

Learning Entrepreneurship: A Comparative Study of Inherited and Business Schools Graduates

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Abstract

Entrepreneurship deals with the initiating, planning, designing and establishing of business. Through scientific study an analytical perspectives the learning of entrepreneurship takes place in universities. For this purpose the departments of business education has been established in higher educational institutions which concentrates on the development of entrepreneurial skills among business students. On the contrary, through informal mode of education entrepreneurial skills are taught to young generation by the successful businessman in their own field and jurisdictions. This study intends to explore the entrepreneurial skills of business school graduates and inherited entrepreneurs. Qualitative research design was adopted for the study. Further, the entrepreneurial skills of both groups were investigated through an open ended interview. All the collected data were analyzed through thematic analysis. The results revealed the business school graduates are far away in the establishment of business, unaware about market trends and emerging demands of the market. On the contrary the inherited entrepreneurs learn business skills in the market and therefore, they are more aware about the needs and trends of local and national market. Based on the results it was recommended that business schools and department may establish close links with the market and may have to update their curricula.

Keywords: Entrepreneurship Education; Business initiation; Inherited Entrepreneurs; Learning; Entrepreneurship; Business Schools

Introduction

The development of human capital is one of the most important aspects and targets to be achieved with educational institutions and life experiences. The development of human capital is attributed to its physical and psychological dimension of human capital. In these scenarios, business education departments have been empowered to develop human capital for different organizations and business purposes. Gomos (2015) concluded that it is the knowledge, skills,

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expertise and individual and collective wisdom of human capital which reflect them as exportable and valuable assets of any organization. These capabilities may be developed with different mechanisms, which includes; scientific/institutional and traditional approaches.

Through scientific approach, human capitals are developed in institutions and experts are involved in the development of human capital (Prince & Allan, 2007). Furthermore, the collective visions of experts are used for the development of this scientific approach. These institutions used standardized approaches, following pre-specified curriculum, instructional approaches, follow-up mechanisms and developmental plans introduced for the development of the scientific approach for the development of human capital. In similar to this approach different developmental institutions/departments and centers have been established. Similar to this, departments of business education concentrated on different aspects such that, human resource management, account related expertise, financial education and business entrepreneurship (Clement & Wong, 2004).

These specializations of business education departments were the demands of the market time by time. Once in the era of industrial revolution human resource management was market need for which these departments prepared graduates in the area of management. Then the need of organizational accounts related matters were identified as market demand for which these departments have launched specialization in accounts and related matters and similarly in the financial management the graduates were produced by these departments. In continuation to market demands, emerging business competitions and new trends in the world of business demands for graduates in the field of entrepreneurship were required for which these departments and schools were motivated. Entrepreneurship is a comprehensive, practical and field based education where focus is given the development of graduate knowledge, skills and strategies in the field (David, 2004).

The learning of these skills is subjected to different instructional, practical and activities which the departments implemented during the implementation of instructional plans. The department plans for the inculcating of entrepreneurship skills among the graduates. Further, concentration is made on three aspects; knowledge development of the graduates, development of entrepreneurship skills and market oriented strategies (Raghu, Hardi & Maguire, 2007). These aspects of the graduates are strengthened through imparting business theories, business plans, introductory knowledge of different aspects of entrepreneurship and through teachers and business experts of different fields. However

for the skills development, internships, research projects, smart business consortiums are used. Similarly, graduates familiarization with market strategies and understanding of laws of business are used for this purpose (Kawaku & Boachie, 2017).

On the contrary, learning entrepreneurship skills may also be learnt in field based experiences. These experiences are important and more effective as the entrepreneur learns from his/her own experiences. As these experiences are not dummy and are subjected to financial and resources lose therefore, the entrepreneurs in consultation with senior businessmen take decisions. From one aspect the entrepreneurs are taking advices from the experts of the field and on the other hand they put the acquired knowledge into practice which further developed their entrepreneurship skill and confidence in their self, market and other stakeholder (Wendy, Rauch, Aulet, Blum, Burke, D'Ambrosio & Santos, 2013).

