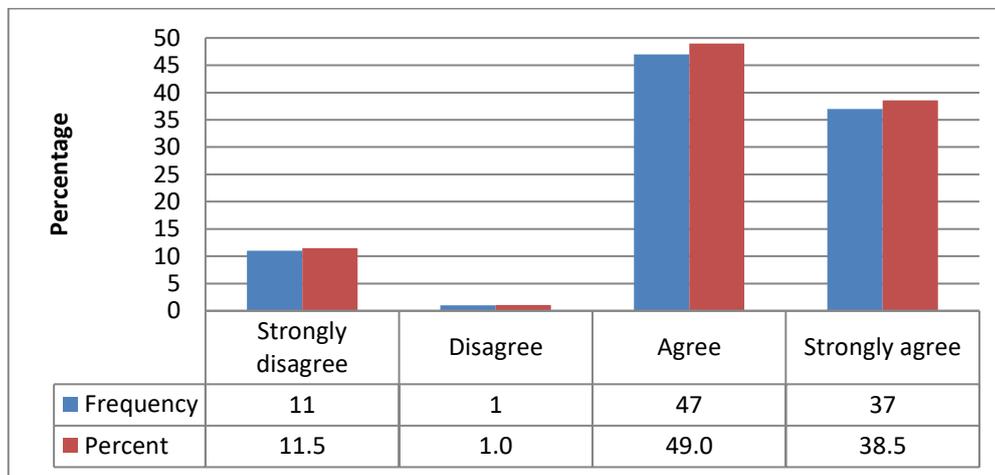


Figure 4.58: My employees are highly committed to the business

- The moral (job satisfaction) of my employees has improved

Figure 4.59 shows the responses on "the moral (job satisfaction) of my employees has improved. The results indicate that **most** of the participants agreed with the statement, 53

(55.2%), and 30 (31.3%) strongly agreed. However, 12 (12.5%) strongly disagreed, and only 1 (1.0%) disagreed with the statement.

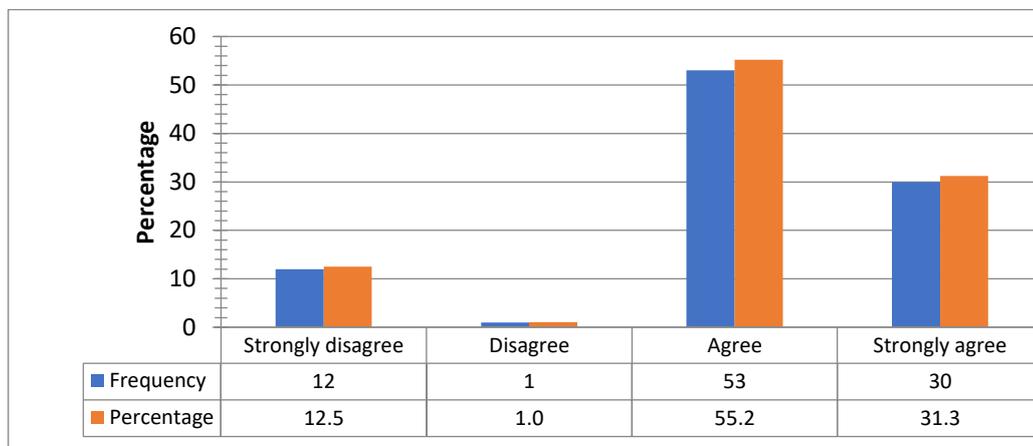


Figure 4.59: The moral (job satisfaction) of my employees has improved

- Being pushed to start my business helped me to become successful

Figure 4.60 shows participants' responses on "being pushed to start my business helped me to become successful". A total of 35 (36.5%) of participants agreed with the statement, and 27 (28.1%) strongly disagreed, 24 (25.0%) strongly agreed, and 10 (10.4%) disagreed with the statement.

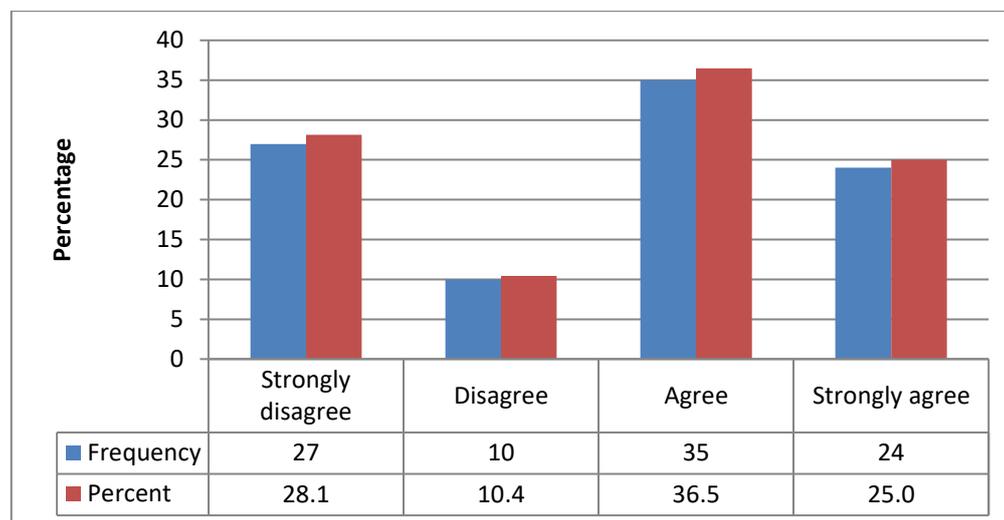


Figure 4.60: Being pushed to start my business helped me to become successful

- Being pulled to start my own business helped me to become more successful

Figure 4.61 shows the responses of participants on “being pulled to start my own business helped me to become more successful”. The results shows that most participants agreed with the statement, 41 (42.7%), 28 (29.2%) strongly disagreed; 20 (20.8%) strongly agreed, and 7 (7.3%) disagreed with the statement.

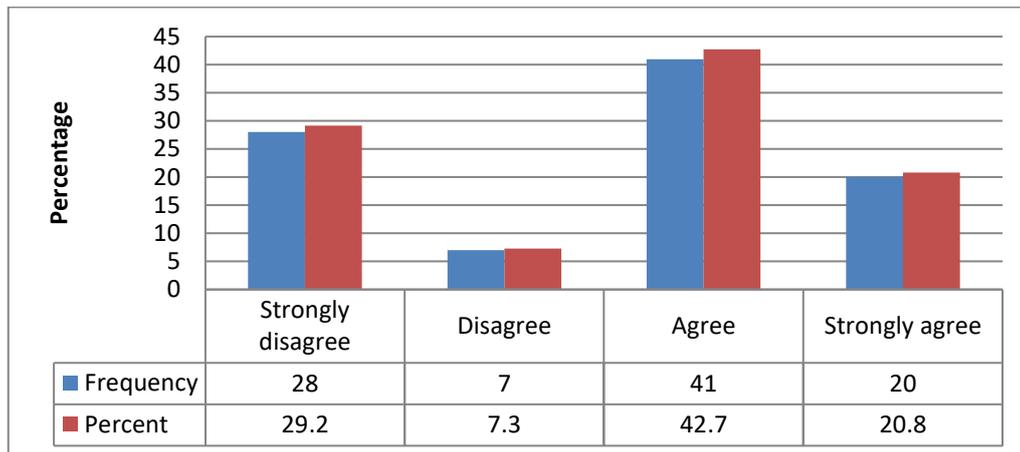


Figure 4.61: Being pulled to start my own business helped me to become more successful

Business performance of youth entrepreneurs

Section 4.2 of the questionnaire covered the performance of the business for the past 3 years (2015-2017), and it was evaluated on a 5-point Likert-scale which ranged from 1=decreased significantly, 2=decreased, 3=remains the same, 4=increased and 5=increased significantly. This subsection presents the analysis of business performance of youth entrepreneurs in TMM using frequencies and percentages.

- The overall level of financial performances e.g. company profit, net financial results

Figure 4.62 shows participants’ responses on “the overall level of financial performances, e.g. company profit, net financial results”. The results indicate that, most participants indicated that the overall level of financial performances increased, 46 (47.9%). Others 35 (36.5%) indicated that it remained the same, 10 (10.4%) indicated that the overall level of financial performances decreased significantly, and 4 (4.2%) indicated that it increased significantly. Only 1 (1.0%) indicated that, the overall financial performance decreased significantly.

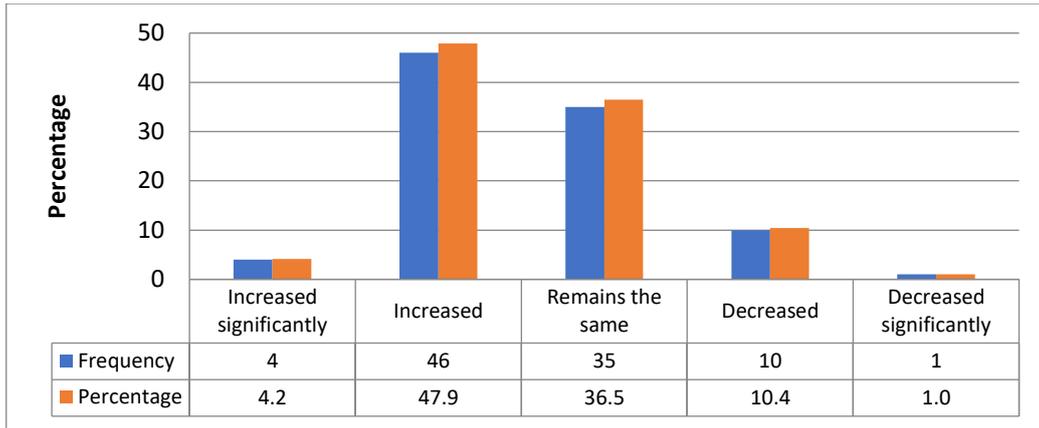


Figure 4.62: The overall level of financial performances e.g. company profit, net financial results

- The profitability of the business in comparison with other businesses in the same industry

Figure 4.63 shows participants' responses on "the profitability of the business in comparison with other businesses in the same industry". A total of 45 (46.9%) indicated that their business profitability increased, 37 (38.5%) indicated that it remained the same, 10 (10.4%) indicated that their business profitability decreased, and 3 (3.1%) of participants indicated that their profitability increased significantly. The remaining 1 (1.0%) had a significant decrease in profitability.

