THE ROLE OF ENTREPRENEURSHIP EDUCATORS ON THE HIGHER EDUCATION INSTITUTIONS STUDENTS’ ENTREPRENEURIAL COMPETENCIES IN DEVELOPING COUNTRIES

Sulaiman Mohammed Lame and Wan Fauziah Wan Yusoff

Faculty of Technology Management and Business
Universiti Tun Hussein Onn Malaysia
sulemolame@yahoo.com, fauziah@uthm.edu.my

ABSTRACT

Entrepreneurship is becoming one of the top priorities on national agenda for most of in developing countries. It serves as an engine driving the economy through new ventures creation, employment and wealth generation. The relevant literature available suggests important links between entrepreneurship education, new venture creation and students entrepreneurial performance. Available data indicated that higher institutions students entrepreneurial competencies required for new business venture formation can be effectively influenced by entrepreneurship educators’ performance. Therefore, this paper reviews past and recent studies to examine the role of entrepreneurship educators in enhancing students’ entrepreneurial competencies. The paper will conclude with some recommendations on the best way forward to provide good teaching and learning environment for both entrepreneurship educators and students.

Keywords: entrepreneurship, entrepreneurship education, entrepreneurial competencies

Introduction

Entrepreneurship is now seen as an important component within contemporary economic development of a nation. Its critical role to the economy of nations is now widely acknowledged within the literature. Experts in the field were of the opinion that entrepreneurship is regarded as a catalyst for economic growth, employment and wealth creation, Henry, et al (2003). Furthermore, the European Commission (2003) shared the same view and in addition suggests that entrepreneurship is a major driver of innovation, competitiveness and economic strength of a modern nation. They further emphasize the important role which education has in the development of entrepreneurial mindsets and talents.

Entrepreneurship education is a widely given high scores on the agenda of many governments. Such governments depend on the development of entrepreneurship as the major source for their economic prosperity, growth and development. It is a kind of new concept which signifies not only quality education but also pay attention to the development of an individual practical ability. It is also described as a new method of teaching that promotes students innovative spirit, skills and attitudes which consequently make them after graduation to suitable career and become professional business creator, European Commission, (2003) concluded.
This growth in entrepreneurship education is reflected internationally. For example the European Commission (2008a) observe that almost half of Europe’s students at tertiary institutions have full access to entrepreneurship education. In a related development, Khan and Almoharby, (2007) highlight the rapid development of the course in Malaysia, Thailand and the Philippines. The European Commission (2004a), for example, posits that entrepreneurship is one of the key components to be included in current educational systems in order to prepare people for successful participation in society. In fact, the contribution of entrepreneurship to the world economy is well recognized.

Certainly entrepreneurship is considered as a complex subject to study in the context of teaching and learning because it depends on the individuals self regulated actions and characteristics that may not be easy to influence. It is against this background that, there is still ongoing debate whether we can teach students to become entrepreneurship, Fiet, (2004). However, there is now a consensus, in the literature at least, that entrepreneurship can be taught and the debate has now shifted to what should be taught and how it should be taught, Ismail, (2011).

It is now generally agreed that most of researches conducted on entrepreneurship education have focussed on course contents, pedagogical and audience characteristics. In this respect, the effectiveness of entrepreneurship education can also be measured in terms of teachers’ entrepreneurial competencies. The development of entrepreneurship education however, is not as institutionalised as the development of education for the traditional business courses. Educators who hold master’s and doctorate degrees in entrepreneurship are very rare all over the world. In addition, the uniqueness of the students’ needs and the course requirements entails specific and special teaching skills to match the two. One of the perceived tools to address and match these basic education needs is to first conduct an analysis of entrepreneurial competencies, Gatchalian, (2010).

A research conducted in Malaysia indicates that teaching approaches appear to be inappropriate and educators do not appear to have relevant skills, knowledge or training. There are so many shortcomings and challenges which the entrepreneurship educators are facing, Ismail, M.Z (2010). The aim of the paper is to see how entrepreneurial skills, knowledge and attitude possess by entrepreneurship educators can influence students’ entrepreneurial competencies and recommend the best way forward to promote the development new of venture creation.

