

Critical Domains and Strategic Significance of Management Training for Prospective Entrepreneurs

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Abstract

Entrepreneurship serves as a primary engine for macroeconomic development and individual economic empowerment. While ideation initiates enterprise creation, long-term venture viability depends heavily on the founder's managerial acumen. Consequently, identifying the scope, composition, and strategic impact of core managerial competencies remains a critical area of inquiry for both academic researchers and development practitioners.

This study examines the key managerial competencies essential for enterprise sustainability and assesses how trained founders perceive the utility and relative importance of these skills. Empirical data were collected through a structured survey of 350 certified entrepreneurs across 29 Entrepreneurship Training Institutes (ETIs) situated in Karnataka State. Employing quantitative evaluation techniques, the study determines the empirical weighting and operational significance of specific managerial dimensions—including strategic planning, financial governance, operational execution, and human resource management—required to successfully launch and sustain a commercial venture.

The empirical findings reveal a decisive correlation between targeted managerial competence and venture operational stability, highlighting significant disparities in how founders prioritize specific functional skills. The results underscore that current institutional curricula often fail to adequately balance technical trade skills with critical strategic competencies. Accordingly, the study concludes that ETIs must systematically modernize and re-weight their pedagogical frameworks to prioritize high-impact managerial capabilities. By articulating the requisite competency portfolio, this research offers actionable insights for institutional policymakers, vocational educators, and training institutes seeking to optimize curriculum design, enhance post-training venture survival rates, and foster resilient regional entrepreneurial ecosystems.

Keywords: Entrepreneurship Education, Managerial Competencies, Entrepreneurship Training Institutes (ETIs), Venture Survival, Capacity Building, Karnataka.

Introduction

Entrepreneurship is the process of bringing together resources to combine them into product, selling them for a profit and in this process the person called entrepreneur organizes and manages the venture creation and operations. A person who undertakes the risk of starting a new business venture is called an entrepreneur. An entrepreneur creates a firm to realize their idea, known as entrepreneurship, which aggregates capital and labor in order to produce goods or services for profit. He combines skills, resources and ideas and created benefits to the system he lives in the form of employment and development. In real terms entrepreneurs create wealth for the economy. Performance of the entrepreneurs is key to economic development

Conceptual Background

Managerial Skills

According to Henri Fayol (1949) “management is to forecast, to plan, to organize, to command, to co-ordinate, and to control.” Management is integrated activity of planning and organizing any activity to achieve set goals in an effective manner. Management involves various skills such as decision making, problem solving, organizing, leadership, communication, motivation, coordination, control and strategic thinking. It is process of planning, organizing,

coordinating, staffing, directing and controlling activities of others to achieve organizational goals. Management involves answering questions of what, when, where, why, who and how to do any human activity.

Entrepreneurship

Entrepreneurship is the creation or extraction of value. It is viewed as change, generally entailing risk beyond what is normally encountered in starting a business, which may include other values than simply economic ones. Entrepreneurship is the ability and readiness to develop, organize and run a business enterprise, along with any of its uncertainties in order to make a profit. Entrepreneurship is the process by which individuals or a group of individuals (entrepreneurs) exploit a commercial opportunity, either by bringing a new product or process to the market, or by substantially improving an existing good, service, or method of production.

Literature Review

1. Strategic Planning and Operational Execution

Management training provides prospective entrepreneurs with structured methodologies to transform intuitive concepts into viable operating models. In a meta-analytic evaluation of business training programs, Busso et al. (2023) demonstrated that training focused on formal business planning, market sizing, and operational design delivers measurable improvements in firm productivity and revenue generation. Systematic training bridges the transition from unstructured startup activities to formal routines, lowering the operational friction that typically threatens early-stage ventures (Busso et al., 2023).

2. Action-Oriented Pedagogy and Error Mastery

Beyond conventional lecture formats, contemporary training focuses on experiential learning and resilience under market volatility. Gielnik and Bohlayer (2024) established that action-oriented entrepreneurship programs significantly improve new venture launch rates and operational performance when integrated with error mastery orientation. Prospective entrepreneurs trained to treat operational failure as diagnostic feedback demonstrate superior opportunity adaptation, post-launch persistence, and agile business model adjustment compared to peers receiving purely theoretical instruction (Gielnik & Bohlayer, 2024).