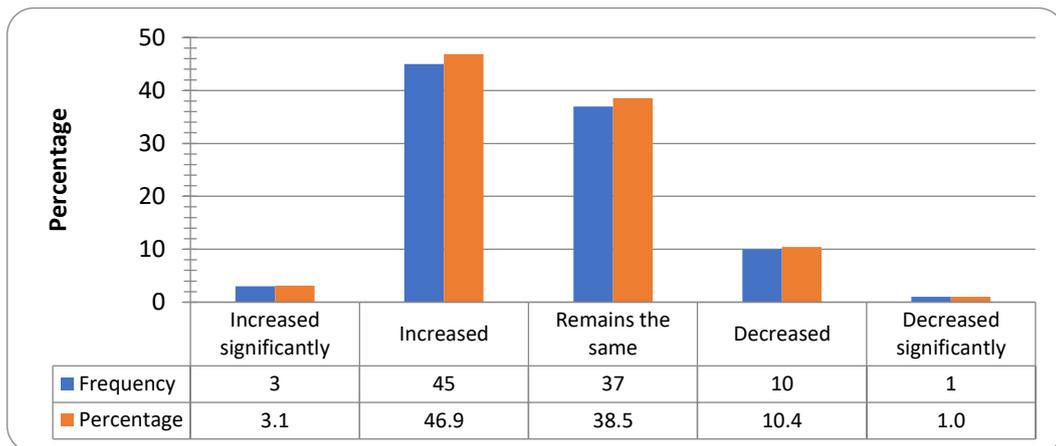


Figure 4.63: The profitability of the business in comparison with other businesses in the same industry

- The competitiveness of the business in comparison with other businesses in the same sector

Figure 4.64 shows participants’ responses on “the competitiveness of the business in comparison with other businesses in the same sector”. Most participants, 46 (47.9%) indicated that the competitiveness of the business increased, and 28 (29.2%) indicated that it remained the same, 14 (14.6%) indicated that business competitiveness decreased, 6 (6.3%) indicated that it increased significantly, and 2 (2.1%) indicated that business competitiveness decreased significantly.

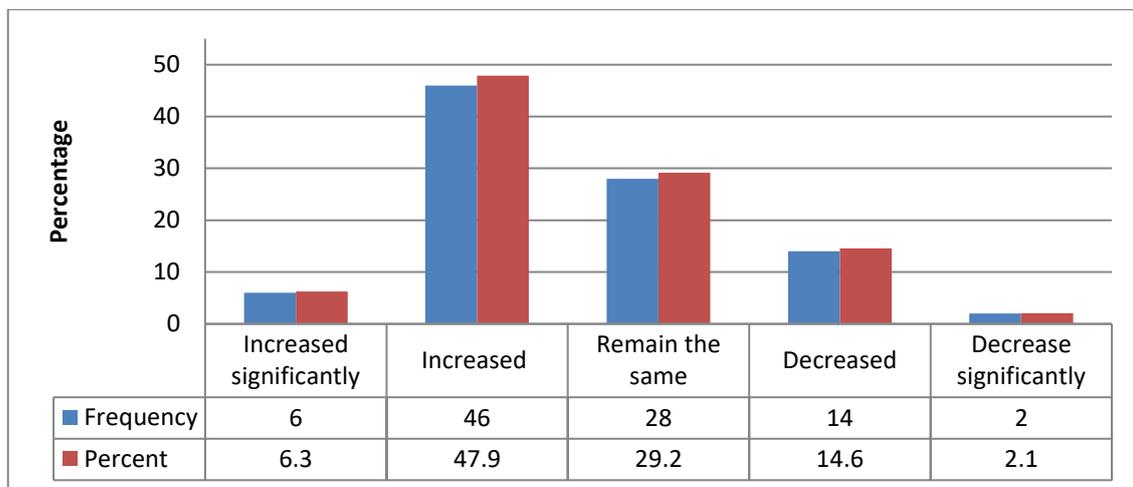


Figure 4.64: The competitiveness of the business in comparison with other businesses in the same sector

- An assessment of the profitability of your business

Question 4.3 of the questionnaire assessed the profitability of the business. Figure 4.65 shows participants’ responses on the assessment of the profitability of the business. Most participants, that is, 49 (51%) indicated that their businesses were making moderate profit, while 19 (19.8%) indicated that their businesses were very profitable. Further, a total of 14 (14.6%) participants indicated that their businesses were unprofitable, and the same percentage indicated that their businesses were breaking-even.

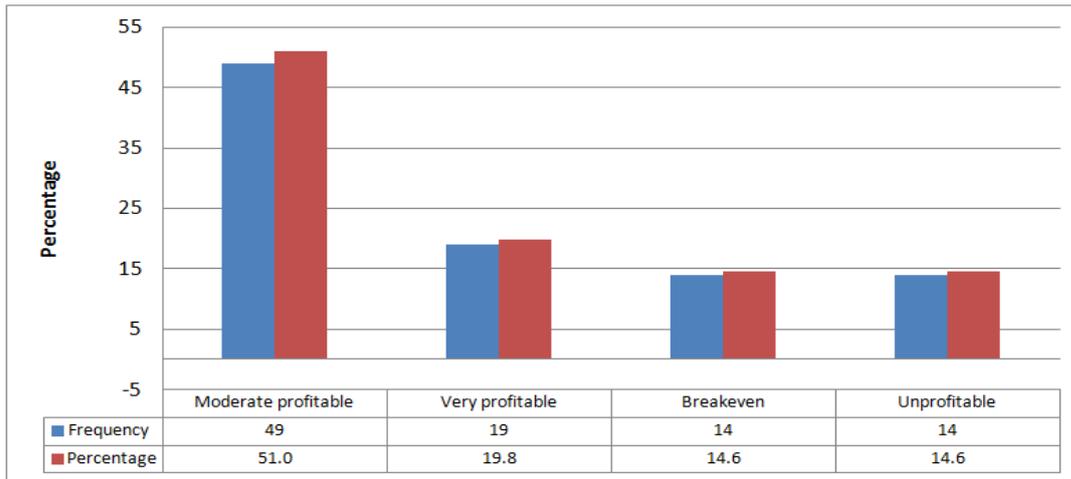


Figure 4.65: An assessment of the profitability of your business

- An assessment of the turnover of your business over the past 2 years

Question 4.4.1 of the questionnaire assessed the turnover of the business over the past two years. The participants could select between eight options, as indicated in Figure 4.66. The results are as follows: 22 (23%) indicated a turnover above R1 000 000; 19 (20%) were between R500 0001-R1 000 000; 4 (4%) of the participants were between R100 001-R500 000, and 9 (9%) were between R500 001 and R100 000. Further, the results shows that 8 (8%) indicated that they are making a turnover between R20 001 and R50 000; 6 (6%) indicated that they are making a turnover between R10 000 and R20 000; 8 (8%) were only making a turnover under R10 000; and lastly, 22 (22%) indicated that they make a loss.

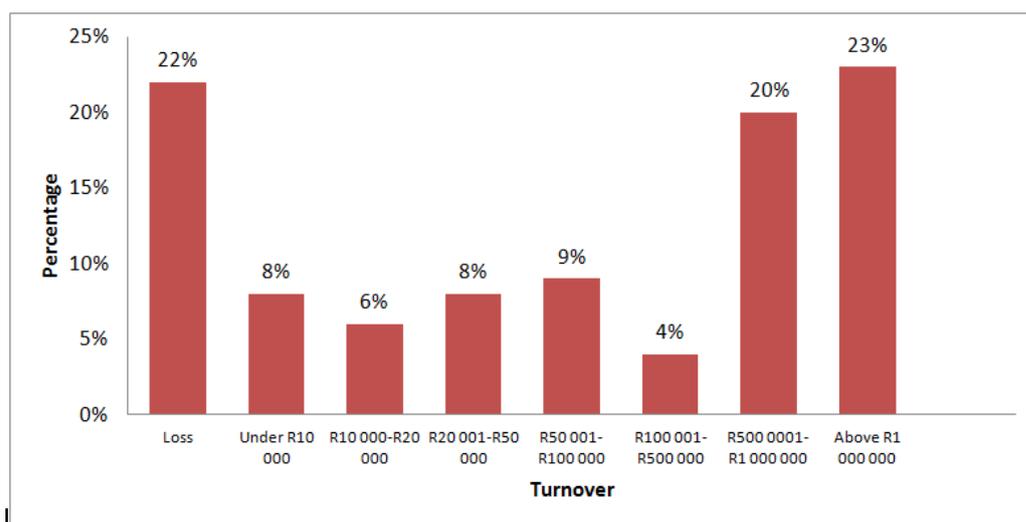


Figure 4.66: Turnover of the businesses over the past 2 years

4.4.2 Descriptive: Mean, standard deviation, skewness, Kurtosis and Crombach alpha

According to the data presented in Table 4.2, participants expressed positive sentiments on their EO in terms of innovativeness, risk-taking, pro-activeness, and competitive aggressiveness with moderate standard deviations that were about 18% of the mean values. The EO results were also approximately normal, with a skewness of less than 1 and kurtosis of not higher than 3, as suggested by Hair, Black, Babin, Anderson and Tatham (2010:77). Participants rated youth in the TMM as very innovative, like taking risks, proactive, and competitively aggressive. The measures of EO recorded high mean scores that were at least 4.6. scores

Table 4.2: Entrepreneurial orientation using descriptive statistics

| Variable | N | Minimum | Maximum | Mean | Std. Dev | Skewness | Kurtosis |
|----------------------------------|----|---------|---------|------|----------|----------|----------|
| 3. Entrepreneurial orientation | | | | | | | |
| 3.1.1 Innovativeness | 96 | 2.1 | 6 | 4.92 | 1.038 | -1.067 | 0.2 |
| 3.1.2 Risk-taking | 96 | 1 | 6.3 | 4.85 | 1.092 | -1.028 | -0.76 |
| 3.1.3 Pro-activeness | 96 | 2.5 | 6 | 4.76 | 0.888 | -0.623 | -0.279 |
| 3.1.4 Competitive aggressiveness | 96 | 2 | 6.3 | 4.62 | 1.137 | -0.563 | -0.583 |

These findings reveal that high levels of innovativeness, moderate risk-taking, pro-activeness and competitive aggressiveness, as shown by youth entrepreneurs in TMM. These are attributable to a very competitive business environment with many players, and a drive to become successful businesspeople.

Table 4.3 shows participants' responses on the push factors of EO. The results shows that the participants were to an extent pushed to entrepreneurship. This attribute recorded a mean score of 2.8, which was slightly above average when compared to a maximum possible score of 4. The percentage of the standard deviation to the mean for the push factors was low at 16.54%. The low standard deviation meant that participants were expressing similar views on the influence of the push factors. For the push factors, skewness and kurtosis were within the normal range of less than 1 at (0.396), and less than 3 at (1.113) respectively.

