

Interweaving of Entrepreneurial Skill Development and Management Education

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Abstract

Entrepreneurship has been embedded in the Indian genius and is a part of Indian tradition since the time of Rigveda. India has become a fertile ground for entrepreneurship by opportunities created by “Global Knowledge Economy” coupled with the “unshackling of Indigenous enterprise”. In such a scenario, education has become a powerful means of empowerment and development of entrepreneurial skill and now the challenge is how to channelize it through formal education. Business courses, especially management education are well deserved for full filling the task. This paper shows the strong interlinking between entrepreneurship skill & education, and further with the management education. It also recommends suggestions for entrepreneurial skill development through management education.

Keywords

Entrepreneur, Entrepreneurship, Entrepreneurial Skill, Entrepreneurial Culture

I. Introduction

Entrepreneurship has been embedded in the Indian genius and is a part of Indian tradition since the time of Rigveda. Entrepreneurship is the engine fuelling innovation, employment generation and economic growth. The potential for entrepreneurship to enhance job creation has not been lost internationally also. The General Assembly of the United Nations, during its 48th session, adopted a Resolution-Entrepreneurship and Privatization for Economic Growth and Sustainable Development-encouraging members to promote and facilitate the growth of entrepreneurship and the support to local entrepreneurs. This resolution is a reflection of the growing international realization that “Lighting the flame of the entrepreneurial spirit empowers nations and peoples, with ‘the knowledge and ability to fish, rather than just giving them a fish’ [Timmons, 1994].”

A. Indian Context

In Indian context, entrepreneurship is more important as it is simply impossible for any government to provide means of livelihood to everyone. This situation demands for a continuous effort from Government and society to create environment and encourage people to come up with their individual initiatives. Entrepreneurial education is one of the responses to this reality.

As we move towards “Global knowledge Economy”, small businesses, not the large corporations, will be increasingly relied upon as our country’s dominant engine for economic growth through the creation of jobs and introduction of innovative product and services.

“Global Knowledge Economy” coupled with the “unshackling of Indigenous enterprise” has opened big entrepreneurial opportunities. The World Bank Institute offers a formal definition of a Knowledge Economy as one that creates, disseminates, and uses knowledge to enhance its growth and development. The former President of India, Dr. A P J Abdul Kalam [Image], identifies India’s human resource base as one of its greatest core competencies in a book titled India 2020: A Vision for the New

Millennium where he predicts that India will become a developed country by 2020 on the basis of its ability to exploit opportunities emerging from knowledge-based services through right training and education. Economic liberalization has been a catalyst to encourage entrepreneurship. The ease of doing business has improved a lot through systematic attempts at removal of state imposed structural and regulatory roadblocks. The number of initiatives taken at central and state level like issue of licenses, and policies on control and taxation, automated processes of enforcement and compliance are significant steps to promote entrepreneurial activities.

In such a scenario, education has become a powerful means of empowerment and development of entrepreneurial skill and now the challenge is how to channelize it through formal education. In the study conducted by National Knowledge Commission in 2008, 95 % of entrepreneurs believe education is a critical success factor to evoke entrepreneurial inclinations. There is strong interlinking between entrepreneurship skill & education and, and further with the management education. Thus, business courses, especially management education are well deserved for full filling the task of entrepreneurial skill development.

B. Keywords

1. Entrepreneur

Entrepreneur is a person who creates an enterprise. The following words are usually ascribed to an entrepreneur: innovative (Kirzner, 1973; Schumpeter, 1934; Bolton, W.K., 1986; Timmons, 1978); moderated risk-taking (Timmons, 1978; Lynskey, 2002); alertness (Kirzner, 1973); decision-making and responsibilities-seeking (Brockhaus and Horwitz, 1986; Sutton, 1954; Welsh and White, 1981); ambition, desire for independence, responsibility and self-confidence (Gorman, Hanlon, and King, 1997; Timmons, 1978; Sexton, 1980; Dunkelberg and Cooper, 1982); need for power (Dunkelberg and Cooper, 1982); and personal value orientation (Gasse, 1977; Timmons, 1978). Being an entrepreneur, he/she is perhaps described as a mix of these attributes, although it is difficult to identify which trait is stronger, in what situation it is stronger, etc.

2. Entrepreneurship

Entrepreneurs do entrepreneurship. Entrepreneurship is a process that results in creativity, innovation and growth. Innovative entrepreneurs come in all shapes and forms; the benefits are not limited to startups, innovative ventures or new jobs. Entrepreneurship refers to an individual’s ability to turn ideas into action and is therefore a key competence for all, helping young people to be more creative and self-confident in whatever they undertake (EC, 2008).