2 Entrepreneurship

Early definitions, which were formulated principally by economists, tended to emphasize assumption of risk, supply of financial capital, arbitrage, and coordination of the factors of production. While the entrepreneur was clearly involved in the initiation of a business, these early perspectives saw entrepreneurship as an ongoing function in companies, and profit as a return for addressing uncertainty and coordinating resources. Economists historically failed to make a distinction between management and entrepreneurship, or to address the difference between small and large firms. In fact, distinctions like these were not well established until the 1930s. Even so, the prevalent tendency has been to associate entrepreneurship with small business start-up and management. As such, the entrepreneur is viewed as someone who assumes the social, psychological, and financial risks necessary to start and run a small business (Hisrich and Peters, 1992).

The current economic climate has reminds us that the discussion about entrepreneurship and its potential impact is timeless. In fact, the concepts ‘entrepreneurship’ and ‘prosper economy’ are inseparable. According to (Reynolds, 1992) the economic impact of entrepreneurship is not just on business establishment level but also in its growth.

For many developing countries, entrepreneurship has been a powerful engine of economic growth and wealth creation, and is crucial for improving the quality, number and variety of employment opportunities for the poor. It has several multiplier effects on the economy, spurs
innovation, and fosters investment in people, which is a better source of competitive advantage than other natural resources, which can be depleted. Entrepreneurs create new enterprises, new commercial activities, and new economic sectors. They generate jobs for others; they produce goods and services for society; they introduce new technologies and improve or lower cost outputs; and they earn foreign exchange through export expansion or substitution of imports. According to (Abdullahi, 2008) for countries to accelerate their economic growth and development, it is necessary for them to build up critical mass of first generation entrepreneurs because development is now being linked more and more to entrepreneurs. It stands as a vehicle to improve the quality of life for individuals, families and to sustain a healthy economy and environment. This can lead to economic development and the advancement private enterprises.

The Global Entrepreneurship Monitor, a research program aimed at assessing the national level of entrepreneurial activity in selected countries, conducted an entrepreneurship and economic growth study on 48 countries in 2008. According to the study, the economic growth of a country is directly correlated to its level of entrepreneurial activity. In particular, there is a high correlation between economic growth and entrepreneurial activity in industrialized countries. For instance, the American economy is well known for its flexibility, adaptability, and grasping of opportunity partly because of a prevalence of entrepreneurial culture in the United States. According to the report, Countries that are able to replenish the stock of businesses and jobs and have the capacity to accommodate volatility and turbulence in the entrepreneurial sector are best placed to compete effectively. Entrepreneurs therefore play a key role in addressing poverty through their contributions to economic advancement and social empowerment.

Economic growth in all industrialised and developing countries is a key issue and particular interest is being focussed on the role of entrepreneurship and small business (Garavan and O’Cinneide, 1994). They further advanced the explanation that economic recession, high unemployment rates and fluctuations in international trade cycles have contributed to the revival of interest in entrepreneurship as a possible solution to rising unemployment rates as a recipe for economic prosperity. Entrepreneurship education fosters entrepreneurship, which in turn results in positive outcomes on individuals, firms and society.

Recently, the European Union Green Paper on Entrepreneurship (European Commission, 2003a) sets out a range of benefits that can be associated with entrepreneurship. These benefits include contributing to economic growth by job creation and growth; fostering social and economic cohesion particularly in less developed regions being crucial to competitiveness and productivity improvements; unlocking personal potential; and satisfying a range of social interests, by making wealth, jobs and diversity of choice for consumers available.

3 Entrepreneurship Education

It is evident that entrepreneurship education can mean many different things to different people. Many scholars believe that entrepreneurship represents the future of business education and it is often described as a new venture in itself. The teaching of entrepreneurship is the liberal arts of business education. It challenges students to behave both as generalist and specialists, to be creators and creative problems solvers rather than dreamers, to reason conceptually but to implement pragmatically, (Shane, E H 2011).

