

YOUTH ENTREPRENEURIAL READINESS: ENTREPRENEURIAL SELF-EFFICACY AND THE MODERATING ROLE OF ENTREPRENEURIAL TRAINING

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A Dissertation Submitted in Partial Fulfillment  
of the Requirements for the Degree of Doctor  
of Philosophy

Omega Graduate School, 2023

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**Abstract**

## Dedication

## Acknowledgements

## Epigraph

## Table of Contents

Abstract .....	i
Dedication .....	ii
Acknowledgements .....	iii
Epigraph .....	iv
Table of Contents .....	v
List of Tables .....	vix
List of Figures .....	vii
Chapter 1: Introduction .....	1
<b>Background of the Problem</b> .....	2
<b>Problem Statement</b> .....	4
<b>Purpose Statement</b> .....	5
<b>Research Question</b> .....	6
<b>Hypothesis</b> .....	6
<b>Scope and Delimitation of the Research</b> .....	6
<b>Significance of the Research</b> .....	6
<b>Summary</b> .....	8
Chapter 2: Review of Literature .....	9
<b>Literature Search Strategy</b> .....	9
<b>Identification of Gap in Literature</b> .....	11
<b>Theoretical/Conceptual Framework</b> .....	12
Social Learning Theory .....	13



Entrepreneurial Self-Efficacy .....	18
Entrepreneurship Training .....	19
<b>Topical Review of Literature</b> .....	24
Entrepreneurship .....	24
Entrepreneurial Ecosystem .....	26
Entrepreneurial Policy .....	29
Youth Entrepreneurship .....	30
Entrepreneurial Readiness .....	33
Ethiopia’s Entrepreneurial Setting.....	34
<b>Background of Instrument and Variables</b> .....	38
Entrepreneurial Self-Efficacy Scale.....	38
<b>Summary</b> .....	39
<b>CHAPTER 3: RESEARCH DESIGN AND METHODOLOGY</b> .....	40
<b>Overview of Information</b> .....	40
<b>Research Design and Rational</b> .....	40
<b>Research Procedure</b> .....	41
Population and Sample Selection.....	41
Instrumentation .....	41
Entrepreneurial Self-Efficacy .....	42
Selection of Training Participants.....	42
Data Collection and Preparation .....	43
<b>Data Analysis</b> .....	45

Socio-demographic Data.....	45
Hypothesis.....	46
Moderating Variable .....	46
<b>Ethical Compliance</b> .....	48
<b>Limitations</b> .....	49
<b>Summary</b> .....	49
CHAPTER 4: SUMMARY OF RESULTS .....	51
<b>Introduction</b> .....	51
<b>Preparation of Raw Data for Analysis</b> .....	52
<b>Assumptions Tests for Mann-Whitney U Test</b> .....	53
<b>Summary of Assumptions Tests for Mann-Whitney U Test</b> .....	55
<b>Descriptive Statistics of the Participants</b> .....	55
<b>Null Hypotheses Analysis</b> .....	65
<b>Moderating Variable</b> .....	74
<b>Summary</b> .....	74
Works Cited .....	76
Appendix A: Socio-demographic and Entrepreneurial Self-Efficacy	
Measurement Tool .....	95
Appendix B: Site Permission Letter .....	98
Appendix C: Recruitment Letter.....	99
Appendix D: Consent Form .....	100
Appendix E: Permission to Use Entrepreneurial-Self Efficacy Tool .....	103

Appendix F: Human Research Protection Foundational Training Certificate .....105

Appendix G: Curriculum Vitae.....108

## List of Tables

## List of Figures

## CHAPTER 1: INTRODUCTION

This chapter introduces the research problem, background of the problem, purpose statement, research question, hypothesis, scope and delimitation, significance, and operational definition of the study. The second chapter is devoted to the literature review, followed by chapters on research methodology, results, discussion, and conclusion.

The concept of an entrepreneur includes: having entrepreneurial skills, identifying opportunities, gathering the necessary resources, and taking a risk to create a successful endeavor (Lilia et al., 2022). Kallas (2019) explained that entrepreneurial readiness has individual, social/environmental, and institutional components, and the personal aspect, which is determined by one's attitude, motivation, and competencies.

This study aimed to investigate if differences exist between youth entrepreneurial readiness based on entrepreneurial self-efficacy related to entrepreneurship training conducted by the Entrepreneurship Development Institute (EDI) in Addis Ababa and those who have not.

EDI was established following the latest government restructuring, bringing together two entities: the UNDP-supported Entrepreneurship Development Center (EDC), established in February 2013, and the World Bank-financed Women Entrepreneurship Development Project, inaugurated in December 2012. EDI aims to assist the emergence of a competitive and innovative private-sector driven by a dynamic, vibrant, and growth-oriented small and medium enterprise (SME) sector. The new mandate includes playing a pivotal role in the entrepreneurial ecosystem, especially in self-employment, with a strategic shift from direct service providers to building the

capacities of other public and private institutions. In addition, two EDI programs target women and youth who wish to start or develop their businesses. The programs include training, business development services, a forum for networking innovative services, and establishing the center of excellence in selected universities (EDI, 2022).

Zhartay et al. (2020) defined *youth entrepreneurship* as "A tool to ensure the growth of employment, the involvement of young people in economic activities, their socialization, and self-realization" (p. 1190). Macrotrends (2022) estimated the unemployment rate for Ethiopia in 2021 was 3.69%, and the youth unemployment rate was 5.72%. At the same time, the Central Statistics Authority (2021) labor force and migration survey provided information on the nation's labor force, which indicates the economic performance through the employment and unemployment rate. The survey result reveals that the jobless rate in Ethiopia is 8.0 percent. Despite efforts to improve the economic conditions of Ethiopia, youth unemployment remains one of the significant challenges. The result also shows that the youth unemployment rate in the urban setting is estimated to be 23.1 percent.

Creating an enabling environment in which engaging the youth in entrepreneurial training and education is one of the ways to curb the challenges of youth unemployment and take entrepreneurship as a career option (Akubo, 2021). In this research, a non-experimental research design was used to examine if there were significant relations between a group that had the training and a group that did not.

### **Background of the Problem**

According to the United Nations, in 2015, countries adopted 17 goals to end poverty, protect the planet, and ensure prosperity for all as part of a new workable

development agenda, with 169 sub-targets to be achieved by 2030 (Weiland et al., 2021). This global agenda promotes an integrated approach to achieve sustainable development that tackles the interwoven issues of multidimensional poverty, inequality and exclusion, and sustainability while enhancing knowledge, skills, and production technologies to reduce risks and sustain development gains. The National Planning Commission (2016) described that Ethiopia developed the Growth and Transformation Plan (GTP) aligned with the world agenda of sustainable development.

EDC, now transformed into EDI, was established to realize Ethiopia's vision GTP in response to the growing role the private sector can play in achieving the plan. The Ethiopian government established the program in partnership with the United Nations Development Program (UNDP) Ethiopia and launched it in February 2013. The program was designed to foster a robust and competitive private sector by developing the micro and small enterprise sectors. Based on that, entrepreneurship training is provided by the United Nations Development Program for one week for those who want to start a business or strengthen an existing one (Ministry of Trade and Industry & United Nations Industrial Development Organization, 2019).

Describing the impact, as of May 2022, the EDC report shows 244,459 new jobs were created, 20,819 new businesses were established, 29,378 businesses were expanded, 20,757 businesses were formalized, and 70,391 existing businesses were supported. In addition, 112,163 training sessions were provided in ten regional states, which were instrumental in creating the needed impact (EDI, 2022).



## **Problem Statement**

Entrepreneurial initiatives, including training, are believed to curb unemployment problems by grooming the youth for entrepreneurial endeavors (Olayinka & Sulyman, 2022). Boris and Parakhina (2022) stated that youth entrepreneurship is a neglected yet important sector of the economy, exacerbated by the unstable post-COVID pandemic economic conditions. Ahmed and Ahmed (2021) pointed out the challenges of the young generation in finding a decent job in African countries, including Ethiopia, due to their lack of skill and experience, and because of negative attitudes among potential employers toward youth in the workplace.

The alarming unemployment rate in Ethiopia is worth noting to strategize entrepreneurial interventions. According to the Ethiopian Statistics Service and International Organization for Migration (2021), the published statistical report of the employment-to-population ratio was 59.5 percent, with 69.0 percent males and 50.2 percent females. In contrast, the employment-to-population ratio of youth 15-29 was 57.4 percent nationally. The rate of youth employment to population ratio in rural areas was 64.9 percent and 50.6 percent in urban areas.

Adeniyi, et al. (2022) related entrepreneurial readiness to entrepreneurial skills, business opportunities, entrepreneurial self-efficacy, and opportunity identification. Since studies show that youth entrepreneurship contributes to economic development, it is essential to know how one acquires the entrepreneurial thinking, reasoning, making decisions, planning and goals setting, and uses the potential to create jobs, expand existing businesses, increase the possibility of business startups, and maximize

opportunities to curb developing countries' unemployment issues by using the youth potentials (GEM, 2022).

A study on the relationship between micro-enterprises targeting youth and socio-economic development showed that employing youth significantly reduces poverty in Ethiopia (Kidane et al., 2015). In addition, entrepreneurship was acknowledged as one of the stimulating factors for economic growth in developing countries (Muhammad & Ahmad, 2020). Ahmed and Ahmed (2020) cited the barriers that may prevent youth entrepreneurship in Ethiopia. These include, a) the lack of a conducive policy environment, b) limited access to finances, markets, and business assistance, and c) the lack of entrepreneurial education and training. Recognizing the positive role of youth in economic development is essential to prepare the youth for such engagement (Chernova et al., 2020).

Despite the growing interest in entrepreneurship as a means of economic development and poverty reduction, the influence of entrepreneurial self-efficacy and entrepreneurship training on entrepreneurial readiness among youth in Ethiopia is not known.

### **Purpose Statement**

This study examined the difference between youth readiness to start or develop a business based on entrepreneurial self-efficacy of those who have taken EDI entrepreneurship training and those who have not, to determine if there is a significant difference in youth entrepreneurial readiness.

**Research Question**

What differences exist in youth entrepreneurial readiness based on entrepreneurial self-efficacy related to EDI entrepreneurship training?

**Hypothesis**

H<sub>0</sub>: No statistically significant difference exists in entrepreneurial readiness to start or develop a business based on entrepreneurial self-efficacy between those who received entrepreneurship training and those who did not.

H<sub>1</sub>: A statistically significant difference exists in entrepreneurial readiness to start or develop a business based on entrepreneurial self-efficacy between those who received entrepreneurship training and those who did not.

**Scope and Delimitation of the Research**

The study is delimited to youth aged 18 to 35, whom EDI trained from January – March 2023, and who were willing to participate in the study. Another group, which had not taken the EDI training, were selected, and the same tools were administered to determine if there was a significant difference between the two groups.

**Significance of the Research**

This research shows that training moderates new venture creation or business development. Therefore, training activities will be scaled up to meet the needs of the nation's millions. This includes strategizing to engage the youth in entrepreneurial training so that they are active in income generation and economic development. In addition, higher learning institutes can serve as incubation centers, where students get entrepreneurial education and incubate their innovative ideas into business. Those who graduate with academic credentials will have added skills to create jobs in their areas of

expertise, thereby contributing to curbing unemployment. At the national level, the research has valuable practical implications for policymakers and providers of informal entrepreneurial education, for they will be encouraged to introduce policies that provide a secure environment for individuals to start their ventures after investing in suitable candidates for training.

### ***Operational Definitions***

This research adopts the following operational definitions for the study.

#### **Definition of Entrepreneurship**

Essential ingredients include the willingness to take calculated risks—in terms of time, equity, or career; the ability to formulate an effective venture team; the creative skill to marshal needed resources; and the fundamental skill of building a solid business plan; and finally, the vision to recognize opportunity where others see chaos, contradiction, and confusion (Kuratko & Hodgetts, 2004, p. 30).

#### **Definition of Self-Efficacy**

Self-efficacy is an individual's cognitive estimate of their "capabilities to mobilize the motivation, cognitive resources, and courses of action needed to exercise control over events in their lives" (Wood & Bandura, 1989).

#### **Definition of Entrepreneurial Self-Efficacy**

Entrepreneurial self-efficacy (ESE) is one's ability to start and successfully manage a venture with required entrepreneurial skills in planning, marshaling, managing ambiguity and financial literacy (Moberg, 2012).

#### **Definition of Entrepreneurial Readiness**

This research has taken Darmasetiawan's definition (2019), and Coduras et al. (2016) definition that entrepreneurial readiness, which is determined by a person's ability or willingness for entrepreneurial activity to take entrepreneurial action.

### **Definition of Youth**

The UN defines *youth* as between 15 and 25, but the African Union defines *youth* as between 15 and 35 years old. Additionally, some previous entrepreneurship research extended the age range of youth to 35 (Storey, 1994; Mehari & Belay, 2017; Delmar & Davidson, 2000.) Therefore, in this study, the term "youth" will be used to refer to ages 18-35.

### **Summary**

This chapter introduces the research problem that investigates the effects of entrepreneurial self-efficacy and EDI training on entrepreneurial readiness. The purpose of the research is to examine the difference between youth readiness to start or develop a business based on entrepreneurial self-efficacy of those who have taken EDI entrepreneurship training and those who have not. In addition, scope and delamination of the research were stated. The significance of the research and operational definition of the study were described at the end.

## CHAPTER 2: REVIEW OF LITERATURE

The literature review is divided into five sections: literature search strategy, identifying a gap in the literature, describing the theoretical/conceptual framework, a topical review of the literature, and providing a background for the instrument and variables. The chapter includes an in-depth review of current, peer reviewed journals published between 2019 and 2023. The background of entrepreneurial theories and the reason for the social learning theory selected as the theoretical conceptual framework underpinning the proposed research are discussed in detail. In addition, six relevant topics that give context to the study are included: Historical Background of Entrepreneurship, Entrepreneurial Ecosystems, Entrepreneurial Policy, Youth Entrepreneurship, Entrepreneurial Readiness, and the Ethiopian Entrepreneurial Context.

### **Literature Search Strategy**

The literary search strategy began with exploring the definition or meaning of entrepreneurship in the work of economists like Smith (1776), “An inquiry into the Nature and Causes of the Wealth of Nations,” Ricardo (1817), “On the Principles of Political Economy and Taxation,” Schumpeter (1934), “The Theory of Economic Development,” Glancey & McQuaid (2000), “Entrepreneurship and Market Dynamics - Entrepreneurial Economics,” Simpeh (2011), “Entrepreneurship Theories and Empirical Research: A Summary Review of the Literature.” These publications laid the groundwork for understanding entrepreneurship from classical, non-classical, and Australian economics perspectives.

The literary search revealed that economic theories are insufficient to fully explain entrepreneurship. Psychological theories highlighted four distinct components of successful entrepreneurship.

Rotter (1996), “Generalised Expectancies for Internal Versus External Control of Reinforcement”, along with Şahin, et al. (2019), “Big Five Personality Traits, Entrepreneurial Self-efficacy and Entrepreneurial Intention: A Configurational Approach,” postulated that individual inborn personality traits, such as locus of control, strongly influence entrepreneurial success.

McClelland (1961), “The Achieving Society,” and Johnson (1990), “Toward a Multidimensional Model of Entrepreneurship,” focused on the individual’s need for achievement as a stimulus for successful entrepreneurship.

The capacity for emotional intelligence was correlated with entrepreneurial efficacy by Wen, et al., (2020), “The Relationship between Emotional Intelligence and Entrepreneurial Self-Efficacy of Chinese Vocational College Students,” and Fatoki (2019), “Emotional Intelligence and Success of Immigrant-Owned Small Businesses in South Africa.”

Bandura (1971), “Social Learning Theory,” and (1982), “Self-efficacy Mechanism in Human Agency,” emphasized self-efficacy as an essential entrepreneurial trait. This concept was also explored by Chen et al. (1998), “Does Entrepreneurial Self-Efficacy Distinguish Entrepreneurs from Managers?” DeNoble et al. (1999), “Entrepreneurial Self-efficacy: The Development of a Measure and Its Relationship to Entrepreneurial Action,” McGee et al., (2009), “Entrepreneurial Self-efficacy: The

Measure,” and Kare Moberg (2012), “An Entrepreneurial Self-Efficacy Scale with Neutral Wording.”

In addition, the literature search strategy was far ranging, reviewing and citing more than 150 journals. Specifically, relevant articles that added broader context to topics such as Entrepreneurship, Entrepreneurial Ecosystems, Entrepreneurial Policy, Youth Entrepreneurship, Entrepreneurial Readiness, Ethiopia’s Entrepreneurial Setting were reviewed.

### **Identification of Gap in Literature**

Social scientists disagree on what makes an entrepreneur, but research delineates individual, environmental, and institutional factors (Kallas, 2019) that create readiness to start an enterprise. A great deal of attention is given to entrepreneurial intention (Saptono, et al., 2019; Aleksandrova, et al., 2019); impacts of entrepreneurship training (Efobi & Orkoh, 2018; Rahim, et al., 2022); the impact of entrepreneurial education programs (Hernández-Sánchez, et al., 2019; Paray & Kumar, 2020); the role of entrepreneurial self-efficacy (Darmanto & Yuliari, 2019; Newman, et al., 2019), psychological dispositions that predict entrepreneurial success and factors that determine entrepreneurial success (Salisu et al., 2020), and entrepreneurial behavior (Ho et al., 2021).