3. Entrepreneurial Skill

It refers to entrepreneurial competencies which enables a entrepreneur to be successful in his field. According to Caird (1992) it includes personality variables, such as achievement motivation, entrepreneurial drive, creativity, innovation and

imagination; communication skills, such as negotiation and persuasion; managerial skills, such as problem solving, decision-making, organizing and monitoring; analytical skills, such as numeracy and data presentation skills; career skills, such as self-awareness and assessment, career planning techniques and self-directed learning; knowledge, such as computer literacy and business related knowledge, and attitudes, such as sensitivity to needs and consequences, perception and flexible attitude.

4. Entrepreneurial Culture

It implies vision, values, norms and traits that are conducive for the growth of the economy.

C. Interlink Between Entrepreneurship and Education

Entrepreneurship development depends on the quality of education provided and the presence of an environment that encourages innovation. Education is indispensable for entrepreneurship skill development as the multi dimensional nature of the required entrepreneurial skills originates in education and involves a combination of critical (objective, analytical and logical) as well as creative and empathetic (lateral, imaginative and emotional) thinking. This skill development helps in creating an environment which encourages innovation. These innovations catalyses and flourish entrepreneurship by providing marketing opportunities which can be converted into wealth. This entrepreneurial culture further develops impetus for further innovation and creates new horizons and an environment for entrepreneurial skill development (culture of independence, risk taking and confidence), which are supported and again developed by education. So it is dynamic process which is supported by vibrant interlinked academic culture and entrepreneurial culture.

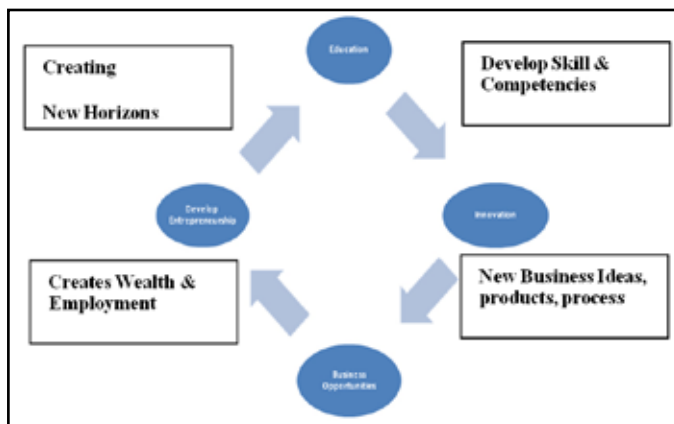


Fig. 1: Education and Entrepreneurship Linkage

D. Why Management Education?

Most of what you hear about entrepreneurship is all wrong. It's not magic; it's not mysterious; and it has nothing to do with genes. It's a discipline and, like any discipline, it can be learned."

1. Peter F. Drucker

The question whether entrepreneurship can be taught has been a major debate in entrepreneurship research and even lead to the question whether Entrepreneurship can actually be learnt (Edwards & Muir, 2004; Rae, 2000). As discussed by Jack and Anderson in 1998, the ongoing debate regarding the teaching ability of entrepreneurship, lead to a distinction in entrepreneurship education between teachable science elements, that refer to classical business administration and management aspects and non-teachable art elements, that refer to the more experimental and

creative aspects. The following elements in management education also support the same views.

- Management skills and knowledge are needed for successful management. Acquiring of managerial skills is not a simple task because it means applying theoretical knowledge into practice. In the same way the ability to promote Entrepreneurship requires an enquiring mind that is able to make connections between theory and practice. Action oriented teaching is required for creating entrepreneur awareness and designing a learning environment that is very close to reality. There is 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. Theoretical frameworks and theory-based knowledge are essential to ground the practical learning activities (Fiet, 1997). Thus this teaching pedagogy / learning method are already embedded in management education.
- Different aspects of Entrepreneurship such as business ethics, early enterprise management, aspects of scaling up, Indian corporate law and relevant international laws are also the part of management education. For example organizational behavior theory helps in developing and shaping the entrepreneurial behavior.
- In the entrepreneurial process, after identification and evaluation of opportunity, large areas of center stage begin to be allocated to key business management processes such as human resources, finance, marketing, selling, development, manufacturing, and quality management [Slaughter, 1995]. The knowledge of these aspects is very crucial for the success and growth of an enterprise.
- The two facets of entrepreneurial activity, self employment and business administration can be addressed in management education. Many people like intrapreneur who have inclination for entrepreneurship fulfills their aspiration through business administration in different organizations. Similarly self employed people especially growth entrepreneur's need multidisciplinary approach for managing and scaling up their venture and management education fulfills this requirement.
- A teaching concept that integrates the major requirements for effective entrepreneurship education is the pedagogical concept of project-based learning. In project-based learning approaches, students have to take responsibility and conclude a realistic task by independently gathering information and by building up, transforming, and constructing knowledge (McKeachie, 2002; Cuthbert, 2001). The project based learning is an important part of Management education.
- Outreach (Engagement of Business); Entrepreneurship education should be very closely linked with practice. Educators should be encouraged to reach out to the business community and integrate it into the learning process. Outside speakers, alumni members are key role models for students considering an entrepreneurial career path. (WEF, 2009)

