JOURNAL of ENTREPRENEURSHIP EDUCATION

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TEACHING ENTREPRENEURSHIP:
THE IMPORTANCE OF NONCOMPETE AGREEMENTS
TO THE VIABILITY OF THE ENTERPRISE

Patrick R. Geho, Middle Tennessee State University
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ABSTRACT

Entrepreneurs face many challenges, not the least of which is the matter of hiring, training, and managing employees who may one day become competitors. The entrepreneur's recourse is to utilize a noncompete contract to protect the firm's interests. In addition, entrepreneurs engaged in a franchise contract many times find themselves compelled to enter into a noncompete agreement with their franchisor. A buyer of an existing business also has a compelling interest in securing a noncompete agreement with the seller to ensure that the newly acquired business interest is protected from possible competing interests of the seller.

The potential for economic harm as a result of the misappropriation of a business's proprietary information by a former employee should be a part of the discussion in the entrepreneurship classroom. Students need to be exposed to this aspect of business development from an approach that does not overwhelm with too much legalese. The objective should be to impart an understanding of the critical importance noncompete agreements play in relation to the wellbeing of the enterprise.

INTRODUCTION

Entrepreneurs face a myriad of challenges, not the least of which is hiring, training and managing employees who may one day become competitors. Business owners must prevent their trade secrets, customer lists, and other proprietary information from being used by a current or former employee to the detriment of the enterprise. Employees, especially those who have worked for a business for several years, may become particularly familiar with day-to-day business operations. Having learned the trade and its processes, these individuals may sense an opportunity to venture out on their own and establish a competing business. The entrepreneur's recourse is to utilize a *noncompete contract* to protect the firm's interests.

Entrepreneurs of all types must be vigilant in protecting their business interests. Even those engaged in franchise contracts frequently find themselves compelled to enter into a noncompete agreement with their franchisor. Likewise, a buyer of an existing business also has a compelling

interest in securing a noncompete agreement with the seller to ensure that the newly acquired business is protected from possible competing interests of the seller.

Potential for economic harm as a result of the misappropriation of a firm's proprietary information by an employee or former employee should be an integral part of the discussion in entrepreneurship courses. Student exposure to this facet of business operation should occur from an approach that does not overwhelm with too much legalese. The objective should be to impart an understanding of the critical importance noncompete agreements play in relation to the wellbeing of the enterprise. Various scenarios and actual legal cases will be cited throughout the following sections to illustrate this importance.

NONCOMPETE CONTRACTS

A contract is "an agreement between two or more parties creating obligations that are enforceable or otherwise recognizable at law" (Garner, 2004, p. 341). Its essentials are competent parties, subject matter, a legal consideration, mutuality of agreement, and mutuality of obligation. When entrepreneurs perceive a need to prevent misuse of proprietary information, they may require employees to sign a *noncompete contract*, sometimes called a *noncompetition covenant*. A noncompetition covenant is "a promise, usually in a sale-of-business, partnership, or employment contract, not to engage in the same type of business for a stated time in the same market as the buyer, partner, or employer" (p. 392).

Entrepreneurial ventures frequently increase during poor economic times or recessions. Victims of downsizing or rightsizing seek opportunities wherever they can find them. Thus, the need for a noncompete contract may increase.

> As many executives are taking extra measures to protect their companies during the economic downturn, employment attorneys are seeing an increase in litigation around trade secrets. Specifically, employers are being more aggressive about suing former employees regarding noncompete agreements, attorneys say (Marquez, 2008).

ENFORCING NONCOMPETE CONTRACTS

Suing former employees over a noncompete agreement is seldom easy. Because entrepreneurship studies students are typically not exposed to noncompete agreements in their entrepreneurial studies curriculum, it is important to first explain that within the four corners of a noncompete agreement, there is much to be taken into account to draft an enforceable contract. Enforceability is based upon the prevention of "unfair" competition. "In brief, at common law a restraint against competition was valid to the extent it reasonably provided for the protection of a valid interest of the covenantee" (*Monogram Indus., Inc. v. Sar Indus., Inc.,* 1976). Common law

is defined as "the body of law derived from judicial decisions, rather than from statutes or constitution" (Garner, 2004, p. 293). However, a number of states are moving away from the common law in relation to the enforceability of covenants not to compete, which is disconcerting to business owners.

Unfortunately, there is no uniform federal statute that gives states a roadmap to follow concerning noncompete agreement enforceability *per se* with the narrow exception of the Uniform Trade Secrets Act. This act itself is not intended to establish uniform federal standards regarding trade secrets, but rather is the codification of existing states' interpretation of trade secrets based upon existing common law. So other than the issue of trade secrets in relation to noncompete agreements, there is much variability in states' laws in the level of protections afforded to businesses in enforcing noncompete agreements.

Some states look at noncompete agreements as creating an undue restraint of trade, and therefore against public policy. Other states consider noncompete agreements enforceable in relation to a condition of employment and where limited in scope, typically referring to time and geography language in the agreement.

> Although courts recognize that enforcing a restrictive covenant may result in the loss of an individual's livelihood, most courts across the country today will enforce the agreement if it meets certain tests. California and a dozen or so other states generally do not uphold restrictive covenants (Shapiro, 1993).

More often than not the courts construe noncompete agreements in favor of the employee rather than the employer, so the employer must include meticulous details when preparing a noncompete agreement.

PUBLIC POLICY

Public policy may be considered as a basis for not enforcing or limiting the enforceability of noncompete agreements. This may be troublesome to business owners who are trying to protect their business interests. California courts are often cited as the example of a state that as a matter of public policy generally deems noncompete agreements unenforceable, with the narrow exception of when it relates to an employer's trade secrets. The California Supreme Court has held that provisions in employment contracts prohibiting employees from working for a competitor after completion of their employment or imposing a penalty if they do so is to that extent void, unless those provisions are necessary to protect the employer's trade secrets (*Muggill v. Reuben H. Donnelley Corp.*, 1965).

A District Court in Arizona held that the restrictive covenant a physician (employee) entered into with a medical group (employer) was too broad and against public policy, because (1) the

covenant not to compete for three years is unreasonable, (2) the prohibited geographic area encompassed 235 square miles and was thus unreasonable, and (3) the covenant did not provide an exception for emergency care. The court of appeals reversed, holding that a modified version of the covenant was reasonable because there were eight hospitals outside the restricted area where the former employee could practice. Furthermore, the severability clause allowed him to perform emergency services within the area; and the employer was allowed to stipulate that the employee could treat certain cases within the prohibited area. The employee appealed to the Supreme Court. At issue, can a restrictive covenant prohibiting a doctor from competing within a certain geographic area for three years after the termination of the employment agreement be enforced?

In the same case the Arizona Supreme Court held that a restrictive covenant restraining competition between the employer and employee cannot be enforced for two reasons: (1) the restraint is greater than necessary to protect the employer's legitimate economic interests, and (2) even if the restraint was not overly broad, the competing interests of the patients and the public in general outweigh the economic interests of the employer. In addition, the court said the three-year restriction was unreasonable, given the nature of the profession and pointing to the patients' needs. Thus, a reduction of the noncompete period to six months would be sufficient to protect the employer. The covenant was too broad in scope and precluded any type of practice by the former employee. Legitimate economic interests of the employer in this case could not withstand the interests of public policy. The negative impact the covenant not to compete had on the patients' right to see the departing physician came into play and outweighed the employer's interests. The general rule in Arizona is that restrictive covenants restraining competition or commerce are unenforceable. However, such a restraint can be enforced if it is reasonable and is not against public policy (*Valley Medical Specialists v. Farber*, 1999).

To be valid and enforceable and not in violation of public policy, a noncompetition covenant must be reasonable from both the employer and employee's standpoints. A recent case involved plaintiffs who produced and distributed trade publications relating to homeland security. The defendant in the case, which sold advertising space for the plaintiffs' publications, agreed not to compete with the plaintiffs by selling or promoting publications that competed with the plaintiffs' publications. The defendant argued that the lack of any geographic limitation rendered the noncompetition agreement unenforceable as a matter of law because it essentially imposed a worldwide restriction. The court stated that while there was no geographic limitation, the agreement had a duration of one year and limited the prohibited activities to those in direct competition with one journal. Thus, the mere fact that there was no geographical limitation was not fatal to the enforceability of the agreement. The terms of the noncompetition agreement were narrowly tailored to protect the plaintiffs' legitimate business interests while not prohibiting the defendant from competing in the chosen field. The agreement also appeared to be narrowly tailored so that it did not offend public policy. This case successfully upheld a noncompete agreement without a geographic

limitation, reversing long-standing Virginia precedent (*Market Access Intern. Inc. v. KMD Media LLC*, 2006).

THE BLUE-PENCIL DOCTRINE

The Blue Pencil Doctrine is a legal concept in common law that enables amending a contract. This doctrine is defined as

> a judicial standard for deciding whether to invalidate the whole contract or only the offending words. Under this standard, only the offending words are invalidated if it would be possible to delete them simply by running a blue pencil through them, as opposed to changing, adding, or rearranging words, (Garner, 2004, p. 183).

Courts in states that recognize the blue pencil doctrine may attempt to reform the noncompete agreement to create an enforceable agreement from what otherwise would violate the law in that state. "If it is clear from its terms that a contract was intended to be severable, the court can enforce the lawful part and ignore the unlawful part." To the contrary, "where the severability of the agreement is not evident from the contract itself, the court cannot create a new agreement for the parties to uphold the contract" (*Olliver/Pilcher Ins. v. Daniels*, 1986).

Arizona courts have adopted the blue pencil doctrine in order to reform covenants that are not unreasonable but apply it only in cases where severability was the original intent and the agreement is not against public policy. "Arizona courts will 'blue-pencil' restrictive covenants, eliminating grammatically severable, unreasonable provisions" (*Valley Medical Specialists v. Farber*). States are less inclined to apply the blue pencil doctrine approach to modifying a noncompete agreement when it appears that employers are over-reaching in the "terms and conditions language" of the noncompete agreement and when employers use the agreement's broad language as a firewall and a deterrent to employees competing.

In Indiana the courts adopt the "strict" interpretation of the blue pencil doctrine which permits a court to strike out only the overbroad language. "Apart from the 'blue pencil' doctrine …, if the agreement as drafted is unreasonably broad, it cannot be enforced in part on the theory that the parties could have agreed to some more reasonable terms" (*Product Action Intern'l, Inc. v. Mero*, 2003).

REASONABLE MODIFICATION DOCTRINE

Some states apply reasonable modification to noncompete contracts where there is a compelling reason to modify the agreement in order to permit enforcement. Illinois is one such state. In supporting the contention that defendants have a protectable interest in enforcing the restrictive

covenant, the court upheld a restrictive covenant contained in an employment agreement between a departing ophthalmologist and an eye clinic, prohibiting the ophthalmologist from practicing within a 50-mile radius of the eye clinic's branches at which he previously practiced. The court found that

> Restrictive covenants between medical doctors are not detrimental to the public interest because the restricted doctor can be just as useful to the public in another location outside the restricted area; and the physician can always resume his practice in the restricted zone once the time duration of the covenant not to compete has expired (*Gillespie v. Carbondale & Marion Eye Centers, Ltd.*, 1993).

However, the *Gillespie* court did recognize "the possible adverse effects that enforcement of this restrictive covenant could have on the public," but it felt compelled to follow an earlier Illinois Supreme Court case (*Canfield v. Spear,* 1969), which held that restrictive covenants between medical doctors are not detrimental to the public interest for the previously noted reasons.

REASONABLENESS OF THE AGREEMENT

Many states apply a test of reasonableness in determining whether to enforce a noncompete agreement. In employment cases, reasonableness breaks down into three issues:

1. Is the restraint reasonable in the sense that it is no greater than necessary to protect the employer in some legitimate interest?
2. Is the restraint reasonable in the sense that it is not unduly harsh and oppressive on the employee?
3. Is the restraint reasonable in the sense that it is not injurious to the public?

So the question might be posed: Is it reasonable to ask an employee to sign a noncompete agreement well after being employed with no additional consideration given to the employee? At issue is whether additional consideration is required in order to enforce a noncompete agreement entered into after employment has begun. The trial court found that there does not have to be any new consideration for a noncompete agreement even though it is entered into after an employee has been employed for a period of time (*Central Monitoring Service, Inc. v. Zakinski*, 1996).

Standard contract law governs the enforceability of a noncompete agreement. South Dakota statutes state that an employee may agree with an employer at the time of employment or at any time during his employment not to engage directly or indirectly in the same business or profession as that of his employer "as long as the noncompetition agreements comport with the statutory language" (*American Rim & Brake, Inc. v. Zoellner*, 1986).

Many courts will not enforce an overly broad noncompete agreement or will enforce it only in the state in which the cause of action arose allowing the noncompete agreement to stand in other states in which the business also had a presence. The general rule is that the local law of the state that "has the most significant relationship to the transaction" will govern (Restatement [Second] of Conflict of Laws § 188). Contract law is for the most part intended to facilitate the interests of the parties to the agreement. Where there is an issue of multiple jurisdictions involved, many states will follow the reasonable test and enforce the agreement as it pertains to that state's law while deferring on the matter of enforceability on the same issue as applicable in another state. For example, an employer's noncompete agreement that prohibited a former employee from working for a competitor anywhere in the world and prohibited solicitation of any of the employer's customers was overly broad and unenforceable under Georgia law (*Keener v. Convergys Corp*, 2003). However, the Georgia appeals court would not support the trial court's ruling that the noncompete agreement was unenforceable in another state where the employer also had operations.

For a complete definition of reasonableness as it applies to noncompete agreements, see Unreasonableness of Covenant Not To Compete, 20 *AmJur Proof of Facts* 3d 705, §3:

CONCLUSION

When teaching entrepreneurship, consideration should be given in curriculum development to aspects of contract law and more specifically noncompete agreements that could have an impact on nascent enterprises. Students need to be made aware of the possible need for a noncompete agreement in developing a business plan, the essential elements to create a legally enforceable agreement, and the potential pitfalls inherent in enforceability from one state to another. As students assimilate into the work force, they may find themselves on either end of a noncompete contract. As employees, they should be acutely aware of what limitations might be imposed by their signature on a contract. Likewise, their familiarity with noncompete contracts may mitigate future anguish when they hire staff for their own businesses.

Although there are a few states that hold noncompete agreements as prima facie void, most state courts will rule for partial enforcement. Thus, a promise in a noncompete agreement should be enforceable by and large when public policy issues are not in conflict and where the agreement is in severable terms. There is much case law on the subject of noncompete agreements, and while it is not easy to reconcile because the law is far from being settled, entrepreneurship students should be exposed to the subject matter since there is a high probability that they will be faced with the issue sometime during their business careers.

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THE NEXT GENERATION OF ENTREPRENEURS: A REFLECTION OF A COLLEGE OUTREACH BUSINESS PROGRAM FOR HIGH SCHOOL STUDENTS

Issam Ghazzawi, University of La Verne

ABSTRACT

To address the persistent problems of poverty and underrepresentation of minority and first generation college-bound students, governments, educational institutions and foundations, philanthropies, service organizations, and others are creating initiatives for these students. Over the past three years the University of La Verne's College of Business and Public Management has been conducting a community outreach program for high school students. This paper represents a two year outcome assessment of a community outreach program that targeted first-generation, low-income, and minority students from various Southern California School Districts intended to motivate students to seek college education in general and business education and entrepreneurship in particular. The outreach program was developed with a mission to overcome issues that usually restrict the college ambitions of the targeted population. Over the past two years (2007 and 2008), one hundred and eighteen high school juniors participated in a three-week business camp that introduced them to topics such as market and economics, success skills (including management, organization, creating an organization website, and presentations and job interviewing techniques), entrepreneurship, financial literacy, and business ethics.

All classes were delivered by college professors and volunteer business and community leaders. Before the program, a combined 78% of participants indicated their willingness to go to college, while in the post assessment survey 96% indicated their desire to attend college. Only 2% indicated as "not sure" and 2% abstained due to illness. Additionally, on the post test, 50% indicated their desire to own a business in the future compared to 20% on the pre-test. Knowledge gained as measured in pre and post tests were positive on all five variables (i.e. market/economics, success skills, financial literacy, business ethics, and entrepreneurship).

INTRODUCTION

American higher education's history is full of stories of students who succeeded despite the fact that their parents never had much of an education or an opportunity to learn (Jaschik, 2005). These stories are countless and now topped with an exemplary one of a young African American "Barack Obama" who not only attended college, but graduated from two Ivy league institutions

(Columbia in 1983 and Harvard in 1991) before he became the first African American editor of the prestigious Harvard Law Review in 1990; and eventually became the first elected African American president on November 4, 2008 (The Associated Press, 2008). However, these stories are not the norm, they are the exception. A report by the National Center for Education Statistics revealed that "first generation students are at a disadvantage throughout their time at colleges and universities. They enter without as much preparation, they got lower grades, and they are more likely to drop out" (Jaschik, 2005, para. 3). According to Ellwood and Kane (2000), income also affects college attendance:

> *Eighty percent (80%) of the students from the top income quartile attended some type of post secondary institution within 20 months of their high school graduation, as compared with fifty-seven percent (57%) of those from the lowest income quartiles. The gaps by family income were particularly large in four-year college entrance, with 55 percent of the highest income youth attending a four-year college at some point and only 29% of the lowest income youth (p.3-4).*

Today many institutions of higher education and others are reaching out to this group of first generation students. Based on their experiential study in summer of 2007, Ghazzawi & Jagannathan concluded that there is a positive relationship between participation in the summer business camp and students' increased desire to attend college.

According to the aunt of one of a former program participant at the University of La Verne, her niece learned new things, made new friends and took pride in her accomplishments at the camp. Currently the student is enrolled at a local community college. In a personal letter to the author of this paper, the aunt wrote:

> *"I truly feel that your program, amazing staff and of course, you, have helped boost her (participant's name) confidence both personally and professionally. Any student would be lucky to participate in your REACH program. Your dedication to the well-being of our youth is heartwarming" (Goman, 2008).*

Program Description

The University of La Verne's REACH Summer Business Camp, sponsored and supported by the College of Business and Public Management, just completed its third year. Yet in a relatively short time it has gained a reputation of being among the region's best programs in motivating high school students to pursue a college education (Marshall, 2007). Its success can be measured by the graduating students' inclinations to attend college (96% in 2007 and 98% in 2008), participants' perspective change about college life (90% in 2007 and 85% in 2008), their inclinations to own

businesses in the future (50% in 2007 and 63% in 2008), participants' change of their perspective of business (70% in 2007 and 82% in 2008), and by the demand to add more students both from participating districts and other school districts seeking to join. The objective of this program is to put college within the reach of any student. In essence, REACH provides participants with a taste of various aspects of college life to create and sustain their motivation to aim for college (with an emphasis on business education) after graduating from high school.

The business outreach program was developed with a mission to overcome issues that usually restrict the college ambitions of the targeted population. One hundred eighteen high schools students (50 in 2007 and 68 in 2008) participated in a three-week business camp (27 women and 23 men in 2007; and 45 women and 22 men in 2008) that introduced them to topics such as market and economics, success skills (including management, organization, creating an organization website, and presentations and job interviewing techniques), entrepreneurship, financial literacy, and business ethics. All classes were delivered by volunteer professors from the College of Business and Public Management at the University of La Verne.

In addition to the business courses, counselors from the university provided workshops with the Admissions and Financial Aid Offices, and students attended two SAT preparation sessions with a focus on Mathematics and English.

Community Involvement

This program was conducted in conjunction with the business faculty at the University of La Verne, business professionals from various organizations (including Southern California Edison, Majestic Realty, Kaiser Permanente, UPS, The Capitalist Group, Horizon High Desert, Inc., TEKNICA, and others) who volunteered as guest speakers, judged students' business plans, and/or mentored participants. The program also featured motivational speakers-including: Mr. Joe Romero, Pomona Police Chief; Mr. Reggie Webb, Chairperson of the McDonald's International Leadership Council; Dr. Steve Morgan, President of the University of La Verne; Ms. Jennetta Harris, Public Affairs Region Manager of Southern California Edison Company; Ms. Edna Herring, Superintendent, Rialto Unified School District; Honorary Paul Leon, the Mayor of Ontario; Honorary Norma Torres, the mayor of Pomona; and Dr. Alden Reimonenq, Provost of the University of La Verne.

The Business Plan Competition

While the program provided an opportunity for participants to experience a taste of college life and get a hands-on learning opportunity, a competition was also held where students were divided into different teams to create a business plan that culminated in formal presentations to a panel of judges made up of college professors, college students' leaders, and local business leaders.

The business plan competitions proved to provide many important benefits when developing entrepreneurial skills, including access to mentors, opportunity for networking, and increased participants self-confidence and risk-taking propensity (Russell, Atchison, & Brooks 2008).

With an objective to win over a panel of judges, thirteen total groups (in 2008) and ten groups (in 2007) presented before the judges and a "Final Four" competition was held in the university's main auditorium where the top four teams presented their business plans.

The winning team was awarded a $1000 prize and the runner-ups received a $500 prize. As per competition requirements, each business plan had to be comprehensive, including everything from the location and cost of the premises (lease) to the required licenses, permits, the cost of equipment, organizational structure, financing, marketing, and operating a business ethically and for profit.

THE PURPOSE OF THE STUDY

According to Eckholm (2008), interventions with low-income teenagers-especially African Americans and Hispanics, proved effective and created lasting effects at a time when young minority men are losing ground in today job market.

This paper sets forth the business case for how an outreach business program devoted to under-represented high school students can help their entrepreneurship knowledge increase and create a positive impact on their desire to further their business education, attend college, and pursue an entrepreneurship venture in the future. The effectiveness of this three -week summer program is measured through the survey responses of participating students. This program could serve as a model in motivating students to be the first in their families to attend college and prepare for a career or a business.

Accordingly, this paper represents a two year (i.e. 2007 and 2008) outcome assessment of the REACH Summer Business Camp that mainly targeted "mostly" first generation underrepresented students from three Southern California Unified School Districts.

This paper addresses the following research questions:

1. Is there a positive relationship between participation in the REACH summer business camp and students' increased desire to attend college?

2. Is there a relationship between participation in the summer business camp and a change in students' attitude and perspective towards college?

3. Does a participation in the summer business camp change students' attitude towards business education?

4.   Is there a positive relationship between participation in the REACH summer business camp and students' increased desire to be entrepreneurs in the future?

LITERATURE REVIEW

Today, first-generation college student-whose parents have never attended college, are the focus of many researchers and academicians. Colleges and universities are placing more emphasis on reaching out to first-generation, low-income, and minority college-bound students through a variety of outreach programs, student services, and financial aid to attract and retain this segment of underserved students.

According to Pascarella, Wolniak, Pierson, & Terenzini, (2003), first-generation students are at a disadvantage compared to their peers with respect to basic knowledge about postsecondary education, including: Higher education costs, application process, support, degree expectations and plans, and secondary school academic preparation. Additionally, they are subject to anxieties, dislocations, and difficulties as a result of cultural, social, and academic transitions (Rendon, Hope, & Associates, 1996; Terenzini, Rendon, Upcraft, Millar, Allison, Gregg, & Jalomo, 1994). Similarly, Pike and Kuh (2005), in a study of 1,127 first-year students at various four-year colleges and universities, concluded that students who are the first in their family to attend college are less likely to graduate compared to the ones with one or both parents who have baccalaureate degrees. The same study also concluded that first-generation students tended to be less engaged and gained less from college compared to their peers with college-educated parents (Pike & Kuh, 2005).

According to a Gallup poll of 4,000 teens (Thomas, 1999) commissioned by the Kauffman center, approximately 80% of black teens and 70% of Hispanic teens indicated their interest in starting their own business. However, according to the same poll:

44% of the respondents rated their own knowledge of how to start a business as "poor" to "very poor." The vast majority said that they were taught little or nothing about business or the economy in school. Indeed, some of the survey responses were particularly troubling, one showing that 30% of black youths couldn't identify how businesses set their prices (Thomas, 1999: A2).

Based on data collected in the summer and fall of 2007 from 92,894 incoming students at 302 institutions, a Noel-Levitz report showed that while most students (first-generation and non-first-generation students) rated themselves low on various measures of academic confidence including math, science, and verbal skills, first-generation students were more concerned with financial concerns as compared to other students (Anonymous, 2008b).

In an empirical study of twelfth graders who went to college, Jaschik (2005) noted that 43 % of first generation students in his study left college without any degree compared to 24% of the

participants who earned a bachelor's degree. As far as participants whose parents were college graduates, only 20% had left without a degree compared to 68 % who had completed a bachelor's degree (Jaschik, 2005).

Bridging the Gap

To address the subject of nurturing first generation students, many institutions are teaming together. In addition to the University of La Verne's "REACH" Program (the subject of this paper); the literature is full of examples of what institutions are doing. For instance, the University of Maryland Baltimore County, University of Akron, Bowling Green State University and many others are offering some form of a pre-engineering or math/science program to under-represented groups with a goal to increase the enrollment and retention of under-represented students (Yelamarthi & Mawasha, 2008). Additionally, the Hidden Promise Scholars program at Glenville State College in central West Virginia is a collaboration with 13 county schools to "provide select secondary school students with money to help with their college expenses, but also helps acclimate them to the higher education setting" (Darst, 2008, para. 3).

Additionally, the U.S. Department of Education provides the Upward Bound program (see also endnote 1) that provides opportunities for potential first-generation, low-income college students participants to help them attain college education (Faure, 2008; U.S. Department of Education, 2008). "Today, there are 681 programs in operation throughout the United States and its territories" (The University of Massachusetts Boston, 2008, para. 2). Similarly, a $25,000 grant from the Texas Higher Education Coordinating Board enabled 29 students from the University of Houston-Victoria and Victoria College through a Bridge Program (a partnership with the Latina Forum and the university) to tutor first generation high school students by paying $10 an hour up to 20 hours a week for tutoring (Bond, 2008). Currently, more than 500 institutions nationwide joined CollegeKeys Compact, a program sponsored by the College Board (see also endnote 2) and designed to help students from low-income families prepare for, get into, and succeed in college (Anonymous, 2008a).

Carlson (2009) who taught as a volunteer a Junior Achievement curriculum titled "Enterprise in Action" has witnessed over the years how his 8th grade students were able to design and present brilliant business ideas which resulted from their exposure to an entrepreneurship curriculum and developed business plans. Years later, following their exposure to such curriculum, the students who moved on to upper grades and later advanced to 12th grade were much more advanced in their entrepreneurial ideas and education as compared to their counterparts who had no exposure of this type. Not surprisingly, few academicians and practitioners argued that integrating of entrepreneurial programs into the educational system in high schools is a prerequisite to develop the necessary skills to start and run successful future businesses (Kroon, De Klerk, & Dippenaar, 2003; White, 2006).

Dedicated to a mission of "Promoting a College-Bound Culture", the Center for Student Opportunity in partnership with KnowHow2GO produced the College Access & Opportunity Guide to promote higher education opportunity for the underserved college-bound students (2008). This guide highlights major programs at over 225 colleges and universities aimed at this student population in terms of:

1. Programs and initiatives such as academic enrichment, mentoring, and college preparation and guidance for pre-college students;
2. Opportunity programs including: Financial assistance, scholarships, informational, and admission programs; and
3. Retention and success programs that include: Student support services, academic assistance, and student retention programs aimed to help students to graduate (Center for Student Opportunity, 2008).

To foster first generation induction and success in college, the Wal-Mart Foundation awarded the Council of Independent Colleges (CIC) a $2.266 million grant to establish and implement the College Success Awards. Recipient institutions (see endnote 3) have shown success in the enrolling, retaining, and graduating first-generation college students (PR Newswire, 2008) While the grant will support the efforts of the successful implementation of the programs, its other objective is to help serve as a foundation of "best practices" in recruiting and successfully educating first-generation students (PR Newswire, 2008, July 14). In addition to that, Dell Scholar is a program aimed at first-generation college students with financial need. Recipients are chosen based on having at least a 2.4 grade-point average while "dealing with personal responsibilities." (Lindelof, 2008). According to Lindelof (2008), while the Dell Scholarship provides needy students with a $20,000 scholarship, a laptop and a printer, recipients usually use government grants to finance the remainder of their education.