Reflecting on the past five years from 2014 to 2019, Chan and Mustafa (2021) did an overview of published articles on entrepreneurship and innovation in emerging economies. They pointed out that entrepreneurship requires different skills in emerging economies than in developed economies. Therefore, factors for entrepreneurial practices at the individual, societal, and organizational levels must be understood considering



contexts. Numerous surveys have shown that entrepreneurial self-efficacy has a positive effect on entrepreneurial intentions and behaviors (Barbosa et al., 2007; McGee et al., 2009; Zhao et al., 2005).

The concept of an entrepreneur emerged from economic theories. This made it necessary to explore the background of entrepreneurship and its evolving multidisciplinary nature over the past three centuries. However, no study was found in economic theories of entrepreneurship that addressed the entrepreneurial readiness of youth. Reviewing contemporary literature led to exploring how psychological aspects of an individual's entrepreneurial self-efficacy can contribute to youth readiness to start or develop a business.

### **Theoretical/Conceptual Framework**

Researchers have identified several theories to explain the topic of entrepreneurship. Ahmed and Ahmed (2021) demonstrated that the multidisciplinary nature of entrepreneurship theories is rooted in disciplines such as applied economics, psychology, sociology, anthropological, and management fields of studies. McMullen et al. (2020) studied what makes an entrepreneurial investigation have a unified theory and identified five elements of entrepreneurial agency: ability, motivation, opportunity, institution, and process skills to transform social structures into action. The multifaceted aspect of entrepreneurship is examined in this study, and a theory that resonated with the purpose of the research and firmly explained the phenomenon of youth entrepreneurship and entrepreneurial training was selected.

Entrepreneurship has evolved significantly in the last two and half centuries due to the complexity and multidimensional notion of entrepreneurship, influenced by

economic, social, psychological, ethical, religious, and cultural factors. The present study focuses on youth entrepreneurial readiness from an entrepreneurial self-efficacy standpoint, using entrepreneurship training as a moderator.

Because many factors influence entrepreneurship, no single component can generate it independently. This study uses social learning theory as a theoretical foundation to describe the different variables in the socio-demographic antecedent and explore the entrepreneurial self-efficacy related to youth entrepreneurial readiness as moderated by entrepreneurship training.

The EDI entrepreneurial training provides the context of social learning, and the individual specific entrepreneurial self-efficacy was assessed to determine the entrepreneurial readiness of the youth by comparing those who took the six-day training and those who did not.

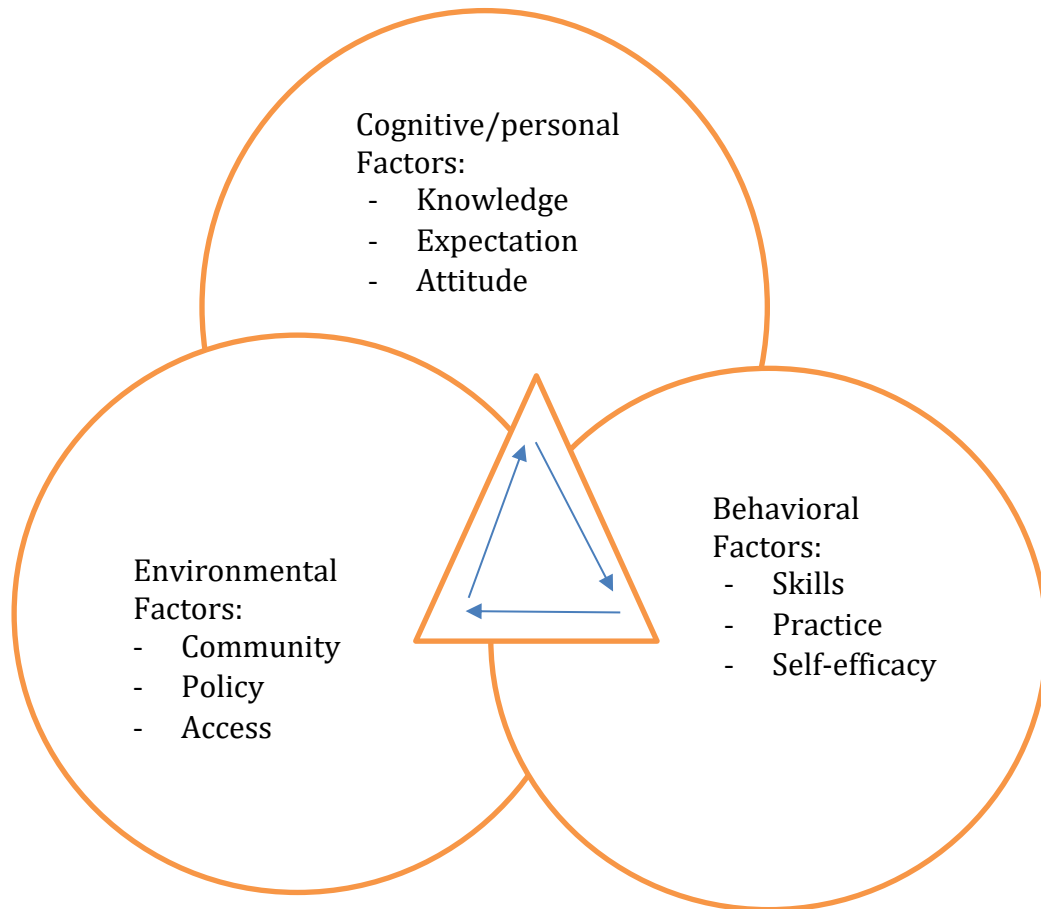
### ***Social Learning Theory***

Berge and Lyons (2012) stated that social learning theory is associated with Albert Bandura, but was rooted two decades earlier in Rotter's social and clinical assertion that learning takes place in a social arena by observation and later by imitation. Chavis (2011) concurs with the idea that social learning theory is an approach that addresses human problems in a social context.

Albert Bandura theorized that learning might occur by observing others' behaviors and the consequences of those behaviors, and that social learning reinforces behavior as people interact with their environment to determine their actions (Bandura, 1971). He expanded the social learning approach, adding the cognitive elements of learning, which

occur through observation, imitation, and modeling, a sharp contrast with behavioral thinking of reinforcement and punishment (Bandura, 1977).

### Social Learning/Cognitive Theory



**Figure 1: Social Learning/Cognitive Theory – Interaction of cognitive, behavioral, and environmental factors**

Entrepreneurs learn by observing their surroundings, including their parents, friends, partners, and competitors, as they interact with their environment (Fernando & Nishantha, 2019). Scherer et al. (1989) studied the background of entrepreneurs and non-entrepreneurs and found that many non-entrepreneurs did not have self-employed or entrepreneurial parents.

This implies that social modeling highly influences entrepreneurs in their entrepreneurial actions. Similarly, Drucker (1985) alluded that entrepreneurship can be a learned behavior as entrepreneurs with different personalities are educated in a social context and succeed. The concept of self-efficacy is also part of Albert Bandura's social learning theory, which addresses the ability of individuals to make judgments on decisive matters, effectively perform and face challenges (Bandura, 1982). The concept further contributed to developing entrepreneurial self-efficacy to measure the person's entrepreneurial beliefs to start a business (Drnovšek et al., 2010).

Social learning theory shows how cognition, behavior, and environment are interrelated, having cause-effect relations (Wood & Bandura, 1989). Borhani et al. (2020) stated that socio-demography was the first factor that affected the attitude of the youth to accept agricultural entrepreneurship, with the age 25-40 likely to start a new business.

Likewise, Fairlie and Holleran, 2012; Sakkthivel and Sriram, 2012 deduced that individuals' socio-demographic and psychological stances are significant determinants of entrepreneurship. Similarly, Gibb and Ritchie (1982) identified that an entrepreneurial social process of a start-up is influenced in so many ways by family, employment, training, and career patterns. Bouichou et al. (2021) showed that young people aged 20-25 positively correlated with entrepreneurial intentions to start a new business venture, but as age increased to 41-45, they were less likely to start a business.

A comparative study by Alamineh (2022) on identifying influencing factors of university and technical and vocational education and training graduate students' intentions toward entrepreneurship concluded that socio-demographic factors such as age,

gender, family income, educational background, and entrepreneurial attitude had a significant effect on the TVET students' intention toward entrepreneurship.

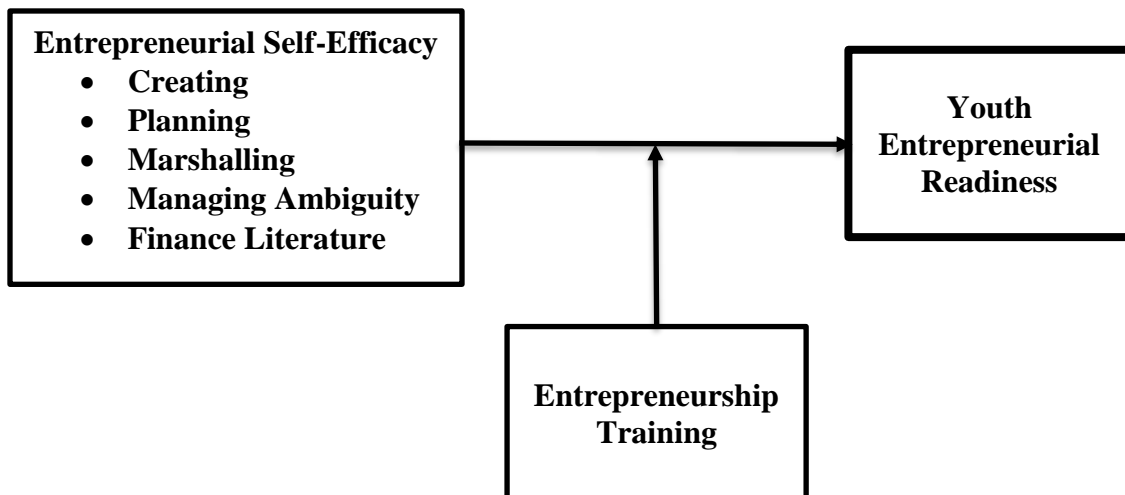
According to Udayanan (2019), training plays a significant role in developing transferrable skills related to business in the entrepreneurial self-efficacy of graduate students. Entrepreneurial training provides the context of social learning, the individual psychological makeup, and the business ability to enhance the entrepreneurial readiness of the youth. This study used social learning theory as a theoretical foundation to describe the social background and explore the entrepreneurial self-efficacy of youth for entrepreneurial readiness as moderated by entrepreneurship training.

Bandura, (1986) describes that self-efficacy beliefs are multifaceted, as social cognitive theory identifies several conditions, which include “generic skills for diagnosing task demands, constructing and evaluating alternative courses of action, setting proximal goals to guide one’s efforts, and creating self-incentives to sustain engagement in taxing activities and to manage stress and debilitating intrusive thoughts” (p.308). Self-efficacy measures a person’s belief in starting a business (Drnovšek et al., 2010). Similarly, Adeniyi et al. (2022) studied entrepreneurial self-efficacy for entrepreneurial readiness in developing countries, and the findings supported that ESE is helpful for the business creation process. Darmanto and Yuliari (2019) also concurred that entrepreneurial self-efficacy strongly predicts entrepreneurial readiness.

Using the social learning theory that encompasses the individual and social factors, entrepreneurship readiness is assumed to be described by incorporating the individual’s socio-demographic background and measuring psychological self-efficacy,

and entrepreneurial self-efficacy, as moderated by entrepreneurial training (Hatos et al., 2022).

The conceptual framework is based on social learning theory that posits that learning occurs through observation and when the individual has self-efficacy, whereby he or she believes they can master a particular task (Bandura, 1989). In this case, entrepreneurial self-efficacy moderated by entrepreneurial training may play a greater role in entrepreneurial performance whereby the readiness to start or develop a business is linked between the independent and dependent variables. The framework below shows how the independent variables of entrepreneurial self-efficacy influence the dependent variable, youth entrepreneurial readiness, as moderated by EDI training.



**Figure 2: Conceptual Model of Hypothesized Relationships**

### ***Entrepreneurial Self-Efficacy***

Self-efficacy can be applied to various domains if the efficacy measure is tailored to the tasks assessed (Bandura, 1982). Based on the conceptual framework of Albert Bandura, the social learning theory entrepreneurial tendency of college students' ESE tool was first suggested by (Chen et al., 1998). Different constructs, such as risk-taking, innovation, management, financial control, and marketing, were assessed. This was complimented by McGee et al. (2009), supporting ESE as a multi-dimensional construct and suggesting the four tasks: searching, planning, marshaling, and implementing as valuable skills for entrepreneurial readiness resulting in business creation orientation.

According to Mobeg (2012), the entrepreneurial efficacy measure components start with the searching phase that includes brainstorming a new idea for a product or service, identifying the need for a new product or service, or a market, and designing a product or service that will satisfy customer needs and wants. The planning phase incorporates an assessment of demands, prices, capital needed, and designing a marketing strategy and translating this into a business plan.

The marshaling phase focuses on determining the different resources needed to execute the plan. The last implementation phase involves using resources to execute the action plan (Adenyi et al., 2022). Borhani et al. (2020) emphasized that education, opportunities, and financial support significantly impact young adults' career choices for startup businesses. Previous studies by Wadhawa et al., (2009) depicted that a lack of business and managerial skills would be a barrier to effective startups implying that the need to have business management knowledge and skills positively contributes to entrepreneurial readiness. Based on the social learning theory and the literature reviewed

to construct ESE, Moberg (2012) updated the ESE variables by categorizing them into five domains: searching, planning, marshaling, implementing, and finance.

Ndofirepi (2020) described it as essential to understand entrepreneurs' psychological make-up, and ways of thinking and doing in order to design effective training programs. The psychological traits associated with entrepreneurs are an internal locus of control, achievement needs, and risk-taking behaviors. This is also supported by previous studies by Bygrave and Hofer (1991), which expanded the list of main psychological aspects associated with entrepreneurship: "need for achievement, locus of control, risk-propensity, self-efficacy, tolerance for ambiguity, innovativeness, independence and autonomy, and optimism." Alamineh's (2022) study concluded that the field of study, entrepreneurship course, entrepreneurship test score, locus of control, entrepreneurship education, subjective norms, and entrepreneurial motivation statistically affected university students' intention toward entrepreneurship.

In this research, the entrepreneurial self-efficacy of the EDI-trained youth and the non-trained youth were investigated to determine if there was a difference in their readiness to start or develop a business, and if training moderated readiness.

### ***Entrepreneurship Training***

Entrepreneurial training is intended to reinforce information, skills, and attitudes and has been utilized in different countries to influence entrepreneurial culture within a population (Wulandari et al., 2021). This study defined *entrepreneurship training* as "training to prepare someone to have entrepreneurial skills so that they can create a business appropriately by using existing opportunities and providing job opportunities



both for themselves and others" p. 307. The current research used training as a moderating factor to assess youth entrepreneurial readiness.

Most economies support entrepreneurship education and training to achieve goals such as encouraging citizens to have a positive attitude toward self-employment, identifying viable business opportunities, demonstrating managerial skills for running successful businesses, and encouraging new startups and other entrepreneurial ventures (Alam et al., 2019; Cieslik et al., 2022). Coelho et al. (2018) studied and evaluated the impact of the entrepreneurship training program in Recife, Brazil. Such research helps to understand entrepreneurship education's ability to boost individuals' ability to generate a new company. The findings support the claim that entrepreneurship education is becoming more significant in emerging nations, reshaping society by allowing individuals to advance in their careers and lives.

The UN program UNCTAD, (2018) that developed entrepreneurship coined Empretec from the Spanish for emprendedores (entrepreneurs) and tecnología (technology). Empretec is a mechanism that instills behavioral change in a select group of promising entrepreneurs. It is dedicated to helping promising entrepreneurs put their ideas into action and helping fledgling businesses to grow. The course was developed by Harvard University to encourage entrepreneurial behavior and motivate learners to contribute to countries' economic prosperity by focusing on developing entrepreneurial competencies of entrepreneurs in emerging economies (UNCTAD, 2018). More than 31 years of experience has been analyzed since the UN implemented this program in 41 countries (UNCTAD, 2022). The program evaluation showed that trainees' success was linked to their involvement in entrepreneurship education, and therefore,

entrepreneurship training programs are to be designed to create access to training and assist trainees to develop their competencies.

The EDI (2022) uses the Empretec program to identify ten key areas of competencies related to entrepreneurial development. These include opportunity-seeking and initiative; persistence; fulfillment of commitments; demand for quality and efficiency; calculated risks; goal setting; information-seeking; systematic planning and monitoring; persuasion and networking; and independence and self-confidence. EDI trainees are provided with six practical days of training with a practical tool to help them assess their strengths and weaknesses. Trainees are required to do 30 behavioral traits of each they have practiced since they completed the training.