Like business schools graduates, field based learners are learning from their elders who are called inherited entrepreneurs. There are families who are famous for specific businesses and who learns entrepreneurship skills and transmit that to their coming generations step by step. Like, scientific approach in the learning of entrepreneurship in business education departments inherited entrepreneurs also learn the skills and strategies of business from their ascendants but they are lacking the standardized curricula, research studies, theoretical knowledge and instructional mechanisms. But they do learn these skills through direct experiences, assistance of their ascendants and hands-on experiences (Ramona, Holy, Poutziouris & Steier, 2008).

Laconically, the entrepreneurs of both groups do learn these skills, knowledge and advances of business following their own approaches for the said purpose. But a query arise that who learns more and who are more effective and successful in business entrepreneurship? To answer this query, the researcher is interested to investigate the matter following scientific approach involving both the stakeholder and on matter based of the collected data from both the groups.

Researcher problem

Entrepreneurship education is one of the main aspects of modern business education. The learning of entrepreneurship skills is indispensable, and in current scenario where two main approaches are adopted for its learning. This study intends to investigate that whether business education department's graduates are more successful in entrepreneurship or the inherited entrepreneurs are more effective and successful?

Study Objectives

Based on the theme, following research objectives of this study were formulated;

1. To views of business school graduates regarding entrepreneurship
2. To explore the experiences of inherited entrepreneurs regarding learning entrepreneurship
3. To compare the effectiveness of business school graduates and inherited entrepreneurs on the learning of entrepreneurship

Significance

This study may be beneficial for different stakeholder which includes; faculty members of business education departments, students of entrepreneurship, market stakeholders and inherited entrepreneurs. This study may be beneficial for the faculty members of business education department as the findings may enable them to bring positive and relevant changes in preparing entrepreneurship skills among the graduates. Similarly, for the students of entrepreneurship the study may pay ways for learning these skills and knowledge. Furthermore, the market stakeholders and inherited entrepreneurs may benefit mutually from one another experiences.

Literature review

Business education is always an important area for the researchers to be investigated. There are numerous research studies in all specializations of business education throughout the world (Luke & Cope, 2007). This study is primarily concentrating on the business skills, its learning and entrepreneurship, where equal attention is given to the business schools/department graduates and inherited entrepreneurial. Furthermore, this study is investigating the prime question and that is; whether business school graduates are more successful in entrepreneurial activities; have higher entrepreneurship skills than the inherited entrepreneurial? To answer this question, the researcher adopted two approaches, one is to study and analyze currently available literature on the matter and second is to answer from the stakeholders i.e. interview from the inherited entrepreneurial and data through questionnaire from the business schools' graduates.

Historical background of business education

The emergence of industrial era demands skillful workforce, who can work at different level, of the industrial setup. The demand was so significant that its fulfillment was not possible without the application of scientific approach to the preparation of the demanded workforce (Russell, 1987). Therefore, the higher seats of learning (universities) have established the departments of mechanical engineering, software engineering, information and communication technology departments and like other specialized programs were initiated by these departments. Furthermore, with industrial revolution and with the emergence of multinational corporations the managerial workforce also becomes the top demand from higher educational institutions, for which these institutions have inaugurated the department of Business and Management studies. The utmost important purpose of department was to train the graduates in management areas of the organizations and to develop business skills among them. These departments have produced a huge number of graduates in the field of management and business studies (Harry, 2008).

The scientific learning of business skills and knowledge was one of the main purposes of the establishment of business education departments of universities. For which these departments have made significant provisions in term of new programs, faculty trainings, new curricula and many other activities. Among these programs and curricula, the department of business education also realized the need of entrepreneurship education. The basic philosophy behind this specialization was that the graduates besides the managerial job may also contribute into the establishment of new businesses and bring innovations in currently established businesses (Scott & Venkataraman, 2000).

Entrepreneurship Education

The focus of entrepreneurship is to create innovative business opportunities where new dimensions are explored and are utilized for the purpose of earning and delivering service to the society (William & Shane, 1995). On the contrary, Pittaway, Luke, and Jason Cope (2007) revealed that these new opportunities can also be developed in already set business organizations. With entrepreneurial skills old business are strengthened through its innovative approaches adopted to make these businesses compatible to the emerging demands of market. Based on the above Shane concluded that in contemporary world entrepreneurship is indispensable to all the stakeholders.

