

HIGHER EDUCATION AND ENTREPRENEURSHIP DEVELOPMENT

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ABSTRACT

Entrepreneurship continues to assume a vital role in the Indian economy as well as the economies of many developing nations across the globe. The creation of new business activities has become a major driver in the economy and these greatly affect economic growth, job creation and general prosperity and, to an extent, enhance the national competitiveness of the nation in the global business arena. Although our country is trying to intensify the amount of entrepreneurial activity there are still a wide variety of challenges. According to the Global Entrepreneurship Monitor (GEM) research shows that a low level of overall education and training is still the biggest challenge facing the nation. Consequently, a critical performance area must be to improve the level of overall education and training whilst promoting the notion of entrepreneurship as a viable option.

The main purpose of this paper is to configure the importance of Higher Education in promoting Entrepreneurship. The paper would explore the concept of Higher Education and Entrepreneurship. It would also explain the characteristics of both Higher Education and entrepreneurship. Thus, the paper provides a clear insight on the role of Higher Education in promoting Entrepreneurship.

Keywords: Globalization, Entrepreneurship, moderate Risk, Strategies.

Introduction

New trends of globalization, global competition, social development, corporate downsizing, and the emergence of knowledge-based economy have forced attention towards the entrepreneurship. Entrepreneurship is a process of action where an individual searches for a business opportunity, takes the calculated risks and finally launches a new venture. It is known as the engine of individual and society which influences positively the general growth of economies (Gorman et al., 1997; Navarro et al., 2009). Over the past decade, entrepreneurship has been considered as a driver of innovation and wealth creation for individuals and societies, profit and non-profit sectors, and small and large enterprises (Greene and Rice, 2007). The impact of entrepreneurial activity for economic growth, creating career opportunities and developing employability has been well revealed in the literature (Deakins and Freel, 2009). A strong belief emerges that it can develop through systematic development and planned efforts (Vesper, 1994; Gorman et al., 1997; Sethi, 2006). Thus, the education for entrepreneurship place importance in their

development and increase and foster mindset and skills of an individual to embrace entrepreneurship (Formica, 2002; Hannon, 2005; Li, 2006). Literature support that appropriate entrepreneur education and training programs are expected to increase the attitudes and intention of people becoming entrepreneurs (Gorman et al., 1997; Alsos and Kolvereid, 1998; Reynolds et al., 1999; Henry et al., 2003; Souitaris et al., 2007). This research investigates the effect of entrepreneurship education for entrepreneurship programmes on entrepreneurial attitudes and intentions. Researcher attempts to investigate the role of higher educational institution in entrepreneurship education and development as an integral part of an enterprise system.

Entrepreneurship

It has been almost a century since Joseph Schumpeter identified the principles of entrepreneurship as qualities of individual willingness that go beyond everyday routines, which should support in overcoming inner-

personal resistance as well as resistance of the social environment (Ebner, 2003). Since then, entrepreneurship has gone a long way and it is widely accepted that entrepreneurs today increasingly need to take the initiative in designing a new approach for their business. This approach concerns everyday acts of work that contribute to the betterment of people's life affected by the business's action (Kuratko and Hodgetts, 2007).

Characteristics

Available literature suggests that entrepreneurs share some common features. In support of this opinion, Ntekop and Umoren (2010) agree that those who possess the entrepreneurial mindset also possess certain recognizable characteristics even though these same characteristics may also be found in some managers, or some successful career-minded individuals. These characteristics according to McClelland (1961) are:

- Desire for responsibility;
- Preference for moderate risk;
- Confidence in their ability to succeed
- Desire for immediate feedback
- High level of energy;
- Future orientation;
- Skill at organizing, and
- Value of achievement over money.

Literature Review

The vital role of entrepreneurship as an indicator of economic growth, there is an intense interest from policy makers and academics in stimulating economic growth through entrepreneurship, including entrepreneurship education (Gorman et al., 1997). Indeed, entrepreneurship

deals with business opportunity identification, risk taking and launching new ventures (Wounter, 2004).

