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Mauvalyn Manzia Bowen

*Bethel University*, [mm-bowen@bethel.edu](mailto:mm-bowen@bethel.edu)

Karen R. Johnson

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# **Entrepreneurial Skills for the 21st Century Workplace: The SME Sector**

**Mauvalyn M. Bowen**

*Bethel University, MN, USA*

**Karen R. Johnson**

*University of North Texas, USA*

## **ABSTRACT**

*The foundation of graduates' employability is based on skills and by extension, workers. Due to the high levels of unemployment among young people, entrepreneurial skills for graduates and the workforce becomes an imperative to scholars and policy makers trying to tackle unemployment issues by providing students with skills, and competences that fulfill the needs of a very competitive labor market (Pereira, Vilas-Boas & Rebelo, 2016). To encourage collaboration on educational innovation, to promote entrepreneurship education, and to improve university technology and knowledge transfer to industry and society, several initiatives were developed. This chapter discusses some of those initiatives and contributes to the skills discourse by proposing strategies to empower, structure, and improve innovative curriculum, workplace, and life. Some skills shortages identified for the 21st century workplace are: learning and innovation skills, career and life skills; adaptability, self-reliance and social skills, team building, technology, leadership and responsibility skills.*

## **INTRODUCTION**

Today's workplace represents a majority of business enterprise and most of these businesses continue to experience little revenue growth, inadequate capitalization, and a myriad of governance and administrative challenges. The Small and Medium Enterprise (SME) Sector is no exception. When attempting to formulate appropriate policies and effective strategies to empower employees and stimulate entrepreneurial activities, it is important to consider the role

of culture, attitudes, and skills in influencing entrepreneurship. Entrepreneurial skills in the areas of marketing, technology, business plan development, accounting, feasibility planning, and finance are all critical to the process (Vrchota & Rehor, 2017). This will assist in increasing the interest in self-employment and entrepreneurship. Additionally, there are many economic and sociological factors that make a strong case for advocating a big push to this sector in order to enhance economic growth and development as well as the empowerment of young graduates and workers. Keeping in mind the importance of this sector, governments should collaborate and introduce certain initiatives to develop this sector which faces so many challenges and issues. Many of the problems faced by these SMEs are lack of adequate capital, lack of access to global markets, high cost of credit, problems of storage, designing, packaging and product display, and inadequate infrastructure facilities among others (Ganguly, 2013). To eradicate these core problems faced by the enterprises, the policy makers, educational institutions and the entrepreneurs must integrate to provide and empower the necessary skills, attitudes and competencies needed for the 21<sup>st</sup> century work place.

Together with the development of 21st century knowledge, skills and attitudes (KSAs), researchers examining entrepreneurial competencies have produced a host of theoretically and empirically supported concepts, including social capital and social skills (Baron & Markman, 2000; Burt, 1992), human capital (Shane, 2000), creativity (Gilad, 1984; Ward, 2004), and self-efficacy (Boyd & Vozikis, 1994) that have established a connection to entrepreneurial activity. Stronger competencies in these areas are related to the increased possibility of engaging in entrepreneurial activity as well as entrepreneurial success. This chapter seeks to provide effective strategies to empower employees with entrepreneurial skills and global competencies that could translate to their success in life and work.

## **BACKGROUND**

According to Rehor and Vrchota, (2016), SMEs play a significant part in economic activity through employment, innovation, and growth. These businesses act as suppliers of goods and services to large organizations and any lack of product quality could adversely affect the competitive ability of the larger organizations (Deros, Yusof, & Salleh, 2006). These enterprises are recognized worldwide as probably the most dynamic sector in the economies of many countries. In this sector, there are businesses of every type and description, which employ thousands of people. In the European Union, SMEs account for 99.8 per cent of companies, generate 60 per cent of GDP and employ over 70 per cent of private sector workers (European Commission, 2008). In the US, approximately 99% of business enterprises are SMEs, which account for 52% of total employment (OECD, 2007). In developing nations, SMEs account for more than 90% of businesses which represent an average of 50-60% of national employment (Krishnan & Scullion, 2017). SMEs are top priority on the economic agenda of most governments (Krishnan & Scullion). It is the acknowledgement of the potential in this sector to transform the lives and work of individuals and nations with the aid of effectively using entrepreneurial skills.

