
**'UNLOCKING ENTREPRENEURIAL CAPABILITIES -:
A STRATEGIC APPROACH TO
ECONOMIC GROWTH BY UNIVERSITIES.'**

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ABSTRACT:

Entrepreneurship education ranks high on policy agendas in India as entrepreneurial awareness is in tandem with the Indian government's aspiration to avoid dependency, on existing organizations for employment opportunity and to encourage young adults especially graduates to "create employment" via venture creation. Entrepreneurship refers to an individual's ability to turn ideas into action. Realizing the importance of entrepreneurs in the development of the economy, efforts should be taken to nurture entrepreneurship in all ways. Education institutions, particularly higher education institutions, can be entrusted with a new additional task, which is to contribute to the development of entrepreneurial talent among young graduates. University graduates have enormous potential for innovation and economic development, mobilizing them for entrepreneurial careers, enhancing their entrepreneurial skills and providing support for business start-up are important and a new tasks for higher education institutions that are only now being fully recognized.

This paper explores the role of higher education in fostering entrepreneurship education. The entrepreneurial based higher education system may lead to the delivery of high technology, practical oriented graduates that will be competitive in the world of work across their professions.

Keywords: *entrepreneurship education, economic development, entrepreneurial talent*

INTRODUCTION

Entrepreneurship has been hailed as the new engine of economic growth in both developed and developing countries. It is paradigmatically referred to as the process of innovatively exploring and exploiting opportunities in the midst of risks and uncertainty by synthesizing resources to create novel outputs often within the context of new organizational formation (Casson, 2003; Shane, 2003). Exalted as the driving force of innovation, entrepreneurship offers the benefits of increased economic efficiencies, bringing Innovation to the market, job creation and sustained employment.

Regional colleges and universities are integral to providing economic and workforce development resources that support local and regional economies. Similarly nascent entrepreneurs create economies and build enterprises through deliberate planning and risk taking. Many universities are taking specific actions to adapt to the new social and business needs. Barnett (1994) has defined the changing situation as a shift '**from higher education in society to higher education of society.**' Universities have developed technology

transfer capabilities and extended their teaching from educating individuals to shaping organizations through entrepreneurial education and incubation (Etzkowitz and Zhou 2008). Formal degrees in entrepreneurship studies are typically hosted by a business school/faculty to provide a mix of theoretical grounding in business management as well as training in practical aspects of entrepreneurship. One initial measure to increase the level of entrepreneurship skills teaching would be to make relevant learning outcomes more explicit and to contextualize them in respect to employability and entrepreneurship (Frank 2007).

WHAT IS ENTREPRENEURSHIP EDUCATION?

Entrepreneurship education can be defined as the purposeful intervention by an educator in the life of the learner to impart entrepreneurial qualities and skills to enable the learner to survive in the world of business. Alberti, Sciascia and Poli (2004) define entrepreneurship education as the structured formal conveyance of entrepreneurial competencies, which in turn refers to the concepts, skills and mental awareness used by individuals during the process of starting and developing their growth oriented ventures. Entrepreneurship education aims to promote creativity, innovation and self-employment.

It is therefore agreed that existing activities and programmes qualify as education for entrepreneurship if they include at least two of the following elements:

a) Developing those personal attributes and generally applicable (horizontal) skills that

form the basis of an entrepreneurial mindset and behavior.

b) Raising students' awareness of self-employment and entrepreneurship as possible career options.

c) Work on practical enterprise projects and activities, for instance students running mini companies.

d) Providing specific business skills and knowledge of how to start and successfully run a company.

Entrepreneurial programmes and modules offer students the tools to think creatively, to be an effective problem solver, to analyze a business idea objectively and to communicate, network, lead and evaluate any given project. Students feel more confident about setting up their own businesses if they can test their ideas in an educational, supportive environment. However, the benefits of entrepreneurship education are not limited to boosting start-ups, innovative ventures and new jobs. Entrepreneurship is a competence for everyone, helping young people to be more creative and self-confident in whatever they undertake.

