

Research Article

Effects of Behavior-Based Entrepreneurship Training and BDS on MSMEs Growth and Performance: The Case Study on EDI-Ethiopia

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Abstract

The creation of entrepreneurs, supporting their growth and ensuring their sustainability, activating and promoting a private sector-led economy, creating jobs, and addressing rural/urban migration are all considered crucial steps in addressing a variety of socio-economic challenges, from mind-set shift to major societal issues. In order to understand the relationship between the program interventions of Entrepreneurship development institution and to investigate the impact of the programs on actual business performance and growth, this research used a quantitative research methodology with a focus on descriptive statistics to examine various key behavioral and business performance parameters that contribute to the research questions through regression testing. The finding of the research determined a significant positive effect of program interventions of EDI Ethiopia on growth and performance of MSMEs through regression analysis empirically assessed from various perspectives including behavioral changes, entrepreneurial competencies, practices, and business performance indicators supported with an input from direct clients. The result also showed that the mixed-mode delivery of program interventions are critical success factors for MSMEs performance and growth evidenced by tangible business operation improvement outputs including but not limited to revenue, sales, customer reach, jobs created, diversification, formalization and business management skill development. Basing these concrete findings, the research recommends strengthening of the program implementation at a national level through efficient resource mobilization for realizing the program's main outcomes, enhancing the data management by giving due attention for key aspects of the programs on performance and growth of MSMEs as well as addressing key challenges posed by MSMEs in collaboration with ecosystem players in the sector.

Keywords

Behavior-Based Entrepreneurship, Business Development Services, Business Growth, Business Performance, MSMEs

1. Introduction

Micro and small enterprises are vital contributors to economic growth, job creation, and poverty reduction, especially in developing countries like Ethiopia. However, MSEs often face numerous challenges, including limited access to finance,

inadequate skills, and a lack of market information. Entrepreneurship training and Business Development Services (BDS) are widely recognized as crucial interventions to address these challenges and foster MSE growth and perfor-

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mance. Behavior-based entrepreneurship training, which focuses on cultivating specific entrepreneurial competencies and psychological traits, is gaining increasing attention as a potentially more effective approach than traditional business management training [9, 20, 44, 45].

Many countries have realized the value of supporting the growth of entrepreneurship and MSMEs to address their multifaceted socio-economic challenges, such as unemployment, passive economic growth, and rapid urbanization, from the pre-modernization and contemporary economies era up to the state of the industrial revolution and modern economies [20-22, 31, 47, 60, 11]. The aforementioned issues have been particularly severe in developing economies like Ethiopia due to the absence of a robust private sector to drive the economy, accelerated rural-urban migration, and the existence of a small employment market to accommodate the growing population in comparison to the extremely high number of job seekers graduating from higher educational institutions each year [58, 13, 51].

MSMEs in developing nations like Ethiopia face a number of challenges that prohibit them from reaching their full potential for growth and sustainability. Most frequently, these obstacles are caused by internal or external variables that have an impact on how they operate. Some internal issues include a lack of appropriate entrepreneurial talent or knowledge of managing and operating a firm, a lack of understanding of the business context or environment, a lack of motivation, the unwillingness to take calculated risks or the lack of business preparation, among others. Inadequate financing and loan availability, a lack of raw materials, inadequate infrastructure, fierce market competition, burdensome legal and regulatory environments, TAX concerns, FOREX, and other external obstacles are only a few of them [3, 21, 31, 14, 53]. MSMEs and the private sector in general are currently facing yet another difficulty.

Entrepreneurship trainings and BDS assistance have been shown to be essential in enabling people to become entrepreneurs, launch their own businesses, and control their expansion and sustainability, whether they are naturally inclined to be business owners or not. Numerous studies such as [32, 15, 28] have also emphasized the impact of entrepreneurship on employment and economic growth. MSMEs are viewed as the foundation of an economy since they promote employment, the creation of entrepreneurial skills, and sustainable economic growth [47, 54].

Since its founding in 2013, EDI Ethiopia has been offering its clients the EMPERTEC behavioral-based entrepreneurship training program from UNCTAD, as well as a customized follow-up BDS for selected growth-oriented start-ups, with the goal of assisting them in maintaining their businesses' growth and sustainability. More than 120,000 potential women/youth entrepreneurs and start-ups have received training from EDI Ethiopia as part of the EDP, and more than 16,000 businesses have received BDS. According to the program's most recent annual report from 2021, EDI Ethiopia

was able to help to the formation of more than 13,000 businesses, the expansion of more than 12,000 businesses, and the formalization of more than 10,000 businesses [18].

Even though there are related studies to investigate effect of entrepreneurship training programs and BDS on business performance and growth, these studies basically differ from the nature of this research's main focus which is on an organizational-level program involving a mix of behavior-based entrepreneurship training and an integrated BDS support. In the case of EDI Ethiopia, there has been no such studies conducted to specifically investigate the effect of the two pillar programs at an organization-level and by not having such type of studies it will be difficult to trace out major underlying factors under the two programs that play a role in performance of MSMEs other than the general monitoring and evaluation procedures in place to track project implementation progress. Hence, this article is aimed at filling this specific gap by conducting a deeper investigation on the effect of EDI's main program packages on client's enterprises performance to determine actual factors that leads to enterprise growth and business performance as a result of the mix of program interventions.

There are studies that look into the impact of entrepreneurship training programs and BDS on the performance and expansion of businesses, but these studies largely diverge from the main focus of this research, which is on an organizational-level program involving a combination of behavior-based entrepreneurship training and integrated BDS support. In the case of EDI Ethiopia, no such studies have been conducted to specifically investigate the impact of the two pillar programs at an organizational level. As a result, it will be challenging to identify the key underlying elements of the two programs that affect MSMEs' performance in addition to the standard monitoring and evaluation processes in place to monitor project implementation progress. This is why this research is conducted.

2. Objectives

- 1) To explore the nature of EDI Ethiopia's behavioral-based entrepreneurship programs and BDS support packages provided to clients.
- 2) To evaluate the intermediate-level impacts of these program interventions and its effect on MSMEs performance and growth.
- 3) To assess critical success factors in EDI Ethiopia's training and BDS program interventions.
- 4) To discover if there are any programmatic or strategic relationships among the EMPERTEC training and BDS programs that contribute to its effectiveness.
- 5) To put forth recommendations that will further enhance the delivery and the effectiveness of program interventions.

3. Literature Review

3.1. Entrepreneurship, Entrepreneurs and Innovation

Entrepreneurship is an activity with a knowledge base rather than a science or an art. Entrepreneurship, however, differs from other disciplines in that it is a means to an end, meaning that it is entirely about putting knowledge and experience into practice [17, 22, 10]. As a discipline that can be learned and practiced, entrepreneurship is a source of economic growth, social renewal, and personal development, all of which are ways to support a sagging economy. History shows that entrepreneurship is a discipline that changed from being viewed as a sin in the 11th century to being highly regarded in the 21st [15, 27].

Entrepreneurship is described as an emotional journey in which the emotions are represented as the affect, mood, or feelings of people engaged in an entrepreneurial process to take advantage of an opportunity [8, 55]. According to [39], entrepreneurship has two key components: innovation and the exploitation of opportunities to launch businesses. Similar to this, [52] state that invention, organizational proactiveness to develop new products and meet future market demands, and risk-taking for entering into the unknown are the three primary behaviors that reflect entrepreneurship. But according to [17], entrepreneurship is about integrating deliberate innovation into a particular enterprise by either adding value, standardizing the good or service, building procedures and tools, or by introducing new ideas.

