



**Analysing the Labour Outcomes of TVET in
Ethiopia:
Implication of Challenges and Opportunities in
Productive Self-employment of TVET
Graduates**

A Research Paper presented by:

Eden Teklay Hailu

(Ethiopia)

in partial fulfilment of the requirements for obtaining the degree of
MASTERS OF ARTS IN DEVELOPMENT STUDIES

Specialization:

Economics of Development

(ECD)

Members of the Examining Committee:

Dr. John Cameron (supervisor)

Professor Peter Bergeijk (reader)

The Hague, The Netherlands
December 2012

Disclaimer:

This document represents part of the author's study programme while at the Institute of Social Studies. The views stated therein are those of the author and not necessarily those of the Institute.

Inquiries:

Postal address:

Institute of Social Studies
P.O. Box 29776
2502 LT The Hague
The Netherlands

Location:

Kortenaerkade 12
2518 AX The Hague
The Netherlands

Telephone: +31 70 426 0460

Fax: +31 70 426 0799

Acknowledgement

This research paper would not have been possible without the care and support of many people. I wish to express my deepest gratitude to my supervisor, Dr. John Cameron who was abundantly helpful and offered invaluable assistance and guidance, one just could not wish for a better or friendlier supervisor. Sincere gratitude is also to Prof. Peter Bergeijk, without whose assistance this study would not have been successful. . I would also like to convey my deepest gratitude to the Dutch Government for providing the means for me to undertake this graduate study. Special thanks also to all respondents and informants who helped me during my field work. My appreciation also to all my graduate friends and classmates.

I also want to express my earnest love and gratitude to Teklay, Chewa and my comrades, my sisters for their understanding & love always. Last but not least, the one above all of us, the omnipresent God, for answering my all my prayers, thank you so much Dear God.

Contents

<i>List of Tables</i>	<i>vi</i>
<i>List of Figures</i>	<i>vi</i>
<i>List of Appendices</i>	<i>vi</i>
List of Acronyms	vii
Abstract	viii
Chapter 1: Introduction	1
1.1 Background of the Study and Indication of the Research Problem	1
1.2 Existing School to Work Transition Service in Ethiopia	4
1.3 Access to Credit Facilities: Case of Addis Ababa City	4
1.4 Research Questions	5
1.5 Objectives of the Research	5
1.6 Policy Relevance of the Research	6
1.7 Limitations	6
Chapter 2 : Conceptual and Theoretical Framework	7
2.1 Overall Understanding of TEVT	7
2.2 The Human Capital Theory	8
2.3 The Concept of Self-employment	9
2.4 Economic Models of Self-Employment	10
2.5 Various Approaches on Factors Influencing Self-Employment	11
2.5.1 Personality Trait Factors	11
2.5.2 Socio-Cultural Factors	12
2.5.3 Government Policies and Actions	12
2.5.4 Support System Services	12
2.6 Brief Assessment of Labour Outcomes of Training Programmes	13
2.7 Brief Assessment of Studies Linking Productivity with TVET	14
2.8 Pinpointed Challenges and Pitfalls of the TVET System	15
Chapter 3 : Historical Framework of Technical and Vocational Education (TVET)	17
3.1 TVET Development of in Africa	17
3.2 The Historical Framework of TEVT in Ethiopia	18
3.3 Current Status of TEVT in Ethiopia	21
3.4 TVET Delivery: Formal, Non-formal and Informal TVET Sector in Ethiopia	21
3.5 The TVET Curriculum Development	22

3.6	TEVT Occupational Fields	23
Chapter 4 : Data Analysis and Findings		25
4.1	Methodology and Data	25
4.2	Developing the Sampling Frame	25
4.3	Sampling Technique	26
4.4	Secondary Data Presentation, Analysis, and Interpretation	26
4.5	Primary Data Presentation, Analysis, and Interpretation	32
4.1.1	Pinpointed Challenges - Perspectives from the Self-Employed: (n=5)	33
4.5.2	Challenges and Perspectives: Perspectives from Government Wage Employees: (n=15)	36
4.5.3	Challenges and Perspectives: Private Organization Hired Employees: (n=5)	38
4.5.4	FGD with the Trainers	39
4.6	Summary	40
Chapter 5 : Concluding Remark		42
<i>References</i>		<i>43</i>
Appendix 1: Interview questions for TVET graduates in Addis Ababa, Ethiopia		51

List of Tables

Table 1.1 Number of Schools	2
Table 1.2 TVET Enrolment Trends by Gender	2
Table 4.1 Employment Status of TVET Graduates	27
Table 4.2 TVET Graduates Government Employed by Trade Types	31
Table 4.3 Characteristics of the TVET Graduate's Data Set	32

List of Figures

Figure 3.1 Structure of the Ethiopian Education System	20
Figure 3.2 The Formal Route to TVET and Higher Education	21
Figure 3.3 The Outcome Based TVET SYSTEM	23
Figure 4.1 Employment Status of TEVT Graduates	28
Figure 4.2 Employment Status of the Low Skilled	29
Figure 4.3 Employment Status of University Graduates	29

List of Appendices

No table of figures entries found.

List of Acronyms

ALMP	Active Labour Market Programmes
BoLSA	Bureau of Labour and Social Affairs
CSA	Central Statistics Agency
EGSECE	Ethiopian General Secondary Education Certificate Examination
ESDP	Education Sector Development Programme
FGD	Focus Group Discussion
GTP	Growth and Transformation Plan
MoE	Ministry of Education
MoH	Ministry of Health
MoLSA	Ministry of Labour and Social Affairs
MoRDA	Ministry of Rural Development and Agriculture
MSE	Micro and Small Enterprise
NGO	Non-Governmental Organization
OECD	OECD Organization for Economic Cooperation and Development
PASDEP	Plan for Accelerated and Sustained Development to Eradicate Poverty

Abstract

The education and training policies of the Ethiopia rests on a simplified presumption that to produce more skilled credentials is the same as to produce more human capital. This policy rhetoric is saying that increasing human capital serves individuals and societies as a straight route to economic development, since the production system of the country is labour-intensive. The driving goal of the national TEVT strategy of Ethiopia (2008) is to strengthen the culture of self-employment and support job creation in the economy through the expansion TVET. Regardless of this, the Urban Employment Unemployment Survey (UEUS) shows that TEVT graduates become government wage employees. Therefore, in this paper, I concentrate on analysing the gap between the human capital ideologies characterized in the current labour market rhetoric and the everyday realities of human capital risk faced by TVET graduates in their self-employment endeavours. I discuss various factors such as socio-cultural, support service mechanisms, personality traits and government actions and policies which affect TVET graduates undertakings in self-employment.

Keywords

Technical and Vocational education and Training (TVET), Self-Employment, Ethiopia

Chapter 1: Introduction

1.1 Background of the Study and Indication of the Research Problem

The poverty-reducing effect of growth is dampened particularly if growth is concentrated in sectors that have low employment potentials, and where workers lack the skills to take advantage of the opportunities offered by growth (ILO, 2007). Above all, women and the youth are the primary fatalities of unemployment, among others, due to lack of skills (Tegegn, 2011). Incidentally education and training is believed to have desirable effect on the employability of individuals and on their access to gainful jobs.

Expansion of education and training is among the active labour market policies (ALMP) that governments adopt to enhance the endowments of the poor and their entitlements. In view of this, Technical and Vocational Education and Training (TVET) programme is vital in furnishing skills required to improve access to employment opportunities, improve productivity, and raise income levels. UNESCO –UNEVOC, the international centre for TVET, in their framework of “what is TVET?” indicated that: “TVET is concerned with the acquisition of knowledge and skills for the world of work” (UNESCO 2010:1).

The Ethiopian development strategy of five years, Plan for accelerated and sustained development to end poverty (PASDEP) (2005/06- 2009/10) was prepared based on MDG targets and the government’s vision for Ethiopia’s development. Incidentally, resource was largely directed to main concern sectors such as: education and training, health, and infrastructure (MoFED 2006). The current development strategy, the Growth and Transformation Plan (GTP) (2010/11- 2014/2015) centres on job creating economic activities and achieving even-handed social development (MoFED 2010).

The driving goal of the national TEVT strategy of Ethiopia (2008) is to strengthen the culture of self-employment and support job creation in the economy (MoE 2008). The strategy pressures the necessity for creating one coherent, outcome-based TVET system which includes formal, non-formal, informal, initial and further training for all sectors¹. Due to this vital intention of the TVET strategy, at present TVET institutions are increasing even more and more from time to time. Ethiopia has increased the number of TVET institutions from 153 in 2003 to 505 in 2011².

¹ The National TEVT strategy, 2008

² MoE, Education Statistics Annual Abstract, 2010/11

Table 0.1
Number of Schools

No Of Schools	2003	2004	2005	2006	2007	2008	2009	2010	AAG, 2003-2010 %
KG	1,067	1,244	1,497	1,794	2,313	2,740	3,865	3,318	16.6
Primary education(1-8)	12,471	13,181	16,513	19,412	20,660	23,354	25,212	26,951	8.5
Secondary education(9-12)	491	595	706	835	952	1,078	1,197	1,335	12.4
TVET	153	158	199	264	388	458	458	448	14.2
Higher education	13	21	23	50	55	61	72	90	15.8

Source: MoE, Education Statistics Annual Abstract, 2010/2011

As mentioned in Education Sector Development Plan IV³ (ESDP) IV, the foremost aim of TVET sub sector is to train middle level human power by doing so to contribute to the vision of the country to become a middle income country in the year 2025. General secondary education (Grades 9-10) has expanded at over 4.5 % per year on average for the past five years⁴. Therefore, there has been increased demand for secondary places at the next level. To meet these demands as can be seen in Table 1.1 TVET Institutions have increased in number.

Table 0.2
TVET Enrolment Trends by Gender

Sex	2007	2008	2009	2010	2011	AAG 2003-2010 %
Male	107327	119123	165910	196937	199799	16.4
Female	83824	110129	142591	156483	171548	19.1
Total	191151	229252	308501	353420	371347	18.1
% Female	43.9	48	46.2	44.3	46.2	1.3

Source: MoE, Education Statistics Annual Abstract, 2010/2011

³ ESDP-I which was launched in 1997 as part of a twenty-year education sector indicative plan, has been translated into a series of national ESDPs (ESDP II, ESDP III, and ESDP IV). The main thrust of the ESDP's is to improve educational quality, relevance, efficiency, equity and expand access to education with special emphasis on primary education in rural and underserved areas, as well as the promotion of education for girls as a first step to achieve universal primary education by 2015 in line with the MDG's

⁴ MoE, Education Statistics Annual Abstract, 2010/2011

Evidence on TVET enrolment in both government and non-government ownership can be seen in Table 1.2. The total enrolment in TVET in the year 2007 was only 191,151. In 2011, enrolment has amplified to 371,347. In the year 2011, female enrolment comprised of 46.2% of total enrolment, indicating a relatively good gender balance at the national level but it can be seen that the gender gap is not consistent.

After having acquired the necessary skills, TEVT graduates career options are either wage employment or self-employment, in which both are vital that the former is to supply the industry with skilled labour and the latter is job creation. Consequently, as per the national TVET strategy (2008), self-employment is considered as a major career choice for TVET graduates. In view of this, The PASDEP assumed the TVET programme to offer "...relevant and demand driven training that corresponds to the needs of economic and social sectors for self-employment" (MoE, 2008:8). This option is obviously achieved through Micro and Small Enterprises (MSE) endeavours, which is considered to be the basis for economic development and betterment of livelihood of citizens.

With the intention of making TVET graduates self-employed, the number of TVET schools as well enrolled trainees is increasing considerably in number. However, TVET graduates become wage employees rather than self-employed (UEUS⁵). Furthermore, they are frequently incapable of engaging in self-employment or locating employment. Besides, they are often not primed with the expertise and the most of all the knowhow, capital and material fundamentals to establish their own businesses (Biazen and Amha 2009). Thus, they are not able to contribute considerably to poverty alleviation by creating jobs and engaging in small productive businesses. Numerous reports also indicate that TEVT teachers lack practical skills, consequently, they graduate incompetent youths who do not suit the demands of the works in industries and services vicinity (Mesfin 2004).

Kibru (2012) argues that the available data do not allow carrying out any full-fledged impact assessment to analyse the possible effect of TEVT on employment in Ethiopia. In addition, "Studies, documentation and data made on TVET programme are almost inexistent in Ethiopia and whatever data, documentation, research and evaluation outputs exist, it appears to be neglected" (Biazen and Amha 2009:34). The heightened lack of TVET-related research was also documented as one of the strategic issues in the national TVET strategy (MoE 2008). The MoE (2006) stated "TVET development is currently hampered by a serious lack of relevant data and information about TVET issues [...] necessary to inform planning, monitoring and evaluation in the TVET system [...]. Research capacities within Ethiopia are rather underdeveloped. In order to become self-reliant in the long run, high quality domestic TVET research capacities needs to be built." (MoE 2006:35).

⁵ Central Statistics Agency (CSA), Urban Employment and Unemployment Survey, 2003,2004, 2006, 2009, 2010, 2011

1.2 Existing School to Work Transition Service in Ethiopia

Public employment services are provided by the Ministry of Labour and Social affairs (MoLSA) and its regional branches of Bureau of Labour and Social Affairs (BoLSA). Through these offices fitting graduates are positioned in open public sector places in urban areas. Graduates of government operated TVET programmes which centre on agriculture and health extension services are deployed as extension workers or government development agents in the rural areas with the related government bureaus and offices of the ministries for example the Ministry of Health (MoH) and the Ministry of Rural Development and Agriculture (MoRDA) upon graduation.

Through Micro and Small Enterprise (MSE) development Offices, TVET graduates trained on construction areas are assisted to engage in self-employment ventures, such as building construction, material supply, sub-contracting for installation of electrical and plumbing systems in government initiated condominium housing development projects in major urban centres. The non-agriculture non-health TVET graduates, private sector employment recruitment is made through newspaper ads, vacancy announcements on notice boards and word-of-mouth referrals from family and friends depending on one's networking abilities. Employment seeking candidates also go door to door to inquire about employment opportunity or to submit their CV's to potential employers for future considerations.

According to Biazen and Amha (2009) considerable number of the skilled labour force is facing problems of unemployment due to lack of employment opportunity (Biazen and Amha 2009). The same authors note that apprenticeship is said to be not as effective as desired, industries, production units and offices are not committed in providing apprentice services to trainees (Biazen and Amha 2009). School to work transition is suave only in conditions where the government trains student for particular job opportunities such as construction and electricity by which they get hired by the government. In other cases it is left for the student to find employment in the labour market. Nevertheless, most students lack knowledge of where to go and apply. In this regard, the problem could be alleviated by providing counselling services (Biazen and Amha 2009).

1.3 Access to Credit Facilities: Case of Addis Ababa City

The credit provision service for TVET graduates in Addis Ababa is conducted by the Addis Ababa Credit and Savings Institution located in every Woreda of every Kifle Ketema in Addis Ababa city. The service provides loans under certain conditionality's. For any person to be eligible to get a loan, an individual has to be at least eighteen years old, be a permanent occupant of Addis Ababa and respective Kifle Ketema and Woreda. An individual has to arrange for collateral in the form of either, personal or material guarantee. For loans to business enterprises, cooperatives or such as share companies, it is indispensable to have a legal registration with legitimate license. The loan size differs between Birr 500 and 100,000 BIRR and the loan must be paid back within 1-12

months. The interest rate ranges between 13 and 18%, conditional on the time of settlement. There is a grace period of 4 months for the credit. Credit clients are supposed to make a deposit of 20% of the request loan at the lending body for loan protection. Additionally, upon registering each of the enterprises are obligated to open a bank account with a least of Birr 1,000 deposit.

