

: Entrepreneurship

INTRODUCTION:

In recent years, the academic discipline of Entrepreneurship has grown dramatically. According to *Fortune Small Business* data, the number of Entrepreneurship classes taught at the university level nearly doubled between 1991 and 2005.¹ A report from the Ewing Marion Kauffman Foundation entitled “Entrepreneurship in Education” states that “In the past three decades, formal programs (majors, minors and certificates) in Entrepreneurship have more than quadrupled, from 104 in 1975 to more than 500 in 2006.”²

Despite the discipline’s apparent flourishing, a debate exists among academics and practitioners about the place of Entrepreneurship in business education.³ Some claim that only individual passion and hands-on business experience can lead to entrepreneurial success, and that these cannot be acquired in any classroom. Others argue that Entrepreneurship courses can expose students to new ideas and ways of thinking that can help them to develop the motivation and focus that mark the successful entrepreneur. Making the case for Entrepreneurship education, the Kauffman Foundation report draws a comparison to the study of music, arguing that both disciplines place emphasis on perseverance, and can bring benefits to all students regardless of their natural ability.⁴ In the interview below, practitioner and Babson professor Dennis J. Ceru contends that absorbing the principles of Entrepreneurship helps to enrich students’ broader MBA experience.

Despite disagreements about whether or how Entrepreneurship’s core skill set can be conveyed, it is clear that the skill set itself is valuable for business practitioners in start-ups, small businesses and major corporations alike. Entrepreneurship can also deliver real benefits to society at large: in addition to driving job creation, entrepreneurs have proven particularly effective in tackling social and environmental problems. Tales of social entrepreneurs responding to the needs of the “base of the pyramid” have become hot topics in the press, and these innovations have been sparked by enterprising individuals and large corporations alike. For example, since 2003 Procter & Gamble has distributed a water-purifying sachet developed specifically for sale in regions with poor supplies of drinkable water.⁵ Essilor International, a French manufacturer and distributor of optical lenses created a rural marketing division in India to respond to the widespread problem of avoidable blindness and eye troubles due to lack of access to eye care and glasses.⁶ In the interview below, practitioner and Cornell professor Frederick Keller discusses how the principles of Entrepreneurship serve as a tool kit for productive changes to help his company improve its environmental performance and better contribute to its local community.

Because entrepreneurial skills can be so valuable across a range of industries, in a variety of different business settings, and in helping to meet societal needs, Entrepreneurship has the potential to contribute

¹ See “Can Entrepreneurship Be Taught,” *Fortune Small Business*, March 10, 2006 at http://money.cnn.com/magazines/fsb/fsb_archive/2006/03/01/8370301/index.htm

² See the special report “Entrepreneurship in Higher Education,” http://www.kauffman.org/uploadedFiles/entrep_high_ed_report.pdf

³ For a synopsis of the various elements of this debate at the academic level, see Lena Lee and Poh-Kam Wong, “Entrepreneurship Education - A Compendium of Related Issues” at http://papers.ssrn.com/sol3/papers.cfm?abstract_id=856227

⁴ See pages 7-8

⁵ See the case study “Procter and Gamble’s PuR Water Purifier – The Hunt for a Sustainable Business Model” at <http://www.caseplace.org/d.asp?d=3815>

⁶ See the INSEAD *Knowledge* article “Social Innovation: Creating Products for Those at the Bottom of the Pyramid” <http://knowledge.insead.edu/bottompyramid.cfm>

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significantly to MBA education. As this academic discipline weathers the test of time, its methods will be tested, and, possibly, changed.

Today, many Entrepreneurship classes provide an opportunity for successful entrepreneurs to share their ideas and experiences with today's MBA students. Below, two such professors discuss the lessons of the classroom and the workplace.

THE BOTTOM LINE:

- Entrepreneurship offers a productive tool kit for tackling social problems on a small and large scale.
- The debate around the efficacy of Entrepreneurship education challenges professors to develop ways of teaching that best help students develop their own entrepreneurial skills and attitudes.

TWO FACULTY POINTS OF VIEW:

[Dennis J. Ceru, Ph.D.](#) is an Adjunct Professor at Babson College. He is the President and CEO of Strategic Management Associates, LLC, a company dedicated to providing business leaders with the tools necessary to expand and manage growth. His areas of expertise center on developing and implementing tactical action plans to achieve strategic goals, designing work flows to reduce inefficiency and optimize performance, aligning business operations and people for optimum effectiveness, and change management. At Babson, Ceru teaches a core course entitled “Creative Management in the Dynamic Organization.”

On Entrepreneurship's lessons for all students: “Entrepreneurial thinking and acting involves three stages: First is creativity and ideation; second is implementation and application; and third is the action stage—you take these ideas and you make something happen. This crosses all disciplines, and holds valuable lessons for all students, not just MBA students. It centers on a way of thinking followed by a way of acting. Acting without thought is impulsive, and thinking without acting is just ‘cocktail party entrepreneurship’.”