Entrepreneurship abilities are crucial for the success of organizations to overcome internal and external hurdles, claims [14]. According to [50], personality qualities are simply one cross-cutting component that contributes to success in entrepreneurship; other important cross-cutting factors include human capital, active performance, and environment. The biggest hindrance to growth thus far has been psychological and motivational issues. Therefore, a person's successful business path heavily depends on having a strong set of management, technical, and entrepreneurial talents. Additionally, unlike formal education programs, short-term trainings like entrepreneurship and trainings associated with BDS programs have an impact on MSMEs' performance both directly and indirectly [3].

According to [15], preconditions for entrepreneurship include factors including incentives, opportunity, background, and education that encourage entrepreneurs to take an unconventional path. The author makes an argument on the final requirement (background and education), arguing that the majority of successful businesspeople obtained their fundamental knowledge and abilities from prestigious educational institutions that assisted them in developing either new or preexisting skills. This naturally includes well-known businessmen who have left school, such as Mark Zuckerberg and Bill Gates, but have yet benefited greatly from their time there

and made significant contributions to where they are now.

Entrepreneurship has recently become a key element and prominent objective in several government economic strategies and policies as a result of the economic difficulties that many countries around the world are currently facing. This has acted as a catalyst for the advancement of sustainable socio-economic development [17, 14, 41]. The government's obligation to support well-thought-out policies that successfully promote the growth of entrepreneurship and innovation is as a result another facet of entrepreneurship to consider [16].

According to [17] and [4], it is because of entrepreneurs and entrepreneurial activity that the world has been able to advance through numerous catastrophes like the First and Second World Wars and economic downturns. Their innovations, savings, and ideas are what continuously help to reduce poverty, boost the economy, and create new jobs. According to [52], entrepreneurship has long been regarded as a key mechanism of economic development, but empirical studies about its direct role appear to show conflicting evidence, i.e. heterogeneity on the micro and macro level is observed in the type of entrepreneurship and the type of economic context which determines the extent of its effect on an economy.

3.2. Behavioral Entrepreneurship Program

Drucker Peter argues that rather than being a personality trait [17], entrepreneurship is a behavior with concept and theory acting as the basis rather than intuition. According to [22], the most frequent behaviors associated with entrepreneurs include taking the initiative, creating or reorganizing social systems to convert resources into income, and accepting the risk of failure. Entrepreneurial behaviors are frequently used to describe observable actions required to launch and grow a firm. It's also important to comprehend the personal, micro foundational, and situational aspects of behavioral entrepreneurship [39, 27].

According to [25], behavioral-entrepreneurship programs are grounded in individual cognitive psychology, which is founded on the idea that learning starts with a greater understanding of one's strengths and weaknesses and leads to the eventual embodiment of a "entrepreneurial mindset." Additionally, as shown in the picture below from [35], psychological endowments are one of the pillars for entrepreneurship that results in the realization of entrepreneurship impacts.

Entrepreneurial behavior is a subcategory of entrepreneurial activity that involves understanding, projecting, and influencing an individual's behavior in an entrepreneurial scenario, according to [39]. Therefore, understanding, forecasting, and managing human behavior inside a company are strongly tied to entrepreneurial behavior. The researchers also claim that among the behavioral dimensions of entrepreneurship, effectuation—a widely accepted way of thinking that affects behavior and decision-making—is the most commonly focused feature. Effectuation models focus on five

principles, which are: start with what you have, affordable loss, partnerships, leveraging contingencies, and non-predictive based control, in contrast to traditional approaches to entrepreneurship, which are known as causation models that focus on planning, forecasting, and deliberate opportunity seeking.

According to [50], behavioral entrepreneurship emerged from the domains of business management, economics, psychology, and sociology, which contributed to our understanding of what motivates and characterizes entrepreneurs. Through this study, numerous works of literature published since 2000 on the characteristics of entrepreneurs were reviewed. The Big-5 model, which assesses Openness, Conscientiousness, Extraversion, Agreeableness, and Neuroticism; Self-Efficacy and Innovativeness; Locus of Control; and Need for Achievement are some of the models that are neglected [63]. Another viewpoint on behavioral entrepreneurship holds that it takes time to compare various behavior sets to the entrepreneurial aspirations or attributes that result in the establishment of actual businesses. In an 11-year longitudinal study, [31] compared psychological data and personality traits of those who were likely to become entrepreneurs.

According to [52], the connection between personality qualities and successful venture performance, some personality traits, including the drive for success, inventiveness, and proactive personality, were among the most important factors in company success. Conscientiousness, openness to new experiences, emotional stability, and extraversion were determinants for venture performance, while traits like risk-taking did not significantly affect business growth and success, according to [26, 63]. Personal entrepreneurial competencies (PECs), according to [12], are one of the key characteristics that set entrepreneurs apart and are essential to a company's success. According to [34], an entrepreneur's overall capacity to carry out a job function successfully is referred to as their entrepreneurial competencies.

3.3. EDI Ethiopia's Behavior-Based Entrepreneurship Training and BDS and Its Impact on MSMEs

EDI Ethiopia implemented the EMPERTEC program of UNCTAD functioning as the National Centre for Ethiopia as part of the EDP the GoE executes with assistance from UNDP. The Division of Investment and Enterprise's Enterprise Branch in Geneva, Switzerland, oversees UNCTAD's flagship capacity-building initiative, EMPERTEC. The program's goals include encouraging entrepreneurship and boosting the productivity and global competitiveness of small- and medium-sized businesses (SMEs) in emerging nations and transitioning economies. The Entrepreneurship Training Workshop (ETW), the company's flagship product, encourages a methodology of behavioral change that enables entrepreneurs to put their ideas into action and supports the expansion of start-up enterprises. The workshop experience is extremely

beneficial and strengthens the network and participant relationships on an emotional level [57].

The entrepreneurship development programs offered by EDI Ethiopia are largely based on the techniques used by UNCTAD's EMPERTEC program, which strives to build entrepreneurship as a set of distinct competences and practices that entrepreneurs may observe, recognize, apply, and acquire in their daily life. The ETW is able to teach entrepreneurs the difference between simply operating a firm and creating a growth-oriented enterprise by encouraging participant motivation and self-confidence. The ETW, Customized Entrepreneurship Training, Youth Entrepreneurship Training, Women Entrepreneurship Training, Rural Entrepreneurship Training, Public Entrepreneurship Training Program, Employability Skill Training Program, and Design Your Venture Workshop are a few of the main entrepreneurship development programs offered by EDI Ethiopia [18].

BDS, which encompasses both non-financial and financial services that enable MSME operators to prosper in a competitive local and international market, is one of the crucial variables that determines the performance and growth of MSMEs [3, 59]. BDS is any non-financial service offered to businesses on a formal or informal basis, according to [39]. MSMEs can achieve their full potential and ensure sustainability, according to [49, 61], if they are given pertinent BDS to improve and encourage their performance and growth.

BDS's main objective is to provide a comprehensive range of services to companies of all sizes so that they can operate efficiently and grow. BDS were primarily developed to assist MSMEs in overcoming challenges so they could increase productivity by gaining access to high value markets, which would increase their profitability [36, 39].