1.4 Research Questions

This research paper will analyse and evaluate what the TVET programme graduates are currently engaged in? Why they are engaged in what they are engaged in? And what the determinants are for the TVET graduates to be in productive self-employment as per the expectation of the programme. To have a detailed look in to the subject matter, the main research questions will be:

- Why are TVET graduates not in productive self-employment?
- In what forms of employment are TVET graduates actually engaged in?
- Do TVET graduates have different employment profiles than university graduates and school 'drop-outs'?
- Does the TVET programme need improvement in order to succeed in engaging its graduates to be involved in productive (self)-employment? Is self-employment a real option?

1.5 Objectives of the Research

The overall objective of this study is to describe and identify the performances, problems, strengths, weaknesses, opportunities and threats, lessons learned and options for the coordinated productive self-employment of TEVT graduates and TVET programme improvement in Ethiopia. The objectives of the study are the following:

- Review and evaluate in retrospective the experience of TVET programme in Ethiopia in terms of processes adopted and policy and practical challenges confronted at Macro level;
- Analyse the employment status of the TVET graduates;
- Examine the prospects of TVET graduates in the labour market;
- Identify factors influencing TVET graduates in involving in productive self-employment;
- Assess the adequacy of the support services contribution to the TVET graduates self-employment decisions;
- Reveal government policies, strategies and actions towards TVET graduates' self-employment;
- Analyse personal traits and socio-cultural factors affecting TEVT graduates self-employment.

1.6 Policy Relevance of the Research

At the moment, Ethiopia is using TVET as one of the major development strategies; however, despite the increase in participants, these graduates appear not to be in a position to create their own enterprises and/or getting employment in private sector companies/industries (UEUS⁶). These failure stems from a number of factors, so researching this factor is very essential in order to fill in any policy gaps with this regard.

1.7 Limitations

The qualitative research data collection methodology, in particular the choice of the small sample population through purposive sampling method, are considered as the main source of limitation for generalizing the results of the research to all TVET graduates population in the country. The inherent weakness associated with this method cannot be assumed as limitation free. Henceforth, cautions were made whenever extrapolation of the findings from the sample to all of the TVET graduates population was sought. All the responses of the interviews and discussions, though subjective in nature, are taken to be the representations of the actual scenario. The limitation of semi-structured interview may be considered in terms of whether the data obtained reflect the actual facts grounded in the day to day practices. The limitations that are discussed may influence the validity of the research in terms of the ability to generalize the results to the entire TVET graduates population.

Moreover, it was considered more important to take the perspectives of the TVET graduates themselves in describing and critically reflecting their own experiences. Such a choice entails that the perspectives of other important actors such as TVET institute heads, private employers, MSE personnel, TEVT government officials, policy makers and others may not be equally considered or represented in the data. In particular, this condition may impact on the results of the research, particularly if there are contrasting and differing perspectives.

All interviewed TVET graduates were from government TVET schools from Addis Ababa. TVET Graduates from the private schools and in other skill development centres were not included in the research. These choices and decisions of inclusions and exclusions were made in an effort to focus the research and limit its scope and allow a degree of feasibility to data collection and analysis. Thus these boundaries set in this research indicate its limitation.

⁶ CSA, Urban Employment and Unemployment Survey, 2003,2004, 2006, 2009, 2010, 2011

Chapter 2 : Conceptual and Theoretical Framework

2.1 Overall Understanding of TVET

Vocational education and training are in all probability as old as humanity (Maclean and Wilson 2009). Currently, UNESCO estimates that some 80% of occupations are based on the application of technical and vocational skills to the world of work (UNESCO-UNEVOC & UNESCO-UIS, 2006).

TVET is a comprehensive term referring to the educational process, which involves, in addition to general education, the study of technologies and related sciences and the acquisition of practical skills and knowledge relating to an occupation in various sectors of economic and social life (UNESCO, 1984). It is the major link connecting the school system and the employment market, which means that developments in TVET are intimately linked to general trends in the economy (UNESCO, 1990).

The term TVET has changed all through history, typically in reaction to the demands made by the societies it serves (Maclean and Wilson 2009). The term “TVET” was adopted by UNESCO and ILO at the second International Congress on TVET, held in the Republic of Korea, Seoul in 1999 (Maclean and Wilson 2008). Kingombe (2012) notes that term TVET was adopted by UNESCO and ILO in consultation with their member states and partner agencies to mean:

“Those facets of the educational and training procedures involving the study of technologies and related sciences, and the acquisition of practical skills, attitudes, understanding and knowledge in various sectors of economic and social life” (UNESCO, 1999 as cited by Kingombe 2012).

Maclean and Wilson (2009) argue that the present term—TVET—necessitates both explanation and differentiation from other terms (Maclean and Wilson 2009). Over time, a string of terms have been used to elucidate elements of the field that now makes up the term TVET. To mention a few: occupational education (OE), vocational education and training (VET), technical education, TVE career and technical education (CTE), (Maclean and Wilson 2009). A number of these terms are commonly used in specific geographical areas. For instance, in Europe the term vocational education and training (VET) is in common usage, while in the United States the current term is career and technical education (CTE). In addition, many in the field are advocating the use of continuing vocational education and training (CVET). There are also several different dimensions that can be used to define vocational education and training—for example: its venue (company-based, apprenticeship, school-based), and character (initial, continuing).

Many Authors argue that, TVET by design is planned to build up skills that can be used in a specific occupation or job. These same authors argue that the objectives and content of TVET curricula is derived from analysis of the tasks that are to be carried out on the job. The effectiveness of these curricul-

can be measured by the extent to which trained persons can use their skills in employment. (Middleton, Ziderman, V. Adams 1993). Maclean and Wilson (2009) define 'TVET' as the acquirement of education and skilfulness for the world of work to raise prospects for productive work and personal empowerment and socio-economic development for sustainable livelihoods in the speedily changing work milieu.

2.2 The Human Capital Theory

Economists like Becker (1993) defined the relation between the individuals' abilities, education, training, and the outcomes obtained in the labour market, in terms of wages and employment (Becker, 1993). Individuals or governments invest resources in education or training up to the point where the profit or gain of the last Birr invested in human capital is greater than the profit or gain that would have been invested in any other markets (Becker 1964). Furthermore, human capital theorists argue extensively that any resources voluntarily committed for enhancement of human capital have a definite productivity aspect (such as McMahan 1999). The view of these theorists has been that schooling or training elevates labour productivity through its function in increasing the abilities of workers. The outlook that elevated labour productivity is a positive function of the amount of schooling or training obtained is the main premise of human capital theory (Colcough 1982).

Nevertheless, economists like Spence (1973), have argued that those who are more able and productive also have a tendency to invest in more education. In other words, education does not inevitably make you more productive it basically is an expensive sorting scheme, to support employers to recognize more able individuals. Wolf (2002) points out that the policy emphasis on education and skills as the main driver of economic growth exaggerates the significance of human capital investments and that a major function of education is as a sorting tool (Wolf 2002). It is clearly vital to understand these potential economic returns to education and training to the individual, firms, and the wider economy. Even so, we must also distinguish that separating out the genuine impact of education on productivity and earnings from its task as a sorting tool is very challenging (Carneiro 2010). According to Worthington and Juntunen (1997), Human capital theory also emphasizes that human capital is developed differently between different individuals due to distinctiveness of an individual's characteristics such as:

- Inherent cognitive skills;
- Practical skills and norms and values;
- Differences in the surroundings;
- Differences in the capacity to benefit from in the investment in human capital;
- Parental background and many other reasons.

Impact analysis of the returns to human capital requires common and sometimes complex econometric analysis of education/training–labour market linkages (Fasih 2008). For an all-inclusive representation of human capital–labour outcome linkages, the supply-side analysis needs to be harmonized with demand side analysis (Kingombe 2012). The provision of adequate jobs for the

labour force is a vital issue for any policy maker, not simply an adequate number of jobs for the workforce, but also whether these jobs are of good quality and/or whether self-employment is an option in the economy. As to the demand side, it should include policy issues related to the curriculums and programme structure, other than policy issues that affect the operation of labour outcomes for example the mismatch of skills and trainings in labour markets. Literature on the rate of returns to human capital in developing countries evaluates the returns to vocational in comparison to academic education (Psacharopoulos 1994, Bennell, 1996) or tries to classify the impact of completing heterogeneity in schooling and impact on earnings (Appleton 2001). This permits one to build conclusions regarding the strength, span, and rate of return on post school investments across occupational paths (Freeman and Hirsch 2002).

2.3 The Concept of Self-employment

Self-employment has been defined by different authors to mean different concepts. Startiene et al (2010) points out that, researchers and various institutions provide a wide-range of self-employment concept understandings (Startiene et al 2010). Spencer and Gomez (2004) defined self-employment as the simplest type of entrepreneurship since self-employment seldom necessitate substantial financial investments, advanced management skills or understanding of the legal scheme for setting up or operating a businesses (Spencer and Gomez 2004). Zimmermann (2004) argues that self-employment is effective, but risky form of entrepreneurship, providing individuals a sense of higher self-independence and more satisfying lives (Zimmermann 2004). Zhang et al (2006) explained self-employment as proprietors of enterprises, employing numerous persons (Zhang et al 2006). S. Parker (2004) considers the self-employed as persons who earn no wage or salary nonetheless derive their income by exercising their occupation or business on their own account and at risk (S. Parker 2004).

Numerous researchers (such as Blanchflower and Meyer, 1994; Burke, Fitzroy, and Nolan, 2002) in their studies consider "self-employment" and "entrepreneurship" as synonyms. Even though several researchers (like Bradley and Robert, 2004; Stel, Carree and Thurik, 2005) beg to differ by arguing that self-employment cannot reflect the actual level of entrepreneurship in a country. However, Startiene (2010) argues that the entrenched attitude in society about the links between these two phenomena allows them to be synonymous (Startiene et al 2010). Consequently, from reviewing literatures, this research finds that there is no general scientific consensus on the concept difference of self-employment and entrepreneurship. Summing up, based on this literature analysis in relation to the endeavours of TVET graduates, entrepreneurship, self-employment, job creation and MSE undertaking are taken as analogous ideas although they are not exactly the same in other contexts. Accordingly, the terms self-employment are used all the way through this research paper in association with any self-employment ventures (be it MSE, individual or cooperative ventures).

2.4 Economic Models of Self-Employment

There are very few economic theories in the literature exclusively dealing with self-employment (Startiene et al 2010). Apparently the reason being, economic theories that examine self-employment and entrepreneurship often correspond and complement each other (S. Balkan, 1989). Pioneer economic entrepreneurship theorist Mark C. Casson first recognized the absence of economic theory of self-employment. He developed his modern economic theory of self-employment through a mixture of the thoughts from Joseph Schumpeter, Frank Knight, and Friedrich Hayek (Startiene et al 2010). His research led him to conclude that culture and institutions influence the performance of an individual's self-employment. However his model did not sufficiently explain the subject matter of why people choose to become or do not choose to become self-employed. Later on, Baumol (1990) pointed out that self-employment depended heavily on the incentive structure in the economy (Baumol 1990). Baumol (1990) argued that individuals choose to be self-employed when their utility from power, wealth and prestige is maximized (Baumol 1990).

One of the early self-employment economic theories is the occupational choice theory. Studies of occupational choice theory largely focus on the neo-classical theory of human capital, (which is well discussed in the next section) i.e. individuals are more likely to decide on a vocation that offers the maximum possible earnings in the future value (Becker 1964). Eisenhower (1995) constructs self-employment economic model based on the expected utility gained, dependent on utility derived from the working environments of the employment contrasted with self-employment alternatives (Eisenhauer 1995). Douglas and Shepherd (2000), argue that the choice to be in self-employed may be modelled as a utility-maximizing career choice made by an individual. That is, people prefer to be self-employed if the full utility they expect to get, be it income, independence, risk bearing, work effort, and privileges linked with self-employment is greater than the anticipated utility from their best employment option (Douglas and Shepherd 2000).

Douglas and Shepard (2000) differentiate between entrepreneurial attitudes and abilities, and link an individual's income potential to these abilities and attitudes (Douglas and Shepard et al 2002). They examine individual's attitudes to work effort required, risk, and decision-making independence. Accordingly, the authors developed a theory of self-employment that explains an individual's choice to be self-employed, or to be a hired employee, by using a utility-maximization model of human behaviour in that individuals will choose the career option that seems to assure the greatest expected utility. They consider three main attitudes which one might expect to vary between those intending to be self-employed and those intending to be hired employees. These attitudes are those toward hard work effort, economic risk, and decision-making control. From this one can hypothesize and investigate the extent and depth of how personality attitudes influence TVET graduates career choice.

Economic theories dealing with career choices mostly distinguish earnings as the main motivation, yet, the question arises is why people choose to become hired employees, if self-employment offers higher earning? This question might be explained by the group of theorists, "push" and "pull" theory of self-

employment. This group of theorists treat self-employment as an alternative to avoid unemployment. The group of “pull” self-employment theories treat self-employment as the desire to earn the income by realizing own ideas (Startiene et al 2010). This theory argues that the reasons for a livelihood choice are determined by external uncontrollable forces from the outside such as unemployment and the workplace conditions.

The "push" school theory assumes that unemployment rate decreases the opportunities for hired employment as well as the expected income from hired employment, thus "pushing" the person into self-employment (Startiene et al 2010). Forced by these situations, a person chooses self-employment as an alternative to get away from unemployment. Pull school theorists, Ritsilä, and Tervo (2002) argued in their study that self-employment is not the individual's vision, but a better choice than the undesirable condition of the labour market. Accordingly, they found that, people voluntarily become self-employed, if a country's economic and business conditions allows it (Ritsilä, and Tervo 2002), consequently reducing the unemployment rate. Their findings imply that individuals incline to become self-employed when the unemployment rate is low.

2.5 Various Approaches on Factors Influencing Self-Employment

There are diverse approaches and theories to analysing the factors affecting self-employment efforts of individuals. Lambing and Kuehl (2000) have pointed out personality traits, socio-cultural factors, economic conditions and the combination of these factors as the major issues influencing self-employment. Other authors like Saini and Rathore (2002) argue that social, religious, socio-cultural, psychological, political and economic policies as the main factors affecting self-employment. Another approach to the factors affecting self-employment is described by Khanka (2004). These factors are economic aspect, noneconomic aspects and government measures.

- The economic aspects comprise of capital, inputs and the market;
- The non-economic factors are the social and political circumstances such as social mobility, security and psychological factors
- The Government measures and actions comprise issues such as economic and industrial policies and strategies which influence both the above factors.

There are countless approaches to analysing the factors affecting self-employments, nevertheless the in one way or another, it seems they are all saying the same thing in different words. Regardless of their dissimilarity of treating the individual factors, they are harmonizing to each other. So much so that the major factors affecting self-employment schemes can be classified into various aspects such as support system factors, personal traits, government policies, and socio-cultural factors which is elaborated thoroughly below.