Additionally, High School Startups.com (Business Editors, 2000; see also endnote 4) offers high school students and teenagers an opportunity to launch an e-business through providing startups nuts and bolts advices and other incentives including a $5,000 + business plan competition, $1,500 Web site competition, a directory of Internet internship listings.

It is worthy to mention that many colleges and universities are placing an important emphasis on outreach initiatives, including financial aid programs and student support services. However, according to Matt Rubinoff, Executive Director of Center for Student Opportunity, "students, their families, and even counselors and community leaders are not always fully aware of the array of college opportunity that exists for them," (PR Newswire, 2008, October 8, para. 3). Institutions of higher education are helping bridge the gap by providing additional tutoring and mentors for students, in addition to providing assistance for their teachers, counselors, and administrators to

better understand the challenges faced by first-generation college students (Anonymous, 2008a; see also endnote 5).

Parents and First Generation Students

Psychologist John J. Curtin, who is a first-generation college student, grew up on Long Island, New York, in an Italian-Irish family. As a consequence of his parents' commitment to his academic success, Curtin had no question that he would pursue higher education (Curtin, 2008). To many, first-generation, college-bound students lack the benefit of parents who have the experience to shepherd them through a complex and perhaps competitive application process (Abbady, 2008). Not having parents who are familiar with college admissions and financial requirements, will add to students' struggle as they turn to friends and others for help. Their college success is usually a factor of finding the right advisor(s) and guidance (Abbady, 2008).

Recognizing the fact that a positive relationship exists between student likelihood to attend college and the education level of his or her parents, the University of Wisconsin at Madison reported that first-generation students, who comprise approximately 21 % of the 2008 freshman class, continue to break the cycle and succeed despite the challenges they encounter (US Fed News Service, Including US State News, 2008). According to the same source, the University of Wisconsin at Madison provides first generation students and parents with information on available financial aid and how to apply. Once first-generation students attend college, the university "provides tutoring, advising and navigation in a "supporting, welcoming environment," (*US Fed News Service, Including US State News, 2008, para. 16*).

According to Snell (2008), when students are in college, "the majors being chosen, and the process by which students choose their majors, are all shaped by income, class, and education level. First-generation students are only part of the cohorts being affected. Our students react to economic factors, parental interests, and received wisdom about which majors are moneymakers and which ones give the fastest access to the job market" (para. 19). Highly educated parents prepare their children to succeed in schools by making sure that they start algebra in the 8th grade, that they take a college-prep curriculum, that they are placed among the "gifted and talented" students, and they look for financial means to college education including paying and/or subsidizing college loans (Miller 2008). In fact, hhigh-achieving students owe their academic and other successes to nurturing and embracing parents who clarify boundaries and directions that will ultimately lead to the success (*Chronicle of Higher Education, 2007*).

Compared with students whose parents attended college, "first-generation students consistently remained at a disadvantage after entering postsecondary education: they completed fewer credits, took fewer academic courses, earned lower grades, needed more remedial assistance, and were more likely to withdraw from or repeat courses they attempted," (Vestal, 2008, para. 1). Additionally, Rooney (2008), in a qualitative study to understand first-generation students'

perceptions of influences on their successful journey to a four-year college, concluded that parents and/or grandparents were the primary factor on their aspiration to go to college. Findings also indicated that their pre-college educational experiences (i.e. elementary and secondary schooling) have a contributing influence on their choice and success since their previous school environments provided them the needed guidance, structure, and teacher recognition (Rooney, 2008). Similarly, Jassal (2007) concluded that college students' dropout rate and predicted academic difficulty score is associated with the attained educational level of their parents.

In partnership with Lumina Foundation for Education, American Council on Education, and the Ad Council, KnowHow2Go (see also endnote 6), a national college access campaign, was created to provide (among other services to students to attend college) advice for parents, mentors, and other caring adults for guiding first generation and other underrepresented students to take the necessary steps to go to college.

First Generation Students and Entrepreneurship Opportunities

Like education, fostering entrepreneurship is not an isolated incident; it does happen within the social context of the community including the enabling entrepreneurial environment (MacKenzie, 1992).

According to Sharma (2008), "entrepreneurship grows out of necessity, because of unemployment and poverty and because young people have no other option" (para. 1). In today's U.S. and global economy, it is important to mention that minority business enterprises are a rapidly growing segment of the enterprises population (U.S. Department of Commerce, 2006). According to the U.S. Department of Commerce (see also endnote 7), "From 1997-2002, the total number of U.S. companies increased by 2 million and over 50% of this increase was accounted for by minority-owned firms" (2006, para. 1). Van der Sluis, Van Praag, and Vijverberg (2008), in their review of the effect of formal education on the performance of entrepreneurs' success in Europe and in the United States, concluded that the impact of education is significant and positive; however; this impact is more significant in the U.S. than in Europe.

Recognizing that entrepreneurship and job creation is the backbone of our economy, the U.S. Senate Committee on Small Business & Entrepreneurship (2008) successfully made new changes to the SBA (Small Business Administration) lending practices intended to help ease the credit issues of small businesses and entrepreneurs. Additionally, the Council for Entrepreneurial Development (CED) (See also endnote 8) announced that it has joined the Microsoft BizSpark(TM) program as a Network Partner (2008; see also endnote 9). According to Joan Siefert Rose, president of CED, "Microsoft BizSpark helps remove many of the barriers of entry to the software development tools and technologies, and market resources that are critical components of launching a viable business"(CED, 2008, para. 4).

Similarly and through a $3.5 million grant over three years from the Ewing Marion Kauffman Foundation (see also endnote 10), the National Council on Economic Education (NCEE), a leader in promoting economic literacy for youth and school teachers, is administering three programs in youth entrepreneurship (see also endnote 11). Youth entrepreneurship education is a central part of the NCEE's core business in advancing economic and financial literacy.

RESEARCH METHODOLOGY

This study assesses the impact of the two years (i.e. 2007 and 2008) of a REACH Business Program helping to motivate first generation/underserved students in attending college and considering business education and entrepreneurship. The research method used in this study tested variables related to motivation, desire to attend college, and motivation to consider entrepreneurship in the future. Based on descriptive statistics of responses obtained from the attendees, the study assess the impact this program has on the participants desire to attend college and pursue a future business opportunity.

The major part of the study included 118 high school students (50 in 2007 and 68 in 2008) from three Southern California school districts. These selected eleventh grade high school students demonstrated the ability to succeed at a university by having a grade point average of 2.5 or higher on a 4.0-point scale and by being involved in some extracurricular activities such as service to the community, the school, or the family business.

To participate in this program, students must have a desire for business education but are at risk of not pursuing a college education. Additionally, participants should have the aptitude and discipline to pursue a university education but are discouraged because of (a) financial issues, (b) family commitments, or (c) simply not having considered attending college.

Procedure

Participation in this study was voluntary and survey responses were confidential. Participants were asked to answer a pre-program participation assessment survey administered by the author (who is also the director of REACH Business Program). Tested factors included student's ethnic background, parents' education, student's gender, student's desire to attend college, student's desire to own a future business, and student's knowledge about important business and entrepreneurship topics-including: 1) marketing and economics; 2) financial literacy; 3) business ethics; 4) success skills; and 5) entrepreneurship.

All 118 students participated in the pre-assessment test (50 in 2007; 68 in 2008) whereas 117 participated in the post-assessment test (49 in 2007; 68 in 2008), with one student (in 2007) abstaining due to illness. To ensure the validity and the confidentiality of the collected information, participants were asked not to write their names and were guaranteed that all information would

remain confidential and would be disclosed only with the participant's permission or as required by law.

Participants and Setting

In the year 2008, the sample included 68 high school juniors of which 66% were women (n=45) and 34% were men (n=23). Respondents' ethnic backgrounds were 22% African American (n=15), 18% Asian/Pacific Islander (n=18), 4% Caucasian/ White (n=3), and 56% Hispanic (n=38). Additionally, for the year 2007, the sample had 50 high school juniors of which 54% women (n=27) and 46% men (n=23). Respondents' ethnic backgrounds were 22% African American (n=11), 14% Asian/Pacific Islander (n=7), 18% Caucasian/ White (n=9), and 46% Hispanic (n=23). Table 1 summarizes the sample characteristics.

In some instances, respondents were asked to indicate their agreement by stating "yes" or "no" to various questions prepared by the researcher. In other instances, respondents were given an objective test to measure their aptitude knowledge of various business education topics (i.e. market/economics, success skills, financial literacy, business ethics, and entrepreneurship). These tests were administered twice, one before (pretest) and one on the last day of the program (posttest).

In addition to the aforementioned assessments, participants were given a blank piece of paper on the last day of the program and asked to write what aspects of this program were satisfying to them personally and helped changed their perspective about college. Sample testimonials included with this paper have been reproduced verbatim.

Table 1: Characteristics of Sample for years 2008 (N= 68) and 2007 ((N= 50)						
	2008		2007		Combined 2 years	
	Frequency	%	Frequency	%	Frequency	%
Ethnic Background						
1. African American	15	22	11	22	26	22
2. Asian/Pacific Islander	12	18	7	14	19	16
3. Caucasian/White	3	4	9	18	12	10
4. Hispanic	38	56	23	46	61	52
Total	68	100%	50	100%	118	100
Gender						
1. Male	23	34	23	46	46	39
2. Female	45	66	27	54	72	61
Total	68	100	50	100	118	100

Table 1: Characteristics of Sample for years 2008 (N= 68) and 2007 ((N= 50)						
	2008		2007		Combined 2 years	
	Frequency	%	Frequency	%	Frequency	%
Parents Education						
Father						
1. No degree	22	32	12	24	34	29
2. High school	30	45	23	46	53	45
3. AA degree	7	10	6	12	13	11
4. Bachelor's	6	9	5	10	11	9
5. Master	1	1	3	6	4	3
6. Doctorate	2	3	0	0	2	2
7. No response	0	0	1	2	1	1
Total	68	100	50	100	118	100
Mother						
1. No degree	22	32	9	18	31	26
2. High school	27	40	23	46	50	42
3. AA degree	12	18	9	18	21	18
4. Bachelor's	6	9	7	14	13	11
5. Master	1	1	1	2	2	2
6. Doctorate	0	0	0	0	0	0
7. No response	0	0	1	2	1	1
Total	68	100	50	100	118	100

DISCUSSION

Intention to Go to College

On the 2007 pre-assessment survey, students responded to the question of whether they intended to go to college. Accordingly, 39 students (17 male and 22 female), representing 78% of program participants, answered "yes,"10 students (6 male and 4 female), representing 20% of program participants, responded with "not sure," and 1 female student, representing 2% of program participants, answered with "no" as can be seen in figure 1. On the post-assessment survey, 48 students (22 male and 26 female), representing 96% of program participants, indicated their willingness to attend college. Only one female student indicated that she was "not sure" and one

male student did not participate in the post test because of his illness at the time (Ghazzawi & Jagannathan, 2008). Please see figure 1.

Similarly, on the 2008 pre-assessment survey, the following describes the participants' answers on the question of willingness to go to college: 59 students (20 male and 39 female), representing 87% of program participants, answered "yes,"; 7 students (3 male and 4 female), representing 10% of program participants, responded with "not sure," and 2 female students, representing 3% of program participants, answered with "no" as can be seen in figure 1. On the post-assessment survey, 67 students (23 male and 44 female), representing 98% of program participants, indicated their willingness to attend college. Only one female student indicated that she was "not sure". Please see figure 1.

Figure 1: Combined 2 years (2007 and 2008) Participants' Inclination to Attend College
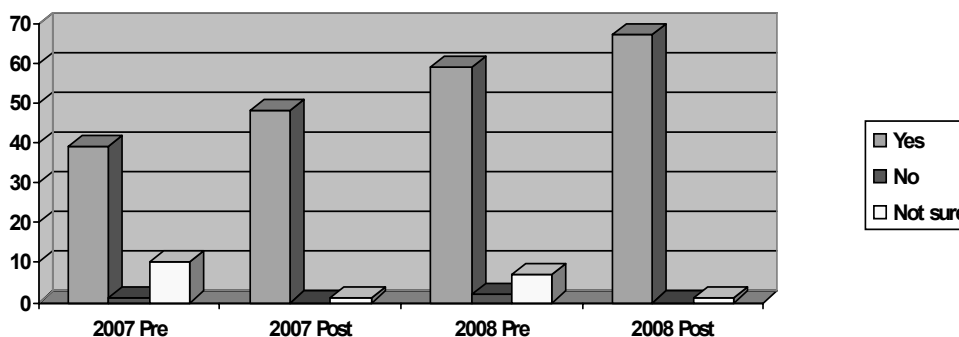
Change in Perspective Towards College

On the question of whether the program changed the student's perspective about college life, 45 students, representing 90% of 2007 participants, indicated "yes"; 4 students, representing 8% of the program participants, answered with "no," and 1 student, representing 2% of program participants, did not answer due to his illness. Please see table 2 and figure 2.

In comparison, the 2008 participants on the same question (of whether the program changed the student perspective about college life), 58 students, representing 85% indicated "yes"; 9 students, representing 13% of the program participants, answered with "no,"; and 1 student, representing 2% of program participants, responded with "not sure". Please see table 2 and figure 2.

Table 2: Combined 2007 and 2008 Change in Participants' Perspective about College Life as a Result of the Program						
	2007		2008		Combined 2 years	
Response	Frequency	%	Frequency	%	Total	%
Yes	45	90	58	85	103	87
No	4	8	9	13	13	11
No answer/Not sure	1	2	1	2	2	2
Total	50	100	68	100	118	100

Figure 2: Combined 2007 and 2008 Change in Participants' Perspective about College Life as a Result of the Program
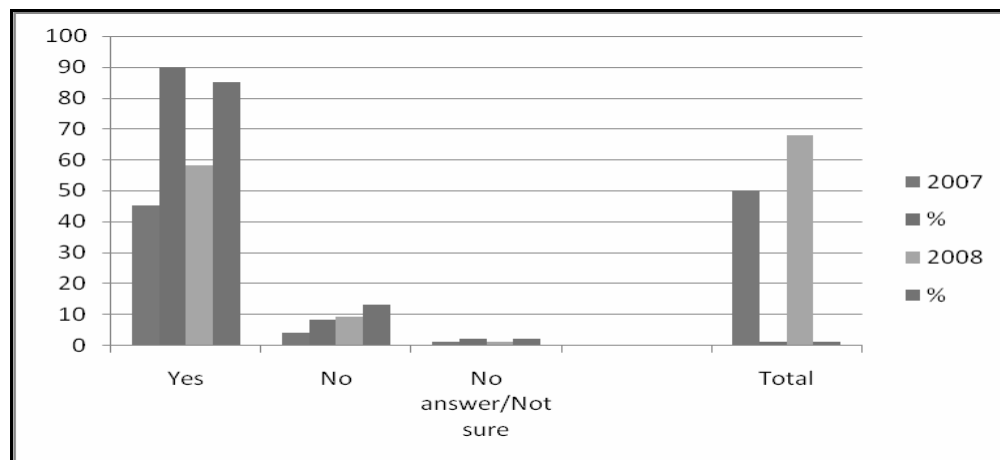
Attitude Towards Business Education

Students were given an assessment test to measure their aptitude towards business topics including market/economics, financial literacy, success skills, business ethics, and entrepreneurship. Table 3 and figure 3 illustrate the educational topic with its related pre, post, and percentage increase in the knowledge (comparing the pre and post test scores).

	Median 2007	Median 2007	2007	Median 2008	Median 2008	2008	Median 2 years	Median 2 years	Combined 2 years
Educational Topic	Pre Score	Post Score	% Increase	Pre Score	Post Score	% Increase	Pre Score	Post Score	% Increase
Market/Economics	40	74	85	46	95	106	43	86	100
Financial Literacy	57	71	25	71	98	38	65	87	34
Business Ethics	70	80	14	71	98	38	71	90	27
Success Skills *	41	92	124	43	90	109	42	91	117
Entrepreneurship	52	79	52	58	95	64	55	88	60
* Includes creation of a business website									

Table 3: Combined 2007 and 2008 Knowledge Increase. A Pre and Post Program Test Scores Comparison of the Educational Topics Taught

Figure 3: Combined Two Years' (2007 & 2008) Knowledge Increase: A Pre and Post Program Test Scores Comparison of the Educational Topics Taught
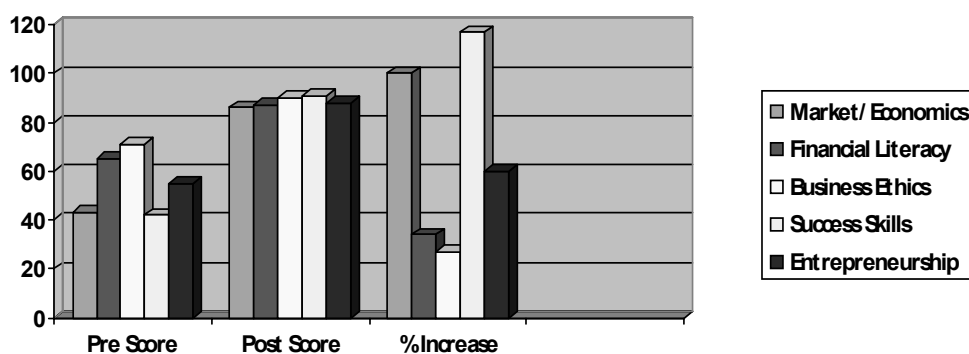
Change in Students' Perspective About Business/Entrepreneurship

2007 participants' responses to the question of whether the program changed the student perspective about business and entrepreneurship were as follows: 35 students, representing 70% indicated "yes"; and 14 students, representing 28% of the program participants, answered with "no," and 1 student, representing 1% of program participants, did not answer due to his illness. On the same question, the 2008 participants' responses were: 56 students, representing 82% indicated "yes"; and 12 students, representing 18% of the program participants, answered with "no," Please see Table 4 and figure 4.

Table 4: Participants' Responses on Whether the Program Changed the Student Perspective about Business					
Response	2007		2008		Combined 2 years	
	Frequency	%	Frequency	%	Total	%
Yes	35	70	56	82	91	77
No	14	28	12	18	26	22
No answer/Not sure	1	2	0	0	1	1
Total	50	100	68	100	118	100

Figure 4: Participant's Responses on Whether the Program Changed the Student Perspective about Business
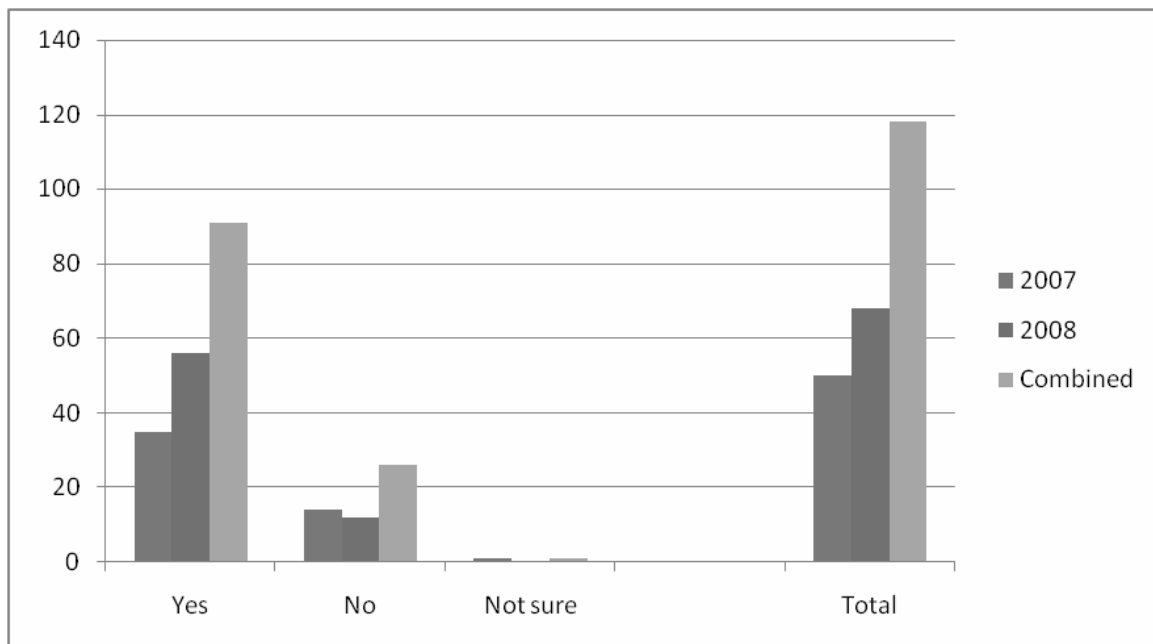
Inclination to Own a Business in the Future

Additionally, students were asked about their plan to own a business in the future. In the 2007 pre assessment survey, 11 students, representing 22% of program participants, indicated their desire to own a business in the future, compared to 2 students, representing 4% of participants who indicated "not sure,"; while 37 participants, representing 74% of program participants, said "no". Please see Table 5 and figure 5.

On the 2007 post-assessment survey, 23 students, (15 male and 8 female), representing 46% of program participants, indicated that they planned to own a business in the future; 25 students (6 male and 19 female), representing 50% of program participants, said "no," and 1 student representing 2% (1 male) of program participants, said "not sure,"; and 1 male student (2%) did not answer. Please see Table 5 and figure 5.

Table 5: Combined 2007 and 2008 Pre and Post Responses on Participants Inclination to Own Business in the Future								
	2007	2007	% Increase	2008	2008	% Increase	Combined 2 years	Combined 2 years	Combined 2 years
Response	Pre test	Post test	or decrease	Pre test	Post test	or decrease	Pre test	Post test	increase/d ecrease
Yes	11	23	1.09	22	43	0.95	33	66	100
No	37	25	-32	33	23	-0.3	70	48	-31
No answer/ Not sure	2	1	-50	13	2	-0.84	15	3	-80
Total	50	50	NA	68	68	NA	118	118	NA

Figure 5: Combined Two Years' (2007 & 2008) Responses on Participants Inclination to Own Business in the Future

In the 2008 pre assessment survey, 22 students (4 male and 18 female), representing 32% of program participants, indicated their desire to own a business compared with 13 students (8 male and 5 female), representing 19% of participants who indicated "not sure,"; while 33 participants (11 male and 22 female), representing 49% of program participants, said "no,". Please see Table 5 and figure 5.

On the post-assessment survey of 2008, 43 students, (16 male and 27 female), representing 63% of program participants, indicated that they planned to own a business in the future; 23 students (6 male and 17 female), representing 34% of program participants, said "no," and 2 students

representing 3% (1 male and 1 female) of program participants, said "not sure,". Please see Table 5 and figure 5.

FINDINGS

Tom Marshall (2007) believed that the REACH Business Program re-affirmed the perception of the University of La Verne as a quality institution that is also not beyond the reach of any student who has the desire to grow beyond high school education. Marshall noted that participating high school students did well during the three weeks' residential program, showed appreciation for what they had learned, and demonstrated a clear understanding of the principles of operating a business in a competitive environment (2007). Nisperos (2007) listed it as one of the wonders of University of La Verne.

Based on the above discussion, the findings for the proposed research questions may be summarized as follows:

Finding 1

There is a positive relationship between participation in the summer business camp and students' increased desire to attend college.

Finding 2

There is a positive relationship between participation in the summer business camp and students' change in their attitude and perspective towards college.

Finding 3

There is a positive relationship between participation in the summer business camp and students' change in their attitude towards business education. Additionally, a knowledge increase in all educational topics taught (i.e. marketing, economics, financial literacy, entrepreneurship, success skills, and business ethics) was obvious as measured in pre and post program tests.

Finding 4

There is a positive relationship between participation in the summer business camp and students' change in their attitude and perspective towards business and desire to pursue an entrepreneurship opportunity in the future.

According to Rigsby, "While the camp is now over, what the students have taken from the experience is that plenty of options await them as they decide their future" (2008, para. 15).

CONCLUSION, LIMITATION, AND IMPLICATIONS FOR FUTURE RESEARCH

This research paper attempted to add to the literature by demonstrating that nurturing first-generation, low-income, and minority college-outbound students by exposing them to college life and the entrepreneurship process would help motivate them to seek future college education and entrepreneurship opportunities. The author believes that by fostering business education and entrepreneurship process education, these students would break the cycle of fear, re-assure a high sense of self-efficacy, and develop realistic expectations of both college education and entrepreneurship.

The study was based on two years of a 3-week summer business program that brought together a total of 118 first generation 11th graders (50 in 2007 and 68 in 2009). As is shown in this research, there were significant changes in participants' attitudes towards college in general, the inclination to attend college, business education, and the inclination to pursue entrepreneurship opportunity in the future as it is clear in the pre and post-assessment surveys across most of the variables tested. The researcher believes that the change was due to participants becoming more realistic about college, business education, and entrepreneurship after they got a taste of it. These findings seem to correlate with the findings of other researchers regarding the need for institutional involvement in fostering college aspirations of low-income, first generation, and minority college-bound students where much of the variation in school dropout could be attributed to the differences in the characteristics of the students' background (Ghazzawi & Jagannathan, 2008; Jassal, 2007; Rumberger & Thomas, 2000).

An obvious limitation of the study was the size of the sample, only 118 respondents, and the lack of published data regarding similar programs in other institutions. Therefore, an area of further research would be a longitudinal study conducted over several summers to see whether the findings from this study will hold true over time. It would also be useful to do a comparative study between this program and other similar programs at other institutions. While this business camp concept proved successful in motivating students to pursue higher education and future entrepreneurship based on its friendly setting that provided comfort to first generation students and the quality of the facilitators and activities, future research might produce different results in other settings and within other academic disciplines. This study recommends that more research encompassing larger numbers of participants in various academic disciplines is needed to ensure the applicability of this research findings to the general population of participants and institutions.

It is important to note that while the goal of this program is to help motivate first-generation, low-income, and minority college-bound students to pursue business education; their desire to attend college will continue to be a desire, and not confirmed attendance, until they go to college. Needless

to say, the author of this paper will be following up on participants on a quarterly basis to keep the momentum going and provide them with assistance to pursue college.

Additionally, future research should also investigate the following: 1) how many summer camp participants actually registered for college and follow up on their progress in order to determine program applicability and effectiveness within said sample; and 2) how many summer camp participants actually pursued an entrepreneurship opportunity in the future and follow up on their progress in order to also determine program applicability and effectiveness within said sample.

Nevertheless, these initial results were encouraging in that they indicate the need for outreach programs like the summer REACH camp aimed at encouraging underserved students to attempt a college education. As mentioned before, the camp received positive reviews from the participants (see Appendices A and B), as well as from the participating school districts. In a personal letter to the author of this paper, one student wrote:

"Many times in life we encounter special individuals who, in very unique ways, brush through our lives, shaping us into the characters we are today. However, very rarely in our lives do we cross an individual who, through great generosity, care and effort, inspires us to transform our dreams into a reality, thus impacting our lives in ways we never imagined. I am obliged to thank you tremendously for inspiring me and helping me realize that through hard work and persistence, I can transform my dreams into a reality. Through your dedication of many hours to students, you have helped me, and many others, become stronger and more aware of what we are capable of achieving. It is clear to me now that if I want to reach for the stars, I most definitely can…" (Kahil, 2008).

ENDNOTES

[1]   Upward Bound serves: high school students from low-income families; high school students from families in which neither parent holds a bachelor's degree; and low-income, first-generation military veterans who are preparing to enter postsecondary education. The goal of Upward Bound is to increase the rate at which participants complete secondary education and enroll in and graduate from institutions of postsecondary education. For more information, visit: http://www.ed.gov/programs/trioupbound/index.html.