3. Financial Literacy and Resource Allocation

Financial mismanagement and cash-flow exhaustion represent acute hazards for nascent ventures. In an empirical analysis of micro and small enterprise performance in Sub-Saharan Africa, Gyamera et al. (as cited in Andreas, 2025) identified managerial decision-making combined with rigorous financial oversight as a primary driver of sustained profitability. Training in working-capital management, unit economics, and burn-rate tracking equips founders to allocate limited resources effectively and withstand early liquidity constraints (Andreas, 2025).

4. Innovation-Driven Managerial Competence

Technical capability alone does not guarantee market viability; it must be coupled with managerial execution. Investigating small and medium enterprises, Ismail (2022) found that comprehensive entrepreneurial competencies—spanning managerial, operational, and strategic planning skills—exert a significant positive effect on business sustainability, both directly and indirectly through innovative activity. Managerial training equips founders to institutionalize innovation processes rather than relying on sporadic creative breakthroughs (Ismail, 2022).

5. Entrepreneurial Self-Efficacy and Intentionality

Management instruction influences cognitive readiness and calculated risk-taking among emerging business owners. Le et al. (2023) observed that formal entrepreneurship education significantly enhances perceived feasibility and entrepreneurial self-efficacy, which in turn drive intentional venture creation. Structured training breaks complex managerial functions down into teachable procedures, reducing perceived risk barriers and enabling prospective founders to commit decisively to startup implementation (Le et al., 2023).

6. Mitigating Structural Venture Failure Risks

Empirical investigations into early-stage enterprise mortality underscore that managerial deficits represent a root cause of business insolvency. Applying Interpretive Structural Modelling to startup ecosystems, Pathania and Tanwar (2024) demonstrated that deficiencies in foundational management competence—particularly inadequate market positioning and poor resource management—drive severe downstream operational failures. Structured management training functions as a

preventive intervention, eliminating the managerial bottlenecks that precipitate early insolvency (Pathania & Tanwar, 2024).

7. Digital Transformation and Dynamic Managerial Capabilities

Navigating volatile and technologically dynamic business environments demands continuous organizational realignment. Tenggono et al. (2024) illustrated that Dynamic Managerial Capabilities (DMC) play an indispensable mediating role in facilitating strategic renewal and digital adoption within organizations facing external disruption. For prospective entrepreneurs, training that cultivates dynamic managerial capabilities ensures the venture can pivot business models, harness digital sales channels, and maintain strategic alignment amidst macroeconomic shocks (Tenggono et al., 2024).

Need for the Study

In the present entrepreneurial environment, the risk perceptions are high and interest and attitudes of individuals to enter into entrepreneurship is less. Entrepreneurship always involves obstacles and restrictions and identifying them earliest can save the entrepreneur. Three types of skills are required for success in entrepreneurship namely, personal, managerial and technical. Observing these problems governments are emphasizing on the entrepreneurship training institutions where training is given to prospective entrepreneurs to start and operate businesses. The training given includes importance and awareness of entrepreneurship, technical and managerial training and utilizing government schemes and procedures. One important area of training is managerial skills and it is observed that managerial skills can only lead to success of entrepreneurship. Therefore, the present study focuses on perception about management training areas provided by the entrepreneurship training institutes.

Study Objectives

- To know the various managerial skills required by the entrepreneurship
- To understand the key management training areas required for prospective entrepreneurs and
- To explore the significance of key management areas on prospective entrepreneurs as perceived by trained entrepreneurs.

Scope of the Study

The study covers theoretical aspects taken from earlier studies and empirical interpretations drawn on the basis of survey data collected from trained entrepreneurs of 29 Entrepreneurship Training Institutes in Karnataka.

Data Sources

The research paper has referred to secondary sources of data collected from relevant books and journal articles. Primary data was collected through a field survey.

Sample Design

Sample Size

A total of 350 trained entrepreneurs from Entrepreneurship Training Institutes of Karnataka State who were able to start their business after completion of the training.

Method of Sampling

Simple Random Sampling

Survey Period

This paper is based on survey data conducted during the year 2021

Research Instrument

A structured questionnaire was used to survey the respondents trained from Entrepreneurship Training Institutes of Karnataka state were covered in this survey. Questions were asked on the importance of General management, Product mix, Marketing, Mobilization of funds, Technical know-how, Pricing, Planning, Control and Financial Control areas on the business commencement and operation activities.

Data Analysis tools

Percentages were used for analysis of data.

Limitation of the Study

The study is limited to perceptions of sample 350 trained entrepreneurs regarding the importance of management areas of training provided at 29 ETIs of Karnataka State.

