Entrepreneurs in the Teaching Process: 
What’s in it for them?

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Abstract: Since 1995 the teaching of entrepreneurship has become something of a growth industry in Scotland, largely as a result of the Scottish Business Birthrate Strategy initiated by Scottish Enterprise. Many of the Centres for Entrepreneurship - that exist to co-ordinate entrepreneurship teaching in Higher Education - support teaching by the case method and are active in engaging entrepreneurs in the teaching process. For example, entrepreneurs teaching their own cases, assisting in the delivery of other cases to students, acting as mentors to students, and supporting the wide variety of entrepreneurship related activities now taking place in universities and colleges across Scotland.

The support provided by Scottish entrepreneurs constitutes a major in-kind donation of time to entrepreneurship teaching. While many may sponsor activities outside their own organisations, the benefits to their own firms are often fairly clear. In this case however, none of the entrepreneurs receive any financial remuneration from the universities they support, yet they are consistently available to assist, in spite of the time away from their own organisations. Why then do entrepreneurs become involved? Do they perceive any real marketing benefit, or is the motivation purely philanthropic?

This research sheds some light on just what the benefits are perceived to be to the individual and the organisation. Understanding the motivation and the returns required will help in the quest to bring more entrepreneurs on board, and guide the ‘product positioning’. A further aim was to identify any potential improvements in the entrepreneurship teaching process.

A series of 12, structured, in depth interviews was carried out over the summer of 1998 with entrepreneurs who have become engaged in the teaching process at three Scottish universities. Some of the entrepreneurs had been involved at all three universities while others had contributed solely to one university. A focus group was also held with six entrepreneurs in the Grampian region of Scotland with entrepreneurs that had not previously been involved in the teaching process at all, but who were willing to offer views on the content and format of what they saw as the ideal entrepreneurship teaching programme.

The results reveal that the entrepreneurs become involved in the teaching process out of choice rather than obligation or the potential for rewards. Some simply wish to support the education
system, others feel the education system fails to nurture the entrepreneurial spirit in its students. All feel they have something to offer in terms of their experience and the potential to act as role models to students. They may be doing it for free - in financial terms - but clearly some benefits cannot be measured in these terms. Philanthropy lives!

INTRODUCTION

In 1993, Scottish Enterprise (the government funded economic development agency in Scotland) carried out research into the Scottish business birthrate and found that it lagged behind most of the UK. Comparisons were drawn with south-east England and it was found that if Scotland had matched the business birthrate of the south-east in the 1980s, 195,000 additional jobs would have been created in Scotland in that time (Scottish Enterprise Business Birth Rate Report, 1993).

Education (from primary to plc) was seen to be a key element of the Scottish Business Birthrate Strategy (SBBS) that was subsequently developed in order to improve the situation. Students at all levels needed to be informed about and inspired by entrepreneurship, using case studies of entrepreneurs as a principal means of teaching. As part of this initiative, five Centres for Entrepreneurial Studies (Centres) were established in Higher Education institutions in 1994/5, following the submission of tenders to Scottish Enterprise. These were located at the University of Aberdeen and Glasgow Caledonian University, and the University of Stirling, Napier University and The Robert Gordon University (RGU), who linked together to form a consortium bid. Most recently, in early 1996, the Strathclyde Entrepreneurship Initiative was located at Strathclyde University in Glasgow.

The aim of this work is to examine the involvement of entrepreneurs in the teaching process at the three consortium Universities, the ways in which they have contributed to the success of the programme, their motivations, whether they will continue to be involved and the ways they believe the process might be improved. Specifically, the perceived benefits to the entrepreneurs will be analysed. Do they see any real marketing benefit, or is the motivation purely philanthropic?

The Scottish University Entrepreneurship Programme

Within Higher Education, it is vital that students at both undergraduate and postgraduate levels come to regard the option of self-employment and new enterprise creation as a realistic career alternative.

Against this background, the Government economic development agency, Scottish Enterprise, undertook in 1994 to sponsor the development of entrepreneurship teaching within the Scottish Higher Education sector, through the establishment of a number of Centres for Entrepreneurial Studies at selected institutions.

In particular, it was recognised that this initiative, as part of a wider Scottish Business Birthrate Strategy would address the need to create an entrepreneurial mindset in Scotland’s student population.
This paper focuses on the entrepreneurial teaching contributions made by entrepreneurs, principally at RGU, but also at the other two consortium Universities. It assesses the relevance and impact of what has been achieved, determines the role of entrepreneurs in the teaching process and investigates their reasons for taking part. Do they believe that they or their companies will benefit or is it simply the right thing to do?