[2]   The CollegeKeys Compact is a call to action to make college access and success a reality for all students, including those from low-income backgrounds. For more information, visit http://professionals.collegeboard.com/policy-advocacy/access/collegekeys/report.

[3]   The winners are: Adrian College (MI), Bay Path College (MA), Bellarmine University (KY), California Lutheran University, Carroll University (WI), College of Idaho, College of Mount Saint Vincent (NY), College of Saint Benedict (MN), College of St. Scholastica (MN), Florida Memorial University, Illinois College, Juniata College (PA), Kalamazoo College (MI), Lesley University (MA), Manchester College (IN), North Central

College (IL), Ripon College (WI), St. Edward's University (TX), Wartburg College (IA), and Wiley College (TX). (Source: PR Newswire, 2008, July 14, para. 3).

[4]   For more information, visit PERLINK"http://www.highschoolstartups.com"www.highschoolstartups.com.

[5]   The center published "The College Access & Opportunity Guide". This guide features in-depth profiles of over 220 colleges and universities identified for their commitment to serving and supporting students from first-generation, underserved backgrounds. Comprehensive profiles highlight the outreach efforts, scholarship and financial aid opportunities, and support and retention services that each institution offers. For more information, visit http://www.csopportunity.org/whatwedo/guidebook.aspx.

[6]   For more information on KnowHow2GO, visit http://www.knowhow2go.org.

[7]   The U.S. department of Commerce through its Minority Business Development Agency (MBDA) conducts studies on the state of minority business enterprises (MBEs), trends impacting MBEs, their performance, and challenges and opportunities for minority business growth. For more information, visit http://www.MBDA.gov.

[8]   The Council for Entrepreneurial Development (CED) provides know-how, networking, mentoring and capital formation resources to new and existing high-growth entrepreneurs through annual conference and programs. The Council for Entrepreneurial Development (CED) "is a private, non-profit organization founded in 1984 to identify, enable and promote high-growth, high-impact companies and accelerate the region's entrepreneurial culture. For more information, visit http://www.cednc.org.

[9]   Microsoft BizSpark(TM) is a new global program designed to accelerate the success of entrepreneurs and early stage startups by connecting them to a global network of entrepreneurial organizations, such as CED. "It also help remove many of the barriers of entry to the software development tools and technologies, and market resources that are critical components of launching a viable business," (CED, 2008, para. 4).

[10]   The Kauffman Foundation is the world's largest foundation devoted to entrepreneurship. For more information on the Kauffman Foundation, visit http://www.kauffman.org.

[11]   For more information on the National Center on Economic Education, visit http://www.ncee.net.

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AUTHOR'S NOTE

APPENDICES

APPENDIX A
Excerpts from 2007 Participants' Feedback

"All testimonials have been reproduced exactly as written"

"I managed to change my point of view on college. For that I thank you guys so much for what you did for us. I now see myself applying to as many colleges as I can because of you guys. You guys made me feel like I could achieve anything if I put my mind to it. I would want to tell Dr. Ghazzawi that it was fun playing soccer with him. You sure can run" (Eric Sanchez, July 2007).

"This program has changed me entirely. I not only learned about business but about life in general. It has made me appreciate and learn more about myself. These 3 weeks made me grew more than I grew in a long time. Specifically it affected me to learn to work in groups and trust new people and be more responsible. I whole-heartedly thank you for giving me the opportunity for me to experience this program and if asked again; I would do it in a heartbeat" (Mark Mok, July 2007).

"From this business camp, I have been affected immensely in more than just gaining knowledge this experience has helped me gain insight into college life, and has increased my excitement for attending a university. I have

learned to appreciate the learning I am lucky to receive. Thank you very much for allowing me to have the experience of a life time" (Sarah Khogyani, July 2007).

"Dear ULV Summer Reach Camp: This experience is one of the best memories that will always stay with me. This gave me a better and fresher perspective of college. It taught me things that I would never thought I will ever learn. This taught me how to work with other people who extremely different from me. I met people who now mean so much to me. Thank you for this great opportunity" (Chris Austria, July 2007).

"Summer camp has made me think about going to college. I use to think that I was not going to be able to go to college but I ….about it and I really want to do something with my life. I wish that I wont forget what I have learned hear. I enjoy the student the teachers and everybody so friendly. I thank every body that put their time into everybody and helping us better ourselves and to think about what we want in the future. I thank god for this great experience with everybody. All thanks for having so much patience" (Kareydi Baez, 2007).

"This was an extremely helpful for me. This experience not only helped me get educated but also helped me learn what college was like. I was able to be a college as student. I never knew what I was getting into but now that I know I can look back and tell myself and count my blessing. In H.S. not everyday that you get to learn, but learned its every day you learn. I hope that you guys realize how much you mean and blessed you. Thank you & God bless!! I learned so much" (Adriene Flores, 2007).

"This experience has been amazing to say the least. I never knew I could learn so much in these short three weeks. Every professor we had was so great and taught us so much. I am leaving here with so much. I have found so many new friends that I know I would have never met before. The knowledge that I acquired here will make a difference to me for the rest of my life. This helped me clear my path to college. Thank you so much" (Deidra Liddel, 2007).

APPENDIX B
Excerpts from 2008 Participants' Feedback

"All testimonials have been reproduced exactly as written"

"This summer here at University of La Verne has been amazing. These 3 weeks of experience was something that I will never forget. I've learned a lot here, I learned how to start a business… This is something that is always gonna be with me. This experience here has also changed my mind about college. At first I did not want to attend to any college, but being here changed all of that. Everyone here was amazing and if I can, I would do it all over again" (Dominique Martinez, July, 2008).

"When I was first offered to be a part of this program, I honestly really wanted to do it, but I was also kind of scared in a way because I did not know what to expect. I have already been planning to go to college but I was worried of the fact that maybe I was not ready for it, let alone to even join the program and get the first hand experience in coming to college…I am very glad I did!! I've benefited a lot from this business camp, being the fact I am planning to minor in business and major in psychology" (Marian Aguillar-Portillo, July, 2008).

"This summer was one of the greatest and funniest summers I have had. I learned many things not only education, but about working with people… I really enjoyed being at the University of La Verne, the staff is

really friendly and caring. I realize how much I am passionate about business that is what I always wanted" (Velkyiu. R., July, 2008).

"This camp was a new experience for me, it showed me a bit of the college life and what to expect. I learned many things that are going to be useful…Another thing I learned during three weeks was, if you really want something you have to say it and act on your words" (Octavio Reyes, July, 2008).

"The summer REACH Business camp was a really good experience to meet new people, experience college life, and learn more about what college or university is all about. I learned a lot in this business camp how to manage, organize, and start a business...If I were given the opportunity to come again, I would" (William Romero, July, 2008).

"First I would like to say that this whole experience was just the best! Came here not knowing anyone and am now leaving with so many friends and memories. This camp also changed my whole outlook on college and business. I am sad that we have to leave, I wish I could stay forever!" (De'Shar'Nae Pree, July, 2008).

"This camp has truthfully shown me how college life is...The competition in the business plan was outstanding. College life is a really hard life but at the end when you look back it shows and proves how much you have accomplished and how better you are now…This is far one of the best experiences I have come across" (Luis Lopez, July, 2008).

"My first impression of the Reach program was absolute boredom for three weeks. I felt that it was going to be just like summer school, but at a college…My final impression on this Reach camp is remarkable…I feel this camp will essentially be a stepping stone in my journey to becoming a successful man" (Rodney Hunter, July, 2008).

"All around this summer camp was spectacular. It was academically challenging and socially exciting. Never did I feel the need to meet and excel a bar so high. Nor have I ever been within a cultural melting pot for so long and all on my own. I am proud to say that I leave this camp with a new sense of self. This camp opened my eyes to the grown up world and I love it" (Vanessa Sosa, July, 2008).

SUCCESSFUL OUTCOMES OF TEACHING MINORITY UNDERGRADUATE STUDENTS ENTREPRENEURIAL BUSINESS PLANNING CONCEPTS USING ANDRAGOGY AND SERVICE LEARNING

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ABSTRACT

Applying andragological techniques and service learning concepts to traditional college aged minority students can produce dramatic results. These learning techniques were applied to Entrepreneurship classes at two HBCU's in the New Orleans area from the fall 2005 to the present. Both universities have never competed in any form of entrepreneurial competition nor Students In Free Enterprise. Outstanding results have been accomplished including winning the Ford $100,000 HBCU Business Plan Competition and students opening their own successful businesses.

INTRODUCTION

Applying andragological techniques and service learning concepts to traditional college age minority students can produce dramatic outcomes. For example, from the Fall 2005 to the present semester, a Professor of Entrepreneurship at two New Orleans bases HBCU's conducted two classes, (1) an Introduction to Entrepreneurship Class and (2) the capstone Entrepreneurship class, using the above mentioned teaching methodologies. The universities have never participated in any form of a business plan competition nor worked with SIFE (Students In Free Enterprise). The students while completing these two courses entered the Ford HBCU (Historically Black Colleges and Universities) Business Plan Competition. The Ford Competition received over 900 entries with 200,000 students and 119 universities participating, at the undergraduate and graduate levels participated in the competition.

A student team consisting of four students; two sophomores, one junior, and one senior with grade point averages ranging from 2.03 to 3.1; were placed as one of the top five teams in the nation. In April 2007, another student team taking the same courses won The Ford $100,000 HBCU Business Plan Competition.

Five SIFE students participated in the national competition and won the Rookie of the Year Award. Again, the student body has never participated in such an event.

Some students taking the classes have opened their businesses and are doing quite well. These businesses include an entertainment business, real estate, a subway franchise and a music recording business.

During the Summer of 2006, a sophomore pre-med student taking the Introduction to Entrepreneurship course won the U.S. Department of Commerce MBDA Student Business Plan Competition.

Over the past two years at another HBCU in New Orleans, where students are exposed to Andragogy and Service Learning Techniques the results have been exciting. Every semester at least two businesses have been formed and one business has expanded from the New Orleans Market to also serving the Houston Market.

Obviously, these are dramatic results when applying andragological concepts and service learning techniques to the teaching of HBCU students Entrepreneurship courses. Significant research needs to be undertaken over the long-term to ascertain whether or not students are developing their own businesses and the "success" of these businesses.

THE NOTION OF ANDRAGOGY

The advent of computer simulation for business subjects in the seventies and the change in college populations in the United States, due to the baby boomer effect, adult education has grown in importance. The concept of teaching adult learners has been evolving and changing since the sixties.

One change in the education of adult learners is the concept of 'andragogy.' The term andragogy was first coined in 1833 by the German educationalist, Alexander Kapp (Bedi, 2004). In the eighties, Malcolm Knowles used the term andragogy in relation to adult learners in his paper entitled, *The Adult Learner: a neglected species.*

Over the years business educators have evolved from pedagogies; such pedagogies have included the lecture method, the case method, and the computer simulation teaching methodology. Recently, andragogy was applied to teaching adult student business entrepreneurship.

This paper will reveal the history of andragogy as applied to case studies for entrepreneurs. The results of applying andragogy into an entrepreneur case-based curriculum for minority undergraduate students age 18-24 should prove to be successful.

PEDAGOGY

Ajay Bedi (2004, p.94), in his discussion of the history of pedagogy, indicated the word "pedagogy" is derived from the Greek words *paid*, meaning "child", and *agogus*, meaning "leader

of". Thus, pedagogy was interpreted as the art of teaching children a set of beliefs, which evolved from the Middle Ages, in the monastic and cathedral schools of Europe to today.

Bedi asserts that Knowles believes that pedagogy assigns to the teacher full responsibility for making all the decisions about what should be learned, how it will be taught, and when that teaching will occur. It makes the learner submissive in the process of education and is by its essence teacher centered. Furthermore, Knowles argues that pedagogy assumes that, in order to move on in the education process, learners only need to know that they must learn what the teacher imparts (2004, p.94). Around the world many universities continue to use this methodology, such as state run schools in the Middle East, and require the adult learner to memorize facts and figures rather than learning critical thinking (Mancuso, Gallagher, & Hafez, 1998).

ANDRAGOGY – THE GUIDELINES

Knowles (Bedi, 2004, p.95) reveals the following guidelines as a process towards training adult learners in andragogy:

1) The establishment of an effective learning climate
2) Learners are involved in the mutual planning of curriculum and teaching content
3) Learners are involved in their own needs assessment
4) Learners are encouraged to formulate their own learning objectives and to devise their own resources and strategies to meet these objectives
5) Learners are offered support and facilitation to carry out their learning plans
6) Learners are facilitated in the evaluation of their learning.

Andragogy in regards to Knowles guidelines illustrate that for adult learners the concepts of learning and experience are central ideas in the thinking and practice of adult learners (Wilson & Hayes, 2002, p. 173).

Gundars Kaupins (2002, p. 319) reveals in his research that Knowles suggested that adults learn more effectively through active training methods (e.g., role plays) and application of knowledge based on real-life events (e.g., internships, live cases). Kaupins also shows that Keyes suggested that adults learn best through active involvement in the classroom, though many methods of training are acceptable.

THE NEXT STEP – APPLYING ANDRAGOGY
TO THE TEACHING OF ENTREPRENEURSHIP

The study of entrepreneurship is on the threshold of helping the Gulf Coast region, state, nation and the world attain an economic outcome that will benefit all of mankind. William Walstad

and Marilyn Kourilsky (1999, p. 15) in their book *Seeds of Success Entrepreneurship and Youth* stated that:

> "…youth have a view of entrepreneurship that was much more positive than we had ever expected. When we asked youth, 'Do you think you would want to start a business of your own?' almost seven in 10 said yes."

Walstad and Kourilsky (1999, p. 28) also noted that their study was not an aberration or a sampling fluke. The percentage of youth who stated they were interested in starting a business is essentially equivalent, within the margin of sampling error, to the results from another national survey of youth that the authors conducted.

According to Walstad and Kourilsky (1999, p. 19), the US Department of Commerce noted that black entrepreneurship has experienced significant growth in recent years; the youth responses also were studied for important differences by ethnicity. The authors noted that one indicator of this trend is the change in the number of black-owned businesses. From 1987 to 1992, the number of black-owned businesses increased by 46 percent. By contrast, the total number of firms increased just 26 percent. Black-owned businesses also experienced substantial growth during the period, with sales and receipts rising by 63 percent, compared with a 50 percent increase for all firms.

Walstad and Kourilsky's (1999, p.19) data showed:

> "…that the number and size of black-owned firms are still relatively small and that they employ few workers. In 1992, they represented only 3.6 percent of all firms and accounted for approximately one percent of sales and receipts. Also, only 10 percent of these firms had employees, although they generated 70 percent of the sales and receipts for all black-owned firms. With the growth of our economy increasingly relying on entrepreneurship, these data indicate the need for more participation by black Americans."

Since Hurricane Katrina struck New Orleans in August 2005, entrepreneurship is playing an important part in the recovery of Orleans Parish. Since Hurricane Katrina U.S. Census data has revealed a loss of nearly half of its pre-Katrina population and all of the city's headquarter companies have left.

Promoting entrepreneurship is a key component to the state of Louisianas' economic development strategies. The effectiveness of ongoing efforts of local New Orleans universities working to develop and expand local businesses will be enhanced by the establishment of an academic program in entrepreneurship. Due to the restructuring of the economy nationally and internationally, there is a critical need to augment the way young people at every educational level

are prepared to participate in the economy – so that they are better able to evaluate and pursue available opportunities, to calculate risks, and to foster mutually supportive economic networks.

One local HBCU has recently won a grant from Ford's Partnership for Advanced Studies in which one component will be to train high school teachers in the fundamentals of entrepreneurship. To accomplish this training task a six-course (eighteen semester hours) of coursework will be developed using andragogy as the infrastructure of the coursework training. The course delivery system will be placed on-line in Blackboard; because teachers are located throughout the State of Louisiana. Future research will show the various outcomes of this instructional methodology to high school teachers of entrepreneurship.

APPLYING THE CONCEPT OF SERVICE LEARNING TO THE CURRICULUM

Service learning is a teaching and learning method that connects meaningful academic learning with community service, personal growth, community involvement and civic responsibility. It is a method by which people learn and develop through active participation in thoughtfully organized service experiences.

In the students' syllabus, students are told through service learning not only will they have an opportunity to learn academic concepts and skills, but they will understand the relevance of those concepts and skills in the real world.

There are five key elements of the Service Learning program:

Reciprocity - Reciprocity is the belief that Xavier University and the community have something to gain from each other. Each individual functions as both a teacher and learner. Community participants are viewed as partners in teaching and learning. Therefore, students work with, rather than do for the community.

Collaboration - Service learning requires a special partnership between Xavier University students and the community. Service expectations are clearly defined. It is a process of engaging partners to work together to share resources to meet an identified community need.

Orientation - The Service Learning Program and service agencies provide students with information about the project prior to beginning their assignment.

Accountability - The goals and objectives of students' service learning assignments are clearly defined and each partner's role and responsibilities are clarified.

Assessment - Evaluations are conducted to assess both community and student development and to improve the program structure.

The Entrepreneurship classes are using problem-based service learning activities. Problem-based service learning entails a team of students working with community members to understand a particular community problem or need. Students are relating to the community as their "consultants" working for a "client."

This model presumes students will have some knowledge they can draw upon to make recommendations to the community or develop a solution to the problem, for example, business students might develop a marketing plan for a small business.

"Clients" are chosen by the various teams and develop a business plan for each client. During the test period the students completed numerous case studies, such as, a bed and breakfast located in Houston, real estate companies, music industry companies, entertainment companies, and a spa.

University students helping small business operations are also helping high school students understand the concepts of entrepreneurship. The 18-24 age college students are helping high school students in the Gulf Coast Region to understand there are business opportunities rather than criminal opportunities. The students use the Ford Partnership for Advanced Studies curriculum (Ford PAS Program) to train these young high school students. At the end of the high school session students competed in a business plan competition that was judged by business entrepreneurs in the Gulf Coast Region. Of course, it is too early for long-term results for the high school participants, but for the Fall Semester 2006, twenty-five percent of the new students entering the Business Program at Xavier were participants in the Service Learning Project.

ANDRAGOLOGICAL AND SERVICE LEARNING STUDENT ASSIGNMENTS

Table 1 presents a simplified application of andragogy and service learning concepts to one assignment given to the students in the advanced class for Entrepreneurship at Xavier University of Louisiana:

An examination of the assignment in Table 1 reveals the establishment of an effective learning climate by allowing the student to choose his/her client and the type of business the student desires to work with. Table 1 also reveals that the learners are involved in the mutual planning of curriculum and teaching content. For example, if a student and/or team have a problem with a learning concept in entrepreneurship, the student/team will discuss the area of concern with the instructor to get a better understanding of the concern. Of course, coupled with the previous andragological concept is the concept that correlates directly with learners are involved in their own needs assessment. Again, the student and/or team will work with the instructor to help the student/team with any theories that need to be addressed.

Table 1: Example of a Typical Assignment Applying Andragogy and Service Learning Concepts to an Undergraduate Minority Entrepreneurship Class

Objective: Course Project

Another component of the course is to conduct a live case study for a 'real' business client. The project will consist of the following elements:

1. Research the problem of the Client
2. Meeting with the Client to discuss various aspects of the business
3. Analyzing the business data
4. Creating a business plan and any other data appropriate for the client's needs
5. Presentation of findings to the client

Since the client is working at a real business the client will give you certain times that you can meet with him/her. Also   he/she will give you an email address to send the client queries about his/her business.
    The final project will consist of a written project and PowerPoint presentations. It is important to note that you can place your business plans into various competitions, such as, the Ford HBCU Business Plan competition which awards the top three finalists a price package consisting of $100,000.)

The sample assignment clearly shows how the student and/or team will formulate their learning objectives and to devise their own resources and strategies to meet these objectives. Certainly, the instructor will have weekly meetings with the student/teams to discuss their concerns about the assignment. Basically, in this learning situation, the instructor is a 'coach' providing necessary information, support, and facilitation to aid the student/team in the completion of his/her objectives. At the end of the assignment the student and/or team must make a presentation to their client. The 'give and take' and feedback from the client helps the student/team evaluate their learning outcomes.

Service learning is a teaching and learning technique that connects meaningful academic learning with community service, personal growth, community involvement, and civic responsibility. The assignment located in Table 1 reveals that the student and/or team is helping businesses in the New Orleans area. As the census data reveals in Fedstats, New Orleans is one of the poorest cities in the United States with thirty percent of the population in Orleans Parish below poverty level and the average income is $27,000. It is certainly necessary for the university students to aid in helping New Orleans out of the quagmire of poverty and into prosperity by helping to develop in the community entrepreneurial knowledge and savvy.

CONCLUSION

Since 2005, two HBCU's have used in the teaching of entrepreneurial courses andragological concepts and service learning techniques to enhance the learning experiences of students taking these courses. The results have been dramatic where students have won major national awards and are currently opening successful businesses.

One HBCU in New Orleans now has the only major in Entrepreneurship in the State of Louisiana. Since the inception of this major, the program has grown to over five hundred majors with every semester since 2007 at least two businesses have been formed by students and the businesses are expanding from the New Orleans market to markets in Texas, Arkansas, Mississippi, Alabama, North Carolina, and Florida.

FUTURE RESEARCH

The short-term results of applying andragological techniques and service learning concepts to the curriculum of an HBCU (Historically Black College or University) have been positive. Certainly, proper research techniques indicate that a long-term research study must be undertaken to check the validity and reliability of earlier short-term results.

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RUNNING A SMALL BUSINESS BY STUDENTS IN A SECONDARY SCHOOL: ITS IMPACT ON LEARNING ABOUT ENTREPRENEURSHIP

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ABSTRACT

This research is a case study investigating the impact of an entrepreneurial activity on students' attitudes towards entrepreneurship and examining the effect of such activity on students' work-related skills. It was found that many students had considered starting their own business after graduation, particularly if they found themselves unemployed one day. It was also found that more students considered starting their own business after the entrepreneurial activity. In students' minds, entrepreneurship could and should be taught. It will be meaningful if some elements of entrepreneurship can be incorporated into the high school curriculum. After the activity, more students agreed that entrepreneurship should be introduced as a comprehensive course.

Key words: Entrepreneurship education, learning, small business, generic skills

INTRODUCTION

Hong Kong is famously rich. Its per capita income was US$32,900 in 2005, the highest in Asia. Friedman (1980) considered Hong Kong to be the world's best example of a capitalist city. At present small and medium-sized enterprises represent 98 percent of all local enterprises, and it is no exaggeration to say that entrepreneurs are one of the territory's most important assets. As entrepreneurs are so important to our economy, should schools be responsible for cultivating students with suitable entrepreneurial spirit and skills?

Can entrepreneurship be taught? Yes, say many (Henry & Faoite, 2001; Shepherd and Douglas, 1996). But how? According to Kourilsky and Carlson (1997), entrepreneurship should be part of the school curriculum, and this curriculum should be experience-based. If students are to be taught about entrepreneurship, the best way of doing so is to give them the experience of being entrepreneurs themselves. Allowing students to run a small business in school will give them practical experience in the art of entrepreneurship. Even if they do not later become entrepreneurs themselves after exposure to entrepreneurship education they will still have enjoyed a valuable experience.

It is the purpose of this study to explore the impact of entrepreneurial activity on students' attitudes towards entrepreneurship and entrepreneurship education, and also to examine whether this entrepreneurial activity has a positive effect on the students' work-related skills. The main aims of the study were:

♦ to examine students' attitudes towards entrepreneurship and entrepreneurship education;

♦ to determine whether students have a more positive attitude towards entrepreneurship after taking part in the experience of running a small business; and

♦ to determine whether students' work-related skills improve after the experience of running a small business.

CAN AND SHOULD ENTREPRENEURSHIP BE TAUGHT?

There has been a marked growth in the demand for entrepreneurship education in recent years (Sexton et al., 1997). Many schools and universities in different countries now offer entrepreneurship education in some form or other (Gibb, 1993). Many scholars believe that entrepreneurship can be taught. Henry and Faoite (2001) suggested that entrepreneurship in the educational curriculum can raise students' awareness and provide them with practical support. Hynes (1996) argued that entrepreneurship education is important for promoting an enterprise culture. Shepherd and Douglas (1996) pointed out that business education should teach not only the various business disciplines but also the essence of entrepreneurship (p.1). Both the art and the science elements of entrepreneurship should be taught. The science element involves the business and management functional skills and the art element relates to the creative and innovative attributes of entrepreneurship (Henry & Leitch, 2003, p.90). Hills (1988) noted that many leading entrepreneurship educators agreed that entrepreneurship education could increase students' awareness and their understanding of how to manage a new business. Vesper (1990) conducted a survey on American business school professors, 93 percent of whom indicated that entrepreneurship could be taught. In 1994 a Gallup Poll was conducted in the United States to gather information on how the general public and students in particular viewed entrepreneurship education. About 80 percent of the high school students surveyed believed that more entrepreneurship should be taught in schools (Gallup, 1994).

ENTREPRENEURSHIP EDUCATION: IT'S IMPACT ON STUDENTS

Providing an Option

Kent (1990) suggested that entrepreneurship education should allow students to see that entrepreneurship may be a career possibility for them (p.188). After entrepreneurship education, McMullan and Gillin (2001) suggested that even students who were not initially intending to develop new businesses or become members of the entrepreneurial team of small growing firms find themselves so directed, perhaps by the norms and expectations of the group or perhaps by the content of their studies (p. 72).

There is also evidence that students in entrepreneurship degree programmes start new businesses at much greater rates than comparison groups of students who have not taken entrepreneurship courses. A survey conducted by Hayward and Sundnes (2000) showed that students had become more positive towards entrepreneurship after an entrepreneurship education course in Scotland. Thirty percent of students who had taken the course reported that they had a more positive attitude towards entrepreneurship as a career option. Another study conducted by Mohan-Neill (1998) reached a similar conclusion.

Acquiring Skills

Employers in Hong Kong stress the importance of the generic skills and work attitude of the graduates they employ. A study by Cheung and Lewis (1998) showed that interpersonal skills and the ability to communicate are probably the most desirable skills expected by employers in high school leavers. An opinion survey of employers conducted by the Education and Manpower Bureau in 2000 on the performance of graduates produced a similar result.

Though many studies in Hong Kong have shown that employers value team skills and consider that a business graduate should have acquired some of these skills, the current business curriculum seems unable to develop students with these skills efficiently. In Hong Kong, the education sector has recently placed great emphasis on developing students with generic skills. In the document *Learning to Learn*, published by the Curriculum Development Council in 2001, generic skills are defined as fundamental in helping students to learn to acquire knowledge, construct knowledge and apply knowledge to solve new problems (p.24).

Entrepreneurship education deals with the teaching of generic skills. Blais (1997) pointed out that an entrepreneurship course can strongly motivate students to be more creative and innovative. It can also encourage and improve their ability to cooperate with others in a team. The team activities in entrepreneurship courses provide students with the opportunity to learn to be a team member (Rabbior, 1990). Interpersonal skills and self-management skills are emphasized (Coomer, 1998).

ENTREPRENEURSHIP EDUCATION IN HONG KONG:
ITS FAVORABLE ENVIRONMENT

Hayward and Sundes (1997) suggested that a structural economic change in Scotland led to the growth of small enterprises. Godtfredsen (1997) noted that in many European countries greater attention has recently been given to entrepreneurship programmes in order to stimulate the emergence of new small businesses. Kourilsky (1995) also recognized the importance of small and medium-sized entrepreneurial companies in the United States, because these enterprises are the driving force for economic growth through the creation of jobs and innovative products and services. The situation in Hong Kong is similar. Manufacturing companies with fewer than 100 employees and non-manufacturing companies with fewer than 50 employees are defined as small and medium-sized enterprises (SMEs) in Hong Kong (Virtual SME Information Centre, 2004). There are about 286,000 SMEs in Hong Kong, representing about 98 percent of all local enterprises. They employ more than 1.32 million individuals (Virtual SME Information Centre, 2004), and are the driving force of the territory's economic growth.