Table 4.3: Influence of push factors on entrepreneurial orientation using descriptive statistics.

| Variable | Push |
|-----------------------------|-------|
| N | 96 |
| Minimum | 2 |
| Maximum | 4.5 |
| Mean | 2.8 |
| Standard Deviation | 0.463 |
| % Standard Deviation / Mean | 16.54 |
| Skewness | 0.396 |
| Kurtosis | 1.113 |

Views of participants on the influence of pull factors on entrepreneurial orientation

Table 4.4 shows the responses of participants on the influence of the pull factors on EO. Participants were of the view that the pull factors were reasons for them becoming entrepreneurs. Pull factors' influence recorded a high mean score of 3.2, compared to a maximum possible score of 4. The standard deviation as a percentage of the mean for the pull factors was low at 13.75%. The low standard deviation to the mean ratio indicated that participants were expressing similar views on the influence of the pull factors on EO. Skewness and kurtosis for the pull factors were within the normal range of less than 1 and less than 3 respectively. The high influence of the pull factors on EO indicated in this study is supported by the theory, which states that most entrepreneurs start businesses voluntarily, often in the areas of their expertise, and are further stimulated by business opportunities (Verheul et al., 2010:9).

Table 4.4: Views of participants on the influence of pull factors on entrepreneurial orientation

| Variable | Pull |
|-----------------------------|---------|
| N | 96 |
| Minimum | 2 |
| Maximum | 4 |
| Mean | 3.2 |
| Standard Deviation | 0.44 |
| % Standard Deviation / Mean | 13.75 |
| Skewness | -0.335 |
| Kurtosis | -0.3100 |

4.5 RELIABILITY OF THE RESEARCH INSTRUMENT

The reliability of the constructs in Table 4.5 was measured using Cronbach's alpha values. According to Leedy and Ormrod (2014:95), Cronbach's alpha measures the internal consistency of each item. Leedy and Ormrod (2014:95) recommend that Cronbach's alpha values of at least 0.70 are acceptable, which means that the instrument is able to give consistent results. Cronbach's alpha values of less than 0.70 are unacceptable and the instrument is considered not able to give consistent results in repeated use.

Table 4.5: Reliability of the instrument using Cronbach's alpha

| Questionnaire | Construct | No. of items | Cronbach's alpha |
|---------------|-------------------------------------|--------------|------------------|
| 3. | Overall entrepreneurial orientation | 18 | 0.92 |
| 3.1.1 | Innovativeness | 7 | 0.87 |
| 3.1.2 | Risk-taking | 4 | 0.83 |
| 3.1.3 | Pro-activeness | 4 | 0.69 |
| 3.1.4 | Competitive aggressiveness | 3 | 0.62 |
| 3.2.1 | Push factors | 12 | 0.80 |
| 3.2.2 | Pull factors | 10 | 0.75 |
| 4. | Business success | 12 | 0.88 |

However, Malhotra (2008:44) recommends a lower threshold. It is recommended that Cronbach's alpha values of more than 0.60 are satisfactory, while values that are less than 0.60 are considered unacceptable (Malhotra, 2008:44).

It was observed that each of the constructs measuring the Overall EO, except competitive aggressiveness and pro-activeness (as shown in Table 4.4), had Cronbach's alpha values that were greater than a theoretical threshold of 0.70. In particular, the EO category had a very high Cronbach's alpha of 0.92, indicating an excellent level of internal consistency. Push factors, business success, risk-taking and innovativeness had high Cronbach's alpha values of 0.80 and higher. Thus, indicating very good and acceptable internal consistency.

4.5.1 Correlation analysis between EO, performance, and push and pull factors

The relationship between EO, performance, and the push and pull factors are discussed with reference to Pearson correlation analysis, and multiple linear regression, as presented in the subsequent subsections. Pairwise associations between performance, and push and pull

factors were determined using Pearson correlation analysis (Maltby, *et al.*, 2010:59). Pearson correlation provides the coefficient, as well as the significance of the association between two variables. The correlation coefficient ranges from -1 to +1. A correlation coefficient of 0 between two variables means that there is absolutely no relationship between variables under investigation. However, correlation values between 0 and 0.1 indicate a weak relationship, 0.1 – 0.3 modest, 0.3 – 0.5 moderate, 0.5 – 0.8 strong, 0.8 - 0.9 very strong; while a correlation value of 1 between variables concerned represents a perfect correlation (University of Strathclyde, 2014:36).

Table 4.6 indicates the association between EO, business performance, pull and push factors using Pearson correlation analysis. It is shown that EO is highly correlated with innovativeness with a correlation coefficient of 0.906. Again, EO showed highly correlations with risk taking, pro-activeness and competitive aggressiveness which recorded correlation coefficients of 0.851, 0.862 and 0.750 respectively.

However, EO showed low correlations with pull factors and business performance with correlation coefficients of 0.021 and 0.047 respectively. It is observed that EO was negatively correlated with push factors with a correlation coefficient of minus -0.051.

Table 4.6: The association between entrepreneurial orientation, business performance, pull and push factors - using Pearson correlation analysis

| Attributes | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|------------------------------|---------|---------|---------|--------|--------|-------|-------|----|
| 1 EO | 1 | | | | | | | |
| 2 Innovativeness | .906*** | 1 | | | | | | |
| 3 Risk-taking | .851*** | .666*** | 1 | | | | | |
| 4 Pro-activeness | .862*** | .698*** | .670*** | 1 | | | | |
| 5 Competitive aggressiveness | .750*** | .516*** | .578*** | .637** | 1 | | | |
| 6 Overall pull factors | 0.021 | -0.006 | 0.14* | -0.01 | -0.053 | 1 | | |
| 7 Overall push factors | -0.051 | -0.022 | -0.02 | -0.10 | -0.065 | .38** | 1 | ** |
| 8 Business performance | 0.047 | 0.041 | 0.08 | 0.03 | 0.002 | 0.09 | .37** | 1 |

*** = p < 0.01, ** = p < 0.05, * = p < 0.1, Otherwise not significant

Key: For headings above, please see corresponding attribute number

4.5.2 Hypothesis testing using correlation analysis

This sub-section tests the hypothesis proposed using Pearson correlation. The formulated hypotheses are as follows:

- H1a: There is no relationship between EO and the business performance of youth entrepreneurs.
- H1b: There is a relationship between EO and the business performance of youth entrepreneurs.

Based on the data in Table 4.6, it is observed that the p-value for the association between EO and the business performance was greater than 0.1 threshold. Therefore, H1a is accepted, hence conclude that there is no statistical evidence to suggest that there is a relationship between EO and business performance of youth entrepreneurs. It is also observed that the association between EO and the business performance of youth entrepreneurs was positive, and weak, with a correlation coefficient of 0.047. These results are in contrast with the theory where several studies have shown a positive and strong relationship between EO and business performance (Wang, 2008:635; Payne, Kennedy & Davis, 2009:421; Fatoki, 2012:121).

4.4.2.1 Correlation between pull and push factors and business performance

It can also be observed from Table 4.6 that, the pull and push factors had weak associations with the business performance of youth entrepreneurs. Specifically, the association between the pull factors and business performance was positive but weak, with a correlation coefficient of 0.02, which was not significant ($p > 0.05$). However, the association between the push factors and business performance was negative but weak, with a correlation coefficient of -0.05, which was not significant ($p > 0.05$). Innovativeness and business performance of youth entrepreneurs demonstrated a weak association with a correlation coefficient of 0.041, which was not significant ($p > 0.05$). Competitive aggressive and business performance of youth entrepreneurs demonstrated a positive, but a very weak association with a correlation coefficient of 0.002, which was not significant ($p > 0.05$).

4.4.3 Regression analysis of relationships between entrepreneurial orientation, business performance, pull factors and push factors

The influence of EO factors such as innovativeness, risk-taking, pro-activeness, competitive aggressiveness, and the pull and push factors on business performance is presented in Table

4.6 with reference to a multiple linear regression. Business performance was a dependent variable, while EO factors were independent variables.

A two-step multiple linear regression analysis was performed in order to control the confounding effect of biographical and background variables such as age, gender, ethnic group and highest academic qualification obtained, number of employees, industry, type of ownership, number of years in business, and business location in Table 4.7 in Model 1. Model 2 which consisted of biographical and background variables and the EO variables pull and push factors was preferable than model 1. It is observed in Table 4.6 that the R square for Model 1 was low at 0.075. This means that age, gender, ethnic group, highest academic qualification obtained, number of employees, industry, type of ownership, number of years in business and business location explain only 0.075 of variability in business performance.

However, when the EO variables, pull and push factors were added to form Model 2, the R square value increased from 0.075 to 0.193 in Model 2. This is a definite improvement if Model 2 is compared with Model 1. This is a significant increase, though still low. The Model should be applied with a caution when predicting business performance using EO variables and pull and push factors. The Durbin Watson was around 2 (at 1.771), this means that the added terms in Model 2 were not correlated.

Table 4.7: Model adequacy using R square

| Model | | R | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson |
|-------|---|-------|----------|-------------------|----------------------------|---------------|
| 1 | Biographical and background variables only | 0.274 | 0.075 | -0.01 | 5.74 | |
| 2 | Biographical and background variables, EO, pull and push factors Business performance | 0.439 | 0.193 | 0.054 | 5.557 | 1.771 |

4.4.4 Evaluation of the models using Analysis of Variance

Analysis of Variance (ANOVA) was also applied to evaluate the adequacy of models that were used in the study (Model 1 and Model 2). The detailed ANOVA is shown in Table 4.7.

Table 4.8 indicates model adequacy using ANOVA. It is observed that Model 2 was not significant ($p > 0.05$). This suggested that Model 1 was not a good predictor of business performance. Despite that, Model 2 was still not statistically significant ($p > 0.05$), because its F value improved from 0.885 to 1.385 when compared to Model 1. This means that business performance was not adequately defined in terms of EO variables, and pull and push factors. Hence, Model 2 is an improvement of Model 1. Therefore, regression Model 2 should be used with caution when predicting business performance.

Table 4.8: Measuring model adequacy using ANOVA

| Model | | Sum of Squares | D | Mean Square | F | Sig. |
|-------|------------|----------------|----|-------------|-------|-------------------|
| 1 | Regression | 233.21 | 8 | 29.15 | 0.885 | .533 ^b |
| | Residual | 2 866.791 | 87 | 32.95 | | |
| | Total | 3 100.000 | 95 | | | |
| 2 | Regression | 598.78 | 14 | 42.77 | 1.385 | .180 ^c |
| | Residual | 2,501.22 | 81 | 30.88 | | |
| | Total | 3,100.00 | 95 | | | |

The influence of EO factors on business performance analysis in Table 4.9 provides answers to the following hypothesis:

- H2a: EO does not predict the business performance of youth entrepreneurs.
- H2b: EO does predict the business performance of youth entrepreneurs.

