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# Today's Undergraduate Students ... Tomorrow's Entrepreneurs?

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*"Let us think of education as the means of developing our greater abilities, because in each of us there is a private hope and dream which, fulfilled, can be translated into benefit for everyone and greater strength for our nation."*

— John F. Kennedy

It is often said that owning a small business is part of the American Dream. Collectively, U.S. small businesses represent an estimated 99 percent of all employers (U.S. Small Business Administration, 2002). Interest in creating and owning a small business has never been greater than it is today: new business formation in the U.S. has broken successive records for the last few years, growing at a rate of between two and nine percent and totaling over one-half million annually. A recent study by Ernst & Young found that over 75 percent of leading American businesspeople believe that entrepreneurship will be the defining trend of this century (Williams, 1999).

Students are increasingly choosing to start their own businesses both before and during college, as well as post-graduation. Some suggest the appeal of self-employment and launching a new business has resulted from continued uncertainty about the economy, corporate and government downsizing, and a declining number of corporate recruiters on college campuses (Moore, 2002). Moreover, members of Generation X (those born between 1965 and 1990) do not perceive launching a business as a risky career path: "Twenty-five years ago, competitive conditions favored large companies with their hierarchies and layers of management; today, with the pace of change constantly accelerating, fleet-footed, agile, small companies have the competitive advantage" (Zimmerer and Scarborough, 2002, p. 15). Consequently, Generation X-ers have been described as the most entrepreneurial generation in history, accounting for approximately 70 percent of today's business start-ups (Bagby, 1998; Phillips, 1999).

The importance of entrepreneurship education among many U.S. colleges and universities has become well accepted. A study sponsored by the Kauffman Foundation entitled "Impact of Entrepreneurship Education" cites compelling statistics on the effects of such programs (Charney and Libecap, 2003). According to their findings, graduates of collegiate entrepreneurship programs are three times more likely to start new businesses and be self-employed, have incomes that are 27 percent higher, to own 62 percent more assets than non-entrepreneurship graduates, and to be more satisfied with their jobs (2003).

To support students' entrepreneurial ambitions, the number of U.S. colleges and universities offering entrepreneurship courses has grown from a handful twenty years ago to well over 1,000 at present (Hisrich, 1998; Kuratko and Hodgetts, 2004; Solomon and Fernald, 1991). "Today more than 1,500 colleges and universities offer some form of it. Further, there are more than 100 active university-based entrepreneurship centers in the U.S., and more than 270 endowed positions in entrepreneurship" (Bantel, 2003, p. 4).

The success of entrepreneurship programs across a wide spectrum of colleges and universities provides an indication of student demand for entrepreneurship curricula. As one example, Miami University began offering a minor in 2000 and currently has over 200 students enrolled in the program with another 500 students taking entrepreneurship courses. Central Michigan University has 234 majors in its entrepreneurship program, and other regional universities like Ball State University, Bradley University, DePaul University, and Georgia State University, in addition to Harvard University, Massachusetts Institute of Technology, and University of Southern California, host nationally ranked entrepreneurship programs.

Nevertheless, Charney and Libecap report that despite the growing number of entrepreneurship educational programs, many schools have been slow to respond to the increasing student and community interest (2003). "The growing number of students shunning traditional employment opportunities to become entrepreneurs has caught some business school faculty and administrators off guard. Many are still questioning whether entrepreneurship is worth the investment, whether entrepreneurship training enhances their students' abilities to compete in today's job market, and whether their entrepreneurship students make stronger and more successful business leaders" (Charney and Libecap, 2003, p. 3).

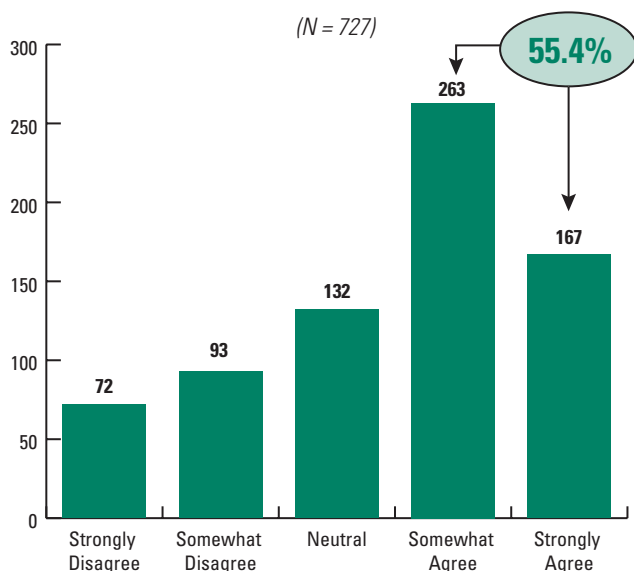
## Interest in Entrepreneurship among GVSU Students

During the summer of 2003, a group of faculty members, composed of representatives of both Seidman School of Business and Padnos School of Engineering, convened to explore the potential for launching a program in entrepreneurship. As discussion unfolded, considerable anecdotal information emerged about non-business students' interest in starting their own new ventures. This led the committee to conduct research to explore GVSU students' level and extent of interest in both starting new businesses and taking entrepreneurship courses. By utilizing Blackboard's electronic surveying capabilities, data were collected from over 700 students enrolled in summer 2003 courses within a one-week period in June.