Hong Kong's only resource is its human capital. In the late 1940s there were a huge inflow of labour, capital and entrepreneurial skills from China into Hong Kong, and many entrepreneurs at a later date identified business opportunities in Hong Kong. Because of its people's belief in economic betterment and their willingness to take risks, Hong Kong is a natural habitat for the enterprising (Lethbridge, 1980 p.64).

Hong Kong is now experiencing a process of economic restructuring. In recent decades it has been transformed from a base for light manufacturing into a financial, trading and services centre. The workforce in Hong Kong has had a hard time in recent years. The unemployment rate increased from 2.2 percent in 1997 to a record high of 8.7 percent in July 2003. Assisting young people to become self-employed is one of the ways the government seeks to ease the territory's unemployment problem (Hong Kong Government, 2004).

Globalization has also posed serious challenges for the workforce. Hong Kong does not just face local competitors, but competitors from all over the world. Moreover, with the rapid developments in information technology, many companies now require far fewer staff. Developing SMEs and encouraging people to start their own businesses are usually treated as the solutions to the problems created by globalization, such as unemployment and competitiveness (Dannreuther, 2002). In Hong Kong, more and more people, especially young people, have become self-employed and started their own businesses (Hong Kong Government, 2001).

THE STUDY DESIGN

This study uses the single-case-study approach. It begins with an investigation into the entrepreneurial attitudes and spirit of a group of students before they received an education on

entrepreneurship. The impact of running a small business on the students' learning about entrepreneurship is examined through a questionnaire survey. Specifically, two aspects are studied: the effect on the students' attitudes towards entrepreneurship and their perceptions of the impact on their work-related skills. The study then investigates how such an impact was created, through semi-structured interviews.

The Implementation of the Small Business Activity (SBA)

This SBA was carried out in a secondary school for three months. All business students in grade 10 were encouraged to participate in the program. They formed their own groups and invested their own money to bid for a stall in the school, from which they sold products for a week during recess and lunch, and after school.

Students were first asked to hand in a business plan. In the plan, they had to name the products that they proposed to sell and explain the reasons why they had selected these products. They also had to decide on their promotion strategy, pricing policy, and how profits and losses should be shared.

The school had 138 business students in total, of which 79 took part in the SBA. Since the students are allowed to form their own groups, the number of students in each group was different. There were a total of twelve groups. All of the students who participated were surveyed.

Questionnaire Survey

Since the study aimed to examine the impact of running a small business on the students' attitudes towards entrepreneurship, the students were required to complete the same questionnaire twice, once before the activity and once after it.

The questionnaire contained three sections. Section A sought personal data. Section B was concerned with students' attitudes toward entrepreneurship. The questions in this section were modified from the questionnaire developed by Waldmann (1997) in his investigation into the attitudes of students towards small businesses. Section C was concerned with the students' perceptions of their work-related skills, and drew on questions used in other studies of work-related skills (Cheung and Lewis, 1998; Education and Manpower Bureau, 2000). The four work-related skills covered here were identified in a survey conducted by the Education and Manpower Bureau in 2000 on employers' opinions on the performance of graduates, with some modifications. These skills were: 1) analytical and problem-solving skills, 2) work attitude, 3) interpersonal skills, and 4) management skills. Each skill was measured by several attributes. For example, interpersonal skills were measured by interpersonal relationship, team work, and negotiating skills. Management skills were measured by organization of work, management of staff, and leadership.

DATA ANALYSIS

The Special Package for Social Science (SPSS) for Windows was used to analyze the data. A paired t-test was used to determine whether the students' attitudes towards entrepreneurship and their perceptions of their work-related skills differed after their participation in the SBA. Independent samples t-tests were also used to assess whether gender affected the students' attitudes towards entrepreneurship.

Interviews

A total of ten face to face interviews were conducted. The interviewees were selected by a stratified random sampling method based on their gender and academic results. Those who received an overall pass in the term examination were defined as having good academic results. Those who failed were defined as having bad academic results. All of the interviewees were in different groups within the SBA. Each interview lasted from half an hour to forty-five minutes. All of the interviews were tape-recorded.

Data Analysis of The Questionnaire Survey

The Desire of the Students to Start a Business

Roughly an equal number of male and female students participated in this study. Half of the students indicated that they were thinking of starting a business after graduation (Table I). Although they did not have any experience in running a business, they were still seriously considering becoming entrepreneurs in the future. Compared with other studies, this figure was not low. In Waldmann's study of a group of high school students in New South Wales (1997), only a third of the students surveyed were expecting to start a business. A Gallup poll conducted in the United States showed that 69 percent of the high school students surveyed wanted to start a business of their own (Gallup, 1994).

Table I: Percentage Response and Mean Scores of Students Who Were Seriously Considering Starting a Business before and after SBA		
	Strongly agree/ agree (percent)	
Attribution Factors	Before SBA	After SBA
Q1. Starting own business	50.6	57.0
Q2. As option to unemployment	57.0	65.8

More students would consider starting their own business if they were unemployed. This result confirmed the opinion of many governments. The British, Finnish, and Scottish governments promote entrepreneurship as one way of solving the problem of unemployment (Hayward and Sundes, 1997; Erkkila, 2000; Hytti, 2000). The HKSAR Government has a similar policy. Its Labor Department has set up a Youth Self-employment Support Scheme Office to implement a Youth Self-Employment Support Scheme, which aims to teach young people to become self-employed.

The SBA had a positive impact on the students' desire to become entrepreneurs. More students (57 percent) considered starting up a business after taking part in the SBA than before (50.6 percent). The percentage of students considering starting a business as an option to unemployment also increased from 57.0 to 65.8 percent. This result is consistent with those of several other studies. In the study conducted by Henry et al. (2001), 63 percent of students stated that they had not considered becoming their own boss before taking part in an entrepreneurship module. However, after the module, 64percent answered in the affirmative when asked whether they would consider setting up their own business. In Hayward and Sundes' study (1997), the percentage of students with a positive attitude towards entrepreneurship as a career option also increased from 40 percent to 67 percent after they had completed a course on entrepreneurship.

One of the values of the SBA was that it opened the students' eyes and minds to the reality of entrepreneurship. After students were given the experience of running a small business, they understood better how real businesses worked, and this would give them more confidence if they had to start a business in future. During the interview, a student made the following comment:

Before the activity, I used to think running a business was not difficult. Now I realized that it is hard to run a business and earn money. Yet my desire to become a boss in the future has increased because I am more confident now. I have gained an idea of what an entrepreneur is.

Of particular interest is the change in the desire to start a business as an alternative to being unemployed. A paired samples t-test was used to determine whether a difference in the mean scores for Question 1 and Question 2 existed. The result is shown in Table II. A significant change in the desire to start a business was found at the 0.05 level.

Table II: Result of Paired Samples T-Test for Question 1 and Question 2			
Paired-Difference (Question 2 – Question 1)			
Mean	Standard Deviation	t-value	Sig. (2-tailed)
0.28	0.93	2.65	0.010*
* Significant at the 0.05 level (degree of freedom = 78)			

Table III shows the results of paired samples t-tests for the difference in the students' desire to start a business before and after the SBA. There was a significant difference for the mean scores of Question 1 at the 0.05 level. The students' desire to start a business increased significantly after participation in the SBA.

Table III: Results of Paired Samples T-Tests for the Students' Desire to Start a Business before and after SBA				
	Mean			
Attribution Factors	Before SBA	After SBA	t-value	Sig. (2-tailed)
Q1. Starting own business	3.30	3.68	2.07	0.041*
Q2. As an option to unemployment	3.58	3.75	1.21	0.232
* Significant at the 0.05 level (degree of freedom = 78)				

Strength of The Students' Entrepreneurial Spirit

Table IV shows the percentage response and mean scores of the strength of the students' entrepreneurial spirit, as gauged in various ways, before and after SBA. All of the attributes showed an overall positive response, as the mean of every factor was greater than 3, except for Question 5. The questions that received the strongest responses were Question 4 and Question 6. Sixty-two percent of the students preferred to have their own successful business than to be in a secure and well-paid job. Almost half of the students agreed that running a business would be more prestigious than working for somebody else. On the other hand, the attribute of risk-taking received the weakest response. Only 22.8 percent of the students agreed that the risks and uncertainties associated with running a business were acceptable. These findings were consistent with the findings of Waldmann's study (1997).

Table IV: Percentage Response and Mean Scores of the Strength of the Students' Entrepreneurial Spirit before and after SBA					
	Strongly agree/ agree (percent)			Mean	
	Before SBA	After SBA	Strongly disagree/ disagree	Before SBA	After SBA
Attribution Factors					
Q3. Independence	41.8	64.6	15.2	3.53	3.75
Q4. Business vs. job	62.0	57.0	17.7	3.89	3.61
Q5. Risk-taking	22.8	29.1	29.1	2.87	2.97
Q6. Prestige	48.1	28.1	13.9	3.68	3.43
Q7. Financial rewards	46.8	40.5	17.7	3.58	3.29

Hong Kong is a capitalist economy where future financial rewards are usually treated as a way of motivating students to study. Many parents often persuade their children to study hard by associating hard work with the ability to earn more in the future. The richest people in Hong Kong are usually successful entrepreneurs. If students want to make serious money, starting their own business seems to be the only way. A student gave the following opinion:

> *You can't make big money if you work for others. You must start your own business some day if you really want to be rich.*

On the notion of risk-taking, students in this study showed a surprising reluctance to accept the risks and uncertainties associated with running their own business. Interestingly, the willingness to take risks is usually considered one of the important characteristics of an entrepreneur (McClelland, 1961; Timmons, 1990; Koh, 1996). It establishes the boundary between a manager and an entrepreneur (Kirby, 2003). Financial commitment is essential to entrepreneurs, and they must be prepared to risk losing substantial sums of their own money. Several students mentioned in the interview that they were concerned about the risks associated with running a business. The following comment was typical:

> *Before becoming an entrepreneur, I should make sure that I have enough ability and confidence to handle risk.*

The SBA had a positive impact on the students' willingness to be self-employed and independent rather than working for somebody else. The percentage of students giving a positive response in this aspect increased markedly from 41.8 percent to 64.6 percent after the SBA, and the mean scores were significantly different.

One main reason why the students considered starting a business was to be one's own boss, i.e. to have greater freedom and not be restricted by their employers.

In the SBA students were given a high degree of freedom and independence. They chose their own products, set prices, designed promotion strategies and decided how to share the profits. They could make all the decisions relating to their own business. They could benefit from all the rewards that resulted from making correct decisions, but they also had to bear all of the losses for making wrong ones. Obviously, other learning activities do not give this kind of experience. Developing the students' sense of responsibility and commitment was a good experience, and the study findings demonstrated that they treasured this opportunity to be independent.

However, it is also interesting to note that the number of students who agreed that the financial rewards of running their own business were greater than working for others fell after they took part in the SBA, although the difference in the mean scores for this question was not statistically significant. This fall took place despite the fact that an examination of the reports

submitted by each group after the activity indicated that all of the groups reported a profit. One explanation for this result is that before taking part in the SBA they had expected to make substantial profits, especially when they would be working so hard and committing all of their leisure time to their business. The amount they actually earned was evidently much lower than they had expected.

In order to examine whether the mean scores for each attribute differed significantly before and after the SBA, paired samples t-tests were carried out. Table V shows the results of the tests. There was a significant difference for the mean scores of Question 3 at the 0.05 level. There were no significant differences for the mean scores of other attributes.

Table V: Results of Paired Samples T-Tests for the Strength of the Students' Entrepreneurial Spirit before and after the SBA				
	Mean			
Attribution Factors	Before SBA	After SBA	t-value	Sig. (2-tailed)
Q3. Independence	3.42	3.75	2.02	0.047*
Q4. Business vs. job	3.70	3.61	-0.53	0.596
Q5. Risk-taking	2.91	2.97	0.42	0.676
Q6. Prestige	3.46	3.43	-0.19	0.852
Q7. Financial rewards	3.44	3.29	-1.03	0.306
* Significant at the .05 level (degree of freedom = 78)				

Students' Perceptions of the Value of Entrepreneurship Education

The students surveyed in this study placed a high value on entrepreneurship education, especially after the SBA. This is consistent with the findings of previous studies. About 80 percent of high school students in the United States believed that more time should be spent teaching entrepreneurship in the schools (Gallup, 1994). In Waldmann's study (1997), a majority of the students agreed that an education in entrepreneurship should be introduced in high school.

The marked growth in demand for entrepreneurship education has led to an increase in the number of courses being offered on entrepreneurship in a number of countries (Gibb, 1993; Sexton et al., 1997). However, this has not happened yet in Hong Kong, and there have been no studies on students' views and demands with regard to entrepreneurship education.

In many Western countries, entrepreneurship education is well established in the business curriculum at the secondary level. Although business education first appeared to provide vocational training to students who were soon going to enter the workforce, it has developed and changed a great deal. Business education is now not only responsible for providing vocational training. It is also responsible for inculcating and developing in students the skills to become business leaders.

The incorporation of an education in entrepreneurship into the business curriculum is an example of this development.

Business education in secondary schools in Hong Kong was also first established to provide technical training for students to enter the lower sector of the labor market (Cheung, 1998), and the public generally equates secondary business education with vocational education. While it is true that vocational education was a part of business education in the past, things are different now. As society continues to develop, the secondary business curriculum should provide students with more of the necessary knowledge and skills for them to become business professionals. This is because such students are no longer being trained to enter the unskilled or semi-skilled labor force. They are being prepared to become leaders in the business world.

More than 60 percent of the students surveyed in this study agreed that a comprehensive course on entrepreneurship should be offered (Table VI). In fact, entrepreneurship should be introduced as a separate subject at the secondary level. The existing subjects are now being evaluated to match the new high school curriculum reform. This is the right time to introduce entrepreneurship as a subject in the business curriculum.

Table VI: Percentage Response and Mean Scores of the Students' Perceptions of the Importance of Entrepreneurship Education before and after SBA				
	Strongly agree/ agree (percent)		Mean	
Attribution Factors	Before SBA	After SBA	Before SBA	After SBA
Q8. Include in curriculum	45.6	54.4	3.46	3.52
Q9. An useful course	46.8	60.8	3.51	3.81
Q10. Desire to start business after entrepreneurship education	54.4	72.2	3.59	3.97

In order to test whether there were significant differences between the mean scores of each question before and after the SBA, paired samples t-tests were carried out. Table VII shows the results of the tests. There was a significant increase in the mean scores of Question 9 after the SBA at the 0.05 level. A significant increase in the mean scores was also found for Question 10. The message is clear. Students want to include entrepreneurship education as part of the curriculum and they have a strong desire to start a business afterwards.

Table VII: Results of Paired Samples T-Tests for Students' Perceptions of the Importance of Entrepreneurship Education before and after SBA				
	Mean			
Attribution Factors	Before SBA	After SBA	t-value	Sig. (2-tailed)
Q8. Include in curriculum	3.46	3.52	0.47	0.641
Q9. An useful course	3.51	3.81	2.33	0.022*
Q10. Desire to start business after entrepreneurship education	3.59	3.97	2.37	0.020*

Students' Perceptions of the Improvement in Their Work-related Skills after SBA

In this section, students were asked to grade their various work-related skills, namely analytical and problem-solving skills, work attitude, interpersonal skills, and management skills. They were asked to do this twice, once before the SBA and once afterwards. The mean scores for all skills before and after the SBA are shown in Figure 1.

Figure 1: Students' perceptions on their work-related skills before and after the SBA
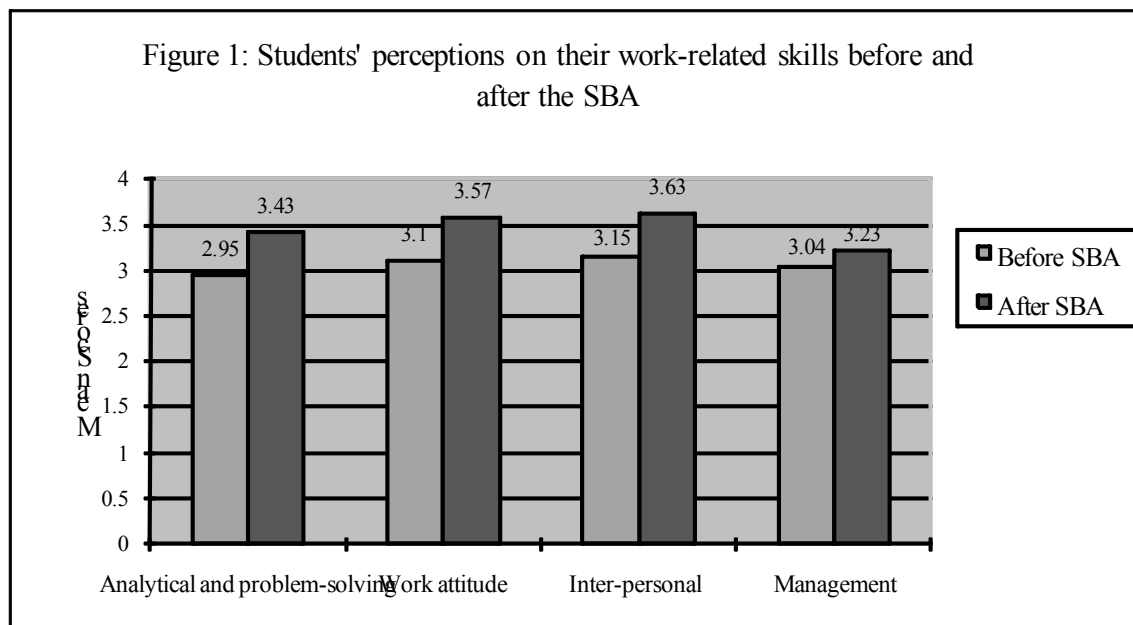
The mean scores for all work-related skills increased after the SBA, and were greater than 3. Interpersonal skills yielded the highest mean scores of the different types of skills, both before

and after the SBA. The mean score for analytical and problem-solving skills was originally the lowest before the SBA, but ranked third afterwards.

Paired samples t-tests were carried out to determined whether there were any significant differences between the students' perceptions of their work-related skills before and after the SBA. Table VIII shows that there were significant differences at the 0.05 level in the mean scores before and after the SBA for all skills except management skills. Although the mean score for management skills increased from 3.04 to 3.23, no significant differences were found in the paired samples t-test. In this study, analytical and problem-solving skills received the lowest mean score of the work-related skills before the SBA. But students perceived that they had better analytical and problem-solving skills after the SBA. In fact, these skills are important in entrepreneurship. An entrepreneur should demonstrate the ability to plan ahead and foresee problems. It is essential for an entrepreneur to identify problems and recommend logical and practical solutions. However, students in Hong Kong are usually considered to be lacking in problem-solving skills. One major reason is the examination-oriented nature of the education system in Hong Kong makes it difficult to provide training in problem-solving skills.

Table VIII: Students' Perceptions of Their Work-Related Skills before and after SBA				
	Mean			
Work-related skills	Before SBA	After SBA	t-value	Sig. (2-tailed)
Analytical and problem-solving	2.95	3.43	4.81	0.000*
Work attitude	3.10	3.57	5.17	0.000*
Inter-personal	3.15	3.63	4.71	0.000*
Management	3.04	3.23	1.78	0.080
* Significant at the .05 level (degree of freedom = 78)				

This study shows that the SBA can provide students with the opportunity to experience a real problem-solving process. It was not a once-and-for-all event requiring one decision only. Instead, the activity lasted for four months. Students had to continuously confront and solve different problems. For example, some students did a small marketing study before they decided upon the types of goods to be sold. They learned how to gather data and analyze it to facilitate decision-making. The business proposal also forced them to plan in advance and foresee some possible problems. Students also had to make some important decisions within a short period of time. One student shared the following experience:

> *Since we only had three days to sell our goods, we had to seize every single second to do business. On the first day, our goods were so popular that they were sold out in the morning. We immediately contacted the supplier during lunch hour and he*

agreed to deliver the goods to school directly in the afternoon. As a result, we solved
the stock shortage problem.

Clearly, the SBA allowed students to recommend some logical and practical solutions to the problems they were facing, and the effectiveness of these solutions could be evaluated immediately and be reflected in the performance of their own business.

Work Attitude

A survey conducted by the Education and Manpower Bureau in 2000 on the opinions of employers on major aspects of the performance of first-degree graduates indicated that work attitude was considered to be the most important attribute of employees. Unfortunately, more and more employers criticize our education system for being unable to inculcate a good work attitude in our graduates.

This study indicates that students perceived that there was an improvement in their work attitude after the SBA. During the activity, students showed their initiative and drive in taking responsibility. They were willing to stay in school late to prepare for the activity without being told to by others. They showed a strong sense of responsibility and commitment to their own business. This was especially obvious in the case of those who were low academic achievers. One of them made the following comment:

I have never been so enthusiastic and committed to a program. I am not interested
in studying. I feel bored during all lessons. However, this was the first time that I
participated so actively in a school activity.

Interpersonal Skills

Entrepreneurs need to work with and through others to achieve their goals (Kirby 2003). Therefore, interpersonal skills are essential to an entrepreneur. In this study, students perceived that they had better interpersonal skills after the SBA. This is consistent with the findings of Henry and Faoite (2001). In this study, the students identified teamwork skills and communication skills as skills that they had newly developed following a module on entrepreneurship. Students in Hong Kong have long been criticized for lacking the ability to communicate well with others. In a traditional classroom, a good student's job is to sit quietly and listen attentively to the teacher. Each student is treated as an isolated individual who studies alone. They are given little chance to work and cooperate with other classmates in learning activities.

The SBA provided students with a completely different learning experience. Students worked in a group to run their own business. They could develop teamwork skills in different ways. One student made the following comment:

In the activity, we learned how to share responsibilities. Some were responsible for purchasing goods, while others were responsible for designing promotional materials or finding potential customers. We completely demonstrated the importance of the division of labor.

Another teamwork skill that was developed was the ability to handle conflicts. Conflicts are bound to occur in every team, and the important point is whether they can be effectively managed and settled. One student commented:

We had different opinions on many matters, such as the kinds of good to be sold and the prices to be set. These matters aroused a lot of controversy among the group members. However, we knew that it was an important process in the activity, and it required the involvement of every member. We have learned that unless all members felt that their opinions were being respected and listened to, they could not commit to the decision.

Moreover, in this activity, students were given the experience of dealing with some businessmen. They had to negotiate with suppliers. Although the scale of their business was very small, it was nevertheless a real business. The students acted as retailers in trading with wholesalers. If they failed to negotiate well and obtain favourable terms of trade, they suffered genuine losses.

Management Skills

In this study, there were no significant differences between the students' perceptions of the level of their management skills before and after the SBA. Significant differences were found in all skills except for management skills.

Entrepreneurship and leadership are inseparable. As the leaders of a business, entrepreneurs are responsible for leading their fellow staff members to achieve the objectives set. There are many leadership training programs in secondary schools. Most of them offer formal training. For example, a leadership training camp was held in the case school last year. The students became involved in games and case discussions in order to learn about leadership. However, Kirby (2003) has cast doubt on the effectiveness of these formal training programs in improving leadership.

The SBA was different. It was a developmental activity because it allowed students to learn from actual experience. Kirby (2003) suggested that the importance of learning leadership skills from experience is now widely acknowledged. However, this study found that students did not perceive a significant improvement in their leadership skills after the SBA. This may be because the relationship between the group members was that of partnership instead of leader and subordinate.

The last section showed that students perceived that their inter-personal skills had improved after the SBA. Students cooperated as if they were colleagues at the same level and with the same authority. However, this was not the case for leadership skills. Although a few students may have demonstrated their leadership potential in the activity, there was no suitable environment in this activity for most students to develop leadership skills. One student made the following comment:

> *Every one was equal in the group. All of the decisions made were collective. It was hard to identify a leader in the group.*

Though it is difficult to develop the students' leadership skills in a single activity, a comprehensive course may lead to different results. If entrepreneurship is introduced as a separate subject in high school, there will be more time to learn about it. As a result, more activities can be held and every student will have the chance to act as a leader in these activities.

CONCLUSION

Previous studies have indicated that entrepreneurship education is valuable in at least two respects: it should raise the students' awareness of entrepreneurship and promote work-related skills. This study confirmed that these two aims could be fulfilled in an entrepreneurial activity.

The first step of entrepreneurship education is to help students understand what an entrepreneur is. The most efficient and effective way of doing this is to enable them gain direct experience by becoming entrepreneurs themselves. Therefore, entrepreneurship should not be a textbook course but should involve real experiences. This study shows that an entrepreneurship program not only helps to raise students' awareness of entrepreneurship, but also improves their work-related skills. Employers and the public usually blame our education system for not developing students with adequate work-related skills. In recent years, the education authorities have also placed a heavy emphasis on generic skills and urged schools to change their traditional teaching methods in order to develop their students' generic skills. This study gives some ideas on the impact of running a small business on the students' work-related skills. Although the present business curriculum in secondary schools does not include entrepreneurship education, business teachers can take the initiative to incorporate some elements of entrepreneurship education into their teaching activities. This study proves that students can benefit from these activities.

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STUDENT CHARACTERISTICS AND PERSPECTIVES IN ENTREPRENEURSHIP COURSES: A PROFILE

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ABSTRACT

The purpose of this paper is to set forth the outcome of an inquiry into selected characteristics and perspectives of students who enroll in entrepreneurship courses in the United States. The paper reviews previous work in the field and outlines a number of findings regarding demographic, attitudinal, and motivational variables of this student population. The paper concludes with statements of probable implications for instructors of entrepreneurship courses and their respective educational institutions.

INTRODUCTION

Undeniably, entrepreneurship is a vital ingredient in the economies and societies of most nations, both developing and developed, today. In the United States, over 10.1 million individuals are actively engaged in starting new establishments and these firms involve all categories of persons by gender, age, and ethnicity (Reynolds, Carter, Gartner, & Greene, 2004). Women and minority group members are increasingly involved in this form of commercial activity (Pages, 2005). So are very young individuals (Williams, 2004) and senior citizens (Weber & Schaper, 2004). In turn, this phenomenon is certainly not restricted to the United States. European chambers of commerce and industry are active in undertaking major efforts to promote entrepreneurship in their countries, including encouraging their educators to produce larger numbers of entrepreneurs (Anonymous, 2003).

Numerous institutions of higher learning in the United States and other countries currently provide course offerings in entrepreneurship (Shirtcliffe, 2003). In fact, the existence of these classes is more often the rule than it is the exception. The various programs in colleges, universities, and community colleges normally have as an objective the attraction and selection of students, particularly those who are well-qualified and motivated to achieve. In much the same manner as business enterprises, they seek to attract and retain good "customers". This brings up two questions: What have been the results of student recruitment efforts to date? What are the characteristics and perceptions of those students who are now enrolled in entrepreneurship classes? The objective of this paper is to provide insights into the issues raised by these questions. Knowledge regarding

student attributes may be useful in helping to ascertain what types of students should be targeted in the future for the programs. Further, it may provide suggestions as to possible changes in the nature of students which are targeted and in the manner in which the courses and programs are planned and delivered.

It appears that entrepreneurship education has obtained recognition as a meaningful area of study which deserves inclusion in collegiate programs. In a study of administrators' perspectives on entrepreneurship education, sixty per cent of the 134 deans in the survey offered entrepreneurship courses in their facility–the figures were 100% for business schools and 36% for humanities and social science deans (Menzies, 2004). The stated objective of these programs is to address the manpower development needs of society (Keng & Wee, 2004). Of course, a portion of this effort is devoted to the development of high-tech entrepreneurs (Todd & Vickers, 2003).