2.5.1 Personality Trait Factors

These are a set of aspects related to an individual's personality either inborn or learned which determine an individual's vocation. Lambing and Kuehl (2000)

argue that the self-employed have an innate unique personality which cannot be taught. This implies that the personality of self-employed is inborn and learning has an insignificant influence in becoming self-employed. In the reverse, many authors like Drucker (1999) argue that socio-cultural influences considered as learned traits are sources of self-employment personality (Drucker 1999 as cited in Lambing and Kuehl, 2000:15). Kirzner (1998) points out that any one has the ability to be self-employed and that they function within set constraints (Kirzner 1998 as cited in Deakins, 1999:11). Nevertheless, still many others accept that both nature and nurture equally add to an individual's self-employment attitude. Consequently, in this research paper, I prefer to have the stand with the third group believing both factors have their own share of contribution to self-employment. Lambing and Kuehl (2000) argue that, whether self-employment tendencies are inborn or developed as the person matures, certain personality traits are usually evident in those who attain success.

2.5.2 Socio-Cultural Factors

These set of factors centre on such aspects as values, norms, and family and community entrepreneurial traditions. Lambing and Kuehl (2000), point out that, some culture's encourage self-employment, while others discourage it. In some cultures, self-employment is conceived as an occupation for low self-esteemed persons. For instance, it is well described in Lelissa (2006) and UNESCO(2002:132) that the negative social image held on the TVET programme discourages self-employment ideas of TVET graduates. Young (Young as cited Batra, 2003:26) points out that entrepreneurial activity is generated by a particular family background and experience. In respect to this, Saini and Rathore (2001:5-6) described that entrepreneurial traditions of the family as well as the community are important factors within which the entrepreneur grows and internalizes the values and norms. With regards to societal attitudes, the TVET program itself is victim of negative image held by the society in Ethiopia. According to a research finding Lelissa (2006), argues that trainees of TVET institutions are considered as low achievers or failures from grade ten national exam. This image of the society at large and the view of the graduates in particular are a barrier to the development of their vocational career in general and of becoming self-employed in particular.

2.5.3 Government Policies and Actions

Government policies and actions are the economic and political environment which includes various factors that affect the would-be self-employed. Among the economic factors lack of capital, working place, facilities and the market are at the forefront. The issue of start-up capital and inadequate provision of micro-credit services are therefore central to the TVET graduates to start new MSE. Hence, government economic policies which encourage self-employment by providing credits, working shades, technical assistance (consulting personnel) are some to mention few.

2.5.4 Support System Services

Factors related to available support services the quality of training institutions, financial and credit institutions, self-employment personnel support, consul-

tancy services. These support services have their share to the success of TVET graduates in venture creation efforts. Some scholars argue that entrepreneurs are born and support services are less important. However, it is proved that with the right type of training, follow up support and assistance, one can become self-employed (Batra, 2003). It is clear that unidentified potentials can be cultivated and developed through well envisaged and integrated training including entrepreneurial skills. From this we understand that the type and quality of training offered in a TVET institution is imperative for the TVET graduates' self-employment. Institutions giving entrepreneurship and innovation trainings tend to develop self-employment and an entrepreneurial environment (Hisrich and Peters, 2002). This shows that the institution's capability to furnish the trainees with the necessary skills, knowledge and attitude paves for self-employment realization.

Encouragement to self-employment can significantly influence individuals to regard self-employment as an advantageous and viable career path (Hisrich & Peters, 2002:13). In addition to the trainers role in engaging their trainee's in self-employment, career guidance and counselling support is also another contributing factor. Hiebert and Borgen (2002) argue that guidance and counselling services are essential for the goals of TVET to be fully realized and that they should for that reason be fully integrated with all TVET programming.

Another aspect of training setting influencing self-employment is work experience. Work experience may be expressed in terms of any kind of exposure to a business environment apprenticeship or wage employment for a specific period of time. Some graduates choose wage employment because they attain experiences without incurring cost. In this respect, a research finding (Lambing & Kuehl, 2000) in a survey on source of business ideas of 500 successful entrepreneurs revealed that nearly half (43%) of the respondents said they got the idea for their business from the work experience they gained while working for wage in the same industry or profession. Hence, it is clear that work integrated training methods such as apprenticeship, cooperative training and free practice programs are imperative.

2.6 Brief Assessment of Labour Outcomes of Training Programmes

The Organization for Economic Cooperation and Development (OECD) review by Martin (2000) evaluates what works and what does not on job training programmes. The past performance of many ALMP's such as TVET is mixed in terms of raising the future employment and earnings prospects of job seekers and producing benefits to society (Kingombe 2012). As the OECD jobs study has stressed, more effective active policies are only one element in a comprehensive strategy of macroeconomic and microeconomic measures indispensable to cut unemployment considerably. However, they continue to be a potentially important weapon in the fight against unemployment (Martin 2000).

Martin (2000) argues that, many programmes, which have been evaluated thoroughly, have a tendency to be small-scale programmes such as demonstration programmes. Although the evaluation literature tells a lot about what works, it is not very informative and clarifying in answering supplementary

equally vital questions, such as why do certain programmes work for some groups and not for others, and in what circumstances? For example, do skill-enhancing activities work best when they are combined with personal counselling, job search assistance in order to work? He points out that, the proof is just not there.

In abstract, Martin's (2000) assessment of the evaluation research stresses on major principles which could guide and screen the selection of ALMPs in order for it to be effectiveness. One key principle is of keeping public training programmes small in scale and well-targeted to the specific needs of both job seekers and local employers. Martin (2000) also found it vital that more countries should begin to evaluate their labour market thoroughly for setting the appropriate scale of programmes systematically. Kingombe (2012) notes that indeed, evaluation should be built into the design of job training programmes at the beginning rather than being viewed as an ex-post exercise.

Betcherman, Olivas et al (2004) argue that countries with informal labour markets and weaker capacity to implement programmes may hinder what some job training programmes can attain in terms of generating formal employment or raising income of this programme participants. The few evaluations made on employment services and job training programmes in countries with low-income larger informal labour markets than the OECD is found to be less positive than the (much larger) body of evidence in the OECD and transition countries (Kingombe 2012). In contrast, some youth training programmes in developing countries have much more encouraging impacts than are observed in OECD countries (Kingombe 2012). It may be that such programmes in these low-income labour markets counties have more potential for formal employment or increasing wages since ample supplies of skilled workers are not accessible (Betcherman, Olivas et al. 2004).

2.7 Brief Assessment of Studies Linking Productivity with TVET

The purpose of TVET is to make people self-employed and to be a vehicle of transition from school to the world of work (Hollander and Naing Yee Mar 2009). With regards to this argument, TVET is time and again considered as a device for poverty mitigation as well as towards sustainable development through self-employment endeavours. Whilst this argument appears to be a rational one, For TVET to actually have an impact on poverty other aspects have to be in place. Moreover, For TVET graduates to efficiently be involved in productive self-employment there needs to be a labour market which can absorb the TVET graduates and provide them with productive work and an income that allows them to survive.

According to studies and researches done by international agencies, productivity employment is regarded as the linkage between economic growth and poverty reduction; the quantity and quality of employment determines how growth of an economy translates into higher incomes and hence poverty reduction. International agencies such as World Bank and the ILO indicated that productive employment might be the main pathway out of poverty and the type of work that individuals can access is critical. TVET links skill development policies to employment needs and labour market requirements, especially

because the majority of new work opportunities are increasingly found in productive self-employment and work in the informal economy rather than in formal employment (UNICEF-WBI, 2008).

The quantity and nature of TVET varies widely across countries, and this is not necessarily linked to a country's state of economic development (Kingtonbe 2012). For instance, MartÍnez, Levie et al. (2010) argues that the impact of such training does vary according to the level of economic development. The same author's claim that the greatest impact of TVET is major in countries which are on early-stage of entrepreneurial activity with favourable institutional contexts. TVET appears to be mainly successful in countries such as Belgium, France, Germany and the UK in western Europe which have low rates of early-stage entrepreneurial activity. But in countries like Republic of Korea and Japan which have institutional barriers, as well as cultural perceptions, may also prevent the gains in awareness and attitudes from interpreting into purpose and action . They further argue that argues that if the basic level of self-employment conditions are not sufficient, factor-driven countries should not invest in large-scale training programmes. An alternative explanation for this argument is that less-developed economies have lower quality forms of training, consequently low level of demand for the resulting limited skills (ibid).

2.8 Pinpointed Challenges and Pitfalls of the TVET System

According to Sandhaas and Winkler (2011) “... the challenges and pitfalls of any TVET system is, the constant presence of mismatch between supply and demand for manpower necessities by which “unemployment is an indicator”. According to Winkler (2008), who made a multi-country study of TEVT reforms for ILO, classified countries, from all parts of the world who have made TVET a major developmental approach, into three groups by their labour market characteristics: which is listed below (Winkler 2008, as cited in Sandhaas and Winkler 2011)

- high labour force growth, low employment growth, and high unemployment rates and underemployment in terms of income level;
- high labour force and employment growth and low unemployment rates;
- low labour force growth, low employment growth and high unemployment rates (see ILO (Ed.) 2007).

Sandhaas and Winkler (2011) pointed out that that the labour market data in Ethiopia does not fully fit into one of the groups mentioned and is therefore not easy analyse (Sandhaas and Winkler 2011).

Hence, they point out that the critical issues regards the TVET system in Ethiopia have been and still are:

- The organization of the TVET reform as a continuous national goal;
- The provision of TVET (in particular by private providers);
- The financing of the system

Winkler (2008) noted, the lessons learned with regard to the key components of success TVET reforms are still relevant for the future development of the Ethiopian TVET system (Winkler 2008:50-51). Sandhaas and Winkler (2011: 24) argue that supporting elements for a well-structured, organised, financed and regulated TVET system are diverse: Regarding this issues they quoted:

“Successful reforms appear to be those which combine public financing of initial or pre-employment training with rigorous evaluation of programme impact in design, and ensure competition between providers in delivery.”

“Matching instruments e.g. public or private subsidies, to target groups are as important as choosing the best delivery mode.” While mechanisms, through which TVET is supplied, are important, it is critical that these programmes target groups which will most benefit from them.” The “usefulness of scientific evaluations” in matching instruments cannot be overemphasized”.

Government’s “role as a facilitator of information on the availability and effectiveness of vocational programmes” has been relatively neglected and thus resulted in “lack of reliable information on the effectiveness of public training programmes and the availability of privately provided TVET programmes.” The practices of countries in all parts of the world show “that a strong political will to reform – not socio-economic and institutional factors – is the common determinant of successfully restructuring of TVET systems” (Sandhas and Winkler 2011: 24).

On the other hand, taking to account, the socio-economic environment and the contextual framework in which TVET delivery systems currently operating in Africa, the African Union in its report, Strategy to Revitalize Technical and Vocational Education and Training (TVET) in Africa (2007:6-7) summarized and explained the key issues of TVET system as follows:

The public i.e. families, community consider TVET as appropriate for only the academically less able. In many African countries, students entering the vocational education track find it problematic to proceed to higher education. Which shows that there is a necessity to make TVET less dead-end. Some vocational training programmes like hairdressing and secretarial science are linked with girls - very often girls who are less gifted academically. The delivery of quality TVET is reliant on the competence of the instructor; competence measured in terms of theoretical knowledge, technical and pedagogical skills as well as being up-to-date with new technologies in the workplace. In general, TVET forms a separate parallel system within the education system with its own institutions, programmes, and educators. This condition inclines to reinforce the perception of inferiority of the TVET. Consequently, it is found that it is important to create pathways between vocational education and general education. Last but not least, TVET programmes must have to be linked to the job market as the ultimate goal of TVET is employment. In this way, the socio-economic relevance of TVET can be enhanced (AU, 2007, p.6-7).

Chapter 3 : Historical Framework of Technical and Vocational Education (TVET)

3.1 TVET Development of in Africa

The first conference of African States on education was held in Ethiopia in 1961. The conference obviously put the pitch in placing precedence on expanding general secondary and tertiary education (UNESCO, 1961), with a view to rapidly replacing the colonial human resource and additional expatriates in the civil service which in turn made vocational education and training in Africa a 'Second-rate Priority' in the education agenda (Wilson, 2005). After about a dozen years from the 1961 education conference, an enormous increase in the numbers of youth completing primary education and disentangled demand for secondary education was observed (Oketch 2007). These lead many independent governments in Africa to relapse to supporting TEVT on the basis of the production structure of their respective countries and the dwindling number government jobs (ibid).

Pioneer of TVET researcher in Africa, Philip Foster in 1965 argued that, it might be lucrative to support small-scale vocational training systems strictly linked with the continuing development efforts while very detached from the official educational system to alleviate the problem of youth unemployment (Foster, 1965). Mark Blaug who followed Phillip Foster later in 1973 argued that the expansion of TVET cannot be a cure for educated unemployment. It cannot prepare students for specific occupations and reduce the mismatch between education and the labour market (Blaug 1973). Foster's argument against government involvement in massive expansion of TVET despite its new found appeal after decades from independence supported by evidence from field research did not go with the assumptions about the benefits anticipated of TVET.

On the contrary, authors like Psacharopoulos (1997) believed that TVET would alleviate the mass problems of Africa by bringing about economic progress and youth employment by heavily inculcating technological knowledge. He based his argument by pointing out that as everyone cannot be academically successful, TVET would offer those students to achieve something who otherwise are cast as academically unsuccessful in the general education system (ibid). Even though authors like Wilson (2005) argued that, TEVT was seen as detrimental in post-independence Africa as it was linked with the colonial educational rule. He argued that Africans viewed TVET as a 'substandard education'. Oketch (2007) argued that, even where the context might have changed, African countries where the argument over whether to focus investment in general education or in TEVT has continued for over 40 years. Moreover, Blaug (1973) had argued that in general, both students and their parents instinctively knew that academic lines guaranteed a better livelihood than vocational education.

All in all, the current schooling structure in most countries leads to two courses: general education and vocational education (Oketch 2007). The general education enables students who gain access to it, to continue in their schooling to higher levels, while vocational education are for those students

going directly to the world of work or to those who, due to limited general educational chances, are crowded out of the general education hierarchy (ibid). In some countries, it's the choice of the student to choose his/her pathway either to join general education or vocational education. However, for vocational students in most countries crossing the path to higher education is impossible (Atchoarena et al, 2001).

Radwan, Akindeinde et al. (2010) argue that in order for Africa to attain development, the youth need to have access to a learning that will facilitate the enhancement of their standard of living by gaining competitive skills that will be in high demand in the labour market. TVET is only one of numerous tools for employment creation (de Largentaye 2009). It is a well-known fact that vocational training can expand the attainment of suitable skills and thus raise labour supply and the “employability” of the work force. The demand for labour depends on variety of factors such as incentives for investment, the exchange rate, prices factors, personality traits, government and related entities support system, socio-cultural environment and the production and commerce environment in the country.

Dar and Tzannatos (1999) suggest that given that many countries around the world do put into practice these large scale programmes, a hard-headed approach should be whether the intended goal is met and at what cost, but not whether to just have them. Kingombe (2012) argues that, when setting up for large scale TVET programmes, policy-makers and decision-makers should be able to make knowledgeable and informed decisions that are held up by evidence-based information. However, the same author notes that there is a scarcity of proof-based information about TVET mostly in SSA (ibid).