The term entrepreneurship defined by Anderson (2002) as to employ the process of carrying out new groupings of enterprise, and the individuals whose perform this task is known as the entrepreneurs. Thus, entrepreneurs are those who organise different things of production, ability to spot opportunity and views the role of entrepreneurs as that of innovator (Filion, 1994; Carton et al. 1998; Dana, 2001).

In the literature, both i.e., entrepreneurship and entrepreneur are the buzzwords and large attention has been paid by policy makers, practitioners and academics (Bécharad and Toulouse 1998; Matlay 2005a; Schaper and Volery 2004). The popularity of entrepreneurship is a catalyst to create wealth and job opportunities (Gurol and Atsan 2006; Laukkanen 2000; Matlay 2005b; Othman et al. 2005; Postigo and Tamborini 2002). Thus, many policies makers hail entrepreneurship as one of the best economic development strategies to boost a country's economic growth today (Antonites, 2003).

Entrepreneurship is a critical input in economic development because it creates lots of job opportunities, stimulates innovative thinking and also acts as a 'stabiliser' for countries and societies (Formica 2002; Postigo and Tamborini, 2002). There is a positive relationship between entrepreneurship and economic growth in terms of job creation, firm survival and technological change (Gorman et al. 1997; Karanassios et al. 2006; Laukkanen 2000; Lena and Wong 2003).

A study conducted by Reynolds et al. (1999) indicates that countries with higher rates of entrepreneurial activities have higher levels of employment. This is largely because new products or services are more likely to be created when more entrepreneurs exist. When more products or services are offered, more work forces are certainly needed, and this directly generates more new jobs and reduces the problem of unemployment (Sergeant and Crawford, 2001).

Literature highlights that an entrepreneurship activity is a factor production, developing opportunities, organising resources and risk taking. From such activities, entrepreneurs develop a strong belief for self-employment. However, education for entrepreneurship plays vital role for the development and increasing foster mindset and skills into individuals (Formica, 2002; Hannon, 2005; Li, 2006).

Literature support education for promoting self-employment, formation of new business and also develops interest in starting up a business (Sergeant and Crawford, 2001; Keogh, 2004). Although the links between entrepreneurial education and entrepreneurial activity are not at this time definitive, there is research suggesting such a linkage (Kolvereid, 1996; Alsos and Kolvereid, 1998; Souitaris et al., 2007). However, it is besides eminent that the development of entrepreneurial activities and behaviour, through facilitation of education institutions, is less understood. Based on the assumption that the linkages must exist, there has been a dramatic increase in entrepreneurship education (Solomon, 2002; Solomon et al., 2002).

Role of Higher Education in Entrepreneurship

It is apparent that the Apartheid economic dispensation in India provided higher education offerings which served the then needs of industry well, in that they made available a workforce that would be trapped so to speak, in a comfort zone, working for a 'boss'. The offshoot of such education was to instill within future university students the notion that one should graduate and then seek employment in large

corporations or other such formal sector settings rather than opt for something innovative and creative as a work option.

Today however, SMMEs are accounting for a sizeable chunk of economic activity. The result is that HEIs are increasingly obliged to redefine their role in the Indian economy. The primary function of HEIs should thus now be to seek to instill a greater entrepreneurial character among students. HEIs should also strive to carefully consider local development needs and support

the promotion of entrepreneurial education initiatives, and this should not only be at the tertiary level but as early as the primary school level. Government must fully support such initiatives and promote holistic education (Nieuwenhuizen 1046 Educ. Res. and Kroon, 2002) at all levels and help to establish entrepreneurial ventures.

The role of Higher Education is clearly to meet the socio-economic needs of the country whilst safeguarding social justice and democratic values. In addition, HEIs have an important role to play in regional innovation systems and what are termed learning areas (Morgan, 1997). They also serve as knowledge producers, teach and are agents of exchange in a society (Etzkowitz et al, 2000). The higher education system must therefore provide the requisite research, knowledge and a highly skilled workforce if the nation is to compete in the global arena which is highly dynamic (Cloete and Bunting, 2000).