However, some authorities argue that the benefits of entrepreneurial education to society are, as yet un- proven, and additional effort should be directed to fact-finding which provides evidence of the utility (Adcroft, Willis, & Dhalwal, 2004). One study, for instance, revealed that recent college graduates, when left to their own devices, tend to develop small and unimaginative businesses, even though the nature of the business is professionally and traditionally oriented (Rosa, 2003). It appears that research undertaken to identify the values of entrepreneurship education is justified and in fact needed.

SURVEY OF THE LITERATURE

In developing background perspective for the study, it is instructive to examine research on how students go about selecting a major for their studies. Some studies indicate that students cull a major based primarily upon the earnings which are expected by graduates who have fulfilled the requirements of that major. In order to calculate the effect of expected earnings, the student considers information on his or her perceived probability of success, the predicted earnings of graduates in all majors, and the student's expected earnings if he (she) fails to complete the college program (Montmarquette, Cannings, and Mahseredjian (2002). Interestingly, the median net worth of individuals labeled as "self employed" by the Bureau of the Census is almost five times higher than the category "working for someone else" (Board of Governors, 2004). This could be viewed as a proxy variable for expected income, in the ranks of students who are selecting majors.

Other research, based upon discrepancy theories of job satisfaction, has indicated that students pick majors that are congruent with their values, interests, and career goals (Fricko & Beehr, 1992). In turn, Holland's (1985) congruence theory proposes six types of peoples' interests and their job environments: realistic, investigative, artistic, social, enterprising, and conventional. Congruence between the person and the job environment might result in a person being satisfied and wanting to remain in the environment. This congruence might lead a person with "realistic" interests to enter into construction work. Other research has indicated that students who have low anti-

egalitarianism attitudes (do not believe that everyone should be rewarded equally) tend to choose majors leading to hierarchy-enhancing jobs (those which are situated in a formal hierarchy of authority and responsibility, such as the armed forces). On the other hand, those with high anti-egalitarianism attitudes tend to select majors leading to hierarchy-attenuating positions. (Sidanium, Van Laar, Levin, & Sinclair, 2003).

When one considers the various characteristics of students, it is apparent that factors in addition to expected earnings and values can be influential in the election of a major. Sometimes faculty members serve as role models in the choice process, but there are differences in this effect between males and females and between caucasians and minority group members in the United States (Rask & Bailey, 2002). Evidence suggests that male students are more likely than female to enter fields characterized by high levels of mathematics and physical science substance (Staniec & Ordovensky, 2004; Turner & Bowen, 1999). Differences such as these are apparent in entrepreneurship orientations for males and females, since members of the two genders may form a business for different reasons (DeMartino & Barbato, 2003) and these reasons may affect the choice of a major. Males are more disposed to aspire to financial gain and autonomy, while females are more prone to seek social and human relational benefits and to fit the business into the needs of society (Wilson, Marlino, and Kickul, 2004).

There are considerations regarding choice of a major that derive some influence from the ethnicity of the student. In this regard, Asians and non-Hispanic Blacks are less inclined and Hispanics more prone to major in business than are non-Hispanic Whites (Leppel, 2001). Conversely, the differences between Asian men and White men are small, but Asian women are more given to choose more lucrative college majors than White women (Song & Glick, 2004).

In order to identify the characteristics of students who have a high probability of success in entrepreneurship careers and to isolate the nature of the instruction that they should receive, it is useful to consider the characteristics, behaviors, attitudes, values, and practices of those who have achieved solid degrees of attainment. The literature provides some useful clues, much of it fitting into a framework that has called the "entrepreneurial orientation"–including autonomy, innovativeness, risk taking, proactiveness, and competitive aggressiveness (Thomas & Graves, 2005). Only a sampling of this extensive and multi-faceted literature is provided here.

Some studies have examined the impact of risk aversion and risk assumption on success in entrepreneurship. There have been findings to the effect that individuals who enter this form of business are willing to incur risk and find means of effectively accomplishing this. Risk propensity has clear links with career-related risk taking and is closely related to high extraversion and openness, low neuroticism, agreeableness, and conscientiousness. In turn, risk takers are of three types: stimulation seekers, goal achievers, and risk adapters. Only the first group is truly risk seeking–the others are more correctly viewed as risk bearers (Nicholson, Soane, Fenton-O'Creevy, & Willman, 2005). According to one source the critical task of entrepreneurship lies in effectively managing the uncertainty inherent in trying something new (Sull, 2004).

Some evidence exists to the effect that effective entrepreneurs are able to establish and maintain close relationships with critical stakeholders, including customers, suppliers, financial institutions, governmental agencies, and the media. Through these parties, entrepreneurs engage in learning, developing business models, building visions, and innovating through networking designed to build social capital (Downing 2005). Communications and relations with other parties appears to be a significant attribute for success.

Motivation arises as a requisite for achievement in entrepreneurship. Many entrepreneurs work diligently and devote considerable time to the business, while seeking satisfaction on the job, autonomy, and support from their husband or wife (Dagadt, 2003). In short, their motivation is such that they are willing to expend considerable time and energy to further the progress of their enterprises.

Effective entrepreneurs tend to be astute in producing innovations and in converting these into products and services that fit the needs of the market (Ryan, 2004). Many are creative and are visionaries, in that they can conceive of means whereby their new creations can satisfy a viable class of customers (Hausman, 2005). However, while considerable attention is given to the product development side of innovation, it is a matter of debate whether the same degree of attention is always given to the people side and the identification and development of people with entrepreneurial potential. When considering entrepreneurs one should look at how they think as well as how they act and thinking contains both conscious and unconscious elements–so it is necessary to "get inside" the mind of the innovator (Thompson, 2004).

There is evidence to the effect that successful entrepreneurs achieve a balance between their work and their personal lives. Those who do not accomplish this seesaw between their personal and professional existence. This results in suffering in careers, personal relationships, and physical health (Estep, 2004). The desired balance extends to families (Ding & Phan, 2005). Many employees attempting to balance careers and families have made family issues a principal concern in the marketplace (Waner, Winter, & Breshears, 2005). They make a significant effort to attend to the major responsibilities of their business and their families and do not neglect either.

It should be kept in mind that, in attempting to uncover facets of entrepreneurial success, looking only for entrepreneurial traits (such as age, gender, and race) are doomed to fail, yet cannot be entirely discounted (Deamer & Earle, 2004). Some traits, such as intelligence, may be potentially important, but some may utilize this potential very effectively, while others may do little or nothing with it. A review of the literature suggests that entrepreneurship is a multidimensional construct, and single traits are unlikely to signal the presence or absence of achievement (Segal, Borgia, & Schoenfeld, 2005).

A note on the research focusing on entrepreneurship--Some studies of the factors which underlie successful entrepreneurship rely on self reports by those who have been achievers. However, critiques of these studies suggest that their results are often not entirely accurate. Rather, self-serving attribution bias often takes place, where the achievers report that various noble and

remarkable personal characteristics, attitudes, philosophies, and behavior have brought about their success, but this may not necessarily be true (Rogoff, Myung-Soo, & Dong-Churl, 2004). Sometimes success is due primarily to the fact that the firm is located in a region that has a favorable business environment. Such regions may have favorable regulations, universities that are well-linked to industry, a flexible and mobile work force, and other factors (Miller, 2004). Hence, studies based upon self-reports must be evaluated with care, as the entrepreneurs and various experts in the field may generate quite different findings.

THE STUDY

The present study was undertaken to further extend the range of insights regarding the links between collegiate education and entrepreneurship. The objectives of the inquiry were to:

A. Determine various demographic attributes of students enrolled in entrepreneurship courses offered in United States universities and colleges.

B. Gather evidence on student motivations for enrolling in these offerings.

C. Acquire insights on how students prepare for entrepreneurship careers.

D. Obtain information regarding industries in which the students hope to enter.

Twenty questionnaires were mailed to each of a randomly-selected set of 50 college and university small business institute (or similar body with a different title) directors in 50 states. The sampling frame was the membership directory of the International Council for Small Business. In turn, the mailing contained a letter outlining the objectives of the inquiry and requesting that the recipient distribute the questionnaires to 20 randomly-selected students who were enrolled in an undergraduate entrepreneurship class at the recipient's institution. The students were to be requested to complete the questionnaires, and turn them in to the professor, who would then forward them back to the researcher in a self-addressed and postage marked envelope. Follow-up letters were sent to non-respondents.

The mailing generated a sample size of 368 usable questionnaires (a response rate of 36.8%). The questionnaires were derived from a previous study conducted by the author and modified to fit the specific needs of the current inquiry. In turn, the questionnaires were pretested on a sample of 20 undergraduate students enrolled in an entrepreneurship course at the institution where the author was employed. Some minor modifications in the questionnaire were undertaken, based upon the student feedback.

RESEARCH RESULTS

The students were asked to indicate the academic level of the class in which they were enrolled. Table 1 sets forth the results of this query. The largest concentration is at the junior level, followed by senior, sophomore, and freshmen, in order.

Table 1: Level of the Class in Which the Respondents Were Enrolled	
Class Level	Frequency
Freshman	26 (7.1%)
Sophomore	56 (15.2%)
Junior	205 (55.7%)
Senior	81 (22.0%)
Total	368 (100.0%)

The gender of the respondents was not proportional to overall college and university enrollment composition, with a larger percentage in the male category. Of the total, 263 (71.5%) of the subjects were male and 105 (28.5%) were female.

Table 2 depicts the age distribution of the sample. As might be expected, the highest frequency occurs in the 20 or less category. Following this are the age groupings 21-30, 31-40, 50 and older, and 41-50. While the largest number is in the "traditional student" category, impressive numbers appear in the older classes–suggesting some appeal of the courses to older students.

Table 2: Age Distribution of the Sample	
Age Grouping	Frequency
20 or less	179 (48.6%)
21-30	78 (21.2%)
31-40	64 (17.4%)
41-50	22 (6.0%)
51 and older	25 (6.8%)
Total	368 (100.0%)

The students were asked to indicate past work experience with large and small companies and with non business organizations. Table 3 outlines the results of the tabulation. The totals exceed the sample size, as some were employed by more than one type of organization in the past.

Interestingly, the largest frequencies were for large companies, followed by small concerns and non-business organizations.

Table 3: Past Work Experience	
Source of Employment	Frequency*
Large company	276 (51.6%)
Small Company	184 (34.4%)
Non business	75 (14.0%)
Total	535(100.0%)
*The frequencies exceed the total sample size because some respondents have worked in more than one type of organization.	

The questionnaire requested the region of the country where the permanent residence of the respondent was located. Table 4 describes the distribution by location. The largest concentrations, as might be expected by population patterns, are in the North-East, Midwest, and North-West, with smaller frequencies in the South-East, South-West, and Rocky Mountain areas. Generally, the pattern parallels the distribution of population in the United States.

Table 4: Location of Permanent Residence	
Geographic Region	Frequency
North-East	100 (27.2%)
South-East	54 (14.7%)
Midwest	77 (20.9%)
Rocky Mountain	30 (8.1%)
North-West	64(17.4%)
South-West	43 (11.7%)
Total	368(100.0%)

The respondents were queried as to the size of the location of permanent residence. Table 5 outlines the resulting frequencies. It is apparent that the size of the location of residence variable is directly proportional to the frequency variable. The largest number of response is for the largest cities, followed by the large cities, larger cities, medium sized cities, smaller cities, smaller towns, and farms or ranches. Generally, cities with large populations are contributing the most substantial concentration of the students.

Table 5: Size of Location of Permanent Residence	
Location of Residence*	Frequency
Farm or ranch	16 (4.3%)
Small town	21 (5.7%)
Small city	26 (7.1%)
Medium sized city	34 (9.2%)
Larger city	65(17.7%)
Large city	81(22.0%)
Largest city	125(34.0%)
Total	368(100.0%)
*The questionnaire lists the population sizes of the various location categories.	

The questionnaire asked the respondents to specify if their parents owned or operated a small business (100 or less employees). Of the total sample, 222 (60.3%) indicated that their parents were so employed, while 146 (39.7%) designated the contrary. A pattern seems to be in effect, where the employment tradition of the parents is resumed by their offspring.

A follow-up question inquired if the students plan to develop a new venture in the future. Of the total sample 210 (57.1%) specified that they held this intention. On the other hand, 86 (23.3%) of the students indicated that they did not foresee this as a personal goal and 72 (19.6) responded "don't know". It seems reasonable that those who propose a future venture might be expected to be particularly motivated to learn useful principles, practices, theory, and philosophy from their course work.

Another question asked, if the respondent planned to develop a new firm in the future, how are you preparing yourself? The outcomes appear in Table 6. The most frequently mentioned were "Taking classes," "Reading articles (not part of class)," "Working," and "Asking others for advice." These were followed by "Attending seminars and short courses," "Observing existing businesses," "Reading books (not part of classes)," "Talking with owners or employees of businesses," "Electronic learning (CD ROM, computer, etc.)," "Practicing a hobby," and "Other".

The high frequencies associated with taking classes and reading articles suggests that many of the students are taking a scholarly approach to preparation for a future career. This is reinforced by attending seminars and short courses, reading books, and electronic learning. On the other hand, more practical methods of preparation, such as working, asking others for advice, observing existing businesses, talking with owners or employees, and practicing a hobby, are also in use. It appears that the students are taking a balanced approach to preparation for future activity.

Table 6: Means of Preparation for a Future New Business*	
Means of Preparation	Frequency
Taking classes	274 (23.0%)
Reading articles (not part of classes)	195 (16.3%)
Working	192 (16.1%)
Asking others for advice	138 (11.6%)
Attending seminars and short courses	99 (8.3%)
Observing existing businesses	92 (7.7%)
Reading books (not part of classes)	71 (6.0%)
Talking with owners or employees of businesses	67 (5.6%)
Electronic learning (CD ROM, computer, etc.)	31 (2.6%)
Practicing a hobby	29 (2.4%)
Other	5 (0.4%)
Total	1193 (100.0%)
*The frequencies exceed the population size since most subjects listed more than one means of preparation.	

Those who envisioned the creation of a new venture in the future were presented with the question: "Which of the following are important reasons why you might form your own business?" Table 7 summarizes the tabulations which emerged. The most frequently mentioned rationale were "Profit," "Independence," "Opportunity for the future," "Satisfying way of life," "Achieve sense of satisfaction," "Dislike working for someone else," and "Service to the community." These were succeeded by "Avoid routine work," "Can work part time," "Provide jobs for others," "Take advantage of my abilities," and "Keep the family business going. Next in order of frequency were "Cannot get a salaried job that is suitable," "Start a family business," "Prestige," "Avoid job discrimination in other companies," "Pride", and "Other."

Personal gain (profit and opportunity for the future) emerges as an influential motivation for creating a business. However, many of the reasons given relate to lifestyle and psychic satisfaction. In addition, there is an element of altruism, as the subjects mentioned service to the community, provide jobs for others, and family business as motivators.

The respondents were asked, if they planned to develop a new firm in the future, which industry they would select. Table 8 specifies the preferences. In this case, retailing was the favored sector, followed by service, manufacturing, wholesaling, and other. Both retailing and service are associated with minimal entry requirements and are fields of which the respondents possess some degree of familiarity. Hence, they are probable choices.

| Table 7: Important Reasons for Forming a Business* ||
Reasons for Forming	Frequency
Profit	214 (11.5%)
Independence	209 (11.2%)
Opportunity for the future	206 (11.0%)
Satisfying way of life	182 (9.7%)
Achieve sense of satisfaction	180 (9.6%)
Dislike working for someone else	169 (9.1%)
Dislike working for a large company	153 (8.2%)
Service to the community	126 (6.8%)
Avoid routine work	87 (4.7%)
Can work part time	75 (4.0%)
Provide jobs for others	71 (3.8%)
Take advantage of my abilities	58 (3.1%)
Keep the family business going	36 (1.9%)
Cannot get a salaried job that is suitable	31 (1.7%)
Start a family business	27 (1.4%)
Prestige	18 (1.0%)
Avoid job discrimination in other firms	11 (0.6%)
Pride	7 (0.4%)
Other	5 0 .3%)
Total	1,865 (100.0%)
*The frequencies exceed the population size as most subjects listed more than one reason.	

| Table 8: Type of New Business to be Formed ||
Type of Business	Frequency
Retailing	117 (42.7%)
Service	72 (26.3%)
Manufacturing	61 (22.3%)
Wholesaling	16 (5.8%)
Other	8 (2.9%)
Total	274(100.0%)

The questionnaire requested designations of the subjects' perceived disadvantages of developing a new business. The responses are summarized in Table 9." Financial risk" received the largest number of frequencies. This is followed by "Long hours," "If the business fails, I would feel like a failure,""If the business fails, loss of prestige," "Could disrupt my family life," "Inability to obtain funds," and "Could disrupt social life." Next in relative importance were "Governmental regulation," "Crime risk," "Reduces my chances of getting a salaried job later," "Physical health impaired," "Necessity to work very hard," and "Other."

It would appear that the students have identified many of the disadvantages which are commonly associated with forming a new enterprise. As might be expected, financial risk and long hours received the greatest number of mentions. In addition, some of the disadvantages pertain to emotional disruptions and others to impaired life style.

Table 9: Perceived Disadvantages of Forming a New Business*	
Perceived disadvantage	Frequency
Risk	226 (27.9%)
Long hours	145 (17.9%)
If the business fails, I would feel like a failure	91 (11.2%)
If the business fails, loss of prestige	80 (9.9%)
Could disrupt my family life	79 (9.8%)
Inability to obtain funds	52 (6.4%)
Could disrupt my social life	48 (5.9%)
Governmental regulation	29 (3.6%)
Crime risk	21 (2.6%)
Reduces my chances of getting a salaried job later	15 (1.9%)
Physical health impaired	11 (1.4%)
Necessity to work very hard	10 (1.2%)
Other	2 (0.2%)
Total	809 (100.0%)
*The frequencies exceed the population size as most subjects listed more than one disadvantage.	

The last question was "Which of the following are important reasons why you are taking this class?" Table 10 provides an overview of the findings. In this case "Want education on the subject matter" was the most frequently cited motive. After this, in order of frequency, were "Interested in the subject matter," "It is required by my major or minor," "Friends have recommended or are taking

the class," and "The instructor is good." Next was "Like the way the class was conducted," "It is not a difficult class," "Size of class," and "Other."

The listed motives suggest that many students enrolled in the class because they genuinely wanted to learn and found the field to be interesting. The influence of friends is substantial, as is the nature of the pedagogy. Level of difficulty did not emerge as a significant motivator.

Table 10: Important Reasons for Taking the Class*	
Reasons for Taking Class	Frequency
Want information on the subject matter	293 (26.9%)
Interested in the subject matter	291 (26.7%)
It is required by my major or minor	193 (17.7%)
Friends have recommended or are taking the class	106 (9.7 %)
The instructor is good	99 (9.1 %)
Like the way the class is conducted	85 (7.8 %)
Like when the class is scheduled	8 (0.7 %)
It is not a difficult class	8 (0.7 %)
Size (number of students) of class	4 (0.4%)
Other	2 (0. 3%)
Total	1,089 (100.0%)
*The frequencies exceed the population size, as most subjects listed more than one reason.	

SUMMARY, DISCUSSION, AND IMPLICATIONS

This paper has delineated the findings of an investigation into selected variables pertaining to students who enroll in entrepreneurship courses in the United States. The bulk of the courses surveyed were at the junior level. An assessment of gender revealed that a larger number were male. Most were in the "traditional student" age category, but there were noticeable numbers who were older. A large percentage achieved their work experience through large organizations. The analysis revealed that the permanent residences of the respondents closely paralleled the distribution of population in the U.S. In turn, larger cities produced the greatest proportion of students.

More than half of the subjects had parents who owned or operated a small business. Almost three fourths indicated that they planned to generate a small business in the future. The most common methods of preparation for these ventures were taking classes, reading articles, working, and asking others for advice. The most influential reasons for creating a new firm were profit,

independence, opportunity for the future, and satisfying way of life. When asked for industry preference, retailing and service yielded the largest response. The leading perceived disadvantages were financial risk, long hours, and if the business fails, I would feel like a failure.

A considerable percentage of the students appear to be enrolling in the course for career-oriented-instrumental reasons. The most frequently cited of these was want education in the subject matter, interested in the subject matter, and required by my major or minor.

Some generalizations may be merited, in light of the survey findings. To date, most entrepreneurship courses are offered at the upper division level. It is possible that positioning more courses at the freshman or sophomore levels would entice more students to the field. At this formative stage in their academic careers, many may not be well informed on or motivated toward entrepreneurship.

Forthcoming student recruiting efforts could be directed more toward female targets.. These individuals are under-represented in the class ranks, relative to their overall proportion in institutions of higher learning. Yet, their opportunities in this arena should be at least as extensive as they are for males.

As for the age distribution of the sample, only a small proportion is in the 50 and older grouping. This is a large segment of the total population, as it includes the vast baby boomer generation. Many in this cohort have retired or are in the process of doing so, and a sizeable proportion will form their own business enterprises. It would appear that this is a very good potential target for upcoming student recruiting efforts.

Much of the past work experience of the students is with large firms. While this background can be very beneficial, many students should be encouraged to attain experience in establishments that are similar in nature to the one they set out to launch. Part-time employment in such enterprises can be a very advantageous approach.

Many of the students reside in regions of the country and cities within these regions that encompass large populations. This is to be expected, simply as a matter of geographic concentration. However, students in cities and regions with smaller populations should be made aware of opportunities in their vicinities and not develop the perception that successful entrepreneurships can exist only in large population centers.

Many of the students have parents who own or operate a small business. Their heritage and past experience may draw them into collegiate study in the field, and this makes them promising candidates for student recruiting efforts. On the other hand, many of those whose parents are not so situated may be unaware of the opportunities in and advantages of entrepreneurship and educational efforts to provide them with insights into these potential benefits may be merited.

A large percentage of the students intend to launch a new enterprise in the future. They are likely to be especially motivated to learn strategies, tactics, principles, practices, and philosophies that will be of genuine use when they enter their chosen field. This being the case, instructors are well-advised to frame their classes so that they are relevant to the real world of entrepreneurship and

are perceived as such by the student group. The study indicated that the major reasons for taking the course included desires to gain information on the subject matter and an interest in the subject matter.

According to the survey, the subjects indicated that they are attempting to prepare themselves for their future efforts in numerous ways, including classes, reading, working, asking for advice, and other means. Instructors should emphasize the importance of multiple efforts, particularly those which are a combination of academic study, on the one hand, and practical learning, on the other. Overemphasis on either of these and resulting neglect of the other can produce inadequate balance in preparation.

In recruiting students, academic institutions are well-advised to consider the cited reasons for launching a new business. Those which were frequently-mentioned by the respondents may deserve special emphasis. Profit, independence, and opportunity for the future received numerous cites. Financial motivations appear to be highly important and probably should be stressed.

A large percentage of the subjects mentioned retailing and services as target industries for the future. Instructors might consider pointing out opportunities in other sectors, such as wholesaling, that may not be as widely-known and highly-regarded as these two. Many students are not at all familiar with wholesaling and its opportunities.

Of course, students should be made aware of the possible disadvantages of entrepreneurship, as this can be useful in determining if the field is consonant with their attributes and motives, and in selecting sectors of the economy where they might enter into business. The study generated a listing of shortcomings. Instructors should be in a position to point out the relative importance of each one and to cover means whereby the probability and magnitude of these disadvantages can be minimized.

The study had several limitations. The sample was not entirely random in nature. To a large extent it was descriptive, although some interpretations of the data were possible. Further the study results are generalizable only to the undergraduate student population and not to graduate students. The structured nature of the questionnaire did not permit the drawing of perceptions that can be elicited through qualitative techniques such as depth interviews. Nevertheless, it is believed that the findings are relevant and are supported by face validity. Subsequent studies which address the limitations raised here can be of value in providing further useful insights.

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APPENDIX 1: SAMPLE QUESTIONNAIRE

Directions: The purpose of this study is to gather information about your experience with an entrepreneurship class and your expectations regarding a career as an entrepreneur. Please answer each question clearly by placing an "X" in the appropriate place. The results will be held in strict confidence. Do not place your name on your questionnaire.

1. What is the level of the class in which you are enrolled?
    A. Freshman   ___
    B. Sophomore   ___
    C. Junior   ___
    D. Senior   ___

2. Your gender:
    A. Male   ___
    B. Female   ___

3. Your age:
    A. 20 or less   ___
    B. 21-30   ___
    C. 31-40   ___
    D. 41-50   ___
    E. 51 and older   ___

4. Past work experience(check more than one if applicable)
    A. Large company (100 or more employees)   ___
    B. Small company (less than 100 employees)   ___
    C. Non business organization   ___

5. Region of the country where permanent residence is located
    A. North-East   ___
    B. South-East   ___
    C. Midwest   ___
    D. Rocky Mountain   ___
    E. North-West   ___
    F. South-West   ___

6. Size of the location of permanent residence
    A. Farm or ranch
    B. Small town (population under 40,000).
    C. Small city (population 40,001--100, 000)
    D. Medium sized city (population 100,001-250,000)
    E. Larger city (population 250,001-1,000,000
    F. Large city (population 1,000,001-3,000,000)
    G. Largest city (population 3,000,001 and larger)

7. Do your parents own or operate a small business (100 or less employees?
    A. Yes
    B. No

8. Do you plan to form a new business in the future?
    A. Yes
    B. No
    C. Don't know

9. (If you plan to form a new business in the future)
    How are you preparing yourself? Check all that apply.
    A. Attending seminars and short courses
    B. Taking classes
    C. Practicing a hobby
    D. Reading articles (not part of classes)
    E. Talking with owners or employees of businesses
    F. Reading books (not part of classes)
    G. Electronic learning (CD ROM, computer, etc.)
    H. Asking others for advice
    I. Working
    J. Observing existing businesses
    K.Others (specify)

10. (If you plan to form a new business in the future)
    Which of the following are important reasons why you
    might form your own business? Check all that apply.
    A. Take advantage of my abilities
    B. Opportunity for the future
    C. Satisfying way of life
    D. Start a family business
    E. Dislike working for a large company
    F. Service to the community
    G. Avoid routine work
    H. Avoid job discrimination in other companies
    I. .Achieve sense of satisfaction
    J. Prestige
    K. Profit
    L. Keep the family business going
    M. Cannot get a salaried job that is suitable
    N. Dislike working for someone else

O. Can work part time   —

P. Provide jobs for others   —

Q. Independence   —

R. Pride   —

S. Others (specify)   —

Total   —

11.   (If you plan to form a new business in the future) In which
of the following industries would the business be formed?

A. Manufacturing   —

B. Wholesaling   —

C. Retailing   —

D. Service   —

E. Others (specify)   —

12.   Which of the following are disadvantages of forming a
New business, in you opinion? Check all that apply.

A. Long hours   —

B. Financial risk   —

C. Reduces my chances of getting a salaried job later   —

D. Could disrupt my family life   —

E If the business fails, I would feel like a failure   —

F. Governmental regulation   —

G. Inability to obtain funds   —

H. Crime risk   —

I. If the business fails, loss of prestige   —

J. Could disrupt my social life   —

K. Physical health impaired   —

L. Necessity to work very hard   —

M. Dislike working for a large company   —

N. Others (specify)   —

13.   Which of the following are important reasons why you
are taking this class? Check all that apply.

A. It is not a difficult class   —

B. Like when the class is scheduled   —

C. Interested in the subject matter   —

D. It is required by my major or minor   —

E. Like the way the class is conducted   —

F. The instructor is good   —

G. Want information on the subject matter   —

H. Friends have recommended or are taking the class   —

I. Size (number of students) of class   —

H. Others (specify)   —

INTEGRATING ETHICS INTO ENTREPRENEURSHIP EDUCATION:
AN EXPLORATORY TEXTBOOK ANALYSIS

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ABSTRACT

In this study, we content analyzed a sample of small business and entrepreneurship textbooks to assess the extent to which ethics is integrated into them. Our findings show significantly limited integration and coverage of ethics concepts and applications. We discuss a possible missing link between small business, entrepreneurship, and ethics in business textbooks and also discuss some implications for better integrating ethics into entrepreneurship education.

