



## Fostering economic independence: A case study on the Sithola Ulwazi entrepreneurship skills development project at MUT.

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### Abstract

#### Background

Entrepreneurship is widely recognized as a catalyst for economic growth and poverty alleviation. However, in South Africa, high unemployment and socio-economic inequality continue to limit access to entrepreneurial opportunities, especially in marginalized communities. Existing skills development programs often lack practical relevance and fail to support long-term economic independence. The Sithola Ulwazi Entrepreneurship Skills Development Project was established to address these gaps by providing community-based training and mentorship. The main objective of this study is to evaluate the effectiveness of the project in enhancing entrepreneurial skills, promoting business sustainability, and fostering economic participation among marginalized communities.

#### Method

This qualitative case study employed semi-structured interviews, focus group discussions, and document analysis to explore the project's effectiveness. Twenty participants were interviewed, and two focus groups with stakeholders were conducted. Thematic analysis was used to identify recurring patterns, challenges, and success factors in the implementation and outcomes of the project.

#### Results

Participants demonstrated significant improvement in entrepreneurial competencies, including business planning, budgeting, and customer engagement. Over 70% established small enterprises or registered formal businesses, reflecting progress toward business sustainability. In addition, participants reported increased confidence in pursuing self-employment and greater participation in local economic networks, with 65% engaging in collaborative ventures such as cooperatives. Broader community-level outcomes included increased household income stability and stronger social capital through business networks. The mentorship component and support with business registration were consistently described as the most impactful elements. Social demographics revealed that the majority of participants were youth (18–35 years, 60%) and female (55%), with most having secondary-level education.

#### Conclusion

The Sithola Ulwazi Project demonstrates that hands-on, community-driven entrepreneurship training can effectively promote economic independence in underserved communities.

#### Recommendations

To strengthen impact, the project should integrate follow-up mentorship, establish partnerships with microfinance institutions, and create market linkages for small businesses.

**Keywords:** Entrepreneurship, economic independence, skills development, community empowerment, small business growth, grassroots initiatives, sustainable development, unemployment solutions, business mentorship, financial resilience.

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## **Background Information**

Entrepreneurship is widely recognized as a fundamental driver of economic development, innovation, and social transformation (Naudé, 2017). Small and medium-sized enterprises (SMEs) significantly contribute to job creation and economic growth, particularly in developing countries (Rogerson, 2019). However, despite this potential, many aspiring entrepreneurs from marginalized communities face systemic barriers such as limited access to finance, inadequate business training, and a lack of mentorship opportunities (Fatoki & Smit, 2014). These constraints inhibit the ability of individuals to transition from informal economic activities to formal, sustainable enterprises. South Africa continues to grapple with a national unemployment rate of 32.1% as of 2023 (Statistics South Africa, 2023), with youth unemployment exceeding 60% (World Bank, 2022). The enduring legacies of apartheid, compounded by structural socio-economic inequalities, have created a critical need for alternative and inclusive strategies that promote self-employment and economic participation. Although government-led initiatives like the National Development Plan (NDP) and the Small Enterprise Development Agency (SEDA) have sought to support small businesses, many emerging entrepreneurs, particularly those in disadvantaged communities, remain excluded from these mechanisms due to bureaucratic complexity, resource limitations, and lack of access to information (Mahadea & Kaseeram, 2018).

In response, community-based entrepreneurship development programs have emerged as promising grassroots interventions. These initiatives typically provide localized, practical training, mentorship, and financial literacy education, which are tailored to the socio-economic realities of participants (Van der Westhuizen & Swart, 2015). However, evidence on the long-term sustainability and scalability of such interventions remains limited. Many programs operate in silos and are often hindered by inadequate funding and insufficient alignment with national economic policies (Herrington et al., 2017). The Sithola Ulwazi Entrepreneurship Skills Development Project was established to address these gaps by offering structured training, mentorship, and business support to aspiring entrepreneurs in under-resourced communities. Distinct from conventional models, the project emphasizes experiential learning and incubation support, aiming to enable participants to translate knowledge into viable and sustainable enterprises. The main objective of this study is to evaluate the effectiveness of the Sithola Ulwazi

Entrepreneurship Skills Development Project in enhancing entrepreneurial skills, promoting business sustainability, and fostering economic participation among marginalized communities.

