



# MICRO-CREDENTIALS IN ENTREPRENEURSHIP EDUCATION: FAD OR FUTURE?

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If you had to enrol in a 3- or 4-year degree right now,

Would you be able to balance it with your current work, business, or personal life?

For many, the answer is **no**.

But what if you could take a short, focused course -

- tailored to your immediate needs,
- flexible,
- practical,

and designed to fit around your schedule?

**That is where micro-credentials come in.**

# UNEMPLOYMENT & SME CHALLENGES

- The unemployment rate in South Africa in quarter 4 of 2024 is 31,9%
- 9.6% of graduate students unemployed
- South Africa had 2.67 million small and medium sized businesses (SMEs), employing 11.4 million individuals
- Despite their contribution to employment, SMEs face a 7.9% discontinuation rate, primarily due to a lack of profitability

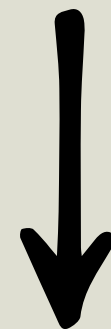
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These statistics underscore the urgent need for educational programs to equip entrepreneurs with the skills necessary to sustain and grow their businesses

***Higher Education Level+More Skills = Higher Employment+Higher Income***

Informal learning also contributes to employment, which is more affordable and less time consuming than acquiring formal education (OECD, 2024).

Yet, earning a university degree remains one of the most reliable indicators of knowledge, skills, and intellectual capability



**This has led to the increase interest and need  
for micro-credentials**





# What is a micro-credential?

- Micro-credentials are defined as competency-based learning models that showcase evidence of mastery in specific skills or knowledge areas (Alamri, Watson, S., & Watson, W, 2021).
- These credentials also focuses on a specific knowledge area within a short time frame (Suny, 2019).
- Entrepreneurship: a competency based model that focuses on the skills necessary to start a new businesses or develop an entrepreneurial mindset
- Micro-credential course may or may not be credit bearing like accredited courses in HEIs.
- In some HEIs it may be stackable to accumulate module outcomes which may or may not result in module exemption in a course (O'Leary, Dooley, & McCarthy, 2022).



# THEORIES RELATED TO MICRO-CREDENTIALS IN ENTREPRENEURSHIP

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- **Human Capital Theory** – Education enhances skills + productivity, leading to higher lifetime earnings that outweigh the costs of their educational investment
- **Signaling Theory** – Credentials signal demonstrate their skills, capabilities, and credibility, which can enhance their appeal to various stakeholders such as potential investors, customers, and business partners.

# WHY THE RISE IN MICRO-CREDENTIALS?

- ① The high cost of traditional higher education qualifications
- ② The growing mismatch between institutional offerings and industry needs
- ③ Shifting learner preferences toward more flexible, efficient, and skills-focused learning pathways.
- ④ Micro-credentials are generally shorter in duration or workload (Walsh, 2021),

# WHY THE RISE IN MICRO-CREDENTIALS?

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More targeted in terms of competencies and subject matter (Ralston, 2021)

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More adaptable in curriculum and delivery compared to conventional degree programmes (OECD, 2024)



## RESEARCH QUESTIONS

*“ How do entrepreneurs and SME business owners perceive the effectiveness and practicality of micro-credentials in developing entrepreneurial and business management skills compared to traditional business degrees? ”*

R  
Q

## Secondary research questions

- 1 What factors influence entrepreneurs' and SME business owners' decisions to pursue micro-credentials instead of or alongside traditional business degrees?
- 2 How do entrepreneurs' and SME business owners' perceive the value of micro-credentials in addressing specific challenges they encounter in running and growing their businesses?
- 3 How can higher education institutions integrate micro-credentials into their curricula to better support entrepreneurs and SME business owners?

# *Research Methodology*

- Qualitative research approach
- Semi-structured interviews
- Purposive sampling :
  - 10 SME business owners from South Africa
- Data was analysed using thematic analysis