Table 4.9: The influence of EO, and pull and push factors on business performance using regression analysis

| Model | Unstandardised coefficients | | Standardised coefficients | T | Sig. | Collinearity statistics | |
|-----------------------------|-----------------------------|------------|---------------------------|-------|------|-------------------------|------|
| | B | Std. error | Beta | | | Tolerance | VIF |
| (Constant) | 48.77 | 10.00 | | 4.88 | 0.00 | | |
| Age group | 0.43 | 1.59 | 0.03 | 0.27 | 0.79 | 0.93 | 1.07 |
| Gender | 0.49 | 1.33 | 0.04 | 0.37 | 0.71 | 0.89 | 1.13 |
| Ethnic group | -2.83 | 2.94 | -0.10 | -0.96 | 0.34 | 0.96 | 1.04 |
| 1 Education | 0.21 | 0.43 | 0.06 | 0.50 | 0.62 | 0.86 | 1.16 |
| Number of employees | 4.11 | 2.45 | 0.19 | 1.68 | 0.10 | 0.81 | 1.23 |
| Industry | 0.36 | 0.31 | 0.13 | 1.19 | 0.24 | 0.90 | 1.11 |
| Number of years in business | -3.08 | 1.91 | -0.19 | -1.61 | 0.11 | 0.77 | 1.30 |
| Business location | -0.34 | 0.97 | -0.04 | -0.35 | 0.73 | 0.79 | 1.27 |



Table 4.9: The influence of EO, and pull and push factors on business performance using regression analysis (cont'd)

| Model | <u>Unstandardised coefficients</u> | | <u>Standardised coefficients</u> | T | Sig. | <u>Collinearity statistics</u> | |
|---|------------------------------------|------------|----------------------------------|-------|------|--------------------------------|------|
| | B | Std. error | Beta | | | Tolerance | VIF |
| (Constant) | 31.10 | 11.82 | | 2.63 | 0.01 | | |
| Age group | 0.45 | 1.65 | 0.03 | 0.27 | 0.79 | 0.81 | 1.24 |
| Gender | 0.14 | 1.33 | 0.01 | 0.11 | 0.91 | 0.84 | 1.20 |
| Ethnic group (African, Asian, Coloured and White) | -4.28 | 2.91 | -0.15 | -1.47 | 0.15 | 0.92 | 1.09 |
| Education | 0.04 | 0.45 | 0.01 | 0.09 | 0.93 | 0.72 | 1.39 |
| Number of employees | 2.69 | 2.52 | 0.13 | 1.07 | 0.29 | 0.72 | 1.39 |
| Industry | 0.22 | 0.31 | 0.08 | 0.72 | 0.47 | 0.84 | 1.20 |
| 2 Number of years in business | -1.38 | 1.94 | -0.08 | -0.71 | 0.48 | 0.70 | 1.43 |
| Business location | -0.05 | 0.96 | -0.01 | -0.05 | 0.96 | 0.76 | 1.32 |
| Innovativeness | -0.01 | 0.13 | -0.01 | -0.07 | 0.94 | 0.37 | 2.67 |
| Risk-taking | 0.11 | 0.21 | 0.08 | 0.54 | 0.59 | 0.40 | 2.52 |
| Pro-activeness | 0.12 | 0.27 | 0.08 | 0.45 | 0.65 | 0.35 | 2.90 |
| Competitive aggressiveness | -0.10 | 0.24 | -0.06 | -0.41 | 0.68 | 0.47 | 2.12 |
| Pull factors | -0.10 | 0.12 | -0.09 | -0.84 | 0.40 | 0.79 | 1.27 |
| Push factors | 0.50 | 0.15 | 0.39 | 3.33 | 0.00 | 0.73 | 1.37 |

The influence of EO, and pull and push factors on business performance using regression analysis was performed as shown in Table 4.9. It can be observed that all EO elements that included innovativeness, risk-taking, pro-activeness and competitive aggressiveness were not significant ($p > 0.05$). Hence, we rejected H2b and concluded that there is no statistical evidence to suggest that EO predicts youth entrepreneurs' business performance. This contradicts the theory, which suggested that the implementation of entrepreneurially orientated strategies lead to improved business performance (Matchaba-Hove & Vambe, 2014:12). The business performance, in this case, is measured in terms of turnover, profit and employment levels of the firm.

The study indicated that EO does not predict the business performance of youth entrepreneurs in TMM, most likely because of weak EO, which puts appropriate structures in place that can expose these businesses to new technologies, methods, marketplace trends, and help them to evaluate new possibilities.

4.6 CONCLUSION

This chapter focused on data analysis, interpretation and discussion of the findings. Reliability of the instrument was validated using Cronbach's alpha and six constructs were found to have very good overall levels of internal consistence, which were above the minimum theoretical requirement of 70%. However, competitive aggressiveness and proactiveness had low Cronbach's alpha values of 62.0% and 69.0% that were less than the prescribed limit of 70%.

The results indicate generally positive sentiments on the EO on businesses, which was measured in terms of innovativeness, risk-taking, pro activeness, competitive aggressiveness, and Pull and Push factors. The participants were of the view that the youth businesses in TMM are very innovative, take risks, are proactive, and competitively aggressive. Further, the results have shown that some of the participants were to an extent pushed as well as pulled to entrepreneurship. In addition, participants were largely of the view that youth entrepreneurial businesses' performance in terms of profitability, competitiveness and overall level of financial performances have increased in comparison with other businesses in the same industry.

A relationship between EO and business performance of youth entrepreneurs was analysed using correlation analysis. It was established that the association between EO and business performance of youth entrepreneurs was positive but weak with a correlation coefficient of 0.047. The association between pull factors and business performance was positive but weak with a correlation coefficient of 0.021, which was not significant ($p > 0.05$). However, the association between push factors and business performance was negative but weak with a correlation coefficient of minus -0.051, which was not significant ($p > 0.05$). Innovativeness and business performance of youth entrepreneurs demonstrated a weak association with a correlation coefficient of 0.041, which was not significant ($p > 0.05$). Competitive aggressiveness and business performance of youth entrepreneurs demonstrated positive but with a very weak association, with a correlation coefficient of 0.002 which was not significant ($p > 0.05$).

Using multiple linear regression, it was observed that only push factors had a significant ($p < 0.01$) influence on youth entrepreneurs' business performance. There was no statistical

evidence to suggest that pull factors, innovativeness, risk-taking, pro-activeness, and competitive aggressiveness had an effect on business performance.

The results of the study therefore illustrated that the pull and push factors influenced the EO of youth entrepreneurs. It further revealed that EO has an influence on the business performance of youth entrepreneurs. The results of the study provide new insights into EO and business performance and how they correlated with each other. In the TMM, youth entrepreneurs had limited knowledge of the skills, training and opportunities available to them, and this study will serve as awareness to these youth entrepreneurs. The next chapter presents the summary, conclusion and recommendations of the study.

CHAPTER 5

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 INTRODUCTION

Entrepreneurs are generally people who are motivated by lifestyle or personal factors to start a business, often with much time and little capital at their disposal. Entrepreneurs are willing to combine risk-taking, creativity, innovation and sound management to start a business within a country such as South Africa. Successful entrepreneurs contribute significantly to South Africa through job creation, innovation and economic development. South Africa, particularly, faces challenges in creating jobs for its populace. Therefore, entrepreneurship promotes economic activity among young people.

The literature indicated that entrepreneurs in South Africa encounter many challenges, such as start-up and expansion capital, regulatory red tape, lack of interest in entrepreneurship as an option, awareness of entrepreneurial support initiatives, inadequate entrepreneurial skills, access to markets, human resources, appropriate technology, crime, and socio-cultural constraints. In addition, Sambo (2015:161-162) adds access to finance, and business development support services, such as business mentors and business incubators, as some of the challenges faced by youth entrepreneurs in South Africa.

Entrepreneurial Orientation is a determinant of business success or failure, as shown by the results. The EO can also assist businesses to identify opportunities and to launch new ventures. It (EO) is a means of establishing successful strategies for business success through effective decision-making processes. It is fostered by a unique blend of factors, such as culture, family and role models, education, work experience, and personal orientation. Further, it can also be determined by pull and push factors, whereby push factors are perceived as positive factors that assist entrepreneurs to become successful and have far higher survival rates than pull factors. The primary objective of this study was to investigate whether there is a relationship between EO and the business performance of the youth entrepreneurs in TMM.

5.2 OBJECTIVES OF THE STUDY - REVISITED

The objectives of the study consisted of primary and secondary objectives. The secondary objectives were divided into theoretical and empirical objectives.

5.2.1 Primary objective revisited

The primary objective of this study was to investigate whether there is a relationship between EO and the business performance of the youth in entrepreneurship in the TMM.

5.2.2 Secondary objectives revisited

In order to achieve the primary objective, the following secondary objectives were formulated:

Theoretical objectives revisited

- To conceptualise EO from the literature.
- To conceptualise business performance from the literature.

Empirical objectives revisited

- To determine the relationship between EO and business performance.
- To determine whether EO predicts business performance.
- To determine which pull factors influence the EO of youth entrepreneurs.
- To determine which push factors influence the EO of youth entrepreneurs.

5.3 OVERVIEW OF THE LITERATURE STUDY

The high level of youth unemployment in TMM has pulled or pushed the youth into entrepreneurship. Thus, youth entrepreneurship is a conduit that provides possible solutions to youth unemployment. The researcher viewed youth entrepreneurship from an EO perspective. It (EO) is viewed from the different variables such as innovativeness, risk-taking, pro-activeness and competitive aggressiveness and also from the pull and push factors angle. Other researchers such as Lumpkin and Dess, (1996:137) acknowledge that, EO is the processes, practices and decision making activities that lead to new entry. It involves the intentions and actions of key players functioning in a dynamic generative process aimed at new venture creation. The key dimensions that characterised EO include, a propensity to act autonomously, willingness to innovate and take risks, and a tendency to be aggressive towards competitors and pro-active relatively to marketplace opportunities. The

authors argued that, all these factors, namely: innovativeness, risk-taking, pro-activeness and competitive aggressiveness may be present when a firm engages in new entry. In contrast, successful new entry also may be achieved when only some of these factors are operating. However, Covin and Slevin (1990:126) argued that, the term EO can be substituted by strategic posture and the strategic posture define the firms entrepreneurship level. Miller and Friesen (1977:255) argued that, to explain the success or failure of a firms' attempts to survive and adapt, a strong relationship must be found between top managers' internal locus of control and their strategy-making behaviour.

Theoretical arguments have been constructed in relation to the positive pull and negative push factors (Dawson & Henley, 2012:700). Dawson and Henley (2012:700) argue that, increased unemployment reduces prospects for finding paid employment, thus, making entrepreneurship to become more attractive and pushing the youth into self-employment. The study associate pull factors to a positive factor, and push a factor to negative factors.

5.4 OVERVIEW OF THE EMPIRICAL STUDY

Successful youth entrepreneurs contribute significantly to the South African economy through job creation, innovation and economic development. Despite the high unemployment levels in South Africa, and the fact that entrepreneurial activity remains low in South Africa in comparison to other African countries, the government encourages the youth to see the advantages of entrepreneurship by creating avenues which will assist them to become self-employed, instead of seeking for employment.

