

# DEVELOPING ENTERPRISE CULTURE AMONG THE STUDENTS THROUGH INTERCOLLEGIATE COMPETITIONS: A CASE OF STUDENT ENTERPRISE COMPETITION (SEC) 2007

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## ABSTRACT

*Developing an eco system which can promote entrepreneurial orientations among the people is widely discussed issue among the entrepreneurship educators. This paper focuses on the concept of student enterprises and its importance and implications in entrepreneurship education. The paper explores the possibility of creating intercollegiate competition as a platform to cultivate enterprise culture among the students.*

*An ounce of action is better than tonnes of planning  
– Anonymous*

## INTRODUCTION

Innovations in entrepreneurship education are the need of hour. Few favourable eco-systems are said to be among the reasons for the lack of entrepreneurial orientation among the people. An issue for entrepreneurship educators is how to create an enterprise culture in academic settings where students can develop an entrepreneurial orientation. This paper focuses on the importance of the concept of student enterprises in entrepreneurship education as a solution for improving entrepreneurship education.

This paper provides a brief review of the concept and

the practice of student enterprises in academic literature. The case of intercollegiate competition on the theme of students' enterprises at the National Institute of Industrial Engineering is presented. The implications of adopting the pedagogy of student enterprises into the main stream curriculum of enterprise education are discussed. A review of the concept of "Student Enterprises" examines the growing literature on enterprise education reported and surveyed by others (e.g. Katz, 2003, Okudan & Rzasa, 2006, Rasmussen & Sorheim, 2006) and helps in locating the most relevant points of connection with the student enterprises curricular literature and curriculum as envisaged by the authored.

Student enterprises may be referred to as "Enterprises Owned, Launched, and Operated" by the students in conjunction with their studies. The motives for the emergence of these enterprises may be due a variety of reasons. The motives include, but are not limited to profiteering, passion for enterprising, curiosity to explore an idea, social causes, or unavoidable requirements like financial problems or minimum academic requirements. Student enterprises belong to the action learning pedagogies originated by Revans (1982).

In the case of student enterprises, students play the dual roles of students and entrepreneurs at the same time. In reality, this dual role enriches the overall learning process and brings in dramatically improved learning outcomes. Although it seemingly gives an impression

## EXHIBIT 1

### Student Entrepreneurs - Some Role Models

Michael Dell, Founder, CEO and Chairman of Dell Inc. while at the University of Texas at Austin, started a computer company called PC's Limited in his room in Dobie Center. A part from many of the achievements, Dell as of 2007, Forbes estimates Michael Dell's net worth at \$ 15.8 billion, making him the 30th richest person in the world and the 9th richest American.

Sir Richard Charles Nicholas Branson is an English entrepreneur, best known for his virgin brand of over 360 companies. Branson's first successful business venture was at age 15, when he published a magazine called Student. At the age of 21 years, Branson then set up a record mail-ordered business in 1970. In 1971, he opened a chain of record stores, Virgin Records, now known as Virgin Megastores.

Mr. Suhas Gopinath, still a student pursuing his under graduation course in engineering in southern India launched his own website, "www.coolhindustan.com" when he had still not crossed 14 years. In 2000, at the age of 14 years, Suhas Gopinath founded his own firm 'Globals Inc' in San Jose, California. Globals Inc is into web-based and software solutions, mobile and e-commerce solutions. Mr Gopinath is often referred to as "Global Youngest CEO". A multinational enterprise launched and successfully managed by a student like Mr. Gopinath's Globals Inc is wonder to watch for all the academic world on how much students can engage in the enterprising when they are still students in a college.

