Developments In Business Simulation & Experiential Exercises, Volume 20, 1993

ENTREPRENEURS EVALUATE EXPERIENTIAL EDUCATION

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ABSTRACT

In a course designed to optimize students' capability to apply the principles and practices of innovation and entrepreneurship, an active experiential pedagogy was applied. Data were gathered on 24 students for experiential activities which included *knowing, thinking, participating,* and *doing,* all of which are active rather than passive in nature. When students were asked to distinguish among experiential exercises with respect to their value for all students as compared to the perceived value for themselves, their responses produced statistically significant Spearman Rank-Order Intercorrelation coefficients for all exercises except one. The experiential approach was found to be more valuable than traditional approaches.

INTRODUCTION

The development of entrepreneurial expertise is receiving renewed interest as efforts to stimulate jobs and economic growth continue in both the public and private sectors. Recent research shows that it is ... not the amount of education which makes a difference" in entrepreneurial success, "hut the type of education (Chandler and Jansen, 1992: 233). While expertise in a field has been related to intensive study and substantial experience (Lord and Maher, 1990) and both can he offered effectively in an experiential learning setting (Fairhurst and Good, 1991; Halterman and Sampson, 1991; Hollingsworth and Chesteen, 1991), rarely has experiential pedagogy been applied in business courses specifically targeted for thc emerging entrepreneur. This paper describes an advanced MBA class, Management 677-Innovation and Entrepreneurship, and reports results regarding students' perceptions and evaluations of an experiential approach for teaching entrepreneurship.

COURSE STRUCTURE AND ADMINISTRATION

The course was fashioned to incorporate a theories-inaction (Argyris and Schon, 1977) approach, whereby concepts generally regarded as essential for success in generating new business ventures were applied in a variety of practical settings. Pedagogical aspects of the course encompassed four components of instruction, which were integrated to form the basis of the experiential learning context. These included *knowing, thinking, participating,* and *doing,* all of which are active rather than passive nature.

Knowing was stimulated through the lectures, readings, discussions, and unscheduled quizzes which were a part of six theory-based seminars conducted throughout the quarter. *Thinking* was encouraged through integrative assignments such as matching personal goals with choice of a term project, writing and publishing an article in a metropolitan newspaper, and impromptu case analysis. *Participating* was facilitated through the group interaction in assigned-case workshops, and through "consulting with small business" experiences provided for each student. *Doing* was engendered through site-visits, dialogues with practicing new business venturers, and the production of an individual project tailored specifically to the students' venturing interests.

The six objectives of this course allowed each student to:
(1) develop an identity with a venturing group; (2) have experiential opportunities; (3) attain conceptual mastery; (4) optimize concept application; *(5)* obtain and retain knowledge ; and (6) maintain an acceptable interest level.

METHODS

The sample consisted of 24 students (17 males arid *7* females) enrolled in Management 677, a graduate level course focused on innovation and entrepreneurship, during Winter Quarter of 1992. The majority of students had some job experience. The objectives of the class were articulated at the beginning of the quarter by the instructor and were included in the course syllabus. Each student was personally interviewed by the instructor to ascertain individual interests and to define an individual project, which would match those interests.

At key points during the term of the course, all students were invited to provide anonymous feedback. Specifically, after each "Consulting with Small Business" experience, a detailed questionnaire was completed by each student. Then at thc conclusion of the course but after the course evaluation required by the university was completed, the students anonymously evaluated the experiential activities according to two criteria: (1) their estimates of the value of the experiences for all students of entrepreneurship; and (2) their estimates of the value of the experiential activities in enhancing their expertise, based upon their own actual experiences in this class. Finally, students anonymously assessed the level of success of the course in achieving course objectives on a scale of achievement from I (low) to *7* (high).

RESULTS

When students were asked to distinguish among experiential exercises with respect to their value for all students as compared to the perceived value for themselves, their

responses produced statistically significant Spearman Rank-Order Intercorrelation coefficients for all factors except one as shown in Table 1. The one exception involved dialogues with outside visitors. Interestingly, the students perceived the experience of actually writing an article that they knew would be published in a large metropolitan newspaper as an ideal learning experience for themselves as well as for all students. Another high correlation was a perception by the students that the theory seminars were of lesser value to all students as well as to them individually. Consulting with small business experiences and individual projects showed moderate levels of agreement.