Business development services, including advice on business strategies, assistance with market access, input supply, technology development and transfer, training and technical assistance, including both soft and hard skills, provision of business infrastructure, professional services, like legal or ICT services, and policy advocacy services are just a few examples of major BDS interventions [51, 61]. Market Access, Infrastructure, Advocacy, Input Supply, Training and Technical Assistance, Technology and Product Development, and Alternative Financing Mechanisms are the seven categories of BDS listed by [39].

There are primarily two approaches to BDS delivery strategies, according to [3] and [51]: traditional and market development approaches. The newly developed market development approach was deemed to be more effective than the traditional approach because it is entirely demand-driven and focuses on the market assessing demand, supply, and potential. But because there are so few public and private BDS providers in the nation compared to the need, this problem is also seen as a growth barrier for MSMEs.

The World Bank study of 104 SMEs whose projects were funded found that 65% of them were unsuccessful, despite the fact that there were underlying causes like shifting market

conditions, financial crises, and changes in SMEs' priorities. Although a small number of literatures indicates positive findings regarding advisory services that focus on providing technical assistance. On the other hand, the same study discovered that a wide variety of BDS interventions with sound design had a favorable impact on SMEs [6].

3.4. Determinants of MSMEs Performance

According to [7], a number of factors that accurately reflect the nature and trends of domestic, international, sectoral, and enterprise-level factors can be used to determine the performance of MSMEs. You can look at SME performance from a static or dynamic angle. A stochastic growth model is applied dynamically. Analysts will take into account a specific SME's long-term performance in this regard [24]. Diverse factors, such as the availability of resources and inputs, access to training and capacity building, availability of BDS, access to credit, type of business, use of ICT, infrastructure availability, marketing and marketing services, management skills of employees, working environment, entrepreneurial culture, cost of doing business, fairness of customer service, and production of standards, can all have an impact on how well MSMEs perform.

There are three schools of thought that indicate business performances, according to the literature cited by [19, 40] namely the market structure (which includes market concentration, firm age, size, foreign ownership, capital, and competition, among other factors), efficient management of human and material resources (which includes innovation, research and development, among other factors), and business environment [9].

Okafor Godwin divides another perspective on the elements influencing company performance into two categories [48]: efficient structure and structure conduct performance & business environment components. While efficiency conduct performance elements include foreign ownership, entry barriers, company age, size, and capital, structure conduct performance factors include training, experiences, human capital, innovation, and research & development. Conflict, corruption, subpar infrastructure, unfavorable policy and regulatory frameworks are all influences in the business climate.

3.5. Empirical Review and Research Gaps

Through a combination of exploratory and experimental/casual research designs, [5] examined the effect and relationship of entrepreneurship training on MSEs performance in the Ilala District of Dar es Salaam. The results showed that proper entrepreneurship training results in successful performance of MSEs, and among the key skills perceived to be the prominent ones are financial, marketing, technical, and communication skills. The study also found a link between MSE success and entrepreneurship training, and it suggested expanding these programs across the country to

assure long-term economic growth.

The impact of entrepreneurship training on the performance of small businesses in the Jaffna District of Sri Lanka was examined using correlation and regression statistics in the study by [35]. The estimated impact of entrepreneurship training on small business performance is 85%. These results provide important information for scholars, policymakers, and current business owners.

The mixed-method study by [46] examined four areas of focus: 1) how entrepreneurship training programs' objectives contribute to MSEs' growth; 2) the role of entrepreneurship training programs' content on MSE's growth; and 3) how entrepreneurship programs' content affects MSE's growth. The study was grounded in Blooms taxonomy and planned behavior to assess the effect of four components of entrepreneurship training on business growth among 382 MSEs in Kiambu County. The study found that, despite the entrepreneurship training programs and the trainers' competency being viewed favorably and assessed positively, they had little impact on the survival and expansion of MSEs.

Basic entrepreneur traits that may make it easier to spot business opportunities during these two economic cycle periods are identified by [29]. It is discovered that a number of crucial elements, including training, creativity, and social networks, are ineffectual during the OR process. Furthermore, throughout Tunisia's severe and extended socioeconomic crisis, education attainment lost its crucial and well-established role. During an economic slump, only self-efficacy and prior experience have particularly potent benefits on spotting business prospects. These results demonstrate that Tunisia is still in the early stages of entrepreneurship integration and development, with patchy and uncoordinated activity, despite the government's efforts to integrate entrepreneurship education into university curricula and commercial operations.

The study by [62], which focuses on the manufacturing sector and primarily employs a qualitative approach while also using quantitative data to assess the role of BDS in improving the performance of SMEs, found that BDS had a moderate impact on job creation, overall enterprise growth, expansion, and technology transfer.

Manun Abdullah used a quantitative cross-sectional design to examine the effect of enterprise development training programs on entrepreneurial competencies [37]. They found that these programs significantly affected three of the six entrepreneurial competencies—opportunity recognition, organizing, and relationships—highlighting the significance of such interventions for micro-entrepreneurs in developing their competencies.

According to [33], who studied the role of BDS in the development of MSEs in Gondar City and twelve of its sub cities, training and technical assistance services have a positive significant relationship with the development of MSEs, and beneficiaries were satisfied with some NGO services compared to government services like infrastructure support ser-

vices.

The results of [2] showed that entrepreneurial education has a favorable and significant impact on entrepreneurial intentions and perceived behavioral control. Additionally, perceived behavioral control accurately predicts intentions to start a business. The results also demonstrated that the association between perceived behavioral control and entrepreneurial ambitions is partially mediated by perceived behavioral control. Therefore, universities in Ethiopia should work on various initiatives that improve students' entrepreneurial knowledge, attitudes, and abilities in order to assist them increase perceived behavioral control and strengthen their intentions to start their own business after graduation.

According to [30], knowledge inheritance of new enterprises appears to be more correlated with personal characteristics. The founders' capacity to comprehend novel concepts heavily influences the knowledge intensity of these ventures.

Through a quantitative research methodology, [56] investigated the role of entrepreneurial attitude towards innovation among MSEs in Woldia, Ethiopia. They found that government support, access to infrastructure, entrepreneurial training, entrepreneurial attitude, and leadership of business owners significantly affected the innovation of MSEs engaged in the service and manufacturing sectors.

The research by [1] shows that the financial and non-financial services provided by microfinance institutions were unable to significantly improve the livelihood and business growth of underprivileged and poor women. The correlation analysis revealed a strong and positive correlation between practicing good saving habits, having access to credit, receiving skill-development training, and the emergence of female entrepreneurs. Finally, the most significant influences on the growth of women's entrepreneurship are saving and the credit or loan services of the microfinance institution service.

The theoretical and empirical reviews in this section unmistakably demonstrated the existence of impacts brought about by BDS services and entrepreneurship training programs across a range of industries, as well as the existence of numerous measurement factors that indicate an impact on the performance of businesses generally. The primary gaps that drove this research's focus and the ways in which it varies from other similar studies of its kind carried out in the field are described in more detail below. The first goal of this research is to examine the intermediate-level impact of entrepreneurship, in particular the behavioral-based training program and BDS, on the expansion and performance of businesses owned and run by EDI Ethiopia clients. Second, the businesses represented span the spectrum from small to medium-sized businesses. Third, the study doesn't specifically concentrate on one region.