Mindful of that youth entrepreneurs in TMM are vulnerable to taking high risks and are expected to be competitively aggressive, it is hoped that being innovative can play a significant role in empowering them to explore new lines of products and services in order to become successful youth entrepreneurs in TMM. In view of the above, encouraging youth entrepreneurs in TMM to be proactive in delivering products/services that are required by customers, and to conform to customers' expectations, staying competitive, developing their own individual brands, harnessing a good reputation and maximising excellent customer services can go a long way in making youth entrepreneurship to find its rightful place in TMM.

5.4.1 Summary of the main findings

A summary of the findings of this study is presented in the following sections.

5.4.1.1 Response rate

A total of 555 questionnaires were distributed to youth entrepreneurs in TMM. Of this total, 153 youth entrepreneurs responded by completing the questionnaire. However, 96 questionnaires were completed in full, while 57 questionnaires were partially completed and were not included in the final analysis of the data. The response rate was calculated by only using the fully completed questionnaires. Therefore, the response rate was calculated by dividing the total number of fully completed responses of 96 by the total questionnaires distributed, that is, 555 multiplied by 100, which equal to 17.3%.

5.4.1.2 Reliability of the instrument

The reliability of the constructs was measured using Cronbach's alpha values. The EO, innovativeness, risk-taking, pro-activeness, competitive aggressiveness, the push and pull factors and business performance had Cronbach's alpha values that were greater than the theoretical threshold of 0.70. This was indicative of a good level of internal consistency. However, competitive aggressiveness and pro-activeness had low alpha values of 0.62 and 0.69, which were less than the standard threshold of 0.70.

5.4.1.3 Biographical and background information of the participants.

Most of the youth entrepreneurs (82.3%) who participated in the study were aged between 25 and 35 years. A total of 68% of the respondents were females, and 32% were males. Entrepreneurs of African origin were in the majority, constituting 99% of the total number of respondents. A total 33.3% of the participants were holders of a post-graduate degree.

5.4.1.4 Nature of the business

Of the 96 entrepreneurs who took part in this study, 95.8% had between 11 and 20 employees supporting their operations. The results also showed that 57.3% of entrepreneurs who took part in this study worked in the retail distribution industry. The majority of the businesses (50%) were close corporations. A total of 89.6% of the participants had been in business for a period between 6 and 10 years, and 10.4% had been operating their businesses for more than 10 years. Further, 55.3% operated in other areas of TMM namely: Akasia, Atteridgeville, Bronberg, Bronkhorstspuit, Centurion, Crocodile River, Cullinan/Rayton/Refilwe, Eersterust, Ekangala, Elands River, Ga-Rankuwa,

Hammanskraal, Laudium, Mabopane, Mamelodi, Pienaarsriver, Pretoria, Soshanguve, Rethabiseng, Roodeplaat, Temba and Winterveld.

5.4.1.5 Entrepreneurial orientation

The section below presents the EO constructs, namely innovativeness, risk-taking, pro-activeness and competitive aggressiveness.

Innovativeness

The study showed that 53.1% of participants agreed that their businesses regularly introduce new products/services. A total of 56.3% agreed that youth entrepreneurs in TMM place a strong emphasis on innovative products/services. Also, 46.9% were in agreement that their business is continuously pursuing new opportunities. However, 31.3% disagreed that changes in their product lines had been quite dramatic.

Additionally, 44.8% agreed that in their business there is a strong relationship between the number of new ideas generated, and the number of new ideas that are successfully implemented. A total of 46.9% agreed that their business places a strong emphasis on continuous improvement in product/service delivery. Indeed, 54.2% strongly agreed that innovation is essential for the future of their businesses.

Risk-taking

In as far as risk-taking is concerned, 60.4% disagreed that youth entrepreneurs in TMM typically adopts a bold posture in order to maximise the probability of exploiting opportunities. A total of 29.2% of the participants disagreed that their business has strong inclination towards high-risk projects. A total of 41.7% were in disagreement that employees are often encouraged to take calculated risks concerning new ideas. Some 36.5% of participants were neutral in opinion that, the term “risk-taker” is considered a positive attribute for employees in business.

Pro-activeness

The participants’ responses on if the business was very often the first to introduce new products/services were that: 35.4% of the participants agreed and 40.6% disagreed that the business typically initiates actions that competitors respond to. Also, 45.8% strongly disagreed that the business continuously seeks out new products/services. However, a total of 47.9% agreed that the business continuously monitor market trends and identify future needs of customers.

Competitive aggressiveness

A total of 51% of the participants disagreed that their business is competitive to overcome threats posed by competitors. On the other hand, 37.5% of the participants disagreed that the business implemented strategies that promote competitive aggressiveness to gain an increased market share. A total of 25% of participants disagreed that their business participates in marketing through aggressive advertising.

5.4.1.6 Push and pull factors of entrepreneurial orientation

This section presents the push and pull factors of EO. The findings of the push and pull factors are presented as follows:

Push factors

The participants' responses to factors that push them into entrepreneurial orientation were analysed and the result were as follows: A total of 34.4% of the participants disagreed and agreed that they started the business because of unemployment respectively; 38.5% of participants agreed that, they started business because of job security; of 55.2% of participants disagreed that the business started because of disagreements with a previous manager; and 42.7% of participants strongly disagreed that they started the business because of not fitting into the organisation and working environment.

With regard to retrenchment, 51% of participants disagreed that retrenchment was the reason for them starting their business; while 38.5% of the participants agreed that they were rendered redundant in their former job, which motivated them to transform their area of strength into a business. Further, total of 38.5% of participants agreed that they started the business because of the need to accommodate work and home roles, while 64.6% disagreed that peer pressure forced them to leave their former job. A total of 55.2% of participants disagreed that they could not cope with the strict working hours, then pulled out of their former job. Comparatively, 39.6% strongly agreed that, they did not see themselves growing in their former employment, then opted out and started the business; 65.6% of participants disagreed that they started their own business because of marriage break-up; and of 50% of participants disagreed that they started the business because they have no alternatives.

Pull factors

A total of 51% of the participants strongly agreed that they started a business because they wanted to be independent, while some 70.8% of the participants strongly agreed that they

started their own business because of wanting to achieve something. However, a total of 35.4% of the participants strongly disagreed that they started own business because of wanting recognition. Likewise, 53.1% of participants strongly agreed that a desire for a new challenge was one of the pull factors that encouraged them to start a business, whilst 41.7% strongly agreed that they started their own business because they wanted to make use of their experience and training. Additionally, a total of 49% of the participants strongly disagreed that what pull them into entrepreneurship is wanting to provide jobs for family members. However, 37.5% of participants strongly agreed that they started the business because they wanted to be different from others, while some 49% agreed that they started own business because of personal development. Likewise, a total of 63.5% of the participants strongly agreed that what pulled them into starting a business was to generate personal wealth, while 60.4% of participants strongly agreed that they identified an opportunity in the market place that pull them into starting their business.

5.4.1.7 Business success of youth entrepreneurs

In as far as business success is concerned, 61.5% of participants agreed that they had experienced growth in turnover, while 62.5% agreed that they experienced growth in profit. Further, 40.6% claimed that they have experienced growth in market share. A total of 52.1% agreed that their sales had grown higher. Also, 55.2% of participants agreed that the competitive positions of their business have improved. With regard to whether or not youth businesses were improving their effectiveness, 56.3% agreed that their businesses recorded improved effectiveness. A total of 58.3% agreed that the efficiency of their business had improved. Most participants strongly agreed with the statement that, in their business, employees are viewed as the most valuable assets, (49%). A total of 49% also agreed that their employees are highly committed to the business. Notably, 55.2% of the participants agreed that, the moral (job satisfaction) of their employees has improved. A lower percentage of 36.5% of participants agreed that being pushed to start the business helped them to become successful, and 42.7% agreed that being pulled to start the business helped them to become more successful.

5.4.1.8 Business performance of youth entrepreneurs

The overall results of business performances e.g. company profit, net financial results were reviewed and most participants (47.9%) indicated that their financial performances increased; 36.5% indicated that their business profitability remains the same; 10.4%

indicated that their financial performance decreased; 4.2% indicated that their financial performance increased significantly; and only 1% indicated that their business decreased significantly.

5.4.1.9 An assessment of business profitability

The study showed that 51% agreed that the financial performance of the businesses in TMM was moderate profitable; 19.8% indicated that, their business was very profitable; 14.6% indicated that their businesses were breaking even; and 14.6% of the participants agreed that their businesses were unprofitable.

5.4.1.10 An assessment of the turnover of business over the past 2 years

The turnover of participants' businesses over the past 2 years was assessed and the results showed that: 23% indicated a turnover above R1 000 000; 20% were between R500 000-R1 000 000; 4% of the participants were between R100 001-R500 000; 9% were between R500 001 and R100 000; 8% indicated that they were making a turnover between R20 001 and R50 000; 6% indicated that they were making a turnover between R10 000 and R20 000; 8% were only making a turnover under R10 000; and 22% indicated that they made a loss.

5.4.2 Secondary objectives revisited

EO and pull and push factors

- To determine which pull factors influence the EO of youth entrepreneurs.

In order to determine the influence of pull factors on the EO of youth entrepreneurs in TMM, multiple regression analysis was performed. The pull factors were the independent variables, while EO was the dependent variable. The findings revealed that there was no statistical evidence ($p > 0.05$) to suggest that the pull factors had an influence on the EO of youth businesses in TMM. The pull factors and EO had a positive, but weak, association, with a correlation coefficient of 0.02, which was not significant ($p > 0.05$).

- To determine which push factors influence the EO of youth entrepreneurs.

In order to determine the push factors influence on the EO of youth entrepreneurs in TMM, multiple regression analysis was performed. In this case, the push factors were the independent variables, while EO was the dependent variable. The findings revealed that the push factors had a significant ($p < 0.01$) influence on the EO of youth businesses in TMM.

However, the association between the push factors and EO was negative but weak, with a correlation coefficient of - 0.05, which was not significant ($p > 0.05$).

EO and business performance

- To determine the relationship between EO and business performance.

Based on correlation analysis, the findings revealed that there was a positive, but weak association between EO and the business performance of youth entrepreneurs in TMM. The association between EO and the business performance of youth entrepreneurs in TMM demonstrated a low correlation coefficient of 0.047, which was not significant ($p > 0.05$). It was also observed that the association between EO and the business performance of youth entrepreneurs was positive, but weak, with a correlation coefficient of 0.047.

- To determine whether EO predicts business performance.

In order to determine whether EO predicted business performance, multiple regression analysis was performed. In this case, EO was the independent variable, while the business performance was the dependent variable. The findings revealed that there was no statistical evidence ($p > 0.05$) to suggest that EO predicted the business performance of youth entrepreneurs in TMM.