On different note, TVET globally has a low social acknowledgment (Grollmann and Rauner 2007). The differentiation in perception between TEVT and that of the academic education has more reduced the recognition that TVET deserves (Abebe 2010). Incidentally, Grollmann and Rauner (2007) stated that:

“The empirical importance of vocational learning is overshadowed by the big emphasis society puts on academic education and credits. Despite the fact that there are gradual differences regarding this structural problem, nevertheless this is one of the universal core problems. The “Parity of esteem” between vocational and general education is still wishful thinking but could never be established. Still in the international discourse the prevailing orientation is that vocational education is something old and traditional fitting to the needs of the pre-industrial and industrial societies but not to the so called knowledge societies and economies or that it is at best a solution for low-achieving students”.

3.2 The Historical Framework of TEVT in Ethiopia

TVET in Ethiopia followed the school- based model of training beginning from the establishment of the system. The beginning of TVET in the formal educational scheme dates back to the founding of the 1st TVET School in 1942 in Addis Ababa which had the name Ecole National des Artes Technique (re-named later on as Addis Ababa Technical School). The school offered trainings in many occupational fields such as electricity, economics, wood work,

secretarial science, accounting, auto mechanics, building construction, , carpentry. Qualified candidates were enrolled into the three-year training programme known as 8+3 program, and upon completion they were awarded diplomas.

Over the years, Addis Ababa technical school underwent a number of changes in terms of the trainings offered and their entry level and duration. The school offered the 8+4, 10+2, and 10+3 programs and applicants from many parts of the country with the best academic achievements competed for admission to the then prestigious school. In 1943, the Addis Ababa School of Business and Administration (later renamed Addis Ababa Commercial College and now currently named Addis Ababa University Commercial College) was inaugurated with the aim of supplying trained personnel in the vocational fields of accounting and secretarial sciences for business and commerce, as well as for civil service. Later, banking and finance training fields were added. It offered trainings at the 8+4, 10+3, 11+3 and 12+2 levels. Currently, it offers Bachelor of Arts and Graduate degree level programs under Addis Ababa University.

In 1962, an educational reform in the country was made which saw secondary schools curriculum transform to a more inclusive education and training. This made TVET more available to students. Even though this reform was not well supported by the resources essential for its success, it was made with the intention that TVET will offer the chance for the secondary school students to join the world of work right after completion of secondary school. In reality, it was an alteration that offered the needed attention and credit for the significance of TVET in the education scheme (Abebe 2010). In 1963 the Bahir Dar Polytechnic Institute was established which further sustained the development of TVET in Ethiopia. This school was later upgraded to a higher education institution level and currently it offers Bachelor and Graduate degree level programs under the name Bahir Dar University. Abebe (2010) argues that no major institutional expansions or development agenda intended at developing TVET took place in the educational scheme between the mid-1960s and the mid- 1980s (Abebe 2010).

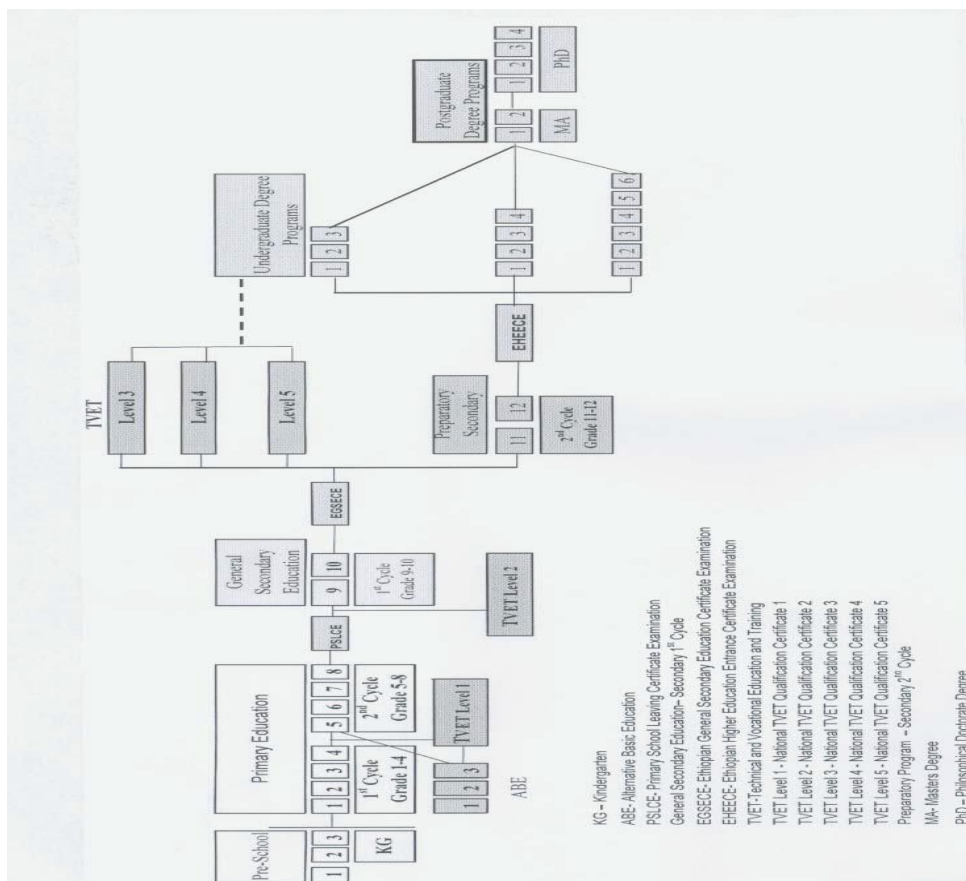
During the Derg regime (1974-1991), the MoE was cautioning the government of the educational crisis as early as 1980s, not only in terms of achieving Universal Primary Education (UPE), but also about the increasing unemployment of the secondary school graduates (Abebe 2010). The MoE had planned to reduce the pool of unemployment through the introduction of an 8-year universal polytechnic education that could help the student's transition to the world of work but the plan was not fully realized (Abebe 2010). After the down fall of the socialist Derg regime in 1991, the command economy was changed by the free market economy and the country was politically constituted as a Federal Democratic Republic country (Negash 2006).

In 1991, the then transitional government of Ethiopia (currently the EFDRE) introduced a new education policy that dramatically changed the education system was introduced in July, 1994. The policy included a major supply-side push on TVET to support the school-to-work transition. It aimed at tackling the educational problems of access, equity, relevance, and quality with the regional governments of the FDRE guaranteeing the rights of their people to be taught in their language and work in the direction of achieving access to education for all age cohorts in their regions (Abebe 2010).

Before 1994, primary school included grades 1–6, junior secondary included grades 7–8, and secondary school included grades 9–12. In grade 12, students took a school-leaving exam that determined their eligibility to pursue higher education. Only a small percentage of students could enrol in higher education. The majority of students left school without any readily marketable professional or technical skills. The new education policy aimed to change this picture by focusing on producing a skilled labour force rather than a large cohort of relatively unskilled secondary school graduates.

The current educational structure consists of eight years of primary education followed by four years of secondary education. The primary education has two cycles, first cycle (grades 1- 4) and second cycle (grade 5- 8). The secondary education has also two cycles. The first cycle is the general secondary education (grade 9- 10) which leads to the end of the general education for all students. A national exam is given upon completion of grade 10, with those who score well promoted to the second cycle of secondary school (grades 11 and 12), which is considered college or university preparatory. Those who do not score well enough to continue in secondary school have the opportunity to pursue formal TVET, which takes one to three years. One- and two-year training programs

Figure 3.1
Structure of the Ethiopian Education System



Source: Ministry of Education (MoE) 2009

3.3 Current Status of TVET in Ethiopia

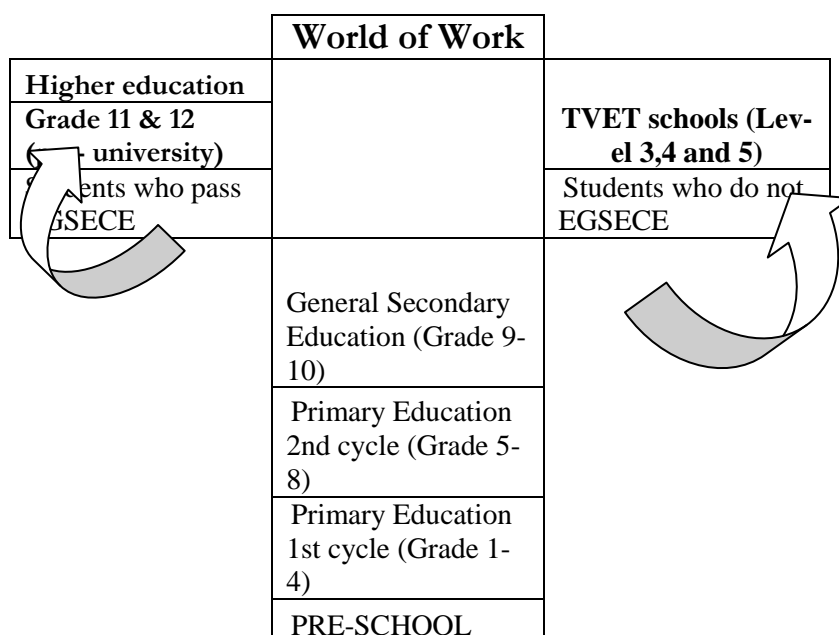
At a global Symposium on implementation matter of diversified financing strategies for TVET organized by the Ethio-German Engineering Capacity Building Program (ECBP) on November 20-21, 2006 in Addis Ababa, Ethiopia, it was decided amongst the nearly one hundred experts and practitioners from eleven countries and four continents who took part, that the Ethiopian approach to TVET reform and TVET financing are very much in line with international best practice in terms of performance (Kingombe 2012). All stakeholders at the above stated symposium seemed to agree that partnerships among the public sector, the private sector and civil society will be key in making any TVET reform process succeed (GTZ, 2006 as cited in Kingombe 2012).

Ethiopia has achieved the highest increase of 5,565 % in TVET enrolment from 1999 to 2007 from SSA countries and ranks the second among the countries in Africa in terms of number of training institutions. Further, the same author notes that, the recent growth in TVET enrolment and provision has been achieved by a substantial development of public spending and increased TVET provision by private institutions (ibid).

3.4 TVET Delivery: Formal, Non-formal and Informal TVET Sector in Ethiopia

TVET provision in Ethiopia comprises of all modes of formal, non-formal and informal trainings offered either by government and/or non-government providers such as non-government offices (NGO), and private institutes. TVET provision is open to a variety of groups such as illiterates, school leavers, school dropouts, farmers, entrepreneurs, and other groups (Biazen and Amha 2009).

Figure 3.2
The Formal Route to TVET and Higher Education



The formal TVET programs are for those students who have failed to achieve the Ethiopian General Secondary Education Certificate Examination (EGSECE) scores for admission to preparatory program. Students in the TVET path could attend programs that range from one year to three years that would enable them to join the world of work. Working people also join the formal program through distance learning and evening classes. Informal TVET is described as those manoeuvres which are operating unregistered with a low level of organisation and are said to function mostly through home-based activities or in small channels without fixed locations. The government has small or no straight association with informal TVET in other words it is not supported or regulated by the government.

On the other hand the non-formal TVET is provided to wide range of target groups such as school dropouts, those with below grade 10 education or lower including illiterate people, unemployed, youth and adults, who could produce supporting letters from their respective woreda's. The training is offered through different channels (community based, institutional, apprenticeship) such as Community Skill Training Centres (CSTC), prisons, and farmers training centres. The trainings are offered over different periods of time from short-term courses of a few days to long-term programs of up to 6 months. The selection criterion of trainee's for non-formal TEVT depends on the training centre's own basis. No one criterion is sufficient for recruiting trainees. Most training institutions employ a combination of criteria to recruit their trainees. What is common to all institutions, except the private ones, is having low income and having the interest to be self-employed after completion of the training programs. Since the private institutions are profit makers they enrol all those who could afford it.

3.5 The TVET Curriculum Development

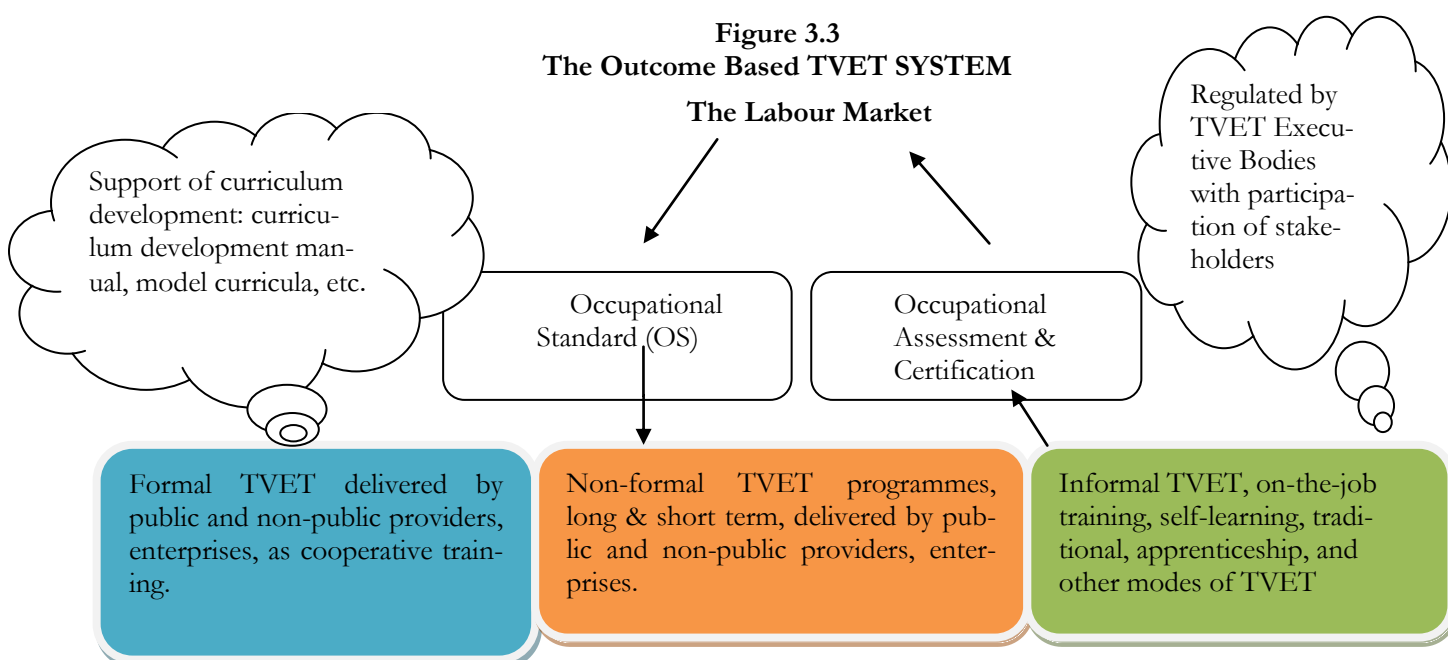
Every formal government training establishment is responsible for developing their own training materials based on the centralized occupational standards (OS) facilitated, monitored and evaluated by regional TVET agencies. Model training materials is developed and disseminated by the Federal TVET Bureau to the regional TVET agencies in order for them to develop their training material based on their local market needs and surroundings. At the beginning of the TVET programme in 2002, all training materials were prepared centrally and used by all institutions. Those materials were prepared for 10+1, 10+2 and 10+3 but the programme was changed shortly by Occupational Standards (OS) in 2004.