Additionally, this study did not go in-depth on a particular set of entrepreneurial behaviors or traits or conduct a thorough investigation of personality traits that support the development and performance of businesses. Instead, it takes into account any entrepreneurial behaviors or traits that support

the programs of EDI Ethiopia, particularly those that are a part of UNCTAD's EMPECTEC Program. Due to the high psychological/qualitative nature of the parameters and the requirement to use a more comprehensive set of scientific, psychological/psychometric measurement criteria and tools in order to derive specific information from the data, it does not compare or cross-tabulate which personality traits or competencies had a greater impact than the others or vice versa.

Expanding the literature review to include a more diverse range of theories on entrepreneurship education and its impacts can provide a comprehensive understanding of the effects of behavior-based entrepreneurship training and business development services on MSEs growth and performance. Some relevant theories have been considered including Social Cognitive Theory, Resource-Based View Theory, Human Capital Theory, and Entrepreneurship training and education theory.

4. Research Methodology

This study is designed as an explanatory research that follows a quantitative research methodology given the fact that the research questions have not been investigated in depth by EDI Ethiopia. The study is also cross-sectional given its focus on investigating the intermediate-level effects of EDI Ethiopia's program interventions on growth and performance of MSMEs which is supposed to be studied within a specified duration of time.

The population for this study consists of all MSMEs who have received one of the behavioral-based entrepreneurship training programs and the follow-up BDS support services and are clients of EDI Ethiopia located in the Addis Ababa, SNNPR, and Amhara regions, respectively. The sample size for the study is chosen using the probability sampling technique, and systematic sampling is utilized to select samples from each location. According to the general data gathered from EDI Ethiopia, there were 17,785 clients altogether during this time period. So, the sample size for this study is calculated using Slovin's formula and a 95% confidence level, and it comes out at 391.

This study utilizes both primary and secondary data sources to gather information for analysis. The primary data is collected through a systematic questionnaire that is designed based on the current impact and outcome monitoring practices and tools of EDI Ethiopia. The questionnaire contains various elements of the current effect and result monitoring system, including demographic data, general business data, and details regarding the type of services accessed.

To address the research questions, additional components are being developed as part of the two pillar programs. These components will provide further insights into the impact of EDI Ethiopia's program interventions. The data collected through these components will be analyzed alongside the primary data to provide a comprehensive understanding of the program's impact.

In addition to primary data sources, secondary data sources such as research papers, organizational reports, program documentations, books, and websites are also utilized in this study. These sources provide valuable information on the context and background of the program and help to contextualize the primary data.

To ensure a representative sample, sample clients are selected from the organization's data collection using the purposive sampling technique. These clients are then interviewed in-depth to gain a deeper understanding of real-world business operation patterns and to comprehend the impact of EDI Ethiopia's program interventions on their businesses.

This study employs a comprehensive approach to data collection, utilizing both primary and secondary data sources and in-depth interviews with sample clients. This approach ensures that the findings are robust and provide a comprehensive understanding of the impact of EDI Ethiopia's program interventions.

Data is collected through experienced BDS advisors of EDI Ethiopia from each targeted location. Inferential statistical analysis is a method of analyzing data to determine the relationships between dependent and independent variables. In this study, the dependent variable is the growth and performance of MSMEs, while the independent variable is the program interventions provided by EDI Ethiopia. To measure the effects of the program interventions on the actual growth and performance of MSMEs, the study uses Pearson's correlation and multivariate regression analysis.

Pearson's correlation is a statistical technique that measures the strength and direction of the relationship between two variables. In this study, Pearson's correlation is used to determine the relationship between program interventions and MSME growth and performance. The results of Pearson's correlation are presented using tables and charts that show the correlation coefficient, significance level, and p-value.

Multivariate regression analysis is a statistical technique that measures the relationship between multiple independent variables and a single dependent variable. In this study, multivariate regression analysis is used to determine the effect of program interventions on MSME growth and performance while controlling for other factors that may influence growth and performance, such as firm size, age, and sector. The results of multivariate regression analysis are presented using tables and charts that show the coefficients, standard errors, t-values, and p-values for each independent variable.

The data collected from the interviews is analyzed separately using a similar approach but with consideration of differences in variables. The data is transcribed, categorized, consolidated, triangulated, narrated, and compared to identify patterns and themes. The findings are contextualized by considering the broader context of the program interventions and

the MSME sector in Ethiopia. Inferences are drawn from the data to provide insights into the impact of program interventions on MSME growth and performance.

The summary of findings is presented using percentages, frequencies, and means. Tables and charts are used to illustrate the findings. The interpretation of data is based on a thorough analysis of all the data collected and triangulated with other sources of information. The results are presented in a clear and concise manner, highlighting the key findings and implications for policy and practice. The econometric model applied in this study is as follows:

$$MGP = \beta_0 + \beta_1 (DFBES) + \beta_2 (PAPECS) + \beta_3 (TBDSS) + \varepsilon$$

Where:

MGP= MSMEs growth and performance which is the dependent variable of the research;

DFBES = coefficients of driving factors for business establishment and sustainability;

PAPECS = coefficients of practicality and application of PECs;

TBDSS = coefficients of technical BDS support;

ε =Error term;

β_0 is the intercept – constant, β_1 , β_2 , β_3 are the coefficients associated with each independent variable.

5. Results and Discussion

This section presents the results and discussion of findings based on data obtained from the primary and secondary data sources. The total number of questionnaires distributed was 391 and the total number of actual data obtained from the respective locations is 335 indicating an 86% response rate.

5.1. Descriptive Result

In this study, as can be seen on [Figure 1](#) below, all respondents have accessed the behavioral entrepreneurship training program interventions as well as various business development service interventions between the years 2016 and 2020, with 73% of respondents 47 accessing the program between 2019 and 2020. The analysis also revealed that respondents used group BDS support services provided by EDI Ethiopia during the years 2018 and 2021, with roughly 83% of respondents using the service between 2019 and 2020. The long line that is required to get BDS help because of financial restrictions is the main source of the discrepancy in access between the training service and BDS support services. 30% of MSMEs who participated in group BDS sessions also received intense one-on-one BDS support.

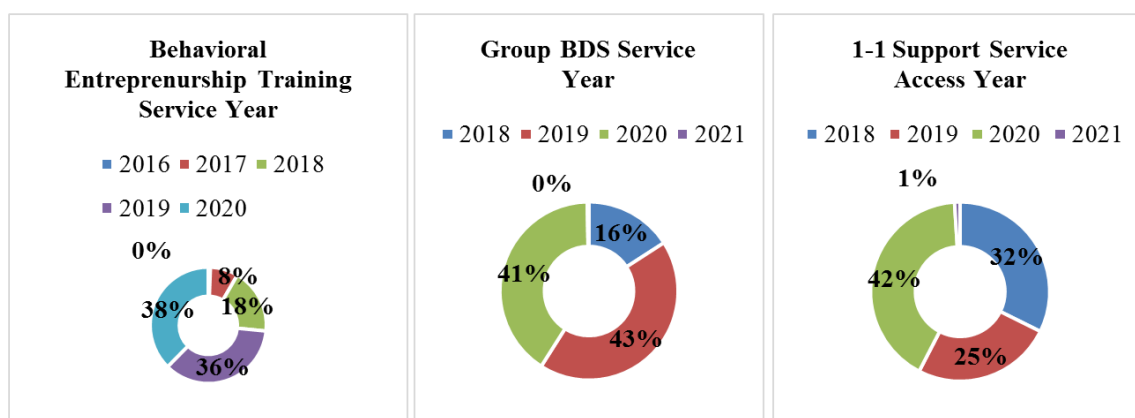


Figure 1. Behavioral Entrepreneurship Training and BDS Service Access Year.