On “Creative Management in the Dynamic Organization: “The course is part of our integrated program for the full-time MBA. We apply our ‘I.D.E.A.S Framework’ (Ideation-Discovery-Evaluation-Action-Shaping) to help jump-start our student’s creativity. In class, we take students through a series of structured exercises that get them to start thinking differently and to open their minds to look at lateral vs. directional, and divergent vs. convergent ways of thinking. Students practice techniques of looking at situations to generate new ideas, new ways of thinking, new products, new services, and new concepts and processes.... Because some of what we do is very unusual, students are often taken off balance at first—which is exactly what we want! We get students to start seeing that thinking entrepreneurially and then taking action is a very dynamic, open-ended way of tackling not just business problems but also life problems.”

On classroom-workplace synergies: “I am an entrepreneur. I’ve had a number of businesses in my life, and have made a number of career changes in the face of people saying ‘That can’t be done.’ I bring to the classroom a deeply felt understanding of how those issues apply and I can bring that to bear on the issues and cases we tackle. We have wonderful students! I enjoy being challenged by students, and I find that I can bring their insights and some of the academic theory we use in class to bear on my business.”

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[Frederick P. Keller](#) is a Lecturer at the Samuel Curtis Johnson Graduate School of Management at Cornell University. A Cornell alumnus, he is Chairman and CEO of Cascade Engineering, a leading provider of plastics solutions for the automotive, industrial, and solid waste industries, which he founded in 1973. In his role as CEO, Keller makes environmental sustainability and positive contributions to the local community a core part of the mission of Cascade Engineering. Keller draws on these experiences in teaching “Sustainability as a Driver for Innovation in the Entrepreneurial Organization.”

Defining entrepreneurship: “The word entrepreneurship can mean different things in different contexts. Oftentimes, in business school parlance, it can mean someone who runs a business on the venture capital model—starting a business, running it for three years and then selling it. We get a lot of innovative ideas and concepts from the shorter term model, but it’s also important to take a longer view, and to ask yourself ‘How can I build the quality of life in my community with my business over time?’... Dialogue is also very important to the entrepreneurial process. Entrepreneurship shouldn’t just be one person telling everyone what to do. Entrepreneurship should be collaborative.”

On sustainability as a driver for innovation: “In my teaching, I try to impress on my students that sustainability can be a real driver for innovation. If you set long-term sustainable goals, you end up being quite innovative in your products and services, and in your ability to achieve those goals. This makes you more competitive and more interesting to your customers.”

On sustainability reporting as a tool for productive change: “Measuring social and environmental impacts can be somewhat difficult, but (at Cascade Engineering) we’ve now done our triple bottom line report for five years, and each time we try to get a little better in how we measure. There can be a real tendency to want to show only the good—it’s a tension to be managed in doing this kind of measurement work. But it’s important to remember that when you measure something other than just dollars and cents, you are evaluating the success of your business in ways that are clear and complementary to the financial side. For us, this creates a very useful dialogue within the organization.”

On sustainability as an entrepreneurial process: “There’s a widespread misconception that corporate responsibility is like someone wagging their finger at you. I tell my students that it’s so important not to just accept that view. When a business decides to make responsibility a core part of its mission, it creates an opportunity for positive impact that is really creative and exciting and challenging. I try to let people know that (for Cascade Engineering) it’s not about responding to a negative influence—it’s about doing a really rewarding thing that’s good for the community and our employees and the environment *and* is good for us financially. It’s a fascinating and rewarding set of questions to be faced with.”

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NOTABLE COURSEWORK:

The following course descriptions are drawn exclusively from the 2007-2008 edition of [Beyond Grey Pinstripes](#), a research survey conducted biennially by the Center for Business Education at the Aspen Institute.

- **School of Management, Babson College**
[Creative Management in the Dynamic Organization \(Core Course\)](#)

Instructors: Dennis Ceru and Heidi Neck

“The purpose of this module is to introduce concepts associated with entrepreneurship. In particular, topics include creativity, opportunity identification, shaping and assessment. This evaluation requires that students understand market structure, size and growth rate, cost structure, and competitive issues. Students learn the process of resource acquisition, team building and challenges of building a new

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organization. Decisions related to approaches an entrepreneur might take to accomplish these as well as decision-making under high uncertainty have personal experiential and ethical components, with implications for the entrepreneur and all other stakeholders of the new venture.

- **Harvard Business School**

- [The Entrepreneurial Manager \(Core Course\)](#)

- Instructor: Paul Gompers*

- “The course focuses on the tasks and skills needed to exercise general manager responsibilities as an entrepreneur. The cases used in this course discuss new business opportunities in start-ups, growing companies, large corporations, and non-profit enterprises. Several sessions illustrate entrepreneurial management within the context of social enterprise and discuss the following topics: social marketing, income generating strategies for non-profits, successful healthcare business models in rural India, environment and health focused ventures, and social entrepreneurship in inner-city communities.”