This curriculum reform aimed to ensure quality and relevance of TVET by facilitating the setting of National Occupational Standards which is fairly equivalent to international standards and organizing an occupational assessment and certification system which offers National Occupational Qualification Certificates to those who have proven, in an assessment, that they are competent in

accordance with the defined occupational standards⁷. The development of the occupational standards has been re-categorized into five levels now i.e. Level 1, Level 2, Level 3, Level 4 and Level 5 packages. The Level 1 and Level 2 packages are short term training packages and are developed for those not entitled to enrol in the 10+1, 10+2 and 10+3 program i.e. students who drop out before completing grade 10.

An outcome-based TVET system which is the centrepiece of the TVET reform strives for enhanced quality and relevance of TVET. It plans to make it easier to recognize the wide range of non-formal training and informal learning schemes available, opening access to previously neglected target groups. Responsibility for establishing and facilitating a national occupational assessment and certification system rests with the Federal TVET Agency. It stipulates rules and procedures for assessment item development, for conducting assessments and will facilitate, supervise and regulate the system. Responsibility for implementing the occupational assessment, i.e. ensuring that assessment is properly conducted and certificates issued, rests with the state TVET authorities.

Figure 3.3
The Outcome Based TVET SYSTEM



Source: MoE, National Technical & Vocational Education and Training Strategy 22 August 2008 / 2nd Edition 25-52 (Modified by the author)

3.6 TEVT Occupational Fields

TVET programs are provided in no less than 20 TEVT occupational fields with more than 170 trades (Abebe, 2010). The Major focus areas of the TVET programs consist of Agriculture, Health, Industrial, Construction, and Business sectors (Abebe 2010). Generally, it is important to examine the types of trades

⁷ MoE, National Technical & Vocational Education and Training Strategy 22 August 2008 / 2nd Edition 28-52

girls are enrolled in, as it is often said girls should not be limited to traditional female stereotype roles. They must similarly participate in all vocational areas as their male counterpart.

Chapter 4 : Data Analysis and Findings

4.1 Methodology and Data

This research adopts mixed method research as an appropriate research strategy. A mixed method signifies the mixture of dissimilar qualitative and quantitative methods data analysis in one empirical research project (Teddlie and Yu 2007). This mixture covers two different purposes: it helps to establish and grip threats for validity occurring from the use of qualitative or quantitative research methods and can thus ensure good scientific practice by enhancing the validity of methods and research findings. It also benefit the research to gain a fuller picture and deeper understanding of the investigated phenomenon by relating complementary findings to each other (ibid).

This study used data from both primary and secondary sources, the primary data being the qualitative and the secondary data being the quantitative. Information produced using qualitative data only are considered to be as unscientific, or only exploratory or entirely personal and full of biases Thus a concurrent use of quantitative data makes the information more scientific, and minimizes biases (Denzin and Lincoln 1994). Alternatively, quantitative method by itself also fails to create reliable information, as it needs some qualitative data to support it. This is basically since, quantitative data ignores the difference between the natural and social world that is, and it fails to understand the meanings that are brought to social life (Silverman 1975).

The secondary quantitative data used is the UEUS cross sectional data set which was collected in 2003, 2004, 2006, 2009, 2010 and 2011 from all urban centers of the country under the supervision of the central statistics agency (CSA) of Ethiopia. The survey covers up to maximum of 70, 000 individuals in each round, thus the data is fairly large and representative. The primary qualitative data involved 30 TVET graduates, by which 15 are government employed (8 female, 7 Male), 5 private sector employed (2 female, 3 male), 5 self-employed (2 female, 3 male), 5 unemployed (3 Female, 2 Male). Moreover, Focus Group Discussion (FGD) were also made with 10 TVET trainers and 3 government stakeholders was undertaken.

A very broad literature review of research studies at national, regional and global level was undertaken to get an all-around understanding TVET, self-employment, factors affecting those. List of literatures reviewed is attached in reference section.

4.2 Developing the Sampling Frame

The first stage of the qualitative data collection involved the process of a sampling strategy and options to choose from in making decision whom should be interviewed. This was a critical stage as it was very important to determine whose views, ideas, perceptions and most of all experience and attitudes would be most substantial to respond to the research questions. A substantial number of various populations were initially considered, such as TVET institute heads, stakeholders at ministries, employers, TVET Donors. it was necessary to make

a selection and focus on a particular group to pursue an answer for the research. Finally, TVET graduates undoubtedly were the prime choice as their experience and opinions in the world work was found to be pertinent for this research. Other groups may not adequately describe and explain the various issues related to the graduates self-employment issues better than the TVET graduates themselves.

Therefore, the TVET graduate population was chosen for the primary data collection. Hence, through purposive sampling, semi structured interviews were conducted with 30 TEVT graduates. As supplemental information, FGD with 10 TVET trainers and 3 key informants Woreda's, Kifle Ketema's was conducted.

4.3 Sampling Technique

The qualitative sampling technique applied for this study is purposive sampling. This is because, though random sampling technique is recommended, - as a means of informant selection, for reducing biases and allows for extension of results to the entire sampling population, it's not always practicable and well-organized as higher diffusion of samples is costly (Alexiades 1996, Bernard 2002, Snedecor 1939 as cited in Tongco. D, 2007). Furthermore, the reason and control of purposeful sampling lies in selecting information-rich cases for study in depth. Information-rich cases are those from which one can learn a great deal about issues of central importance to the purpose of the research (Patton 1980).

Purposive sampling can be more realistic than randomization in terms of time, effort and cost needed in finding informants (Seidler 1974, Snedecor 1939 as cited in Tongco. D, 2007). Interviewees were selected based on recommendation from individual who know TVET graduates and out of convenience. The weakness of using such a technique unlike Random sampling is, it's subjected to biases and interpretation of results is limited to the population under study (Bernard 2002 as cited in Tongco. D, 2007).

4.4 Secondary Data Presentation, Analysis, and Interpretation

Descriptive statistics in the form of percentages, tables and graphs were used to analyse the quantitative data. A narrative summary of the responses explains the primary data. Information not relevant to the study was omitted. To avoid redundancy while narrating respondent's answers, common responses are summarized.

Table 4.1
Employment Status of TVET Graduates

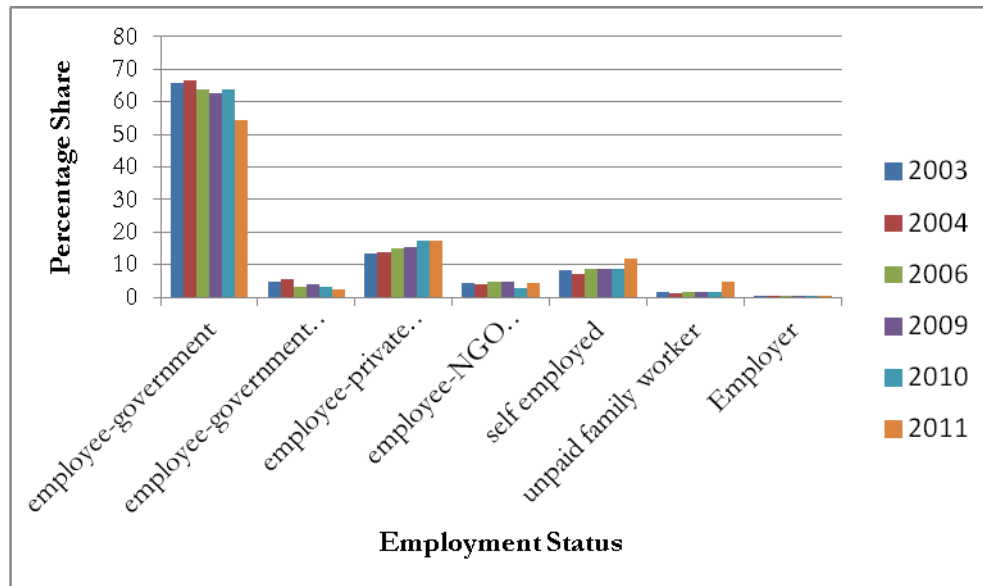
Year/employment Status –UEUS/Year	Percentage Share					
	2003	2004	2006	2009	2010	2011
employee-government	65.63	66.72	63.82	62.58	63.9	54.23
employee-government development organization	4.8	5.56	3.29	3.82	3.19	2.58
employee-private organization	13.32	13.9	14.85	15.49	17.24	17.39
employee-NGO (including international org)	4.44	3.88	4.8	4.97	2.88	4.55
self employed	8.17	7.16	8.93	8.66	8.8	12.01
unpaid family worker	1.6	1.26	1.84	1.62	1.55	4.97
Employer	0.62	0.51	0.39	0.27	0.27	0.55
Apprentice	0.71	0.59	0.73	0.14	0.27	0.05
other	0.44	0.25	0.11	0.37	0.36	0.55
Total	100	100	100	100	100	100

Source: CSA, Urban Employment and Unemployment Survey, 2003,2004, 2006, 2009, 2010, 2011

As can be observed from Table 4.1, TEVT graduates are in majority government wage employees. TEVT graduates in government jobs in 2003 were 65.63 % and 54.23 % in 2011. A gradual decrease can be observed in the number of TVET graduates involved in government jobs. This might be due to various reasons such as that more TVET graduates are getting hired by private companies or becoming self-employed. The percentage of self-employed was 8.17% in 2003 and 12.01 % in 2011. The next majority of TVET graduates are hired by private organizations, by which it can be seen that it has increased from 13.32 % in 2003 to 17.39% in 2011.

TVET attainment appears to have a positive influence on employment. TVET trained workers are much more likely to be in wage employment and much less likely to be in unpaid work than their less- trained/educated/skilled counterparts (See Figure 4.2 below). The lack of information on the data at which the graduates left school makes it impossible to distinguish directly between the effects of human capital accumulation on the employment prospect per se or due to the duration of exposure. It can be observed from the UEUS (Figure 4.2 below) that less skilled/educated that entered the labour market with little or no training are more likely to be self-employed than TEVT and university graduates even though the productivity element of the less skilled self-employed is an issue that needs to be under scrutiny here.

Figure 4.1
Employment Status of TEVT Graduates

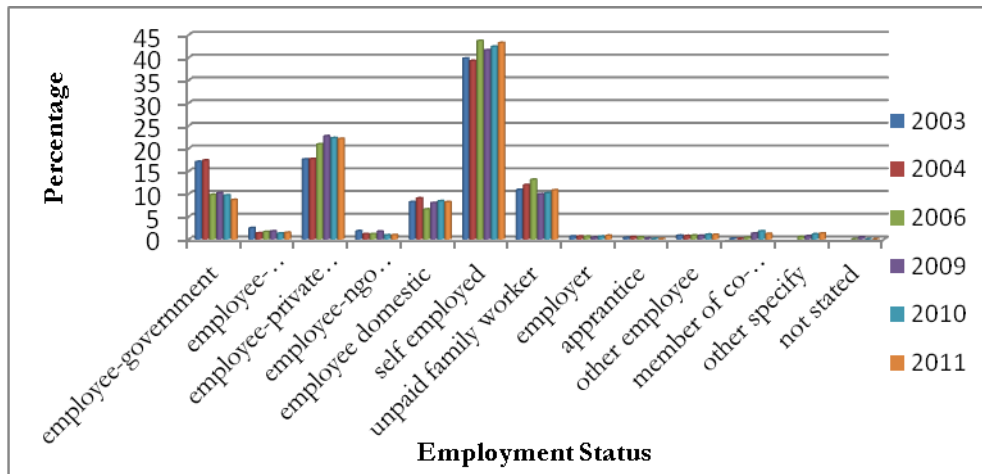


Source: CSA, Urban Employment and Unemployment Survey, 2003,2004, 2006, 2009, 2010, 2011

The graphic evidence suggests that education/training helps to securing wage employment, but this might imply that those difficulties in being self-employed increase with the level of human capital. According to Meager et al (2011), the available evidence on the link between education on the one hand and entrance to and accomplishment in self-employment on the other is multi-faceted and varied to single out. The same authors further notes that , the link also differs among occupations. For example in trades such as public works construction, self-employment by engaging in MSE with the governments help becomes more of a custom than in others. In general, nevertheless, someone is more likely to be self-employed if they have no education and/or trainings than if they have some, but then again among those with some education and/or trainings there is no clear link between the level of qualifications and the likelihood of being self-employed (Meager et al 2011).

The focus of the earlier education system on general education might have an impact on TVET graduates. The excessively academic orientation might have contributed to creating the wrong kinds of attitudes and job expectations on the part of the graduates, including the preference for white-collar jobs as opposed to self-employment through TVET learned skills. The combination of employment preference and the lack of technical and vocational skills necessary to become self-employed may have encouraged the graduates to look to government for job opportunities.

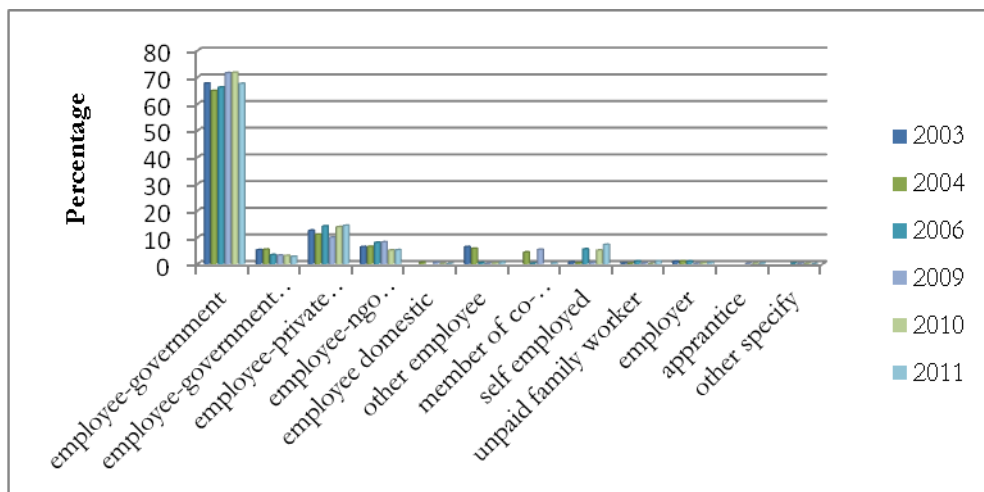
Figure 4.2
Employment Status of the Low Skilled



Source: CSA, Urban Employment and Unemployment Survey, 2003,2004, 2006, 2009, 2010, 2011

According to Figure 4.2 more than 40% in the years between 2003-2011 of the less educated/skilled people are involved in self employment. The rest are in majority hired by private companies. Unpaid family work, government jobs and employment in domestic work seem also to be what the less skilled are involved in. The fact that less skilled are more involved in self employment than TVET graduates and university graduates(see Figure 4.3) might due to various factors. This might be partially the product of the fact that less educated/skilled people by definition begin their transition to work at an earlier age and therefore have had a greater length of exposure to the labour market and more time to secure employment. In addition, as the reservation wage is likely to rise with skill level, search time might increase with the level of human capital of the individual. This finding per se, therefore, says little about the links between human capital levels and success in the labour market

Figure 4.3
Employment Status of University Graduates



Source: CSA, Urban Employment and Unemployment Survey, 2003,2004, 2006, 2009, 2010, 2011

As can be seen from Figure 4.3, the vast majority of university graduates are in government jobs. It can be observed that self-employment of university graduates is below 10 % in all the surveyed years. Crowding out of TVET graduates by university graduates or the vice versa might be a factor in government jobs as the majority of TVET and university graduates are both involved in government employment. Education attainment appears to have a positive influence on employment of university graduates as more-educated workers are much more likely to be in wage employment and much less likely to be in unpaid work than their less-educated counterparts.