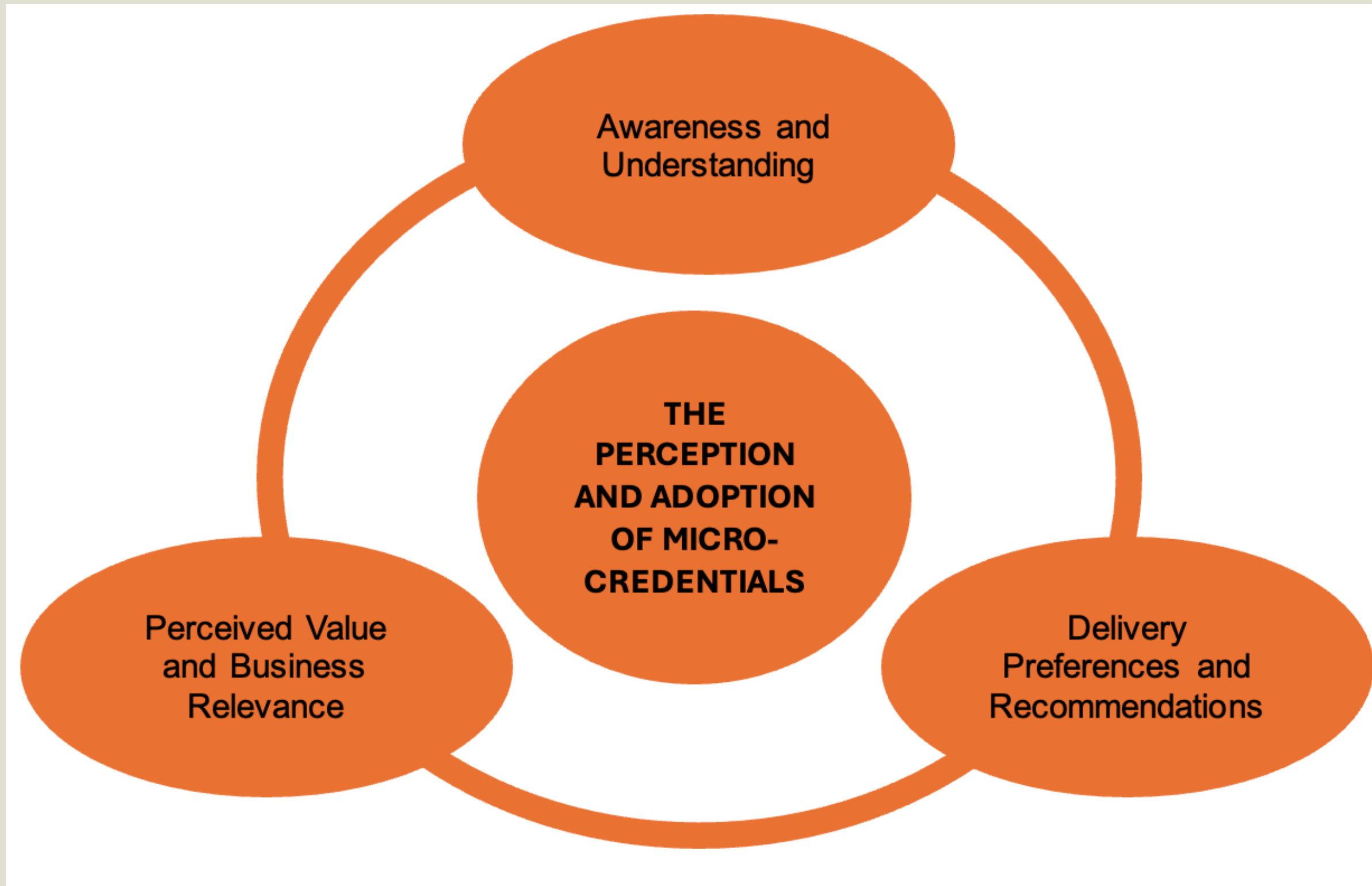


# FINDINGS AND DISCUSSION

Participant	Business	Role	Education
Participant 1	Motor windscreen repairs	Business owner	No formal qualification
Participant 2	Construction, building and textile industry	Business owner	No formal qualification
Participant 3	Education	Managing Director	BA Psychology
Participant 4	Enterprise and supplier development, socio-economic development programmes for small business	Managing Director	Honours in counselling psychology
Participant 5	Creative media and marketing agency	Managing Director	Diploma in Music; BA in visual communication.
Participant 6	Public relations and digital marketing firm	Business owner	Diploma in Public Relations
Participant 7	Food and retail	Managing Director	BCom degree and Honours in Strategic Management
Participant 8	Health and beauty skincare franchise	Business owner	BA in Marketing Communications; BCom in Marketing & Management Sciences; PGDip in Business Admin, Current MBA candidate
Participant 9	Finance and property development	Financial Accountant	BCom degree and Honours in Financial Management
Participant 10	Wholesale supplier to retail	Business owner	TVET College degree