When reviewing the intermediate level outcomes of the behavioral-entrepreneurship training program, Table 1 shows 82.6% of the respondents said that the training services they received from EDI Ethiopia were crucial to their daily business practices. The improvement in business management skills and practical business skills like growing their networks and creating their business models, plans, and strategies have

also been mentioned by respondents as positive changes they have seen in how they conduct their day-to-day operations. The analysis of this element, based on the 84% of respondents who provided valid responses, is summarized in the table below. As a result, 86% of respondents on average said they either agree or strongly agree.

Table 1. Attitudinal & Business Operation Changes.

Changes Observed	Success Biz. Person	Business Network	Business Mgt.	New Biz. Opportunity	Biz. Model, Plan	Attitudinal Change
I agree	59.8	68.7	67.1	66.2	53.2	68.4
I disagree	3.6	1.8	.4	.7	14.9	.4
I strongly agree	18.1	18.9	24.3	26.0	21.3	25.9
I strongly disagree	.4					
Neutral/I don't know	18.1	10.7	8.2	7.1	10.6	5.3
Missing	54	54	55	54	53.0	53

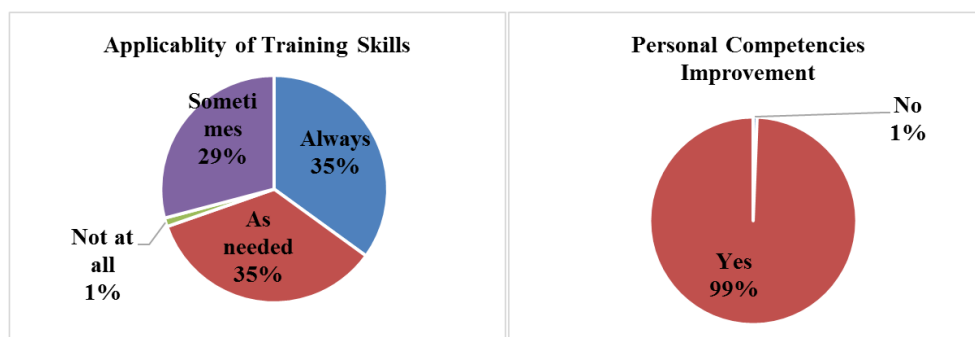


Figure 2. Applicability of Skills and Competencies on Business.

In terms of the actual use and applicability of the behavioral-entrepreneurship training concepts, competencies, and

skills on a daily basis, Figure 2 shows 33.7% of respondents said they always use the skills they have acquired in their

ventures, 33.4% said they do so as needed, 28.1% said they do so occasionally, and 1.2% (4 respondents) said they haven't used the skills they have acquired, as shown in the figure below. Similarly, 99% of respondents said that the behavioral-entrepreneurship training program they used had helped them develop their own entrepreneurial skills.

Following is a summary of the responses from respondents regarding their use of the standard ten Personal Entrepreneurial Competencies (PECs), which are essentially the behavioral building blocks of EDI Ethiopia's entrepreneurship training program.

Table 2. Practice Trends of PECs.

Practice Trends (%)	PEC1	PEC2	PEC3	PEC4	PEC5	PEC6	PEC7	PEC8	PEC9	PEC10
Always	43.8	27.2	30.2	35.5	36.3	37.4	42.5	37.0	16.9	64.5
As needed	33.5	43.4	37.1	36.1	34.8	40.4	29.9	27.1	45.2	16.1
Not at all	.3	1.2	32.6	1.5	.3	.3	27.5	3.6	8.7	.3
Sometimes	22.4	28.1		26.8	28.5	21.9		32.2	29.2	19.1
Missed	4.0	1.0	1.0	3.0	1.0	1.0	3.0	3.0	3	0.0

Based on the analysis of the Table 2 above, it is estimated that 99% of the respondents exercised the PECs in some capacity, with an average of 37.2% of respondents doing so consistently, 34.4% doing so when necessary, 26% doing so sometimes, and 7.6% not practicing them at all.

Feedback from almost 99% of the respondents indicate that they are impressed with the behavioral training program provided to them in which 48% of the respondents have stated that they are even willing to pay for such services. This is also an indicator for the very high demand generated to the various types of behavioral training program packages of EDI Ethiopia. Among the reasons stated by respondents why they were not willing to pay for such services, 43.3% indicated that it has to be free considering it's a UNDP program, 8.4% indicated they cannot afford to pay for the services whereas one respondent indicated that the training program was poor and does not deserve that.

Almost 70% of the respondents in this study had accessed group BDS support, as discussed in the prior parts, while the other 30% have undergone rigorous 1-1 BDS support. The

group BDS program entails providing a set of business enhancement support services to a group of MSMEs with comparable service needs, with a primary focus on developing business models and business plans and basic business operations such as marketing, human resource management, finance, and accounting. In the 1-on-1 BDS intervention offered to MSMEs, businesses receive an intensive follow-up service after completing a business diagnosis survey, and onsite support is provided for a period of up to six months.

For MSMEs with a demonstrable growth potential as decided by a comprehensive application process, the BDS support packages are provided. Consequently, as a result of these BDS interventions, which accounted for an average of 71.3% of the valid responses, the analysis on Table 3 shows 60% of respondents reported having started new businesses, 54% formalized their operations by registering them and obtaining business license documents, 87.5% had created a business plan, 59.3% were able to expand and diversify their current operations, and 91.2% had begun implementing a standard bookkeeping system or improved it.

Table 3. Business Improvements Observed.

Biz. Improve	New Biz.	Formal	Biz. Plan	Expand	Finance Syst.	Cust. Mgt.	Mrktg.	Cost Mgt.	Inven-tory	Staff Mgt.
No	39.4	46.0	12.5	40.7	8.8	8.4	20.8	20.1	15.8	28.5
Yes	60.6	54.0	87.5	59.3	91.2	91.6	79.2	79.9	84.2	71.5
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total	208	209	55	104	51	49	76	81	69	58

Assessing the improvement of MSMEs' business performance is a key theme in the analysis of data from the BDS section. As can be seen on the analysis on Table 4, of the 90.4% of valid responses received, 86.6% of respondents said that using BDS support services had improved their business performance. Regarding the analysis of the business performance parameters for 80% of the valid respondents, on average 56% of the respondents agree or strongly agree that the business performance parameters have improved, 35% either disagree or strongly disagree that their MSMEs have not

demonstrated such improvement in performance, and the remaining 9% either gave a neutral response or did not know whether their business has performed.

In terms of the projected percentage growth in the yearly or biannual revenue of MSMEs, the average revenue growth is found to be about 35.3%, while the minimum revenue growth is recorded at 4%. The minimal profit made by MSMEs is 4%, while the average estimated profit generated by them is 33.2%. The changes in business performance among MSMEs are summarized in the table that follows.

Table 4. Business Performance Changes Observed.