ENTREPRENEURSHIP EDUCATION AND ECONOMIC GROWTH:

The education system plays a critical role in the economic advancement of the nation since it is the primary developer of human resources, almost all growth theory models recognize that the quality of human resource and thereby the quality of education is vital to the economic growth process. However the current education globally and especially in developing economies leaves much to be desired. Entrepreneurship education can address some of the deficiencies in the existing education system. The development

of entrepreneurial skills in the education system can increase the supply of future entrepreneurs in the country. A venture support system based on entrepreneurial education can be designed to stimulate and facilitate entrepreneurial activities which could result in a lower unemployment rate, increased establishment of new companies and fewer failures of existing business, the development of entrepreneurial skills as well as knowledge of venture creation process can prepare students for the realities of life when they graduate. It will empower them to learn business and enhance their social and life skills that are dearly needed in today's society.

In growing economies like India, it has been suggested that to enhance its rapid economic growth rate, India must provide for

- 1) Education directed specifically at entrepreneurial skills
- 2) Financing of entrepreneurial efforts.
- 3) Networking among potential entrepreneurs and their experienced counterparts (Lal, Anil K, Clement, Ronald W, 2005)

ENTREPRENEURSHIP EDUCATION AND TRAINING

Entrepreneurship and Enterprise Education have given higher education institutions the opportunity to grant societies employable graduates who have the necessary kit of innovation, motivation and creativity to develop new products, services and small and medium enterprises (SME's) that not only boost economies but also contribute to the overall cultural and social development. The emphasis on the role of entrepreneurship education programs to promote self-employment is build on the notion that entrepreneurship or certain

facets of it can be taught or at least encouraged by these programs. The accepted notion is that education can serve as a preparatory function in relation to new venture initiation or start up whereby the transfer of knowledge and the acquisition and development of relevant skills are expected to increase the propensity, self-efficacy and effectiveness of the potential entrepreneur (Jack & Anderson, 1999)

Fostering entrepreneurship in higher education means that entrepreneurship should be incorporated in various subjects in order to provide students with specific training on how to start and run a business. The need to revise and update existing educational curricula to respond to profound and multifaceted changes occurring in the world today is widely recognized.

TEACHING AND ENTREPRENEURSHIP:

While Entrepreneurship has been introduced as a course in a number of business school curricula, there needs to be a greater thrust in making Entrepreneurship a priority subject. Other aspects of Entrepreneurship such as business ethics, early enterprise management, aspects of scaling up, Indian corporate law and relevant international laws, should also be a part of such curricula. However, many students and graduates perceive several obstacles that oppose against business start-ups, such as lack of experience or lack of finance, which block the path toward their preferred choice. The problem of this inconsistency may lie in the present curriculums, which have focused almost entirely on the needs of aspiring middle and functional managers rather than the needs of aspiring entrepreneurs. Entrepreneurship education and training needs to be localized, i.e. researching the local environment and circumstances which will in some way

contribute to skills improvement and therefore to small and medium enterprise development and ultimately job creation.

CURRICULUM AS A PROCESS

More recently, curriculum developers have given more attention to the PROCESSES that produce quality curriculum. This means constructing an effective process that suits the local circumstances and environment, increasing the chances of producing and implementing quality products (syllabuses and eventually learning outcomes)

FROM	TO
Teaching	Learning
Transfer of Facts	Students construction of Knowledge
Memorization of Information	Analysis, Synthesis, Evaluation, Application of Information
Concentration on Knowledge	Development of Knowledge, Skills, Values, Attitudes
Rote Learning	Applied learning/contextual learning
Categorized Knowledge	Integrated content (broader learning areas)
Schooling	Lifelong Learning
Focus on Inputs	Focus on Outcomes
Didactic Teaching	Teaching strategies including 'interactive methodology'
Assumption that there is 'one learning style'	Recognition that there are 'preferred learning styles'
Curriculum as a product	Curriculum as both process and product

ENTREPRENEURIAL QUALITIES NEEDED BY PROSPECTIVE ENTREPRENEURS.

If formal education program support the development of the following mentioned personal entrepreneurial traits, potential entrepreneurs will be more likely to initiate action and have a better chance of success in their business ventures.