TABLE 1
VALUE OF CLASS ACTIVITY
IDEAL VERSUS ACTUAL

	Spearman Rank Order Intercorrelation
Theory seminars	.7792**
Case Workshops	.5123*
Personal Goals Identification	.6850**
Individual Project	.5916*
Site Visit	.4940*
Consulting with Small Business	.6859**
Newspaper Article	.8219**
Dialogues with Outside Visitors	.4812

* p<.01
** p<.001

	IDEAL		ACTUAL	
	mean	s.d.	mean	s.d.
Theory seminars	2.96	2.12	3.57	2.00
Case Workshops	3.96	2.06	5.00	2.37
Personal Goals	4.78	2.66	4.44	2.97
Individual Project	4.09	2.07	4.09	2.15
Site Visit	4.87	1.63	4.39	2.04
Consulting with SB	4.44	2.08	4.39	2.29
Newspaper Article	6.78	1.59	6.30	1.58
Visitor Dialogue	3.61	1.90	3.61	2.06

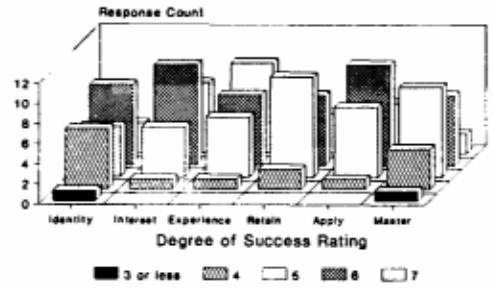
1 = most valuable, and 8 = least valuable

Areas of inverse correlation were also discovered. For example, as the case workshop rankings increased, individual project rankings decreased (r=-.48) indicating that these two activities may have been viewed by the students as substitutes for each other. This inverse type of relationship was also noted between the small business newspaper article and dialogues with outside visitors -- perhaps a clue that these types of exchange are perceived as similar activities. However, it may be that students with good verbal communication skills preferred dialogues whereas students who write well preferred to fulfill course requirements through composition as in writing the newspaper article.

Students considered the theory seminars, dialogues with outside visitors, and case workshops to be the most valuable activities for learning entrepreneurship in general. Significant differences (p<. OS) were found between the students' rankings of the following activities as "Ideal for all students of entrepreneurship" as compared with 'Ideal for the individual student based on his/her own actual experience using Paired t tests. Differences in students' perceptions of value of the activity were found in the areas of:
Theory Seminars (t=2.126), Case Workshops (t=2.270) and Small Business Focus Newspaper Article (t=2.421). Since the composition and publication of a newspaper article ultimately gives the author some degree of visibility and prestige in the business community, it was surprising that the students ranked the value of this activity for themselves differently than they ranked it for *all* students of entrepreneurship.

With regard to how well the course was designed and administered in terms of achieving the course objectives, the students reported that all course objectives were met with some degree of success as shown in Figure 1 (1 low, 7 high).

FIGURE 1
COURSE OBJECTIVES



Out of 23 students only two reported that the course was unsuccessful in only one area cach (developing group identity, and achieving conceptual mastery respectively). However, students were most enthusiastic about the course's ability to maintain interest level, provide experiential opportunity, and optimize application.

Responses were analyzed to discover the extent to which students believed that the "Consulting with Small **Business** Sessions had particular characteristics related to transferability to other cultures, pedagogical issues, and relationship to entrepreneurship. After examining the statistics, we suspect that the students' perceptions were somewhat dependent on the personalities of the speakers for those sessions...not only the substance of thc speakers' messages about what it is like to be "new venture mechanics' (Vesper, 1993). The basic descriptive statistics are reported in Table 2.

