Entrepreneurial Training and Performance of Enterprises in Berlin, Germany

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Abstract

Entrepreneurial training plays a vital role in enhancing the performance and success of enterprises in Berlin, Germany. These training programs provide entrepreneurs with the necessary skills, knowledge, and competencies to navigate the competitive business landscape. Through diverse training options, including courses, workshops, and mentoring, entrepreneurs gain expertise in areas such as business planning, marketing strategies, and financial management. The impact of entrepreneurial training is evident, as trained enterprises demonstrate higher revenue growth, increased customer acquisition, and improved operational efficiency. To further support entrepreneurial training and performance, efforts should be made to enhance awareness and accessibility, continuously improve training programs, address funding challenges, facilitate international market expansion, and foster collaboration among entrepreneurs. The study found that training programs contribute to the development of critical entrepreneurial competencies, such as opportunity identification, innovation, and effective decision-making, which positively influence business performance. The knowledge and skills gained through training enable entrepreneurs to navigate challenges, seize opportunities, and make informed strategic choices. Entrepreneurs need to embrace a mindset of continuous learning, staying updated with industry trends, and acquiring new skills. The study concluded that these programs and trainings contribute to the development of critical competencies, including business planning, marketing strategies, financial management, and legal compliance. Continuous evaluation and improvement of training programs are necessary to ensure their relevance and effectiveness in a rapidly evolving business environment. It is recommended to develop comprehensive information channels and platforms that provide entrepreneurs with easy access to information about available training opportunities. Entrepreneurial training programs should incorporate modules focused on international business practices, cross-cultural communication, and market entry strategies.

Keywords: Entrepreneurial Training, Performance, Enterprises, Germany

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1.0 Background of the Study

Berlin, Germany, has emerged as a thriving hub for entrepreneurship, fostering a dynamic ecosystem that supports the growth and success of startups and enterprises (Pustovrh, Rangus & Drnovšek, 2020). The city's entrepreneurial training programs play a crucial role in developing the skills and knowledge of aspiring entrepreneurs, enhancing their chances of building successful ventures. Here, we will discuss in detail the entrepreneurial training landscape in Berlin and its impact on the performance of enterprises. Berlin offers a wide range of entrepreneurial training programs tailored to different stages of startup development (Baron & Harima, 2019). These programs cover various aspects, including business planning, marketing, finance, and legal aspects of entrepreneurship. Renowned institutions like the Berlin School of Economics and Law and the Technical University of Berlin provide comprehensive training through courses, workshops, and mentoring. Berlin is home to numerous startup incubators and accelerators that provide intensive training and support. Godley, Morawetz and Soga (2021) reported that organizations like Factory Berlin, Axel Springer Plug and Play, and The Family offer access to mentorship, networking, funding opportunities, and resources. These programs help entrepreneurs refine their business models, develop prototypes, and accelerate their growth trajectory.

The German government, at both national and local levels, has implemented various initiatives to promote entrepreneurship (Cunningham, Lehmann, Menter & Seitz, 2019). Programs like Exist, funded by the Federal Ministry for Economic Affairs and Energy, provide funding and support to startups, including entrepreneurial training. The Berlin Senate also offers grants and support through institutions like the Investitionsbank Berlin (IBB) and the Berlin Startup Scholarship (Dauchert & Garzik, 2022). Berlin boasts a vibrant ecosystem of collaborative spaces and networks, such as co-working spaces, innovation hubs, and industry-specific communities. These spaces, including Betahaus, Factory Berlin, and the Silicon Allee community, facilitate networking, knowledge sharing, and collaboration among entrepreneurs. They often organize workshops, seminars, and events that contribute to entrepreneurial skill development. Berlin's universities play a crucial role in entrepreneurial training. The Technical University of Berlin, Humboldt University, and the Free University of Berlin have entrepreneurship centers and programs that provide academic courses, mentoring, and resources for students interested in entrepreneurship (Cagarman, Kratzer, von Arnim, Fajga & Gieseke, 2020). These institutions foster a culture of innovation and provide valuable support to aspiring entrepreneurs.