Abdullah and Latif (2014) evaluated Bangladesh's entrepreneurship development training program. They concluded that the country could take the initiative to develop an entrepreneurial environment to evolve the prevailing salient talent. Developing such training and development programs for both newcomers and existing entrepreneurs nourished the entrepreneurial system. The study also showed the evaluation's validity by addressing the training program's effectiveness.

Vega et al. (2016) studied the entrepreneurial aspirations of adolescents toward self-employment and found that interest increased in three distinct groups: foreigners, those who studied at state schools, and those who demonstrated lower academic achievements. Education had a long-term effect on students' attitudes, and training had a short-term practical effect on their preparation of business plan and designing projects.

According to Chethan (2020), entrepreneurship training positively affects trainees by enhancing their confidence levels. Before training, participants were afraid due to

lack of practical knowledge; however, their satisfaction level was drastically enhanced to start their business enterprise after training. Similarly, Klinger and Schündeln (2007) investigated the effect of entrepreneurial training on enterprise outcomes, particularly whether training and business development programs in developing countries can help improve entrepreneurial skills and foster entrepreneurial activities such as creating and expanding businesses. The findings show that business training significantly increases the probability that the trainee starts or expands an existing business. In addition, they suggest that entrepreneurial activities such as starting and expanding businesses can be fostered by training.

Efobi and Orkoh (2018) mentioned that entrepreneurs who received formal evaluation training would retrain their colleagues, resulting in expanded human resources, increased innovation, and revenue for the company. Moreover, the author described how training within an entrepreneurial venture should be viewed as a 'two-sided coin' that empowers the trained employee and the transfer of knowledge by training other workers. Efobi and Orkoh also studied the impact of entrepreneurship training on the growth performance of firms and elaborated on training programs directed at entrepreneurs as an essential catalyst for business growth and development. They compared the difference in revenue, innovation, and employee growth of firms where the entrepreneurs were trained, and who set up in-house training for their workers, with those who were trained but did not create in-house training for their workers. The results imply that policies that encourage just the training of entrepreneurs may be limited in the scope of impact if steps are not taken to ensure that the trained entrepreneurs go further to retrain their workers in their businesses.

Entrepreneurial education and training equip students with abilities, skills, and knowledge, allowing them to spot opportunities, analyze the environment, and draft strategies to help the company succeed (Mack et al., 2021). Entrepreneurial education and training also increase confidence in individuals' ability to start and run a company. In class, students are given exercises to develop business plans, perform feasibility studies for business opportunities, or participate in running simulated or real businesses (Thamahane, 2017).

Similar studies by Emmanuel et al. (2018) mentioned that entrepreneurial orientation caused by inadequate entrepreneurial education and training significantly influences entrepreneurial behavior among youths in the province. Cieslik et al. (2022) conducted studies on why sustainable development was not fulfilled as targeted and stated that it was not due to the defectiveness of entrepreneurship-based programs. Instead, broader job-market policies must be assessed to complement training, education, and skill deficits.

Bouichou et al. (2021) studied entrepreneurial intention among rural youth in Moroccan agricultural cooperatives. They found that training is one of the factors that have a positive impact on the entrepreneurial intentions of young men and women. Similarly, Ndofirepi (2020) studied the relationship between entrepreneurship education and entrepreneurial goal intention and found that exposing students to entrepreneurial education positively impacts psychological development. Entrepreneurship training has been used as one of the driving forces to improve entrepreneurial capabilities (Zahra, 2011) that enhance knowledge, skills, and attitude (Seun & Kalsom, 2015), and they

showed entrepreneurship training moderated the relationship between entrepreneurial ability and readiness towards new venture creation.

## **Topical Review of Literature**

### ***Entrepreneurship***

Entrepreneurship and entrepreneur are defined differently depending on the theoretical orientation, model of what an entrepreneur is, and school of thought. For example, Akulava, et al., (2020) defined *entrepreneurship* as "a process of starting and running a new business." p.20, whereas Omoniyi and Bongani (2022) define *entrepreneurship* as a necessary production component and a driving force behind any successful business. As a result, *entrepreneurship* is defined as the science of completing tasks with associated risks and rewards, with the entrepreneur serving as the organizer, innovator, and risk bearer in any commercial venture. The primary goal of entrepreneurship is to make money rather than lose money (p. 4.).

An entrepreneur precedes entrepreneurship. Joseph A. Schumpeter defines an entrepreneur based on one's innovation and creative capacity leading to disequilibrium (Schumpeter, 1934). Gartner focuses on a new business venture (Gartner, 1985); Peterson sees an entrepreneur as a person who recognizes the opportunity and taps into a new endeavor (Peterson, 1985); and for Garfield, it is identifying a market and developing a strategy to encounter the needs (Garfield, 1986). In contrast, Cantillon redefines an entrepreneur as someone "who works for a contract price and has uncertain future costs into a pervasive one who purchases inputs at market prices only to make sales in the future at uncertain market prices" (Thornton, 2019; p.277).

Therefore, even though no consensus has been reached among academicians and researchers in defining entrepreneurship and entrepreneur, the broader concept entails taking the initiative, arranging, and restructuring social and economic mechanisms to put resources (labor, materials, and other assets) together in ways that increase their worth and situations to practical use, accepting risk or failure; and bringing change, innovation, and a new order into the world (Cunningham & Lischeron, 1991; Steenekamp, 2013; 2013; Akulava et al., 2020).

For Schumpeter (1934), "Entrepreneurship" is a human activity and a creative act that involves creating something of worth from almost nothing. It is the pursuit of opportunity regardless of available resources or the lack thereof. It necessitates both a vision and a burning desire. It also necessitates a readiness to take calculated risks. Conversely, Fuster (2022) acknowledged entrepreneurship as a dynamic process of accumulating wealth by producing value through capital, risk-taking, technology, and human talent.

For over two centuries, entrepreneurship has been explained in different fields of study, such as economics, sociology, and psychology. In the early eighteenth century, the French term entrepreneur was first used to designate a "go-between" or "between-taker." Many consider that Cantillon was the first who used the word entrepreneur to mean someone who adopted a proactive risk-taking approach to pursuing possibilities, giving us the present meaning of an entrepreneur (Parker, 2009). However, entrepreneurial endeavors' twentieth and twenty-first-century popularity has incorporated broader descriptions beyond innovation and startup businesses.

Entrepreneurship is a multi-component and multi-category dynamic system. It should be considered holistically as “a dynamic system of an individual's causally interrelated personality traits, motivation, cognition, needs, emotions, abilities, learning, skills, and behavior based on which an individual or a group of individuals interact with the context for identifying, generating, and realizing opportunities into new values” (Oganisjana, 2010, p. 54).

As the United Nations Sustainable Development Goals (SDGs) suggest, entrepreneurship is a vital driver of society's health and prosperity and a powerful engine of economic progress. It promotes innovation required to seize new opportunities, increase productivity, create jobs, and address some of society's most serious concerns (Bosma et al., 2020; GEM, 2022). Entrepreneurship is a dynamic process of vision, change, and creation. It requires energy and passion to create and implement new ideas and creative solutions.

### ***Entrepreneurial Ecosystem***

Over the last decade, the concept of entrepreneurial ecosystems has exploded in popularity among researchers, policymakers, and practitioners, even though there has yet to be an agreed upon definition and theoretical ground (Fubah & Moos, 2021). For example, Spigel (2017) described entrepreneurial ecosystems as "a tool in the study of the geography of high-growth entrepreneurship, the union of localized cultural outlooks, social networks, investment capital, universities, and active economic policies that create environments supportive of innovation-based ventures" (p.1.) According to Spigel, as these attributes produce resources for entrepreneurs, the interactions and relations create the entrepreneurial ecosystem.

Gueguen et al. (2021) described entrepreneurial ecosystems as providing a context for start-ups to access resources, networks of actors, and processes that link the entrepreneur with local resources. Entrepreneurial ecosystems reflect a growing interest in localized entrepreneurship settings and a focus on entrepreneurial actors' agency to build and modify their surroundings, which has contributed to developing a vibrant research landscape shaped by a legacy of various research traditions and new policies being implemented in several contexts around the world (Wurth et al., 2021).

Academic entrepreneurship and the entrepreneurial ecosystem in the project were investigated by (Hallam et al., 2017). They concluded that fostering supporting, developing, and commercializing new technologies necessitates creating and maintaining a transformational and progressive entrepreneurial ecosystem within the university environment. The findings highlight the significance of company culture in the commercialization of technology.

Similarly, Yusof et al. (2009) investigated academic entrepreneurship as part of the larger ecosystem using a "Triple-helix of government-university-industry relations" framework to create a conducive entrepreneurial context. A transformational and progressive ecosystem within the academic environment is needed to foster support for the broader commercial context. Bărbulescu et al. (2021) discussed the importance of focusing on information technology and having solid relationships with broader entrepreneurial ecosystems, particularly academia, the public and private sector, and citizens in the post-COVID era. Because of the importance of collaboration in today's business world, collaborative networks play an essential role.



In addition, Lose (2022) alludes to the fact that standardized incubation programs support the entrepreneurial ecosystem across economies, accelerating entrepreneurship in sub-Saharan Africa and encouraging governments to promote incubation and entrepreneurship at local, national, and regional levels. For Aldrich, time is a factor in the entrepreneurial ecosystem, defined as, "Systems of entrepreneurship as institutional and organizational as well as other systemic factors that interact and influence the identification and commercialization of entrepreneurial opportunities. Systems of entrepreneurship are geographically bounded, (Audretsch, Mason, Miles, & O'Connor, 2021), p.4.

Chararani and Raimi (2022) emphasized the positive role of NGOs in creating sustainable environmental and social solutions using business projects to meet societal needs in Lebanon, intersecting economic profit, environment, and society, addressing the entrepreneurial ecosystem. The GEM 2021 assesses entrepreneurial environments for enterprises using nine entrepreneurship points. This includes ease of access to finance, relevant government policies, affordable taxes, and bureaucracy; government programs support new entrepreneurs at local, regional, and national levels; adequacy of entrepreneurial education introduced at school and post-school; transferring research and development to commercial ventures; affordable professional services to support new experiences; ease of entry into the market dynamics, availability and accessibility of physical infrastructures; and normalizing entrepreneurship among communities. Bloh (2021) also affirmed how GEM closed the gap between entrepreneurial ecosystem definitions and what it entails after introducing the entrepreneurial ecosystem index to enable entrepreneurial activities.

Therefore, a broader friendly ecosystem needs to be assessed for successful entrepreneurship implementation in countries, and actions taken to boost socio-economic development. The current study describes youth engagement in entrepreneurship and training within the Ethiopian ecosystem.

### ***Entrepreneurial Policy***

Bloh (2021) studied regional surveying entrepreneurs, economic development agencies or administrators, financial institutions, higher education institutions, political leaders, business incubators, and the media who would be stakeholders in entrepreneurial activities and suggested that a policy approach using entrepreneurial ecosystem stakeholders brings beneficial results. He concluded that policy approaches using entrepreneurial ecosystem stakeholders should yield more precise and effective results for policies. Entrepreneurial policies are designed to increase the quality of new firms or, more commonly, the number of new enterprises, as small company development and entrepreneurship are at the heart of many countries' economies. Any country that pays special attention to its entrepreneurs has a higher chance of improving its economy (Bramwell et al., 2019). As a result, many governments have established policies to support entrepreneurial activities in response to the demand for such policies.

In addition, several policies have been explicitly designed to encourage entrepreneurship. In developing countries, entrepreneurship policies have also been introduced to encourage entrepreneurial activity (Akinyemi, et al., 2018), and they discovered that policy parameters that promote entrepreneurial activity vary depending on the stage of entrepreneurship.

Entrepreneurship and innovation have been linked in the economic theory of market capitalist economies since (Schumpeter 1912, 1942). Modern policy frameworks hardly distinguish between the two, consistently incorporating entrepreneurship and innovation into broader public policy frameworks. Potts (2015) studied how national innovation policies interact strategically to create emerging de facto global entrepreneurship and innovation policies. Entrepreneurship policy is intrinsically linked to innovation policy, although innovation policy takes precedence in most countries. Improved innovation policies enable more effective entrepreneurial settings. Entrepreneurship and innovation policy must begin with a better understanding of national innovation policy's strategic global interactions (Potts, 2015).

### ***Youth Entrepreneurship***

Youth means a lifetime when someone is young and usually refers to the period between adolescence and adulthood or maturity. It is transitioning from babyhood reliance to adulthood independence (Mwampote, 2019). However, there has yet to be an agreement on the age span for the youth. Youth refers to the individual's development stage between adolescence and adulthood; as a result, juvenile learning is seen as a subset of adult learning and is described as a formative stage of adult learning (Pigozne et al., 2019). In many industrialized countries, entrepreneurship education is constantly promoted to raise awareness and encourage business start-ups in youth (Janissenova et al., 2021).

Youth entrepreneurship encourages youth to be innovative and resilient in pursuing new ideas and solutions. Moreover, entrepreneurship is critical to community

peace and prosperity and plays a role in poverty alleviation, wealth distribution, and self-sufficiency (Emmanuel et al., 2018; GEM, 2022).

Starting a business is a driver for economic development since it reduces unemployment; however, many countries' adoption of entrepreneurial education is not generating dividends in job generation, especially among youth (Cieslik et al., 2022). According to their research findings, the stalled progress in meeting the 2020 UN youth employment agenda was not because entrepreneurial training and education do not work; instead, they are not enough to address the structural nature of the unemployment crisis and factors such as socioeconomic dynamics and lousy governance should be studied in depth.

Adult learning is divided into two stages: youth learning and adult learning. Youth learning is regarded as an early stage of adult learning and is considered a part of adult learning. In Latvia, adult education is regulated by national law and is provided on three levels: national, local, and institutional (Pigozne et al., 2019). Additionally, they mentioned that adult learning means 'the entire range of formal, non-formal, and informal learning activities undertaken by adults after a break since leaving initial education and training resulting in new knowledge. This includes university-level or higher education under-taken after a break (other than deferred entry) since leaving initial education and training.' Pro-activity draws innovative change and moves society a step forward. Entrepreneurship, alongside other possible activities, such as volunteering, participating in social campaigns, and giving a hand to those in need, is a means to develop one's pro-activity (Pigozne et al., 2019).

Ahmed and Ahmed (2021) stated that Ethiopia aims at youth entrepreneurship as a possible tool for poverty alleviation and economic development through job creation. According to Adenle's (2017) research, entrepreneurship education is critical for African economic progress since it empowers young leaders for commercial and entrepreneurial activity. All study participants agreed that entrepreneurship education would be crucial in developing the next generation of young entrepreneurs to help the continent establish solid and competitive economies. Furthermore, developing new company strategies and leadership leaders is critical, given the need for more entrepreneurial capabilities.

In the study conducted by Pigozne et al. (2019) on promoting youth entrepreneurship and employability through non-formal and informal learning, they found out that young adults preferred experience sharing, collaboration with employers, doing internship projects, facilitating entrepreneurship experiences, and training that will help them learn practically and improve their life skills. Similarly, learning from good practices of training youth on entrepreneurship shows that training programs should never be a standalone agenda of youth employment but rather must be one aspect of a more extensive entrepreneurial ecosystem focusing on real examples from practicing entrepreneurs, entrepreneurial effectiveness, and personal transformation (Haule, 2012).

Pigozne et al. (2019) emphasized working with employers to plan educational activities such as field trips, internships, projects, and meetings with entrepreneurs to learn about their experiences. Furthermore, the respondents recognized the value of collaboration in gaining first-hand work experience, facilitating their participation in entrepreneurship while boosting their professional self-determination, competitiveness, career advancement, and overall quality of life. According to this research, internships in

a company or institution, projects, other people's experiences, success stories, and training enterprises are the most effective non-formal and informal learning methods, forms, and initiatives to promote youth entrepreneurship and employability in Latvia.

As far as the age of entrepreneurs is concerned, comparable findings show people establish their firm between the ages of 25 and 45 and mainly between ages 25 and 34 (Storey, 1994; Mehari & Belay, 2017; Delmar & Davidson, 2000).

### ***Entrepreneurial Readiness***

Individual readiness for entrepreneurship is the combination of personal characteristics that identify people who are ready to start a business. Entrepreneurs are particularly capable of observing and analyzing their surroundings to channel their highly creative and productive potential, so they may use their capacity to dare and desire self-achievement, according to (Coduras et al., 2016).

Young persons' entrepreneurial preparedness is defined by their ability to study various environmental options, apply their potential entrepreneurial ability based on available resources, and their motivation to achieve personal goals (Olugbola, 2017). In addition, entrepreneurship training is essential because it allows young people to develop their business talents (Coduras et al., 2016; Olugbola, 2017).

Raza et al. (2018) investigated the relationship between entrepreneurial readiness and entrepreneurial behavior across nations to see if formal institutions have a role in this relationship. The findings suggest that entrepreneurial readiness is linked to entrepreneurial behavior (as measured by entrepreneurial entry and opportunity-based entrepreneurship). This link strengthens as political democracy, government regulations, financial capital availability, and market liquidity improve. For policymakers, the

findings demonstrate that when individuals have a high level of entrepreneurial preparedness, political democracy, and government laws, financial capital availability and market liquidity connect favorably with entrepreneurial behavior. Therefore, policymakers should enact regulations that allow individuals to start their businesses in a safe atmosphere.