The 21<sup>st</sup> century landscape requires a different set of competencies from that of the twentieth century. While the 20<sup>th</sup> century was more focused on reading, writing, and arithmetic and the lower levels of Bloom's taxonomy (knowledge, comprehension, and application) (Wisniewski, 2010) the 21<sup>st</sup> century commands a new set of skills needed to be successful in learning, working, and living (Trilling & Fadel, 2009). There has been a shift from education traditionally focused on knowledge transmission to a more learner-centered and outcome-based approach (Romero, Usart, & Ott, 2015). The 21<sup>st</sup> century skills include communication,

collaboration, social and cultural skills, creativity, critical thinking, problem-solving, productivity in a globalized world, learning to learn skills, self-direction, planning, flexibility, risk taking, conflict management, and a sense of initiative and entrepreneurship (Voogt & Pareja Roblin, 2012). As early as elementary education through to learning in the workplace, these skills should be developed in each individual (Romero, Usart, & Ott, 2015).

A skill is defined as the “ability to do something in an effective manner” (Carmeli & Tishler, 2006, p. 13). Morris, Webb, Fu, and Singhal, (2013) described competency as the knowledge, skills, attitudes, values, and behaviors that people need to perform a particular activity or task successfully. According to Argyris and Schon (1974), skill is that part of competence that effects change in behavior and attitudes. The essential competencies and skills include all existing and acquired knowledge that lead to certain behavior and actions of entrepreneurs. Botha, Van Vuuren, and Kunene (2015), posited that workers with the required skills enable owners to set realistic and measurable goals; identify and evaluate market opportunities; produce and service the markets; secure resources required and set up new ventures; and manage conflict effectively to achieve overall industrial efficiency, as well as effectiveness that leads to the growing of the business. Placing emphasis on competencies as a means of capturing key aspects of the entrepreneur that impact venture performance is a relatively new development (Brinckmann, 2007; Morris *et al.*, 2013). This chapter aims to make a valuable contribution to prescribing the entrepreneurial skills and competencies needed in the 21<sup>st</sup> century workplace. More specifically, the chapter will explore the role of culture in engendering attitudes and skills necessary in entrepreneurship and in the growth of small and medium enterprises. The strengths and weaknesses in attitudes and skills for encouraging entrepreneurship and opportunities and barriers faced by individuals when planning

their own businesses will also be analyzed. According to Kovalainen (2006) attitudes and behaviors are important in business; hence young people should be taught the realities of business and how to value entrepreneurial activity from an early age.

## **ISSUES, TENSIONS AND PROBLEMS**

Policies and procedures that are implemented in an effective and timely manner addresses not only the financial, practical, and other elements that hinder entrepreneurial activity and spirit, but also take into account the global, social, cultural, economic, informal sector, skills and competency factors that contribute to the development of entrepreneurs, workers and students. This section will focus on these factors and discuss how they impact the success, growth and development of the 21<sup>st</sup> century workplace

### **Globalization Related Issues**

Kumar and Liu (2005) reported that globalization has made a significant impact on entrepreneurial enterprises. The changing international environment in technology, economics, finance, human resources, politics, and social conditions have created opportunities for the SMEs to expand their international businesses at a much faster pace. Globalization provided a great opportunity for entrepreneurial ventures to expand their business internationally. It is claimed that with the help of large corporations, local governments, and international organizations, entrepreneurial enterprises including the SMEs are able to confront the challenges posed by globalization and economic liberalization, to improve their competitiveness in the global market, and better serve the global consumers. Entrepreneurship plays a critical role in the transformation of economies and national development. It is also related to the development of stable democracy through its contribution to economic stability. Hence, the importance of entrepreneurship lies not only in the economic and measurable monetary values, such as national economic growth and development, but also in the societal and cultural values and skills engendered by an entrepreneurial spirit.

