

## **Summary**

In many of the studies concerning small enterprises, managerial capital as a major determinant of enterprise profitability, growth and survival has received much less attention than it deserves. We introduce experimental management training program to a sample of garment producers in Ethiopia to explore how it affects enterprises' business practices and financial performances. We find that better educated and experienced entrepreneurs are more likely to participate in the training program. Participants are found to have experienced a considerable improvement in their record keeping, business routines and planning practices. There is also some evidence indicating greater benefit for previously stagnant enterprises.