On the survey, students were asked to indicate their level of agreement with two statements regarding a career in entrepreneurship: (1) "I would like to work for myself;" and (2) "I would like to start my own venture," using a five-point scale (1 = Strongly Disagree, 5 = Strongly Agree). By combining Strongly Agree and Somewhat Agree responses, 73.6 percent (535 of 727 students) expressed a desire to be self-employed and 55.4 percent (403 of 727 students) indicated that they wanted to start their own new business, as shown in Figure 1. Interestingly, too, nearly six percent of students reported currently owning a business, with the highest incidence of businesses ownership within Social Sciences (7.1 percent).

These findings led to an analysis of the home academic discipline among students who are interested in starting a business. By again combining those who responded "Strongly Agree" and "Somewhat Agree," over fifty percent of students in Kirkhof School of Nursing, Social Sciences, Science & Mathematics, School of Education, Arts & Humanities, and Seidman School of Business reported a desire to be entrepreneurs, as shown in Table 1.

**Figure 1 GVSU Students' Interest in Starting a Business**



**Table 1 – Academic Disciplines (Majors) of Intending Entrepreneurs**  
(N = 418)

| Academic Discipline                | No. of Students | Percent within Academic Discipline |
|------------------------------------|-----------------|------------------------------------|
| Kirkhof School of Nursing          | 53              | 76.8                               |
| Social Sciences                    | 63              | 75.9                               |
| Arts & Humanities                  | 59              | 73.8                               |
| Science & Mathematics              | 112             | 72.3                               |
| School of Education                | 34              | 72.3                               |
| Seidman School of Business         | 76              | 67.9                               |
| Padnos School of Engineering       | 11              | 61.1                               |
| School of Social Work <sup>a</sup> | 1               | 50.0                               |
| Other                              | 9               | 69.2                               |
| <b>Total</b>                       | <b>418</b>      |                                    |

<sup>a</sup> Only 3 School of Social Work students completed the questionnaire; one did not answer this question.

### Pedagogical Methods for Teaching Entrepreneurship

According to Bantel (2003), entrepreneurship education is, by its nature, very applied and hands-on. Although various pedagogical methods and models exist, a common theme is the integration of theoretical and practical concepts. Morris, et al. (1994) developed a model built around the inputs (e.g., environmental opportunities, resources) and outputs (e.g., new products/services, technologies) of the entrepreneurial process which can be applied in teaching both entrepreneurship and intrapreneurship. Johnson's model (1990) provides a multidimensional framework in which entrepreneurship is understood through analysis of interactions between the individual, the environment, the organization, and the entrepreneurial process. An illustration is provided by the University of Arizona's Berger Entrepreneurship Program, launched in 1983, into which forty undergraduate students and thirty graduate students are accepted annually. The program offers courses in competitive advantage, venture finance, marketing research, and business plan development with additional courses recommended in MIS, marketing, finance, and management. Students work in teams to complete feasibility studies for contemplated ventures and develop business plans. The capstone of the program is a business competition in which students must present and defend their business plans, with the winner being awarded \$10,000 in prize money (Charney and Libecap, 2003).

In teaching entrepreneurship, a variety of pedagogical methods are commonly employed, including:

- Standard classroom lecture and exam format
- Project-based, within flexible classroom format
- Immersive, team-based project that comprises the entire course content, provides on-site emphasis, and often lasts throughout the semester
- Topic- or opportunity-based independent study (Bantel, 2003)

Additionally, many entrepreneurship programs are supported and enhanced by: (a) formal internship programs, often funded by external sources, involving structured assignments with faculty oversight; (b) events that provide networking opportunities for students, alumni, and the business community; (c) student clubs; (d) career placement services; (d) venture funds; and (e) scholarships and fellowships (Bantel, 2003).

Several articles describe the challenges associated with teaching business concepts to interdisciplinary students. In teaching an interdisciplinary business and literature course, Gailey and Carroll (1993) state that it is often difficult to overcome the biases of separate disciplines. Armstrong (1980) suggests that faculty members participating in interdisciplinary initiatives should be able to tolerate ambiguity, possess initiative and assertiveness, and be broadly educated. This view is echoed by Stember (1991) who suggests that faculty should have competence in at least one discipline, a broad perspective, a "taste for adventure into the unknown and unfamiliar" (p. 6) and be flexible and versatile. Consequently, Payne (1998) noted that not all

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faculty are well-suited to teaching interdisciplinary students since it places new demands on faculty: "Interdisciplinary study is not for everyone; it attracts faculty who are self-motivated, have a strong love of learning, and welcome change" (p. 212).

Regarding teaching accounting concepts to interdisciplinary students, Steadman (2000) identified two challenges: (1) non-business students' confusion over terminology and concepts; and (2) perceptions by some students that the business content was "too advanced." To overcome these challenges, he recommends: early planning; integration of course content/material with team teaching where possible; strong administrative support; and student involvement in the course through case analysis, problem-solving, and team projects (2000).

In designing an entrepreneurship program at GVSU, two considerations were deemed paramount: (1) acquainting non-business students with fundamental business concepts that progressively build and consolidate the necessary skills to start a successful business; and (2) providing innovative and engaging, active student learning opportunities.

A proposed 18 credit-hour minor was identified, composed of six courses that were developed based on their content (e.g., innovation, growth, competitive analysis), instructional strategies (e.g., interaction with local businesses, case studies, and concrete product/service development), and demonstration of learning (e.g., service-learning projects and presentations). Students will be taught to prepare and execute a full business plan that integrates the necessary human, financial, physical, and technological resources, and to manage the entity on an ongoing basis in periods of rapid growth and competitive uncertainty. The program will include a strong hands-on focus, including practicum workshops, and mentoring/nurturing by faculty members and local entrepreneurs.

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