- **Samuel Curtis Johnson Graduate School of Management, Cornell University**

- [Sustainability as a Driver for Innovation in the Entrepreneurial Organization \(Elective Course\)](#)

- Instructor: Frederick Keller*

- “Students in this course will gain an understanding of how entrepreneurial business professionals use sustainability principles as drivers for innovation and how to incorporate this strategic thinking into their own career paths. Students will also learn that in addition to traditional strategic financial analysis, business decisions do benefit from taking into account the impacts of social and ecological capital. Lectures discuss this ‘Triple Bottom Line’ approach as a catalyst for organizational innovation, particularly in emerging enterprises. The underlying principles of sustainability in business, barriers to sustainability, and ways to apply these principles in the entrepreneurial context are also discussed in the course. Guest lecturers include the President and CEO of Herman Miller, Inc. and a director at DuPont.”

- **Washington SyCip Graduate School of Business, Asian Institute of Management**

- [Entrepreneurial Asia \(EntrepAsia\) \(Elective Course\)](#)

- Instructor: Francisco Bernardo III*

- “Under EntrepAsia, a delegation of entrepreneurship students, faculty, and entrepreneurs will be visiting different Asian countries. They will familiarize themselves with the intricacies of doing business with each country and establish valuable business networks that will hopefully lead to successful business ventures. EntrepAsia will enable future entrepreneurs to view Asia as their marketplace, open up their horizons, and give them the opportunity to see first hand how the entrepreneurs of neighboring countries do business in the midst of globalization. The exposure will be a valuable learning experience for the delegates as they create jobs and generate economic activity in their respective communities.”

For additional courses on related subjects, or to download select syllabi, search thousands of descriptions at [Beyond Grey Pinstripes](#).

NOTABLE TEACHING MATERIALS:

Materials referenced are meant to represent the diversity of related teaching resources available at Caseplace.org. Most are available as free downloads to registered faculty members.



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- **Case Study:** [Eco-Entrepreneurship: THINK's Bumpy Ride](#)

Source: ECCH

“This case describes the trajectory of a group of Norwegian entrepreneurs in their efforts to develop and commercialize a battery electric vehicle (BEV) called THINK. The business opportunity was for a vehicle intended for eco-oriented niche markets in urban or suburban personal transportation. The case explores: (i) how eco-oriented innovation in car design can reduce manufacturing costs and break-even point of new models; (ii) the systemic limitations associated with current mobility patterns, which limit the adoption of BEVs; (iii) how BEVs fit the strategies of volume car manufacturers, such as Ford; (iv) potential strategies for new entrants in the car industry, such as manufacturers of electric vehicles; (v) the business models and associated income revenues of current car companies.”

- **Case Study:** [Feed Resource](#)

Source: ECCH

“This case looks at an entrepreneur’s search for an appropriate source of capital. The protagonist, Shane Eten, is passionate about being an entrepreneur and finds an opportunity in managing food waste; a clean technology start-up. Shane develops a plan for an anaerobic digester that will convert grocery store food waste into energy and organic fertilizer. The case explores Shane's entrepreneurial journey and efforts to raise capital.”

- **Case Study:** [Living Homes](#)

Source: Oikos Case Writing Competition

“The case outlines the state of both the housing industry and the green building industry in 2007. The protagonist, Steve Glenn, is a successful internet start-up entrepreneur, who returns to his love of architecture and commitment to sustainability by creating a company to provide signature, green, prefabricated homes to the ‘cultural creative’ market. Students learn about the environmental impacts of buildings, the certification programs to build green buildings, and the critical elements of creating a sound business that capitalizes on the green building industry.”

- **Case Study:** [Vegetales Cortados Startup Strategy \(A & B\)](#)

Source: University of Pennsylvania

“The Vegetales Cortados cases are designed for use early in the term of an entrepreneurship course. They focus on two broad marketing strategy decisions for a young Costa Rican woman trying to establish a vegetable processing business in her home country. In Vegetales Cortados (A) students are asked to decide which market segment to initially pursue, retail or institutional sales. The question of Vegetales Cortados (B) is how to deal with a powerful anticipated competitor. Dole is about to enter a market that Vegetales Cortados is also poised to enter. Should the owners try to beat Dole to the punch, or should they wait and follow?”

ONGOING QUESTIONS:

- How can students be equipped to become “social *intrapreneurs*” and use the tools of entrepreneurship to improve social and environmental impacts at the company level?
- How can students with an interest in becoming entrepreneurs be made aware of the social and environmental challenges that their passion and creativity can help to address?
- How can professors design course materials and learning experiences that help students actively develop entrepreneurial skills and attitudes?
- How can business schools best structure their curricula so that the benefits of education on Entrepreneurship can best inform students’ MBA experience?

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RESOURCES:

BeyondGreyPinstripes.org – World’s biggest MBA database, including detailed records on thousands of courses and information on extracurriculars, university centers, and more, for 128 schools on six continents.

CasePlace.org – A free and practical on-line resource for up-to-date case studies, syllabi, and innovative teaching materials on business and sustainability. Created for the educators who will shape our next generation of business leaders!

A Closer Look is a regular series of briefing papers on topical issues in MBA education, based on the research and programs of the Aspen Institute. The Aspen Institute’s [Center for Business Education](http://CenterforBusinessEducation.org) encourages future business leaders to innovate at the intersection of corporate profits and social impacts.

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