

EVALUATING THE ROLE OF COACHING ON DEVELOPING ENTREPRENEURIAL SELF-EFFICACY

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ABSTRACT

Coaching as a modality of entrepreneurial support allows the development of the entrepreneur's skills in particular entrepreneurial self-efficacy. The idea of this paper is to give a perspective of the coaching on the development of the entrepreneur's self-efficacy. To do so, we are going to review the literature allowing us to fix our theoretical and practical frame. Our results show that the received coaching has an impact on the development of the entrepreneurial self-efficacy.

Keywords

Coaching, self-efficacy, entrepreneurial self-efficacy

1. Introduction

Since the middle of 2000s, the question of support has been approached by researches in entrepreneurship (Léger-Jarniou and Saporta, 2006). It wins a big importance in the field of the entrepreneurship (Bruyat, 2001). Since a few years, Tchouassi (2005) has indicated the appearance of a new shape of entrepreneurial support called « coaching » which witnesses a considerable development. The coaching has an important place in the business world.

In the area of entrepreneurship, the scientific literature on the theme defines coaching as a shape of support on the individuals, based on a relation of collaboration between the coach and the coachee, represents one of the forms which concerns the twinning of an entrepreneur for one more experimented person (Audet and Couteret, 2006). The literature on the theme shows that the coaching is useful particularly as far as it assures the professional development as an effect brought with the coachee (Cloet, 2006 ; Vernazobres, 2006b ; Damart and Pezet, 2008 ; Grant, 2007...). However, we do not find researches which consider the effect of coaching for the entrepreneurs. This question has an embryonic character (Lowman, 2005; Baron and Morin, 2010). Its contents remain bound most of the time to clear up this practice (Audet and Couteret, 2006 ; Bayad and Persson, 2007). Thus, it is interesting to analyze the effect of coaching on the entrepreneurs. It is in this perspective that we opt to emphasize this gap by focusing particularly on the notion of self-efficacy as a result of this relation of coaching (Hernandez, 2005 ; Vernazobre, 2008).

So such a study is interested, by means of an empirical study, to give clarification to this gap. The objective is essentially to verify if the coaching constitutes a determiner of the development of the entrepreneurial self-efficacy.

2. Literature review

We shall begin by presenting the literature concerning the evaluation of coaching as a new modality of entrepreneur's support. Afterwards We shall approach the entrepreneurial self-efficacy before presenting the hypothesis which we shall test during the research.

2.1 Issue of coaching

The coaching has a great interest for the entrepreneurs. The importance allocated to this new modality of entrepreneurial support is bound to the advantages brought by the coaching of the entrepreneurs (Barès and Persson, 2011 ; Audet and Couteret, 2005).

Cocaching is defined as an individual support of the entrepreneurs in phase of starting up or young growth, which aims at the acquisition or at the development of skills by learning in one or several particular domains of management (Persson-Gehin, 2005), and as an individual support which addresses the entrepreneurs whose company is in phase of starting up or young growth and which answers particular needs for acquisition, for development as well as for improvement of the necessary skills to manage the company (Fortier, 2003); the coaching represents a specific modality of support which has multiple beneficial effects (Abonneau, Campoy ; 2012). Undoubtedly, it is a shape of support adapted to the entrepreneur so allowing them to develop their skills of management and to learn through the action with the support of a more experimented person (Couteret, St-Jean and Audet, 2006).

Generally, the coaching of the entrepreneur allows to develop, from a process of learning, various entrepreneurial behaviors. It allows the entrepreneur to develop their own capacities and skills to manage the company, to improve its efficiency to carry out certain tasks or still increase their self-confidence. The coaching consists in working on the register to awakening entrepreneur's skills (Persson and Barès, 2009).

2.2 Entrepreneurial self-efficacy

Self-efficacy establishes a judgment of what a person thinks he can realize with his skills (Bandura, 1986). This capacity is not necessarily just a representation of the capacities of the person, but it is going to influence the choice of his activities. Indeed, a person more easily tends to turn to activities he can perform (Bandura, 1977 ; 1986).

The concept of self-efficacy was among the objectives of research bound to the organization and the management in a general way. Recently, it has been investigated in the entrepreneurial field (Boyd and Vozikis, 1994 ; Krueger and Brazeal, 1994; Scherer et al, 1989) where it is called entrepreneurial self-efficacy. Entrepreneurial self-efficacy is based on the socio-cognitive approach which examines simultaneously the dynamic interaction between the individual and the environment by explaining which cognitive, motivational and emotional process are involved in the decision of an individual to make a commitment in entrepreneurial activities (Baron, 1998 ; Shane and Venkataramen, 2000 ; Baron, 2004).

In the literature, several approaches tried to define the concept of entrepreneurial self-efficacy. De Noble et al (1999) define the entrepreneurial self-efficacy as a construction which measures the confidence that one person has in his own capacities to pursue an opportunity allowing him to create a new entrepreneurial project.