Mwampote (2019) studied factors in teenagers' entrepreneurial readiness and found that motivation, entrepreneurial skills, and perceived behavioral control were all statistically significant. On the other hand, the family background could have been more statistically unimportant concerning young entrepreneurial preparation. Furthermore, it was shown that young people confront various obstacles when they want to start a business. Lack of sufficient start-up funding, a lack of entrepreneurial education among the young, a lack of marketplaces to sell the products, and a lack of confidence among adolescents were identified as obstacles to youth readiness.

Wulandari et al. (2021) state that entrepreneurial readiness can be cultivated in society informally and formally by training, coaching, seminars, and so on, providing a forum for entrepreneurs. Mack et al. (2021) concluded that there is a positive correlation between exposing students to entrepreneurial training and later engagement in entrepreneurial activities.

### ***Ethiopia's Entrepreneurial Setting***

Ethiopia's estimated population is 120.8 million (22.7% urban and 77.3% rural) (USAID, 2021), making it the second most populous country in sub-Saharan Africa after Nigeria. There are more than 80 ethnic groups with their own cultures and languages. Orthodox Christianity (43.8 percent) and Islam (33.3 percent) are the main religions.

Although Ethiopia is one of the fastest growing economies in the world, with a 6.1 percent increase in 2019/20, it is also among the poorest, with a per capita income of \$890 per year (World Bank, 2021). As a result, the government launched a ten-year development plan from 2020/2021 to 2030 based on a 'Home Grown Economic Agenda,' gravitating towards a private sector-driven economy. According to USAID (2017), Ethiopia's youthful population was estimated at 104 million, 41 percent was under the age of 15, and more than 28 percent is between the ages of 15 and 29. In addition, youth unemployment was estimated at nearly 27 percent.

According to the Global Entrepreneurship Monitor 2012 report, Ethiopia has few private enterprises compared to its population size. It has one of the lowest entrepreneurial activity rates in sub-Saharan African countries, with about 12% of the adult population (18-64) reporting establishing or running a business in the last 3.5 years. The average for countries in the sub-Saharan region is about 28% percent. Similarly, 8% of adults in Ethiopia run established businesses, while the regional average is 15% (Herrington & Kelly, 2012).

A study conducted by Presler-Marshall et al. (2022) shows that Ethiopian youth have more significant challenges in accessing employment, which is unmatched by high population growth, suggesting a twin-track approach to invest in youth education and households to meet current needs. According to Sintayehu (2017), urban unemployment in Ethiopia is 29%, and the government has made several changes to address the youth generation issues. This includes formulating a national policy in 2005 to promote youth participation in all spheres of life, developing a multi-sectoral strategy plan from 2006-2015; implementing an adolescent development and participation strategy in 2013;



incorporating youth participation in the socio-economic and political activities in the ten year Growth and Transformation Plan of the country; promoting the SME to large scale by mainstreaming youth issues within other development programs, increasing the number of youth centers, strengthening youth associations, encouraging youth entrepreneurship since 2014, and preparing youth development packages (Sintayehu, 2017.) However, despite the efforts, youth unemployment remains high in the country.

According to the Central Statistics Agency (2022), key findings about Ethiopia's labor force and migration indicate that the unemployment rate is 8 percent at a national level and 7.7 percent for the youth aged 15-29. In a study conducted by Sintayehu (2017) on the challenges and opportunities faced by Ethiopian youth entrepreneurs, as well as roadblocks to the development of entrepreneurship in the country, he concluded that the significant challenges are: the absence of a culture of entrepreneurship, lack of technical and financial support to become an entrepreneur, burdensome administrative and regulatory framework, and poor access to infrastructures. In addition, society's incorrect perception of job creation, society's lack of readiness and willingness to live a life apart from the traditional way of living are additional challenges.

Mehari and Belay (2017) studied the challenges and prospects of entrepreneurship development and job creation for unemployed youth in the Addis Ababa and Dire Dawa city administrations. They described how using *iqub*— a social network to which individuals or families contribute to meet the financial needs of a person or a family - is used as a substitute for microfinance credit to start-up businesses and has created a platform for start-ups without formal banks that avail credit only if there is matching collateral.

Sintayehu (2017) also stated Ethiopia created holistic youth development opportunities in collaboration with UNDP by launching a system, where the youth would be engaged in entrepreneurship and enterprise formation programs to address youth unemployment of age 15-24, which was 24%. Investment in the youth development program was designed with development actors, such as UN agencies like UNICEF, UNDP, and Italian Cooperation.

Using government-led youth centers and developing the capacity of the youth by giving life skills training was one strategy. Another strategy to address employment needs was establishing EDI to increase employment by creating micro and small enterprises for youth and women.

According to the assessment report of the Entrepreneurship Ecosystem in Ethiopia (2018), the EDI has been providing different types of training to entrepreneurship trainers selected from various public universities. For instance, by May 2015, the center had provided entrepreneurship training workshops to 306 university lecturers selected from 29 public universities. Addis Ababa, Bahir Dar, Mekelle, Wollo, and Hawassa university lecturers attended the training organized by EDI, representing 10.13%, 10.13%, 7.52%, 7.19%, and 6.21%, of the total participants drawn from public universities. In a study conducted by Ahmed and Ahmed (2021), out of eight potential constraints for youth entrepreneurial engagement in small and medium enterprises, the lack of unfavorable government policy was the first constraint identified, and drew the government's focus on improving youth entrepreneurship.

## **Background of Instrument and Variables**

### ***Entrepreneurial Self-Efficacy Scale***

Moberg (2012) built a 20 items ESE scale based on a previously established 29 items three scales Chen et al. (1998), DeNoble et al. (1999), and McGee et al. (2009) in which Moberg described the reliability and validity improved by using jargon free items. He stated that the scale was tested in a large-scale survey including 445 students from 12 programs in three universities in Denmark and one in Sweden.

Moberg (2012) used exploratory factor analysis to investigate the multidimensionality of the items and confirmatory analysis to investigate convergent, discriminatory, and nomological validity and results show high predictive validity in entrepreneurial behaviors and high reliability as the items are comprehensive for lay people without entrepreneurial experience. He used maximum likelihood as the estimator and stated that the 5-factor model met Bentler's (1990) criteria for good fit indices with a Comparative Fit Index (CFI) greater than .90, a Root Mean Square Error of Approximation (RMSEA) below .06 and a Standardized Root Mean Square Residual (SRMR) below .08 (CFI=.92, RMSEA=.06 [.057-.071], SRMR=.06).

In addition, to test the construct validity of the ESE scale, Moberg (2012) stated that a known-groups validation was performed dividing the sample into two groups. The first group included students that have operated a business; are operating a business, or are trying to set up a business (N=175). A baseline group included the rest of the students (N=259). T-tests were used in order to establish whether there was significant difference in mean scores between the two groups. Results showed that the students with entrepreneurial experience showed higher mean-values in all 20 items.

Morgan (2012) noted that the scale can be used to evaluate programs that include control groups. Correlation between constructs derived through confirmatory factor analysis showed all correlations were significant on a  $p < .001$ . Pearson product moment correlations between entrepreneurial behavior, attitude, and the five ESE constructs show that all greater than .09 and are statistically significant at  $p < .05$ .

As far as reliability of constructs were concerned, the items scored: creativity (Cronbach's  $\alpha$  .85), planning (Cronbach's  $\alpha$  .71), marshaling (Cronbach's  $\alpha$  .67), managing ambiguity (Cronbach's  $\alpha$  .77), and financial literacy (Cronbach's  $\alpha$  .85).

### **Summary**

The literature review chapter started with introduction of the chapter, strategy to search the relevant literature, identification of gaps in literature to fill in the study, followed by the selected theoretical background to hypothesize topical review of literature, and background of entrepreneurial self-efficacy instrument and variables. The chapter includes an in-depth review of current, peer reviewed journals in relation to the background of entrepreneurial theories and the reason for social learning theory selected as the theoretical underpinning for the conceptual framework of the research. The chapter concludes with the historical background of how the validity and reliability of entrepreneurial self-efficacy tool was established.

### **CHAPTER 3: RESEARCH DESIGN AND METHODOLOGY**

Chapter three describes the methods and procedures used to conduct the study and answer the research question. This begins with the overview of the information that includes the research objective, the research design and rationale, the research procedure, which includes the targeted population and sampling, instruments used to collect data, data collection procedures, selection of training participants, statistical techniques used to evaluate data; ethical considerations, limitations, and a summary of the chapter.

#### **Overview of Information**

Entrepreneurship Development Institute, in collaboration with UNDP, has been providing entrepreneurial training to realize the vision of Ethiopia's growth and transformation plan in response to the growing role of the private sector since 2013. The general objective of the research is to investigate the difference between youth readiness to start or develop a business based on entrepreneurial self-efficacy of those who have taken EDI entrepreneurship training and those who have not to determine if there is a significant difference in youth entrepreneurial readiness.

#### **Research Design and Rational**

Quantitative research was used to describe the socio-demography of research participants and investigate the difference between youth readiness to start or develop a business based on entrepreneurial self-efficacy of those who have taken EDI entrepreneurship training and those who have not to determine if there was a significant difference in youth entrepreneurial readiness. The study used a non-experimental research design, having a group that had the training and a group that did not. The design was selected because the study used prior events and past experiences, and the researcher

would investigate what occurred in the selected group who already have behaviors of interest.

Non-parametric data is used when the samples are not normally distributed, the sample sizes may not be equal, small sample size, samples are ordinal, and data contains outliers. Mann Whitney is chosen because the samples are from two unrelated groups,

The research answered: “What differences exist in youth entrepreneurial readiness based on entrepreneurial self-efficacy related to entrepreneurship training?”

## **Research Procedure**

### ***Population and Sample Selection***

In this quantitative research, the EDI trainees in Addis Ababa, Ethiopia, who were youth aged 18-35, who were trained in the first quarter of 2023 were selected. One hundred twenty-seven participants were trained from January - March 2023. Out of these, 75 were aged 18-35.

Convenience sampling was used with 95% confidence and 63 sample sizes were selected using the sample formula  $n = N * [Z^2 * p * (1-p)/e^2] / [N - 1 + (Z^2 * p * (1-p)/e^2)]$ . Given population size,  $N = 75$ , critical value at 95% confidence level,  $Z = 1.96$ , and margin of error,  $e = 5\%$  or 0.05 (Krejcie & Morgan, 1970; Andrews et al., 2012).

### ***Instrumentation***

According to Social Learning Theory, a perceived belief system regulates human motivation and actions (Bandura, 1977). Self-efficacy refers to one's self-perceptions of their abilities and skills to achieve in a given domain, which affects thoughts, affects, and behavior (Bandura, 1997). An entrepreneurial self-efficacy instrument was developed based on social learning theory to assess a particular entrepreneurial task.

### ***Entrepreneurial Self-Efficacy***

Bandura framed self-efficacy-specific domains related to entrepreneurship. Over a decade, initially, 29 items were derived from the three ESE scales developed by Chen et al. (1998), DeNoble et al. (1999), and McGee et al. (2009) with Cronbach alpha for all was  $>0.72$ , and the total entrepreneurial self-efficacy (one dimension) = 0.89.

However, Moberg (2012) further revised the tool with five constructs, and 20 items with a 7-point Likert scale, ranging from Do not agree (=1) to Agree (=7), were selected. Reliability rates were reported for creativity (Cronbach's  $\alpha$  .85), planning (Cronbach's  $\alpha$  .71), marshaling (Cronbach's  $\alpha$  .67), managing ambiguity (Cronbach's  $\alpha$  .77), and financial literacy (Cronbach's  $\alpha$  .85). In addition, convergent validity of all items had significant loading above .50 on their constructs, and discriminant validity correlated above .8. Moberg also reported that the new ESE scale demonstrated good discriminant and nomological validity.

The revised ESE scale with neutral wording was used to assess the entrepreneurial self-efficacy of the trained EDI trainee. Approval was obtained from the author, Kåre Moberg, kaare@ffefonden.dk, by e-mail, Department of Strategic Management and Globalization Copenhagen Business School, and The Danish Foundation for Entrepreneurship – Young Enterprise. The two-part survey comprised thirty items, two sets of queries—ten demographic items, and twenty entrepreneurship self-efficacy scale items.

### ***Selection of Training Participants***

Those interested in taking entrepreneurship training would fill out application forms for EDI. The Ethiopian government and development partners proactively

organize those qualified for small and medium enterprises with the potential for EDI training. However, individuals who would like to take entrepreneurial training can also directly apply and pass through the screening process. Because EDI operates with the support of donors, funds are allocated to trainees who either have the potential to start or develop their small and micro businesses.

After the applications are collected, pre-screening would be conducted, and the application forms scored based on intention, readiness, business startup, or expansion potential. Those who scored 50 percent are called for an interview by master trainers. The interview has two components. The first part focuses on assessing the motivation and clarity of their knowledge about business entrepreneurship and the resources it entails. The second component is a behavioral assessment focusing on the ten entrepreneurial competencies. Interviewees must score 60 percent to be eligible to take the six-day training.

The interview takes from 45 minutes to an hour. Those who pass the screening test would be enrolled to take the training. Since EDI conducts the screening of trainees, the recruitment criteria for this study were youth (18-35) who took the EDI training in the first quarter of 2023 and were willing to participate in the research. The data was collected using ESE questionnaires completed by the respondents at EDI.

### ***Data Collection and Preparation***

The Omega Graduate School Institutional Review Board was contacted to obtain approval regarding the features and instrumentation of the study before data collection. After IRB's approval, a permission letter and a letter of cooperation was obtained from



OGS about the study, and EDI was asked to have access to the database to contact the participants through the Survey Monkey.

Participants in the study were accessed from the EDI database, and a recruitment letter was sent to them. The survey provided the participants with a letter explaining the nature of the research, the security of their responses, and the anonymity of the respondents. This letter is found in Appendix B. Those who agree to participate will be sent an informed consent, and a signed copy will be kept. (See Appendix C.)

The researcher chose Survey Monkey due to the ease of distributing the survey and collecting data electronically because Survey Monkey generated and customized charts and graphs based on the answered survey questions. It is also easy to administer and obtain responses. Survey Monkey will allow the researcher to ensure the anonymity of the participants by turning off the IP tracking devices.

At the end of the survey, the participants may withdraw from the study before submitting responses. Data will be exported to Statistical Analysis Software (SPSS) 26, a statistical analysis program upon survey submission. Participants will be assured in the cover letter and at the beginning of the survey of their anonymity, the anonymity of their choices, and the security of the data collected. The participants will be asked to complete the survey within two weeks. Reminder emails were sent to those who have not responded after the first week to encourage participation.

The questionnaire was given to a government-approving translation office to translate the instrument into one of the local languages, Amharic. This was to get accurate information from participants and avoid language barriers in understanding the questions. The translation office had suitable qualifications approved by the Ethiopian

government and eligible to translate documents. The Survey Monkey had both the English and Amharic versions, which allowed the survey participants to have clear understanding of the issue addressed.

The researcher collected data using Survey Monkey within two weeks. However, after collecting samples from the EDI-trained participants, an additional four weeks were needed to collect samples from non-trained participants to compare results. Therefore, additional time was required to collect data from EDI non-trained research participants to match the sample data of the trained participants. One-hundred twenty-six respondents completed the survey, thirty-six men and eighty-four women.

### **Data Analysis**

The quantitative research design was selected because it was appropriate for the research question, “What differences exist in youth entrepreneurial readiness based on entrepreneurial self-efficacy related to entrepreneurship training?”

The hypothesis was based on the literature reviewed on social learning theory and was tested for significant differences using the Mann-Whitney U test. The test was chosen because the data was ordinal, two separate groups, and non-experimental. Research participants were the youth who had taken entrepreneurial training at EDI from January to March 2023, and the results were compared with those on the waiting list.

### ***Socio-demographic Data***

Kolvereid (2017) found socio-demographic backgrounds, such as the role of family background, sex, and prior self-employment on employment status choice, and found that they indirectly influence entrepreneurial business activities. Ten socio-demographic background in the current study incorporates gender, age, income level,

educational level, work experience, entrepreneurial training/education, and if training helped them start or develop their business. A descriptive analysis of the two groups were conducted to identify similarities or differences between those who have taken the EDI training and those who have not. In addition, this demographic data complemented the data collected by the researcher.

### ***Hypothesis***

H<sub>0</sub>: No statistically significant difference exists in entrepreneurial readiness to start or develop a business based on entrepreneurial self-efficacy between those who received entrepreneurship training and those who did not.

H<sub>a</sub>: A statistically significant difference exists in entrepreneurial readiness to start or develop a business based on entrepreneurial self-efficacy between those who received entrepreneurship training and those who did not.

The hypothesis was analyzed using the samples to determine whether there was a statistically significant difference in entrepreneurial self-efficacy scores between those who had taken the EDI training and those who had not. The result was analyzed using the Mann-Whitney U test to determine if there was a significant difference between the groups. The Mann-Whitney U test compared the means of the two groups.

The scores of ESE serve as the dependent variables (DV) and the participant's readiness to start or develop their business served as the independent variable (IV) is categorical and self-reported from participants in a demographic question.