Entrepreneurship education is the process of providing individuals with the ability to recognise opportunities and the insight, self-esteem, knowledge, and skills to act on them, (Jones, 2007). Encouraging entrepreneurship is the key to create jobs and improve competitiveness and economic growth which education and training offer are of important contribution.

So, beside knowledge and skills in business, entrepreneurship education is mainly about the development of certain beliefs, values and attitudes, with the aim to get students to really consider
entrepreneurship as an attractive and valid alternative to paid employment or unemployment cited by, (Raposa and Paco, 2008). One of the most precise definitions of entrepreneurship in educational context is — the ability of an individual possessing a range of essential skills and attributes, to make a unique, innovative and creative contribution in the world of work, whether in employment or self-employment, Mwasalwiba (2010) identified key terms in the meaning of entrepreneurship education having analysed over 20 scientific articles with this particular purpose, and these are: attitude, values, intentions and behaviour (32%); personal skills (32%); new business (18%); opportunity recognition (9%), managing existing firms (9%). The abovementioned, more up-to-date, definitions are conceptually similar referring to an individual’s ability, skills, creativity, and work.

4 The Importance of Entrepreneurship Education

There is a general consensus among experts that entrepreneurship education is an important means of addressing contemporary socio-economic and political problems by encouraging entrepreneurial activity and stimulating economic development. For example, (Jones, 2006) suggest that entrepreneurship education is seen as a remedy against business failure and unemployment. The unprecedented demand for entrepreneurship education by the students was necessitated by their desires to obtain skills, knowledge and attitude needed within an increasingly complex and divergent business environment. Furthermore, the business community itself has a significant interest in the development of entrepreneurship education. This because of their desires to employ graduates who have the skills and attitudes to work successfully within a business environment and generates value from an early stage of their employment, Corper et al. (2004).

A research in 2004 by the European Commission regards education as an important means to create a more entrepreneurial mind-set among young people and they assert that promoting entrepreneurial skills and attitudes provides benefits to society even beyond their application to new business ventures. In fact, there is a widespread idea that entrepreneurship education would generate more and better entrepreneurs than there have been in the past (Ronstadt, 1985) and that education would increase the chances of obtaining entrepreneurial success (Kirby, 2002). Entrepreneurship education encourages the growth of new businesses, exploiting the creative potential and depth of knowledge within higher education sector. De Faoite et al. (2003) found that entrepreneurship education contributes for (i) the integration of a variety of business subjects, (ii) the promotion of improved decision-making skills and (iii) the increase in technology transfer between education establishments and the market place.

Entrepreneurship education is relevant in higher education curriculum once it teaches the fundamental of employment skills and how to start and run a business. Students gain experience in “creating” a business, sometimes in a stimulating environment or in the real market place. Examples of how this can be done include the availability of funds to help finance venture creation projects by students and support networks for entrepreneurial initiatives Paco,( 2010).

However, a study conducted with the aim to test the notion that students who participated in entrepreneurship education course actually produced tangible outcomes. The number of new businesses, increases in sales turnover attributed to learned skills and incidences of career change from course participation, growing venture within an organisation and the strengths and weaknesses of the course as perceived by graduates is reported. At least some 22 new businesses have been started. A total of 300 questionnaires were distributed and 60% response rate recorded from Swinburne University of Technology, Australia. The research was reported and highlighted by Gillen and Powe (1994).

Another study was conducted by Kolvereid and Moen (1997) on the effectiveness of entrepreneurship education on students of Bodo Graduate school of Business, in Norway. A total of 720 questionnaires were distributed in which 51.8% responses were recorded. Their work suggested
that exposure to entrepreneurship education is positively associated with new venture formation. The findings suggest that entrepreneurship, at least to some extent, is influence by the level of education and training.