5.4.3 Research hypotheses - revisited

The following hypotheses were formulated for this study:

- H1a: There is no relationship between EO and the business performance of youth entrepreneurs.
- H1b: There is a relationship between EO and the business performance of youth entrepreneurs.

With reference to Table 4.6 (Chapter 4), it was observed that the p-value for the association between EO and business performance was greater than the 0.05 threshold. Therefore, H1a was accepted and therefore it was concluded that there was no statistical evidence to suggest a correlation between EO and the business performance of youth entrepreneurs. It was also observed that the association between EO and the business performance of youth entrepreneurs was positive but weak, with a correlation coefficient of 0.047.

The influence of EO factors such as innovativeness, risk-taking, pro-activeness, competitive aggressiveness, and the pull and push factors on business performance was discussed with reference to a multiple linear regression (Table 4.9) in order to confirm or disapprove the following hypotheses:

- H2a: EO does not predict the business performance of youth entrepreneurs.
- H2b: EO does predict the business performance of youth entrepreneurs

It was observed that all EO elements that included innovativeness, risk-taking, pro-activeness and competitive aggressiveness as well as the pull factors were not significant ($p > 0.05$). Hence, the researcher rejected H2b and conclude that there is no statistical evidence to suggest that EO predicts the business performance of youth entrepreneurs.

5.5 CONTRIBUTION OF THE STUDY

The study will assist agencies and the government to identify the types of measures that need to be put in place to assist young business owners to become successful entrepreneurs, since they need motivation, training and assistance in their businesses. The research will also contribute to the researchers understanding of the connection between EO and youth entrepreneurs. The study will also enhance the knowledge of the youth about the relationship between EO and business performance since they were pushed to become entrepreneurs. Thus, they will be ready to be innovative, take risks and be competitive in their endeavours.

5.6 LIMITATIONS OF THE STUDY

This section of the study presents the limitations of the study. The study was conducted in Gauteng Province and was limited to TMM. Although TMM is one of the largest Municipalities in South Africa, the results of the study cannot be generalised to all other South African municipalities.

Data were collected over a period of 3-month and periodic weekly follow-up calls were made. Most participants did not have email addresses, due to the nature of the NYDA database that was used, while some email addresses were inactive. Therefore, obtaining feedback from the participants was hard. Five times a month, the email was sent to the participants as follow-up reminders. Furthermore, the researcher made several telephone calls to remind participants to complete the questionnaire.

According to the OECD (2014:7), the main limitations experienced by young entrepreneurs is a lack of knowledge among role models of prospective entrepreneurship resulting in lack of encouragement or even adverse social attitudes, education and training programs that are usually not sufficient to nurture entrepreneurial attitudes and abilities.

5.7 RECOMMENDATIONS

Cognisance that the findings of the study suggested that youth businesses in TMM are recording significant successes in terms of the importance, the business owners should have a strategy to ensure continuous improvement. Youth entrepreneurs should be encouraged to be technologically inclined as technology can help with marketing and networking activities.

Furthermore, entrepreneurs should be accorded the necessary guidance to take moderate and calculated risks that are supported by a clear plan of action on how to mitigate their exposure, as opposed to exposing themselves to unnecessary business risks. Additionally, encouraging youth entrepreneurship in TMM should take due consideration of continuously building capacity to empower young entrepreneurs with entrepreneurial skills, as well as the improving skills in order to effectively and efficiently support their operations.

Entrepreneurial Orientation can encourage youth entrepreneurs in TMM to continue becoming pro-active in their businesses. Being pro-active will allow youth entrepreneurs to explore other business avenues and the opportunities available to them to improve their businesses. The EO can push the youth in TMM to become competitive aggressive, which can lead to the sustainability of their businesses.

Aligning youth entrepreneurship with developmental programmes that are offered by the government through the Small Enterprise Department Agency (SEDA), Youth Leadership and Entrepreneurship Development Programmes (YLED), Entrepreneurship Development Programme (EDP) offered by the National Youth Development Agency (NYDA), as well as Sector Education and Training Authorities (SETAs), can play a prominent role in nurturing and boosting youth entrepreneurship in TMM.

5.8 FURTHER RESEARCH AREAS

In order to obtain a clear picture of the relationship between EO and the business performance of youth entrepreneurs in South Africa, more data needs to be gathered from

various municipalities. This will allow the findings of the study to be generalised to a larger population.

This study was based on a quantitative research approach. However, this approach lacks detail and hardly sheds light on the full complexity of the human experience. Therefore, a study that applies a mixed method approach needs to be undertaken. A mixed method approach consists of both quantitative and qualitative approaches. This will assist in obtaining more in-depth information and knowledge of the problems associated with the relationship between EO and the business performance of youth entrepreneurs.

Research involving youth entrepreneurs across a wider sectorial spectrum of the economy should also be considered.

5.9 CONCLUSION

The core purpose of this study was to investigate youth entrepreneurship in relation to EO and the business performance of youth entrepreneurs in TMM. To achieve the purpose of the study, the researcher used a descriptive research design within a quantitative research approach. The data was gathered through online survey questionnaires.

Furthermore, the researcher formulated two hypotheses (null hypothesis and positive hypothesis) in order to achieve the stated purpose and the objectives of the study. The conclusion needs to establish whether the study's findings or results support the main research question, the research hypotheses, and the research objectives, and whether they align with or differ from the theory.

According to the findings presented in Table 4.1 (Chapter 4), the findings indicated that the p-value for the association between EO and business performance was greater than the 0.05 threshold. This meant the research findings suggested that there was no statistical evidence to suggest a relationship between EO and the business performance of youth entrepreneurs. Furthermore, a correlation analysis indicated that the association between EO and the business performance of youth entrepreneurs was positive but weak, with a correlation coefficient of 0.047.

The second research objective was to determine how the pull and push factors influenced the EO of youth entrepreneurs in the TMM. The findings of the multiple regression analysis

revealed that there was no statistical evidence ($p > 0.05$) to suggest that the pull factors had an influence on the EO of youth businesses in TMM. When correlation analysis was used to determine the pull factors' influence on the EO of youth entrepreneurs, the finding revealed that EO had a positive, but weak, association. This correlation coefficient finding of 0.02 was not significant ($p > 0.05$).

The next issue to be considered here dealt with the secondary aspect of the second objective, namely, to determine whether the final research findings revealed any push factors' influence EO of youth entrepreneurs in TMM. A multiple regression analysis was performed to determine the push factors' influence on the EO of youth entrepreneurs and the findings of indicated that the push factors had a significant ($p < 0.01$) influence on the EO of youth businesses in TMM. The association between the push factors and EO, however, was negative and weak, with a correlation coefficient of - 0.05. This push factor finding was not significant ($p > 0.05$).

The third related issue was to determine whether the study's findings were aligned with or differed from the core findings of the relevant selected youth entrepreneurship literature reviewed and discussed in the study. When the research findings generated by primary data were compared to the theory, the literature review findings indicated a mismatch between theory and practice.

In the literature, some studies found that businesses that adopt a strong EO perform better than firms that do not. The literature also suggested that the relationship between EO and business performance is not straight forward but rather shaped like an inverted "U", which means that a high degree of EO is not always desirable in a certain market and structural conditions. Thus, there is a considerable variation in the reported relationship between EO and business performance. In the same vain, the findings indicated that there was no statistical evidence to suggest that a relationship exists between EO and the business performance of youth entrepreneurs. Furthermore, a correlation analysis indicated that there was an association between EO and the business performance of youth entrepreneurs. However, unlike the positive and strong relationship between overall EO and the business performance of youth entrepreneurs revealed by the theory or literature review findings, the study's findings were positive but weak, with a correlation coefficient of 0.047. The literature further highlighted that the implementation of entrepreneurially focused strategies would

lead to improved business performance. This further supported the fact that EO and business performance have a strong relationship.

Besides the above divergent between the study's results presented in Table 4.9 (Chapter 4) and the literature review findings or the theory, all the EO elements that included innovativeness, risk-taking, pro-activeness and competitive aggressiveness were not significant ($p > 0.05$). Hence, H2b was rejected and it was concluded that there was no statistical evidence to suggest that EO predicted the business performance of youth entrepreneurs.

The alignment between the results of the study and the results that arose from the reviewed literature (theory) appears to suggest that, the relatively weak relationship between EO and youth entrepreneurship performance in TMM could be due to the prevailing historical and contextual circumstances of South Africa, and the pull and push factors of entrepreneurship. In conclusion, youth entrepreneurship is key to enhance the youth economic development of young people.

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APPENDIX A: Questionnaire

**THE RELATIONSHIP BETWEEN ENTREPRENEURIAL
ORIENTATION AND BUSINESS PERFORMANCE OF YOUTH
ENTREPRENEURS IN TSHWANE METROPOLITAN
MUNICIPALITY**

CONFIDENTIAL

Researcher:

Cynthia Kumadeka

Student Number: 33343225

Phone Number: 076 499 1142

University of South Africa (UNISA)

Note: All responses are confidential and neither the individual nor the organisation will be identified in any report or release.

Dear Sir/Madam

My name is Cynthia Kumadeka and I am doing my Master of Commerce Degree in Business Management with the University of South Africa. The title of my Master's dissertation / research is: **THE RELATIONSHIP BETWEEN ENTREPRENEURIAL ORIENTATION AND BUSINESS PERFORMANCE OF YOUTH ENTREPRENEURS IN TSHWANE METROPOLITAN MUNICIPALITY**. As a youth entrepreneur of Tshwane Metropolitan Municipality, you are invited to participate in my research by completing the attached questionnaire. The purpose of the questionnaire is to investigate the entrepreneurial orientation of youth entrepreneurs in the Tshwane Metropolitan Municipality and how it influences the success of the business.

Please complete every question / statement to ensure the validity and reliability of the study.

GENERAL INSTRUCTIONS

Place a tick(x) or circle in the spaces provided which reflects your answer the most accurately in each question.

Youth entrepreneurs between the ages of 18 - 35 years should complete the questionnaire. Therefore, if you are younger than 18 or older than 35 years of age, do not complete the questionnaire.