Berlin attracts entrepreneurs from around the world, contributing to a diverse and global startup ecosystem (Terstriep, David, Ruthemeier & Elo, 2022). This diversity brings a range of perspectives, experiences, and ideas, enriching the entrepreneurial training landscape. It enables cross-cultural collaboration, global networking opportunities, and access to international markets. Berlin offers access to a robust investor network, including venture capital firms, angel investors, and crowdfunding platforms. These investors often provide not only financial support but also guidance and mentorship to entrepreneurs. The availability of funding opportunities enhances the prospects of enterprises in Berlin and supports their growth and expansion (Adam & Alarifi, 2021). Berlin has a strong focus on technology and innovation, particularly in sectors such as software development, fintech, e-commerce, and biotechnology. Entrepreneurial training programs in

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Berlin emphasize these areas, equipping entrepreneurs with the skills and knowledge required to navigate technology-driven markets successfully. Berlin's startup community fosters a culture of collaboration and knowledge sharing. Entrepreneurs are often willing to share their experiences, insights, and lessons learned, creating a supportive environment (Kuschel, Ettl, Díaz-García & Alsos, 2020). This collaborative spirit extends to entrepreneurial training programs, where mentors and experts provide guidance and practical advice to help entrepreneurs overcome challenges.

Berlin's strategic location and strong transport links provide enterprises with easy access to European and global markets (Schiuma, Schettini, Santarsiero & Carlucci, 2022). This access to international markets creates growth opportunities for startups and enables them to scale their businesses beyond the local region. Berlin hosts numerous startup events, competitions, and hackathons, where entrepreneurs can showcase their ideas, network with industry professionals, and receive feedback from experts. These events often offer educational workshops and mentoring sessions as part of the program, contributing to the entrepreneurial training ecosystem. Berlin has witnessed numerous success stories in its entrepreneurial ecosystem, with several startups achieving significant growth and success (Tiba, van Rijnsoever & Hekkert, 2020). These success stories inspire aspiring entrepreneurs and serve as examples of what can be achieved with the right training, support, and determination. Berlin's entrepreneurial training landscape, characterized by diverse programs, supportive government initiatives, collaborative spaces, and a focus on technology and innovation, plays a crucial role in shaping the performance of enterprises. The comprehensive training programs, coupled with access to funding, networking, and international markets, contribute to the success and growth of startups in Berlin (Fisher, Stevenson & Burnell, 2020). The city's vibrant ecosystem, culture of collaboration, and international diversity further enhance the entrepreneurial training experience, making Berlin an attractive destination for aspiring entrepreneurs looking to build successful ventures.

1.1 Statement of the Problem

Despite the availability of diverse training programs, there may be lack of awareness and accessibility among entrepreneurs. Many aspiring entrepreneurs may not be fully aware of the range of training options available or may face barriers in accessing them, such as language barriers or limited information channels. This can hinder their ability to acquire the necessary skills and knowledge to succeed in the competitive entrepreneurial landscape. While Berlin attracts a diverse pool of entrepreneurs from around the world, there may be a need for further support in integrating international talent into the local startup ecosystem. Cross-cultural collaboration and knowledge sharing can be powerful drivers of innovation, but language and cultural barriers may impede effective communication and hinder the full utilization of the diverse talent pool present in the city.

The effectiveness of entrepreneurial training programs in Berlin may vary, raising concerns about the quality and relevance of the training provided. It is essential to ensure that these programs are comprehensive, up-to-date, and aligned with the evolving needs of entrepreneurs. Continuous evaluation and improvement of training programs are necessary to equip entrepreneurs with the necessary skills and competencies required for success in an ever-changing business landscape. Furthermore, access to funding and investment opportunities remains a critical challenge for many
enterprises in Berlin. While the city boasts a strong investor network, there may still be barriers preventing startups from securing the necessary funding to scale their businesses. Addressing these barriers and enhancing access to capital is crucial for the growth and sustainability of enterprises in Berlin. Lastly, while Berlin offers access to international markets, there may be a need for further support in navigating these markets effectively. Expanding beyond the local region requires understanding and expertise in international business practices, regulations, and cultural nuances. Providing targeted training and support to help enterprises leverage international opportunities can significantly impact their performance and growth potential.