The descriptive evidence suggests that education and trainings helps to secure government wage jobs, but those difficulties in being self-employed increase with the level of human capital. The data available do not allow to assess whether adults are in a better position than youth in this respect; unemployment rates are also higher for the better-educated among the prime- age adults (UEUS). These findings need to be interpreted with caution, however, as there is lack of information to assess how much of the higher unemployment rate of the educated and trained might be due to waiting for employment.

From the above finding one can suggest that, a high level of educated and trained unemployment is not a trait feature of the Ethiopian labour market, partly because of the low level of the country's educational attainment. The implication is that unless the economy expands to absorb the increasing number of university and TVET graduates, educated and trained unemployment could prevail as a new feature of the youth labour market in Ethiopia.

Table 4.2
TVET Graduates Government Employed by Trade Types

No	TVET Selected Trades-UEUS	TVET Graduates Government Wage Employment share%					
		2003	2004	2006	2009	2010	2011
1	Agriculture	81.54	88.43	89.31	83.56	57	58
2	Medical Laboratory/Radiology	86.67	89.14	66.78	50	85	81
3	Public health	80.95	85.6	83.26	75.86	65	63
4	Accounting	61.54	48.96	49.23	64.75	66	61
5	Secretarial Science	65.52	85.12	82.53	72	81	79
6	Education	86.57	89.89	87.65	79.8	86.64	83.56
7	Wood work	20	45.5	n.a	22	n.a	n.a
8	Electricity	50	65	85	79	76.23	n.a
9	Metal work	20	35.5	75.6	44.36	55.3	50
10	Typing	77.78	n.a	n.a	n.a	57	61.5

Source: CSA, Urban Employment and Unemployment Survey, 2003,2004, 2006, 2009, 2010, 2011

According to table 4.2 from the ten trades selected for this analysis, it can be observed that in all the ten trades, the government holds the lion's share of employing TEVT graduates. The share of agriculture TVET graduates are in government is gradually decreasing. It was 81.54 % in 2003 to which it decreased to 58% in 2011. Medical Laboratory/Radiology TEVT graduates are in majority employees of the government by which it was 86.67% in 2003 to which it is 81 % in 2011. Public health TVET graduates involvement in government jobs shows a higher decline from 2003 which had a share of 80.95% to 63% in 2011. Accounting, wood work, electricity, metal work TEVT graduates shows a lower involvement in government jobs than the above stated and it can be observed that they are becoming less and less involved in government jobs even though the decline is not consistent.

4.5 Primary Data Presentation, Analysis, and Interpretation

As it was mentioned in the previous section, the tools employed in collecting data is semi structured interviews with planned sample size of 30 TVET graduates and FGD with seven trainers (out of the ten approached, seven attended the FGD and informal discussions with 3 government stakeholders. As far as the background information of the trainers is concerned, From the seven who attended the FGD, three were entrepreneurial course trainers and four were practical and theoretical instructors.

Table 4.3
Characteristics of the TVET Graduate's Data Set

No of graduates	Current Employment Status	Interviewees Designation	Type of Trade
15	Government wage Employed	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15	Metal work, wood work, accounting, electricity, secretarial science, Public Health, typing, medical laboratory/radiology
5	Self Employed	A, B, C, D, E	Wood work, secretarial science
5	Unemployed	UA, UB, UC, UD, UE	Accounting, wood work, metal work
5	Private Sector Employed	PA, PB, PC, PD, PE	Wood work, metal work, accounting

An additional characteristic of the interviewees' background information is their employment status before they engaged in their current job. It was found that from the fifteen government wage employees, six were employed between two and three years after graduation. On the contrary, nine of them were employed immediately after graduation. This might imply that immediate chance for government employment after graduation is a trend. From the self-employed two of the members became involved in MSE after two to four years after graduation and three became involved in individual self-employment from other sources for start-up capital after one to two years after graduation. The entire private employed got their jobs within one to three years after graduation by using different means of networking and job search methods.

According to the sampled TVET graduates the overall findings in summary prove that the TVET graduate's self-employment is influenced by existing government policies and proceedings, personality character attribute's, socio-cultural aspects, overall support services within the TVET institute, MSE and micro credit institutions. The major factors influencing TVET graduates self-employment endeavours consist of:

Findings from the self-employed:

- Attitude towards risk taking
- Attitudes towards work efforts
- Overall self-confidence
- Need for achievement
- Communication skills
- Need for self-Independence in decision making
- Inspiration and attitude towards self-employment
- Social attitude towards TVET
- Attitude towards MSE

Findings from the hired employees and unemployed

- Lack of start-up capital,
- Lack of quality of the trainings and services,
- Lack of practical skills,
- Lack of feasible business idea,
- Lack of technical skills to run a business,
- Lack of market awareness,
- Poor personnel support in micro credit institutions, MSE
- Lack of qualified trainers.

4.1.1 Pinpointed Challenges - Perspectives from the Self-Employed: (n=5)

According to all the self-employed TEVT graduates (A, B, C, D, E) their experiences as trainees can be characterized as follows:

- The quality of the training was satisfactory but it could have been better in various ways in preparing them with necessary skills;
- The skills acquired from apprenticeship was vital experience for their self-employment due to various factors.

The self-employed TEVT graduates felt that the quality of the training was adequate in sense that it was not the finest but good enough to prepare them with skills for the world of work (Mabekate in Amharic). As expressed by all the self-employed interviewee's (A, B, C, D, E), One's learning development depends on the trainee's sense of motivation and pro-activeness to learn. On the other hand they admitted that the entrepreneurial courses had been given with theoretical part at the beginning and pointed out that, it would be more

fruitful, if these courses were given after the practical leaning has taken place. They also noted that the skills acquired from apprenticeship were important experience for their self-employment.

All the self-employed interviewees believed self-confidence and positive attitude towards risk taking and work effort respectively were the most significant traits for self-employment success. Secondary to the above factors but very significant traits pointed out by all the self-employed interviewees were trust for achievement, need for self-autonomy and communication skills respectively. All the self-employed interviewees stressed on the importance of behavioural transformation against fear of failing and vulnerability towards risk taking. The most vital personality trait pointed out by all the interviews was risk taking behaviour in order to be successful in self-employment. Self-employed interview D (Sept 29, 2012) put it as:

..... “To be self-employed, one has to a risk taker i.e. I mean a preference for being in control of decisions or taking risk” Such a person can become self employed.

While employment options vary in level of risk, self-employment typically signifies a riskier endeavor (Duchesneau and Gartner, 1990). Douglas and Shepherd (2000) argued that an optimistic attitude to risk shows a relatively low degree of risk aversion (Douglas and Shepherd 2000). Potential profit unpredictability introduces the risk that the hired employee or the self-employed person may plan additional effort without any additional compensation. An empirical research showed that the variance of earnings for the self-employed is over three times that of paid employees (Rees and Shah, 2006).

Note that greater tolerance for risk is reflected in a lower absolute marginal rate of substitution between income and risk and consequently flatter indifference curves in the Douglas-Shepherd model compared with a person who is more averse to risk (Douglas et al 2002). Henceforth, the additional income required to stimulate the individual to assume full risk will be less for a person who is more tolerant of risk than for a person who is less tolerant. It follows that the gain in income (and henceforth utility) achieved by switching to self-employment must be larger for a person who is more tolerant of risk, since the self-employment income is common to both persons when all other things (except attitude to risk) are equal. Thus, the more tolerant a person is of risk, the greater inducement that person has to become self-employed, other things being equal. Thus, Peoples’ attitudes to risk affect their career choice – people derive disutility from risk (i.e. they are risk-averse) and the more positive the attitude to risk the higher the self-employment intent.

With regard to start-up capital, all the self-employed interviewees strongly opposed lack of start-up capital as a major reason for not being self-employed. Rather, they attributed the factor that led TVET graduates to wage employment is personality attitude towards risk, work effort. Self-employed interviewee B (Sept 30, 2012), explained his argument as follows:

..... “If you are willing and tolerant to put in the necessary work effort, the commitment to succeed and say no to idleness and poverty, you can start a business from scrape”.

Lenience for work effort refers to the degree of antipathy to work effort – work effort refers basically to the outlay of physical and mental effort (Douglas et al 2002). A person with higher lenience for work effort has a reduced degree

of aversion towards work effort, and hence derives comparatively little marginal disutility from work effort (ibid). It is frequently said that successful entrepreneurs must work hard in terms of working hours and intensity and place their new endeavor ahead of their personal and family life (Schein, 1987). Moreover, it is pointed out that, entrepreneurs appear to relish their work, and willingly work lengthier hours even when there is little or no promise of extraordinary monetary gain (Bird and Jellinek, 1988). Based on the above discussion, it can be expected that the more lenient the person is of work effort and committed for success, the more probable that person will want to be self-employed. This greater tolerance for work effort means that any given rise in income due to switching between employment and self-employment will generate a greater utility gain for the person who is less averse to work effort as compared to a person who is more averse to work effort, other things being equal. Consequently, Peoples' attitudes to work efforts affect their career choice – people derive disutility from work effort (specifically they are work-averse). It can be argued that, the more positive the attitude to work effort the higher the self-employment intention.

Awareness about various support services such as micro credit services could help to minimize the restraint of start-up capital. In observation of this, self-employed interviewees reflected that the relationship between the TVET institutions and available support services should be strengthened to build self-employment competence as well as self-confidence of graduates. Respondent C (Sept 30, 2012) put the idea in the following way:

.....There must be strong relationship between the TVET graduates (Future businesspersons), MSE development agencies and other entrepreneurial support entities. I am certainly sure most TVET graduates are not familiar with these support services. Even, they do not know whether the services at various levels exist or not. They have to be made aware about the various opportunities that exist for self-employment”.

From the point of view of the self-employed, the above idea implies that linkage of graduates to the support system was very low so that due to lack of awareness they did not benefit from the existing support opportunities. To this end, the interviewees suggested that TVET institutions as well as other concerned entities should work hard toward awareness creation of self-employment opportunities for the TVET graduates.

In connection to the role of the government support, among the interviewee, self-employed interviewee A (Sept 27, 2012) pointed out:

.....“There is currently an inclination towards inculcating entrepreneurial ideas to create attitude change of the public towards self-employment. The government is making its level best efforts to encourage prospective entrepreneur by giving incentives to new successful small businesspersons. Yet the main default of the government services in the stipulation of credit services which have been unable to reach fresh graduates at their budding stage though awareness creation and motivational measures”.

Form the interviewees of the self-employed TEVT graduates, Two of the five sampled self-employed operate within an MSE. Three of the five sampled self-employed interviewees started their respective businesses from personal savings and loans from family. These graduates (n=3) who started their business with own start-up capital said the same thing, as pointed out by interviewee E (Sept 29, 2012) more elaborately

... “in any case, even if one wanted to be operating within an MSE, it’s depressing, since the amounts of initial and consequent repeat loans are very small. Further, even if some innovative TEVT graduates come up with feasible business ideas, the credit products of the MSE do not support growth leaning activities. Moreover, MSE do not handle all categories of enterprises that in some way may contribute to reducing poverty and promoting economic development”.

The implication of the above summation of statement put forward by the own initiated self-employed interviewees is that, the restriction on types of loan products by MSE’s and micro credits institutions might have an impact on one’s motivation to engage in self-employment since some might feel dictated on what to engage in. However, In order to grow in terms of employment, productivity and income, an enterprise must succumb itself to the discipline of the market, in anticipation of the benefits that a closer alignment with markets can bring (Mead and Liedholm, 1999). Working according to the discipline of the market could help to foster an understanding of the market’s requirements in terms of product type, quality, timeliness and price. Nevertheless, for Ethiopian microenterprise operators who start businesses due to lack of better options, for survival and above all, in the absence of tailored support services, none of the business strategies above are easy to realize.

Finally, all the Self- employed TEVT graduates pointed out that, those who want to expand their business often have scarce financial resources to purchase inputs in wholesale so as to minimize costs. Many TVET graduates who own enterprises therefore suffer a disadvantage in the price of inputs because of the absence of economies of scale. The idea of organizing TEVT graduates groups for wholesale purchasing must be put forwarded.

4.5.2 Challenges and Perspectives: Perspectives from Government Wage Employees: (n=15)

According to the sampled government wage employed TVET graduates the results in summary show that the determinants for TVET graduate’s self-employment are related to the existing government policies and proceedings, character attribute’s, socio-cultural aspects, overall support services. The main factors hindering TVET graduates self-employment consist of the TVET institute trainings lack of quality, lack of start-up capital, lack of self-determination due to socio-cultural factors, lack of practical skills, lack of feasible business idea, lack of technical skills to run a business, lack of market awareness, negative social attitude towards self-employment, pessimistic social attitude towards TVET, poor MSE and micro credit institutions personnel support, lack of qualified trainers.

Wage employed graduates (n=15), believed that the major basis for them not to be in self-employment was deficient of start-up capital. As a secondary reason, the fear of failing and the preference for a stable government wage

employment was put forward as key reasons. More or less; they all had the same feeling and attitudes towards self-employment. They feared the risk of not succeeding, they felt they were not equipped with practical skills through project works and apprenticeships; they felt they had no confidence about their knowledge in developing business ideas and preparation of business plan and even their technical and vocational skills.

Government wage employee interviewee 4 (October 3, 2012) explained his views with regards to start-up capital as follows:

..... “Lack of start-up capital is not the only major key reason rather it is lack of willpower and commitment. He explained that many of the major rich investors now in Addis Ababa were poor uneducated and unskilled migrants from the rural areas; they only had hope for a better life, self-determination and good work ethics”.

From the above statement, one can understand that, unless such personality traits is a barrier, TVET graduates can start a business with a small amount of money (initial capital) through MSE or other endeavours. According to all the interviewee’s, it seemed at times that lack of capital was not the major reason but their determination to take risks seemed to be the major factor hindering them from self-employment endeavours, but upfront in the interview, the first reason put as is lack of start-up capital. According to Krueger (1993), attitudes influence on self-employment can be observed through intentions. Ajzen and Fishbein (1980) argue that intentions robustly predict and explain behaviours (Ajzen and Fishbein 1980). However, possessing entrepreneurial attitudes such as being a risk taker does not essentially inspire and influence one to enter into self-employment endeavours. I argue that even with the strongest intentions to be self-employed, TEVT graduates cannot involve in self-employment ventures without a suitable self-employment opportunity and the funding essential to undertake that opportunity.

Other factors apart from lack of start-up capital, the factors put out by the government wage employees is problem of market familiarity, lack of viable business concept and operation, and lack of business management experience. This implied that there is crack in providing the graduates with an understanding of how to access the existing support service opportunities. Such awareness about the services could help to minimize the constraint of start-up capital.