SECTION 1: BIOGRAPHICAL AND BACKGROUND INFORMATION

Mark the applicable block with a cross (X). Complete the applicable information.

| 1.1 | Age | |
|------------|------------|--|
| 1 | 18-24 | |
| 2 | 25-35 | |

| 1.2 | Gender | |
|------------|---------------|--|
| 1 | Male | |
| 2 | Female | |

| 1.3 | Ethnic group | |
|------------|-----------------------|--|
| 1 | African | |
| 2 | Asian | |
| 3 | Coloured | |
| 4 | White | |
| 5 | Other: Please Specify | |

| | | |
|------------|--|--|
| 1.4 | Highest Academic Qualification Obtained | |
| 1 | Lower than Matric | |
| 2 | Matric/Grade 12 | |
| 3 | Certificate Post Matric | |
| 4 | Diploma Post Matric | |
| 5 | Under-graduate University Degree | |
| 6 | Post-graduate Degree | |

SECTION 2: NATURE OF THE BUSINESS

Mark the applicable block with a cross (X). Complete the applicable information.

| | | |
|------------|--|--|
| 2.1 | What is the total number of all employees, both full-time and part-time in your business? | |
| 1 | 1-10 | |
| 2 | 11-20 | |
| 3 | 21-50 | |
| 4 | 51 and above | |

| | | |
|------------|--|--|
| 2.2 | In which industry does your business operate? | |
| 1 | Agriculture | |
| 2 | Manufacturing | |
| 3 | Electricity, Gas and Water | |
| 4 | Construction | |
| 5 | Retail Distribution | |
| 6 | Transport Communication | |
| 7 | Wholesale Trade | |
| 8 | Catering, Accommodation and Other Trade | |
| 9 | Finance and Business Services | |
| 10 | Real estate, renting and business activities | |
| 11 | Other: Please Specify | |

| 2.3 | Type of ownership | |
|------------|--------------------------|--|
| 1 | Sole proprietor | |
| 2 | Partnership | |
| 3 | Company (private) | |
| 4 | Close-corporation | |
| 5 | Co-operative | |
| 6 | Business Trust | |

| 2.4 | Number of years in business | |
|------------|------------------------------------|--|
| 1 | 0-5 years | |
| 2 | 6-10 years | |
| 3 | Older than 10 years | |

| 2.5 | Where is your business located? | |
|------------|--|--|
| 1 | Tshwane Informal Settlement | |
| 2 | Tshwane Industrial Area | |
| 3 | Tshwane Township | |
| 4 | Tshwane Central Business District | |
| 5 | Other: Please Specify | |

SECTION 3: ENTREPRENEURIAL ORIENTATION

SECTION 3.1: Innovativeness, risk-taking, pro-activeness and competitive aggressiveness

Please rate the extent to which you agree or disagree with the following statements by making an "X" over the appropriate number on the 1 to 5 point scale next to the statement.

| | 1=Strongly disagree | 2=Disagree | 3=Neither agree nor disagree (Neutral) | 4=Agree | 5=Strongly agree | | | |
|--------------|---|------------|--|--------------|------------------|---|---|---|
| | Statement | | | Scale | | | | |
| 3.1.1 | Innovativeness Dictionary defines innovativeness as tending to introduce something new or different (Dictionary.com). | | | | | | | |
| 1 | My business regularly introduces new products/services. | | | 1 | 2 | 3 | 4 | 5 |
| 2 | My business places a strong emphasis on innovative products/services. | | | 1 | 2 | 3 | 4 | 5 |
| 3 | My business is continually pursuing new opportunities. | | | 1 | 2 | 3 | 4 | 5 |
| 4 | Changes in my product lines have been quite dramatic. | | | 1 | 2 | 3 | 4 | 5 |
| 5 | In my business there is a strong relationship between the number of new ideas generated and the number of new ideas successfully implemented. | | | 1 | 2 | 3 | 4 | 5 |
| 6 | My business places a strong emphasis on continuous improvement in product/service delivery. | | | 1 | 2 | 3 | 4 | 5 |
| 7 | My business has a widely-held belief that innovation is an absolute necessity for the future of the business. | | | 1 | 2 | 3 | 4 | 5 |

| | | | | | | |
|--------------|---|---|---|---|---|---|
| 3.1.2 | Risk-taking | | | | | |
| 1 | When confronted with uncertain decisions, my business typically adopts a bold posture in order to maximise the probability of exploiting opportunities. | 1 | 2 | 3 | 4 | 5 |
| 2 | In general, my business has strong inclination towards high-risk projects. | 1 | 2 | 3 | 4 | 5 |
| 3 | Employees are often encouraged to take calculated risks concerning new ideas. | 1 | 2 | 3 | 4 | 5 |
| 4 | The term “risk-taker” is considered a positive attribute for employees in our business. | 1 | 2 | 3 | 4 | 5 |
| 3.1.3 | Pro-activeness | | | | | |
| 1 | My business is very often the first to introduce new products/services. | 1 | 2 | 3 | 4 | 5 |
| 2 | My business typically initiates actions that competitors respond to. | 1 | 2 | 3 | 4 | 5 |
| 3 | My business continuously seeks out new products/services. | 1 | 2 | 3 | 4 | 5 |
| 4 | My business continuously monitors market trends and identifies future needs of customers. | 1 | 2 | 3 | 4 | 5 |
| 3.1.4 | Competitive Aggressiveness | | | | | |
| 1 | My business is competitive to overcome threats posed by competitors. | 1 | 2 | 3 | 4 | 5 |
| 2 | My business participates in marketing through aggressive advertising. | 1 | 2 | 3 | 4 | 5 |
| 3 | My business implemented strategies that promote competitive aggressiveness to gain an increased market share. | 1 | 2 | 3 | 4 | 5 |

SECTION 3.2: Push and pull factors of entrepreneurial orientation

| 3.2.1 | Push Factors | Strongly disagree | Disagree | Agree | Strongly agree |
|-------|--|-------------------|----------|-------|----------------|
| 1 | I started my business because I was unemployed. | 1 | 2 | 3 | 4 |
| 2 | I started my business because of job security. | 1 | 2 | 3 | 4 |
| 3 | My business started because I had a disagreement with my previous manager. | 1 | 2 | 3 | 4 |
| 4 | I embark on my business because I don't fit into the organisation I was working for/or my working environment. | 1 | 2 | 3 | 4 |
| 5 | Retrenchment was the causes of this business. | 1 | 2 | 3 | 4 |
| 6 | I was rendered redundant in my former job, then I think of turning the area of my strength into business. | 1 | 2 | 3 | 4 |
| 7 | I started my business because I need to accommodate work and home roles. | 1 | 2 | 3 | 4 |
| 8 | Peer pressure forced me to leave my former job. | 1 | 2 | 3 | 4 |
| 9 | I could not cope with the strict working hours, then I pulled out of my former job. | 1 | 2 | 3 | 4 |
| 10 | I did not see myself growing in my former employment, then I opted out and started this business. | 1 | 2 | 3 | 4 |
| 11 | I started my own business because of marriage break-up. | 1 | 2 | 3 | 4 |
| 12 | I started my own business because I have no other alternatives. | 1 | 2 | 3 | 4 |

| 3.2.2 | Pull Factors | Strongly disagree | Disagree | Agree | Strongly agree |
|--------------|--|--------------------------|-----------------|--------------|-----------------------|
| 1 | I started my own business because I want to be independent. | 1 | 2 | 3 | 4 |
| 2 | I started my own business because I want to achieve something. | 1 | 2 | 3 | 4 |
| 3 | I started my own business because I wanted recognition. | 1 | 2 | 3 | 4 |
| 4 | I started my own business because I wanted to be challenged. | 1 | 2 | 3 | 4 |
| 5 | I started my own business because I want to use my past experience and training. | 1 | 2 | 3 | 4 |
| 6 | I started my own business because I want to provide jobs to family members. | 1 | 2 | 3 | 4 |
| 7 | I started my own business because I want to be different from others. | 1 | 2 | 3 | 4 |
| 8 | I started my own business because I want personal development. | 1 | 2 | 3 | 4 |
| 9 | I started my own business because I want to generate my personal wealth. | 1 | 2 | 3 | 4 |
| 10 | I started my own business because I identified an opportunity in the market place. | 1 | 2 | 3 | 4 |

SECTION 4: BUSINESS SUCCESS OF YOUTH ENTREPRENEURS

The following statements concern your attitude towards the success of the business.

Please rate the extent to which you agree or disagree with the following statements by making an "X" over the appropriate number on the 1 to 4 point scale next to the statement.

| 4.1 | Since the inception of the business | Strongly disagree | Disagree | Agree | Strongly agree |
|-----|---|-------------------|----------|-------|----------------|
| 1 | I have experienced growth in turnover. | | | | |
| 2 | I have experienced growth in profit. | | | | |
| 3 | I have experienced growth in the market share. | | | | |
| 4 | My sales have grown higher. | | | | |
| 5 | The competitive positions of my business have improved. | | | | |
| 6 | The effectiveness of my business has improved. | | | | |
| 7 | The efficiency of my business has improved. | | | | |
| 8 | In my business, employees are viewed as the most valuable assets of the business. | | | | |
| 9 | My employees are highly committed to the business. | | | | |
| 10 | The moral (job satisfaction) of my employees has improved. | | | | |
| 11 | Being pushed to start my business helped me to become successful. | | | | |
| 12 | Being pulled to start my own business helped me to become more successful. | | | | |

4.2 How would you rate your business's performance in terms of the following for the past 3 years (2015, 2016 and 2017) on a scale of 1 to 5 where 1 = Decreased significantly, 2=Decreased, 3=Remains the same, 4=Increased and 5=Increased significantly?

| | | Decreased significantly | Decreased | Remains the same | Increased | Increased significantly |
|---|---|-------------------------|-----------|------------------|-----------|-------------------------|
| 1 | The overall level of financial performances e.g. company profit, net financial results. | | | | | |
| 2 | The profitability of the business in comparison with other businesses in the same industry. | | | | | |
| 3 | The competitiveness of the businesses in comparison with other business in the same sector. | | | | | |

4.3 Give an assessment of the profitability of your business.

| | | |
|---|---------------------|--|
| 1 | Very profitable | |
| 2 | Moderate profitable | |
| 3 | Breakeven | |
| 4 | Unprofitable | |

4.4 Give an assessment of the turnover of your business over the past two years.

| | | |
|---|-------------------------------|--|
| 1 | Currently make a loss | |
| 2 | Under R10 000 | |
| 3 | Between R10 000 – R20 000 | |
| 4 | Between R20 001 – R50 000 | |
| 5 | Between R50 001 – R100 000 | |
| 6 | Between R100 001 – R500 000 | |
| 7 | Between R500 001 – R1 000 000 | |
| 8 | Above R1 000 000 | |

Thank you for giving your time to participate in filling this questionnaire. Your input is highly appreciated.

APPENDIX B: Participant Information Sheet and Consent To Participate

Participant Information Sheet

02 JANUARY 2018

Dear Prospective Participant

Student research project on **THE RELATIONSHIP BETWEEN ENTREPRENEURIAL ORIENTATION AND BUSINESS PERFORMANCE OF YOUTH ENTREPRENEURS IN TSHWANE METROPOLITAN MUNICIPALITY**

My name is Cynthia Kumadeka, and I am doing research under the supervision of Mrs Margaret Phillips, a lecturer, in the Department of Entrepreneurship, Supply Chain, Transport, Tourism and Logistics Management and Dr Thea Visser, Senior lecturer, Department of Business Management towards a Masters of Commerce in Business Management at the University of South Africa. I am conducting research on Entrepreneurial Orientation of youth entrepreneurs in the Tshwane Metropolitan Municipality. You are being invited to participate in a study by giving your own opinion through the questionnaire to be send to you.