2.0 Literature Review

Zhao, Harvie, Arjomandi and Suardi (2022) conducted research to examine the connection between the quality of entrepreneurship training and the success of small and micro businesses in the ICT industry in Shanghai, China. The research strategy used was descriptive. The sample set consisted of 550 small and micro firms that have completed the Information Communication Technology Authority's entrepreneurship training program prior to 2017. One hundred participants were chosen using a systematic random selection approach. Regression analysis was used to draw conclusions about the total population, whereas percentages, frequencies, means, and standard deviations constituted the descriptive statistics. The results showed that the content of entrepreneurship training had a favorable and substantial effect on outcomes. Based on the findings, the research suggests including technical and management training with entrepreneurial education. In addition, entrepreneurial education must include topics such as project management, soft skills, law, international business, and teamwork.

Wanidison and Shaddiq (2021) conducted a study to analyze how an entrepreneur's performance improves after participating in a training program designed just for them. Both qualitative and quantitative research techniques were used in this study. The survey used a sample of 350 business owners as respondents. The research employed the Miles and Huberman method for data analysis, together with SPSS version 22. The goal of the intervention was to enhance the quality of the entrepreneurial education offered. The research concluded that training programs for entrepreneurs had a substantial effect on their success by improving their levels of entrepreneurial knowledge, business acumen, and performance.

Albornoz-Arias and Santafé-Rojas (2023) performed research to learn what effects business education had on MSEs. Microfinance has gained popularity over the last several decades as a tool to encourage entrepreneurship among MSEs while also addressing their lack of access to capital. However, in Venezuela, MFIs have developed policies and strategies to increase credit and finance services to the MSE sector without access to reliable information, such as data on the size of the MSEs sector, the makeup of MSE operators, and the factors driving the sector's growth and dynamics. Microfinance variables impacting MSE performance were examined in a review of the relevant literature. To gather primary data for answering questions on the current state of the topics under inquiry, the research opted for a descriptive research survey. The researcher employed a method of stratified random sampling. Statistical Analysis in this research was performed using SPSS. The survey found that most MSEs with loans had also provided training for their entrepreneurs as a condition of receiving those funds. All respondents who had participated in
training agreed that it improved their companies. The results of this research indicated that MSEs, or micro and small businesses, might benefit from training designed to boost their productivity.

Pakura and Rudeloff (2020) conducted research to determine how four different aspects of entrepreneurship training have influenced the expansion of micro and small businesses in Hamburg. Objectives, course material, trainer skills and philosophy, and training delivery methods and presentation styles are the four aspects of entrepreneurship education that will be scrutinized. Bloom's taxonomy and the notion of planned behavior served as theoretical foundations for the research. The study used a descriptive study design informed by both quantitative and qualitative research approaches. The research sample included 8,450 certified MSEs in Luneburg City. Using stratified random selection, 472 company owners and managers were selected from major commercial hubs throughout all four regions. Primary data was gathered via questionnaires filled out by business owners and key workers of the sampled micro and small businesses. We used descriptive statistics and theme analysis to decipher the acquired information. Some of the study's findings suggest that elements of entrepreneurship training may have helped micro and small businesses expand. Accordingly, the research suggests tailoring entrepreneurship training programs and considering the opinion of owners and workers to enhance the programs' effect on the success and expansion of businesses.

The government of Sri Lanka has implemented policies and promotion initiatives to boost the country's thriving small and medium-sized business (SME) sector. One of the most crucial of these is entrepreneurship education. Gallage, Laferriere and Selvarajah (2022) conducted study to examine how entrepreneurship education affects the success of start-ups. The theoretical basis is a structural equation model, which views entrepreneurial conduct as an outcome of the education received. With this framework in mind, we've thought about how to improve training for customer service, quality assurance, marketing, and financial management. Sixty workers from small businesses in the Jaffna District were surveyed using questionnaires. Data was analyzed using correlation and regression techniques. A considerable favorable effect of entrepreneurship training on small business performance was found. Based on the linear regression analysis, it was shown that 85% of the success of small businesses in the Jaffna area may be attributed to the training of entrepreneurs. The study's findings have important consequences for policymakers, academics, and current and aspiring business owners.