As for Baron (2004), the entrepreneurial self-efficacy is defined as « belief in one's ability to muster and implement necessary resources, skills, and competencies to attain levels of achievement ». As for Zaho and al (2005), they define the entrepreneurial self-efficacy as the belief of the entrepreneurs and their confidence in their capacities to realize activities and develop an entrepreneurial behaviour.

More recently, the entrepreneurial self-efficacy is seen, according to McGee, Peterson et al (2009), as a construction measuring the belief of a person in their capacity of fulfilling successfully an entrepreneurial adventure.

Generally speaking, entrepreneurial self-efficacy represents what the individual thinks he can realize with his skills. It is developed through the acquisition of skills necessary for the act to begin.

2.3 Coaching and entrepreneurial self-efficacy

The contribution of modelling self-efficacy has received a strong support. Zaho et al (2005) underline that the self-efficacy of the entrepreneur is influenced by the program of support which is presented to him. Furthermore, the recent research suggests that the entrepreneurial self-efficacy of a person can be raised by the training, so improving potentially the development of the entrepreneurial activities (Florin, Karri and Rossiter, 2007). Compared to other areas of research, the development of self-efficacy in the context of coaching did not receive much attention unlike research carried out in the context of mentoring (Couteret and Audet, 2008).

In fact, the self-efficacy is particularly visible in the process of coaching. Indeed, Zeus and Skiffington (2003) underline that the coaching is based on the development of the skills, in particular its role in the improvement of the individuals' self-efficacy. In this perspective, in his relation of coaching, the coachee could see awarding tasks or challenges by his coach to increase his skills (Cull, 2006 ; Kim, 2007).

Also, it is clear that the coaching constitutes a way of development and change of the individual (Jarvis, 2004). Irwin and Morrow (2005), quoted in Hunt (2010), provide in their turn the following example to show that the self-efficacy can be encourage by the coaching « *consider the case of a client who is avoiding confronting a relationship in which she has been mistreated. It is conceivable that their self-efficacy is low; even more, that they feel responsible for inducing the mis-treatment. An important role for the coach is to encourage the client to be in the moment, to get her to experience the 'now' as merely where she is in her*

life without judgment, without detracting from their self-efficacy ».

As it is indicated by Johannisson (1991), the presence of models of role favors the development of the self-efficacy. In this sense, Van Auken and al (2006) underline that the models of role affect positively the development of the entrepreneurial self-efficacy. In this lineage, it is possible to refer to the works of Scherer and al (1989) who note that the model of role influences positively the level of self-efficacy specific to the entrepreneur. Dingman (2004) has brought a positive relation between the coaching and the self-efficacy of the entrepreneurs. This is approved by Audet et al (2004), Vernazobre (2008) and still Bayad et al (2010) who support the role which plays the coaching on developing entrepreneurial self-efficacy. They insist on the role that coaching plays to increase the entrepreneur's self-efficacy. Finally, an entrepreneur having a high level of self-efficacy would then be more inclined to believe in his capacity to meet the challenge or the tasks proposed by his coach and, therefore, to realize them (ST-Jean, 2009).

In the light of these papers, it seems important to study the link between the coaching of the entrepreneur and the development of his self-efficacy. Consistently, the following hypothesis is formulated:

Hypothesis: there is a positive and significant relation between the coaching of entrepreneur and the development of his entrepreneurial self-efficacy.

3. Methodology

The sample of our study is consists on the entrepreneurs who are registered in a free way in the program of coaching within the incubator. They include entrepreneurs of the incubator and individual entrepreneurs.

Data is acquired through a list of the statements proposed to 262 Tunisian entrepreneurs who are registered in a free way in the program of coaching within the incubator in certain Tunisian cities; the questionnaire was managed according to our selected sample. The subjects who participated in the experiment are 99 women (37, 8%) and 163 men (62, 2%).

Initially, we were interested in the validation of the questionnaire and thereafter the methods of data analysis, and the validity of the assumption of the research. To measure our variables of search, entrepreneurial self-efficacy and received coaching, we used several scales. The best way to measure entrepreneurial self-efficacy is to combine sub-scales developed by De Nobles *et al.* (1999) and those by Anna *et al.* (2000). These measures are determined from the literature. It is a question of: Defining Core Purpose (De Noble, Jung and Ehrlich, 1999), Opportunity Recognition (Anna *et al.*, 2000), Human/conceptual Competence (Anna *et al.*, 2000), Planning (Anna *et al.*, 2000) and Financial competences (Anna *et al.*, 2000).

For received coaching, we have made an appeal among sessions receipt. So, a number of items are retained to measure every dimension of the entrepreneurial self-efficacy and the number of sessions of receiving coaching and thus the scale of measure is formed by a scale of Likert at 5 points varying from a very unfavorable report to a very favorable opinion for the entrepreneurial self-efficacy and of 1=6 or less until 5=28-32 meetings of the sessions of receiving coaching.

