

## **EXPERIENTIAL ENTREPRENEURSHIP EDUCATION – A PRACTICE**

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*“Entrepreneurship is neither a science nor an art. It is a practice- Peter Drucker”*

### **ABSTRACT**

*Entrepreneur is a person who undertakes and operates a new enterprise and assumes some accountability for the inherent risks. Entrepreneurship is the practice of starting new organisations particularly new businesses generally in responses to identified opportunities. Many developed economies is said to be revitalised because of the efforts of entrepreneurs and the world has turned to free enterprise as a model for economic development. Even though no single definition of entrepreneur exists and no one profile can represent today's entrepreneur, research is beginning to provide an increasingly sharper focus on the subject. Generating a critical mass of entrepreneurs oriented to high levels of growth depends on the quality of education provided and the presence of an environment that encourages innovation. At the same time many researchers state that entrepreneurship education do not fulfill its intended purpose of creating entrepreneurs as they were not action-oriented but knowledge-based, do not highlight how to come out of failures, do not instil courage, conviction, confidence, belief, heart & spirit, will and perseverance. This paper advocates research on experiential methodologies in entrepreneurship education and suggests an exercise for business experience known as rupees hundred exercise and also documents the outcomes of the exercise among students.*

**Keywords:** EE, EET, Entrepreneurial Intentions

### **INTRODUCTION**

The word Entrepreneur has been derived from the French word *entreprendre* meaning “to undertake”. Entrepreneur is a person who undertakes and operates a new enterprise and assumes some accountability for the inherent risks. Entrepreneurship is the practice of starting new organisations particularly new businesses generally in responses to identified opportunities. Entrepreneurship ranges in scale from solo and small projects to even high scaled major undertakings creating many job opportunities. So, entrepreneurship is complex, heterogeneous and multi-disciplinary by nature. Everything under the sun and beyond from Nano to Space Science can be subject scope of entrepreneurship.

According to Donald(2008), Entrepreneurship is the most powerful economic force known to humankind. The entrepreneurial revolution that captured the 1990's through Wall-Mart's Sam Walton, FedEx's Fred Smith, Microsoft's Bill Gates, Dell Computer's Micheal, Southwest Airline's Herb, Apple's Steve Jobs of USA, Sun network Kalanidhi Maran, Infosys Narayanamurthy, NDTV Prannoy Roy, Cavinkare Renganathan and Air Deccan Gopinath in the Indian context has permeated every aspect of business thinking and planning. The US economy is said to be revitalised because of the efforts of entrepreneurs and the world has turned to free enterprise as a model for economic development. The imminent growth of entrepreneurship has attracted worldwide attraction among government, policy makers, corporates, researchers, academic fraternity and development consultants etc. Even though no single definition of entrepreneur exists and no one profile can represent today's entrepreneur, research is beginning to provide an increasingly sharper focus on the subject.

According to the *National Knowledge Commission report 2007* on “Entrepreneurship in India” Generating a critical mass of entrepreneurs oriented to high levels of growth depends on the quality of education provided and the presence of an environment that encourages innovation. Thus, three interconnected areas provide possibilities for mutually beneficial synergies through the flow of ideas and wealth, which could generate high level of dynamism. These are: Education (especially, quality vocational training, technical and business skill development), Innovation (generating commercial value through new and improved ideas) and Entrepreneurship.

### **ENTREPRENEURSHIP EDUCATION**

Entrepreneurship Education provides individuals with the cognitive ability to match potential entrepreneurial opportunities with their respective skills and abilities (*Levie and Autio 2008*). Akola and Heinonen (2006) separate the “art” and the “science” of entrepreneurship, in which the former (e.g., creativity, innovative thinking) is not teachable, except through practical experience; while the latter (e.g., business and management skills) can be taught. Despite these points to the contrary, research supports that when education and training systems incorporate creative and entrepreneurial skills into teaching methodologies, the mindsets and skills more closely tied to the “art” of entrepreneurship are transmittable (World Bank 2010). Alexandria Valerio, Brent Parton, and Alicia Robb (2014), state that aspects of entrepreneurship can be taught and learned, education and training systems are emerging as a key component of broader discussions about the promotion of entrepreneurship. A definition on Entrepreneurship Education and Training (EET) was ever evolving. Entrepreneurship in practice is skill based. Entrepreneurship Education and Training (EET) represents academic education or formal training interventions that share the broad objective of providing individuals with the entrepreneurial mindsets and skills to support participation and performance in a range of entrepreneurial activities.

### **ENTREPRENEURIAL SKILLS**

World Bank (2014) Self-confidence, leadership, creativity, risk propensity, negotiation motivation, resilience, self-efficacy, overall awareness and perceptions of entrepreneurship, accounting, marketing, risk assessment, and resource mobilization were highly required skills for entrepreneurs. (Lüthje and Franke 2003; Rauch and Frese 2007; Teixeira and Forte 2009; Hytti *et al.* 2010; Cloete and Ballard 2011; Kolvereid and Moen 1997; Peterman and Kennedy 2003; Fayolle, Gailly, and Lassas-Clerc 2006; Souitaris, Zerbini, and Al-Laham 2007; Curran and Stanworth 1989; Detienne and Chandler 2004; Honig 2004; Russell, Atchison, and Brooks 2008; Bjorvatn and Tungodden 2010; Karlan and Valdivia 2011)

### **ENTREPRENEURSHIP EDUCATION AND TRAINING (EET) VS BUSINESS MANAGEMENT EDUCATION**

A prominent theme in EET literature is the differentiation between EET and business management education. While both focus broadly on enterprise development (Zeithaml and Rice 1987; Winslow, Wennekers, and Tarabishy 1999), research suggests that business management education traditionally trains students to operate within existing hierarchies and serve as managers of established firms (Sexton and Bowman 1984).