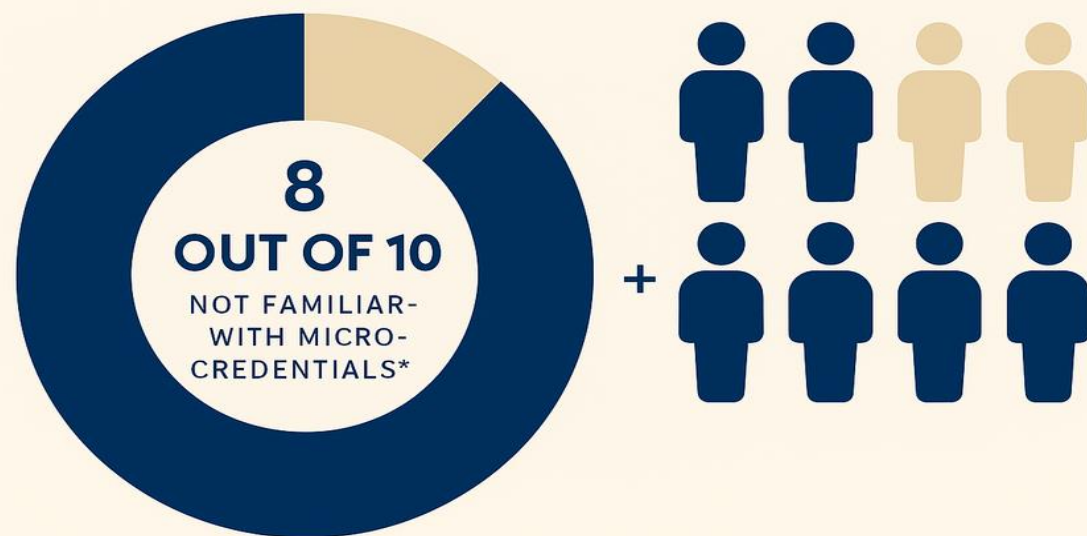
Source: Authors own compilation

# THEMES IDENTIFIED

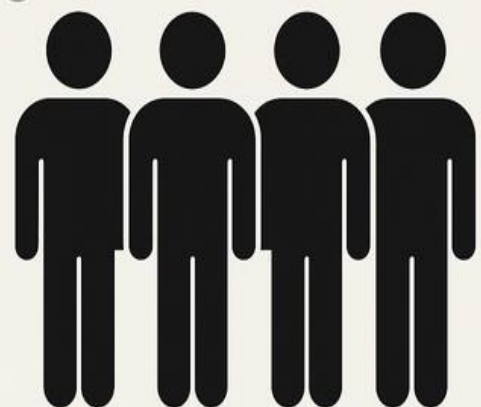


# AWARENESS AND UNDERSTANDING

ARE YOU FAMILIAR WITH THE  
CONCEPT OF MICRO-CREDENTIALS?



Once the concept was explained, four of the participants said they have completed similar short courses, not knowing that it was referred to as micro-credentials.



All participants  
would enrol for  
micro-credential  
courses

- Time
- Value
- Relevance
- Cost



## BUSINESS CHALLENGES?



Admin



People  
Management



Compliance



Marketing



Strategic  
Planning



IT Systems

*“...you need different skills and knowledge at different times in your business’s life cycle. So like right at the beginning, you might not necessarily need to know how to scale you might. You just need to know the basics of how to set up a business, you know and...”*

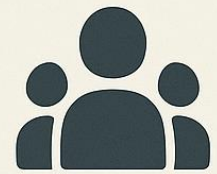
*by PARTICIPANT 4*

# PERCEIVED VALUE AND RELEVANCE

All participants would enrol to address:



finance



HR



admin



leadership



marketing



*More valuable than a traditional degree that covers a broad range of knowledge since it addresses specific business needs*



“MOST DEGREES WILL PUSH YOU INTO ONE DIRECTION, BUT MICRO-CREDENTIAL CAN GIVE YOU KNOWLEDGE THAT IS RELEVANT TO YOUR BUSINESS” – PARTICIPANT 2

*by* PARTICIPANT 2



# RECOGNITION AND ACCREDITATION

- Micro-credentials can act as signals of competency and credibility
- However, the perceived value of formal recognition varies significantly across industries.

## Accreditation



## Skills Acquisition



*“Personally, it is not very important for me, I value knowledge over formal recognition and certificates”.*

*by PARTICIPANT 5*

# RECOGNITION AND ACCREDITATION

- Preferred Formats and Delivery
  - Online preferred; some value face-to-face
  - Networking and engagement were highlighted as important
  - Saturday sessions would work best, over six to eight weeks where only one topic or skill is covered during that period



# RECOMMENDATIONS FOR HIGHER EDUCATION INSTITUTIONS



Relevance to their specific industry and practicality, reducing theory-heavy models.



Micro-credential courses must be directly aligned with their specific business needs



Creating awareness around these courses



Networking opportunities



Gamified to appeal to younger generations

*“The university should adapt to the environment and the industry trends to attract more people”*  
by PARTICIPANT 10



## CONCLUSION

*“...Because generally people assume there is no point in getting education if you are going to be an entrepreneur. If you are going to work for yourself, what is the point?”*

***Make education fashionable again...***  
by PARTICIPANT 8

# THANK YOU!

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LET'S CONNECT