Source: <http://wikipedia.org>

## EXHIBIT 2

### Student Enterprises – A Literature Review

Sl.No.	University / Institute	Title of Student Enterprises Prog.	Reference
1	Prince School of Business, University of Oklana in Norman, USA	“ Student Companies “	Shinn, 2003
2	Michael Smurfit Graduate School of Business, University College Dublin, Blackrock, Ireland	“ Marketing Development Prog. “	McLoughlin, 2004
3	School of Life Sciences, Queensland University of Technology, Brisbane, Australia	“ Bioneering “	Collet and Wyatt, 2005
4	National Institute of Industrial Engineering , Mumbai, India	“Hamara Dhandha “ (Means ‘ Our Business’ in English language )	Prasad, T , 2006
5	Durham University,	Biology Enterprise	Hartshorn, C and Hannon, P D. 2005
6	Turku University of Applied Sciences, Turku, Finland	“ Practice Enterprise “	Kontio, J. 2006
7	Penn State University, School of Engineering Design and Professional Programs	Entrepreneurial Leadership	Okudan G E and Rzasas E, 2006
8	Chalmers University of Technology, Gothenburg	Student Companies	Rasmussen E A and Sorheim R, 2006
9	Jonkoping International Business School, Jonkoping	Future Companies	
10	Malardalen University, Vasteras / Eskilstuna	Idelab ( Idea-lab )	
11	School of Economics and Commercial Law at Gothenburg University, Gothenburg	Business Lab	

that student enterprises are driven by earning as an important outcome, it is possible to combine the earning and learning into a single outcome through the systematic educational processes.

It is interesting to note that the philosophy behind Student Enterprises aligns with Gandhian perspective of basic education. Mahatma Gandhi’s philosophy of basic education advocated three basic tenants: (a) Holism, involving Body, Mind and Spirit; (b) Self-Supported Learning; (c) Engagement of self in the activities (manual training) for learning (Fagg, 2002). An honest attempt to understand the concept of student enterprises will enable the reader to revisit three of the basic tenants of the Gandhian approach to education. A quick search also reveals that some of the successful business people have started enterprising at a very young age when they were students. Exhibit 1 presents the short profile of the few student entrepreneurs like Michael Dell, Richard Branson, and Suhas Gopinath who started their enterprising sojourn very early in their life and as students.

Further, there are few academic institutions around the world which are pursuing the pedagogy of student enterprises for entrepreneurship education in some form or the other. Exhibit 2 lists the practice of student enterprises reported in various academic journals.

As observed above, there seems to be room for student enterprises in every area of education with out the concept being limited to only business or entrepreneurship education. Further, an action learning approach like student enterprises is found to be having greater acceptability among the European academicians than the American academic fraternity.

### EFFECTIVENESS OF STUDENT ENTERPRISES AS A PEDAGOGY

In order to assess the effectiveness of student enterprising as part of curriculum, Shinn ( 2003 ) observed that more than half of the student respondents (who have participated in student enterprises project) identified “enterprising” as the single most positive aspect of their undergraduate business education. Further, Erikson and Gjellan (2003) reported that the students engaging in enterprising "nurtures stronger preference for and lowered the barrier towards an entrepreneurial career" (p. 39).

At present, the concept of Student Enterprises has not taken roots in the academic world and it is neither widely accepted as a pedagogy in entrepreneurship education. Despite the fact that there are reasons for the non

existence of student enterprises as discussed earlier, it is widely believed that there is need to recognize the existing student enterprises (in whatever form these are) and systematically examine the feasibility of importing this pedagogy into the mainstream business and entrepreneurship education. The emphasis should be on leveraging the effective learning possibilities through this sort of the medium of learning. It is observed in the present short review of literature that:

- There is lack of awareness regarding student enterprises among the academicians.
- There exist some student enterprises which are unnoticed.
- Absence of any kind of mechanism to spearhead the concept of student enterprises.

Hence, it was felt appropriate that there is need to promote the concept through a national level competition involving various institutions. This first Student Enterprise Competition 2007 was thus conducted at the National Institute of Industrial Engineering (NITIE) in India on November 4, 2007.

The business plan as a pedagogy in entrepreneurship education is widespread. Intercollegiate business plan competitions are prevalent in various business schools across the world. Some of the popular business plan competitions include: 100K MIT Entrepreneurship Competition, Global Social Venture Competition (GSVC), UK SEC National Student Business – Plan Competition. However, the very scheme of business plans lacks the much stressed ‘action orientation’ (Gibb, 2002; Pfeffer and Sutton, 1999), ‘apprentice’ (Aronsson, 2004) ‘active experimentation’ (Jamali, 2005) for effective entrepreneurship learning.