The interviewed wage employee’s strongly believed that government wage employment strongly helps to expand contacts of networks, gain management experiences of how a business is run, to learn from and to get new innovative initiative’s from experience of seniors and to fulfil the prerequisite to pursue higher education. This in some way means that the graduates had the curiosity and dream of self-employment. However, factors such as fear of risk, lack of self-determination and socio-cultural related factors might play a major role. The importance of work experience and network of contacts can be directly associated with the interviewees exposure to actual work milieu’s during their apprenticeship placement. But all the interviewees informed that that the apprenticeship placement was useless and when they are placed in these companies, they just sit the whole day with no attention being given to their learning experience.

With regards to quality of trainings, the entire wage employee’s strongly believed in the value of TEVT in equipping them with necessary capabilities or

skills. However, the TVET graduates held that the trainees lack devotion and dedication to the training. All of the interviewees mentioned the lack of quality of trainers and the training as a factor affecting their learning experience. In view of this, Government wage employee 2 explained the entrepreneurial training as follows:

.....“The entrepreneurial courses should be given after practical learning has been taken on and around the time of graduation not at the beginning of TVET classes with the theoretical part. Me and my classmates never gave due attention to the training at that time, since most of the TVET trainees, while the entrepreneurial course is being given, we considered these courses as less important to our field of studies. Nevertheless, after graduation, we were regretful or unable to benefit from the courses when we faced the actual situation and understood how important the courses were.”.

This idea implies that the trainees get entrepreneurial vision or motivation for achievement before the practical learning has taken place .i.e. before they are empowered and feel that they are skilled and can determine their destiny as to how they can use their skills. This implication might infer that the training could not help the trainees in developing self-employment ideas.

On another note, all the government wage employee interviewees informed me that the guidance and counselling services was very weak and it was just there as if it had to be there. They informed me that the vocational career guidance and counselling service offices in the institutes were always closed and had no staff member running it. UNESCO asserts that guidance and counselling services are vital for the objective of TVET to be totally realized and that they should for that reason be entirely integrated with all TVET programming (Hiebert and Borgen in UNESCO, 2002:131).

4.5.3 Challenges and Perspectives: Private Organization Hired Employees: (n=5)

All the private organization hired self-employed interviewees were asked about their experience to what extent the government support services and amenities provided by government entities contributed to self-employment. They all believed in the significance of the government incentives and encouragement as well as ease of access to credit services as key factors for self-employment whereas business advisors at MSE's were given less importance. This could imply that the graduate's main problem was not lack of consultancy and complication of the support services and facilities but the finance and the incentives.

In connection to the role of the government support, hired employee interviewee's PC (October 5, 2012) mentioned it as:

... “There is currently a propensity in instilling self-employment ideas towards creating attitude change towards self-employment in the public media. This is encouraging to the graduates self-employment efforts”.

These interview response could imply that government awareness creation efforts is coming along well which is encouraging but that it had been inadequate or unable to reach all graduates in the past.

All the hired employee's interviewees considered character traits as very significant although they gave more priorities to some of the traits than the others. Accordingly, they believed self-confidence and work efforts were the most significant traits for self-employment achievement next to communication skills, good heartedness and good humour. The entire hired employees' interviewees pointed out that the role of the family and other people around the graduates were also very imperative. Other peoples such as friends, successful role models and the trainers significantly contributed in initiating one to be self-employed. Therefore, the importance of the people around the graduates implies that the social context where the graduates live is influential for self-employment undertakings.

In summation, as private organization hired Interviewee's PA (Sept 27, 2012) described the social factors as follows:

.....“Traditionally, families, relatives', community's expectation of a graduate is to be wage employed and it is a give relief for the family from the financial support as well as from giving their land or other material holdings as collateral. Self-employment is considered as added cost if our families as they are the ones who provide the initial capital or is held as collateral since they might feel trapped in a loan that they cannot repay if something goes wrong and the business does not come through. Consequently, we feel like we should fulfil the social expectation by securing wage employment, if possible, in a government organization which is considered more stable than other types of organizations. Moreover, our parents are either wage employees or unemployed with no property to give us for collateral for the loans”.

This implies that the societal expectation strained the graduates to have a preference for government wage employment. On top, the graduates have no poise in bearing risks which is one of the important traits of entrepreneurs (Khanka, 2004). In contrast to the idea presented by the hired employees which is lack of initial capital as the foremost hindrance of starting one's own business.

4.5.4 FGD with the Trainers

According to the FGD, it was found imperative that strong relationship needed to be established between TVET institutes and MSE development agencies and other entrepreneurial support bodies. The trainees believed that their trainees were not familiar with support services. All the trainers agreed that, the trainees did not know where to go and what to do after graduation. They have to be made aware about the available support system opportunities and be encouraged in their business enterprise activities (FGD, Sept 10, 2012).

The above suggestion implies that awareness of the TVET graduates about the support system was very low so that due to lack of awareness the graduates did not benefit from the existing support opportunities. The graduates, according to the trainers, were ignorant of the existence of the system. To this end, the trainers suggested that TVET institutions should work hard toward awareness creation and connecting the graduates with the available opportunities of support services. This suggestion implied that the institutional support services (except the training itself) were either very weak or non-existing at all. Trainers beleaguered on the significance of outlook change (behavioural change towards innovation) and self-determination in order to be

successful in self-employment. The trainers stressed on behavioural (attitude) change and self-determination as key factors.

4.6 Summary

- All hired employed interviewees agreed that lack of start-up capital was the major factor that affected the graduates' from engaging in self-employment.
- Lack of market familiarity, lack of viable concept of business operation, and lack of experience in managing and running a business were the factors next ranked to lack of finance;
- The hired interview respondents considered quality of the training as one of the factors responsible for the weak participation of graduates in entrepreneurial activities. They believed that a trainer 's had no adequate skill to offer practical training. According to them, this affected the skill as well as entrepreneurial confidence of the graduates;
- The hired employees believed that wage employment helps to have or expand contacts of social networks and gain management experiences of how business is run respectively;
- With regard to social attitude, all of the hired interview respondents connected the graduates' low participation in self-employment due to the burden of social expectation on graduates. They explained that graduates prefer wage employment because being employed immediately after completion of the training is considered as an economic and social achievement to both the graduate and the family;
- Attitude being cumulative effect of the family, the community, the trainers and the trainees themselves, the interview respondents also believed it as crucial factor for entrepreneurship;
- In contrast to the wage employed, the self-employed graduate mentioned that that their trainers were in a way competent and the quality of the training was satisfactory but not the best;
- The self-employed pointed out that the skills acquired from the practical attachment for internship and/or cooperative training was important experience for self-employment;
- The importance of government support and incentives was accepted by the respondents as encouraging. Business advisors from government bodies and the licensing process were given less importance;
- The self-employed attribute the choice of wage employment to the graduates' personality attitude such as lack of self-determination and their lack of risk taking behaviour;

- Both the self-employed and hired employee respondent's pointed out that vocational guidance and counselling service were very bland and needed to be strengthened;
- The self-initiated self-employed graduates' success history showed that the government related services contribution to their business venture were impartial as mentioned by of the respondents.

Chapter 5 : Concluding Remark

Sandhaas and Winkler (2011) point out that statistics from TVET agencies in Ethiopia on the where-about of TVET graduates as well as any other studies or reports undertaken do not exist. Moreover, they note that it seems that the MoE is not always accurately and regularly informed about the employment situation of its TVET graduates and thus can only speculate about the employability of them. Further they note that, research is not yet a common feature and in-built aspect of the TVET sector in Ethiopia due to lack of capacity and funding among others issues. Without the availability and/or reliable labour statistics and labour market indicators, it is complicated to explain labour market developments. Labour statistics and market indicators are essential tools for the formulation and implementation of policy measures (Kingombe 2012). Suitable statistics and indicators are extremely important because of the necessity of information and effective information systems.

These insufficiencies are to a large extent due to lacking harmonization and cooperation of the different government services directly concerned with human capital and resource development. There is, nevertheless, an agreement regarding the lack of trained manpower at virtually all levels of skills. The skill endowment of the nation's labour force is quantitatively and qualitatively weak. Consequently, all stakeholders should share the responsibility of carrying out such national task.

The profile of the graduates exposed that the TVET graduates are highly involved in the labor market as potential employees and government wage employees rather than engaging in job creation activities as the national TVET programme envisaged. The factors that affected TVET graduates' self-employment in relation to support system are lack of start-up capital, lack of market familiarity, and lack of experience in managing and running a business. Despite the fact that start-up capital is considered as the basic factor. These shows that lack of integrated efforts between TVET institution and the concerned bodies, mainly the government agencies that work on MSE development of TVET graduates.

With regard to the government policies and actions, incentives and credit services are highly important for self-employment. However, the available government-related services intended for TVET graduates were not accessible and the graduates did not benefit from them. Personality traits such as hard work, achievement motivation, self-determination, self-confidence, creative & innovative behavior and commitment are found to be influential factors of self-employment among other factors. The finding indicated that the graduates had the interest and vision of self-employment but they lack the necessary skills and self-confidence to involve in such risk bearing undertaking. Among the socio-cultural factors, the entrepreneurial idea of the family and communities significantly contributes to affects self employment endeavors. That is, exemplariness of successful entrepreneurs is influential factor. Positive social attitude (including the trainers and the trainees themselves) towards the TVET program has also paramount importance for self-employment endeavor. Moreover, the family as well as the community expectation of the graduate for

immediate engagement on wage employment is also another crucial dimension of the influence of tradition or culture on self-employment

Self-employment of TVET graduates, being a key factor in a nation's economic growth, all stakeholders should share the responsibility of carrying out such national task. In this regard, as per the findings, the following concluding remarks are forwarded to concerned bodies such as the TVET institution, MSE agencies at all levels and micro-finance institutions. Creation of awareness in the prospective graduates about the existence of the service rendering institutes and the kind of their services should be made as part of career and vocational information through various mechanisms;

- School to work transition service is very weak, since most students lack information of where to go and apply. In this regard, the problem could be lessened by providing counselling services.
- Studies made on the TVET programme are just not there. Documentation, research and assessment outputs needs to be the concern of all stakeholders and corrective actions are of the essence.
- Career and vocational guidance services facility should be supported in by adding in the stock of up-to-date job information to graduates;
- Close relationship should be established between the TVET institute and concerned micro or other financial bodies to facilitate and encourage the self-employment ideas of graduates. To this end, the services rendered in the TVET institute by different units and offices should be combined;
- Trainers who offer entrepreneurship courses need an intensive workshops and training of the trainers to up-grade their aptitude and as a result allow the trainees to prepare with the intended skills;
- Government bodies who are working on entrepreneurial development and microfinance credit areas need to take official visits to the TVET institutes to give awareness about their services.

References

- Abebe, A. (2010) 'Influences of Individual and Contextual Factors on Improving the Professional Development of TVET Teachers in Ethiopia'.
- Atchoarena, D., A.M. Delluc, A. Bird, J. Glover, B.W. Kerre, M. Kewagamang et al. (2001) 'Revisiting Technical and Vocational Education in Sub-Saharan Africa: An Update on Trends, Innovations and Challenges (Final Report)', *International Institute for Education Planning for the World Bank, Washington DC: The World Bank* .
- Batra, G.S. (2003). *Development of Entrepreneurship*. New Delhi: Deep and Deep Publications PVT LTD.
- Baumol, W.J. (1990) 'Entrepreneurship: Productive, Unproductive, and Destructive', *Journal of political economy* : 893-921.
- Becker, G.S. (1964) *Human Capital: A Theoretical and Empirical Analysis, with Special Reference to Education*, by Gary S. Becker,... London.
- Becker, G.S. (1994) *Human Capital: A Theoretical and Empirical Analysis, with Special Reference to Education*. University of Chicago Press.
- Bennell, P. (1996) 'Rates of Return to Education: Does the Conventional Pattern Prevail in Sub-Saharan Africa?', *World Development* 24(1): 183-199.
- Betcherman, G., A. Dar and K. Olivás (2004) *Impacts of Active Labor Market Programmes: New Evidence from Evaluations with Particular Attention to Developing and Transition Countries*. Social Protection, World Bank.
- Biazen, Anbesu. and Amha. (2009) 'Technical Vocational Education and Training in Ethiopia', Mapping: Edukans Foundation, *Schokland Programme on TVET*, Addis Ababa
- Blanchflower, D.G. and B.D. Meyer (1991) , *A longitudinal analysis of young entrepreneurs in Australia and the United States* .
- Blaug, M., 1973. *Education and the Employment Problem in Developing Countries*. ILO, Geneva.
- Bradley, D.E. and J.A. Roberts (2003) 'Self-Employment and Job Satisfaction: Investigating the Role of Self-Efficacy, Depression, and Seniority', *Journal of Small Business Management* 42(1): 37-58.
- Burke, A.E., F.R. Fitzroy and M.A. Nolan (2002) 'Self-Employment Wealth and Job Creation: The Roles of Gender, Non-Pecuniary Motivation and Entrepreneurial Ability', *Small Business Economics* 19(3): 255-270.
- Campbell, C.A. (1992) 'A decision theory model for entrepreneurial acts'. *Entrepreneurship Theory and Practice* Fall:21-27.
- Casson, M. (1982) *The Entrepreneur: An Economic Theory*. Totowa', NJ: Barnes and Noble.

- Colclough, C. (1982) 'The Impact of Primary Schooling on Economic Development: A Review of the Evidence', *World Development* 10(3): 167-185.
- Constant, A.F. and K.F. Zimmermann (2004) , Self-employment dynamics across the business cycle: migrants versus natives
- CSA (2003-2011) 'Urban Employment Unemployment Survey'. A.A., Ethiopia
- Dar, A. and Z. Tzannatos.1999. Active Labour Market Programs: A Review of the Evidence from Evaluations. World Bank. Available at:
- de Largentaye, A. R. 2009. Vocational Training and the Informal Economy. PROMOTING PRO-POOR GROWTH: EMPLOYMENT. OECD. Paris, OECD.
- Deakins, D. (1999). *Entrepreneurship and Small Firms* (2nd ed.). London: McGraw-Hill Publishing Company.
- Denzin, N.K. and Y.S. Lincoln (1994) *Handbook of Qualitative Research*. Sage Publications, Inc.
- Douglas, E.J. and D.A. Shepherd (2000) 'Entrepreneurship as a Utility Maximizing Response', *Journal of Business Venturing* 15(3): 231-251.
- Douglas, E.J. and D.A. Shepherd (2002) 'Self-Employment as a Career Choice: Attitudes, Entrepreneurial Intentions, and Utility Maximization', *Entrepreneurship Theory and Practice* 26(3): 81-90. *Economic Review*, 56, pp. 358–369
- Duchesneau, D.A. and W.B. Gartner (1990) 'A Profile of New Venture Success and Failure in an Emerging Industry', *Journal of Business Venturing* 5(5): 297-312.
- Eisenhauer, J.G. (1995) 'The Entrepreneurial Decision: Economic Theory and Empirical Evidence', *Entrepreneurship Theory and Practice* 19: 67-80.
- Fasih, T. (2008) *Linking Education Policy to Labor Market Outcomes*. World Bank Publications.
- Foster, P.J. (1965) 'The Vocational School Fallacy in Development Planning', *Education and economic development* 32: 142-166.
- Gifford, S. (1993) 'Heterogeneous Ability, Career Choice and Firm Size', *Small Business Economics* 5(4): 249-259.
- Grollmann, P. and F. Rauner (2007) *International Perspectives on Teachers and Lecturers in Technical and Vocational Education*. Vol. 7. Springer Dordrecht.
- Hiebert, B. and W. Borgen (2002) 'Technical and Vocational Education and Training in the Twenty-First Century: New Roles and Challenges for Guidance and Counseling', *Technical and Vocational Education and*

Training in the Twenty-first Century: New Roles and Challenges for Guidance and Counseling .