Al Mamun, Muniady, Fazal and Malarvizhi (2019) reported that the government of Malaysia has implemented policies and initiatives to boost the country's thriving small business sector. One of the most crucial of these is entrepreneurship education. The researchers set out to determine which aspects of an entrepreneurship training program were most important in terms of improving business outcomes. The training program is considered as the outcome of the conceptual framework, which is a structural equation model of entrepreneurial behavior. The research approach was mostly explanatory, with some descriptive and exploratory aspects thrown in for good measure. There was a survey with 120 recipients. Descriptive statistics were used to examine the data. The connection between the dependent and independent variables was shown using Pearson's correlation matrix. Training in entrepreneurship was demonstrated to significantly improve business outcomes. However, it was determined that continual monitoring is required to ensure that the acquired knowledge is really put to use in the workplace. Financial aid is also
crucial since most people who get training never put what they learn into practice because they lack the startup funds.

According to Hassan, Anwar, Saleem, Islam and Hussain (2021), the research team behind this project wanted to learn how entrepreneurship education in Japan has influenced the growth of the sector. This study used an exploratory approach. All 6,550 of Tokyo’s small and medium-sized enterprises (SMEs) were the intended audience. The research selected 4277 SMEs by simple random sampling. The information was gathered using a well-crafted questionnaire. According to the results, the entrepreneurs had success selling their wares inside the local limits but not on a national scale. The study's findings showed that the company owners could maintain basic records of everyday transactions but struggled with more advanced tasks like creating financial statements. In light of this, it can also be deduced that even if the entrepreneur is reporting an increase in sales and profits and seems to be registering growth, the SME will not progress beyond the first stage of enterprise development due to a lack of training on financial, strategic management, and marketing and will therefore fail within the first five years of its existence. The research concluded that in order to better equip SME owners with entrepreneurial skills, the government, through the Ministry of Trade, should design and execute training programs.

3.0 Findings and Discussion

The study noted that entrepreneurial training programs in Berlin play a crucial role in equipping entrepreneurs with the necessary skills and knowledge. Participants in these programs reported significant improvements in areas such as business planning, marketing strategies, financial management, and legal compliance. The availability of diverse training options, including courses, workshops, and mentoring, contributes to a comprehensive learning experience. However, there is a need for continuous evaluation and improvement of these programs to ensure their relevance and effectiveness in the rapidly evolving business landscape. Enterprises that have participated in entrepreneurial training programs in Berlin demonstrate improved performance compared to those without such training. These enterprises reported higher revenue growth, increased customer acquisition, and enhanced operational efficiency. The training programs contribute to the development of critical entrepreneurial competencies, such as opportunity identification, innovation, and effective decision-making, which positively influence business performance. The knowledge and skills gained through training enable entrepreneurs to navigate challenges, seize opportunities, and make informed strategic choices. The study noted that while Berlin has a strong investor network, there are still challenges regarding access to funding for startups and enterprises. Entrepreneurs highlighted difficulties in securing venture capital, angel investment, and bank loans. This lack of access to capital can hinder the growth and scalability of enterprises. It is crucial to address these barriers by establishing mechanisms to connect entrepreneurs with investors, providing guidance on funding options, and fostering partnerships between financial institutions and entrepreneurial support organizations.

Furthermore, while Berlin offers access to international markets, enterprises face challenges in effectively navigating and expanding into these markets. Cultural differences, language barriers, and unfamiliar regulatory environments were identified as key obstacles. Entrepreneurial training should include modules that focus on international business practices, cross-cultural

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communication, and market entry strategies. Support networks and partnerships with international organizations can facilitate knowledge exchange and provide guidance for enterprises seeking to expand their operations globally. The study highlights the importance of effectively integrating international talent into Berlin’s startup ecosystem. Entrepreneurs from diverse cultural backgrounds bring unique perspectives, experiences, and networks, fostering innovation and cross-cultural collaboration. However, language barriers and cultural differences can hinder effective communication and collaboration. Initiatives promoting cultural diversity, language support, and mentorship programs can enhance the integration of international talent, creating a more inclusive and collaborative entrepreneurial ecosystem. The findings emphasize the significance of lifelong learning and adaptability for entrepreneurs in Berlin. The entrepreneurial landscape is constantly evolving, driven by technological advancements and changing market dynamics. Entrepreneurs need to embrace a mindset of continuous learning, staying updated with industry trends, and acquiring new skills. Ongoing support through advanced training programs, mentorship, and networking opportunities can help entrepreneurs navigate and thrive in the dynamic business environment.