5 Theory of Entrepreneurship Education

5.1 Learnability and Teachability of Entrepreneurial Competency

In entrepreneurship education literature, two names appear as synonyms for entrepreneurship education - entrepreneurship teaching and entrepreneurial learning. The former consists of two components (European Commission 2002) – the transfer of entrepreneurial attitudes and skills developing relevant personal characteristics which are not directly linked to the business context (e.g. creativity, risk-taking, responsibility), and specific training on how to create a new firm (e.g. technical and business skills). On the other hand, entrepreneurial learning is defined as all forms of education and training, both formal and informal, which contribute to the entrepreneurial spirit and learning with or without commercial objectives (Gribben 2010). Holcomb et al. (2009) define entrepreneurial learning as a process in which people absorb new knowledge from direct experience or from observation of other peoples’ behaviour, actions and consequences, make intuitive conclusions or heuristics because of environmental uncertainty and inconsistent information, and organize acquired knowledge by linking it with pre-existing knowledge structures.

Studies identify many possible approaches to entrepreneurial learning in the higher education institutions environment. Most of them are consistent with definitions of entrepreneurial learning or entrepreneurship teaching. Hampden-Turner (2010) describes a similar approach integrating simulations and games of managing the business, and organising meetings with some of the world’s leading entrepreneurs.

Entrepreneurial learning and teaching have become more relevant issues in the field of entrepreneurship education research. It has been acknowledged that teachers have an essential role to play in enhancing students’ entrepreneurial learning. Thus, the questions of how teachers understand entrepreneurship education, how they value it and how willing they are to adopt new pedagogical methods are significant. However, as many earlier studies have indicated (Solomon, Duffy & Tarabishy, 2002), conventional teaching methods still seem to be widely used in entrepreneurship education, despite the growing demands for renewed and more entrepreneurial teaching approaches. It is interesting that at the same time, the questions of entrepreneurial learning have attracted more interest in the field of recent entrepreneurship research. It has been suggested that experiential learning and learning from interactions are major learning sources for entrepreneurs (Cope, 2003; Harper, 2008). It has also been acknowledged that there is a close relationship between learning, entrepreneurial development and achievement (Rae & Carswell, 2001; Taylor & Thorpe, 2004). These discussions about entrepreneurial learning and the acquisition of entrepreneurial capabilities are related to the debate on entrepreneurship as a learnt and teachable issue (Koiranen & Ruohotie, 2001).

In order to enhance entrepreneurship education and entrepreneurial learning among students, it is vital for teachers, too, to become more entrepreneurial. The core question for teachers is how to learn to become an entrepreneurial teacher. The above mentioned notions lead us to ask, whether entrepreneurial team learning could be applied to enhance teachers’ professional development as well. However, when applying entrepreneurial team learning as a means to enhance teachers’ entrepreneurial competencies, it is essential to first understand what those competencies are. Heinonen & PoikkJoki (2006) suggest that entrepreneurial competencies in a teaching context can be seen as abilities to adopt such teaching methods, which encourage and enhance the entrepreneurial expertise of students, i.e. learning to understand entrepreneurship, learning to become entrepreneurial and learning to become an entrepreneur. Kyrö, Mylläri and Seikkula-Leino (2008) use the concept of readiness, which can be seen as a more flexible and more extended concept than competence. Thus,
teachers’ entrepreneurial competencies can be seen as a readiness to initiate, guide and sustain students’ entrepreneurial learning processes. hence, teachers’ primary role is not to ask “what am i going to teach today, but rather what am i going to have my students do today”, as Fiet (2000) presents. An entrepreneurial teacher is able to follow that principle and act accordingly.

5.2 Entrepreneurial Competencies

It refers to the sum of the entrepreneur’s requisite attributes for successful and sustainable entrepreneurship. These attributes include attitude, values, knowledge, attitudes and skills, (Cunningham and Lischeron 1991). Therefore entrepreneurship competencies include those clusters of related knowledge; attitudes and skills which an entrepreneur must acquire through managerial training and development to enable him produce outstanding performance, and maximize profit, while managing a business venture, (Iyang 2002). Entrepreneurial competencies which are actually learnable and measurable knowledge, skills and attitudes are the base for construction of individuals’ beliefs, potential reactions, expectations, and attitudes about their potential performance and of their views on the feasibility of possible entrepreneurial ideas and as such they passively affect entrepreneurial intentions.