Entrepreneurship is a rapidly developing area of study in India and it is clearly assuming greater prominence in the global business arena. There is much greater demand for entrepreneurship training locally. Consequently, more faculties are required to offer entrepreneurship as a course or at least make it a greater part of existing courses where it does indeed exist. It is clear from the available literature that education including entrepreneurship is critical as it contributes to job creation and helps considerably to reduce poverty (Timmons and Spinelli, 2004).

Higher Education institutions are regarded as the custodians of knowledge in society and play a very significant role in developing a nation. This is why entrepreneurship education should not merely be a niche activity. This realization has dawned on Higher Education institutions and has resulted in a noticeable increase in entrepreneurship programmes.

The process is ongoing and it is a matter of time before there is a relatively fixed entrepreneurship culture in South Africa, which will challenge academics and students alike. Many new challenges are facing universities as they seek to develop and establish growing entrepreneurship programmes. India needs to seriously revamp its human capital strategies if it is to begin

to meet the challenges of the global marketplace. First and foremost, will be the promotion of the very great potential for innovative start-up business ideas. An effective investment in national higher education initiatives concerning entrepreneurship, which will to an extent meet the needs of the population, will underpin the international standing of India's higher education institutions. Only by recognizing the great value and importance of entrepreneurship, and by expanding education about it, can India hope to obtain a preeminent position in the world of education and become truly competitive economically. In many societies in India, education has always played a very important role alongside culture in forming an individual (Micere, 1999).

The cultural mindset concerning entrepreneurship in any region needs to be taken into account and the aspects which may either promote or go against entrepreneurship as a career option should be carefully analyzed. In this regard, the "spatial and cultural proximity" between those that produce knowledge and those who use knowledge is particularly salient (Koschatzky, 2001).

The education curriculum at school level as well as in Higher Education system needs to be transformed so as to make entrepreneurship one of the most important subjects that should be taught (DoE, 2001). A difficulty could be that to achieve a measure of parity for students from disadvantaged backgrounds, access may become limited to other students. This implies that higher education would have to be further expanded. There is a problem however, in that there are no acceptable paradigms or suitable theories as to what entrepreneurship education should encompass (Norton et al., 1999). This is a major challenge for universities to overcome by meaningful research initiatives on their part.

Entrepreneurs should be multi-skilled and flexible enough to be able to compete globally (Chisholm, 1998), and also be in a position to identify national and international trends. They should also be able to isolate and identify entrepreneurial opportunities that have potential growth and should then be able to take advantage of these opportunities.

Entrepreneurship courses should carefully separate business skills from entrepreneurial skills. Business strategies and business plans whilst important elements do not really improve a person's entrepreneurial skills.

Dana (1993) expresses the opinion, that entrepreneurship education should train students in knowledge and skill acquisition that would enable them to bring an idea, process or invention from conception to full business potential. Whilst practical experience is essential there must be harmony in education. By this I mean that the practical components requiring innovation and creativity, new idea-generation and practical action, and the academic knowledge components, need to be carefully counter-balanced so as to make the study meaningful.

A strong knowledge base for entrepreneurship should be created via research and the findings of such research must be disseminated. Students must be in an educational environment in which entrepreneurial ideas are generated and tested. The results should then be made known. The personal growth of students should be facilitated and their critical faculties should be developed as far as possible. Given the very wide range of personalities, the characters of students should be built so as to make their learning more significant. Ideally, students should be inspired to learn for themselves in an environment which promotes the idea of lifelong learning and an ethos of personal research should pervade every higher education institution and be part of the mindset of research and every student.

Entrepreneurship courses at universities can make a very significant contribution in promoting meaningful entrepreneurship, as they could allay the fears of failure of potential entrepreneurs by educating the students about pitfalls and risks to avoid when embarking on a new business venture.