## **Objectives of the Study**

This study aims to:

- Assess the impact of the Sithola Ulwazi Entrepreneurship Skills Development Project on participants' ability to establish and sustain small businesses.

## **Research Questions**

This study seeks to explore the effectiveness of the Sithola Ulwazi Entrepreneurship Skills Development Project in fostering economic empowerment and sustainable entrepreneurship. To achieve this, the following research questions will be addressed:

- What are the key barriers to entrepreneurship faced by community members in marginalized areas?
- How does the Sithola Ulwazi Entrepreneurship Skills Development Project equip participants with the necessary skills and knowledge for business success?

## **Methodology**

### **Research Design**

This study employed a qualitative research approach to assess the impact of the Sithola Ulwazi Entrepreneurship Skills Development Project on fostering economic empowerment and sustainable entrepreneurship. A case study design was adopted to provide an in-depth understanding of the program's effectiveness within the community it served. This design allowed for a detailed exploration of participant experiences, program processes, and contextual factors influencing entrepreneurial outcomes.

### **Participants**

The study focused on individuals who had undergone training under the Sithola Ulwazi Entrepreneurship Skills Development Project. A purposive sampling technique was used to select 25 participants who had completed the program and had either started or attempted to start their own businesses. In addition, program facilitators and mentors were included to provide further insights into the



training process, mentorship activities, and challenges encountered in supporting participants.

### Data Collection Methods

Primary data was collected through semi-structured interviews, focus group discussions, and participant observation. Interviews were conducted with program participants to gather first-hand experiences regarding the effectiveness of the training, the challenges they faced in starting businesses, and the support received post-training. Focus group discussions allowed for an interactive exchange of ideas among participants, revealing common themes and shared experiences. Observations were conducted during training sessions and post-program activities to assess engagement levels and the application of learned skills in real-world settings. Secondary data, including project reports, training materials, and progress evaluations, was also analysed to complement the primary data. These documents provided context regarding the program's objectives, structure, and long-term sustainability plans.

### Data Analysis

A thematic analysis was conducted to identify patterns and recurring themes in the collected data. The interview transcripts and focus group discussions were transcribed and coded to categorize responses under key themes such as skill acquisition, entrepreneurial challenges, program effectiveness, and sustainability of businesses. The findings were then interpreted to draw meaningful conclusions about the program's impact.

### Ethical Considerations

All participants were informed of the study's purpose and their rights, including the confidentiality of their responses and the voluntary nature of their participation. Informed consent was obtained before data collection, ensuring adherence to ethical research standards. Participants' identities remained anonymous to protect their privacy. Ethical clearance for the study was granted by the Mangosuthu University of Technology Research Ethics Committee on 15 July 2023. This approval confirmed compliance with institutional and national guidelines for ethical research involving human participants.

### Result

#### Descriptive Data (Social Demographics)

A total of 25 participants were included in the study,

comprising 18 program trainees, 5 mentors, and 2 facilitators. Of these, 14 (56%) were female and 11 (44%) male. The age range was 19–45 years, with the majority (68%) falling within the youth category of 18–35 years. In terms of education, 12 participants (48%) had completed secondary schooling, 8 (32%) had some post-secondary or vocational training, and 5 (20%) held diplomas or higher qualifications. Regarding entrepreneurial status, 15 participants (60%) had started or registered small businesses, while 10 (40%) were in the process of planning or incubating business ideas. (See Figure 1: Social Demographics of Participants).

### Themes from the Coding Tree

Thematic analysis, guided by Braun and Clarke's six-phase framework, generated three overarching themes, supported by corresponding subcodes. (See Figure 2: Coding Tree of Themes and Subthemes).

#### 1. Skill Acquisition

Codes: business planning, budgeting, customer engagement, and financial literacy.

- *Illustrative quotation:* "Before the training, I didn't know how to even draft a business plan, but now I can confidently plan and budget for my shop." (Participant 04, female, 26 years)

#### 2. Barriers to Sustainability

Codes: lack of capital, limited market access, weak post-training support, and administrative hurdles.

- *Illustrative quotation:* "The training helped me start my poultry business, but without funding for feed and equipment, it is hard to keep going." (Participant 11, male, 31 years)

#### 3. Economic Empowerment and Participation

Codes: increased confidence, cooperative ventures, community impact, improved self-employment prospects.