5.3 Teachers’ Entrepreneurial Competencies

Competency is a term used extensively by different people in different contexts. It is defined in different ways. Teacher job performance is the contexts in which this term is used. A competent entrepreneurial teacher refers to the way of conveying units of knowledge, application and skills to students. The right way here includes knowledge of content, processes, methods and means of conveying content. A competency has its linkage with all the three domains of knowledge, skills and attitude. An entrepreneurial teacher is expected to assist his students in learning of knowledge as well as their understandings and intellectual skills (Izquirdo and Buyens 2008).

Europe’s competitiveness, innovation and economic growth depend on being able to produce future leaders with the skills and attitudes to be entrepreneurial in their professional lives, whether by creating their own companies or innovating in larger organisations. Entrepreneurship education is the first and arguably the most important step for embedding an innovative culture in Europe. The European Commission’s report declares that currently the teaching of entrepreneurship is not yet sufficiently integrated in higher education institutions’ curricula clearly, for entrepreneurship to embrace the 21st century; educators must become more competent in the use of academic technology, and also expand their pedagogies to include new and innovative approaches to the teaching of entrepreneurship, Solomon, G. (2008).

At the heart of a more innovative approach to entrepreneurship education is creating an opportunity for students to feel entrepreneurial and this requires a teaching methodology which creates opportunities for students to “learn by doing”. It recognises that knowledge is not learning until is in some way internalised either by application or thinking. Very often, this internalising is achieved by “doing”. This approach creates very real challenges for higher educational institutes as entrepreneurial learning can be seen as a process of trial and error and incremental improvements, something that can be hard to accommodate within traditional academic curriculum. Entrepreneurship educators should develop modes of teaching and learning that support the development of these capacities. Existing models of entrepreneurship education fall somewhat short in developing these capacities. The Harvard view of teaching entrepreneurship is highly case focused (Harvard Business School 2005).
6 The Role of Higher Intuitions of Learning In Fostering Entrepreneurship

Universities and tertiary institutions have tremendous impact on innovation and entrepreneurial development. Notable universities that have played this catalytic role in the United States include Stanford and Silicon Valley, University of Texas and Austin; University of North Carolina and Research Triangle. Harvard University and Massachusetts Institute of Technology also illustrate how universities can also serve as a source for talent and ideas, serving as economic magnets for investments, entrepreneurs and talent to a region. Universities equally serve an important networking function connecting innovators across a region through their incubators and technology parks. In developed countries, many entrepreneurs start up their companies at their universities precisely because they can have continued access to knowledge and talent. In addition, many universities have restructured their research capabilities and introduced new entrepreneurship education courses to be more responsive to local industries, setting up specialized research units, joint cooperative ventures, or interdisciplinary projects, Oteh, (2009).

Second, there is the imperative of dramatically scaling up the quantity and quality of higher education across different disciplines and striving to become world class. Within that context, in addition to the disciplines of science, engineering, entrepreneurship should be promoted. There is very little consensus on the precise contours of entrepreneurial education. The many facets of entrepreneurial education include raising awareness of the central concepts about entrepreneurship by teaching students about entrepreneurs and their individual experiences. A broader view of entrepreneurial education includes encouraging the attributes of successful entrepreneurs by equipping students with the skills and knowledge to start a successful business. A third facet would relate to using the process of the creation of new ventures to help students acquire the range of entrepreneurial skills required to run a successful business. Higher education has the potential not only to teach about entrepreneurship, but also nurture the qualities of entrepreneurship, Oteh, (2009).