In addition, a principal component analysis (PCA) is recommended in our study because each dimension of entrepreneurial self efficacy is measured by a number of items. After that, the validation of assumptions will be made by the linear regression.

4. Results

Before presenting the result of the test of our assumption of research, we shall present the dimensionality and the coherence interns of the factors of the entrepreneurial self-efficacy.

4.1 Study of the scale of entrepreneurial self-efficacy

The factorial analysis allowed us to confirm the multi-dimensional structure of the presented scale which resumes 14 original items of the scale. The measure of Kaiser-Meyer-Olkin indicates a statistically acceptable value (KMO = 0,653) and the test of Bartlett is significant.

The quality of representation of the items is good. The matrix of components after rotation Varimax shows that items are grouped together under five dimensions: Defining Core Purpose, Opportunity Recognition, Planning, Financial Competence, and Human/conceptual Competence. The factorial analysis allows to explain 72,023% of the variance of the concept. Besides, the internal reliability for each of these dimensions shows that the Alphas of Cronbach are superior to 0, 6 after the elimination if the item 15.

4.2 Test of assumption

The supposed relation is tested by the linear regression. The results come to confirm the influence of received coaching on the development of entrepreneurial self-efficacy, but not on all the sub-measures. Among the significant sub-measures, we can mention Defining Core Purpose, Opportunity Recognition, Planning and Human/conceptual Competence. This result thus comes to confirm that there is a significant and positive relation between these two variables. We can conclude that the hypothesis is partially verified as shown in the following table.

Table1: Linear regression

Explanatory variable Variables to explain	Received coaching		
	β	p	t
Defining Core Purpose	0,128	0,038	2,085
Opportunity Recognition	0,124	0,044	2,021
Human/conceptual Competence	0,124	0,045	2,014
Planning	0,164	0,08	2,677
Financial competences	-0,272	0,000	-4,564

**p< 0,05 (significant)

5. Discussion and conclusion

The obtained results come to confirm at first the influence of the coaching on the development of the entrepreneurial self-efficacy of the coachee. Our results reflect the existence of a positive and significant relation between the coaching and the development of the self-efficacy of the entrepreneurs, but not on all the sub-measures. These results agree with the results of Cull (2006), Kim (2007), Dingman (2004) as well as Van Auken et al (2006). It is noted that the more the number of sessions of coaching increases, the more the entrepreneur will be capable of improving his skills and of developing them. These meetings between the coach and his protégé is based generally on the communication and the discussion.

Indeed, the fact of being in relation of coaching the entrepreneur can improve the definition of his fundamental objective. This is explained in the entrepreneurial literature by the clarification of the vision of his business (Filion, 1991). As it noted by certain authors (Gravells, 2006; Pitts, 2008; Thompson and Downing, 2007) being coupled with one more experimented person the protégé improve his initial vision and develop new perspectives.

What is more, the coaching participates in the improvement of the development of the self-efficacy of the entrepreneur by acting on the recognition of opportunity. Indeed, the entrepreneur will be more competent to identify and to discover new business opportunities relying on the recommendations and the advice presented by his coach.

Also, as it contributes in increasing the self-efficacy of the entrepreneur, the coaching participates in the development of the human and conceptual skills of the entrepreneur. So, the entrepreneur will be more capable of overseeing, managing and motivating his employees. Moreover, he will have capacities to improve the atmosphere and the working conditions within the company.

On the other hand, the development of the entrepreneurial self-efficacy improves the quality of planning at the entrepreneurs. This can be explained by the fact that the presence of the coach is going to help the entrepreneur to plan his company and still to validate this plans.

This research was able to illustrate the influence of the coaching on certain measures of self-efficacy, however it is clear that the entrepreneurial self-efficacy to manage financially the company is not influenced by the coaching. This can be explained by the fact that the coaching cannot be useful to help the entrepreneur to develop his skill to better manage the company financially.

Finally, considering the importance of the coaching in the development of the self-efficacy of the entrepreneurs, raising awareness of the coaching as a modality to support the entrepreneur will be thus vital.

As a recap, this study allowed us to verify the effect of the coaching on the development of the entrepreneurial self-efficacy of the entrepreneurs. The obtained results allow us to confirm partially the significant and positive relation between the received coaching and the entrepreneurial self-efficacy. This partiality is shown in the absence of influence at the level of the measure concerning the financial competence.

However, several avenues of research can be envisaged to overcome the main limits of this study. It is a question, indeed, of applying a longitudinal study to determine if these relations come true in time. This longitudinal study allows to measure the self-efficacy before entering into a relationship of coaching and after the end of the relation. Moreover, it is possible to duplicate our sample of research on other bodies of support and even in other regions.

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