Managerial Skills for Entrepreneurs

Management is the process and system of doing any activity efficiently to be effective in its results. Trial and error method or lack of rationality hurts the process and results. Entrepreneurs are expected to be better managers to be effective in their ventures. Along with many other traits to be found in a successful entrepreneur's management occupies a central position. Harvard Business School has identified several managerial skills for successful entrepreneurship and they intersect with the skills you would expect to see in any great manager which are outlined below:

- Assemble and motivate a team: Selecting the right people to perform required tasks and motivating them to reach company goals are at the center of what a manager does. This includes better delegation.
- Efficient decision making: An important quality in managers is he must be able to make strong decisions even when they don't have all of the information they would like to have.
- Building networks: For an entrepreneur this skill is usually important for raising capital; for a manager it's vital in finding the people with the skills you need to work for his venture.
- Collaboration and team orientation: A good manager, like a good entrepreneur, needs to be a good team player who can put ego aside when required to ensure the company is successful.
- Management of operations: Both a manager and entrepreneur need to be able to oversee the daily operations of a company and to have a strong understanding of its mechanics to oversee its success.
- Finance and financial management: Managers and entrepreneurs must both have a strong understanding of a company's finances, its budget and its projected revenue. What does separate an entrepreneur from a manager is that, as an entrepreneur, it is the ability to partner with people, or hire people, who are stronger in some of these skills.

Key Managerial Areas for Prospective Entrepreneurs

Entrepreneurs are the individuals who have the courage to take several risks and single handedly operate their business. An entrepreneur is a leader, innovator, thinker and motivator for his team. However, it isn't an easy task to be an entrepreneur. There are specific managerial skills that an entrepreneur must master in order to be successful in his ventures. The essential managerial skills to become a successful entrepreneur are stated below:

- Time Management

The most valuable asset for young entrepreneurs is their time. As an entrepreneur, you have to take care of so many things together and time management is the key to keep everything on track. It is vital to get more work done in less amount of time by eliminating interruptions, prioritizing tasks and increasing effectiveness as well as productivity. Effectual time management allows entrepreneurs to assign specific time slots to the activities as per their importance. It also gives them the ability to participate in economic forecasting and market research.

- Business Planning

Every entrepreneur needs to develop a business plan or a blueprint of how will he develop his new business. A good business plan consists of a single document divided into several sections including the description of the organisation, market research, sales strategies, competitive analysis and financial data. A well-planned blueprint or project outline acts as a strong foundation for the success of the venture. It facilitates the entrepreneurs to make their business fit into the industry, identify their target market and plan to capture them.

- Employee Management

An entrepreneur must know how to manage the people. He should be a good judge of character and abilities of an individual such as hiring the right employee is the foremost step for the success of a company. Successful entrepreneurs should know how to motivate the employees in order to work effectively and contribute to garner customer experience.

- **Customer Management**

An entrepreneur must know how to manage his relationship with existing customers with a focus on creating loyalty towards his business. This is the easiest and most effective method to increase revenues. Entrepreneurs must have problem-solving skills, communication skills, attentiveness and patience to manage customers effectively.

- **Sales Management**

Selling or sale management is an essential skill every entrepreneur must master. You need to completely understand the sale activities. This helps the entrepreneurs to tackle the challenges that they may face in their sale management journey.

- **Financial Management**

Even if your business's finance is handled by an accountant or a finance professional, you must know planning, organising, directing and controlling the financial activities such as procurement and utilization of funds. With a good financial management system, one can make decisions to improve the business operations.

- **Business Management**

Being a successful entrepreneur involves more than enthusiasm and a good eye for new opportunities. A thorough understanding of the essential business functions is a prerequisite for entrepreneurs who want to take their business to the next level. They must have the complete know-how of general management, finance, marketing, operations management, purchasing, supply chain, human resources and public relations.