Technology-based business incubators managed by institutions of higher education present a myriad of options related to technology transfer, educational opportunities, and community development, creation of wealth and jobs, and scientific freedom. There are more than 4,000 business incubators in the world, according to the American National Business Incubator Association (NBIA). Through these business incubators, entrepreneurial institutions can create the social capital that can sustain development of intellectual capital in their regions and consequently foster the creation and growth of high technology firms that will lead innovation and wealth creation in that society cited by (Oteh, 2009).

According to European Commission (2008), higher education institutions should offer a range of courses in entrepreneurship, rather than settling on a particular model of delivery. Especially in the early stages of promoting entrepreneurship education, it is better to have a diverse range of options to students:

- set up a strategy and an action plan for teaching and research in entrepreneurship, embedding practice-based activities, and for new venture start-ups and spin-offs;
- create an entrepreneurship education department, which would serve as an entrepreneurial hub within the institution and spread the teaching of entrepreneurship across all other departments.
- offer an introduction to entrepreneurship and self-employment to all undergraduate students during their first year. In addition, give all students the opportunity to attend seminars and lectures in this subject;
• set up incentive systems to motivate and reward faculty staff in supporting students interested in entrepreneurship, and acknowledge the academic value of research and activities in the entrepreneurial field;
• develop clear institutional rules about intellectual property;
• award academic credits for practical work on enterprise projects outside the established courses

7 Conclusion and Recommendations

7.1 Conclusion
The wide spread and acceptance of entrepreneurship education is a clear indication of its usefulness and importance in the present realities. The development of entrepreneurship will go a long way in providing the necessary impetus for economic growth and development. It will be crucial in boasting productivity, increasing competition and innovation, creating employment and prosperity and revitalizing economies, Kitche and Lam,( 2006). The introduction of entrepreneurship education can help entrepreneurs to better fulfil their personal needs as well as the economic contribution they make. Apart from creation of employment opportunities, entrepreneurs also serve as a major link of economic growth and development. The increased interest in entrepreneurship's role in new venture creation in the highly globalised economy has led to the growing body of research attempting to identify the factors that are responsible for the development of entrepreneurship. It is now generally accepted that the policy measures in form of legislation or other indirect ways can influence the level of entrepreneurship growth. Government can promote entrepreneurship through the educational systems for example Universities and Polytechnics. Education provides an entrepreneur with knowledge and skills to develop new entrepreneurial opportunities and self-confidence. Entrepreneurs are not born but acquired their skills and talents through education and experience of their lives. Drucker, (1985) indicates that entrepreneurship is a process that can be learned by individual and hence is teachable. A good entrepreneurial teacher can influence the entrepreneurial skills, knowledge and attitudes of his students.

Entrepreneurship education has vast potential to build skills and competencies in entrepreneurs who through poverty, marginalisation or other significant barrier would not otherwise be able to expand and develop their entrepreneurial skill set. An effective way to open up access to entrepreneurs is through partnership with education providers. Such a united effort would ensure that the people who would benefit the most from entrepreneurship education are indentified and supported in an ongoing and meaningful manner. The skills and knowledge of the educational sector can improve skills and competencies in entrepreneurs, who then in turn encourage greater social and economic participation, growth and strength of our economy.

7.2 RECOMMENDATIONS

• The government must play its constitutional role by providing an enabling environment through the provision of social and economic infrastructures capable of attracting new venture formation and development.
• With the current expansion of higher institutions of learning in the developing countries, greater attention must be paid to the labour market prospect since imbalance has already been created in the demand and the supply of labour. Efforts must be intensified to produce relevant entrepreneurial graduates.
• There is also the need to device new modern teaching techniques in order to improve students’ competencies for example through problem based learning, industrial attachment and trainings.
• Through government legislation and proper funding, higher institutions of learning should promote a better conducive environment for the development of entrepreneurship among graduates.
• The correct teaching methodologies and the most relevant learning process must be intensified to ensure the success of entrepreneurship education programme as a possible solution to graduates unemployment and poverty reduction” and”
• Finally efforts must be made to ensure that all entrepreneurship educators are properly trained and well-motivated because the entire success of the programme depends on their inputs.

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