INTRODUCTION

Ethical entrepreneurship has grown into an accepted phenomenon.

Wempe, 2005, p.211

Since the emergence of entrepreneurship as an academic field, entrepreneurship education has grown in content and depth (Greene, Katz, & Johannison, 2004; Katz, 2003). Thousands of post secondary institutions around the world have incorporated entrepreneurship into curricula and programs. Entrepreneurship is now accepted as being a core concentration or major area of study at both graduate and undergraduate levels in many North American business schools. In addition, other faculties such as engineering, natural sciences and other applied social sciences have incorporated entrepreneurship as an elective and core course in their curricula.

At the same time, there has been an increased focus on ethical and social entrepreneurship in many universities as well as in many profit and non-profit organizations (e.g., Carney, 2007; Dahle, 2006/07; Maguire & Hardy, 2006; Tracey & Phillips, 2007; www.netimpact.org). Although many business schools have broadened the entrepreneurship teaching-learning process to include ethical and social entrepreneurship, many of the textbooks in small business and entrepreneurship seem to continue to narrowly focus on the doctrine of creating ventures for purposes of wealth creation and market growth. We suggest that this undermines efforts made by some business faculty

to emphasize the vital role of entrepreneurship education in creating economic values that are bounded by ethically and socially responsible business practice.

We consider the extent to which ethics and social responsibility topics appear within a sample of small business and entrepreneurship textbooks. There have been few studies of analyzing business textbooks for ethical and social responsibility content. Baetz and Sharp (2004) explored a number of texts in functional area courses for integration of ethics and drew the conclusion that ethics content was lacking in both the amount of material and the "quality" of the ethics content. Others have found inconsistencies and variations in the presentation of ethical issues in accounting, marketing, management, and economic texts (e.g., Bracken & Urbancic, 1999; Hoaas & Wilcox, 1995). To our knowledge no one has content analyzed small business and entrepreneurship textbooks for ethical content.

Edelman, Manolova, and Brush (2008, p.67) have recently called for "a renewed focus on the content of entrepreneurship education." In their study, they found that most U.S.-based entrepreneurship courses use at least one entrepreneurship textbook. Although not focusing on integration of ethics, these authors found a discrepancy between what is taught in entrepreneurship texts and what is being practiced by emerging entrepreneurs. No matter how one defines the concepts of entrepreneurship and ethics, all entrepreneurs, like all business people, encounter ethical dilemmas and ethical decision making, no matter what the size or nature of the enterprise. Both business educators and practitioners will find this study useful in putting forward arguments for broader coverage of ethics and social responsibility in small business and entrepreneurship textbooks and programs, as well as in trying to find ways to better integrate ethics and entrepreneurship throughout business curricula, programs, and pedagogical materials.

We begin by first reviewing the literature on ethics and entrepreneurship, and entrepreneurship and ethics in management education. The second section describes our methods used and our process for analysis. The third section presents our findings. The final section provides a discussion of our findings and some implications for entrepreneurship education.

THE IMPORTANCE AND SCOPE OF ETHICS
IN ENTREPRENEURSHIP EDUCATION

Ethics and Entrepreneurship

Like the concepts of ethics and business, ethics and entrepreneurship are often viewed in the literature and in practice as oxymoronic, as two separate domains (Wempe, 2005). The relationship between the two has been described as "an intense love-hate relationship" and "a complex and multifaceted relationship" (Fisscher, Frenkel, Lurie, & Nijhof, 2005, p.207). However, there is an extensive and growing literature on ethics and entrepreneurship (e.g., Ackoff, 1987; Brenkert, 2002; Buchholz & Rosenthal, 2005; Dees & Starr, 1992; Fassin, 2005; Fisscher et al. 2005; Hannafey,

2003; Harrison, 2002; Hornsby et al., 1994; Humphreys et al., 1993; Longenecker, McKinney, & Moore, 1989; Miles, Munila, & Covin, 2004; Morris et al., 2002; Newton, 1997; Teal & Carroll, 1999; Wempe, 2005; Zakaria, 1999). 'Entrepreneurship and ethics' has been the central topic for international conferences (e.g., the European Business Ethics Network's annual conference in 2004). The *Ruffin Lectures* held at the Darden School of Business at the University of Virginia held their third series of lectures on the topic of business ethics and entrepreneurship in 2002.

It has been suggested that entrepreneurs experience somewhat uniquely complex ethical challenges. These challenges relate to issues of ownership (Kuratko, Goldsby, & Hornsby, 2004; Teal & Carroll, 1999); the introduction of new technologies, innovative products, and services (Etzioni, 1988; Hannafey, 2003); and "uniquely complex moral problems related to basic fairness, personnel and customer relationships, [and] distribution dilemmas" (Hannafey, 2003, p.99). Fassin (2005) suggests that ethical issues are involved in all of the steps of an innovative start-up. "…[T]he exercise of raising funds and the final step, listing on the stock exchange, lead to enormous conflicts of interest" (p.266). Many of the 1990s dot-com entrepreneurs and innovators (e.g., Global Crossing, WorldCom, and Nortel) highlighted the fact that entrepreneurial expansion can sometimes be connected to various unethical practices such as accounting fraud and insider trading. Furthermore, it has been suggested that extremely competitive market pressures can distort an entrepreneur's ethical focus (Chau & Siu, 2000; Hannafey, 2003). In addition, entrepreneurs often work long hours and are isolated from others in their decision making (Hannafey, 2003). Longenecker, McKinney, & Moore (1988) studied egoism and individualism traits among entrepreneurs and found that these traits have led some entrepreneurs to unethical business practice. Dees & Starr (1992) highlighted the instrumentally-based relationship ethical dilemmas that entrepreneurs often face. According to Fassin (2005, p.271), "Entrepreneurs strive for success and some are very opportunistic. The power game and short-term tactics are important instruments they may use, or misuse, in business competition." In his review of the literature on entrepreneurship and ethics, Hannafey (2003) concluded that although entrepreneurs have a good grasp of the moral climate inside their organizations, the particular demands of the entrepreneur's environment may lead to unique ethical dilemmas and questionable ethical practice.

At the same time, Buchholz & Rosenthal (2005) have illustrated how imagination, creativity, novelty, and sensitivity are crucial in both entrepreneurship and moral decision making. Longenecker and his colleagues at Baylor University have been studying entrepreneurship and ethics for over 20 years. Their overall conclusion is that an entrepreneurial spirit and integrity often go hand in hand (Longenecker, cited in Barbee, 2005). In a recent study, Longenecker's research team found a significant correlation between business people who take religious values seriously and ethical judgement (Longenecker, cited in Barbee, 2005). Others have researched and discussed a spiritual, ethical, and social understanding of entrepreneurship (e.g., Naughton & Cornwall, 2006). In particular, there has been an increase in work in the area of social entrepreneurship in North America and the U.K. (e.g., Borgaza & Defourny, 2001; Dees, 1998; Hibbert, Hogg, & Quinn, 2005;

Paton, 2003; Tracey & Phillips, 2007). A recent issue of FastCompany (Dec 2006/Jan 2007) features the past year's top social entrepreneurs and illustrates how they are combining business with social transformation (Dahle, 2006/07). There has been increasing study of institutional entrepreneurship and social transformation (e.g., Carney, 2007; Dacin, Goldstein, & Scott, 2002; Greenwood & Suddaby, 2006; den Hond & de Bakker, 2007; Lawrence & Phillips, 2004; Maguire & Hardy, 2006; Maguire, Hardy, & Lawrence, 2004; Turcotte, Clegg, & Marin, 2007). Many of the scholars working in this area appear to have adopted a social and ethical agenda in their approach to institutional entrepreneurship. For example Maguire et al. (2004) looked at HIV/AIDS treatment advocacy, Lawrence & Philips (2004) looked at the commercial whale watching industry, and Turcotte et al (2007) looked at citizen advocacy related to a mining company. According to Rao et al. (2000:240 cited in Maguire, Hardy, & Lawrence, 2004:658), institutional entrepreneurs "lead efforts to identify political opportunities, frame issues and problems, and mobilize constituencies" and "spearhead collective attempts to infuse new beliefs, norms, and values into social structures."

Some scholars have focused on corporations acting in a socially entrepreneurial way, a topic that has been overlooked in the entrepreneurship literature according to Hemingway (2005). She (2005: 236) defines the corporate social entrepreneur (or intrapreneur) as someone "who identifies and progresses opportunity within a corporation for socially responsible activity." According to Hemingway (2005:236), the social entrepreneur has the same "vision and drive associated with the 'regular' entrepreneur," and is found in both non profit and for profit businesses (see also Thompson, 2002).

Despite this increasing study of ethical and social entrepreneurship, it has been suggested that most entrepreneurship research "has focused on a relatively narrow portion of this rich domain [of entrepreneurship]" (Lounsbury & Glynn, 2001, p.545; see also Cornwall & Naughton, 2003) and has for the most part neglected the broader social and cultural contexts within which entrepreneurial activities are embedded (Aldrich & Wiedenmayer, 1993; Baum & Oliver, 1996; Low & Abrahamson, 1997; Reynolds, 1992). According to Lounsbury & Glynn (2001), entrepreneurial research embedded in economics, compared to entrepreneurial research rooted in psychology and sociology, ignores cultural embeddedness and issues of social legitimacy. The entrepreneurship literature reveals that discussions of relevant stakeholders typically focus on investment bankers, securities analysts, institutional investors, venture capitalists, certification gatekeepers, and those who review products (Lounsbury & Glynn, 2001). Cornwall & Naughton (2003) conclude that entrepreneurs typically consider a broad stakeholder perspective, but that scholars of entrepreneurship have for the most part marginalized entrepreneurs' responsibilities to a broader set of stakeholders. Cornwall & Naughton (2003, p.67) describe the problem as being related to the predominance of a "technically minded understanding of entrepreneurship."

The technical finality is manifested concretely in entrepreneurial companies by the absence of any conversation on the moral purpose of the firm, the spiritual meaning of work, a just distribution of a company's returns, and so forth…This technical notion of entrepreneurship leaves

the entrepreneur not on some amoral landscape, but on a moral wasteland, leaving her little resources to deal with the struggles of work/family tension, developing authentic communities of work, just wealth distribution, hyper-competitiveness, and so forth.

An obvious disconnect between ethics and entrepreneurship is found in Shane & Venkataraman's (2000) article, "The Promise of Entrepreneurship as a Field of Study." The concepts of values, ethics, and morality are noticeably absent in these authors' discussions of what influences the discovery of entrepreneurial opportunities and the decision to exploit entrepreneurial opportunities. Cornwall & Naughton (2003: 62) suggest that the entrepreneurship literature has for the most part overlooked the very notion of what success means to the entrepreneur.

Is it creating jobs, creating wealth, creating and marketing a useful product or service, distributing wealth, or something even more deeply personal and principled? And there is no attempt to examine what entrepreneurial success means taken from a moral perspective, let alone a spiritual or religious perspective. That is, what is a good entrepreneur?

There is also relatively little interest in carrying out research in the area of business ethics and social responsibility among business school faculty. The Aspen Institute's *Beyond Grey Pinstripes* survey reported that between 2001 and 2007, the number of research papers devoted to topics such as business ethics and social and environmental impact, published by faculty in the top business schools, increased by only 1% (i.e. from 4% to 5%.) (Aspen - Beyond Grey Pinstripes, n.d.).

Business Education and Ethics

Twenty years ago, Leavitt (1989, p.39) reported that business education fosters "critters with lopsided brains, icy hearts, and shrunken souls." More recently, academia and media have reported on business students cheating more than other students (e.g., McCabe, Butterfield, & Trevino, 2006) and scoring lower than other students on ethical and social responsibility attitudes (e.g., Aspen Institute Initiative for Social Innovation through Business, 2003). Business education is suggested to be partially to blame for recent levels of misconduct and malfeasance in business (*The Economist,* 2007; Ghoshal, 2005). Management education has been criticized for failing to consider the impact of business organizations on stakeholders, society, and the natural environment (Aspen Institute, n.d., Garten, 2005; McPhail, 2001; Swanson & Frederick, 2003; Waddock, 2003). Giacalone & Thompson (2006) recently suggested that the organizational-centered worldview that underpins business education prevents students from developing an other-centered focus and believing that business can be an agent for social change. Porter and McKibbon (1988: 316-325) diagnosed business schools as having "undernourished curriculum" in relation to student disregard for factors beyond the 'bottom line'. Ferraro, Pfeffer and Sutton (2005: 14) suggest that "self-interested behaviour is learned behaviour, and people learn it by studying economics and business." Fallon (2005: 2) suggests that "a discourse of 'ethics-in-business' in which ethics are, pragmatically,

subsumed by a more strategic economic focus on business management practice" influences both business school curricula and business practice.

However, ethical attitudes of business students are reported to be changing and more students are suggesting that topics such as ethics and social impact should be more authentically incorporated into management education (Aspen Institute Initiative for Social Innovation through Business, 2003; Crane, 2004; Knight, 2006; Malone, 2006).

Garten (2005) insists that business schools are responsible for placing business ethics at the highest priority to enhance a student's ethical education. Some scholars suggest that the value of classroom learning is improved when ethics is integrated into all business courses as opposed to a stand alone ethics course (e.g., Lowry, 2003; Oddo, 1997; Samuelson, 2004; Sims and Brinkmann, 2003). However, Oddo (1997) reported that some business faculty members are apprehensive to apply ethics to courses due to inexperience, lack of ability, deficiency of education and training, and lack of ethics-related teaching resources.

Ethical and Social Entrepreneurship Education

Tracey and Phillips (2007) have recently written about the distinctive challenges related to educating social entrepreneurs in the context of management education. These include managing accountability, managing the double bottom line, and managing identity in reconciling commercial and social objectives. They describe the "complex, culturally embedded and multifaceted nature of entrepreneurial activity" (Tracey & Phillips, 2007, p.265). They, and others, have reported an increasing interest in social entrepreneurship among students (e.g., Olszak & Sidorick, 2003; Tracey, Phillips, & Haugh, 2005; www.netimpact.org). They suggest that this includes both social entrepreneurs interested in learning the skills and knowledge provided in business schools as well as students interested in bringing a social dimension to their business studies.

Hisrich (cited in Hannafey, 2003) recommended study of business school curriculum as a possible influence on an entrepreneur's ethical standards. Tracey and Phillips (2007) suggest several ways to incorporate a social dimension into conventional entrepreneurship studies. They believe that ideally "social entrepreneurship should be woven through traditional courses and included in lectures and discussions where relevant" (p.268). Specific pedagogical techniques suggested by these authors include readings, cases, speakers, student-developed cases, business plans, consulting projects, and internships, all with a focus on integrating social entrepreneurship into business curricula and programs.

RESEARCH QUESTIONS AND METHODOLOGY

The primary objective of this exploratory study is to begin to assess the presence of and space devoted to ethics and social responsibility content in entrepreneurship and small business

textbooks. Following the recently established Canadian Business Ethics Research Network, we will use a broad understanding of the term, ethics; 'ethics' will capture concepts such as social responsibility, corporate governance, and sustainable development (www.businessethicscanada.ca). In addition, from here on, we will use entrepreneurship to include both small business and entrepreneurship. We explore the following questions. Given an increasing interest in ethical and social dimensions of entrepreneurship as evidenced in the literature review, are entrepreneurship textbooks paralleling this trend by increasing content of ethics topics? Are ethics topics presented in adjunct or secondary formats within entrepreneurship textbooks? What is the extent to which ethics-based tools are introduced in entrepreneurship textbooks? Is there anything unique about the ethics-based discourse found in entrepreneurship textbooks?

Using Books in Print (booksinprint.com) and information from leading publishers on some of the bestselling textbooks, we identified seven frequently used entrepreneurship textbooks. Our information was based on Canadian arms of the leading publishers; however the texts we considered are used throughout North America. Three of the texts were also used in Edelman et al.'s (2008) study which considered the best selling entrepreneurship textbooks in the United States. In addition, 3 of the texts were also included in a group of 6 texts highlighted at the 2004 Academy of Management conference (Brock, n.d.). We also included the Canadian version of the Longenecker et al. (2007) text, thinking that perhaps this text might integrate ethics more than the others given the work that Longenecker and his colleagues at Baylor University have carried out in the area of entrepreneurship and ethics. The seven texts chosen are published by McGraw-Hill/Irwin, Thomson-South Western, and Pearson/Prentice-Hall. Four of the texts have a publication date within the last two calendar years. The texts are listed in Table 1.

Table 1: List of Textbooks				
Author(s)	Year	Edition	Title	Publisher
Kurato/ Hodgetts	2007	7th	Entrepreneurship: Theory/Process/Practice	Thomson-South Western
Timmons/ Spinelli	2004	6th	New Venture Creation: Entrepreneurship for the 21st Century	McGraw-Hill-Irwin
Megginson/Byrd/ Megginson	2003	4th	Small Business Management: An Entrepreneur's Guidebook	McGraw-Hill-Irwin
Barringer/Ireland	2008	2nd	Entrepreneurship: Successfully Launching New Ventures	Pearson-Prentice Hall Inc
Hisrich/Peters	2002	5th	Entrepreneurship	McGraw-Hill Companies
Scarborough/ Zimmerer	2008	5th	Essentials of Entrepreneurship and Small Business Management	Pearson-Prentice-Hall Inc.
Longenecker/Donlevy/Calvert/Moore/Petty	2007	3rd	Small Business Management: Launching and Managing New Ventures	Thomson Nelson

In developing a list of terms to code, we used the ABI/Inform database to carry out a review of literature in the ethics, and ethics and entrepreneurship area over the past 15 years. This helped us to identify and list important conceptual terms referring to ethical and social responsibility issues in entrepreneurship. As mentioned above, we adopted CBERN's broad understanding of ethics-related topics (www.businessethicscanada.ca). Many of these terms were taken from titles of journal articles that bridge the domains of entrepreneurship and ethics. We also included terms such as micro-lending, community welfare, and socio-economic developmental entrepreneurship. These topics assume a broad understanding of ethical entrepreneurship, one which acknowledges the entrepreneur's role in ethical, socially responsible, and sustainable economic development.

By analyzing each entire textbook, page-by-page, we were able to evaluate page exposure and frequency of reference to terms related to ethics. Page exposure was determined by counting the number of pages with space devoted to first, conceptual discussion of ethics and secondly, cases, assignments, and examples related to ethics. Finally, each textbook was reviewed for coverage of the specific ethical terms that were identified in our literature review. To broaden the spectrum of the contextual coverage for our content analysis, we used a coverage scale ranging from 1 to 5. One is an indicator for "just mentioned" and 5 for "adequately covered with examples, case studies and exercises".

As with all research methods, content analysis has limitations, including an inevitable element of subjectivity (Krippendorf, 1980). On top of that, ethics is inherently very subjective. In our analysis we were quite conservative, however. For example, if a text discussed a case that dealt with a business providing organic products we would include that case as an example of ethics content (environmental awareness/social issue) even though we could not be sure whether the business was economically or ethically motivated. Due to the length of time it took to manually content analyze entire textbooks, our analysis was limited to single-person scoring and a small sample. We recognize the potential biases that accompany these approaches. As our analysis was both form orientated (based on counting words, topics, and pages) and theme orientated, reliability is somewhat enhanced (c.f. Smith & Taffler, 2000). Our next section will concentrate on our analysis and a discussion of our findings.

FINDINGS

Content analysis revealed that integration of ethics and space devoted to ethics in entrepreneurship texts is extremely limited. Space devoted to ethics concepts and applications ranges from less than 1% to 4.5% of the text (See Table 2). The text authored by Kurato & Hodgetts provides more coverage on ethical issues than the other 6 texts. This text also covers some isolated ethical issues in a few of the chapters covering core entrepreneurial topics. In sum, this text dedicates almost 40 pages for ethics related conceptual discussions, examples, case discussions and assignments. However, this still represents less than 5% of the textbook. The text authored by

Megginson, Byrd & Megginson gives minimal and very narrow attention to ethical concepts and discussions. The other 5 texts authored by Timmons & Spinelli, Barringer & Ireland, Hisrich & Peters, Scarborough & Zimmerer, and Longenecker et al. dedicate 24, 11, 12, 9, and 28 pages from their 700, 543, 663, 728, and 554 pages, respectively. The average ethics coverage for all texts is 12.4 pages or 1.82%. The average page count of ethics-based cases, assignments and examples is 6.4 pages per text or 1.05%, with the Longenecker et al. text having the highest number of pages with cases and examples (17 pages, mostly dealing with environmental and work-family balance issues).

Table 2: Business Ethics Content Coverage by Number of Pages in Selected Textbooks of Small Business/Entrepreneurship						
Author(s)	Title	Total Pages In Text Book	Pages with Ethics Conceptual Discussion		Pages with Ethics Cases, Assignments and Examples	
			No.	%	No.	%
Kurato/ Hodgetts	Entrepreneurship: Theory/Process/Practice	757	34	4.49	5.5	0.73
Timmons/ Spinelli	New Venture Creation: Entrepreneurship for the 21st Century	700	19.5	2.7	4	0.57
Megginson/Byrd/ Megginson	Small Business Management: An Entrepreneur's Guidebook	506	5	0.92	3	0.55
Barringer/Ireland	Entrepreneurship: Successfully Launching New Ventures	543	8	1.47	2.7	0.5
Hisrich/Peters	Entrepreneurship	663	2	0.33	10	1.66
Scarborough/ Zimmerer	Essentials of Entrepreneurship and Small Business Management	728	6	0.82	2.5	0.34
Longenecker/ Donlevy/Calvert/ Moore/Petty	Small Business Management: Launching and Managing New Ventures	554	11	2	17	3
Average		649.5	12.2	1.82	6.4	1.05

Ethics concepts, principles, cases and assignments appear to be narrowly applied in these textbooks. We specifically searched for the 38 conceptual terms extracted from our literature survey. Table 3 shows the frequencies of referencing these ethical terms. The results provide compelling indication of the limited and narrow coverage of ethical issues in these texts. Table 3 shows that out

of the 38 identified terms, 16 are referenced (or mentioned) in Kurato & Hodgetts; 13 in Timmons & Spinelli; 11 in Megginson et al.; 7 in Barringer & Ireland; 11 in Hisrich & Peters; 9 in Scarborough & Zimmerer, and 7 in Longenecker et al. The term ethics is mentioned more frequently than other terms in all of these texts. Next to ethics, both morality and social responsibility terms are mentioned more frequently in the Kurato & Hodgetts text than in other texts. Integrity is the second most mentioned term after ethics in Timmons & Spinelli. Social responsibility is also mentioned 17 times in the Megginson et al. text. However, the other ethical concepts we identified are rarely or not mentioned at all in any of the texts. Table 4 shows the extent of coverage given by each text.

The text which dedicated the most coverage was Kurato & Hodgetts. Still, even in this text only a few terms were moderately covered. For example in Kurato & Hodgetts, only ethics, morality, integrity, and philanthropy are moderately covered and marginally explained. In Timmons & Spinelli; Megginson et al.; and Barringer & Ireland, only the term ethics is moderately discussed conceptually. Few cases, examples, questions, or exercises focus on engaging the reader with the following critical questions: Why did this happen? What can we learn from this? What should be done to avoid unethical activities and raise the consciousness of social responsibility with respect to entrepreneurship? In the remaining three texts, the term ethics itself is not adequately discussed. There appears to be little emphasis on ethical events and scenarios which could be experientially beneficial in enhancing students' understanding of the complexities and dilemmas of ethics and business transactions in an entrepreneurship or small business context. Few examples reflect the importance of considering ethical issues in short-term and long term strategic planning and decision making activities.

Ethical discussions in these texts appear to follow a much more reactive than proactive approach. Most of the ethical issues discussed focus on traditional concepts of ethical and legal foundations. In other words, ethics is presented conventionally with the predominant emphasis on legally bounded "what to do" or "what not to do" codes and rudimentary moral obligations. The texts give limited attention to macro ethical issues related to economic and social justice and environmental issues. Some of the texts reflect Friedman's (1963, p.133) traditional view of the moral responsibility of business, that "[t]here is one and only one social responsibility of business - to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of the game, which is to say, engages in open and free competition without deception of fraud." In other words, social and ethical are bounded within economic. Ethics topics focus on quality of life; quality of product; and creation of new products, services, and jobs. All of these contribute to the public good. Only one of the texts made reference to the term stakeholder and the term sustainability is not used with respect to ecological sustainability in any of the texts. Although outsourcing is mentioned in most of the texts, there is no discussion of the ethical dimensions of outsourcing in any of the texts.

Terms of Ethical Concepts	Kurato/ Hodgetts	Timmons/ Spinelli	Meggin-son et al.	Barringer/ Ireland	Hisrich/ Peters	Scarborough/ Zimmerer	Longenecker et al.
Activism (Community)	3	None	None	None	None	None	None
Community Welfare & Dev.	None	None	3	None	None	4	1
Corporate Citizenship	None	None	None	None	1	None	None
Corporate Governance	1	1	1	None	None	None	None
Courage	None	None	None	None	1	None	None
Critical Thinking	None	None	None	None	None	None	None
Cultural Entrepreneurship	1	1	None	None	2	2	None
Duty	None	None	2	None	1	None	None
Environmental Awareness	5	None	10	None	None	None	7
Ethics and Ethical Attributes	190	94	45	90	45	10	5
Fair Trade/Fair Bus. Practices	1	None	4	None	None	None	None
Good Entrepreneur	None	1	None	1	None	2	None
Inequality	None	2	None	None	None	None	None
Institutional Entrepreneurship	None	None	None	None	None	None	None
Integrity	1	16	None	None	None	2	None
Interdependency	None	None	None	None	None	None	None
Labor Issues/Equal Opportunity	3	1	31	1	3	None	1
Micro-lending/ Survivalist Ent.	1	None	None	None	None	None	1
Morality and Moral Attributes	50	3	4	1	4	2	None
Normative	None	None	None	None	None	None	None
Philanthropy/Giving/(nonprofits)	7	1	None	None	None	None	None
Social Capital	None	1	None	1	None	None	None
Social Change	None	None	None	None	None	None	None
Social Entrepreneurship	None	None	None	None	None	4	None
Social Impact Management	None	None	None	None	None	None	None
Social intrapreneurship	None	None	None	None	1	None	None
Social Issues	1	1	1	1	1	None	1
Social Performance	1	None		None	None	None	None
Social Responsibility	18	None	17	None	5	2	None
Social Transformation	None	1	None	None		None	None
Socio-Econ. dev. Ent.	None	None	None	None	5	None	None
Stakeholder/Stakeholder Issues	None	None	None	1	None	None	None
Sustainability	5	None	None	None	None	5	None

Table 3: Frequency of Reference by Terms of Business Ethics Concepts by Textbooks							
Terms of Ethical Concepts	Kurato/ Hodgetts	Timmons/ Spinelli	Meggin- son et al.	Barringer/ Ireland	Hisrich/ Peters	Scarborough/ Zimmerer	Longenecker et al.
Trust	1	1	None	None	None	84	None
Virtues	None	None	None	None	None	None	None
Work Family	None	None	5	None	None	None	7

Table 4: Extent of Coverage Given by Textbook							
Ethical Concepts	Kurato/ Hodgetts	Timmons/ Spinelli	Meggin- Son et al.	Barringer/ Ireland	Hisrich/ Peters	Scarborough/ Zimmerer	Longenecker et al.
Activism (community)	1	0	0	0	0	0	0
Community Welfare & Dev.	0	0	2	0	0	2	0
Corporate Citizenship	0	0	0	0	1	0	0
Corporate Governance	1	1	1	0	0	0	0
Courage	0	0	0	0	1	0	0
Critical Thinking	0	0	0	0	1	0	0
Cultural Entrepreneurship	1	1	0	0	0	3	0
Duty	0	0	0	0	0	0	1
Environmental Awareness	3	0	3	0	0	0	4
Ethics and Ethical Attributes	5	5	4	4	0	3	3
Fair Trade	1	0	1	0	0	0	0
Good Entrepreneur	0	1	0	1	0	1	0
Inequality	0	2	0	0	0	0	0
Institutional Entrepreneurship	0	0	0	0	0	0	0
Integrity	3	3	0	0	0	2	0
Interdependency		0	0	0	0	0	0
Labor Issues and Equal Opportunity	1	1	3	1	1	0	3
Micro-lending/Survivalist Ent.	1	0	0	0	0	0	0
Morality and Moral Attributes	4	2	1	1	1	0	0
Normative	0	0	0	0	0	0	0
Philanthropy/Giving (nonprofits)	3+	1	0	0	0	0	0
Social Capital	0	1	0	1	0	0	0
Social Change	0	0	0	0	0	0	0
Social Entrepreneurship	0	0	0	0	0	2	0
Social Impact Management	0	0	0	0	0	0	0

Table 4: Extent of Coverage Given by Textbook							
Ethical Concepts	Kurato/ Hodgetts	Timmons/ Spinelli	Meggin-Son et al.	Barringer/ Ireland	Hisrich/ Peters	Scarborough/ Zimmerer	Longenecker et al.
Social intra-preneurship	0	0	0	0	0	0	0
Social Issues	1	1	2	1	1	0	3
Social Performance	1	0	0	0	0	0	0
Social Responsibility	4	0	3	0	3	1	0
Social Transformation	1	1	0	0	0	0	0
Socio-Econ. developmental Ent.	0	0	0	0	3	0	0
Stakeholder/Stakeholder Issues	2	0	0	1	0	0	0
Sustainability	3	0	0	0	0	1	0
Trust	1	2	0	0	0	3	0
Virtues	0	0	0	0	0	0	0
Work Family	0	0	2	0	0	0	5
Key: 0= not mentioned; 1= just mentioned; 2= defined or briefly explained; 3=briefly defined and discussed; 4=moderately explained conceptually with examples; 5= adequately explained/clarified with example, cases, and assignments							

DISCUSSION AND IMPLICATIONS

This study has contributed to our understanding of how ethics is being integrated into entrepreneurship education in North American business programs. Business educators, entrepreneurs, and policy makers may find the results of our study useful in putting forward arguments for broader coverage of ethics and social responsibility in entrepreneurship textbooks, as well as for trying to find ways to better integrate ethics and entrepreneurship throughout business curricula, programs, and pedagogical materials.

