

Training helps entrepreneurs achieve 72% increase in revenue growth, new research finds

- *New research developed by the Singapore Management University, INSEAD and HEC Paris shows the positive and tangible impact of training entrepreneurs in growth-catalyst tools*
- *Study insights could help policy-makers shape future initiatives to support entrepreneurs*
- *The paper is forthcoming in Strategic Management Journal*

Singapore, 18 July 2022 – New research by academics from leading business schools Singapore Management University (SMU), INSEAD and HEC Paris demonstrate how growth training helps entrepreneurs achieve increased revenues for their ventures. This research project, developed by Prof Reddi Kotha (SMU), Prof Bala Vissa (INSEAD), Yimin Lin (SMU) and Prof Anne Valerie Corboz (HEC Paris), was funded by the Singapore government’s Ministry of Education research grant.

According to the research paper, titled “[Do Ambitious Entrepreneurs Benefit More from Training?](#)”, training in growth-catalyst tools helped entrepreneurs achieve a 72% increase in their ventures’ revenues; which is about 40% more than entrepreneurs who did not receive such training. Additionally, the paper also showed that ventures led by entrepreneurs with more ambitious growth expectations experienced revenue growth of about 100% compared to 10% for those who had not received training.

Research findings are based on an extensive field experiment involving interactive training sessions, workshops and personalised coaching which was delivered to 103 Singapore-based entrepreneurs, out of the 181 entrepreneurs participating in the study (the remaining 78 made up the study’s control group). The entrepreneurs, who were running new ventures, received training in three specific areas, or growth-catalyst tools, relevant for formulating and executing innovation-led growth: business-model design, leveraging external networks, and building internal teams.

The paper, which is forthcoming in *Strategic Management Journal*, also looked at other success measures like a venture’s “survival rate,” in other words, the likelihood that a start-up will survive. According to the study’s findings, ventures whose founders attended had a survival rate of 50 percent against the 36 percent survival rate of ventures led by entrepreneurs who had not been trained in growth-catalyst tools.

Surprisingly, previous research on the impact of training on entrepreneurs and their ventures had provided mixed results - a few studies did find a positive impact of training whilst many others failed to do so. The authors of this study suggested that the prior mixed findings are a reflection of at least two factors: (i) many prior studies were conducted in emerging economies where entrepreneurship is often necessity-based; (ii) entrepreneurs with diverse growth ambitions may have been lumped into the same training intervention with narrower content.



Prof Vissa comments, “our research suggests that perhaps training interventions for entrepreneurship in mature market economies need to be tailored differently for entrepreneurs who value growth versus those who value autonomy or control”.

The authors of the study argue that their findings can support policymakers when designing initiatives to support entrepreneurs. “Fast-growing new ventures founded by opportunity-seeking entrepreneurs benefit society because they are key sources of jobs and innovation that boost economic prosperity,” says Prof. Corboz, citing business and management experts.

“We hope our work encourages new research on entrepreneur training and inform policymakers to draw new plans to help entrepreneurs, as they are key drivers of economic growth,” adds Prof Kotha.

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