Torrance, et, al., (2013) through his system study entrepreneurship education traced back it with universities strong connections with the industrial sectors. For this purposes the universities have established Office of Research industrial and commercialization (ORIC). Through this office the universities have established close relationships with the industrial zones to utilization of their soft power and generate financial resources for the universities. Therefore universities are concentrating on the development of entrepreneurial skills among its faculty, graduates and is using as a tool of sustainability and development for universities.

Types of Entrepreneurship

Similarly, Alvarez, Sharon and Lowell Busenitz (2001) identified some distinction among different types of entrepreneurial where they discussed their nature, requirements and compositions. The details are;

1. Nascent
2. Novice
3. Habitual
4. Serial
5. Portfolio

All these types of entrepreneurial are important and do exist in all types of businesses. The first one is nascent entrepreneurial where individuals are allowed to the institutional business. They required more technical expertise and their focus is to build a team of individuals for the sustainable development of the institutions. The best examples in this regard are educational institutions, legal firms, advisory councils and construction companies.

Further, novice entrepreneurial is the group of individuals who have no prior business owner experiences and they intend to be the part of a business deals. They also require technical and basic understanding of business procedures deemed necessary to carry out the business plan. On the contrary to Nascent entrepreneurial novice needs constant expert's supervision which can develop their confidence in the activities of their business.

On the contrary to novice and nascent habitual entrepreneurial are experienced in different aspects of business and they have background knowledge and expertise in entrepreneurship activities. But their dominant feature from all other entrepreneurial is that they are not consistent and they switch most often. Furthermore, these individuals do have a waste contacting circle which makes them more effective and successful than others.

Serial people in entrepreneurship are those who have sold their previous business setup and after a while start their new business on a new idea and which has its roots in future markets. They are futuristic and visionary in nature. The basic cause of stopping their old business setup is mostly because of its low future development. Similarly, the portfolio entrepreneurship individuals are those individuals who have established businesses but along with that they start a new business. They most do it because; they have resources, interest in the relevant field and sometimes competition with the opponents. These types of entrepreneurial are important but this study is delimited to the novice who are graduated from business education departments to portfolio and habitual who trained their dependents in their business skills. All these types of individuals they are representing different types of entrepreneurship nature and they required different resources, linkages and skills.

Trends in Entrepreneurship Education

Currently, along with the above mentioned different nature of entrepreneurial there are studies which have identified some major trends in entrepreneurship education. Here are some important aspect which are discussed here;

- a. Stewart (1999) concluded that there is no significant difference between entrepreneurship and management what make different from each other is that entrepreneurship seeks opportunities of development while management concentrates on the existing resources.
- b. The concept was further led by Hitt, Michael Duane Ireland, Michael Camp, and Donald Sexton (2001) where they inducted the concept of financing to entrepreneurship. This addition accelerated the importance of entrepreneurship.
- c. Similarly, they also introduced the concept of enter entrepreneurial culture which was indispensable for booming the entrepreneurship and which has provided a based to recognized entrepreneurship as one of the most important development in the field of business education.
- d. Kickul and Gundry (2002) in align with Stewart (1999) and Hitt, Michael Duane Ireland, Michael Camp, and Donald Sexton (2001) recognized different forms of entrepreneurs who use different types of methods and strategies. Furthermore, the concept of entrepreneurship was strengthened with the introduction of low scale business opportunities for women.

- e. With the introduction of online businesses, online trade and enterprises the need and importance of business education was further established. However, in academia the rapid graduation phenomena realized the stakeholders and policy make the fear of low quality graduates for which the policy makers have introduced the accreditation approach for the purpose to ensure the quality of teaching learning process.

All these developments are important but are limited only to entrepreneurship learning in business schools. These developments can be utilized in the preparation of business school education graduates. However, the inherited entrepreneurs were still far from these developments, but there are still evidences that graduates are less successful than inherited entrepreneurs.