One important factor to take into consideration when influencing values, skills, and attitude is culture. Evidence is seen from the influence of religion through the philosopher and sociologist (Max Weber) on economic performance to the importance of social capital in economic development by the political scientist (Robert D. Putnam). Entrepreneurship exists in an array of different forms and circumstances and sometimes leads to the establishment of new businesses (Kovalainen, 2006). The key to initiating entrepreneurship lies within the individual members of society, and the degree to which a spirit of enterprise exists (or can be initiated, with specific regard for the social, cultural and political context of the nation-state). Policies can therefore be developed which seek to enhance this spirit of enterprise.

### **Cultural, Economic, and Social Related Issues**

Diverse cultural, social and political contexts empower, and generate possibilities for entrepreneurial activities and at the same time may impede the development of entrepreneurial capabilities and the skills and enthusiasm required to develop entrepreneurial new businesses and SMEs. Small, domestic and local economic production and service markets, limited access to financial capital, a shortage of specific skills, and the absence of legislative stability may all be factors that hinder the growth of those entrepreneurial activities that contribute to addressing unemployment and/or increasing economic output. As much as entrepreneurial culture is a national and supranational issue, and is often related to arts and crafts, it is also to a large extent an issue for the economic system. For example, due to inadequacies in the banking culture, loan schemes have proven to be inefficient tools for SME funding in some countries. This suggests that other measures or support mechanisms might be needed nationally or regionally. Hence, the importance of firms which symbolize an entrepreneurial spirit should not be ignored. In developing countries, SMEs play an essential role in, and have great relevance for, economic development and by extension policy-makers (Bateman and Lloyd-Reason, 2000). This shows that the economy is not remote

from policy matters. The expansion of entrepreneurial activity and the attitudes and culture which influences development is being shaped and influenced by close connections and ties to developed countries and activities as well as the impact of the processes of globalization. Economic and social, as well as cultural development, should therefore take place hand in hand.

Marimuthu (2009) suggested that entrepreneurial culture is not only evident in values, attitudes, and habits as most often thought but can also be found in the existing social, legal and economic institutions, practices and processes. Structural, formal barriers to entrepreneurial activities include: fiscal legislation, the administrative burden, the general nature of the regulatory environment, the malfunctioning of the labor market and a lack of human capital. A lack of human capital can be classified as a formal barrier for entrepreneurship to the extent that inadequacies in the formal education system hinder the development of a national reserve of human capital, and contribute to limiting the employment opportunities of individuals. Policies targeted at improving the types of education and training available is critical. A number of studies show that there is a positive relationship between human capital and entrepreneurial performance, which makes owners more efficient in how they run their enterprises and perform complex tasks (Marimuthu, Arokiasamy & Ismail, 2009; Morrison, Breen & Ali, 2003; Unger *et al.*, 2011).

### **Informal Sector Related Issues**

Ravi and Roy (2014) stated that because of the informal and unorganized nature of the sector, entrepreneurs and workers face difficulties in accessing government schemes. As a result, the workers engaged in the SME sector are often the most vulnerable, poor, have very little bargaining power and are exploited by the middlemen, unit owners, and big business. These people are unable to take up aggressive marketing, like big industries and they cannot find markets despite good quality and competent prices. The unorganized and dispersed nature of the

industry also raises issues of quality, bulk production and the inability of meeting large orders. Many times the individual units lack packing facilities. These all lead to shrinking markets, especially for traditional SMEs and workers who also experience a reduction in wages. Women, tend not to be paid until products are actually delivered or picked up. Situations are similar for the traditional sectors where payments are made by traders and government cooperation's where often the stock is sold. Thus money is held up, further impoverishing the workers. Different segments of the SME sector are dominated by different social groups. Women are mostly found in the unregistered sector, food processing enterprises, manufacturing enterprises, and weaving, and often work part time in the family enterprises (Ravi & Roy). Vital inputs such as power and packaging facilities are hard to come by. Stiff competition and financial strain have made SME realize that they need a uniform assessment system to mine their strength against their competitors.