This study is expected to investigate the relevant information that could help youth entrepreneurs, especially in the Tshwane Metropolitan Municipality, to become successful entrepreneurs. It will also assist government agencies of South Africa to identify the type of policies that need to be put in place to help young business owners. This study will enhance the researcher's knowledge of the entrepreneurial orientation of youth entrepreneurs; it will also attempt to identify which pull and push factors will influence entrepreneurial orientation of youth entrepreneurs. It will further investigate whether entrepreneurial orientation has an influence on the business performance of youth entrepreneurs.

The study is meant to help youth entrepreneurs in Tshwane Metropolitan Municipality and to find ways of formulating policies that will help the growth of entrepreneurship generally in the Municipality.

The contact details of the participants were obtained with permission from the National Youth Development Agency (NYDA) offices and they liaised with my supervisor to provide information on the list of youth entrepreneurs. A list of youth entrepreneurs in Tshwane Metropolitan Municipality was obtained from the NYDA database together with their email addresses. This particular group of participants was selected because my research is on youth entrepreneurs in the Tshwane Metropolitan Municipality and this list of youth entrepreneurs can only be obtained from NYDA.

I received two lists from NYDA, classifying the youth into grant beneficiaries and voucher beneficiaries. The grant beneficiaries had a total number of 225 participants and the voucher beneficiaries had 330 participants residing in Tshwane Metropolitan Municipality. Therefore, making the total participants of 555.

The participant's actual role in the study is to complete the web-based questionnaire and to return it to the researcher.

The study involves a *survey*. The question involves the innovativeness, risk-taking, aggressiveness, pro-activeness and competitive aggressiveness. It also involves the pull and push factors of why the youth engage in an entrepreneurial business.

It will take approximately 20 minutes to complete the questionnaire.

Participating in this study is voluntary and you can withdraw at any point in time from participating in the study.

My participation will assist in establishing the entrepreneurial orientation of youth entrepreneurs in the Tshwane Metropolitan Municipality, which will also assist agencies and the government of South Africa to formulate the right policies that will help young entrepreneurs.

There will be no negative consequences, nor penalties for you to participate in the research project because we only ask you to complete a web-based online survey questionnaire that will assist the youth to become successful entrepreneurs.

Your identity will be kept confidential as no personal identifiers will be asked.

Your answers will be reviewed by people responsible for making sure that the research is done properly and the ethics clearance was approved by the Research Ethics Review Committee. Otherwise, records that identify you will be available only to people working on the study, unless you give permission for other people to see the records.

Your anonymous data may be used for other purposes, such as a research report, journal articles and conference proceedings. A report of the study may be submitted for publication, but participants, identity will not be make public in such a report.

Your information will be kept confidential at all times and no names of a person will be make public. The data collected from you will be analysed and reported in the form of a dissertation and articles in a general format.

The information will be stored by the researcher for a period of five years in a locked cupboard/filing cabinet for future research or academic purposes; electronic information will be stored on a password protected computer. Future use of the stored data will be subject to further Research Ethics Review and approval if applicable.

You will receive no payments or any incentives for participating in the study.

This study has received written approval from the Research Ethics Review Committee of the Department ESTTL at Unisa. A copy of the approval letter can be obtained from the researcher if you so wish.

The findings of this study will be published in a form of dissertations and articles. Should you wish to be informed of the final research findings, please contact Mrs Cynthia Kumadeka on 0764991142 or email address cmakumadeka@yahoo.com The findings are accessible for 5 years.

Should you require any further information or want to contact the researcher about any aspect of this study, please contact Mrs Cynthia Kumadeka on 0764991142 email address cmakumadeka@yahoo.com.

Should you have concerns about the way in which the research has been conducted, you may contact Mrs Magaret Phillips (Supervisor), on phone number 012 4293980 or email phillmj@unisa.ac.za.

Thank you for taking time to read this information sheet and for participating in this study.

Thanks.

Cynthia Mawufemor Afua Kumadeka

CONSENT TO PARTICIPATE IN THIS STUDY

I, _____ (participant name), confirm that the person asking my consent to take part in this research has told me about the nature, procedure, potential benefits and anticipated inconvenience of participation.

I have read (or had explained to me) and understood the study as explained in the information sheet.

I have had sufficient opportunity to ask questions and am prepared to participate in the study.

I understand that my participation is voluntary and that I am free to withdraw at any time without penalty (if applicable).

I am aware that the findings of this study will be processed into a research report, journal publications and/or conference proceedings, but that my participation will be kept confidential unless otherwise specified.

I have received a signed copy of the informed consent agreement.

Participant Name & Surname..... (please print)

Signature.....Date.....

Researcher's Name & Surname: Cynthia MA Kumadeka..... (please print)

Researcher's Signature.....Date

APPENDIX C: Permission to Use Database Letter

From: Phillips, Magaret [mailto:Phillm@unisa.ac.za]
Sent: 29 June 2016 09:42 A M
To: Siyabonga Mbambo
Cc: 'cmakumadeka@yahoo.com'
Subject: request for information

To whom it may concern

I am Magaret Phillips the supervisor for Mrs Cynthia Kumadeka, a student for the MCom degree at Unisa. Cynthia is doing her dissertation on the challenges that youth entrepreneurs face and I would like to request, that if possible, if you could provide her with a list of the contact details of young entrepreneurs that you might have on your data base.

I will appreciate it very much if you could be of assistance in this regard.

I am looking forward to your response.

She will afterwards provide you with the results of her study which can be of value for your own organisation.

Regards

Magaret Phillips

Lecturer

Department of Business

Tel: +27 12 429 3980

Fax: 0866567646

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ANNEXURE D1: Approval Granted by NYDA to Use Data Grant Beneficiaries

From: Siyabonga Mbambo [<mailto:Siyabonga.Mbambo@nyda.gov.za>]
Sent: 05 July 2016 11:48 AM
To: Phillips, Magaret
Cc: 'cmakumadeka@yahoo.com'
Subject: RE: request for information

Fya

From: Phillips, Magaret [<mailto:Phillmj@unisa.ac.za>]
Sent: 29 June 2016 09:42 AM
To: Siyabonga Mbambo
Cc: 'cmakumadeka@yahoo.com'
Subject: request for information

To whom it may concern

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I will appreciate it very much if you could be of assistance in this regard.

I am looking forward to your response.

She will afterwards provide you with the results of her study which can be of value for your own organisation.

Regards

Magaret Phillips

Lecturer

Department of Business Management

Tel: +27 12429 3920

Fax: 0866567 646

Unisa-email-signature_UHGC

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Grant Be... .xlsx

ANNEXURE D2: Approval Granted by NYDA to Use Database Voucher Beneficiaries

Siyabonga Mbambo <Siyabonga.Mbambo@nyda.gov.za>

05 Jun 2016 at 11:45

To: Phillips, Magaret

CC: 'makumadeka@yahoo.com'

This message contains blocked images. [Show Images](#) [Change this setting](#)

FYA

From: Phillips, Magaret [mailto:Phillmj@unisa.ac.za]

Sent: 29 June 2016 09:42 AM

To: Siyabonga Mbambo

Cc: 'makumadeka@yahoo.com'

Subject: request for information

To whom it may concern

I am Magaret Phillips the supervisor for Mrs Cynthia Kumadeka, a student for the MCom degree at Unisa. Cynthia is doing her dissertation on the challenges that youth entrepreneurs face and I would like to request, that if possible, if you could provide her with a list of the contact details of young entrepreneurs that you might have on your data base.

I will appreciate it very much if you could be of assistance in this regard.

I am looking forward to your response.

She will afterwards provide you with the results of her study which can be of value for your own organisation.

Regards

Magaret Phillips

Lecturer

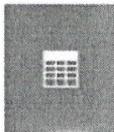
Department of Business Management

Tel: +27 124293900

Fax: 0666567046

Unisa-email-signature_UIIGC

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Voucher ...xlsx

ANNEXURE E: Ethical Clearance Approval Letter



20 October 2017

Ref #: 2017_CEMS_ESTTL_016

DEPARTMENT OF ENTREPRENEURSHIP, SUPPLY CHAIN, TRANSPORT, TOURISM AND LOGISTICS MANAGEMENT RESEARCH ETHICS REVIEW COMMITTEE

This is to certify that the application for ethics clearance submitted by
Ms Cynthia Mawufemor Afua Kumadeka (student number 3334 3225,
cmakumadeka@yahoo.com)

“Entrepreneurial orientation of youth entrepreneurs in Tshwane Metropolitan Municipality”
received **Ethics Approval**

The application for ethics clearance for the above mentioned research was reviewed (as an expedited review) by the Department of Entrepreneurship, Supply Chain, Transport, Tourism and Logistics Management Research Ethics Review Committee in October 2017 in compliance with the Unisa Policy on Research Ethics. Ethical Clearance for the project is granted. You may proceed with the research project.

The research ethics principles outlined by the Unisa Policy on Research Ethics must be adhered to throughout the project. Please be advised that the committee needs to be informed should any part of the research methodology as outlined in the Ethics application (Ref #2017_CEMS_ESTTL_016) change in any way or in case of adverse events. This certificate is valid for one year from date of issue. The ESTTL Research Ethics Review Committee wishes you all the best with this research undertaking.

Kind regards,

Mrs C Poole
Chairperson

Executive Dean: CEMS



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www.unisa.ac.za

ANNEXURE F: Language Editing Certificate

CERTIFICATE OF EDITING



TO WHOM IT MAY CONCERN

This document certifies that dissertation whose title appears below was edited for proper English language usage, grammar, punctuation, spelling and overall style by Dr Anthony Masha who is a member of the Professional Editors' Guild and whose academic qualifications appear in the footer of this document.

ARTICLE TITLE

THE RELATIONSHIP BETWEEN ENTREPRENEURIAL ORIENTATION AND
BUSINESS PERFORMANCE OF YOUTH ENTREPRENEURS IN TSHWANE
METROPOLITAN MUNICIPALITY

RESEARCHER

Cynthia Mawufemor Afua Kumadeka

DATE EDITED

August 2019

Editor's comment

All mistakes relating to grammar, punctuation, spelling and overall style have been corrected. The editor was not responsible for conducting a cross-referencing check.

B.A (Ed), Honours B.A. (Social Sciences), Honours B.A (Group Dynamics), Postgraduate Diploma in Education,
M.ADMIN (Public Administration), Doctor of Administration in Public Administration