Research Methodology

Architecting the design of this study, help was taken from the work of Creswell (2014) Fraenkel, Wallen, and Hyun (2012). The design adopted for the study was phenomenological approach from qualitative research designs, on which Creswell argued that this design is the most appropriate design for exploring the lived experiences in a particular phenomenon, where the research intends to explore all the possible dimensions of the lived experiences of the subjects in hand. In this study the main phenomenon was the establishment and initiation of business which has been explored from the two perspectives one from business school graduates and second from inherited entrepreneurs.

Population and Sample Group

Targeted respondents group for data collection was graduates who have completed their studies in business education from business schools in the universities of Khyber Pakhtunkhwa. Further, inherited entrepreneurs in different established businesses in the province were also included the population group of the study.

To select a representative sample group from the targeted population thematic and purposive sampling techniques were adopted. A total of seven business school graduates and nine inherited entrepreneurs were the part of the sample groups.

Data Collection Procedures

Data were collected from the respondents of the study through an open ended interview protocols. There were ten main questions in the protocols which was targeting the research problems in hand. The data were collected from the respondents personally and they were assured

that the data would not be shared with anyone and would only be used for research purposes. All the respondents were first introduced to the main purpose of the research and then were interviewed. After all the interviews the data were analyzed by following thematic analysis and major themes were drawn from the data.

Results and interpretations

All the data collected through interview protocols from the respondents of the study, it was presented in the results and interpretation section.

Qualitative data

There were ten questions in the interview protocols on which the respondents were interviewed. All the respondents were informed that the interview will be recorded through mobile, after their permission the researcher introduced himself and let the respondent informed about the purpose of the interview. All the interviews were transformed and codes were drawn from the data. Based on the codes major themes were identified. The details of major themes were as under:

Table 1: Major themes from interviews

Business School Graduates	Inherited Entrepreneurship
1. Knowledge of market	1. Networking
2. Business planning skills	2. Heredity and market exposure
3. Initiation of business	3. Risk taking
4. Networking	4. Networking
5. Ideas and opportunities	5. challenges and opportunities

All these major themes were drawn from the interviews transcribed in the initial phase of data analysis. There are some mutual themes which have been identified from the interviews of business school graduates and inherited entrepreneurs.

1. Knowledge of the market/market exposure

Business school graduates were of the opinion that there is high focus on market related polices in the curriculum and teaching learning process in the departments. However, they lack the practical knowledge they need in doing business in the market. On the contrary, inherited entrepreneurs were very confident as they were of the opinion that they have more extensive exposure to the market and that's why they are well aware of market needs and demands which enable them to utilize it properly. Business school graduates identified that they are lacking market

exposure in the available time of internship which is not enough nor appropriate for the development of entrepreneurship skills.

2. Business planning

Most of the business school graduates were of the opinion that they have issues in planning for initiating their businesses and these problems are intensive while designing the feasibility, estimation and orientation related areas. On the other hand the inherited entrepreneurs have no such problem as they have inherited already established businesses from their ascendants.

3. Networking

Networking was found one of the most important themes from business and inherited entrepreneurs equally. Both the groups were considering it the essence of successful businesses. Business graduates were of the opinion that as they are new to the field most of the market actors are not confident to deal with them and they are struggling in the development of networks. But on the other hand inherited entrepreneurs have no such problem and they have very strong ties in local as well outside of the market.

4. Ideas, opportunities and challenges

All the respondents were agreed that for a successful business there must be innovative ideas behind the business which makes the business alive in the market. These ideas are generated with different sources, such as, with traveling, education, business forums, and sometimes from the existing problems of the business and market.

Similarly, on opportunities business schools' graduates have fewer opportunities as compared to the inherited entrepreneurs. These opinions were shared by the business graduates and they identified the reasons which were; finance, infrastructure, networking and market resistance. While inherited entrepreneurs were comfortable in this regard and they were of the opinion that due to the trust and confidence of the market they can avail more opportunities to initiate, establish or expand their businesses to far plunge areas.