Traits/Characteristics Of Entrepreneurs

Self Confidence	<ul style="list-style-type: none"> • Confidence • Independent, individualistic. • Optimistic • Leadership, Dynamic
Originality	<ul style="list-style-type: none"> • Innovative, creative • Resourceful • Initiative • Versatile, knowledgeable
People Oriented	<ul style="list-style-type: none"> • Get along with others • Flexible • Responsive to suggestions/criticisms
Task-Result Oriented	<ul style="list-style-type: none"> • Need for achievement • Profit oriented • Persistent,perseverance, determined • Hard worker, drive, energy
Future Oriented	<ul style="list-style-type: none"> • Foresight • Perceptive
Risk Taker	<ul style="list-style-type: none"> • Risk taking ability • Likes challenges

PRIMARY FOCUS OF ENTREPRENEURSHIP-TRAINING CURRICULA SHOULD BE TO-

Teach basic entrepreneurial skills-

Entrepreneurship education should focus on the training of entrepreneurial skills like creativity, problem solving abilities, communication, conflict management and negotiation; development of soft skills, entrepreneurial motivation and opportunity recognition.

Ensure that learners understand the real world of work and entrepreneurship

Interaction with entrepreneurs, business owners can be organized to foster students' entrepreneurial spirit. Working on real case studies from entrepreneurs and university projects/patents and working as interns with the start-ups and existing entrepreneurs should be encouraged.

Provide opportunities to learn about the importance of entrepreneurship to the economic system through classroom and practical experience

- A business plan competition e.g. searching for an idea; creativity and innovation. Compiling a business plan and starting a business can be done.
- Start-up support and support for nascent companies can be organized in co-operation with the Chamber of Commerce and Industry. Coaching and establishing contacts with other business support providers, firms and financiers can be provided.
- Prototyping entrepreneurship education by encouraging multidisciplinary student teams (design, media, business, computer science etc.)
- The institutions could also provide extensive industry linkages on different aspects of business, law and finance. Elaborate models of profit-sharing and advisory assistance can also be provided.

Launch an in-campus business

Enterprise centers' in major educational and research institutions should provide institutional support for Entrepreneurship, on a larger scale and on a more systematic basis. Special enterprise centers' focusing on translating innovation-driven ideas into viable businesses would greatly enhance Entrepreneurship. Currently, incubation centers provide assistance to selected start-ups. Providing consultation and coaching services for future entrepreneurs and facilitation of contacts to external business should also be encouraged.

Explore learners' entrepreneurial qualities and teach education economically
Entrepreneurial qualities

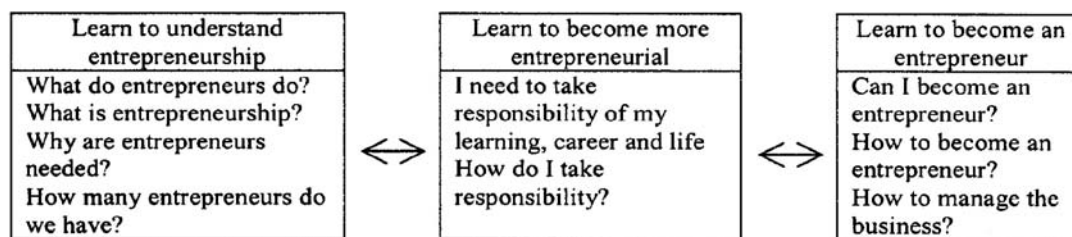
e.g. achievement motivation; creativity; decision making; initiative; innovation; locus of control and risk taking.

Entrepreneurial skills e.g. strategy formulation; leadership; planning and time management and financial concepts; communication and negotiation skills; and self-knowledge.and

Economic education e.g. unemployment; economic growth; tax; personal financial management; productivity and industry knowledge of the prospective entrepreneur should be explored and accordingly enhanced. Awareness creation activities to promote self-employment as a viable career choice should also be conducted.

HYTTI MODEL OF ENTREPRENEURSHIP EDUCATION (HYTTI, 2002)

In Hytti model (as shown in Figure) the different roles assigned to entrepreneurship education are summarized.