Despite SMEs contributing significantly to economies, and although thousands of these businesses are created annually, only a small percentage survive and remain in successful operation within 10 years of being established (Beaver, 2002). Factors contributing to failure are “a lack of attention given to the development of a robust business plan, goals and objectives, organizing and resourcing for the new venture and development of people assets” (Beaver & Hutchings, 2005, p. 592-593). SMEs pay little attention, often ignoring the value of their employees as core assets to secure and maintain competitive advantage. To meet the fast changing and complex environment, it is important for SMEs to be able to attract, retain, train, and develop employees. This might be difficult to sustain due to financial and time constraints but high performing SMEs are distinguished by their investment in training opportunities (Beaver & Hutchings). Innovation, marketing initiatives and skill development are dire for the

growth of SMEs in an economy set for growth in the 21<sup>st</sup> century. Upgraded technology coupled with adequate and timely credit is also necessary for the sector to grow and flourish. Financial institutions should therefore, shift themselves to an approach of investing in entrepreneurship of SMEs than on big enterprises. Entrepreneurship education and workplace training are the methods of bringing them in to the mainstream.

### **Skills and Competency Related Issues**

The emphasis placed on knowledge, service, and information in the new economy creates space for additional new firms to emerge, and exerts pressures on existing companies to hire employees with higher level skills in order to compete successfully (Boyles, 2012). The increased demand for a highly skilled workforce has contributed to the rising importance of obtaining a solid college education. Recent discoveries indicate that newly hired college graduates do not excel in these higher-level knowledge and information based skills at the level that employers desire. Entrepreneurs have also specified that the shortage of highly skilled workers impedes the growth and development of new entrepreneurial firms. In response to this there have been multiple calls for educators at all levels to recognize the challenges and opportunities in today's economy and to ensure that students develop the 21st century KSAs needed (Boyles). A closer look at these 21st century KSAs alongside research and data on entrepreneurial competencies reveals a meaningful overlap between the two.

Core set of 21st century skills include capabilities in analytical problem solving, innovation and creativity, self-direction and initiative, flexibility and adaptability, critical thinking, and communication and collaboration skills (Autor, Levy, & Murnane, 2007; Boyd & Vozikis, 1994; Goldin & Katz, 2008; Pink, 2008; Porter, Ketels, & Delgado, 2007; Wagner, 2008). The number of courses offered in entrepreneurship at institutions of higher education

grew from just a few in the 1970s to over 1600 by 2005, which suggests that today, undergraduate entrepreneurship programs offer extensive fruitful ground for students to develop entrepreneurial skills and abilities. However, the dominant and current pedagogical approach to undergraduate entrepreneurship programs in the U.S. stresses a linear and rather abstract process of new venture creation (Edelman, Manolova, & Brush, 2008; Honig, 2004; Soloman, Duffy, & Tarabishy, 2002), which typically stresses business planning and down play understanding and development of entrepreneurial competencies – the knowledge, skills, and abilities that contribute to an individual’s ability to become an entrepreneur.

Furthermore, when undergraduate entrepreneurship programs are evaluated, success is often measured and defined in the number of business plans completed and entered for competition, the intention of students to start a business and or the actual launching of a new business (USASBE, 2010). This definition of program success continues despite evidence that new college graduates starting up businesses are very rare, and most entrepreneurial activity is performed by the 35-54 age groups after significant experience and work (Fairlie, 2010; Georgellis & Wall, 2000; Shane, 2008). This implies that there are major theoretical and organizational challenges for evaluating undergraduate entrepreneurship programs and that there is a strong possibility that these programs may be pursuing incorrect outcomes.

This skills shortage runs parallel to the talent deficit encountered by a number of industry sectors and businesses. Numerous employers report the challenge to fill positions because of the lack of talent (Zhao, 2015). The McKinsey Global Institute projected that by 2020 there will be a global shortage of 85 million high- and middle-skilled employees (Mourshed, Farrell, & Barton, 2012). In the US, 3 million jobs remain unfilled and in ten years there could potentially be 20 million vacant positions unless there are significant changes in the current education-employer

system (Krell, 2011). This skills shortage stems from the shift to a technology driven and knowledge intensive economy, aging populations, mismatched education-to-employment systems not producing enough graduates or employees with requisite competencies, and inadequate investment in workplace training and development. The talent crisis has led businesses and governments to a call for action to better equip individuals with skills and knowledge for the new economy (Krell).

