



The rising tide of entrepreneurship education

There is a new trend in entrepreneurship and it is the teaching of entrepreneurship.

In the old paradigm, you go out and learn the ropes in venture creation on your own. It required that you enroll in the "school of hard knocks." The assessments were difficult to pass and the failure rate was high.

According to the US Census Bureau, about 50 per cent of new business started in 2005 failed in 2010. While in T&T we do not keep books on this critical measure of business start up, we can assume that it is probably as high as in the US.

The average entrepreneur started his or her venture in either a garage, basement or at school. It was trial and error and many did not have a formal business education or any formal education for that matter. Today, there are a number of business courses and even in ones in entrepreneurship.

According to the Kauffman Foundation (a private US philanthropic organisation that is devoted to entrepreneurship and education development), the growth of entrepreneurial education is nothing short of stellar.

Here in T&T, CXC has added entrepreneurship as a subject in CAPE. This comes on the heels of similar moves at UWI, UTT and Costaatt. UWI's Arthur Lok Jack Graduate School of Business offers an international MBA, masters in small and medium sized enterprises management degree and an international masters in business development and innovation, all with a strong focus on entrepreneurship.

UTT requires many of its degree students to complete a course in entrepreneurship and so does Costaatt. The latter, however, has the

only local bachelors in management and entrepreneurship.

So why is entrepreneurship training in demand?

Entrepreneurship is hot

While big businesses dominate the news, it is the small- and medium-sized sector that really drives the economy. Who creates the most jobs? Carl Schramm, former head of Kauffman Foundation, says that large business in the US has not created new jobs in the past 40 years.

It's the SME sector that does it and politicians like this (entrepreneurship) as an economic development tool. But since start ups fail at a high rate, it can't be just any small enterprise that are job generators. It has to be the ones that become the future Google, Facebook and Zappos. They are the gazelles and they make a huge difference.

We are of the belief that entrepreneurship reduces poverty. Immense spending on social programmes is unsustainable and not the path to increase living standards. The political reasoning is: give the average man a chance and he will break out of poverty. This is the idea behind Nedco and government loans and grants programmes. The Government also extends its entrepreneurship reach by investing in large business incubator programmes. This seeks to support potential entrepreneurs in a structured way by providing seed capital, training and mentorship.

CAPE

The launch of the entrepreneurship course at CAPE is an attempt to ride this wave.

Officials at CXC say this course is designed to empower and equip students in the art of entrepreneurial thinking and hopefully go on to start their own businesses. They also point

SAJJAD HAMID

entrepreneurtt@gmail.com

to the high unemployment and lack of innovation and diversification in Caribbean economies.

The course structure covers important areas: the entrepreneurial mindset (how could you start a business without this), idea generation and opportunity assessment, risk identification, new venture start up and harvesting. The school-based assessment (SBA) criteria includes an interview with an entrepreneur and to develop a case study. Students must also develop an idea into a viable business model.

Concerns

There are three main concerns about teaching entrepreneurship, particularly as a CAPE subject.

Teaching entrepreneurship is quite tricky. Academics say theory and practice are the same. In my opinion, this is not the case. Also, the educator must be a generalist, an academic and a practitioner. Many hats!

1. Entrepreneurship and small business management require the teacher to have a diverse knowledge. Small business management requires an understanding of finance, management, HR, marketing, economics, accounting and finance, among other areas. In addition, the teacher has to have a wide knowledge of different fields.

In a class of 20 students, one could expect they would have ideas to start a business: in retail, wholesale, e-commerce, construction, baking, printing, etc. This would require a teacher who must be a generalist to be able to understand and be able to assist the student in their SBA.

2. The resources available for the teaching

are foreign, particularly, the books and Web sites.

While the information is quite informative, the cultural context is quite foreign. Local entrepreneurs may want to read more about the entrepreneurs behind Sandals and MovieTowne, not just Bill Gates and Michael Dell.

3. Teaching by doing is highly effective but it would require that the teachers be entrepreneurs themselves. Approach the subject from an academic point of view only may be a challenge. If you are a duck, teaching swimming would be easy.

Professors Neck and Green of Babson College in the US, view teaching entrepreneurship not as a process since entrepreneurship is unpredictable and not linear. Ask any entrepreneur how many times he/she has failed and changed course and you get the point. The professors view it as a method; it involves acting and applying. It is like teaching someone to ride a bike, it is about practice.

Can you learn to fly a plane in a classroom? The professors advocate games, stimulations and reflective practice to get across the message.

Student entrepreneurs

While we need to start early in planting the entrepreneurial seeds, there is another issue of the career options after CAPE. Student can start a business, others may not. Some will go on to read for a degree in business.

What will become of all that work at CAPE? CXC folks should monitor the programme and see what can be done to expand entrepreneurial activities so the next potential Caribbean Bill Gates would not end up as a university graduate without a business.

Sajjad Hamid is an SME consultant, Entrepreneur Central. His contacts: entrepreneurtt@gmail.com