Our extensive literature survey helped us to validate the broader conceptual and practical milieu with respect to entrepreneurship and ethics. Related to this survey, our findings suggest that ethical issues are not being sufficiently integrated into some of the bestselling entrepreneurship textbooks used in Canada and the U.S. The ethical discussions provided in these texts appear to be limited in their ability to help students become aware of the ethical issues related to entrepreneurial and small business contexts. Ethics related discussions in the texts follow the legally binding ethical modus operandi of conventional business practice or what Fallon (2005, p. 2) referred to as a "pragmatically applied ethics-in-business" approach. There is the possibility that pedagogical materials available for small business and entrepreneurship courses are contributing to a narrow focus in entrepreneurship education. By failing to address ethics, social responsibility, and values, entrepreneurship textbooks are only adding to criticism that has recently been directed at business education in general.

The deficiency of ethical content in the entrepreneurship texts we surveyed was not overly surprising in light of our knowledge of, and experience with, most entrepreneurship theory. Despite an increase in research and writing in the area of ethics and entrepreneurship, the entrepreneurship literature continues to narrowly focus much more on the entrepreneur's role in creating wealth rather than the entrepreneur's role in building a better global society. We believe that successful entrepreneurs are an engine of entrepreneurial economic growth and sustainability. However, they, like all business practitioners, are also responsible for conducting business in an ethically and socially responsible way. Authors of texts in small business and entrepreneurship need to incorporate ethical content as an integrated part of the core discussions of entrepreneurial theories, concepts and applications. This is particularly imperative in cases where textbooks are a primary source of information for students and faculty in business courses and programs. Recall, that Edelman et al.'s (2008) study found that most U.S.-based entrepreneurship courses use at least one entrepreneurship textbook.

As mentioned earlier, the Aspen Institute has reported how social and environmental issues are increasingly being integrated into the content of core courses at most top business schools in North America. In addition, the topics of ethics and social responsibility have recently been integrated into other core area textbooks (Baetz & Sharp, 2004). Then why are many small business and entrepreneurship texts lagging behind in this respect? Future research might survey scholars in the two fields of entrepreneurship and business ethics, to better understand the barriers to integrating these two domains. If business academics are not focusing on these topics in their programs of research, it is not overly surprising that these topics are not being well integrated into business education textbooks. In addition, it has been suggested that academic interest in business ethics and social responsibility has focused primarily on large companies (Fuller & Tian, 2006), so future research could also look at the extent to which business ethics scholars and educators, and specifically business ethics textbooks, are focusing on small business and entrepreneurship. This could involve interviewing business ethics scholars, as well as content analyzing business ethics textbooks. The second authors' experience is that business ethics textbooks are not doing any better a job at integrating small business and entrepreneurship into their content.

Scholars of ethical entrepreneurship have to work at being consistent across various contexts as well. We came across a few examples of inconsistencies in entrepreneurship and ethics scholarship. For example, Longenecker and his colleagues have a longstanding reputation for their work in the area of entrepreneurship and ethics; yet in our opinion ethics was insufficiently integrated into the Canadian version of the Longenecker et al. text. Although we did not content analyze the U.S.-based text, it is our understanding that the U.S. text integrates ethics more thoroughly. In addition, Shane and Venkataraman have done work in integrating entrepreneurship and ethics concepts, yet their 2000 article failed to address the ethical dimensions of entrepreneurship and of "entrepreneurship as a field of study" (Shane & Venkataraman, 2000), thus contributing to the marginalization of ethics in the field of small business and entrepreneurship.

We believe that a genuine entrepreneur is socially responsible and a keen contributor to sustainable economic and community development. Entrepreneurship, as a core course in business education, should incorporate more ethical and social responsibility related theories, concepts, applications and discussions into pedagogical materials. It is our belief that entrepreneurship as a field would benefit by integrating more with other domains such as business ethics; social issues in management; international development; management, spirituality, and religion; and organizations and the natural environment; among others. There needs to be a focus on the purpose of business and the purpose of entrepreneurship, what Longenecker described as the close connection between entrepreneurial spirit and integrity. Entrepreneurship textbooks should also include discussions and examples of ethical and social entrepreneurship. For example, Fisscher et al. (2005) describe examples of entrepreneurial activities that have led to noble societal goals such as green agriculture, the invention of pacemakers, and fair trade initiatives. Entrepreneurs have been using innovation and new venture capital to develop green technologies and a global cleantech industry (http://cleantechnetwork.com/index.cfm, accessed May 31, 2007). Prahalad (2005) and others have recently turned their attention to the role that entrepreneurs have in "base-of-the-pyramid" initiatives and micro-lending practices, innovative solutions used as a partial solution to eradicating global poverty. None of these ideas were discussed in any of the textbooks we audited. Moreover, authors of entrepreneurship texts should broaden their focus to a broader set of stakeholder responsibilities rather than focusing primarily on financial stakeholders.

In the meantime, while educators of small business and entrepreneurship wait for textbooks to better integrate the domains of entrepreneurship and ethics, there are other ways that ethical and social entrepreneurship can be brought into the classroom. Many entrepreneurship educators around the world have begun to focus class discussion around the following types of questions: What does it mean to be a *good* entrepreneur? Is it about making money? Is it about using entrepreneurial talents to contribute to the common good? What is the purpose of business? How does it connect to life purpose? As we are all moral and spiritual beings, it makes sense to bring critical and reflective questions related to social justice, meaning of work, and human dignity into entrepreneurship class discussions. In addition, recall that Tracey and Phillips (2007) suggested that specific pedagogical techniques such as readings, cases, speakers, student-developed cases, business plans, consulting projects, and internships can assist in integrating social entrepreneurship into business curricula and programs.

Our study has focused on textbooks, but we recognize that many entrepreneurship educators augment textbooks with experiential exercises, their own examples, and supplemental readings. Future research might survey or interview entrepreneurship educators to see if and how they are integrating ethics into their courses. This research might, in turn, stimulate the development of innovative educational materials that better integrate entrepreneurship and ethics.

In addition, service learning projects have been integrated into entrepreneurship courses. Service learning projects based in the local community allow the instructor to connect "the

classroom and the community, theory and reality, and conceptualization and experience" (Kenworthy – U'ren, 1999, 5). According to Kohls (1996), the experiential component of service learning also allows students the opportunity to re-evaluate value priorities and promote a wider approach to ethics. Others have suggested that service learning projects can be set up to emphasize social involvement and the important role businesses and business decisions play within a community (e.g., Easterling & Rudell, 1997; Fleckenstein, 1997) and to increase student moral capabilities (Kenworthy-U'ren, 1999; Zlotkowski, 1996). Although the literature does not provide a lot of examples of service learning being integrated into small business and entrepreneurship courses, service learning has been reported to be an effective tool across various disciplines within the business school.

Another way that ethical and social entrepreneurship can be integrated into entrepreneurship education is through guest speakers. One way that potential speakers could be found is through contacting local or regional Better Business Bureaus (BBBs). Many BBBs present annual business ethics awards which include categories for small businesses; this could provide a source of successful small business owners and entrepreneurs who have combined entrepreneurship with ethical integrity and social responsibility.

CONCLUSION

Our study has indicated that some of the more popular texts in entrepreneurship and small business management have a long way to go to equip themselves with the ethical concepts, practical examples and case analyses that would facilitate the development of ethical entrepreneurship. Strengthening the link between the fields of entrepreneurship and ethics is fundamental to the creation of a sustainable entrepreneurial economy and the development of ethically and socially responsible entrepreneurs. Moreover, business educators, administrators, textbook authors, and educational policy makers need to advocate for facilitating the integration of entrepreneurship and ethics concepts and practices into entrepreneurship textbooks. Following Gartner (2001), we encourage small business and entrepreneurship academics and practitioners to continue to develop a broad range of research questions and issues, in particular those that focus on the integration of ethics and entrepreneurship into entrepreneurship education. The fundamental tenet that logically advocates entrepreneurial education should not deal with profit and enrichment only, but also with ethical and social responsibility attributes that are vital for promoting and nurturing the resourcefulness of entrepreneurship as an engine of economic growth and competitiveness, as well as of ethical business practice and ecologically sustainable development.

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ASSURING QUALITY IN ENTREPRENEURSHIP TRAINING: A QUALITY FUNCTION DEPLOYMENT (QFD) APPROACH

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ABSTRACT

The Self Employment Assistance (SEA) Program is an entrepreneurial training program conducted in several states in the U.S. One of the SEA Programs conducted at a university in Pennsylvania has provided entrepreneurial training to nearly 400 individuals between 1998 and 2008. Based on the a priori criteria established by the state of Pennsylvania, the program was highly successful. In this article, however, a Quality Function Deployment/House of Quality approach has been employed to assess the program from a client/participant perspective and to demonstrate the process for continuous quality improvement. Individuals engaged in entrepreneurship education and training can obtain valuable information from the methodology and the results of this study.

INTRODUCTION

The important role of small business in the U.S. economy is well documented in terms of a number of key and very impressive statistics (U.S. Small Business Administration, 2008):

- ♦ Represent 99.7% of all firms
- ♦ Employ about 50% of private sector employees
- ♦ Nearly 45% of private payroll
- ♦ Produce 13 times more patents than large firms

There is typically a great deal of turmoil in the landscape of businesses in the U.S. as reflected in the "births and deaths" of firms. In 2007, there were 637,100 new firms, 560,300 closures and 28,322 bankruptcies. The survival rate for firms is 67% after two years; 44% survive at least four years and 31% survive at least seven years (U.S. Small Business Administration, 2008).

Given the importance *and* the survival statistics of small businesses, it is logical that there have been a large number of publicly funded service providers that have been created to support small business. These are evident at the national level (e.g., Small Business Development Centers), the state level (e.g., Industrial Resource Centers – IRCs) and the local level (e.g., loan funds).

The Self Employment Assistance (SEA) Program was created through the 1994 NAFTA legislation (USDA, 2009) that was based on the premise that there would be an inordinate level of unemployment stemming from the "export" of jobs to Mexico. The SEA Program was available for any state to initiate, provided they would pass conforming legislation at the state level and receive federal approval. The essence of the legislation was this: unemployed workers could continue to receive unemployment benefits from their states while receiving training, starting a business *and* earning income for that business. This was a major departure from existing policy, thus requiring the federal enabling legislation.

Seven states have been actively involved in delivering this program: Delaware, Maine, Maryland, New Jersey, New York, Oregon and Pennsylvania.

In 1998, the state of Pennsylvania funded eight pilot sites, primarily associated with universities. This article chronicles one of these Pennsylvania programs which has conducted 40 cohort programs including approximately 400 participants over an eleven year period. This SEA Program has been demonstrated to be a success in terms of: a) achieving the criteria mandated by the State of Pennsylvania (the funding agency), b) number and percentage of businesses up and running and c) numerous success stories (Bharadwaj, Falcone and Osborne, 2004). This article, however, focuses more on the *assessment of the content and delivery* of the various components of the SEA training program *from the perspective of the clients/participants*. The program has been evaluated by focusing on participants' perceptions of the *importance* <u>and</u> *satisfaction* levels of the different attributes of the training. The Quality Function Deployment/House of Quality and the SERVQUAL approaches have been employed to assess the entrepreneurship training program.

The paper is organized as follows: A comprehensive literature review is presented pertaining to broad entrepreneurship training, training pertaining to displaced workers, and specifically, the SEA Program. The Methodology section describes the SEA Program components, program evaluation, the use of the services marketing mix, and the quality function deployment (QFD) methodology. The Results and Discussion outlines the survey results and the use of the QFD tool for service quality improvement. The final section of the paper is the Conclusions and Recommendations.

LITERATURE REVIEW

The literature review below starts with the broad sub-section on whether individuals can be trained in entrepreneurship, followed by such training for displaced workers and then specifically reviewing the literature pertaining to the SEA Program.

Entrepreneurship Training

There is an immense amount of literature on entrepreneurial training that spans the spectrum from the popular literature to practitioner research to rigorous academic research. At the center of this body of work is the question: "Can entrepreneurship be taught?" A few of the positions:

♦   "Perhaps the most useful purpose an education in entrepreneurship can accomplish is to weed out those who lack the right DNA. Some students discover at school that they can't stomach the realities of running a business" (Grey, 2006).

♦   "So, what can be taught about entrepreneurship"? *Skills* (e.g., writing a business plan, incorporation considerations, financing), *Frequency* of start-up (e.g., that starting business is common), *Opportunity Recognition* (Hopkins, 2006).

♦   "Despite the growth in entrepreneurship education and training programmes, the paper reports that little uniformity can be found. Attention is drawn to the art and the science of entrepreneurship, with the *consensus that at least some aspects of entrepreneurship can successfully be taught"* (Henry, Hill, & Leitch, 2005).

♦   Fiet (2001) "appeals for more theory in our courses" for a number of reasons of which the first is the "improbability that students can encounter circumstances that would be similar to anecdotal lessons." It is important to note that the SEA Program is built around business functional and support areas pertaining to the specific businesses of the participants, thus mitigating this potential issue.

♦   Solomon (2007), in his extensive look at entrepreneurship education, identifies common program components including an increase in the use of technology, the creation of business plans, an increasing use of guest speakers and class discussion. While his study is in the area of college and university education, versus the focus of the SEA Program, these are some of the hallmarks of this program.

It is clear that while the evidence of the body of literature in total is mixed, it seems to suggest that entrepreneurs are sometimes "born" *and* they can be assisted, developed, guided, trained, etc. to varying degrees.

According to Garavan and O'Cinneide (1994), there are four types of entrepreneurship education and training programs. This SEA Program is a combination of the first three types with an emphasis on the first two in particular:

●   *Education and Training for Small Business Ownership – Small business education provides practical assistance to support the transition from regular employment to self employment.*

- *Entrepreneurial Education – Education for the purpose of creating new entities to develop a "novel product/service."*
- *Continuing Small Business Education – Adult continuing education intended to sharpen and update small business owner/manager's skills.*
- *Small Business Awareness – Expose people to small business for the purpose of creating awareness and perhaps to influence the student to consider a small business career.*

Interestingly, they conclude that it is often *small business management training* rather than entrepreneurship that is "taught."

The positioning of the SEA Program relative to other types of entrepreneurial training and assistance is illustrated in Figure I:

Figure I – Positioning of SEA Program vs. Selected Other Training & Services			
		Degree of Individualization	
		Low	High
Intensity & Breadth of Program	**High**	Traditional Academic Program	*Self Employment Assistance Program (SEA Program)*
	Low	Continuing Education Courses Seminars	Small Business Development Center (SBDC) SCORE

Consequently, the relationship of the literature on entrepreneurial training would be expected to be variably related and applicable to the SEA Program.

Central to the issue of entrepreneurial training is the measurement of effectiveness – how do we measure it? Havnes and Skjekkeland (2007) address this issue based on some case studies and, as evident in the title "Evaluating Entrepreneurship Programmes – Objectives and Measurement Dilemmas," this is a difficult undertaking. This research addresses this measurement issue from "Service Quality" and "Quality Function Deployment" approaches.

Displaced Workers and Entrepreneurship Training

There are a number of groups who have faced obstacles in becoming entrepreneurs and/or small business owners. Some examples of studies and articles include: *Lower Income Persons –* Bass & Hatcher (2005); *African Americans –* Pruitt (2009), Edgington & Marshall (2005); *Hispanics & Latinos –* King (2009), Plasencia (2003); *International* (*India) –* Gnanadhas, Venkateswaran, & Rathiha (2008), Dana (2000). In addition, there are a large number of support services which are

available to minorities – for example, the SCORE website (SCORE, 2009) is hyperlinked to a large number of resources for several groups (Asian Women, Asians, Blacks, Black Women, Hispanics, Hispanic Women, American Indians). *This study, however, focuses on a less researched group of potential entrepreneurs – the unemployed/displaced worker.*

In a study by Monroe, Allen & Price (1996), a number of public policy recommendations regarding what specific attributes should be part of entrepreneurial training for "welfare recipients" were offered. Those that were integrated into the SEA Program, on which this article is based, are *italicized*:

1) *Policy makers and government officials should fund entrepreneurial training programs for welfare recipients.*
2) *Entrepreneurial training programs targeted to welfare recipients should:*
   a) *Include specific selection criteria.*
   b) *Include a thorough orientation program that explains what the training program will cover, the requirements, the costs, and the outcomes.*
   c) Require participants pay at least a token tuition to defray the cost of the training.
   d) *Have participants sign a nonbinding contract which states they are committed to complete the training program, attend all sessions, read all assignments, and write a feasibility plan.*
   e) *Use a tested, well-designed, training program with detailed curriculum including specially designed books and supporting materials.*
   f) *Provide a comprehensive training program for instructors.* (All instructors were highly experienced in small business & entrepreneurship and consulting and teaching – no program per se).
   g) *Provide for mid-course and end-of-course evaluation of the effectiveness of the training program.*
   h) *Track participants for five years.*
   i) Provide access to a loan pool (No specific loan pool was established for the SEA Program. However, participants were networked with banks as well as federal, state, and local funding sources and support).

Bass and Hatcher (2005) conclude that lower income workers "required more support and patience." They based their findings on 478 people who attended their Make-a-Job Workshops and 157 participants in their JumpStart Entrepreneurship Development Program. These programs were conducted in Mississippi. They include "positioning the thinking of the participants as a key success factor." This is common theme, if not explicitly so, of many approaches to creating entrepreneurs.

The Self Employment Assistance (SEA) Program

As mentioned in the aforementioned discussion, the SEA Program evolved from federal enabling legislation and has been embraced by seven states (including Pennsylvania). Research has been conducted on the various programs including a few rigorous studies. The key findings of three of these studies are briefly presented.

Messenger, Peterson-Vacccaro, & Vroman (2008) studied the SEA Programs in all seven states with particular attention to New Jersey, New York, Oregon, Maine and Delaware (lesser focus on California and Pennsylvania). They were primarily interested in the utility of front-end profiling of the pool of unemployed workers in order to select appropriate candidates to participate in the SEA Program. Among their conclusions:

- Profiling has both positive (e.g., "good candidates") and negative consequences (e.g., denied access to the program)
- There is a need to research the success of SEA Program participants over the long term
- SEA Program will expand over time (e.g., Arkansas, Washington State and Massachusetts have been working on legislation in their states to permit the implementation of the program. Note: Washington State has enacted legislation and is implementing a SEA Program.)

Osborne, Falcone & Nagendra (2000) examined the relationships between a number of characteristics of the participants (age, education, math and reading aptitudes, entrepreneurial disposition, etc.) and the state mandated SEA Program outcomes. Few relationships were evident in that study, somewhat counter to the findings of Messenger, Peterson-Vacccaro, & Vroman (2008). However, it was concluded that "*the real reason for success was the program itself -- the success of the individuals is a function of their participation in the program and the learning and assistance provided therein*". This supported the contention that entrepreneurship could be "taught" at least to some extent.

Bharadwaj, Falcone, & Osborne (2004) found similar results in a later study and again concluded that the best predictor of success was participation in an Entrepreneurship Program rather than demographic and aptitude scores and other profile type data.

METHODOLOGY

There are two methodologies involved in this study:

- The *design and content* of the Entrepreneurial Training Program (in this case, the Self Employment Assistance Program)
- The methodology employed to *assess* the program

Each of these is briefly discussed in the following sections.

The SEA Program

The SEA Program is an entrepreneurship training program designed to assist select unemployed individuals in starting their businesses. This particular program was conducted by three faculty members (Project Directors) of a university in Pennsylvania.

State Mandated Outcomes

The "list" of outcomes identified by the state of Pennsylvania include the following (of which at least six are expected to be completed by each participant):

Table I – Specific Outcomes Required
Successful completion of entrepreneurial training program
• *Developed business plan*
• *Established legal entity*
• *Opened business checking account*
• *The establishment of a home office*
• *Signed a lease*
• *Secured equipment/purchasing supplies*
• *Developed marketing package*
• *Solicitation of customers/advertised product or service*
• *Purchased business insurance*
• *Obtained needed licenses/registrations*
• *Employees hired*
• *Filed Schedule C for income tax*
• Other - specific to a given business (e.g., buying franchise, franchise training, etc.)
• Amount of time being devoted (minimum of 32 hours/week)

The Project Directors work with the local CareerTrack staff to promote the SEA Program and to select participants for the program. Prior to entering the program, standard tests are used to assess the participants' aptitude, attitude, mathematical, reading, and reasoning skills, entrepreneurial potential, etc. For entrepreneurial potential, the Wonderlic instrument titled "Entrepreneurial Quotient" (EQ^{TM}) is used. This commercially available instrument is utilized as a "profiling system" and it assesses persons along a number of dimensions related to entrepreneurism.

After the testing is completed, the prospective participants are interviewed by a project director. Based on the clarity of the business idea and the perceived commitment level of the participants, admission decisions are made in consultation with the CareerTrack staff. Subsequently, a cohort group is entered into a SEA Program module. To date, nearly 40 cohort groups have completed the program. The cohorts have ranged in size from six to twenty participants.

SEA Program Training Components

In the SEA Program, nearly 30 hours of business training are provided to potential entrepreneurs and another 15-30 hours/participant in direct one-on-one or small group, personalized assistance in preparing business plans, developing marketing brochures, operational applications, financial projections & analysis and so forth. The entire program is generally spread over a period of 6-8 weeks. A summary version of the "classroom" business training follows. Each session lasts up to 3 hours with the authors instructing and/or participating with professional guests as indicated below:

Table II – Program Modules *(Project Directors involved in all sessions)*
Session # / Session Content
 # 1 & # 2 - Introduction to SEA Program (Guest Speakers: SEA Program Alumnus; Information Technology Manager)   # 3 - Nature of Entrepreneurship   # 4 - Business Concept to Business Plan (Guest Speaker: Director, Small Business Development Center - SBDC)   *# 5 - Marketing I - Basics & Market Research*   *# 6 - Marketing II - Implementation; Advertising*   *# 7 - Competitor Intelligence; Internet Marketing*   *# 8 Financial Analysis*   *# 9 - Financing (Bank/Other Sources)*   (Guest Speakers: Bank Loan Officer; Financial Director, County Center for Economic Operations; District Director, U.S. Small Business Administration - SBA)   # 10 - Bookkeeping/Accounting (Guest Speaker: A CPA)   *# 11 - Legal Structure & Issues; Insurance Issues* (Guest Speakers: Attorney, Insurance Broker)   *# 12 - Business Plan Presentations* (Guest Speakers: President, Chamber of Commerce, County Center for Economic Operations, Director, Government Contracting Assistance Program (GCAP), Manager, Small Business Incubator)   *# 13 - Reception* for participants and their families along with participants & stakeholders in other business service units

One of the Project Directors meets with each of the participants once or twice a week in addition to communicating by email and telephone, to provide individual counseling specific to their respective businesses. The individual sessions are designed to complement the content of the "classroom" training sessions. The individual sessions are designed around building a robust business plan for each of the entrepreneurs' business concepts. The product of this endeavor—the business plan itself—is mandatory and crucial for participants that are seeking external funding through banks and other lending institutions.

In addition, and more importantly, the process of business planning refines the business concepts of participants, helps them think of opportunities and challenges that they might not have otherwise envisaged, and forces them to think of the business as a system and understand the seemingly simple, yet complex, interrelationships between different aspects of their businesses and personal lives. At the end of the program, each of the participants is required to make a professional presentation of their business plans to their peers, the project directors, and a group of professionals. This ensures that the participants develop their business plans based on thorough research and careful analysis, thereby maximizing their chances for success. The program is designed to work in such a way that the participants are required to work "full-time" on their business ideas and business plans to make it a success.

SEA Program Evaluation

There were a variety of businesses that were pursued by the SEA Program participants.

Table III – Types of Businesses	
Type of Business	*% of Participants*
Miscellaneous Services	29%
Contracting/Repair Services	20%
Wholesale/Retail Sales	15%
Manufacturing	11%
IT/Communications	9%
Human & Health Services	8%
Food Services	7%
Others	2%

The participants were assessed at the end of each cohort relative to the expectations of the State of Pennsylvania Outcomes (shown earlier in Table I). Overall, 83% of the participants have completed at least six of the outcomes, the minimum number to be considered by the State as successfully completed the program. Thus, from the perspective of the funding source, 83% of the

participants successfully completed the program. The average number of outcomes accomplished by the participants was 7.8 with a median of 8 and a mode of 7. Not all of the outcomes may be pertinent to all businesses—e.g., franchise training, hiring employees, obtaining licenses/registrations, etc. Hence, the State's intention, appropriately was to ascertain that participants got at least six of the outcomes and not necessarily the maximum number of outcomes among the fifteen shown in Table 1. The number of outcomes should not be considered to be on a ratio scale which implies that higher the number, the better it is. However, it should be considered as a binary variable: ≤ 6 (failure) or >6 (success).

There are "two clients" involved in SEA Program – the state of Pennsylvania _and_ the participants themselves. Consequently, an evaluation of the effectiveness and quality of the program was undertaken based on the perceptions of the consumer. There are two major measures of "success" related to these participants:

♦   The *creation, survival and prosperity* of the newly created business entities
♦   The *quality of the training program*

Bharadwaj, Falcone, & Osborne (2004) used an "up and running" measure to assess the effectiveness of the entrepreneurial training. Based on this study, about 25% of the SEA Program participants were operational within two months of completing the Entrepreneurial Training Program.