The entrepreneurs involved come from a variety of backgrounds and industries. They are male, female, old and young. Typically they have been involved both in developing their own case studies and subsequent teaching of these cases in the classroom. So what can they tell students that will be of value, and how can their expertise be exploited further in the future?

Research Aims

The objectives of this research are to:

1. Analyse teaching methods and modes of assessment for the Entrepreneurial modules introduced from the viewpoint of the entrepreneurs contributing;

2. Determine the level and nature of involvement of practising entrepreneurs - what do they have to offer students;

3. Assess the willingness of entrepreneurs to participate in the programme and establish their motivations;

4. Investigate the potential for their future involvement.

Rationale

The consensus of staff, entrepreneurs and students is that the entrepreneurial character is often latent, and the need is to encourage individuals to consider the possibility of running their own business as a career option. Some people are born entrepreneurs, but most become entrepreneurial as a result of circumstance (Timmons, 1994). Timmons stresses the importance of external environmental factors and suggests that interactive skills can be learned. Job security too, as a result of the increasing pace of technological and economic change, is a much rarer commodity in today’s commercial environment and the desire to take responsibility for one’s own destiny is greater than ever before (Wickham, 1998).

Demonstrating how others have achieved their goals is believed by the Centre staff to be the best way of bringing the entrepreneurial teaching programme to life, and RGU specifically, is committed to developing local case studies. Today’s students may be inspired to become tomorrow’s entrepreneurs by the example of the present generation of self-made business people. Numerous cases exist from other parts of the world, but it is important that students are able to relate to their immediate situation for the message to become credible.

Case study teaching is therefore integral to the overall process, and there are now numerous local cases. Significantly, the time and effort contributed to their development by entrepreneurs has
also been considerable, and is estimated at £22,500 (@£750 per day). The cases further represent a cross-section of industries, firms and entrepreneurs. An adequate age and gender spread has also been achieved, as well as a representation of large and small companies.

The question remains whether this maximises the potential to be derived from the entrepreneurs. How might they be involved further, how can their teaching skills be improved, and how might the teaching process be made more meaningful to both students and entrepreneurs?

In the interests of obtaining the support of more entrepreneurs in the future, it will also be helpful to understand why entrepreneurs agree to give valuable time and energy to the programme. Are there marketing benefits, are some of the skills gained transferable back to the business, and have students contributed anything to the entrepreneurs in terms of attitudes, approach, or working practices? In effect, what makes existing supporters willing to come back for more, and would financial remuneration make a difference?

METHODOLOGY

Twelve in-depth interviews were conducted between June and August 1998 with a representative sample of entrepreneurs involved in the teaching programme. A questionnaire was piloted which formed the basis for structured interviews (see Appendix One) undertaken at various locations (mostly at the entrepreneurs’ own premises) lasting for anything up to two hours. The age profile of the sample is from 34 to early sixties. There are three women and nine men. All have been involved with the programme virtually since the outset, and have shown a considerable degree of commitment towards it.

FINDINGS

Length and Nature of Involvement

All the entrepreneurs had been engaged in the teaching process for at least 20 months. Typically most had come on board in 1995/6, and one had been to Babson College in 1993, and had been sponsoring entrepreneurship awards in schools as long ago as 1984. Two have been involved longer term with their Local Enterprise Companies. The average number of teaching sessions undertaken was six. Siva Phimister and Peter Taylor had only been asked or able to ‘appear’ once, Robbie Taylor had been in the classroom a dozen times or more. Charles Skene was typically ebullient, but representative, when he indicated: “Too few!”

All the participating entrepreneurs have demonstrated an extremely high level of commitment to and enthusiasm for the programme. Their involvement has taken several forms - assisting with the recruitment of Centre personnel, contributing to the compilation of their own cases and teaching by the case method, making one-off presentations, co-teaching, assessment, student mentoring, attending operational and steering group meetings, attending/sponsoring conferences, events and dinners, creating links with, for example, venture capitalists and taking part in courses
to develop their own teaching skills. These activities are diverse, but are characterised by the entrepreneurs’ willingness to making full and enlightening contributions on each occasion.

**Benefits of Involvement**

So much for the ‘how’. This research is also designed to show ‘why’ and the interviews provided some insight into the benefits that the entrepreneurs felt that they had derived, and any other reasons for participation.

The benefits to the individual were greater, if very closely linked to the benefits to the company. Peter Taylor typically suggested that:

“It gets me out of my box! It widens my horizons, makes me encourage others in the business to be more entrepreneurial, and generally helps me to take time out, to reflect and to refocus.”