Major Study Findings

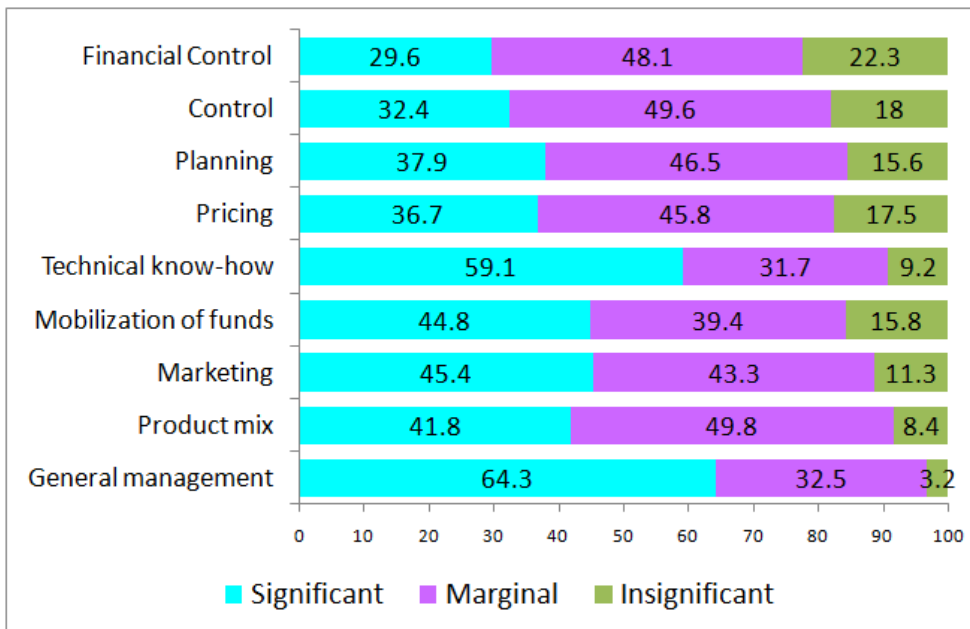
The survey results were analyzed to find out the importance of various management areas of training on the entrepreneurship activity. The following table and figure present the results of the study.

Table 1: Significance of Management Areas of Training Inputs Provided by ETI

Management Area	Significant (%)	Marginal (%)	Insignificant (%)	Total (%)
General Management	64.3	32.5	3.2	100.0
Product Mix	41.8	49.8	8.4	100.0
Marketing	45.4	43.3	11.3	100.0
Mobilization of Funds	44.8	39.4	15.8	100.0
Technical Know-how	59.1	31.7	9.2	100.0
Pricing	36.7	45.8	17.5	100.0
Planning	37.9	46.5	15.6	100.0
Control	32.4	49.6	18.0	100.0
Financial Control	29.6	48.1	22.3	100.0

Source: Survey Results

Figure 1: Significance of Management Areas of Training Inputs Provided by ETI (Percentages)



Source: Survey Results

Questions were asked to trained entrepreneurs about the role of training aspects in key management areas in the establishment and operation of business. The results show that nearly 30 per cent (29.6) of the *Financial Control* subject taught in the training programme had a significant impact, nearly half (48.1 per cent) accepted that it had only a minor impact on day-to-day business activity. On the other hand, 22.3 per cent said that it had little relevance or value to the business.

More than 32.4 per cent of the *Business Planning* taught in the training programme had a considerable impact, 49.6 per cent said it had only a little impact. On the other hand, 18.0 per cent indicated the *Business Planning* class they took was of little use or value to their company.

A whopping majority of 64.3 per cent said that the *General Management* subject covered in the training programme had a significant impact, while a third (32.5 per cent) stated it had just a minor impact, 3.2 per cent, on the other side said their *General Management* class was of little use or value to their firm.

Suggestions

- The study suggests that management concepts and functions are integral part of entrepreneurial activity. The training institutions should focus on training the entrepreneurs on these aspects both theoretically and practically to enable them to implement them in practice.
- The major thrust areas of management general management training which had greater impact on entrepreneurship are marketing skills, mobilization of finances technical know-how and product mix along with general management skills. Training on these areas must be provisioned with greater focus.
- It also suggests that entrepreneurship training should cover on General Management, Product mix, Marketing, Mobilization of funds, technical know-how, Pricing, Planning, Control and Financial Control areas of entrepreneurship. Such training would empower the trained candidates to conveniently start and operate the business ventures.
- Finally, suggests that the management training to the prospective entrepreneurs should contribute to the development of conceptual and technical skills.

Conclusion

Management is an all-inclusive concept which is applicable to each and every human activity. Entrepreneurship is no exception to this. Application of principles of management and performing the management functions efficiently and effectively would lead to success of any enterprise. Entrepreneurial activity involves taking risks and such uncertainties can be reduced with better management techniques and strategies. An entrepreneur needs to be better manager to be successful in his efforts. Study is intended to guide policy makers and entrepreneurship training institutions in planning and implementing the training programmes.

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