McMullan, Chrisman & Vesper (2001) looked at the relationships between the following:

♦   Subjective measures of client satisfaction
♦   Perceptions of how organizational performance has improved related to assistance programs
♦   Objective measures of organizational performance after the assistance programs

They found that the subjective measures did not correlate to performance perceptions or performance. While some previous studies (e.g., Bharadwaj, Falcone and Osborne, 2004) have shown otherwise, this is not at issue in this particular research -- The current research had a different direction than the previous studies. It focused on the success of the program itself from the perspective of the clients, the participants in the program. The entire program was viewed as a professional service provided to clients and a modified service assessment model was used to determine the quality of the SEA Program delivery.

The Seven P's of Services Marketing as Applied to the SEA Program

The Services Marketing mix or the seven P's of Services Marketing include the four traditional P's—product, price, place, and promotion—plus the three additional P's—process, people, and physical evidence. The Seven P's model for services was first proposed and popularized in the 1980s by Booms and Bitner (Bitner, J. and Booms, B., 1981, Magrath, 1986). Since then the model has been employed in several research studies. Some examples of the use of the services marketing mix include retail banking (Neilson & Chadha, 2008), community pharmacies (Schmidt and Pioch, 2004), success in MBA programs (Ivy and Naude, 2004). The 7 P's model had relevance to the service of entrepreneurship training vis-à-vis the SEA Program.

Three of the four traditional Ps are not relevant for the SEA Program—Price (the program is free for participants), place (there is no choice other than the location(s) where it is conducted) and promotion (all eligible participants are sent an informational brochure—there is no other promotional channel and no eligible participant is excluded. Although we could study if there are better promotional channels, we excluded it from our study since an external agency that was beyond the control of the authors was directly responsible for the promotion of the SEA Program.)

The remaining four of the 7 P's and the SEA Program attributes pertaining to each P are listed below. A study of service quality of the SEA Program has to take into account the following attributes of the SEA Program.

Product—
1. Business Plan Development
***Specific Program Topics Including:**__*
2. Computer Training
3. Marketing
4. Brochure Development
5. Competitor Analysis

6. Internet/E-Commerce
7. Financial Projection Analysis
8. Accounting
9. Financing (Banks/SBA/Other)
10. Legal Issues
11. Insurance

Process—
12. Business Plan Presentations
13. "Debate" of Business Services
14. Individual Counseling

15. Degree of Individualization
16. Interaction with peers
17. EQ Testing/Results Analysis.

People—
18. Instructors

19. Small Business Development Center (SBDC) Staff

Physical Evidence
20. Physical Facilities   21. SBDC Library

A renowned model for studying service quality was developed by Parasuraman, Zeithaml and Berry (1990). These authors complemented David Garwin's eight dimensions of *product* quality (1987) with ten determinants of *service* quality. Their service quality determinants were based on extensive interviews of business executives and customer focus groups. They were--reliability, responsiveness, competence, access, courtesy, communication, credibility, security, tangibles, and understanding the customer's needs. Further, they shortened the above list to five criteria which have come to be known as the RATER model—reliability, attributes, tangibles, empathy and responsiveness.

There have been many studies found in the literature that try to determine the relative importance of each characteristic/service attribute. However, as rightly pointed out by Tenner & DeTero (1995), the relative importance of these characteristics varies based on the industry, specific business, and customer expectations at any particular time. Hence, it is important to constantly determine what constitutes service quality for specific services and what satisfies as well as *delights* clients.

Parasuraman, Zeithaml and Berry also introduced the concept of SERVQUAL, a survey instrument for assessing quality along the service quality dimensions. The SERVQUAL tool, albeit some shortcomings, has been used extensively in literature for service quality studies (for example, Pitt, Watson, & Kavan, 1995). Recent examples of utilizing SERVQUAL in research include Large and Konig (2009) in internal service quality of purchasing departments, Santouridis, Trivellas, and Reklitis (2009) in Internet service quality, Wong, Rexha and Phau (2008) in the banking industry, and Chowdhury (2008) in the healthcare industry.

The authors of this study developed and used a SERVQUAL-type survey instrument to study the client expectations and client service perceptions of actual service. What is the gap between expected service and the experienced service? In the words of Nargundkar (2004), "service satisfaction = service received minus service expected."

The survey instrument used a 7-point Likert scale (similar to SERVQUAL) and asked SEA Program clients to rate the services on the 21 dimensions under the four P's as listed above. First, the level of importance the clients associated with each attribute was determined on a 7-point scale and was used as a surrogate measure of their expectations. The anchors for the level of importance were low (1), medium (4) and high (7). The level of satisfaction was then determined also on a 7-point scale with the following anchors—poor (1), good (4) and excellent (7). The difference of satisfaction minus importance scores was used as a surrogate measure of service gap. A positive difference indicated satisfaction and a negative difference indicated the opposite.

The survey was administered to the SEA Program clients from the year 2000. Participation in the survey was voluntary. The results of the survey, filled out by 107 participants, were analyzed in 2005. Based on the results of this survey, a comprehensive quality function deployment/house of quality process was employed to make improvements in the SEA Program training mix in 2005 as described in the next section. Subsequently, the same survey was administered to the participants of the SEA Program from 2005-2008 to see if the service improvements had in fact resulted in reduction in the service gaps and if the participants were better satisfied with the SEA Program delivery.

RESULTS AND DISCUSSION

The results from the first group of respondents (n=107) are shown below. This included participants from 2000 to 2005 before the significant quality improvements were made in the program.

Table IV – Importance/Satisfaction/Service Gap until 2005 (n=107)			
	Importance	**Satisfaction**	**Gap (Importance Minus Satisfaction)**
Product			
Business Plan Development	*6.2*	*6.1*	-0.1
Computer Training	4.7	4.4	-0.3
Marketing	*6.0*	5.7	-0.3
Brochure Development	5.6	5.5	-0.1
Competitor Analysis	5.9	5.4	-0.5
Internet/E-Commerce	5.2	5.0	-0.2
Financial Projection Analysis	*6.0*	5.8	-0.2
Accounting	5.9	5.4	-0.5
Financing (Banks/SBA/Other)	5.5	5.5	0.0
Legal Issues	5.9	5.7	-0.2
Insurance	5.8	5.6	-0.2
Process			
Business Plan Presentations	5.9	*6.0*	0.1
"Debate" of Business Services	5.8	5.9	0.1
Individual Counseling Sessions	*6.4*	*6.1*	-0.3

Table IV – Importance/Satisfaction/Service Gap until 2005 (n=107)			
	Importance	**Satisfaction**	**Gap (Importance Minus Satisfaction)**
Degree of Individualization	*6.1*	*6.8*	*0.7*
Interaction with Peers	*6.0*	*6.2*	0.2
EQ Testing/Results Analysis	4.1	4.4	0.3
People			
Instructors	*6.4*	*6.5*	0.1
SBDC Staff	*6.2*	*6.3*	0.1
Physical Evidence			
Physical Facilities	5.8	*6.3*	*0.5*
SBDC Library	5.2	5.6	0.4

Importance: First of all, the clients viewed the following as the highly important attributes of the SEA Program service (minimum 6.0 on a scale of 1-7): *Business Plan Development*, *Marketing*, *Financial Projection & Analysis* in the Product category of the service; *Individual Counseling Sessions*, *Degree of Individualization* and *Interaction with Peers* in the Process category; *Instructors* and *SBDC Staff* in the People category.

The two aspects that scored very low on Importance/Expectation were *Computer Training* in the People category and *EQ Testing/Results/Analysis* in the Process category. The *Computer Training* rating is likely associated with the "bimodal" nature of the participants – they were generally either novices or very experienced with computers. With the *Computer Training* targeted at the middle, both groups were somewhat unsatisfied. Regarding the *EQ Testing/Results/Analysis*, it was presented to the program participants that previous studies did not find any relationship between the EQ Results and the various measures of success. Consequently, the value of the instrument and its results was diminished

Satisfaction: In terms of satisfaction, *Business Plan Development* (Product); *Business Plan Presentations*, *Individual Counseling Sessions*, *Degree of Individualization*, *Interaction with* P*eers* (Process); *Instructors*, *SBDC Staff* (People); and *Physical Facilities* scored very high.

Service Gaps: The largest negative service gaps were in *Competitor Analysis* and *Accounting* aspects of the Product. The possible reasons may be the (perceived) lack of relevance of topics covered, the complexity of the topics covered or the pedagogy of the guest speakers that were involved in these sessions. The biggest positive gaps (or potential client "delight") occurred in the *Degree of Individualization* and the physical evidence attributes. The D*egree of Individualization* was a conscious effort on part of the project directors while the inherent pleasant physical characteristics of the building and classroom facilities as well as the business library must have

unexpectedly surprised the clients. It was important to note that most of the Process attributes scored high on satisfaction (except the *EQ Testing/Results/Analysis*) and most of them had a positive performance gap.

Quality Function Deployment (QFD) and its pictorial tool the House of Quality (HOQ) are used by organizations to understand what customers need & expect and to systematically translate them into how services have to be designed. The reader is referred to Sullivan (1986) or any standard text in quality management for a detailed explanation of QFD/HOQ and its applications. The QFD/HOQ approach has been used in many service industries including transportation, hotel, hospital, education, and professional services (e.g., Trappey et.al, 1996; Chen, Chang, and Chou, 2008; Das And Mukherjee, 2007; Chang, 2006).

The project directors (authors) of this SEA Program utilized the QFD/HOQ approach in 2005 to strive to improve the service quality of the training program. HOQ is a pictorial tool that summarizes the data corresponding to client needs and expectations, internal service capabilities and/or tactical options of the business, and the performance of the competitors. Once the HOQ is completed, it provides managers with the ability to target appropriate internal service improvements. A generic house of quality is shown in Figure II along with a partial HOQ developed for the SEA Program. The client requirements (the 21 attributes) with order and level of importance are shown on the left wall of the house (as you face the house).

The second floor of the house depicts some of the internal service aspects that are under the control of the service providers. The project directors examined this part of the house in more depth to see if there were additional changes/improvements that they could potentially make to positively affect the service quality perception. The project directors also looked at the attic of the house, which identifies the tradeoffs between different internal service features (new and existing). The main area of the house (the first floor) depicts the interrelationship between the internal service capabilities and the external client requirements. This is an important part of the house since it clearly identifies the clients' needs that are not met as well as the service improvements that are not helpful in meeting clients' needs. Specifically, in that matrix part of the house, empty rows indicate unsatisfied needs of the clients and empty columns denote unnecessary internal service capabilities. This step of house of quality implicitly incorporates the return of quality philosophy. No service improvement is undertaken unless it specifically results in either meeting a strategic need or in meeting certain stated customer needs.

The right side of the house (as you face the house) shows the benchmarking data for the managers. It shows the level of current clients' satisfaction and compares it to that of the potential clients. Currently, the current clients' satisfaction data is known and is shown. Benchmarking data can be obtained by using the same survey in a similar entrepreneurship training program but there was no attempt made to obtain such data for this research study.
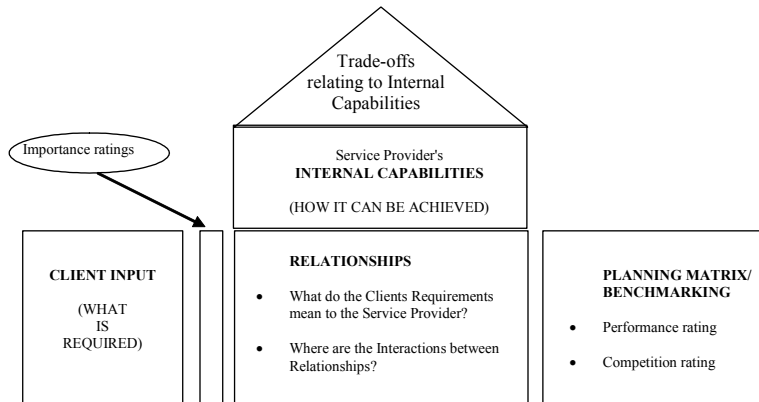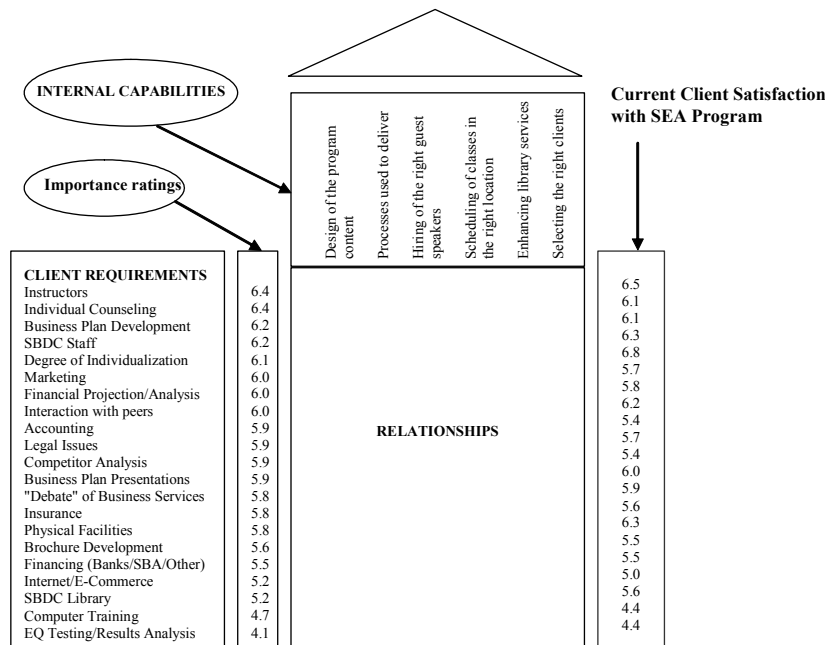
FIGURE II: Generic House of Quality

Trade-offs relating to Internal Capabilities

Importance ratings

Service Provider's **INTERNAL CAPABILITIES**

(HOW IT CAN BE ACHIEVED)

CLIENT INPUT

(WHAT IS REQUIRED)

RELATIONSHIPS

- What do the Clients Requirements mean to the Service Provider?
- Where are the Interactions between Relationships?

PLANNING MATRIX/ BENCHMARKING

- Performance rating
- Competition rating

FIGURE III: Partially Shown House of Quality for the SEA Program

INTERNAL CAPABILITIES

Importance ratings

Internal capabilities columns: Design of the program content | Processes used to deliver | Hiring of the right guest speakers | Scheduling of classes in the right location | Enhancing library services | Selecting the right clients

Current Client Satisfaction with SEA Program

CLIENT REQUIREMENTS	Importance	RELATIONSHIPS	Satisfaction
Instructors	6.4		6.5
Individual Counseling	6.4		6.1
Business Plan Development	6.2		6.1
SBDC Staff	6.2		6.3
Degree of Individualization	6.1		6.8
Marketing	6.0		5.7
Financial Projection/Analysis	6.0		5.8
Interaction with peers	6.0		6.2
Accounting	5.9		5.4
Legal Issues	5.9		5.7
Competitor Analysis	5.9		5.4
Business Plan Presentations	5.9		6.0
"Debate" of Business Services	5.8		5.9
Insurance	5.8		5.6
Physical Facilities	5.8		6.3
Brochure Development	5.6		5.5
Financing (Banks/SBA/Other)	5.5		5.5
Internet/E-Commerce	5.2		5.0
SBDC Library	5.2		5.6
Computer Training	4.7		4.4
EQ Testing/Results Analysis	4.1		4.4

In addition, an *ABCD Customer Window* (Saunders et al., 1990) was drawn for the SEA Program to identify the relationship between the client/customer requirements (attributes that the customer wants or does not want) and SEA Program's service package (what the customer gets or does not get). The ABCD window divides the attributes into a 2x2 matrix. The matrix is a simple yet powerful tool to analyze relationships between services provided and the customer requirements.

Figure IV shows the Customer Window for the SEA Program. The *A*ttention window identifies the attributes that the clients want but are not getting. *Competitor Intelligence* and *Accounting* were two attributes that clearly fell in this category. The *B*ravo window identifies the attributes that the customers want and are getting them. This is the window in which ideally all attributes must fall. In SEA Program's case, most of the Process category attributes (except *EQ Testing/Results/Analysis*), all *People and Physical Evidence category attributes* and many of the *Product attributes* were in this category.

The project directors needed to build on some of the attributes to enhance the satisfaction. The *C*ut or *C*ommunicate window identifies the attributes that are either not providing the service providers a good return on quality (Cut) or not being understood as important by the clients (Communicate). Computer training was a possible candidate for cutting or for significant redesign and EQ test results was a good candidate for better communication. The individual EQ results were taken literally by many clients and the ones who scored very low often feel disheartened and obtain a feeling that they are not capable of being an entrepreneur. On the other hand, the ones that score highly on the EQ tend to get "over-confident." However, the EQ test results were not necessarily correlated to ultimate business success (Osborne, Falcone, & Nagendra, 2000; Bharadwaj, Falcone, & Osborne, 2004). The EQ results must be used as a benchmark to look at ideal managerial characteristics of an entrepreneur. The project directors had to emphasize this aspect of EQ in the future. The *D*on't Worry Be Happy window identifies the attributes that the client does not want and does not get. The project directors did not have any attributes in mind to be added to the service and hence, there was nothing in this category. The directors of the SEA Program need to constantly monitor the customer window to ascertain that all attributes fall in the Bravo window. If there are any attributes in the A or C window, there needs to be a constant effort to move them to the B window.

The project directors also conducted a focus group session with select individuals from pertinent groups of stakeholders along with few SEA Program graduates. The objective of the focus group was to discuss the process and content of the SEA Program and identify strategies to further improve the quality of the training. Based on the survey findings and the focus group discussions, some of the examples of improvements that were instituted included—a) better process of identifying participants, b) addressing the computer training issue by better individualization, c) focusing more on the Internet/e-commerce aspects, d) making more robust the brainstorming debate of the pros and cons of business ideas of participants right in the second session of the program, e) providing a better context for the EQ results that were used as an "entrance test" for the program, f) working with the accounting facilitator to make that session even more applied, g) paying more attention to the facilities since that was of high importance to the participants (and the satisfaction was also already high).

FIGURE IV "ABCD" Customer Window for SEA Program

All these significant changes were made in 2005 based on the feedback received from this survey until that point, the focus group discussions, and the QFD analysis described above. The importance/satisfaction survey was continued to be administered and the data was analyzed again in 2009. The second group of respondents (n=55) included participants from 2005 to 2008. The results from that survey as well as the comparison of the results from the earlier survey analyzed in 2005 are shown in Table V. The data on the left hand side of Table V is a repeat from Table IV. The right hand side not only shows the data after 2005 but also the improvements (reduction in gaps) after the QFD exercise in 2005.

Table V Comparison of the Participant Survey Data—Before and After QFD Exercise in 2005							
Before QFD Exercise in 2005			*Attributes*	*After QFD Exercise in 2005*			*Reduction in Gap since 2005*
Importance	Satisfaction	Gap		Importance	Satisfaction	Gap	
			Product				
6.2	6.1	-0.1	Business Plan Development	*6.0*	*6.0*	**0.0**	*0.1*
4.7	4.4	-0.3	Computer Training	5.1	4.8	**-0.3**	*0.0*
6.0	5.7	-0.3	Marketing	*6.0*	5.9	**-0.1**	*0.2*
5.6	5.5	-0.1	Brochure Development	5.1	5.2	**0.2**	*0.3*
5.9	5.4	-0.5	Competitor Analysis	5.3	5.3	**0.0**	*0.5*
5.2	5.0	-0.2	Internet/E-Commerce	*6.0*	5.6	**-0.4**	*-0.2*
6.0	5.8	-0.2	Financial Projection Analysis	5.9	5.8	**-0.1**	*0.1*
5.9	5.4	-0.5	Accounting	5.9	5.5	**-0.4**	*0.1*
5.5	5.5	0.0	Financing (Banks/SBA/Other)	4.7	5.2	*0.5*	*0.5*
5.9	5.7	-0.2	Legal Issues	5.5	5.6	**0.1**	*0.3*
5.8	5.6	-0.2	Insurance	5.6	5.6	**0.0**	*0.2*
			Process				
5.9	6.0	0.1	Business Plan Presentations	5.2	5.7	*0.5*	*0.4*
5.8	5.9	0.1	"Debate" of Business Services	5.6	*6.1*	*0.5*	*0.4*
6.4	6.1	-0.3	Individual Counseling Sessions	*6.3*	*6.0*	**-0.3**	*0.0*
6.1	6.8	0.7	Degree of Individualization	*6.1*	*6.8*	**0.7**	*0.0*
6.0	6.2	0.2	Interaction with Peers	*6.2*	*6.4*	**0.2**	*0.0*
4.1	4.4	0.3	EQ Testing/Results Analysis	3.9	4.4	*0.5*	*0.2*

Before QFD Exercise in 2005			Attributes	After QFD Exercise in 2005			Reduction in Gap since 2005
Importance	Satisfaction	Gap		Importance	Satisfaction	Gap	
			People				*2005*
6.4	6.5	0.1	Instructors	*6.6*	*6.4*	**-0.2**	*-0.3*
6.2	6.3	0.1	SBDC Staff	*6.2*	*6.2*	**0.0**	*-0.1*
			Physical Evidence				
5.8	6.3	0.5	Physical Facilities	5.8	*6.4*	*0.6*	*0.1*
5.2	5.6	0.4	SBDC Library	4.9	5.3	*0.4*	*0.0*

Table V Comparison of the Participant Survey Data— Before and After QFD Exercise in 2005

The data shows that there is reduction in gaps (i.e., improvement) in almost every one of the attributes. The attributes where there aren't improvements can be explained as follows—the Internet/E-commerce attribute has gone up significantly in both importance and satisfaction. The instructors featured themselves and their credentials in a promotional brochure sent to all prospective clients which could have resulted in higher level of importance/expectation (but the satisfaction figure has not changed significantly). It can also be noted that the Financing attribute's importance has significantly diminished. This was the result of the instructors clearly explaining to participants that the program would not completely assure financing and that there was no "pot of money" available at the end of the SEA Program. Before 2005, some participants had an initial expectation that there would be an implicit or even explicit financing assistance as part of the program. The improvement in the overall satisfaction in the computer training part could be attributed to the more individualized training on only pertinent aspects of business planning. Before 2005, a professional in the area of graphic design was brought in as a guest to help the participants in brochure development and also to critique their work. However, due to personal reasons, this individual could not participate as a guest since 2005 and the instructors could not find an appropriate replacement for this individual. That may be the reason for the decrease in the raw scores of importance and satisfaction levels for the Brochure Development attribute. The SBDC library certainly needs to be updated as reflected in the survey results.

CONCLUSIONS & RECOMMENDATIONS

The need for Entrepreneurial Training has never been more important – whether justified in terms of the scope and impact of small business (Small Business Administration, 2008) or the general state of the U.S. economy in 2008/2009. Given the recessionary economy, the need for existing programs and services (and even new initiatives) will likely increase through 2009 and beyond. To meet these needs, the Kaufmann Foundation has announced a new initiative to offer

entrepreneurial training in communities that have been adversely impacted by the recent economic problems. Notwithstanding the Kaufmann initiative, with the present fixation on the financial and banking system, automakers, etc., it is not clear that there will be adequate funding available to support the level of activity needed. In a recent article "Laid off in 2008: Start a Business in 2009" (Wilson, 2009), George Solomon states that he "saw the number of startups increase during the recessions of 1983 and 2001 and predicts they'll increase in the current economy as well." Consequently, it is imperative that Entrepreneurship training being offered in the future be as effective as possible.

Based on this research which combines both a *design* for an Entrepreneurship Training Program as well as an *assessment* of the program, there are a number of conclusions and recommendations.

➢ Based on this research, and supported by the literature, it is clear that entrepreneurs can be very significantly assisted in their endeavors to start a business (even if everyone cannot be "trained" to be an entrepreneur). This is supported by the success of this SEA Program in terms of meeting state mandated outcomes (83% success rate) as well as successful startup businesses.

➢ Whereas profiling of participants has met with some success (Messenger, Peterson-Vacccaro, & Vroman, 2008), this research has *not* supported many significant relationships between profile information/test results and success.

➢ The use of "SERVQUAL" and "Quality Function Deployment" approaches is an effective means of evaluating the effectiveness of Entrepreneurial Training from the perspective of the client/participant.

➢ Based on the most recent survey data, there are a number of program components that were identified by SEA Program participants to be of particular importance to them. These also seem to fit with the critical skills others are including in their programs and are strong candidates to include in an Entrepreneurial Program for not only unemployed workers, but programs in general:

♦ Business Plan Development	● Financial Projection Analysis
♦ Marketing	● Accounting
● Internet/E-Commerce	● Financial Projection & Analysis
● Individualization	● Individual Counseling Sessions
● Interaction with Peers	● Quality of Instructors

➢ The use of "SERVQUAL" and "Quality Function Deployment" frameworks can be used to engage in a continuous improvement process by "closing the loop" among the phases of developing and implementing an Entrepreneurship Program as shown in Figure V:

FIGURE V   Continuous Improvement Loop
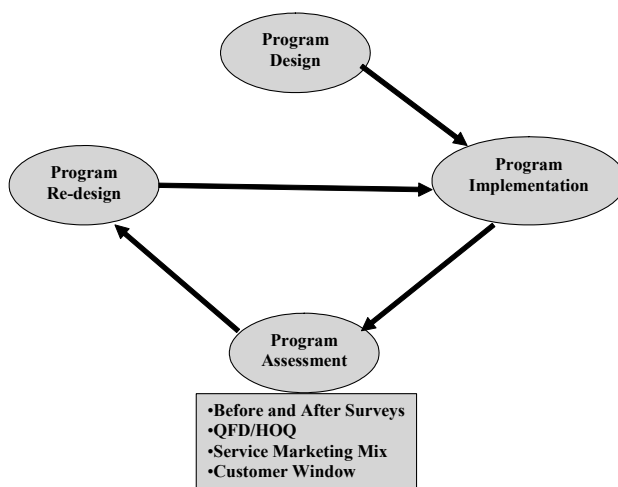
➢   The use of this framework as an assessment and redesign model is an effective means to improve program quality. Table VI is abstracted from Table V and highlights the improvements in terms of perceived importance, satisfaction and the "gaps."

While the specific results of this study are based on Entrepreneurial Training for the unemployed/displaced worker, the design of the SEA Program employed in this study has demonstrated sufficient success to serve as a potential model for other types of programs. Moreover, and more important, the "SERVQUAL" and "Quality Function Deployment" approaches to assessing Entrepreneurial Training appears to have great potential to improve program effectiveness and client/participant satisfaction in virtually any Entrepreneurship Training Program.

Table VI Entrepreneurial Training Program – After QFD Exercise in 2005				
Attributes	*After QFD Exercise in 2005*			*Reduction in Gap since 2005*
	Importance	Satisfaction	Gap	
Product				
Business Plan Development	*6.0*	*6.0*	**0.0**	*0.1*
Marketing	*6.0*	5.9	**-0.1**	*0.2*
Competitor Analysis	5.3	5.3	**0.0**	*0.5*
Internet/E-Commerce	*6.0*	5.6	**-0.4**	*-0.2*
Financing (Banks/SBA/Other)	4.7	5.2	*0.5*	*0.5*

Table VI Entrepreneurial Training Program – After QFD Exercise in 2005				
Attributes	*After QFD Exercise in 2005*			*Reduction in Gap since 2005*
	Importance	Satisfaction	Gap	
Process				
Business Plan Presentations	5.2	5.7	*0.5*	*0.4*
"Debate" of Business Services	5.6	*6.1*	*0.5*	*0.4*
Individual Counseling Sessions	*6.3*	6.0	**-0.3**	*0.0*
Degree of Individualization	*6.1*	6.8	*0.7*	*0.0*
Interaction with Peers	*6.2*	*6.4*	**0.2**	*0.0*
People				
Instructors	*6.6*	*6.4*	**-0.2**	*-0.3*
SBDC Staff	*6.2*	*6.2*	**0.0**	*-0.1*
Physical Evidence				
Physical Facilities	5.8	*6.4*	**0.6**	**0.1**

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