Change	Qual.	Tech.	Fin.	Revenue	Profit	Customer	Mrkt.	Export	Branch	Avg
I agree	38.1	28.1	42.0	56.8	57.8	38.7	24.7	1.7	49.7	37.5
I disagree	38.1	36.8	21.0	7.3	8.0	38.0	48.2	61.6	23.6	31.4
I strongly agree	18.9	17.1	20.7	25.6	24.6	14.3	13.0	30.1	2.1	18.5
I strongly disagree			4.7	.3	.3	.3	.3		15.4	3.6
Neutral/ I don't know	5.0	18.1	11.7	10.0	9.3	8.7	13.7	6.5	9.2	10.2
	33	36	35	34	34	35	36	292	43	64.2

Changes in transactions, including sales, income, customers, suppliers, input quantity and cost, and buyer and supplier numbers, are another business performance indicator seen among MSMEs as illustrated on Table 5. As a result, 81.6% of respondents on average indicated an increase in these variables, whereas 11.8% on average indicated no change and 6.7%

indicated a drop in the quantity of input and the cost of input, respectively. Contractors, hotels, individual clients, and private companies are among the MSMEs' top customers for their goods and services, but their top suppliers are only wholesalers.

Table 5. Changes in Business Transactions, Inputs and Outputs Source.

Change in Business Transactions	No. of buyers	Amount Sold to Customers	Revenue from sale	No. of supplier/sources of inputs	Amount of input	Cost of input
Increased	96.3	92.6	92.6	92.0	64.0	52.0
Same	3.7	7.4	7.4	8.0	20.0	24.0
Decreased					16.0	24.0

In addition to the MSMEs' business performance review, both established and new businesses have offered important feedback to help enhance the overall service delivery of the training and BDS service packages. One-on-one service delivery should be more practice-oriented, materials should be in languages other than English and Amharic, service should have continuity, business plan development support should

increase, working space should be provided, and BDS advisors' follow-up service must be s. Some of the most notable ones are: provision of finance (loan provision), provision of demand-based trainings, and BDS.

The interview results from the case study on EDI Ethiopia revealed that behavior-based entrepreneurship training and business development services had a vital role on the growth

and performance of MSEs. Entrepreneurs who participated in the program reported improved business management skills, increased confidence, and a better understanding of market dynamics. Moreover, they highlighted that access to mentorship, networking opportunities, and financial management support contributed to their business expansion and enhanced performance. The interviewees expressed a strong sense of empowerment and motivation, indicating that the program positively influenced their entrepreneurial mind set and decision-making processes. These findings underscore the crucial role of behavior-based entrepreneurship training and business development services in fostering MSE growth and performance in Ethiopia.

5.2. Regression Result

In this study, multivariate regression analysis is used to match the correlation analysis model and ascertain how the independent factors affect the dependent variables. Given that this study will use 66 different indicator variables to estimate the overall effects of program interventions on MSMEs' growth and performance, a multivariate linear regression

model will be used in this instance.

The study's various dependent variables are initially compared to the chosen independent variable indicators using a Multivariate Analysis of Variance (MANOVA) test. This test was chosen because there are more than two dependent variables that are correlated, and it is necessary to examine patterns between numerous dependent variables with greater statistical accuracy and to restrict joint error rates that are equal to the significance level [23, 42]. It can be concluded that the differences between the means are statistically significant if the p-value is less than or equal to the significance level, but if the p-value is higher than the significance level, the differences between the means are not statistically significant, according to [43].

Based on the test results displayed on Table 6 below, all predictor variables pass the validation standards for the Pillai and Wilk Lambda tests, with the majority of the relevant significance levels falling below P0.05. Overall, the findings of the multivariate test analysis have been statistically significant, demonstrating that the majority of combinations of variations, including the intercept value with P=0.00, are valid.

Table 6. Multivariate Test.

Predictors		Value	F	Sig.	Effect		Value	F	Sig.
Intercept	Pillai's Trace	.520	16.582 ^b	.000	Info. Seeking	Pillai's Trace	.103	1.765 ^b	.026
	Wilks' Lambda	.480	16.582 ^b	.000		Wilks' Lambda	.897	1.765 ^b	.026
Biz Initiation & Sustainability Factor	Pillai's Trace	.073	1.212 ^b	.246	Goal setting	Pillai's Trace	.084	1.404 ^b	.123
	Wilks' Lambda	.927	1.212 ^b	.246		Wilks' Lambda	.916	1.404 ^b	.123
Training Evaluation	Pillai's Trace	.120	2.079 ^b	.006	Planning	Pillai's Trace	.097	1.644 ^b	.046
	Wilks' Lambda	.880	2.079 ^b	.006		Wilks' Lambda	.903	1.644 ^b	.046
Overall effect of interventions	Pillai's Trace	.121	2.111 ^b	.005	Persuasion	Pillai's Trace	.217	4.245 ^b	.000
	Wilks' Lambda	.879	2.111 ^b	.005		Wilks' Lambda	.783	4.245 ^b	.000
Business Operation improvement	Pillai's Trace	.506	15.692 ^b	.000	Self-confidence	Pillai's Trace	.064	1.048 ^b	.406
	Wilks' Lambda	.494	15.692 ^b	.000		Wilks' Lambda	.936	1.048 ^b	.406
PEC Improvement	Pillai's Trace	.040	.644 ^b	.871	Change in attitude	Pillai's Trace	.187	3.518 ^b	.000
	Wilks' Lambda	.960	.644 ^b	.871		Wilks' Lambda	.813	3.518 ^b	.000
Opportunity Seeking	Pillai's Trace	.069	1.131 ^b	.319	Management	Pillai's Trace	.079	1.322 ^b	.168
	Wilks' Lambda	.931	1.131 ^b	.319		Wilks' Lambda	.921	1.322 ^b	.168
Calculated Risk	Pillai's Trace	.115	1.991 ^b	.009	Business Plan	Pillai's Trace	.169	3.106 ^b	.000
	Wilks' Lambda	.885	1.991 ^b	.009		Wilks' Lambda	.831	3.106 ^b	.000
Efficiency	Pillai's Trace	.147	2.637 ^b	.000	Networking	Pillai's Trace	.233	4.645 ^b	.000
	Wilks' Lambda	.853	2.637 ^b	.000		Wilks' Lambda	.767	4.645 ^b	.000
Persistent	Pillai's Trace	.131	2.314 ^b	.002	Opportunities	Pillai's Trace	.189	3.574 ^b	.000
	Wilks' Lambda	.869	2.314 ^b	.002		Wilks' Lambda	.811	3.574 ^b	.000

Predictors		Value	F	Sig.	Effect		Value	F	Sig.
Commitments	Pillai's Trace	.207	3.999 ^b	.000	Successful business owner	Pillai's Trace	.138	2.452 ^b	.001
	Wilks' Lambda	.793	3.999 ^b	.000		Wilks' Lambda	.862	2.452 ^b	.001

The results of the multivariate analysis of variance, which was used to determine the degree of significance of the discovered association, are also displayed on [Table 7](#) below. Since improved inventory management practices are a dependent variable indicator, the F-ratio analysis also reveals a statistically significant prediction of independent variables on

the dependent variables, with a minimum value of $F(21, 309) = 1.473$, $P > 0.05$, and a maximum value of $F(21, 309) = 22.893$, $P > 0.05$. This demonstrates unequivocally the overall large positive influence of predictors on the development and performance of MSMEs.

Table 7. Regression Model Summary.