## **STUDENT ENTERPRISE COMPETITION (SEC) 2007**

The mission of the SEC is to recognise already existing student enterprises and try to bring them into focus as part of main stream entrepreneurship education. Specific and immediate objectives of the present competition are to:

- Encourage a competitive learning environment
- Identify and highlight the success of Student Enterprising attempts across the country
- Enable understanding of how the student enterprise experiences complement the academic leaning in a class room setting.
- Arrange access to fund investing communities to student entrepreneurs.
- Allow broad media exposure and PR Buzz.
- Spread the concept of Student Enterprises among the academic institutes and participating students.

## **SEC - ORGANIZATIONAL STRUCTURE**

The SEC competition was designed and organised by the Centre for Student Enterprises, NITIE, Mumbai, India. The Centre’s faculty advisor arranged to send invitations to the different academic institutions in the country inviting the entries for the competition. The invitation letter included competition rules, prize money, deadlines of the submission of entries and other information. The faculty advisor was also responsible for selecting the jury for the final phase presentations for the competition. Judges were drawn from various backgrounds representing entrepreneurs, bankers, academicians and industry professionals. The Institute Student Club was responsible for operational aspects of the competition, as well as all the activities that centred on the student entrepreneurs attending the competition.

## **SEC - COMPETITION STRUCTURE**

The first round of poster information was sent to schools in India followed by a second and third notification for the entries. The costs associated with the competition were underwritten by corporations, banks and venture capitalists. Expenses included prize money for the winners, lodging and meals for the participants, transportation expenses for judges, and incidental expenditures which were borne by the sponsoring companies. The student club took complete responsibility for budgetary matters of this project.

A total 16 Student Enterprises registered for the competition covering a wide variety of entrepreneurial firms. In tune with the unique nature of the competition, the “Execution/Implementation” of the entrepreneurial ideas was given prime importance in evaluating the entries at every stage. Finally, six student enterprises (See Exhibit 3) were called for the final presentation before an industry jury.

Final awardees were evaluated by the jury according to the following multi-dimensional criteria:

- Innovativeness of the Enterprising idea in the presented themes
- Extent of the Product / or Service development explored
- Market Potential
- Role Clarity among the Firm Partners
- Passion and Effort already committed in developing the enterprise
- Milestones and or Results achieved

A jury for the competition was comprised of entrepreneurs, bankers, venture capitalists, small industry bankers and industry professionals. Each of the student teams was given 15 minutes to present followed by question and answer session for the jury members to seek clarification on the participants’ presentations. At the end, student entrepreneurs had the benefit of being able to take away helpful feedback.

Keeping in view the size of a country like India, the total number of entries that were registered is considered low. Nevertheless some of the reasons for such a low response were tentatively identified as: (a) the competition was being conducted for the first time, (b) some of the student entrepreneurs were hesitant to attend the

### EXHIBIT 3

#### Details of Student Enterprises for Final Round

Sl. No.	Name of the Student Enterprise	Prize
1	Hellow Intern www.hellointern.com	First Prize Shared by two Student Enterprises
2	ACME Software Developers	
3	Web Vastra www.webvastra.in	Second Prize
4	Slot Zero (www.slotzero.net)	Special Prize - Sponsored Trip to attend international conference for two students
5	Mobile Services	Runners Up
6	School of Mathematicia	Runners Up

competition and share their entrepreneurial endeavours openly given the fear that their ideas might be copied by other students, (c) perhaps low prize money, and (d) the paucity of time to attend such competitions by some of the busy student entrepreneurs.

#### MAJOR FINDINGS

Overall, the competition was impressive and serious entrepreneurial themes were being presented by the students before the jury. It was very much enlightening to watch the final presentation proceedings where high quality, actual businesses were being presented by classroom students who seriously worked on the enterprise themes. The jury was surprised by the quality of the ideas that students developed and presented. The proceedings of the competition amply demonstrated the future days in which students will discuss their own enterprise examples as real case studies in a classroom.