### ***Moderating Variable***

The entrepreneurship training was used to moderate whether or not those who have taken the six-day EDI training have a significant difference in youth entrepreneurial

readiness than those who have not. According to Cohen and Cohen (1983), moderation takes place when the independent variable and the moderating variable have mutual effects on a variance of the dependent variable than that explained by the direct effect.

All youth trained within the first quarter of 2023 and willing to participate in the study were assessed on entrepreneurial efficacy, and a similar assessment was given to those who have not taken the training to assess if entrepreneurial training made a significant difference. The different factors were examined to know the extent of the relationship, whether these factors have a differential or interactional effect on entrepreneurial readiness, and the moderating role of entrepreneurship training.

The study used SPSS 26 computer data-analysis software to perform statistical analysis. The data analysis included simple descriptive statistics, Mann-Whitney U tests, and factor and effect size analyses. Simple descriptive statistics, including frequencies and percentages, analyzed the respondents' background and demographic data are presented by comparing the two groups.

The present study would fill in the knowledge gap of how an individual's entrepreneurial self-efficacy contributes to entrepreneurial readiness as moderated by EDI training. This suggests the need to engage the youth and build their entrepreneurial skills through training to start or develop businesses, thus contributing to employment creation and economic growth. The finding is also assumed to influence new business startups or those who build their business after participating in an entrepreneurship training program.

## **Ethical Compliance**

Ethical standards in research create professional accountability, protecting researchers and research participants. "The goal of the ethical researcher is to develop a fair, clear, and explicit agreement with the subject so that the subject's decision to participate in an experiment is made voluntarily, knowingly, and intelligently. The most fundamental ethical principles implied in the treatment of subjects involve non-maleficence, autonomy, and fidelity" (Heppner et al., 1992, p. 90).

In this research, participants were asked for their willingness to participate in the study and sign an informed consent form. The sample that was taken were not vulnerable groups, and there was no potential harm in participating in the study. In addition, the researcher indicated to research participants that there would not be preferred responses, that the responses would be anonymous, and that it would be voluntary participation with no conflicts of interest with the study-related groups and stakeholders. Approval to conduct the research was sought and received from the Omega Graduate School Internal Review Board before the study begun.

Data collection was done using Survey Monkey which would keep the participants' identities private and protected the research participants' confidentiality of the responses and anonymity. The electronic version of the completed questionnaires would be secured against possible interference, damage, or deterioration. Participants would continue filling out the survey questions after agreeing on the informed consent form, which included the purpose of the study, study procedures, risks, benefits, confidentiality, contact information, and voluntary participation in the study.

Survey Monkey allows all responses to be anonymous and users to withdraw from the survey at any time before submitting responses, in which two respondents withdrew from the study. Moreover, to ensure participant anonymity and candid responses, the researcher limited demographic questions at the beginning of the survey. The researcher would not know the true identity of anyone participating in the survey.

### **Limitations**

The selection of participants for training was not random. Instead, an extensive selection process was done by EDI. Those who had taken the entrepreneurship training for six days, and were age 18-35 were selected from those trained from January – March 2023. Those who responded positively were included in the study. The data collection time was limited to two weeks, which the second round of those who did not take the training were requested to fill out the same survey questionnaire in the next two weeks until a matching sample was obtained. This let the researcher worked only on those who responded. Regarding the research design, the primary limitation of using a non-experimental design to study the effects of training is that differences between the groups other than training may account for differences in the dependent variable of youth entrepreneurial readiness.

### **Summary**

This study used quantitative research to describe the socio-demography of research participants and investigate the difference between youth readiness to start or develop a business based on entrepreneurial self-efficacy of those who have taken EDI entrepreneurship training and those who have not to determine if there was a significant difference. The study used a non-experimental research design, having a group that had

the training and a group that did not. Sixty-three participants were selected from those trained from January to March 2023, ages 18-35, and ESE tests were self-administered using Survey Monkey. A similar number of participants who have not taken EDI training took the same tests. The Mann-Whitney U test was conducted to compare whether the groups had a significant difference. Ethical compliance and the limitations of the study were described.

## CHAPTER 4: SUMMARY OF RESULTS

Chapter four describes the data analysis and results of the study on Youth Entrepreneurial Readiness: Entrepreneurial Self-Efficacy and the Moderating Role of Entrepreneurial Training. This study aimed to test if a statistically significant difference exists in youth entrepreneurial readiness to start or develop a business based on entrepreneurial self-efficacy between those who have taken EDI entrepreneurship training and those who have not. The chapter comprises an introduction, preparation of raw data for analysis and tests assumptions, a summary of assumptions tests for the Mann-Whitney U Test, descriptive analysis of the participants and the scale, hypothesis testing, and summary.

The researcher first describes how the raw data was cleaned, the steps taken and outcomes of the data cleaning, and the data preparation for analysis. Then, the researcher explains the assumption tests required for independent samples Mann Whitney U Test and describes in narrative form how each assumption was tested and the outcome of each test presented. A summary of the demographic data that describes and summarizes the general characteristics of the sample data is presented. Finally, the null hypothesis was tested and the research question was answered.

### **Introduction**

This research study compared EDI-trained and non-trained individuals in entrepreneurship and was guided to answer the following research question and two hypotheses to address the research space:

RQ: What differences exist in youth entrepreneurial readiness based on entrepreneurial self-efficacy related to entrepreneurship training?



H<sub>0</sub>: No statistically significant difference exists in entrepreneurial readiness to start or develop a business based on entrepreneurial self-efficacy between those who received entrepreneurship training and those who did not.

H<sub>a</sub>: A statistically significant difference exists in entrepreneurial readiness to start or develop a business based on entrepreneurial self-efficacy between those who received entrepreneurship training and those who did not.

The hypothesis was analyzed using the samples to determine whether there was a statistically significant difference in entrepreneurial self-efficacy scores between those who had taken the EDI training and those who had not. The result was analyzed using the Mann-Whitney U test to determine if there was a significant difference between the groups. The Mann-Whitney U test compared the means of the two groups.

The 20-item entrepreneurial self-efficacy scale served as the dependent variables, comprising creativity (five items), planning (three items), marshaling (three items), managing ambiguity (five items), and financial literacy (four items). Respondents were asked to indicate their confidence level with each item on a scale of seven that included the options of not very confident, below average confident, slightly below average confident, average confident, slightly above average confident, above average confident, and very confident; and the values increased up to seven for very confident. The categorical variable of trained and not trained is the independent variable.

### **Preparation of Raw Data for Analysis**

After the SurveyMonkey created to collect the data was closed, the researcher imported the raw data into SPSS. Data cleaning took place to remove outliers and missing data. The researcher collected 132 responses; however, two participants did not

consent and exited from the survey. Four respondents' age was above 35, therefore were removed because they did not meet the survey inclusion criteria. The final sample size in this research study included 126 participants who submitted complete data sets and were used for data analysis: 62 EDC trained and 64 on a waiting list to analyze the data.

### **Assumptions Tests for Mann-Whitney U Test**

The Mann-Whitney U test compares differences between two groups of rank-based nonparametric data to determine if the differences are significant on a continuous or ordinal dependent variable. It is often used when the independent samples t-test assumptions are unmet (Lund & Lund, 2023). The Mann-Whitney U test has four assumptions, and one has to check if the study design meets the assumptions' criteria. The researcher reviewed each assumption to determine if the Mann-Whitney U test was appropriate to analyze the data.

Assumption 1: The dependent variable should be measured at the ordinal or continuous level. This study uses a 7-point scale Likert items (7 "Strongly agree" through to 1 "strongly disagree") (Lund & Lund, 2023). Therefore, the assumption 1 criterion is fulfilled.

Assumption 2: The independent variable includes two categorical independent groups (Lund & Lund, 2023). This study uses the entrepreneurial readiness "yes" and "no" categories and the "EDC trained" and "waiting list" categories for the moderating variables. Therefore, the assumption 2 criterion is fulfilled.

Assumption 3: The two groups should be independent, with no participant in more than one group (Lund & Lund, 2023). The present study's two groups are mutually exclusive. Either one is trained or on a waiting list for moderating variable. And either

on expressed readiness or non-readiness for the independent variable. Therefore, the assumption 3 criterion is fulfilled.

Assumption 4: The two groups are not normally distributed. If the two groups have the same or similar shape, we can use the test to compare the median of the dependent variables. Determining whether the distributions of scores for the two groups of independent variables have the same shape was conducted using SPSS. If the two shapes are not similar, we can compare the mean ranks, not the median (Lund & Lund, 2023)

Table 1: Mann-Whitney Test of a Rank of Non-Trained and EDC Trained Respondent

Non-Trained Vs. Trained on Entrepreneurship		N	Mean Rank	Sum of Ranks
ESE	Not Trained	64	51.88	3320.50
	EDC Trained	62	75.49	4680.50
	Total	126		

The Rank Table shows the mean rank and sum of ranks for the two groups tested (i.e., the trained and non-trained groups). The group with the highest mean rank has higher readiness than the waiting list group.

Table 2: Normality Test Statistics of the Grouping Variable<sup>a</sup>

Entrepreneurial Self-Efficacy Scale	
Mann-Whitney U	1240.500
Wilcoxon W	3320.500
Z	-3.629
Asymp. Sig. (2-tailed)	.000

a. Grouping Variable: Non-Trained Vs. Trained on Entrepreneurship

This table shows us the actual significance value of the test. Specifically, the Test Statistics table provides the test statistic, U statistic, and the asymptotic significance (2-tailed)  $p$ -value. From this data, it can be concluded that entrepreneurial readiness in the

trained group was statistically significantly higher than in the non-trained group ( $U = 1240, p = .000$ ).

### **Summary of Assumptions Tests for Mann-Whitney U Test**

The research study's design and data met the first three assumptions for the Mann-Whitney U test. Assumption 1 is one dependent variable measured at the rank level of ESE scores of trained and non-trained participants, so Assumption 1 met the criterion. Assumption 2 is one independent variable consisting of two categorical, independent groups: those who answered “yes” and “no” to the readiness; and EDC-trained and non-trained participants for the moderating variable, so Assumption 2 was met. Assumption 3 is independence of observations which is met by having different participants in the two groups. EDC-trained participants are mutually exclusive groups from those on the waiting list, and those who expressed readiness differ from those who expressed non-readiness, so Assumption 3 was met. Assumption 4 is the distribution of scores for both groups of the independent variable that have the same or a different shape. The researcher assessed the shapes of the independent variables via a population pyramid. While the shapes were not precisely the same, they were pretty similar, so Assumption 4 was met. As a result, all four assumptions of the Mann-Whitney U test are met, so the researcher used this test to analyze if there were differences in ESE scores between EDC-trained and non-trained participants.

### **Descriptive Statistics of the Participants**

One hundred twenty-six participants completed the dataset for this research study, Table 3 shows 66 (52%) participants were women and 60 (48%) were men. (See Table 3 and Figure 3.)

Table 3: Respondent Gender

	Gender	
	N	%
Man	60	47.6%
Woman	66	52.4%

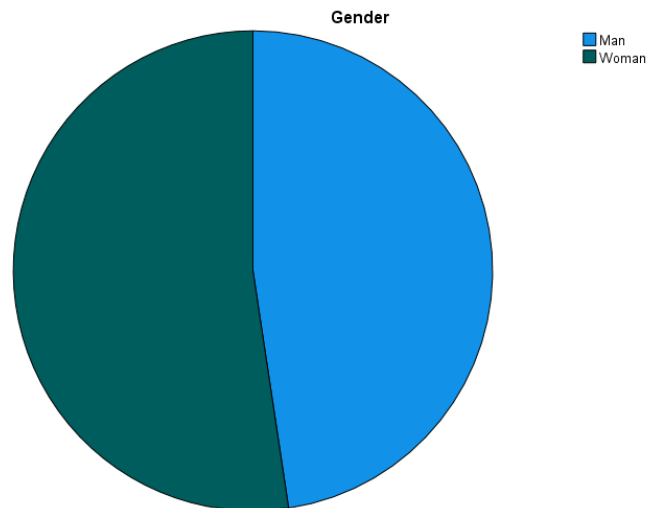


Figure 3: Gender of Respondent

The largest group of respondents were in the age category of 26-35, 94 (75%) and 32 (25%) were in the age category of 18-25. (See Table 4 and Figure 4.)

Table 4: Respondent Age Group

	Age group	
	N	%
18-25 years	32	25.4%
26-35 years	94	74.6%

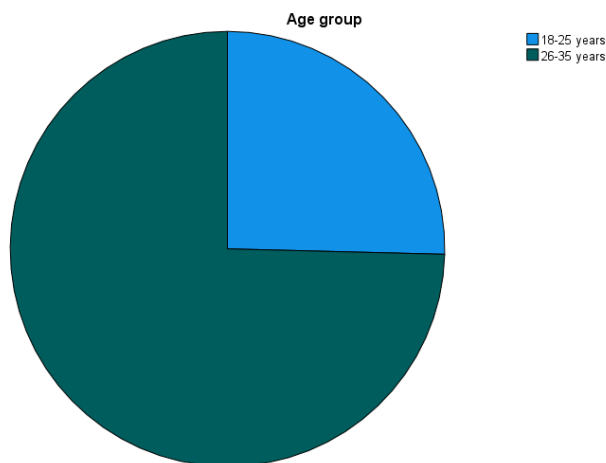


Figure 4: Respondent Age Group

Respondents were asked to describe their level of education. The majority, 75 (60%) were college/university graduates; 41 (33%) did post-graduate, 6 (7%) had vocational studies, and 3 (2%) completed secondary school. (See Table 5 and Figure 5.)

Table 5: Respondent's Level of Education

Level of Education		
	N	%
Secondary	3	2.4%
Vocational	7	5.6%
College/University	75	59.5%
Postgraduate	41	32.5%

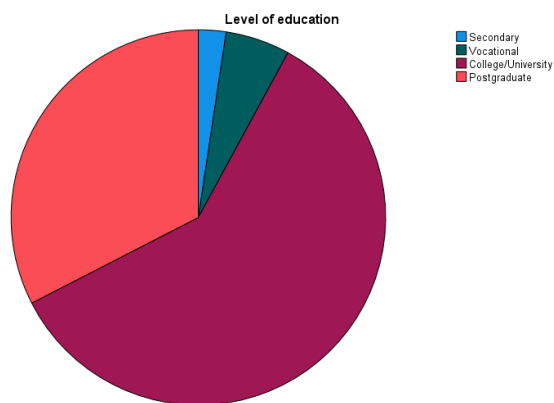


Figure 5: Education Level

Respondents were asked how long they have they been active in any work experience. Fifty (40%) had 6-10 years, 32 (25%) had 3-5 years, 28 (22%, 10 (8%), and 6 of them never had any work experience. (See Table 6 and Figure 6.)

Table 6: Respondent's Work Experience

How long have you been active in any work experience?		
	N	%
0 years	6	4.8%
Up to 2 years	28	22.2%
3-5 years	32	25.4%
6-10 years	50	39.7%
11-15 years	10	7.9%

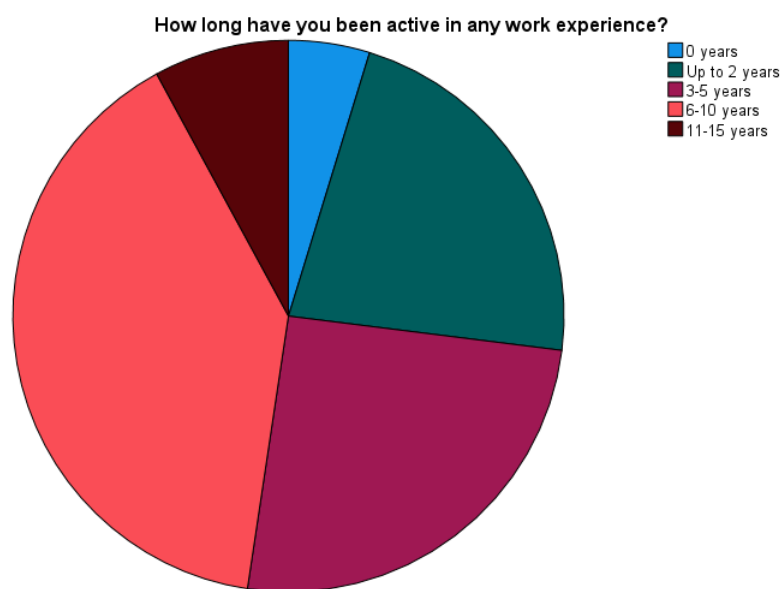


Figure 6: Respondent's Work Experience

Respondents were asked to rate their annual gross income level based on Ethiopia's average living standard. The majority, 86 (68%) stated to be in the low or medium category, and 30 (24%) stated they were in a very low-income category, whereas 10 (8%) were in high or very high-income level category. (See Table 7 and Figure 7.)

Table 7: Respondent's Annual Gross Income Level

How do you rate your annual gross income level based on the average standard of living in Ethiopia?