Model – Dep. Variables	Sum of Sqr.	Residual	df	Mean Square	F	Sig.	R	R Sqr.	Adj. R Sqr.	Std. Err. of the Est.
New business formation	32.222	196.933	21	1.534	2.408	.001	0.375	0.141	0.082	0.798
Business formalization	25.443	187.493	21	1.212	1.997	.006	0.346	0.119	0.06	0.779
Business Diversification	22.88	212.419	21	1.090	1.585	.051	0.312	0.097	0.036	0.829
Improved Accounting	24.543	150.490	21	1.169	2.400	.001	0.374	0.14	0.082	0.698
Improved Customer Mgt.	20.324	149.320	21	.968	2.003	.006	0.346	0.12	0.06	0.695
Cost Efficiency	23.519	211.774	21	1.120	1.634	.041	0.316	0.1	0.039	0.828
Inventory mgt.	19.692	196.725	21	.938	1.473	.085	0.302	0.091	0.029	0.798
Improved staff mgt.	32.408	160.674	21	1.543	2.968	.000	0.410	0.168	0.111	0.721
Improved product quality	433.393	297.628	21	20.638	21.426	.000	0.770	0.593	0.565	0.981
New technology adaptation	316.456	384.656	21	15.069	12.105	.000	0.672	0.451	0.414	1.116
Improved access to finance	353.757	419.252	21	16.846	12.416	.000	0.676	0.458	0.421	1.165
Increased revenue	407.209	261.734	21	19.391	22.893	.000	0.780	0.609	0.582	0.920
Increased profit	406.241	263.318	21	19.345	22.701	.000	0.779	0.607	0.58	0.923
Increase customer base	407.764	292.556	21	19.417	20.509	.000	0.763	0.582	0.554	0.973
Increased market outreach	372.283	283.283	21	17.728	19.326	.000	0.753	0.568	0.538	0.958
Engagement in export market	101.097	129.839	21	4.814	11.457	.000	0.662	0.438	0.4	0.648
Increased branch network	299.972	437.061	21	14.284	10.099	.000	0.638	0.407	0.367	1.189

The coefficient estimates illustrated on [Table 8](#) below showed that at a 95% level of confidence, technical BDS supports ($=0.174$, $t=1.837$, $p=0.002$), practicality and application of PECs ($=0.202$, $t=1.407$, $p=0.003$), and driving fac-

tors for business establishment and sustainability ($=0.950$, $t=1.869$, $p=0.001$) significantly influence MSMEs growth and performance.

Table 8. Coefficients Estimates.

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
1 (Constant)	4.288	1.187		3.612	0.017	1.952	6.625
Driving factors for business establishment and sustainability	0.950	0.038	0.292	0.946	0.003	0.268	0.677
Practicality and application of PECs	0.202	0.215	0.082	0.283	0.004	0.683	0.646
Technical BDS Support	0.174	0.048	0.195	0.206	0.002	0.635	0.577

The general form of the empirical model to predict effect of behavior-based entrepreneurship training and BDS on MSMEs growth and performance was thus expressed as follows:

$$\text{MGP} = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon$$

$\text{MGP} = 4.288 + 0.950 \text{ Driving Factors for Business Establishment \& Sustainability} + 0.202 \text{ Practicality and Application of PECs} + 0.174 \text{ Technical BDS Supports} + \varepsilon$.

5.3. Discussion

The results of the study's data analysis phase provided important information about the practical effects that EDI Ethiopia's behavioral-based entrepreneurship training program and follow-up BDS support services have on the development and performance of MSMEs. One of the study's major conclusions was that the behavioral and business performance criteria that the data was compared to clearly revealed the intermediate-level effects of EDI Ethiopia's program interventions on MSMEs growth and performance. Additionally, the program interventions' actual observable behavioral changes and practices, as well as the changes in business performance and concrete evidence, are stated explicitly. Another important conclusion is how closely the two program interventions relate to business performance.

More specifically, the results of the study show that 24% of the 335 respondents attribute their operation and sustainability to behavior-based training, and that 52% of them attribute their ability to start, run, and maintain their businesses to BDS support. This study's findings are comparable to those of [5] and [38]. These studies suggest that adequate entrepreneurship training helps MSEs perform well because it enhances their financial, marketing, technical, and communication skills. It was discovered that 21% of respondents were forced to stop their business activities as a result of some severe and unexpected obstacles, such as the Covid-19 outbreak, a lack of capital, and issues with market access.

It was found that 82% of respondents were motivated to start their own businesses, bring about change, and put their newfound knowledge of the PECs into practice as a result of the findings of the intermediate-level effects of the trainings in behavioral entrepreneurship. As a result, the study's findings indicate that 86% of respondents on average have embraced the behavioral modifications and practices as a result of the intervention. Furthermore, nearly 67% of those surveyed confirmed that they had internalized the PECs and used them on a regular basis, always and when necessary. The fact that there is demand for the program and that most respondents indicated they would be prepared to pay a charge for the service is another effect that has been noticed. The outcome is in line with research from [37] and [25] studies. Opportunities recognition, organization, and partnerships, three of the six entrepreneurial skills, were strongly impacted by these programs, according to [37], underscoring the importance of such interventions for micro entrepreneurs in building their competences.

Nearly all significant factors in this theme's discussion of the effects of BDS support services and their results on the performance of MSMEs with growth potential made it evident how strongly both group and one-on-one interventions affect business growth and performance. These criteria include developing new projects or ventures, formalizing businesses, strengthening business operations (marketing, customer service, human resources, finance, business model, and strategy), expanding and diversifying businesses, etc. Therefore, compared to 71.3% valid responses, an average of 75% of respondents have indicated a considerable increase in all of the aforementioned categories. Similar to this, 86.6% of respondents credited the BDS support service for their improved business performance, which was demonstrated in their annual revenue, product quality, technology adoption, financial access, profitability, and market outreach. The study by [62] found that BDS had an impact on job creation, overall enterprise growth, expansion, and technology transfer.

The results of the multivariate regression analysis suggest

that the program interventions provided by EDI Ethiopia, specifically the overall behavior-based entrepreneurship training and BDS support interventions, have a statistically positive significant effect on the growth and performance of MSMEs. This finding is in line with previous research studies [33, 56] that have shown that training and technical assistance services have a positive significant relationship with the development of MSMEs.

The adjusted R² value is a measure of how well the independent variables explain the variation in the dependent variable. In this study, the minimum adjusted R² value of 0.029 indicates that the independent variables explain only 2.9% of the variation in MSME growth and performance, while the maximum adjusted R² value of 0.582 indicates that the independent variables explain 58.2% of the variation in MSME growth and performance. This suggests that there are other factors beyond the program interventions that influence MSME growth and performance.

The findings of this study are consistent with previous research studies that have shown that entrepreneurial training, entrepreneurial attitude, and leadership of business owners significantly affect the innovation of MSMEs. This suggests that the program interventions provided by EDI Ethiopia, which include behavior-based entrepreneurship training and BDS support interventions, are effective in promoting innovation and growth in MSMEs.

The case study on EDI Ethiopia examines the effects of behavior-based entrepreneurship training and business development services on the growth and performance of micro and small enterprises. Similarly, in many countries, including India, the United States, and Germany, similar entrepreneurship training and business development services have been implemented to support the growth of MSEs. These programs often focus on providing entrepreneurs with the necessary skills, knowledge, and resources to start and expand their businesses successfully.