Sam McGregor agreed and also indicated that:

“The positive feedback provided reassurance about what I have done. It raised my awareness of what is going on in the business and reminded me to appreciate and praise staff.”

Charles Skene had as a result:

“Instigated a ten year service award in the company.”

Robbie Taylor, as the entrepreneur with probably the greatest involvement of any, felt that the personal benefits were more extensive, and several entrepreneurs picked up on elements of his response in their own remarks:

“My presentation skills have improved, my self confidence has increased and I have been forced to delegate more. I have been helped to prioritise. My business role is now more strategic, rather than just tactical.”

Melfort Campbell and Heather Copus had recruited staff from the class. John Halliday felt he now had a greater appreciation of the Higher Education system and process, and Michael Williamson said he too, understood better the links between academia and business. Significantly, in the context of promotion, Peter Taylor, John Milligan, Robbie Taylor and Bryan Keith all agreed that the resultant publicity had done their businesses some good. Bryan had even won business.

Across the board there was a considerable level of personal satisfaction and pleasure at doing something to encourage young people to be entrepreneurial. The great majority felt that they had learned from, and enjoyed, the experience. The need for ongoing creativity, and humility, were both acknowledged. To a lesser extent their businesses had also gained. At the very least, the students were a useful sounding board. One entrepreneur was categoric that he had learned nothing, but the authors, having observed behavioural changes attributed this to a denial of the reality!
Reasons for Involvement

The reasons these entrepreneurs became involved in the first place are many and varied. Initially, they were asked by contacts in the Centre to which they are affiliated, and thought it would be something different. A challenge they might enjoy. Some wished, or felt obliged, to “put something back” into the system that has helped them to be so successful. Others wanted to become involved in changing the Scottish education system for the better - they believed the initiative to be worthwhile and that they had something to offer. Others enjoyed the enhanced status brought about by being involved in the education process and appreciated the opportunity for networking. Many understood that students might provide ideas and solutions which could impact favourably on their businesses. John Milligan is typical:

“I was honoured. I suppose it is a little bit of recognition! I also thought I could tell the students something that they could learn from and would be good for them and me.”

In reality, most entrepreneurs are involved for a number, or all of these reasons.

Continuing Involvement

Without exception, the entrepreneurs interviewed were prepared to continue with the process. By their very nature, entrepreneurs and marketers are curious and like to be involved. Their self-belief convinces them that their message is relevant. The same incentives that motivated them at the outset continue to be relevant. If some needed reassurance that their contribution is valued, and would be ready to disengage if asked, the overriding indication was that all would choose to continue.

Bryan Keith spoke for most when he said:

“I suppose I enjoy it, I know now I can do it, it’s nice to be appreciated and I think my story offers the students a different perspective.”

Lorna Anderson, as a former student (at RGU) herself felt: 

“It’s interesting; and I know I can add something to what I learnt from my own education.”

Peter Taylor recognised that:

“It’s important to refresh the material, and to look at new people, but I think I can demonstrate what is achievable on a medium scale.” and echoing the previous remarks, he also stated: “The sessions are entertaining, and I’m still keen to offer advice and guidance.”

Michael Williamson reflected the leadership instinct apparent amongst the sample:

“I like to pass on knowledge, for example that markets are global and the nature of employment is changing. I want to make things happen and I’m comfortable in the spotlight.”

Robbie Taylor indicated a desire:
“.. to maintain contact with the young - the business managers of the future. I have a genuine belief in the value of graduates.”

Interestingly, John Milligan said:

“I believe there may be long term benefits for my business. Perhaps I have begun to recognise my own wisdom! I also have more time.”

Melfort Campbell too, suggested that:

“The recognition is good for the company, and I continue to be asked searching questions. I also like the opportunity for reflection, to think on a different plain, time away from the business.”

Heather Copus was even more positive:

“It has helped the development and growth of my business. The students are a great source of new ideas - they just don’t think about the pitfalls.”

Finally, Charles Skene noted:

“The Scottish economy still needs it.”

**Student Learning**

There was a clear expression of the need to advise students that real life situations and experiences cannot be derived from text books, that there are vital personal qualities necessary to succeed over and above business knowledge, and that the risks were real, but the benefits make them worthwhile.

Michael Williamson spoke for many when he said:

“They need to understand the ways in which a business works, how to achieve the aims of business and be successful.”