Entrepreneurship education and training (EET) programs can be classified under two related but distinct categories: *education programs* and *training programs*. From program to program, academic entrepreneurship education (EE) programs tend to focus on building knowledge *about* or *for the purpose of* entrepreneurship and skills in starting or operating an enterprise.

The Conceptual Framework categorizes EET outcomes into a series of four domains: (a) entrepreneurial *mindsets*, (b) entrepreneurial *capabilities*, (c) entrepreneurial *status*, and (d) entrepreneurial *performance*

**EET FAILURE**

According to Andrew Yang(2016) Entrepreneurship education does not fulfill its intended purpose of creating entrepreneurs as they were *not action-oriented but knowledge-based, do not highlight how to come out of failures, do not instil courage, Conviction, Confidence, Belief, Heart & Spirit, Will and Perseverance.*

**APPROACHES**

Chris Steyaert (2007) states that the practice-based relational-materialist approach, which have been the least used in entrepreneurship studies, hold the *greatest potential* for those who conceive of entrepreneuring beyond its current, mostly interpretive, social constructionist and pragmatist use. More accurately, the practiced-based and relational-materialist perspectives bring the field of entrepreneurship studies away from methodological individualism and closer to a social ontology of relatedness.

**PRACTICE**

The author in triumph to identify an effective entrepreneurship learning among the student participants experiments a practical exercise known as rupees hundred exercise. A batch of 102 students undergoing an academic program is used as an experimental group. As part of the Experiential Learning Methodology with the Entrepreneurship Education program covering various aspects like Entrepreneur-Meaning, Scope, Evolution, Theories, Types etc, Idea Generation, Brain Storming, Screening Ideas, Understanding funding options, HR techniques, identifying needs, wants of customers, market survey and selling techniques were all taught to the participants. After being taught all the fundamentals, tools, and techniques of entrepreneurship each participants is provided seed capital of rupees hundred for a business exercise and a practice opportunity to apply all they have learnt in the program. The participants have to return the money and give a presentation about their deliberations using the money within the next eight hours. The business ideas, money invested, teams they formed, the returns percentage gain the sign of their experience had been represented in Table-1. The teams returned the money after efficient and effective utilisation of eight hours.

**Table-1**  
**Innovative Business Ideas & ROI**

Sl.No.	Business Idea	Project Name	No. of Participants	Invested amount	Return	Profit	% Gain
1	Paint Protection Film	Evernew	8	800	3500	2700	338
2	Cactus & Money Plants	Pet Pots	7	700	800	100	14
3	Refreshments	Amber	9	900	1300	400	44
4	Just Fish	Opel	8	800	1400	600	75
5	Pain & swelling reliever	Mobifit Gel	8	720	1120	400	56
6	Helmet lock/Head gear	Quartz	7	700	1065	365	52
7	Carom Game & Burger selling	Pocket burger	8	700	1080	380	54
8	Juice selling	Juice on Wheels	7	621	750	129	21
9	Home Made Briyani	Briyani Home	7	754	2000	1246	165
10	Jute Bags	Jute Love	8	700	900	200	29
11	Quick Snacks	Brunch & Crunch	7	700	1250	550	79

12	Flowers	Gift flowers	5	500	725	225	45
13	Tree adoption	Wood you	5	450	521	71	16
14	Hot & Cool	Mobile Shop	8	600	1200	600	100

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## OUTCOMES

By this hundred rupees exercise it was found that the participants overall awareness towards society & consumer needs increased and their perception towards entrepreneurship was positive. They seem to be self-confident, exhibiting leading qualities, innovative, increased propensity to risk, calculative in risk-taking, increased motivation levels, assessment of local market needs and timing, risk assessment levels, learning, re-learning and prudent decision making skills improved. They also understood that proper assessment, timely action gives positive results. The venture-mix consists of trading, food processing, pharma, services, green and also social ideas. The gain out of the investment ranged from minimum fourteen percentage to three hundred thirty eight percent.

## CONCLUSION

Glaub and Frese (2011), states about the general belief about existing evaluations on the outcomes of EET programs as methodologically weak. Akola and Heinonen(2006) states, that business & management skills alone can be taught and creativity, innovative thinking has to be gained through practical experience the researcher establishes that a well-designed entrepreneurship education with business & management theoretical knowledge, creative and innovative practical exposure will have positive outcomes thus producing inspiring new entrepreneurs.

At the same time, studies examining EET's impact on entrepreneurial intentions also indicate a positive short-term influence on (short-term) entrepreneurial intentions (Lüthje and Franke 2003; Lee, Chang, and Lim 2005; Fayolle, Gailly, and Lassas-Clerc 2006; Souitaris, Zerbini, and Al-Laham 2007). Thus this paper strongly advocates that Entrepreneurship Education & Training should focus towards more practice oriented methodologies like activity based learning and experiential learning methodology. More experiment research on effective entrepreneur education and training are the need of the hour based on desired and measurable outcomes.

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