In sum:

1. The competition was successful in demonstrating the competitive spirit among the participants in terms of the nature of enterprises, variety, and impact seen on the students, academicians, industry professionals, bankers, and entrepreneurs who were part of the competition. The competition made the participants imagine the complete universe of student enterprises in the country and their potential positive impact for the economy, if properly incorporated into the mainstream learning process.
2. The competition more clearly brought out the fact that student enterprises can emerge with or without the active support of academic community. As it was noticed in the competition, most of the student enterprises came into existence without any active support from the academic communities.
3. The experience of the competition reasserted and rekindled the hope that there is strength in the idea that students can launch and operate their own enterprises as a parallel activity vis-a-vis their studies.
4. It may also be construed that if the academic support, grooming and facilitation is being arranged as additional input by the academic leadership, there is

every possibility for student enterprises to emerge as effective alternate pedagogy for entrepreneurship and business education.

5. The competition has also thrown open many more questions for the different stakeholders of the academic discipline like students, academicians, and policy makers in the country. These issues are listed below under various subheads.

#### FOR STUDENTS

Is it possible for the students to launch and operate firms of their own choice as parallel to their studies? Are the students capable of carrying out such a task? What kinds of students can do this job successfully? Who cannot do this? What kinds of firms are more suitable for the students to be launched and operated? What are the implications as a result of success/failure of the enterprise(s) on the future career of those students? What impact will the student enterprises have on the students' learning process given the traditional classroom context? Will student enterprises enhance/hinder the overall personality development of students?

#### FOR ACADEMICIANS

Is it ethical to encourage and expect the students to launch their own firms when the students are just studying? What changes are needed in the academic curriculum if student enterprises need to be promoted? How do we use the Know-What, Know-How and Know-Why of enterprising experiences of the Student Entrepreneurs generated in their own enterprises? How do we tackle the student enterprise successes/failures, if any? Is there any role expected of the academic institutions to be catalytic or to intervene in the enterprising process of the students? What competencies must the faculty have to counsel, guide and nurture the student enterprises? What do academicians need to learn from pedagogy like student enterprises? What necessary adjustments are needed in the present day academic delivery process in the event that student enterprises become a central learning method? Is it possible to control the student enterprises that are being launched and operated by the students if they pose a

challenge to the existing system of learning process? What alternatives are available with the educators to overcome such an issue? How do we incorporate the students' learning on enterprising into the main stream of scholastic achievement of the academic courses? How can enterprising be assessed so as to engage, motivate and guide the students to take up the enterprising?

#### FOR POLICY MAKERS

Is there a role for the concept of student enterprises in the overall education policy? Can the student enterprises be made compulsory method of learning in all educational institutions?

What changes are needed in the existing system of education if student enterprises are made part of that process? What support is needed to further the student enterprises in all education endeavours?

#### CONCLUSIONS

We at the National Institute of Industrial Engineering were successful in launching an innovative platform through the Student Enterprise Competition, 2007 which promotes the enterprise culture among the academic institutions. Our experience with SEC suggests that there is strength in the idea of students engaging in enterprising leading to emergence of the entrepreneurial culture in academic settings. For a relatively low cost, the Student Enterprise Competition can churn the academic world and engage them into entrepreneurial thinking and provide a meaningful learning experience for those students who are not otherwise entrepreneurs themselves.

Our contribution to the literature on student enterprises is to suggest that it is the time for entrepreneurship educators to move on from their preoccupation with business plan competitions, case study discussions, simulations, games and roles plays as a pedagogy of entrepreneurship education. Rather, we propose that the action learning pedagogies like "Live Fire" enterprising should become the main stream curriculum around which other pedagogies can be of supplemental help.

The challenge for all those entrepreneurship educators is how to address the issues raised in the earlier section of the paper and make it feasible to incorporate the student enterprise concept and enrich the entrepreneurial learning process.

Let all the readers of this paper be reminded that whether the academicians are conscious of those enterprising endeavours by students or not, there always be some students who continue to be student entrepreneurs without waiting for the support of the academic world. The pertinent issue is why we, as academicians, do not make use of this readily available opportunity. Entrepreneurship is all about innovative thinking. Let us hope that entrepreneurship educators are also being innovative people and realise this fact at the earliest.

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