## **SOLUTIONS AND RECOMMENDATIONS**

Skills are the foundation of graduates' employability. Because of the persistent high levels of unemployment between young people, the issue of graduates' skills earned universal importance both to scholars and policy makers trying to tackle unemployment issues by providing students with skills and competences that fulfill the needs of the very competitive current labor market (Pereira, 2016). Some traditional critical skills shortages identified are: entrepreneurial skills, communication skills, thinking skills, personal skills, interpersonal skills, and intercultural skills- For the 21<sup>st</sup> Century work place: learning and innovation skills, career and life skills; adaptability, flexibility, leadership and responsibility skills are in high demand. Additionally, self-direction and self-reliance skills as well as the social skills, team building, leader skills and technology skills becomes a necessity. This section will identify and discuss possible solutions, strategies and recommendations for navigating the 21st century work place as well as how to bring about balance and success in life.

According to Ceptureanu (2016) institutions of higher education play a vital role in providing society with skilled human resources that hone specific skills according to the economy's needs. Universities cooperating with entrepreneurs, Non-Governmental Organizations (NGOs) and other local organizations, apprenticeship courses, innovative

educational content and use of creativity- centered methods of teaching will be most effective at improving entrepreneurial skills of students. Additionally, identifying the challenges and competencies of (entrepreneurial) students could assist professors to consider these challenges in developing the student's capabilities that allow them to successfully conduct entrepreneurial activities and perform at higher standards in the workplace.

Kivunja (2015) stressed the pedagogical shift that is needed to ensure that individuals, especially young people, have the skills to function effectively as workers and citizens of the 21<sup>st</sup> century. These skills are categorized into four domains: 1) traditional core subjects and skills domain, 2) learning and innovations skills domain, 3) career and life skills domain, and 4) digital literacies skills domain (Kivunja 2014). Together, the four domains of skills are described as the new learning paradigm. The rationale for the new learning paradigm is that the traditional core academic subjects and skills domain needs to be supported by the 21<sup>st</sup> century skills from the other domains. The new learning paradigm is a vision for success in the new global economy (Kivunja, 2014) given the need for more than simple thinking skills and understanding of content knowledge (Kivunja, 2015).

The traditional core skills are grounded in numeracy and literacy, usually referred to as the three rs (reading, (w)riting, and (a)rithmetic). In addition to the core subjects, it is vital that students be taught the skills of critical thinking and problem solving, effective communication, collaboration, creativity, and innovation to ensure they are equipped with the learning and innovation skills. Educators, at all levels, must be aware of the need to change teaching, learning, and assessment of students to promote the development of these skills (Kivunja 2015). The career and life skills domain include elements such as flexibility and adaptability skills, initiative and self-direction skills, social and cross cultural skills, productivity and accountability

skills, leadership and responsibility skills. The information age requires students to develop adequate life and career skills. Employers seek graduates who are not only resourceful but flexible and can adapt to a climate of ambiguity, changing environments, and new ways and ideas to work.

It is important for educators to ensure that students learn how to appreciate feedback and respond to it in a positive manner since feedback influences the next step in accomplishing a goal (Kivunja, 2015). Feedback is comprised of loops: reinforcement feedback loop and balancing feedback loop (O'Connor & McDermott, 1997). Feedback can be used to reinforce the task in focus to improve productivity by finding new and better ways to complete the task as indicated by the feedback. Students can also use feedback to determine where a mistake was made and what needs to be done to correct the approach to improve productivity. This is known as the balancing feedback loop (O'Connor & McDermott, 1997). Learning to appreciate feedback, helps students to more easily exercise flexibility and adaptability in the workplace (Kivunja, 2015).

It is important to note that although educational institutions can instill some of these skills essential for success in the 21<sup>st</sup> century workplace, given the fast-pace of a changing economy, individuals must take the responsibility and initiative to learn new ideas, concepts, processes, and applications to continue to develop efficiency and effectiveness in the workplace. Self-direction and self-reliance are essential skills for employability and success in the current workforce (Kivunja, 2015). Students can be taught how to work independently by being self-directed learners and how to manage goals, time, and deadlines.

Students also need to be taught the social skills, which are essential for creating harmony in the workplace and life in general (Kagan, 1994). Cooperative interaction is important for

everyday living. Students can be taught social skills to know how to communicate effectively with each other. This requires the ability to know when to speak, listen, and pay attention. This skill can be taught through learning activities such as mock interviews, small group discussions, among many other activities. These opportunities will allow learners to interact effectively and learn to respect others perspectives as well as themselves (Kagan). Kagan also pointed out that often times employees are asked to leave a job because of lack of social and interpersonal skills.