	N	%
Very low	30	23.8%
Low or medium	86	68.3%
High	7	5.6%
Very high	3	2.4%

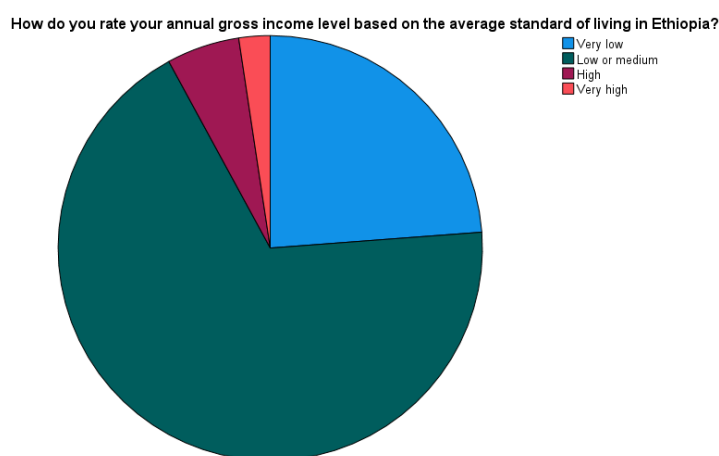


Figure 7: Respondent's Gross Income Level

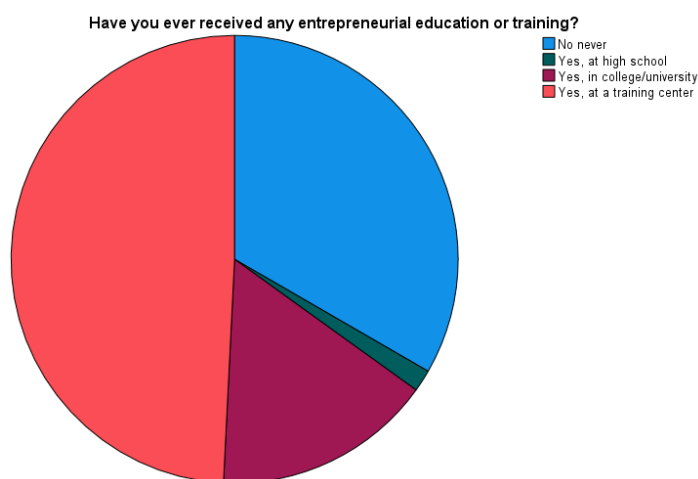
Respondents were asked if they had ever received any entrepreneurial education or training. About half of the study participants, 62 (49%), took the training at a training center, 42 (33%) never had entrepreneurial education or training, 20 (16%) had taken some education in college/university, and 2 (2%) had it in high school. (See Table 8 and Figure 8.)

Table 8: Respondent's Entrepreneurial education or training

Have you ever received any entrepreneurial education or training?

	N	%
No never	42	33.3%
Yes, in high school	2	1.6%
Yes, in college/university	20	15.9%
Yes, at a training center	62	49.2%





**Figure 8: Respondent's Entrepreneurial Training**

Respondents who took the EDC entrepreneurial training or had some education on entrepreneurship were asked to assess if the training they had taken resulted in starting or developing their business. Out of the 126 participants, 66 (52%) responded that they have either started or developed their business, whereas 18 (14%) stated that the training/education on entrepreneurship did not help them, however 42 (33%) have never had training. (See Table 9 and Figure 9.)

**Table 9: Respondent's Training Outcome**

If you have done training, has it helped you to start or develop your business?

	N	%
Yes	66	52.4%
No	18	14.3%
Did not take training	42	33.3%



Figure 9: Outcome of Training to Start or Develop a Business

There are two groups for comparison, namely 62 individuals (49%) who received training at EDI and 64 individuals (51%) who are on the waiting list to be trained. (See Table 10 and Figure 10.)

Table 10: EDC-Trained Vs. Not-Trained

EDI Trained on Entrepreneurship Vs. Non-Trained (Waiting List)

	N	%
Not Trained	64	50.8%
EDC Trained	62	49.2%

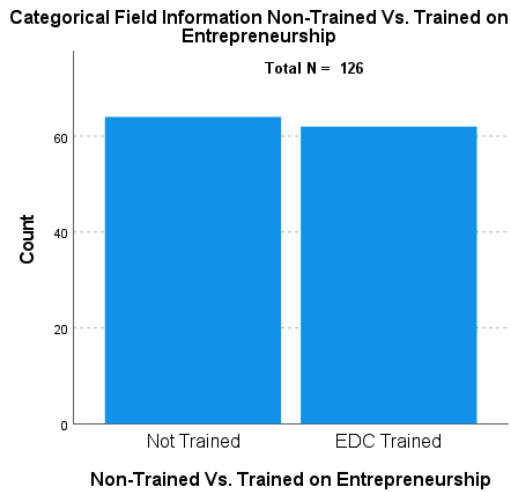


Figure 10: EDC Trained vs. Not Trained

Respondents were asked if they had any entrepreneurs within their close family, such as parents, grandparents, siblings, or relatives. Sixty-nine (55%) responded that they did not have entrepreneurial family members, whereas 57 (45%) of them stated they have. (See Table 11 and Figure 11.)

Table 11: Presence of Entrepreneur Family Member

Is there any entrepreneur within your close family (parents, grandparents, siblings, relatives)?			
	N	%	
Yes	57	45.2%	
No	69	54.8%	

Is there any entrepreneur within your close family (parents, grandparents, siblings, relatives)?

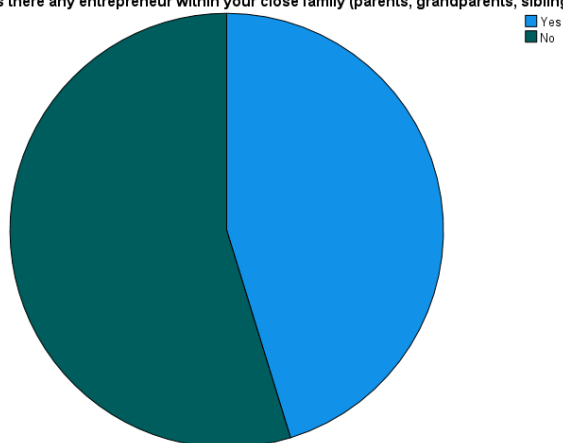


Figure 11: Presence of Entrepreneur in Family

Respondents were asked if they had an entrepreneur in their friends' circle. Eighty-seven (69%) responded that they have an entrepreneur friend, whereas 39 (31%) of them stated they do not have. (See Table 12 and Figure 12.)

Table 12: Presence of Entrepreneur Friend

Are some of your friends, entrepreneurs?			
	N	%	
Yes	87	69.0%	
No	39	31.0%	

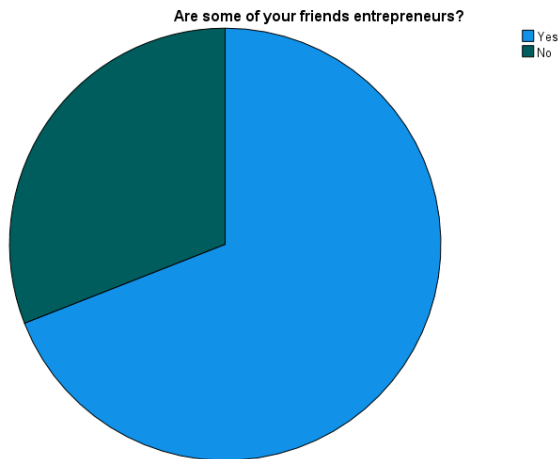


Figure 12: Entrepreneur Friend

Respondents were asked if they believed entrepreneurial training would help the youth to start or develop their business? The majority, 121 (96%) believe that training helps to start or develop a business, whereas 5 (4%) did not believe training would help. (See Table 13 and Figure 13.)

Table 13: Belief that Training on Entrepreneurship would help Youth to Start/Develop Business

Do you believe entrepreneurial training will help the youth to start or develop their business?

	N	%
Yes	121	96.0%
No	5	4.0%

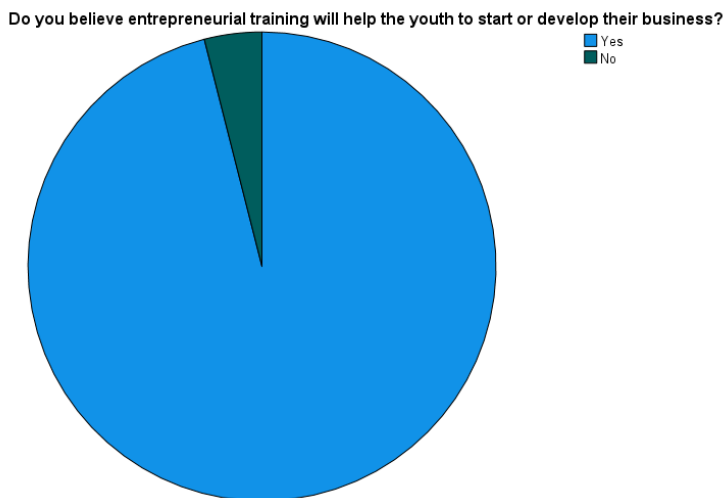


Figure 13: Belief in Training for Youth Business

Table 14: ESE Mean Values and Standard Deviation

	Descriptive Statistics		
	N	Mean	Std. Deviation
I have confidence in my ability to identify ways to combine resources in new ways.	126	4.70	1.740
I have confidence in my ability to brainstorm (come up with) new ideas.	126	4.94	1.777
I have confidence in my ability to think outside the box.	126	5.09	1.775
I have confidence in my ability to identify opportunities for new ways to conduct activities.	126	4.97	1.659
I have confidence in my ability to identify creative ways to get things done with limited resources.	126	4.65	1.839
I have confidence in my ability to manage time in projects.	126	4.96	1.722
I have confidence in my ability to set and achieve project goals.	126	4.95	1.729
I have confidence in my ability to design an effective project plan to achieve goals.	126	4.90	1.685
I have confidence in my ability to put together the right group/team in order to solve a specific problem.	126	5.04	1.713
I have confidence in my ability to form partnerships in order to achieve goals.	126	5.10	1.687
I have confidence in my ability to network (i.e. make contact with and exchange information with others).	126	5.43	1.680
I have confidence in my ability to improvise when I do not know what the right action/decision might be in a problematic situation.	126	4.90	1.577
I have confidence in my ability to tolerate unexpected change.	126	4.90	1.685
I have confidence in my ability to persist in the face of setbacks.	126	4.98	1.732
I have confidence in my ability to manage uncertainty in projects and processes.	126	4.66	1.650
I have confidence in my ability to work productively under continuous stress, pressure and conflict.	126	4.82	1.804

	N	Mean	Std. Deviation
I have confidence in my ability to read and interpret financial statements.	126	4.93	1.794
I have confidence in my ability to persist in the face of setbacks.	126	4.98	1.706
I have confidence in my ability to control costs for projects.	126	4.89	1.808
I have confidence in my ability to estimate a budget for a new project.	126	4.77	1.834
Valid N (listwise)	126		

### Null Hypotheses Analysis

$H_0$ : No statistically significant difference exists in entrepreneurial readiness to start or develop a business based on entrepreneurial self-efficacy between those who received entrepreneurship training and those who did not.

A Mann-Whitney U Test was applied to determine if there was a statistically significant difference in the entrepreneurial readiness to start or develop a business based on entrepreneurial self-efficacy between those who received entrepreneurship training and those who did not. The null hypothesis was not accepted. A statistically significant difference  $U = 1240$ ,  $p = 0.000$ ) exists in total entrepreneurial self-efficacy scale values among respondents in different trained and not-trained categories. (See Tables 15)

Table 15: ESE Hypothesis Test

Test Statistics <sup>a</sup>	
	ESE
Mann-Whitney U	1240.500
Wilcoxon W	3320.500
Z	-3.629
Asymp. Sig. (2-tailed)	.000

a. Grouping Variable: Non-Trained Vs. Trained on Entrepreneurship

The mean rank for respondents in the not-trained category was 51.88, and for respondents in the EDC trained category was 75.49. (See Table 16.)

Table 16: ESE Mean Rank in Not Trained and EDC Trained on Entrepreneurship

Not-Trained Vs. Trained on Entrepreneurship		Ranks		
		N	Mean Rank	Sum of Ranks
ESE	Not Trained	64	51.88	3320.50
	EDC Trained	62	75.49	4680.50
	Total	126		

The hypothesis testing at the ESE subscales level shows similar results in the five subscales. The distribution of creativity in entrepreneurial self-efficacy is the same across categories of not-trained and trained in entrepreneurship to start or develop a business is not accepted ( $U = 1424, p = 0.006$ ). The distribution of planning in entrepreneurial self-efficacy is the same across categories of not-trained and trained in entrepreneurship to start or develop a business is not accepted ( $U = 1325, p = 0.001$ ). The distribution of marshaling in entrepreneurial self-efficacy is the same across categories of not-trained and trained in entrepreneurship to start or develop a business is not accepted ( $U = 1473, p = 0.012$ ). The distribution of managing ambiguity in entrepreneurial self-efficacy is the same across categories of not-trained and trained in entrepreneurship to start or develop a business is not accepted ( $U = 1431, p = 0.007$ ). The distribution of financial literacy in entrepreneurial self-efficacy is the same across categories of not-trained and trained in entrepreneurship to start or develop a business is not accepted ( $U = 1067, p = 0.000$ ). A statistically significant difference exists in creativity, planning, marshaling, managing ambiguity, and financial literacy of entrepreneurial self-efficacy

scale values among respondents in different trained and not-trained categories. (See Tables 17 and 18.)

Table 17: Mann Whitney U Test Hypothesis Test Summary

Hypothesis Test Summary				
	Null Hypothesis	Test	Sig. <sup>a,b</sup>	Decision
1	The distribution of Creativity_ESE is the same across categories of Non-Trained Vs. Trained in Entrepreneurship.	Independent-Samples Mann-Whitney U Test	.006	Reject the null hypothesis.
2	The distribution of Planning_ESE is the same across categories of Non-Trained Vs. Trained in Entrepreneurship.	Independent-Samples Mann-Whitney U Test	.001	Reject the null hypothesis.
3	The distribution of Marshaling_ESE is the same across categories of Non-Trained Vs. Trained in Entrepreneurship.	Independent-Samples Mann-Whitney U Test	.012	Reject the null hypothesis.
4	The distribution of Managing Ambiguity_ESE is the same across categories of Non-Trained Vs. Trained in Entrepreneurship.	Independent-Samples Mann-Whitney U Test	.007	Reject the null hypothesis.
5	The distribution of Financial Literacy_ESE is the same across categories of Non-Trained Vs. Trained in Entrepreneurship.	Independent-Samples Mann-Whitney U Test	.000	Reject the null hypothesis.

a. The significance level is .050.

b. Asymptotic significance is displayed.

Table 18: Mann-Whitney Test Statistics of ESE Sub Scales between Respondents

	Test Statistics				
	Creativity ESE	Planning ESE	Marshaling ESE	Managing Ambiguity ESE	Financial Literacy _ESE
Mann-Whitney U	1424.000	1325.500	1473.000	1431.000	1067.500
Wilcoxon W	3504.000	3405.500	3553.000	3511.000	3147.500
Z	-2.736	-3.226	-2.504	-2.702	-4.482
Asymp. Sig. (2-tailed)	.006	.001	.012	.007	.000

a. Grouping Variable: Non-Trained Vs. Trained on Entrepreneurship



The mean rank for respondents in the ESE creativity subscale of not-trained category was 54.75, and for respondents in the EDC trained category was 72.53; ESE planning subscale of not-trained category was 53.21, and for respondents in the EDC trained category was 74.12; ESE marshaling subscale of not-trained category was 55.52 and for respondents in the EDC trained category was 71.74; ESE managing ambiguity subscale of not-trained category was 54.86, and for respondents in the EDC trained category was 72.42; ESE financial literacy subscale of not-trained category was 49.18, and for respondents in the EDC trained category was 78.28 . (See Table 19.)

Table 19: Mann-Whitney Test of ESE Mean Ranks between Non-Trained and Trained in Entrepreneurship

	Ranks		Mean Rank	Sum of Ranks
	Non-Trained Vs. Trained on Entrepreneurship	N		
Creativity_ESE	Not Trained	64	54.75	3504.00
	EDC Trained	62	72.53	4497.00
	Total	126		
Planning_ESE	Not Trained	64	53.21	3405.50
	EDC Trained	62	74.12	4595.50
	Total	126		
Marshaling_ESE	Not Trained	64	55.52	3553.00
	EDC Trained	62	71.74	4448.00
	Total	126		
Managing Ambiguity_ESE	Not Trained	64	54.86	3511.00
	EDC Trained	62	72.42	4490.00
	Total	126		
Financial Literacy_ESE	Not Trained	64	49.18	3147.50
	EDC Trained	62	78.28	4853.50
	Total	126		

The creativity ESE subscale shows a statistically significant difference exists between EDC-trained and the not-trained groups  $u = 2544$ ;  $p (0.006)$  in creativity to start and develop a business. (See Table 20 and Figure 14.)