Similarly from the perspectives of challenges, all business school graduates were of the opinion that there are numerous challenges which reflects that "*our training and preparation to establish business was not on those lines which were required*". They are of the view that entrepreneurship education need reformation in the light of modern needs of the market. Similarly, inherited entrepreneurs were of the opinion that they have challenge in the form of maintaining the

confidence and trust of the clients/customers, for which they are striving their best by adopting all qualitative and quantitative measures in the field.

5. Risk taking and business initiation

Inherited entrepreneurs were of the opinion that risk is always there in business activities and dealing as there are always haphazard situation in the market which ultimately leads to risks which need to be taken. But they have the advantage of prospects understanding and interdependence among different business partners. Furthermore, their extensive networking also enables them to overcome the risk factors in the investments. On the contrary, business school graduates always believes in estimation which make them reluctant in taking the risk and that sometimes become the cause of the low performance in the market. Furthermore, the graduates were of the opinion that “*risk management courses needs to make more practical and market oriented*”. Risks in the initial of newly establish business negatively influences their confidence and also it affects the trust of the market stakeholders.

Likewise, on initiating new business, inherited entrepreneurs like business school graduates were found more confidence and enthusiastic. But the difference between them were identified that business school graduates were facing the problem of sustainability as compared to the inherited entrepreneurs and the reason behind this was that inherited entrepreneurs unlikely to the graduates were not dependent on the single source, they have multiple sources of business.

Conclusions

Entrepreneurship education prepares graduates for initiating their own business at local, national and international levels. Furthermore, it enables the individuals for work alongside with already established business corporations and firms. Based on the results from the interviews of the business schools’ graduates and inherited entrepreneurs following conclusion can be drawn;

1. The graduates are not well prepared for initiating their business as they have less management, planning and coordinating skills. Furthermore, less networking in the market and with business stakeholders did not allow them to initiate their own business in the current realm of the market.
2. The entrepreneurship education inculcated to business school graduates does not make them prepare which reflects that there is need of reformation in the curricula, instructional approaches and the most important industrial and market linkages which are missing in

the preparation of business school graduates. On the other hand the inherited entrepreneurs were found more prepared, confident and they were in leading role in the market.

3. The graduates are also facing problem in planning, the human, financial and logistic resources for initiating business in the market. They were failing to prepare an implementable feasibility planning for launching a new idea in the market. For which one of the most important reason was their low exposure to market related activities, business consortiums, conferences and markets.
4. One of the most significant differences between the business schools graduates and inherited entrepreneurs was business networking. The foundation of successful inherited entrepreneurs was their strong networking and multiple sources of business while the graduates were unable to pursue it.
5. Similarly, the above mentioned edges also benefited the inherited entrepreneurs in coping their business challenges and availing the opportunities. Most of the business school graduates have outstanding ideas but they are unable to finance and launch those ideas into the market. Furthermore, the confidence and enthusiastic approach of inherited entrepreneurs boosted their bloom in the market which is lacking among the graduates of business education.

Recommendations

Keeping in view the results and conclusions of the study it was recommended for all the relevant stakeholders that;

1. The curricula and instructional mechanism of business schools are outdated and are not compatible to the current demands of market. Therefore, it is recommended that the curricula may concentrate on the planning, risk management and field based intervention while preparing business graduates.
2. As one of the most significant concern of the graduates was networking more linkages with the market and industrial setup may be established where more opportunities to the graduates may be provided to spend more time with these market stakeholders. Furthermore, the time duration of the internship may be enlarged and it may be extended to local industry and markets.
3. Similarly, it was also recommended that the schools may arrange business expos or the students to bring innovative business ideas, where successful entrepreneurs may be invited and with public and private partnership new business may be established for which the facilitation may be provided through on-campus business incubation centers.

4. It is also recommended that, successful inherited businessman may be involved in curricula development phase of the departments. Likewise, Office of the Research, Innovation and Commercialization (ORIC) may be properly functionalized as it's the responsibility of ORIC to provide such opportunities and to make the graduates more productive so that they can contribute into the economic uplift of the country.

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