The NKC survey (2008) also focused that for entrepreneurial ventures, established since the beginning of this decade, the ratio of MBA's and postgraduate entrepreneurs has steadily increased, while the number of undergraduate entrepreneurs has decreased. This indicates a growing importance of management education among the new generation of entrepreneurs.

II. Suggestion

Earlier entrepreneurship was confined to a small section of society coming from trade oriented families. Liberalization, globalization and knowledge economy have resulted in new class of entrepreneurs belonging to all the sections of societies and in addition to this a large number of youth are interested in starting a business; nothing in their successful academic history has prepared them for the entrepreneurial process of identifying a market opportunity related to their interests, passions, and/or training and developing that market opportunity into a start-up business. The management education can fill this gap.

Management education can satisfy the need for entrepreneurship by following a process of selecting + motivating/ creating awareness and interest + training and execution + supporting and resourcing.

A. Selection of the Right Person

Entrepreneurship should be introduced as specialization in management education and university education, so the right selection of interested students can be made.

B. Creating Awareness and Interest

Entrepreneurship education is more about strategy, planning, forecasting, and bringing new ideas, notions, and vision to reality of enterprising. Management education focuses mainly on acquiring and developing managerial skills. Though the nature of both the subjects are different yet management education can be developed as complementary to entrepreneurship education by including skill-building courses in negotiation, leadership, new product development, creative thinking and exposure to technology innovation. Even Entrepreneurship curriculum can be improved by including important areas like an awareness of entrepreneur career options; awareness about the entrepreneurship eco system; sources of venture capital; idea protection; ambiguity tolerance. These are characteristics that define the entrepreneurial personality from which one draws when faced with the challenges associated with each stage of venture development.

C. Training

To give students the hand on experiences some activities and learning tools should be used inside the classroom as well as outside the classroom like: workshops on business plans and business model; student business start-ups; consultation with practicing entrepreneurs; computer simulations; behavioral simulations; interviews with entrepreneurs, environmental scans; success stories; behavioral exercises; "live" cases; field trips, and the use of video and films.

D. Supporting

for providing the proper and adequate support to the student's incubation cells should be established to provide mentorship support for upcoming entrepreneur. The collaboration with institutional organization on entrepreneurship is equally important.

According to the NKC survey, the most significant external barrier to innovation for large firms and SMEs continues to be 'skills-shortages, arising out of lack of emphasis on creativity, problem solving, design and experimentation etc in the education curricula.' As in management education the academia-industry linkages are indispensable so these can be further used to solve such problem of innovation of SME's. SME's cells should be established at the university level where students are encouraged to do the projects on these aspects.

Knowledgeable instructors are the key to deliver the same. Educational institutes need to have motivated and trained teaching pool that also has entrepreneurial mind set. Experienced entrepreneurs, local companies need to be involved in developing faculty training material and running workshops.

It is important to involve stakeholders inside and outside of higher education institutions. For example, entrepreneurs and entrepreneurial leaders acting as role models for students should be an essential part of entrepreneurship modules and programmes. If we want young people and students to enter the business world and entrepreneurship, it is necessary to involve business people and entrepreneurs in the academic education process.

According to education literature, active learning approaches create a stimulating atmosphere by encouraging interaction among students and thus promoting so-called soft skills as problem-solving, the ability to work in teams, decision taking, and conflict management or communication skills. The call for more action-orientation in entrepreneurship education In order to overcome the limitations of traditional theory-based learning approaches by creating entrepreneurial awareness among the students, and in order to design a learning environment that is close to reality, a call for shifting entrepreneurship education towards more action-oriented teaching.

Thus, there is need of making necessary changes in management education to make it more effective in developing entrepreneurship, entrepreneurial behavior and entrepreneurship.

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Sheetal Mundra received her Post Graduation degree from MDS University, Ajmer, Rajasthan, India. Her Ph. D. research is on “Women Development: Economics Status of Women and Caste” from MDS University, Ajmer, Rajasthan, India. She has worked as Assistant Professor (Senior Scale) in institute of Technology and Management from 2006 to 2009. Presently, she is working as Assistant Professor (Selection Grade) in School of Management in ITM

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