Source: Hytti.U.(Ed) (2002).State of Art of Enterprise Education in Europe-Result from the Entredu project, Turku Finland.

In essence, each of these three categories has the purpose of identifying and monitoring progress as the student moves from becoming familiar with the concept of entrepreneurship to developing a level of maturity that will enable the student to start an enterprise to a stage where the student/prospective entrepreneur possesses most of the elements required for business success

From a further perspective **Bolton and Thompson (2004)** postulate that entrepreneurship education and training activities consist of three categories, namely: **Entrepreneurship as a subject**, covering the areas from economic development to business plan preparation, with a major focus on the entrepreneur;

Entrepreneurship as an activity, with an approach about entrepreneurship, but also for entrepreneurs with the main focus on the preparation of a viable business plan; and **Entrepreneur enabling**, this is concerned with the potential of entrepreneurs and how their talent can be identified and enabled.

In view of the above analyses on content, entrepreneurial training must be viewed as a practical application and common sense approach to acquiring the necessary skills to grow the business successfully.

FACTORS INFLUENCING ENTREPRENEURSHIP

- **Culture** has a great impact on entrepreneurship. Generally people doing traditional business do not like to work as employees. Any society that believes in consumerism promotes entrepreneurship in that region because profits from a trade turn out to be higher than profits from a service. A culture where people do not believe in hard work and are afraid of taking risk is not favorable for entrepreneurship.

- **Political Environment** also affects entrepreneurship. Unsteady political situations, ever-changing administrative policies, high taxes hinder entrepreneurship. Governmental policies to develop transportation, communication network, industrial hubs and all other facilities promote entrepreneurship. The economy plays a significant role in the growth of an enterprise. Strong and stable economic conditions encourage business.

- **Availability of Various Resources** like money, man power; raw materials, communication and transportation facilities etc. play a major role in influencing any enterprise. Besides all these factors, the growth of an enterprise depends upon the

skills and mind-set of the entrepreneur. He must be hard-working, determined, good manager with broad business plan, able to face unforeseen events and risks.

SUGGESTIONS TO ENHANCE ENTREPRENEURSHIP

• Content and Learning Methods:

The ability to promote Entrepreneurship requires an enquiring mind that is able to make connections between theory and practice. There is a need to recreate real-life situations in the classroom with the help of examples and illustrations so that students are able to get a 'concrete feel' of various aspects of the outside world.

• Teaching and Entrepreneurship: While Entrepreneurship has been introduced as a course in a number of business school curricula, there needs to be a greater thrust in making Entrepreneurship a priority subject.

• Encourage Student-led Entrepreneurial Activities on Campus:

It is necessary to encourage activities within educational institutions, where entrepreneurial abilities find opportunities and fertile ground to grow, as activities outside the confines of the textbook are imperative to develop leadership and team building skills that are necessary for Entrepreneurship

CONCLUSION:

There is always ongoing discussion as to whether entrepreneurship can be taught at learning institutions. Some argue that even the most prominent entrepreneur, Bill Gates; choose to leave the grand ivy league of

Harvard, halting education in seeking for entrepreneurship experience. Many believe entrepreneurship is the result of gut feeling, internal drives, timing and luck. However, Garavan (1994) suggested that "learning" entrepreneurship either from successful entrepreneurial parents, work experience or proper education will enhance the probability of success. Believing entrepreneurship can be taught, he stressed the paradigm that "entrepreneurs are often made, not born".

It is understood that the teaching responsibility does not rest entirely with the educational world. The society has its role in providing the appropriate environment and right atmosphere for the growth of entrepreneurship. Failures must not be penalized but instead analyzed, as they are also a vital part of the learning process. The impact of education programme may not be immediately evident but should have sustained effects on developing a strong enterprise culture, although this might be difficult to determine in the short term, it is essential to the long term growth of India. We also believe that entrepreneurship results in increased innovation and sustained economic growth. We see enormous potential in investing in entrepreneurship education in order to nurture talent and develop the next wave of leaders and innovators who will not only create jobs and value for society, but also empower others to create a better future.

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