Students will thus have a fuller understanding of entrepreneurship as a phenomenon and surely become more competent stakeholders in entrepreneurship at whatever level; investor or employee, manager or entrepreneur (Maranville, 1992). Young adults should be made capable and be taught to become self-reliant rather than expect to be fended for in an economy which is limited in capability and which has approximately a 24%

unemployment rate. In a nutshell, as entrepreneurship is a philosophy which can help the South African economy to grow, it should be supported as a total system (Timmons, 1999).

Another major challenge facing entrepreneurship education in Higher Education institutions is an academic faculty body, which has entrepreneurial ability and the necessary qualifications to make the subject intelligible and meaningful to students. There are clearly shortages in suitably qualified academic staff to teach entrepreneurship. While some faculties have a glut of PhD academics who cannot find suitable employment, entrepreneurship has too few suitable academics (Pfannestiel, 1998).

In many parts of the world, India being no exception, entrepreneurship is battling to find academic legitimacy. Entrepreneurship should be a separate stand-alone subject and not be viewed as simply part of Business Management or part of an interdisciplinary field. It is also good and well to have guest speakers and guest lecturers, as these tend to offer a measure of interaction with entrepreneurial business people, but this is not really enough. Academic staff able to alter the mindsets of students and who do have the ability to effectively teach basic business skills and develop creative thinking in their students by giving them practical assignments, whether Nicolaides 1047 individual or group, should be the priority. Course content should focus on the skills and knowledge an entrepreneur would need to be successful (Benson, 1989). What is paramount is that potential entrepreneurs see themselves as self-reliant, aware, creative, analytical and knowledgeable individuals who are able to successfully become self-employed and make a meaningful contribution to the society in which they live. They require an entrepreneurial perspective (Kuratko, 2003). This perspective should ideally be developed at high school levels where more business-related subjects should be added to existing curriculum, perhaps being made compulsory to an extent.

Higher Education institutions create an environmental awareness of entrepreneurship and its many facets and support entrepreneurship in many

ways. This learning should be life- long learning and is necessary to sustain individuals in society in this new century where business is changing (Drucker, 1995). It is also invaluable to the promotion of the philosophy. Higher Education institutions need to ask the question as to what the appropriate relationship between education and the ever-changing workplace is and what it is precisely that employers are seeking in terms of skills and capabilities in young people entering the world of work.

Universities should also be more analytical and reflective of entrepreneurship and its huge potential to impact positively on the economy of the entire nation. They have great potential to influence the decision of an individual for or against a career as an entrepreneur. This is particularly important for young unemployed individuals who are graduates or non-graduates, women and the unemployed in any particular society.

Places of learning should be the catalysts of entrepreneurial motivation and should drive it forward as a viable alternative to working for someone else. Teaching should be facilitated to maximize the potential of individual students and to encourage a sense of curiosity and motivation in them and they should become alert and aware about opportunities (Kirzner, 2009).

Above all, Universities should be seen as places where there is a teamwork mentality between students and academics with respect to things entrepreneurial. New patterns of work organization are appearing in the workplace and team-based work is increasing, with fewer levels of management and supervision, multi-tasking if not multi-skilling, and a greater need for effective communication skills (Probert, 1999). Learning groups could be established which would go a long way to sustain a climate of learning. In these groups of students, they would inspire each other and assist each other, with the guidance of academic staff, to succeed with a business venture.

Conclusion

Entrepreneurship contributes to the economic growth of nations. Higher institutions play very significant roles in inculcating entrepreneurial spirits

in the graduates through effective implementation of entrepreneurship programmes and courses. In conclusion, this paper strongly supports the calls for the introduction of entrepreneurship education at the primary and secondary levels of the schools. Literature supports that entrepreneurship is one of the best economic development strategies to boost a country's economic growth today (Antonites, 2003) because it creates lots of job opportunities, stimulates innovative thinking and also acts as a 'stabiliser' for countries and societies (Formica 2002; Postigo and Tamborini, 2002). This is largely because new products or services are more likely to be created when more entrepreneurs exist.

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