Table 20: Creativity ESE Subscale Across Non-Trained Vs. Trained in Entrepreneurship

**Independent-Samples Mann-Whitney U Test Summary  
of Creativity ESE Subscale**

Total N	126
Mann-Whitney U	2544.000
Wilcoxon W	4497.000
Test Statistic	2544.000
Standard Error	204.649
Standardized Test Statistic	2.736
Asymptotic Sig. (2-sided test)	.006

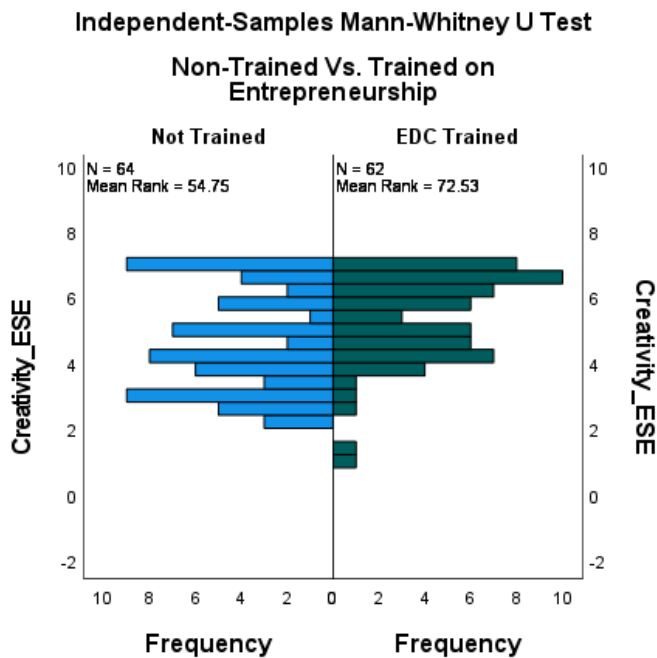


Figure 14: Creativity ESE Sub Scale

The planning ESE subscale shows a statistically significant difference exists between EDC-trained and the not-trained groups  $u = 2642$ ;  $p (0.001)$  in planning to start and develop a business. (See Table 21 and Figure 15)

Table 21: Planning ESE Subscale Across Non-Trained Vs. Trained on Entrepreneurship

Independent-Samples Mann-Whitney U Test  
Summary of Planning ESE Subscale

Total N	126
Mann-Whitney U	2642.500
Wilcoxon W	4595.500
Test Statistic	2642.500
Standard Error	204.113
Standardized Test Statistic	3.226
Asymptotic Sig. (2-sided test)	.001

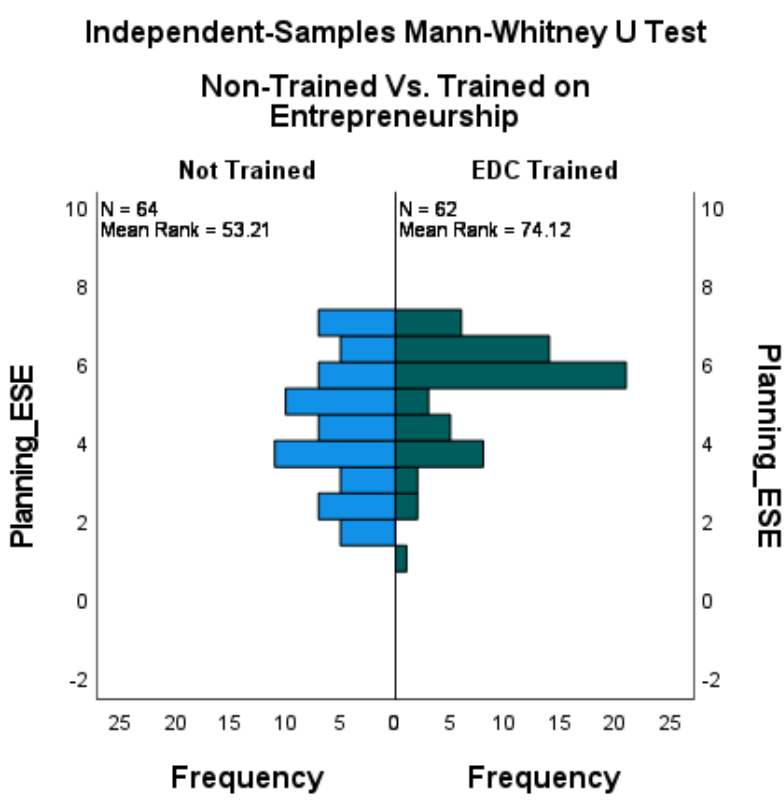


Figure 15: Planning ESE Subscale

The marshaling ESE subscale shows a statistically significant difference exists between EDC-trained and the not-trained groups  $u = 2495$ ;  $p (0.012)$  in marshaling resources to start and develop a business. (See Table 22 and Figure 16.)

Table 22: Marshaling ESE Subscale Across Non-Trained Vs. Trained in Entrepreneurship

Independent-Samples Mann-Whitney U Test  
Summary of Marshaling ESE Subscale

Total N	126
Mann-Whitney U	2495.000
Wilcoxon W	4448.000
Test Statistic	2495.000
Standard Error	204.043
Standardized Test Statistic	2.504
Asymptotic Sig. (2-sided test)	.012

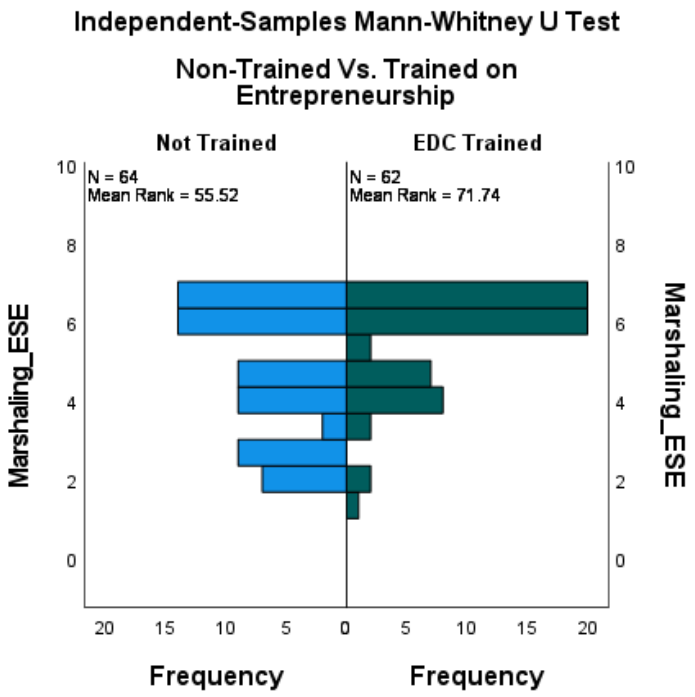


Figure 16: Marshaling ESE Subscale

The managing ambiguity ESE subscale shows a statistically significant difference exists between EDC-trained and the not-trained groups  $u = 2537$ ;  $p (0.007)$  in managing change and uncertainty to start and develop a business. (See Table 23 and Figure 17).

Table 23: Managing Ambiguity ESE Subscale Across Non-Trained Vs. Trained in Entrepreneurship

Independent-Samples Mann-Whitney U Test Summary of Managing Ambiguity ESE Subscale	
Total N	126
Mann-Whitney U	2537.000
Wilcoxon W	4490.000
Test Statistic	2537.000
Standard Error	204.637
Standardized Test Statistic	2.702
Asymptotic Sig. (2-sided test)	.007

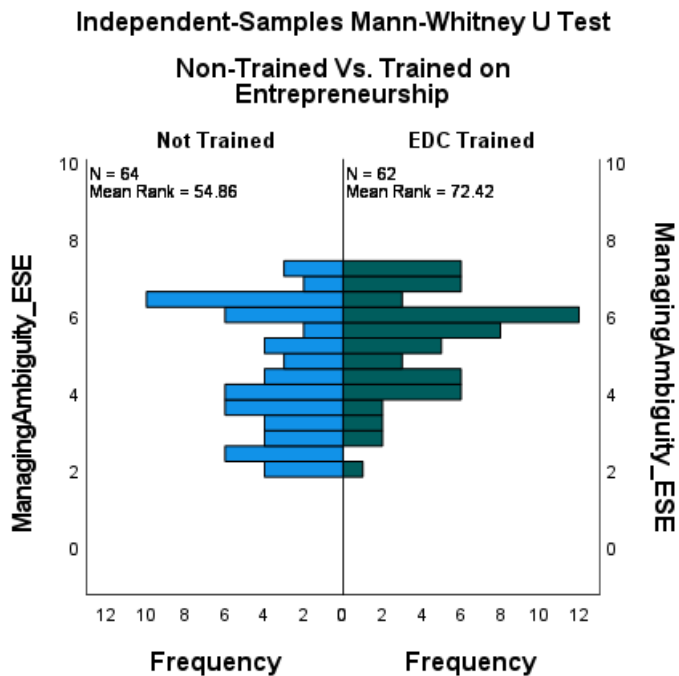


Figure 17: Managing Ambiguity ESE Subscale

The financial literacy ESE subscale shows a statistically significant difference between EDC-trained and the not-trained groups  $u = 2900$ ;  $p (0.000)$  in having financial literacy to start and develop a business. (See Table 24 and Figure 18)

Table 24: Financial Literacy ESE Subscale Across Non-Trained Vs. Trained in Entrepreneurship

Independent-Samples Mann-Whitney U Test Summary of Financial Literacy ESE Subscale	
Total N	126
Mann-Whitney U	2900.500
Wilcoxon W	4853.500
Test Statistic	2900.500
Standard Error	204.489
Standardized Test Statistic	4.482
Asymptotic Sig. (2-sided test)	.000

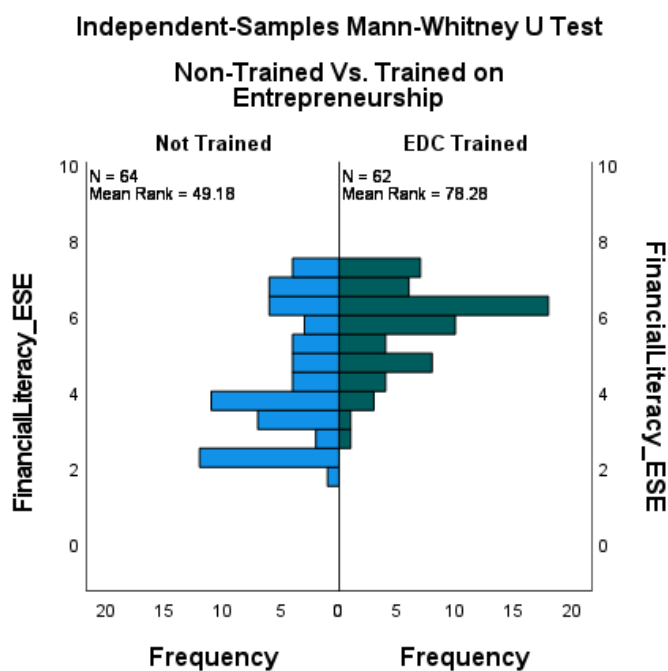


Figure 18: Financial Literacy ESE Subscale

## Moderating Variable

The entrepreneurship training was used to moderate youth entrepreneurial readiness. Out of the 84 participants who had some training or education in entrepreneurship, 66 (79%) responded that they had either started or developed their business, whereas 18 (14%) stated that the training/education in entrepreneurship did not help them. See Table 25 and Figure 19.

Table 25: Respondent's Training Outcome

If you have done training, has it helped you to start or develop your business?		
	N	%
Yes	66	78.6%
No	18	21.4%

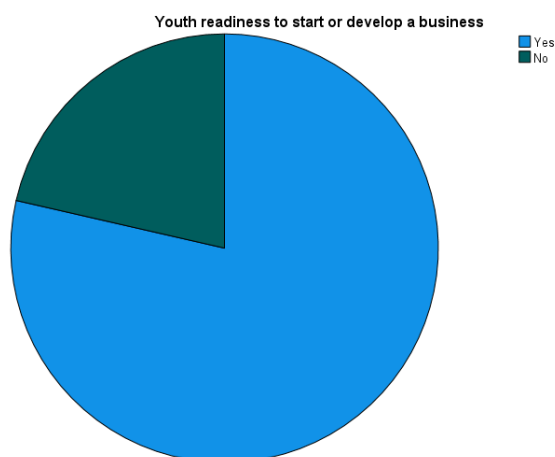


Figure 19: Training Outcome of Readiness to Start/Develop a Business

## Summary

Quantitative research was used to describe the socio-demography of research participants and investigate the difference between youth readiness to start or develop a business based on entrepreneurial self-efficacy of those who have taken EDI

entrepreneurship training and those who have not to determine if there was a significant difference. The study used a non-experimental research design, the non-parametric data, Whitney U Test, to examine the difference between two groups, having a group that had the training and a group that did not. The null hypothesis was tested, and the assumption that no statistically significant difference exists in entrepreneurial readiness to start or develop a business based on entrepreneurial self-efficacy between those who received entrepreneurship training and those who did not was not accepted answering the research question, a difference exists in youth entrepreneurial readiness based on entrepreneurial self-efficacy related to entrepreneurship training.



**CHAPTER 5: DATA ANALYSIS, CONCLUSIONS, AND RECOMMENDATIONS**

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## Appendix A: Socio-demographic and Entrepreneurial Self-Efficacy Measurement Tool

### THE QUESTIONNAIRE

#### Section 1: Socio-Demographic Items

<p><b>S1. Gender</b></p> <p>S1.1. Man <input type="checkbox"/></p> <p>S1.2. Woman <input type="checkbox"/></p>
<p><b>S2. Age group</b></p> <p>S2.1. 18-25 years <input type="checkbox"/></p> <p>S2.2. 26-35 years <input type="checkbox"/></p>
<p><b>S3. Level of education</b></p> <p>S3.1. Primary <input type="checkbox"/></p> <p>S3.2. Secondary <input type="checkbox"/></p> <p>S3.3. Vocational <input type="checkbox"/></p> <p>S3.4. College/University <input type="checkbox"/></p> <p>S3.5. Postgraduate <input type="checkbox"/></p>
<p><b>S4. How long have you been active in any work experience?</b></p> <p>S4.1. 0 years <input type="checkbox"/></p> <p>S4.2. Up to 2 years <input type="checkbox"/></p> <p>S4.3. 3-5 years <input type="checkbox"/></p> <p>S4.4. 6-10 years <input type="checkbox"/></p> <p>S4.5. 11-15 years <input type="checkbox"/></p> <p>S4.6. 16-20 years <input type="checkbox"/></p> <p>S4.7. 21 and + years <input type="checkbox"/></p>
<p><b>S5. How do you rate your annual gross income level based on the average standard of living in Ethiopia?</b></p> <p>S5.1. Very low <input type="checkbox"/></p> <p>S5.2. Low or medium <input type="checkbox"/></p> <p>S5.3. High <input type="checkbox"/></p> <p>S5.4. Very high <input type="checkbox"/></p>
<p><b>S6. Have you ever received any entrepreneurial education or training?</b></p> <p>S6.1. No never <input type="checkbox"/></p> <p>S6.2. Yes, at high school <input type="checkbox"/></p> <p>S6.3. Yes, in college/university <input type="checkbox"/></p> <p>S6.4. Yes, at a training center <input type="checkbox"/></p>
<p><b>S7. If you have done training, has it helped you to start or develop your business?</b></p> <p>S7.1. Yes <input type="checkbox"/></p> <p>S7.2. No <input type="checkbox"/></p> <p>S7.3. Did not take training <input type="checkbox"/></p>
<p><b>S8. Is there any entrepreneur within your close family (parents, grandparents, siblings, relatives)?</b></p> <p>S8.1. Yes <input type="checkbox"/></p> <p>S8.2. No <input type="checkbox"/></p>
<p><b>S9. Are some of your friends' entrepreneurs?</b></p> <p>S9.1. Yes <input type="checkbox"/></p> <p>S9.2. No <input type="checkbox"/></p>
<p><b>S10. Do you believe entrepreneurial training will help the youth to start or develop their business?</b></p> <p>S10.1. Yes <input type="checkbox"/></p> <p>S10.2. No <input type="checkbox"/></p>

## Section 2: Entrepreneurial Self-Efficacy Scale (ESE)

Ser. No.	Items	Not very confident	Below average confident	Slightly below average confident	Average confident	Slightly above average confident	Above average confident	Very confident
<b>I have confidence in my ability to . . .</b>								
<b>Creativity</b>								
ESE1	Identify ways to combine resources in new ways							
ESE2	Brainstorm (come up with) new ideas							
ESE3	Think outside the box							
ESE4	Identify opportunities for new ways to conduct activities							
ESE5	Identify creative ways to get things done with limited resources							
<b>Planning</b>								
ESE6	Manage time in projects							
ESE7	Set and achieve project goals							
ESE8	Design an effective project plan to achieve goals							
<b>Marshaling</b>								
ESE9	Put together the right group/team in order to solve a specific problem							
ESE10	Form partnerships in order to achieve goals							
ESE11	Network (i.e. make contact with and exchange information with others)							
<b>Managing Ambiguity</b>								
ESE12	Improvise when I do not know what the right action/decision might be in a problematic situation							
ESE13	Tolerate unexpected change							
ESE14	Persist in the face of setbacks							
ESE15	Manage uncertainty in projects and processes							

Ser. No.	Items	Not very confident	Below average confident	Slightly below average confident	Average confident	Slightly above average confident	Above average confident	Very confident
<b>I have confidence in my ability to . . .</b>								
<b>ESE16</b>	Work productively under continuous stress, pressure and conflict							
<b>Financial Literacy</b>								
<b>ESE17</b>	Read and interpret financial statements							
<b>ESE18</b>	Persist in the face of setbacks							
<b>ESE19</b>	Control costs for projects							
<b>ESE20</b>	Estimate a budget for a new project							

## Appendix B: Site Permission Letter



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ENTREPRENEURSHIP DEVELOPMENT  
INSTITUTE (EDI)- ETHIOPIA

Date: August 3, 2023  
Ref No: EDI/1302/2023

To: **Seble Hailu Diglu**

Subject: **Granting Permission to conduct research at our Institute**

Entrepreneurship Development Institute (EDI) Ethiopia which operates under the Ministry of Labor and Skills (MOLS) is an autonomous institution formed under FDRE proclamation number 1263/2021. EDI aims to promote the emergence of a vibrant, competitive, and innovative private sector driven by a dynamic, vibrant, and growth-oriented SME sector. This is accomplished through a comprehensive package of entrepreneurship support programs ranging from ecosystem and capacity building to business development services (BDS), access to finance, and market linkage. Following its new mandate as a national institution, EDI plays a key role not only in the entrepreneurial ecosystem but also in self-employment.