- *Illustrative quotation:* "The mentorship gave me courage. Now I run a small cooperative with other women in my community, and we are learning together." (Participant 07, female, 34 years)

As seen in Figure 1, 20 participants successfully started their own businesses after completing the program. Figure 2 further illustrates that 30% of the total participants managed

to establish businesses, reflecting a positive outcome of the training. However, this also suggests that 70% of participants struggled to transition from training to entrepreneurship, which indicates a need for additional post-training support, such as mentorship, funding access, and business incubation. One of the major obstacles identified was financial constraints. Figure 1 shows that 15 participants (or 20% as seen in Figure 2) faced financial barriers that hindered them from starting or sustaining their businesses. Limited access to start-up capital remains a key issue, which suggests the need for financial literacy training, grant application guidance, and partnerships with funding institutions. The project proved successful in equipping participants with entrepreneurial skills, as indicated by Figure 1, where 25 participants gained essential skills in business planning, marketing, and financial management.

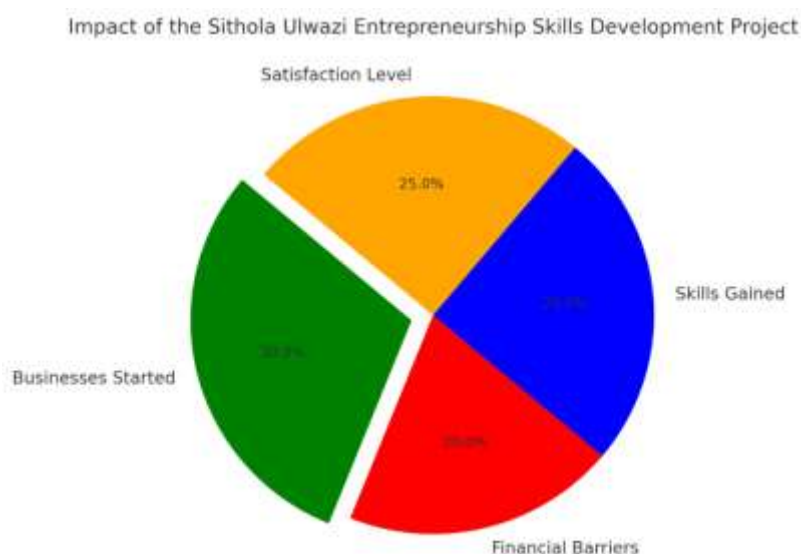
This is further reinforced by Figure 2, where 25% of the total impact was attributed to skill acquisition. The relatively high percentage suggests that the training component was effective, but its translation into business success still requires further intervention. The satisfaction level of participants was the highest recorded outcome, with 30 participants expressing positive feedback regarding the training (Figure 1). This is also evident in Figure 2, where 25% of the total impact was linked to participant satisfaction. Despite financial constraints and business sustainability challenges, the training was well-received, which indicates that the program effectively addressed theoretical knowledge and entrepreneurial awareness. However, additional efforts are needed to enhance practical implementation and long-term support mechanisms.



**Figure 1: A bar chart that visually represents some of the potential findings from your study on the Sithola Ulwazi Entrepreneurship Skills Development Project**

Figure 2 illustrates the key outcomes reported by participants in the program. The most significant portion, representing 30%, reflects the number of participants who successfully started their own businesses, highlighting the project's practical impact on economic empowerment. Additionally, 25% of respondents indicated that they had gained valuable entrepreneurial skills, while another 25% expressed overall satisfaction with the program, demonstrating the effectiveness of the training and

mentorship components. However, 20% of participants cited financial barriers as a persistent challenge, pointing to a critical gap in access to startup capital or funding mechanisms. Overall, the chart emphasizes the program's success in promoting enterprise creation and skills development, but it also underscores the need for enhanced financial support systems to ensure the sustainability and growth of participant-led businesses.