To aid in the sustenance of SMEs in this complex and changing environment, learning should continue beyond formal education to the workplace. Some smaller enterprises invest very little in workplace learning giving priority to seemingly more immediate and pressing business needs (Beaver & Hutchings, 2005). However research indicates that SMEs that make provisions for employees to participate in innovative and relevant development initiatives demonstrate improved employee performance, productivity, profitability, and a competitive advantage are often more successful (Salas, Tannenbaum, Kraiger, & Smith-Jentsch, 2012). To further emphasize, small businesses attest to the positive effects of investing in development of employee capabilities and organization performance (Federation of Small Businesses, 2011).

The 21<sup>st</sup> century requires individuals to work effectively in diverse teams with people from different ethnicities, races, social, and cultural backgrounds (Kivunja, 2015). Students can be taught to have an open mind to be able to handle situations that involve various team dynamics. Students should be taught to “appreciate that the diversity among people creates opportunities for new ideas, new concepts, and new markets, all of which are essential for success” (Kivunja, 2015, p. 8) in today’s workplace. Organizations increasingly recognize the value of team-based work systems that encourage shared workload, combining areas of expertise, and holding each other accountable by working interdependently towards a common

goal. While teamwork skills training has a significant and positive impact on both cognitive and skill-based outcomes, trained team members also “evidenced higher levels of declarative knowledge regarding teamwork competencies and demonstrated greater proficiency in the areas of planning and task coordination, collaborative problem solving, and communication” (Ellis, Bell, Ployhart, Hollenbeck, & Ilgen, 2005, p. 142) and complex problem solving (Neubert, Kretzschmar, Wüstenberg, & Greiff, 2015).

Technology should be introduced into all aspects of teaching and learning to impart 21<sup>st</sup> century skills from elementary to higher education institutions to better prepare students to be effective in the workplace ( Kivunja, 2014). Most employers understand that technology based learning programs will help attract and engage new generations in the workforce. Businesses are moving toward digital methods of delivering instruction – elearning, computer simulations, and avatar instructors since educational technology reduces training costs and noticeably improves effectiveness. “Traditional classroom-based instruction must be augmented by technology to provide *all* students with mastery of higher-order analytical and work-readiness competencies” (McNamara, 2009).

Leader skills are critical for the 21<sup>st</sup> century workplace. While the capacity to lead is innate for some, these skills can also be taught. Students can be taught how to direct activities to achieve set goals and objectives (Kivunja, 2014). Students can be taught how to motivate others to improve on engagement and leverage strength in achieving goals. They can be taught how to think and function outside of the norms, or culture and start change processes that will result in improved performance (Schein, 1992).

Businesses are not only expected to recruit best leadership talents but to also train and develop individuals with requisite leader skills to be capable of dealing with emerging job

expectations in a complex and changing work environment. It is evidence in research that there is a shift from the traditional view of leaders being more top-down and directing change to a construct that is more distributed, open, and fluid. “The increasing complexity facing organizations requires us to consider leadership as embedded not merely in sets of interpersonal relationships, but more widely as constituting an array of interacting organizational processes that facilitate intelligent and innovative organizational adaptation” (Clarke, 2013, p. 137).

Active learning is required for 21<sup>st</sup> century skills to be developed and sustained. Active learning promotes the engagement of the learner in tasks that enable the learner to cope with new challenges, solve problems “and adapt to changes in technology, knowledge, and jobs” (Romero et al., 2015, p. 149). Games, especially education-oriented or strategy games, are a form of active learning that foster high levels of learner engagement even through challenges (Romero et al.). For example, strategy games contribute to the development of planning, flexibility, and adaptability skills (Frederick, Corvetto, Hobbs, & Taekman, 2011) while virtual worlds help to build communication and decision making (Lane, Hays, Core et al., 2008). Some games can impart the skills to collaborate, compete, and strategize; competencies needed to be successful in the 21<sup>st</sup> century workplace. Games can be used as educational tools to help learners develop and prepare for the workplace (Romero, et al.).