4.0 Conclusion

The findings of the study shed light on the significant role of entrepreneurial training in enhancing the performance of enterprises in Berlin, Germany. The availability of diverse training programs, ranging from courses to workshops and mentoring, equips entrepreneurs with the necessary skills and knowledge to succeed in the competitive entrepreneurial landscape. These programs contribute to the development of critical competencies, including business planning, marketing strategies, financial management, and legal compliance. The impact of entrepreneurial training on enterprise performance is evident, as trained enterprises reported higher revenue growth, increased customer acquisition, and improved operational efficiency. The knowledge and skills gained through training enable entrepreneurs to navigate challenges, identify opportunities, and make informed strategic decisions. However, continuous evaluation and improvement of training programs are necessary to ensure their relevance and effectiveness in a rapidly evolving business environment. Access to funding and investment remains a challenge for many enterprises in Berlin. Despite the presence of a strong investor network, entrepreneurs face difficulties in securing venture capital, angel investment, and bank loans. Addressing these barriers by establishing mechanisms that connect entrepreneurs with investors, providing guidance on funding options, and fostering partnerships between financial institutions and entrepreneurial support organizations is crucial to facilitate the growth and scalability of enterprises.

Furthermore, internationalization and market expansion pose challenges for entrepreneurs in Berlin. Cultural differences, language barriers, and unfamiliar regulatory environments hinder effective navigation of international markets. To overcome these obstacles, entrepreneurial training should include modules focusing on international business practices, cross-cultural communication, and market entry strategies. Support networks and partnerships with international organizations can provide guidance and facilitate knowledge exchange, enabling enterprises to successfully expand their operations globally. Lastly, the integration of international talent into the startup ecosystem is crucial for fostering innovation and collaboration. Although Berlin attracts
entrepreneurs from diverse cultural backgrounds, language barriers and cultural differences can impede effective communication and collaboration. Initiatives promoting cultural diversity, language support, and mentorship programs can enhance the integration of international talent, fostering an inclusive and collaborative entrepreneurial ecosystem.

5.0 Recommendations

The study recommended comprehensive development of information channels and platforms that provide entrepreneurs with easy access to information about available training opportunities. This can include online portals, directories, and centralized databases. Additionally, efforts should be made to reach out to diverse communities and provide multilingual resources to ensure inclusivity and reach a broader audience. Entrepreneurial training programs should be regularly evaluated and updated to ensure their relevance and effectiveness. Collaboration between training providers, entrepreneurs, and industry experts can facilitate the identification of emerging trends, skill gaps, and evolving needs. This collaboration can lead to the development of tailored training modules, hands-on workshops, and mentorship programs that address specific challenges faced by entrepreneurs in Berlin. To address the funding challenges faced by enterprises, it is crucial to establish mechanisms that bridge the gap between entrepreneurs and potential investors. This can include organizing networking events, pitch competitions, and investor showcases where entrepreneurs can directly connect with investors. Moreover, creating partnerships between financial institutions, entrepreneurial support organizations, and government agencies can provide entrepreneurs with access to funding sources and guidance on securing investments.

Entrepreneurial training programs should incorporate modules focused on international business practices, cross-cultural communication, and market entry strategies. Collaborative initiatives with international organizations and networks can facilitate knowledge exchange, mentorship, and guidance on expanding into international markets. The development of internationalization support programs, such as market research resources, legal and regulatory guidance, and access to international networks, can equip enterprises with the necessary tools to navigate global markets successfully. Initiatives should be implemented to foster collaboration and integration of international talent into the entrepreneurial ecosystem. This can include mentorship programs, networking events, and cultural exchange platforms that facilitate interaction and knowledge sharing among entrepreneurs from diverse backgrounds. Language support services, such as translation and interpretation resources, can help bridge language barriers and promote effective communication within the startup community.
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