Comparatively, the programs implemented by EDI Ethiopia share similarities with these programs in terms of the provision of training and support services. However, it is important to consider the unique challenges and opportunities faced by MSEs in Ethiopia, such as limited access to finance, infrastructure, and market linkages. Cultural and contextual factors may influence the effectiveness of these programs. For instance, in India, entrepreneurship training programs often emphasize family and community support systems, while in the United States; programs may focus more on innovation and technology-driven entrepreneurship.

Overall, the research has clearly shown that a mixed delivery of behavioral-based entrepreneurship training and BDS support services are deemed to be the critical success factors that contribute to the growth and performance of MSMEs that have brought a personal behavioral/attitudinal shift as a result. This conclusion is based on a thorough quantitative analysis of various parameters from a diversified point of views supported by detailed input and feedback from key informants.

The results of this study also shown agreement with findings from related studies, taking into account the significant effects that both entrepreneurship and BDS programs have on the development and performance of MSMEs.

6. Conclusion and Recommendation

This research has specifically focused on investigating the effects of the behavioral-based entrepreneurship-training program and the follow up business development support services of EDI Ethiopia on performance and growth of MSMEs who are clients of the organization that have passed through these two program interventions. The study spanned across exploring various aspects and themes including but not limited to the nature of the behavior-based entrepreneurship-training program, how it differs from other programs, the detailed implementation structure of the BDS support services, the services it contains, the behavioral outcomes, and the business performance outcomes which are all empirically analyzed and investigated.

According to the study's findings, 86% of respondents have generally adopted the behavioral changes and practices as a result of the intervention. And almost 67% of those polled said they had internalized the PECs and applied them frequently, always, and as needed. Another impact has been the program's high demand, with the majority of respondents saying they would be willing to pay a fee for the service.

It became abundantly clear how powerfully both group and one-on-one interventions affect company growth and performance in this theme's examination of the effects of BDS support services and their consequences on the performance of MSMEs with growth potential. The development of new initiatives or ventures, formalization of enterprises, improvement of business operations (marketing, customer service, human resources, finance, business model, and strategy), expansion and diversification of businesses are some of these criteria. The outcomes of the multivariate regression analysis showed that, at a 95% level of confidence, the independent variable indicators for the overall behavior-based entrepreneurship training and BDS support interventions of EDI Ethiopia have a statistically significant positive impact on MSMEs growth and performance.

According to the research, a combination of behavioral-based entrepreneurship training and BDS support services is believed to be one of the key success elements that contributes to the expansion and performance of MSMEs and results in a change in the individual's behavior or attitude. This result is supported by comprehensive input and feedback from key informants and is based on a thorough quantitative study of many parameters from a variety of points of view. In light of the substantial influences that both entrepreneurship and BDS programs have on the growth and effectiveness of MSMEs, the results of this study also showed consistency with those of related studies.

Participants in the behavior-based entrepreneurship train-

ing demonstrated significant improvements in essential entrepreneurial skills, such as financial management, marketing strategies, and operational efficiency, which directly enhanced their decision-making and business practices. The study found that MSEs that received this training, along with BDS, experienced notable increases in key performance indicators, including sales revenue, profitability, and customer base expansion. Additionally, the training fostered positive behavioral changes among entrepreneurs, leading to increased resilience, adaptability, and innovation, with many reporting greater confidence in their ability to navigate challenges and seize market opportunities.

The study underscores the critical role of behavior-based entrepreneurship training and business development services in enhancing the growth and performance of micro and small enterprises in Ethiopia. By leveraging these insights, stakeholders can develop more effective strategies to empower entrepreneurs, ultimately contributing to broader economic development goals.

Overall, this study targeting EDI Ethiopia clients has convincingly demonstrated the impact of EDI Ethiopia's standardized behavior-based entrepreneurship training programs and BDS support services on the performance and growth of MSMEs. The primary topic areas of the study were identified through the course of this research, which also produced a number of helpful insights. All of these observations are very important in ensuring that the study's conclusions are applied to strengthen the program interventions of EDI Ethiopia in the particular areas of entrepreneurship development and providing BDS for MSMEs. Additionally, the following suggestions are given to improve the study's application and advancement:

- 1) Strengthening and scaling up the provision of entrepreneurship training and business development services at the national level is crucial for supporting the development and performance of MSMEs in Ethiopia. Strengthening and scaling up the provision of entrepreneurship training and business development services is essential for supporting the growth and development of MSMEs in Ethiopia. This will have a variety of direct and indirect benefits for the economy, including the creation of jobs and the eradication of poverty.
- 2) Monitoring and evaluation processes should be enhanced to ensure that all pertinent information about the effects of behavior on business performance and growth is properly tracked and timely information is available for subsequent decision-making. Enhancing M&E processes is critical to ensuring that the impact of entrepreneurship training and business development services on MSMEs in Ethiopia is properly tracked and evaluated. This will help to identify areas for improvement, share best practices, measure impact, and support timely decision-making.
- 3) Finding resources or building strong partnerships with financial institutions or MFIs to lessen the obstacles MSMEs have in getting access to financing as well as

coming up with creative approaches to solve problems related to finance and related ones like the need for workspace and collateral requirements.

- 4) Continuity of BDS service and provision of all necessary services within the BDS timeframe. It would be wise to offer clients with unique requirements for extra support services.
- 5) EDI Ethiopia should take an active role in advocating for policies that support the growth and development of MSMEs. This could include working with government agencies and other stakeholders to identify and address the obstacles that MSMEs face, such as access to finance, infrastructure, and regulatory barriers. In addition, EDI Ethiopia could collaborate with other organizations and institutions to share best practices and promote knowledge sharing on effective program interventions for MSME development. This could help to build a stronger ecosystem for entrepreneurship in Ethiopia and support the sustainable growth of MSMEs.

7. Recommendation for Future Research

This study was mainly concerned with analyzing how program interventions made by EDI Ethiopia affected MSMEs' performance and growth in the Addis Ababa, Amhara, and SNNPR regions. As a result, from the perspective of the organization, the study can be expanded to include all operational areas of the business in order to have stronger reasons for the findings and to identify other unanticipated factors that could affect the growth and performance of MSMEs. To gain a deeper understanding of the services' impact on business growth and performance, it is also advisable to study each individual type of program package for training and BDS services. Moreover, the study does not delve into the underlying mechanisms through which behavior-based training and business development services influence MSE growth and performance. Future research could explore the mediating factors, such as changes in entrepreneurial mind-set, networking abilities, or access to finance, to gain a deeper understanding of the causal pathways.

Abbreviations

BDS	Business Development Services
EDI	Entrepreneurship Development Institute
EDP	Entrepreneurship Development Program
FEMSEDA	Federal Medium Small Enterprises Development Agency
FOREX	Foreign Exchange
GoE	Government of Ethiopia
ICT	Information Communication Technology
MANOVA	Multivariate Analysis of Variance
MOFED	Ministry of Finance and Economic Development

MSE	Micro and Small Enterprises
MSME	Micro, Small and Medium Enterprises
NGO	Non-Governmental Organizations
PEC	Personal Entrepreneurial Competencies
SME	Small and Micro Enterprises
SNNPR	Southern Nations Nationalities and Peoples' Region
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme

Author Contributions

Henok Laike is the sole author. The author read and approved the final manuscript.

Conflicts of Interest

The author declares no conflicts of interest.

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