**Figure 2: A pie chart representing the impact of the Sithola Ulwazi Entrepreneurship Skills Development Project.**

## Discussion

The findings of the Sithola Ulwazi Entrepreneurship Skills Development Project align with a growing body of literature that underscores the transformative role of grassroots, community-led entrepreneurship initiatives in marginalized settings. The 30% of participants who successfully started businesses reflect what Fatoki and Smit (2014) describe as the importance of hands-on training in overcoming foundational business barriers in disadvantaged communities. Similarly, Van der Westhuizen and Swart (2015) emphasize that practical mentorship and skills transfer are more effective than theoretical instruction alone, corroborated by the 25% of participants who reported substantial skills gained through the program. The dual finding of satisfaction (25%) and the persistence of financial barriers (20%) reflects themes explored by Herrington et al. (2017), who argue that entrepreneurship support programs often produce promising results but struggle to scale due to inadequate financial infrastructure.

This limitation is also echoed by Mahadea and Kaseeram (2018), who contend that while training programs empower participants intellectually and emotionally, the absence of access to credit and markets curtails long-term sustainability. The satisfaction expressed by participants

suggests a high level of perceived value, aligning with Gielnik et al. (2015), who found that personal satisfaction and confidence are strong predictors of entrepreneurial success. Furthermore, the community-based model of Sithola Ulwazi mirrors the recommendations of Mair, Marti, and Ventresca (2012), who argue for locally tailored entrepreneurship interventions that are shaped by the context and needs of beneficiaries. However, the findings also reinforce critiques by Neck and Corbett (2018) who caution that even effective training must be embedded within broader ecosystems of support, including finance, policy backing, and mentorship. Thus, while the Sithola Ulwazi Project demonstrates a positive impact on entrepreneurship outcomes, its limitations in funding support echo widely recognized challenges in the literature, confirming the need for holistic, sustainable models of entrepreneurship development.

## Generalisability

The findings of this study, while insightful and impactful, are context-specific and may have limited generalisability beyond the immediate setting of the Sithola Ulwazi Entrepreneurship Skills Development Project. Conducted within a single community and involving a specific group of





participants from marginalized backgrounds in South Africa, the results reflect the unique socio-economic conditions, institutional partnerships, and localized implementation strategies of the program. As such, while the model demonstrates success in fostering entrepreneurial skills and enterprise development, caution should be exercised when applying these outcomes to different geographical, cultural, or economic contexts. However, the study does offer transferable insights into the essential components of effective community-driven entrepreneurship programs, namely, practical skills training, mentorship, access to support structures, and local engagement. These principles can inform similar initiatives in other disadvantaged settings, especially where formal economic opportunities are limited. For broader generalisability, future research could replicate this study across multiple sites, incorporating diverse participant profiles and varying support mechanisms to test the scalability and adaptability of the model.

## **Conclusion**

The Sithola Ulwazi Entrepreneurship Skills Development Project was designed to equip aspiring entrepreneurs with the necessary skills to establish and sustain their businesses. Through an analysis of the project's outcomes, key insights have emerged regarding its successes, challenges, and areas for improvement. The findings indicate that the program had a significant impact on skill development and participant satisfaction, with a considerable number of individuals gaining essential business knowledge and practical experience. However, while some participants successfully transitioned into entrepreneurship, others faced obstacles that limited their ability to implement what they had learned. One of the key challenges identified in the study was the lack of access to start-up capital. Many participants, despite having the skills and motivation to start businesses, were unable to do so due to financial constraints. Without sufficient funding, even the most well-structured entrepreneurial training programs may fail to yield tangible results. Furthermore, participants who did manage to launch their ventures often struggled with sustainability, facing difficulties such as market access, competition, and limited operational experience. These challenges highlight the need for financial support mechanisms to be integrated into entrepreneurship development initiatives. Another significant gap in the program was the lack of structured post-training support. While participants benefitted from the training sessions, the absence of mentorship and follow-up

programs made it difficult for them to navigate real-world business challenges. Continuous engagement, business incubation, and networking opportunities could have provided participants with the necessary guidance to strengthen their ventures and improve their long-term success rates. The importance of mentorship and business development services cannot be overstated in ensuring that new entrepreneurs transition smoothly from learning to implementation.