Seble is one of our clients who got benefited from our service. She started and developed her business after she received our entrepreneurship training. Now she is conducting research investigating entrepreneurial readiness to start or develop a business based on entrepreneurial self-efficacy of the youth who have taken EDI entrepreneurship training and those who have not. As per your request to collect data and conduct research at EDI, we are pleased to inform you that we have granted you permission.

Sincerely,

  
**Hassen Hussein (Dr.)**  
**Director General**



Cc: Curtis McClane, Ph.D., D.Min., M.Div

Executive Vice-President, Chief Academic Officer (CAO)/Dean of Faculty



+ 251 11557 1150  
+ 251 11557 1163



info@edi-ethiopia.org  
www.edi-ethiopia.org



Nega City Mall, 3rd floor, Kazanchis  
Addis Ababa, Ethiopia

### **Appendix C: Recruitment Letter**

You are being invited to participate in a research project by Seble Hailu Diglu at Entrepreneurship Development Institute entitled: Youth Entrepreneurial Readiness: Entrepreneurial Self-Efficacy and the Moderating Role of Entrepreneurial Training. I am currently enrolled in the Doctoral Program at The Omega Graduate School, Dayton, Tennessee, and in the process of writing my dissertation.

The purpose of the research is to determine: if youth entrepreneurial readiness derives from entrepreneurial self-efficacy as moderated by entrepreneurial training conducted by EDI. The enclosed questionnaire has been designed to collect information in socio-demographic areas and entrepreneurial self-efficacy.

There is no particular benefit to you if you participate, but the researcher may get information that can help advocate for scaling up training interventions for youth and young adults to start or develop their business in the future. The major risk to you is inconvenience in having to take the time to fill out the survey for a maximum of 15 minutes. Your participation in this research project is completely voluntary. You may decline altogether or leave to submit your answers at the end.

There are no known risks to participation beyond those encountered in everyday life. Your responses will remain confidential and anonymous. Data from this research will be kept secured and reported only as a collective combined total. All responses are anonymous, no one will know your individual answers to this questionnaire. If you agree to participate in this project, please answer the questions on the questionnaire as best as you can. It should take maximum 15 minutes to complete. The survey will be administered through the link below on Survey Monkey. Upon submission of the survey you won't need to do anything else.

If you have any questions about this project, feel free to contact Dr. Curtis McClane, [cmclane@ogs.edu](mailto:cmclane@ogs.edu), Dissertation Chair and Academic Dean. Information on the rights of human subjects in research is available through the Omega Graduate School Institutional Review Board 1 307 871-4569, [irb@ogs.edu](mailto:irb@ogs.edu).



## **Appendix D: Consent Form**

### **TITLE OF STUDY**

Youth Entrepreneurial Readiness: Entrepreneurial Self-efficacy and the Moderating Role of Entrepreneurial Training

### **RESEARCHERS**

Seble Hailu Diglu, Doctoral Candidate and Lead Researcher/Primary Investigator (PI), Omega Graduate School, +(251) 911 606055, seble.hailu@gmail.com; Dr. Curtis McClane, Chief Academic Officer, Academic Dean, and Committee Chair, Omega Graduate School and contact person for subjects +(1) 423-775-6599; Dr. Joshua Reichard (president@ogs.edu) faculty advisor, Dr. Sean Taladay (sean.taladay1@gmail.com), faculty advisor, and Dr. Worku Tuffa Birru (workutuffa@aau.edu.et), Content Advisor.

### **RESEARCHERS' STATEMENT**

We are asking you to be in a research study. This consent form gives you the information you will need to help you decide whether to be in the study. The purpose of the research, what we would ask you to do, the possible risks and benefits, and your rights as a volunteer are stated in the Form. This process is called “informed consent.” Before you decide to participate in this study, it is essential that you understand why the research is being done and what it will involve. Please read the following information carefully.

### **RESEARCH PARTICIPANT RECRUITMENT**

The target population for this study is 127 individuals who took EDI training from January to March 2023 in Addis Ababa. Out of these, 75 were aged 18-35. Conducive sampling will ensure eligible participants meet the inclusion criteria to select between ages 18 and 35 until a sample size of 63 is attained. To participate, you must be between ages 18 and 35 when you took the training at Entrepreneurship Development Institute.

### **PURPOSE OF STUDY**

This study investigates the difference between entrepreneurial readiness to start or develop a business based on entrepreneurial self-efficacy of the youth who have taken EDI entrepreneurship training and those who have not to determine if there is a significant difference in entrepreneurial readiness among youth in Addis Ababa, Ethiopia. Participation in this study will help to demonstrate whether the training moderates entrepreneurial readiness for new venture creation or business development. Study results will be used to inform the Country better about the need to develop more awareness of the youth to engage in entrepreneurship as a potential career choice and help them be active in the economic development of Ethiopia. This will also help to scale up the training activities to meet the entrepreneurial needs of the Country. Your participation in

the research is voluntary, anonymous, and confidential, and there is no right or wrong answer. If anything is unclear or you need more information, please contact the Researcher at the address above.

## **STUDY PROCEDURES**

The entrepreneurial readiness questionnaire consists of two sections: ten socio-demographic questions and 20 entrepreneurial self-efficacy questions. It will take 15 minutes to fill in. The research data will be collected within two weeks.

All responses are identified only by a number and associated with you only by a unique code associated with your record. The data is used for academic purposes, research, and potential funding for future projects to improve entrepreneurial training and startup businesses. The completed questionnaires will be secured for at least three years.

## **RISKS**

There will not be any harm to those who will respond to the questionnaire. The person who fills out the questionnaire will not write his/her name. The information filled in the questionnaire will be used for research purposes. The research does not involve any vulnerable groups.

## **BENEFITS**

There will be no direct benefit to you for your participation in this study. However, we hope that the information obtained from this study may benefit from assessing Ethiopia's efforts to meet the sustainable goal by 2030 by identifying how the youth and young adults are contributing to the economic development efforts of the Country.

## **CONFIDENTIALITY**

Your responses to this survey will be anonymous. Please do not write any identifying information on your questionnaire. Every effort will be made by the researcher to preserve your confidentiality for participating in the research.

Data collected in this research will be provided to a personal repository for future use by other researchers. This data will not contain information that could directly identify you.

## **CONTACT INFORMATION**

If you have questions at any time about this study, or you experience adverse effects as a result of participating in this study, you may contact the researcher whose contact information is provided on the first page. If you have questions regarding your rights as a research participant, or if problems arise, which you do not feel you can discuss with the Primary Investigator, please contact one of the Institutional Review Board members at +

1 307 871-4569. If you have questions about your rights as a research subject, you can call the Human Subjects Division at + 1 206 543-0098.

### **VOLUNTARY PARTICIPATION**

Your participation in this study is voluntary. It is up to you to decide whether to participate in this study. If you decide to take part in this study, you will be asked to sign a consent form. After you sign the consent form, you can withdraw anytime without giving a reason. Withdrawing from this study will not affect your relationship with the Researcher, if any. If you withdraw from the study at any time of data collection, your data will age.

### **SUBJECT'S STATEMENT**

I understand the purpose of the research and volunteered to take part in this research. If I have questions later about the research I can contact one of the researchers listed on the first page of this consent form. If I have been harmed by participating in this study, I can report to OGS internal review board. If I have questions about my rights as a research subject, I can call the Human Subjects Division at (+206) 543-0098.

I have received an electronic copy of this consent form.

---

The printed name of the Subject	Signature of the Subject	Date
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The printed name of the Researcher (PI)	Signature of the Researcher (PI)	Date
---	----------------------------------	------

**Appendix E: Permission to Use Entrepreneurial-Self Efficacy Tool**

Request Permission to Use Validated Instrument of ESE

Seble Hailu <seble.hailu@gmail.com>

Tue, Jun 13,  
7:48 AM

to Kåre Moberg <Kaare@ffefonden.dk>

Dear Dr. Moberg,

I am Seble Hailu Diglu, a doctoral candidate at Omega/Oxford Graduate School, living in Ethiopia.

I wanted to use an updated version, validated, and reliable instrument on the "Entrepreneurial Self-Efficacy" Tool.

I need to get permission from authors/publishers to use the tool, so this is to request you to allow me to use the tool for my dissertation, entitled, "YOUTH ENTREPRENEURIAL READINESS: THE ROLE OF SELF-EFFICACY, ENTREPRENEURIAL SELF-EFFICACY AND ENTREPRENEURIAL TRAINING."

I appreciate your support!  
Seble

Kåre Moberg <Kaare@ffefonden.dk>

Jun 13, 2023,  
9:36 AM

to me

Dear Seble,

I am happy to hear that you are interested in my research. You are hereby granted permission to use the scale I have developed that you refer to in this email.

Wishing you good luck with your research!  
//Kåre

Seble Hailu <seble.hailu@gmail.com>

Jul 4, 2023,  
9:13 AM

to Kåre Moberg

Dear Dr. Moberg,

Greetings from Ethiopia! Hope you are doing well.

I need help. I was asked by my dissertation committee to provide proof of using a validated instrument. Where can I find the proof for ESE?

Best regards,  
Seble

Kåre Moberg

Jul 17, 2023,  
12:39 PM

to me

Dear Seble,

You find the paper

here: [https://www.researchgate.net/publication/255856876\\_An\\_Entrepreneurial\\_Self-Efficacy\\_Scale\\_with\\_a\\_Neutral\\_Wording](https://www.researchgate.net/publication/255856876_An_Entrepreneurial_Self-Efficacy_Scale_with_a_Neutral_Wording)

You could also refer to my [dissertation](#) or the [ASTEE project](#), where it is used, but in a slightly adjusted version.

## Appendix F: Human Research Protection Foundational Training Certificate

7/30/23, 7:19 PM

Lesson 1: When HHS Regulations Apply | HHS.gov

### Conclusion

**Go to Section:** [Completion Certificate >](#)



## Congratulations!

You have completed OHRP's learning module:

### Lesson 1: When HHS Regulations Apply

OHRP does not collect information about who completes this training. Please fill out the information below and print this page for your records.

**Name:** Seble Hailu Diglu

**Date:** July 30, 2023

7/30/23, 11:13 PM

Lesson 2: What is Human Subjects Research? | HHS.gov

### Conclusion

**Go to Section:** [Wrap Up > Completion Certificate](#)



## Congratulations!

You have completed OHRP's learning module:

### Lesson 2: What is Human Subjects Research?

OHRP does not collect information about who completes this training. Please fill out the information below and print this page for your records.

**Name:** Seble Hailu Diglu

**Date:** July 30, 2023

7/30/23, 11:38 PM

Lesson 3: What are IRBs? | HHS.gov

**Conclusion****Go to Section:** [Completion Certificate >](#)**Congratulations!**

You have completed OHRP's learning module:

**Lesson 3: What are IRBs?**

OHRP does not collect information about who completes this training. Please fill out the information below and print this page for your records.

**Name:** Seble Hailu Diglu**Date:** July 30, 2023**Congratulations!**

You have completed OHRP's Learning Module:

**Equitable Selection of Subjects**

OHRP does not collect information about who completes this training. Please fill out the information below and print this page for your records.

**Name:** **Date:** **Print****OASH**Office for  
Human Research  
Protections

7/31/23, 1:16 AM

Lesson 4: Independent Review of Research | HHS.gov

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## Conclusion

**Go to Section:** [Completion Certificate >](#)



# Congratulations!

You have completed OHRP's learning module:

## Lesson 4: Independent Review of Research

OHRP does not collect information about who completes this training. Please fill out the information below and print this page for your records.

**Name:** Seble Hailu Diglu

**Date:** July 31, 2023

7/31/23, 1:51 AM

Lesson 5: Institutional Oversight of Human Research | HHS.gov

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## Conclusion

**Go to Section:** [Completion Certificate >](#)



# Congratulations!

You have completed OHRP's learning module:

## Lesson 5: Human Research Protection Training

OHRP does not collect information about who completes this training. Please fill out the information below and print this page for your records.

**Name:** Seble Hailu Diglu

**Date:** July 31, 2023



## Appendix G: Curriculum Vitae

### Seble Hailu Diglu

<p><b>Contact Information</b></p> <ul style="list-style-type: none"> <li>• Cellular +(251) 911 60 60 55; Office +(251) 941 90 90 90</li> <li>• E-mail: <a href="mailto:seble.hailu@gmail.com">seble.hailu@gmail.com</a>;</li> <li>• Skype: seblehailu,</li> </ul>
<p><b>Education Background</b></p> <ol style="list-style-type: none"> <li>1) <b>Doctoral Studies in Sociology – Ph.D. (candidate)</b>, Omega (Oxford) Graduate School, Dayton, Tennessee, USA, March 2017 – September 2023</li> <li>2) <b>Master of Arts in Counseling and Human Relations</b>, Liberty University, Virginia, USA, 2001-2005</li> <li>3) <b>Master of Arts in Educational Psychology</b>, Addis Ababa University – School of Graduate Studies, Addis Ababa, Ethiopia, 2001-2003</li> <li>4) <b>Bachelor of Theology Degree</b>, Evangelical Theological College, Addis Ababa, Ethiopia, 1995-1999</li> <li>5) <b>Bachelor of Arts in Management and Public Administration</b>, Addis Ababa University, Addis Ababa, Ethiopia, 1983-1987</li> </ol>
<p><b>Core Areas of Expertise</b></p> <ul style="list-style-type: none"> <li>• <b>Psychological counseling:</b> providing individual, couple, family and group counseling and psychotherapy</li> <li>• <b>Management consultancy:</b> providing consultancy services to several governmental and non-governmental organizations in various fields, including organizational and leadership development, strategic planning, project management, customer relations management, human resources management, and knowledge management.</li> <li>• <b>Education:</b> providing classroom teaching, advising students, training to professionals, as well as preparing materials including manuals, training aids, and guidelines, writing, and documentation.</li> <li>• <b>Research:</b> Conducting assessments, surveys, and evaluations including mapping, organizational analysis, situational analysis, knowledge, attitude and practice reviews and mid-term or final project evaluations.</li> <li>• <b>Training:</b> Combining psychology and management to provide pieces of training in a range of specialized fields including management-related topics, strategic planning, project planning and implementation, psychological counseling, gender policy formulation, community mobilization, positive psychotherapy, EMDR therapy, and peace psychology.</li> </ul>
<p><b>Work Experience</b></p> <ol style="list-style-type: none"> <li>1. Endae Communication, Consultancy, Counseling, and Training Services (ECCCTS) PLC – General Manager since June 2016 – present.</li> <li>2. Director General, Ethiopian Reconciliation Commission, February 16, 2021 - March 11, 2022.</li> <li>3. Wudassie Diagnostic Center (WDC) - Marketing Manager and Counselor, Sept. 2013 – May 2016.</li> <li>4. United Nations Educational Scientific Cultural Organization (UNESCO) – National Program Officer for HIV and AIDS, February 2011 – August 2013.</li> <li>5. Freelance Consultant - Management, Psychology, HIV/AIDS, Counseling, February 2010 – 2011.</li> <li>6. Save the Children/USA, seconded to Management Sciences for Health - Training Manager, HIV/AIDS Care, and Support Program, November 2007 – February 2010.</li> <li>7. United Nations International Labor Organization (ILO) - National Project Coordinator, HIV/AIDS Workplace Education Program, December 2004 – October 2007.</li> <li>8. Bethzatha College of Health Sciences - Program Coordinator, August 2003 – December 2004.</li> <li>9. Evangelical Theological College - Director of Administration, Finance and Information Services, September 2000 -August 2001Registrar and Instructor, August 1995 – 2000.</li> <li>10. Ministry of Mines and Energy – Junior to Senior Management Expert, September 1988 - July 1995.</li> </ol>