Hisrich, Robert D. and Peters, Michael P. (2002). Entrepreneurship (5th ed.). New Delhi:Tata McGraw-Hill Publishing Company Limited

Hollander, A. and N.Y. Mar (2009) 'Towards Achieving TVET for all: The Role of the UNESCO-UNEVOC International Centre for Technical and Vocational Education and Training', International Handbook of Education for the Changing World of Work : 41-57

ILO. (2007). The Decent Work Agenda in Africa: 2007-2015, Eleventh African Regional Meeting, Report of the Director-General, Addis Ababa, April 2007 (pp. 76): International Labor Office.

Johanson, R.K. and A.V. Adams (2004) Skills Development in Sub-Saharan Africa. World Bank.

Johansson, E. (2000) 'Determinants of Self-Employment duration—evidence from Finnish Micro-Data', Essays on the Determinants of Self-employment

Khanka, S. (2003) 'Entrepreneurial Development', New Delhi: Chand .

KIBRU, M. (2012) 'Employment Challenges in Ethiopia'.

King, K. (2009) 'A technical and vocational education and training strategy for UNESCO: A background paper', Unpublished background paper for the International Expert Consultation Meeting on Technical and Vocational Education, pp12-13.

Kingombe, C. (2012) 'Lessons for Developing Countries from Experience with Technical and Vocational Education and Training', Economic Challenges and Policy Issues in Early 21st Century Sierra Leone : 287.

Lambing, P. and Kuehl, C.R. (2000). Entrepreneurship (2nd ed.). New Jersey: Prentice Hall, Inc'

Liedholm, Carl, and D. Mead (1999) ' *Small Enterprises and Economic Development: The Dynamic Role of Micro and Small Enterprises* ', London: Routledge

Lelissa Challa. (2006). Students' Attitude toward TVET Program in Oromyia Region. (Unpublished MA Thesis, Department of Psychology, AAU).

Maclean, R. and D. Wilson (2009) *International Handbook of Education for the Changing World of Work: Bridging Academic and Vocational Learning*. Vol. 1. Springer.

Martin, J. P. (2000) 'What Works among Active Labour Market Policies: Evidence from OECD Countries' Experiences'. OECD Economic Studies, No. 30, 2000/I

Martínez, A.C., Jonathan Levie, Donna J. Kelley, Rögnvaldur J. SÆmundsson and Thomas SchØtt. (2010) 'Global Entrepreneurship Monitor Special

Report: A Global Perspective on Entrepreneurship Education and Training', GEM. Global Entrepreneurship Research Association: 65.

- McMahon, W. W. (1999). *Education and development: Measuring the social benefits*. New York: Oxford University Press.
- Meager, N., R. Martin, E. Carta and S. Davison (2011) 'Skills for Self Employment'.
- Middleton, J., Ziderman, A., Adams, V.A. '1993. Skills for productivity: vocational education and training in developing countries', World Bank. Oxford University Press, New York.
- MoE, Ministry of Education Ethiopia (2005) 'Education Sector Development Program' (ESDP III) Program Action Plan for 2005/6- 2010/11), Addis Ababa
- MoE, Ministry of Education Ethiopia (2005) 'Education Sector Development Program', Addis Ababa
- MoE, Ministry of Education Ethiopia (2006) 'Secondary School Teachers Training Methods and Strategic Focus', Addis Ababa
- MoE, Ministry of Education Ethiopia (2006) 'National Technical and Vocational Education and Training (TVET) Strategy', Addis Ababa
- MoE, Ministry of Education Ethiopia (2008) 'National Technical and Vocational Education and Training (TVET) Strategy', Addis Ababa
- MoE, Ministry of Education Ethiopia (2008) 'Secondary School Teachers Training Methods and Strategic Focus', Addis Ababa
- MoE, Ministry of Education Ethiopia (2011) 'Education Statistics Annual Abstract', 2000E.C / 2010-2011/, Addis Ababa
- MoFED (2010). *Growth and Transformation Plan (2010/11-2014/15)*. Volume i: Main text Ministry of Finance and Economic Development (MoFED), Addis Ababa, Ethiopia.
- MoFED (2006). *Ethiopia: Building on Progress A Plan for Accelerated and Sustained Development to End Poverty (PASDEP) (2005/06 2009/10)*. Volume i: Main text Ministry of Finance and Economic Development (MoFED), Addis Ababa, Ethiopia.
- Muehlberger, U. (2007) 'Dependent Self-Employment: Workers on the Border between Employment and Self-Employment' Basingstoke.
- Negash, T. (2006) 'Education and Development in Ethiopia: the history of dubious correlation' In: *Annual of Oriental Studies (Rocznik Orientalistyczny)*, 59(1), 151-172
- Oketch, M.O. (2007) 'To Vocationalise Or Not to Vocationalise? Perspectives on Current Trends and Issues in Technical and Vocational Education and

- Training (TVET) in Africa', *International Journal of Educational Development* 27(2): 220-234.
- Parker, S.C. (2004) 'The Economics of Self-Employment and Entrepreneurship. Cambridge University Press. patterns and policy issues' UNESCO, IIEP, Paris.
- Patton, M.Q. (1980) *Qualitative Evaluation Methods*. Sage publications Beverly Hills, CA.
- Psacharopoulos, G. (1994) 'Returns to Investment in Education: A Global Update', *World Development* 22(9): 1325-1343. Publications PVT LTD.
- Radwan, I., A. Akindeinde, et al. (2010) 'Youth Employment in Africa: Harnessing the power of the private sector to create sustainable work opportunities for Africa's youth' Washington DC, World Bank: 85.Saharan Africa?, *World Development*, 24(1), pp. 183–199
- Rees, H. and A. Shah (2006) 'An Empirical Analysis of self-employment in the UK', *Journal of Applied Econometrics* 1(1): 95-108.
- Ritsilä, J. and H. Tervo (2002) 'Effects of Unemployment on New Firm Formation: Micro-Level Panel Data Evidence from Finland', *Small Business Economics* 19(1): 31-40.
- Saini, J.S. and Rathore, B.S. (2001). *Entrepreneurship Theory and Practice* (ed.). New Delhi: A.H. Wheeler & Co. LTD.
- Sandhaas, B. and H. Winkler (2011) 'An Analysis of Needs and Experiences of Employers with Technical Personnel in Ethiopia with Special Emphasis on Technicians (Level 5 NTQF)'.Self-Employment: Evidence from German Micro Data', *Journal of Industry, Competition and Trade* 9(2): 117-137
- Silverman, D. (1975) *Accounts of organizations: organizations structures and the accounting process*. In: *Processing Processing people: Cases in Organizational Behavior*, Mckinlay, j. (ed0. Holt, Rinehart, Winston, London.
- Spencer, J.W. and C. Gomez (2004) 'The Relationship among National Institutional Structures, Economic Factors, and Domestic Entrepreneurial Activity: A Multi-country Study', *Journal of Business Research* 57(10): 1098-1107.
- Startienė, G., R. Remeikienė and D. Dumčiuvienė (2010) 'Concept of Self-Employment', *Economics and Management* 15: 262-274.
- Stel, A., M. Carree and R. Thurik (2005) 'The Effect of Entrepreneurial Activity on National Economic Growth', *Small Business Economics* 24(3): 311-321.
- Teddle, C. and F. Yu (2007) 'Mixed Methods Sampling A Typology with Examples', *Journal of mixed methods research* 1(1): 77-100.

- Tegegn, W. G. (2011). Socio-Demographic Determinants of Urban Unemployment: The Case of Addis Ababa Ethiopian Journal of Development Research, 33(2), 45.
- Tilak, J.B.G. (2002) 'Vocational Education and Training in Asia', The Handbook on Educational Research in the Asia-Pacific Region .Trends, Innovations and Challenges. UNESCO, IIEP, Paris.
- Tongco, M.D.C. (2007) 'Purposive Sampling as a Tool for Informant Selection'
- UNESCO. (2002). Technical and Vocational Education and Training in the Twenty-First Century: New Roles and Challenges for Guidance and Counselling. Paris:UNESCO.
- UNESCO. 1961. Conference of African States on the development of education in Africa: final report. Paris: UNESCO.
- UNICEF-WBI Course on Strategic Choices for Education Reform. 2008. CASE BRIEF Proposition The Case for TVET Program. Washington D.C. July 14-25, 2008. <http://info.worldbank.org/etools/docs/library/244426/day9The%20case%20for%20TVET%20program.pdf>
- Union, A. (2007) 'Strategy to revitalize technical and vocational education and training (TVET) in Africa', Meeting of the Bureau of the Conference of Ministers of Education of the African Union (COMEDAF II), pp29-31.
- Wilson, D. (2005) 'Promise and Performance in Vocationalised Secondary Education: Has the Baby been Thrown Out with the Bath Water?', Vocationalisation of secondary education revisited : 71-90.
- Winkler, H. January (2008) 'Projections on Requirements for Human Resources (TVET and Polytechnic Graduates) for the next 10-15 Years'. Commissioned by GTZ, Addis/Kassel/ Vellmar
- Wolf, A. (2002) 'Does Education Matter? Myths about Education and Economic Growth', Perspectives 6(4): 115.
- Worthington, R.L. and C.L. Juntunen (1997) 'The Vocational Development of Non-College-Bound Youth: Counseling Psychology and the School-to-Work Transition Movement', The Counseling Psychologist 25(3): 323-363.
- Zhang, J. and L. Zhang 'S., Rozelle, and S., Boucher, 2006. Self-Employment with Chinese-Characteristics: The Forgotten Engine of Rural China's Growth', Contemporary Economic Policy 24(3): 446-458.
- Bird, B. and M. Jelinek (1988) 'The Operation of Entrepreneurial Intentions', *Entrepreneurship Theory and Practice* 13(2): 21-29
- Ajzen, I. and M. Fishbein (1980) 'Understanding Attitudes and Predicting Social Behaviour'

Hiebert, B. and W. Borgen (2002) 'Technical and Vocational Education and Training in the Twenty-First Century: New Roles and Challenges for Guidance and Counselling', *Technical and Vocational Education and Training in the Twenty-first Century: New Roles and Challenges for Guidance and Counsellin*

Appendix 1: Interview questions for TVET graduates in Addis Ababa, Ethiopia

Interviewee profile

Age

Sex

Level of Training

1. Are you currently employed?
 - 1.1 In what type of work
 - 1.2 Why not
2. How do you perceive TVET?
 - 2.1 How does it make you feel when you did not pass the EGSECE and joined TVET institutions?
 - 2.2 Is the above question one of the reasons that made you job seeker?
 - 2.3 What do you feel about your profession, Explain?
3. What contextual factors enhanced or hindered yours (and other TVET graduates) learning and professional development?
 - 3.1 Are the curricula of TVET institutes theory-dominated?
 - 3.2 When you were in TVET institute, what did you devote most of my time on, practicing or listening to teacher's lectures?
 - 3.3 To what extent do the teachers' qualifications and quality of teaching affected your practical skills?
 - 3.4 How relevant to the world of work was the training received at the technical institutes?
 - 3.5 Would you say the curricula of TVET institutes made you job seeker?
4. Can you explain elaborately the challenges you faced in the effective preparation for the world of work?
5. Which competencies are found critical for your employment?
 - 5.1 What factors need to be considered to enhance and sustain your employability?(and also other TVET graduates) in your context?
6. Are School to work transitional services, such as employment, orinnetation, counseling, training on job search skills, referrals and job placement available in your respective institutes ?
 - 6.1 Are Job fairs and career workshops to promote and facilitate adequately the labor market demand and supply information avavliable.
 - 6.2 Was there a career couselling and placement departments to assist the graduates in finding employment and to monitor and track transition of students from school to work?
 - 6.3 Was there a monitired apprenticeship program in your repespective intitiutes?
 - 6.4 How do you get information about the labor market trend?
 - 6.5 Does this limit your ability to discover and learn about the labor market demand and skill requirements.

7. Is the prevalence of inadequate attachment between TVET institutions and companies/industries one of the factors which made TVET graduates job seekers?
8. Is there anyone in the family who was entrepreneur or is owner of some related business activities
9. What are the Provisions to borrow money for self employment?
 - 9.1 Collateral for self employment?
 - 9.2 What other opinions do you like to give on the issues discussed?
10. Why couldn't you create your own business to become an entrepreneurship after graduation?
11. Do you go to a private employment service agencies or to MOLSA to register after graduation?
 - 11.1 Why not?
12. How did you get in to self employment?
13. Have you ever taken steps to be organized to form an MSE or became member of a cooperative
 - 13.1 Why not
 - 13.2 Why did the MSE you were in break down before commencing business
 - 13.3 Who recruited you to join the MSE
 - 13.4 How did the MSE support itself after doing a project for the government, even though as you mentioned the government is always late in making payment
14. Have you ever been contacted by your institute linking you for a job opportunity?
 - 14.1 Does that happen?
 - 14.2 Does it involve preferential treatment?
15. How do you feel about the stakeholders' involvement in the TEVT training, program?
 - 15.1 Is one of the factors that make the graduates not to create their own enterprise?
16. Do you think Socio-cultural impacts has had any effect on your self-employment endeavors
17. Did you conduct the training programs based on anticipated employment rather than on planned labour need;
18. The reason you couldn't create your own business is because?
 - 18.1 Have you internalized the essence of self-employment while in the institute?
 - 18.2 Explain your know-how or expertise on how to be self-employed?
 - 18.3 Do you think networking is one of the factors to be an self employed? Explain?
 - 18.4 Is there any way you might get start-up capital other than being organized in an MSE?
19. Is the existence of poor public-private partnership is one of the factors TVET graduates not to become job creators.
20. How do you think the training (supply) system be better matched with the employment (demand) system and vice versa?

21. How do you work on your Product development and product/service quality improvement in a bid to make your enterprises produce competitive and thus help you to easily penetrate the market?
22. How do you handle issues related to purchase and maintenance of machines, equipment and tools for your MSE?
 - 22.1 Do you rent or lease?
23. How do you secure job contracts mainly from the government side?
 - 23.1 Do you think it this is a good opportunity to pursue?
 - 23.2 Do you think it is necessary to have a strategy of diversifying the market into the private sector because the current massive housing projects of the government may not continue forever?
24. How do you maintain proper record keeping system, financial management including effective utilization of loan funds, repayments and similar issues in order to sustain your enterprise?
25. If you have a business idea and prepare business plan, how do you get linked to facilities such as credit and premises?
26. Followed by enterprise creation, how are you linked in outsourcing and sub-contracting arrangements, Explain?
27. How do you evaluate the quality of training of the TVET program in equipping graduates with necessary entrepreneurial skills?
28. In your observation, to what extent did the facilities of training influence entrepreneurial skills of the graduates?
 - 28.1 What was the contribution of the qualities of trainers to the graduates' entrepreneurial Skills?
 - 28.2 Is there any attempt to commercialize business ideas of trainees that enable them to start their own business venture?
- 31 It has been observed that most of the graduates tend to be wage employment rather than self-employment. What are the reasons for such tendency?
- 32 Graduates of TVET program self employment activities have been low. What do you think of the factors that affect them?
- 33 How do you evaluate the support services in enhancing self employment ideas among trainees?