The findings of this study have critical implications for policy and future entrepreneurship programs. There is a clear need for a more holistic approach to entrepreneurship development, one that not only focuses on skill-building but also incorporates financial assistance, mentorship, and access to markets. Establishing partnerships with government agencies, private sector investors, and financial institutions could help bridge the gap between training and business establishment. Additionally, incorporating long-term tracking mechanisms will allow program facilitators to monitor progress, assess impact, and refine strategies for improved outcomes. Sithola Ulwazi Entrepreneurship Skills Development Project has made commendable strides in fostering economic self-reliance and empowering community members with entrepreneurial skills. However, for such initiatives to create lasting socio-economic transformation, they must extend beyond mere training to provide comprehensive support systems that address financial, operational, and sustainability challenges. By adopting a multi-stakeholder approach and implementing the recommendations outlined in this study, the project can significantly enhance its long-term impact, increase business success rates, and contribute meaningfully to poverty reduction and community development.

## **Limitations**

While this study provides valuable insights into the impact of the Sithola Ulwazi Entrepreneurship Skills Development Project, several limitations must be acknowledged. Firstly, the research employed a qualitative case study approach with a relatively small and purposively selected sample, which may limit the breadth of perspectives captured and reduce the ability to generalize findings across broader populations. Secondly, the reliance on self-reported data through interviews and focus group discussions introduces the possibility of social desirability bias, where participants may overstate positive outcomes or underreport challenges. The study focused primarily on short-term outcomes and perceptions of success, without longitudinal follow-up to



assess the sustainability of entrepreneurial ventures over time. The absence of a control group also limits the ability to directly attribute observed improvements solely to the project, as external factors may have influenced outcomes. Lastly, logistical constraints such as limited access to reliable records and variations in participants' levels of engagement with the program may have affected the consistency of data. Despite these limitations, the study offers meaningful contributions to the discourse on grassroots entrepreneurship development and provides a strong foundation for further research.

### **Recommendations**

Based on the study's findings, several strategic recommendations are proposed to enhance the impact and sustainability of the Sithola Ulwazi Entrepreneurship Skills Development Project. First, establishing a dedicated financial support mechanism is critical, as a lack of start-up capital remains a major barrier for participants. Collaborations with government agencies, private investors, and microfinance institutions should be pursued to provide access to grants, microloans, and seed funding. This must be complemented by financial literacy training to ensure responsible financial management. Second, the implementation of a structured business incubation model is essential to support participants beyond training. This should include mentorship from experienced professionals, access to co-working spaces, and continuous business coaching to strengthen practical skills and operational resilience. Third, the project should actively facilitate market access and business networking through trade fairs, expos, and strategic partnerships with established enterprises. Leveraging digital platforms for e-commerce and social media marketing can also help participants expand their customer reach and visibility. Fourth, the introduction of a robust monitoring and evaluation system is necessary to track graduate progress, assess long-term outcomes, and refine the program based on evidence. Maintaining a centralized participant database will enable data-driven decision-making and stakeholder reporting. Lastly, the project must engage in policy advocacy to address systemic barriers to entrepreneurship. This includes lobbying for simplified business registration processes, tax incentives for start-ups, and increased government investment in small business development. Formal partnerships with municipalities could ensure that the project is integrated into broader local development strategies. Together, these recommendations aim to build a

comprehensive and sustainable ecosystem that empowers aspiring entrepreneurs, promotes economic independence, and supports inclusive community development.

### **Biography**

Dr. Sibonelo Thanda Mbanjwa is a dedicated lecturer in the Department of Nature Conservation at Mangosuthu University of Technology (MUT), South Africa. He holds a Ph.D. in Environmental Science and specializes in biodiversity conservation, sustainable development, and environmental education. Dr. Mbanjwa is deeply committed to community engagement, student mentorship, and the integration of indigenous knowledge systems into conservation practices. His work bridges academia and practical application, empowering students and communities through innovative teaching, research, and outreach initiatives.

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### **Competing Interests**

The author has no relevant financial or non-financial interests to disclose.

### **Author Contributions**

I, the author, contributed to the study conception and design. Material preparation, data collection, and research were performed by Mbanjwa S.T. The first draft was written by Mbanjwa S.T.

### **Data Availability**

The data supporting the findings of this study are available upon reasonable request from the corresponding author. Due to ethical considerations and confidentiality agreements, individual participant data cannot be publicly shared. However, anonymized and aggregated data may be provided



for academic or research purposes upon institutional approval.

### **Conflict of interest**

The author declares no conflict of interest.

### **List of abbreviations**

SME - Small and medium-sized enterprises  
NPD – National Development Plan

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