## **FUTURE TRENDS AND IMPLICATIONS**

With reference to the European case, (European Commission, 2008) the Europe Strategy 2020 is being implemented, and aims at a higher education based in ‘New Skills and Jobs’ that tries to stimulate and anticipate changes in the skills needed for the future. This strategy along with other worldwide initiatives led to several reforms meant to stimulate collaboration on educational innovation and entrepreneurship education, in order to improve university

technology and knowledge transfer to the industry and society. Higher Education Institutions partnering with other institutions therefore, need to develop a set of tools such as innovative and entrepreneurship forms of education to impart more effectively the right mix of skills that are needed by their graduates to turn them into more competitive professionals who are prepared to enter the labor market and be successful. SMEs need to also adopt a more strategic approach to management, training, and development of workers. SMEs that engender a culture of training and development will benefit not only from the standpoint of being more competitive but will be well positioned to adapt to constant changes and uncertainties in the 21<sup>st</sup> century business environment (Beaver & Hutchins, 2005).

Firstly, it is recommended that the training of SMEs should focus on the development of those skills and competencies identified as key to becoming an established business. Secondly, key functional competencies ( such as finance, marketing, operations and legal skills) and key enterprising competencies (motivation and the securing/controlling of resources skills) should be integrated into all training programs of SMEs at all stages of the entrepreneurial process. Thirdly, entrepreneurship education providers (public and private), as well as mentors and consultants who focus on entrepreneurship development should be able to determine the level of proficiency for each trainee in each area, be able to deliver a basic course focusing on transferring the basic comprehension level and be able to provide training in all the key skills competencies (Botha and Kunene, 2015)

Finally, a Small and Medium Enterprise industry that is technology vibrant and internationally competitive should be encouraged to emerge, and make a sustainable contribution to employment, national income, and exports. It is important to take care of the sector to enable it to take care of its various economies. More research should therefore be encouraged by the

government and other private sector partners to inform policies and improve overall economies. Activities that will assist in building capacity of economies and maintain long term sustainability will be useful.

## **CONCLUSION**

While the context in which our schools operate today has changed, the goals have not. We can look at these 21st-century skills as an extension of efforts that date back to John Dewey at the turn of the previous century (Regan, 2008). The difference is that today we have a new set of tools to apply to the tasks. The dynamic and changing economy makes it more of a necessity that our students can use technology to solve problems, collaborate, and create. Regan continued, learning by doing was a core theme of John Dewey's work and so it is as important today as it was in his day. With the myriad of resources available today, students can -access the source of information more than they could before. They can collect data themselves, analyze the results using sophisticated techniques and technology present their results, and discuss these results with experts from around the globe--all within the confines of their desks (2008).

The SME sector is of vital importance to any and every economy. Therefore developing these entrepreneurial skills for the 21<sup>st</sup> century seeks to empower the sector through the provision of firm specific solutions, while developing the global and technical competencies of our students and workers. By partnering with schools and other like-minded institutions on this initiative; investments will be made in the development of the SME sector and the individuals assisting the firms, thereby positively impacting the development of commerce and human capital.

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## **KEY TERMS AND DEFINITIONS**

**Small and Medium Enterprise:** There are many definitions of the term small and medium enterprises (SMEs), which vary from country to country as well as varying between the sources reporting the SME statistics. The commonly used criteria at the international level to define SMEs are the number of employees, total net assets, sales and investment level. If employment is the criterion to define, then there exists variation in defining the upper and lower size limit of a SME (Ravie & Roy 2014).

**Human Capital:** Human capital can be defined as the attitudes, commitment, values, knowledge, experience, education, capability, skills and abilities that help the entrepreneur and his team in the tasks of starting, running and growing the business (Marimuthu *et al*).

**Entrepreneurship:** The generic term entrepreneurship will be used here, as the focus is on the ways the skills and attitudes can be fostered in enhancing entrepreneurship.

**Skill:** A skill is defined as the “ability to do something in an effective manner” (Carmeli & Tishler, 2006, p. 13).

**Competency:** Competency is the knowledge, skills, attitudes, values, and behaviors that people need to perform a particular activity or task successfully (Morris, Webb, Fu, and Singhal, 2013).