Table 2
Consulting with Small Business Session Characteristics

This classroom experience :	MEAN RATING Session I	Session II
was more interesting than lecture.	41.3	37.6
offered the opportunity to become more aware of cultural differences.	28.9	30.5
has little transfer to the real world of business.	12.1	16.1
was an efficient way to teach some important concepts of innov-ation & entrepreneurship.	39.1	36.9
was quite pleasurable as a learning experience.	39.6	36.4
helped motivate me to do a better job in preparation for class.	32.5	33.9
seemed to be a worthwhile use of my time.	38.5	36.1
was not very effective as a teaching. method.	10.2	19.8
helped me understand underlying issues/ problems faced by entrepreneurs.	38.0	36.9
would be an effective method of teaching the course concepts in any other industrial country.	32.1	33.4
was very valuable because of the exchange of ideas.	36.1	35.4
more clearly highlighted the issues surrounding the circumstances faced by the entrepreneur.	39.2	36.4
helped me assess the value of my recommendations in the consulting assignment.	33.7	34.4
was enhanced dramatically by having the freedom to contact & interact w/ the business before this class.	27.1	21.3
made me less eager to become an entrepreneur.	12.0	16.3
helped improve my problem-solving.	30.2	29.0
pointed out the importance of good communication skills for entrepreneurs.	33.4	32.7
increased my understanding of some unique personality character-istics of entrepreneurs.	38.7	37.5
did not offer much insight into the nature of innovation.	13.3	22.6
was more practical & useful than most of my University classroom experiences have been in the past.	36.1	31.4

50mm line with 1 = Strongly Disagree, and 50 = Strongly Agree

DISCUSSION

This course was designed to optimize students' capability to apply the principles and practices of innovation and entrepreneurship in a business setting. Activities and discussions centered around topics aimed at *implementation:* how to originate the business organization to exploit a product; how to apply marketing concepts and financial planning skills; how to identify and attract sources of capita'; how to identify and anticipate potential legal problems, among many others. Wc found that students generally agreed that the design was appropriate for achieving course objectives.

Recent research shows that all students of entrepreneurship do not share identical goals; thus, being aware of the differences of students' goals, we were challenged to develop a course with the student of entrepreneurship in mind and yet include an acceptable core content. It appears that we were successful in that effort due largely to the broad spectrum and variety of experiential activities, which permitted individualization of instruction and allowed for a substantial amount of tolerance for disparate goals and interests of students. From personal interviews with students, we discovered five primary reasons why a student may register for a course in entrepreneurship: (1) A student may be considering a career as an entrepreneur; (2) A student committed to a more traditional career may wish to understand entrepreneurial processes so that he/she may apply this knowledge in a more traditional setting; (3) Friends or family members of students with an MBA may seek their advice and/or financial support for ventures; (4) A student may already be involved in an entrepreneurial setting and have specific challenges and/or opportunities which need the refinements possible perhaps only through rigorous study; and *(5)* Students may have only a transitory interest, if any interest at all, in entrepreneurship. We believe that many of the differences appearing in this preliminary data analysis are related to some degree to the reasons listed above. Other factors are obviously also influenced the students as they responded to our probing, but further analysis of the data will he required before any firm conclusions can he made.

When one examines the statistics provided by Table 2, it might be helpful for the reader to keep in mind the notion mentioned earlier in this paper suggesting that the student ratings were partially affected by the characteristics of the speakers. So we offer the following observations for the readers' consideration. The guest entrepreneurs who spoke to the class were very different in personality, style, and approach. The first guest (Confiscating with small Business I) was charismatic, ebullient, and connected well with the students. Although students had name placards at their seats, only the first entrepreneur called cach student by name and engaged in conversation in an informal manner. In contrast, the second guest (Consulting with Small Business 1l) was more formal. His presentation did not involve as much interaction with students, yet the information content of both speakers was quite similar. The second guest spoke at a more conceptual level than did the first. Although first guest completed only an associate degree at a Junior College, while the second guest hold's a masters' degree, the students paradoxically admired arid liked the first speaker more.

Finally, we think that written comments speak as loudly as the data and statistics about the effectiveness of experientially teaching the concepts of entrepreneurship and motivation in business. One student wrote, 1 thought this was a great way to teach entrepreneurship. The theory part of the class was enhanced and internalized by the experiential process. Another stated, The experiential opportunity was extremely valuable, largely because it was not really available in any of my other courses.' With regard to the idea of understanding that entrepreneurship is a group and social phenomenon rather than an individualistic phenomenon, one student wrote, "This course

definitely built group identity---just by the nature of the way we defined our teams. And the last comment sums up one student's opinion of experientially based teaching of entrepreneurship like this: 'It has been one of the few best MBA classes I have ever had. Most are a waste of time. This was because time was allocated to the projects I found most interesting. The guests and consulting projects were great. The way to improve this course is to have more 'real live' visitors who know that we want 'real world' useful stuff. THIS CLASS GAVE IT." How do today's emerging entrepreneurs evaluate experiential education? They embrace it. Whoops! Another E.

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