Peter Taylor was also representative, when he emphasised the importance of communication and a positive attitude:

“Students should learn to be good listeners, and use what they hear to their advantage. There is no great mystique to being in business - anyone with the right mindset can do it. All they need is encouragement, self-belief and a ‘can do’ philosophy.”

Sam McGregor thought it important to remind students of the downs as well as the ups of an entrepreneurial career, and explain the motivation and responsibilities involved:
“They will need an ability to find positive lessons from negative experiences. Entrepreneurship is not a bed of roses! They won’t be motivated just by the money either, and a lot of different people may come to rely on them.”

Melfort Campbell stressed that a lack of academic achievement was no obstacle!

“Educational disadvantage doesn’t mean you can’t make it. Introverts can be entrepreneurs if they can see and exploit new ways. Challenges are for overcoming. Teach innovation, not education.”

John Halliday highlighted the need for honesty and a competitive instinct:

“You need to be honest, but also totally determined and single minded about winning.”

Siva Phimister wants students to be prepared:

“Capitalise on change, and be quick on your feet. Read a lot and stay in touch.”

And finally, John Milligan summed it up when he said:

“They have to know you can’t succeed without taking a few risks, making mistakes and putting in a lot of hard work.”

**Improving the Process**

In overall terms, it was clear that the entrepreneurs believed that the teaching programme was very much along the right lines. Several however, felt that practical knowledge could not be gained in the classroom alone, no matter how capable academics or practitioners are of bringing the subject to life. Project work was cited as being worthwhile, and indeed, the Chrysalis joint venture between RGU and GEL reflects the need for students to gain the experience of genuine small businesses so essential to their understanding of the problems faced by owner/managers. Students are assigned to these businesses as consultants, and after a 15 week period must produce a report which should not only demonstrate market place awareness, but also submit recommendations for future tactics and strategy.

Similarly, site visits and ‘away days’ could add that extra dimension, and back in the classroom, a number of entrepreneurs indicated that they would be willing to mentor students or teach cases other than their own. Materials - case studies in particular - and people should be refreshed on a regular basis, so that the process remains relevant and up to date.

Clearly too, the facilities and equipment needed to be in place. Both Sam McGregor and Siva Phimister felt that their presentation style would be (or had been) less effective with an inefficient support system.

Charles Skene and John Halliday however, were representative in that they feel that the present teaching process is very much along the right lines. Their concern was simply to have:
“More of the same” such that “every student in the University should have the opportunity of being exposed to it”.

The payback to the entrepreneurs, and indeed one of the key benefits to them in terms of promoting their own businesses, lies in the ongoing refinement and improvement of their presentation skills through feedback and experience.

Michael Williamson suggested that he himself had developed, and wanted to improve further through:

“More communication focus, a clearer brief with regard to delivery and the ability to use new technology.” (Powerpoint, video conferencing, etc.)

Or, as Peter Taylor put it:

“More practice and being better prepared.”

Several entrepreneurs liked the idea of learning to use new visual aids, and although many had participated in the development days at the outset of the programme, this might be the focus of another series now.

Robbie Taylor was even prepared to:

“Sit in as a student in other classes to pick up new ideas.”

And John Milligan felt his skills could be improved with:

“A greater awareness of theory.”

Ultimately, improvement could stem from increased classroom exposure, greater awareness of teaching methods and ‘tricks of the trade’, and greater confidence obtained from both.

Financial Rewards

Whatever other benefits were derived, there was a widely held, but by no means unanimous, desire to continue to ‘do it for free’! For the majority, monetary gain never has been and apparently never will be an incentive to assist the programme. Four entrepreneurs however, showed varying degrees of interest in the potential for financial rewards. Michael Williamson and Lorna Anderson both suggested:

“That would be fine, but it’s not a major issue.”

For Robbie Taylor though, it was a matter of principle:

“Payment would demonstrate a greater appreciation and valuation of the input. The offer would allow wealthy entrepreneurs the opportunity to say no, and at least it would show that the Universities really are committed to the programme.”
Robbie even liked the idea of a ‘quid pro quo’ where he might receive a free course in return (although clearly no one has taken him up on this, given that he has subsequently enrolled on a distance learning MBA at the Durham Business School!)

This response was nevertheless exceptional and Bryan Keith was more typical when he suggested:

“Money is not important. Money implies obligation. If I don’t feel any commitment, then I can choose whether I continue to do it or not.”

Siva Phimister endorsed this when he said:

“It would change the motivation and lose the pleasurable aspect. My involvement would become contractual, not moral.”

John Milligan added that:

“Payment is no inducement, but the honour, privilege and satisfaction are reward enough” and asked “What difference would it make anyway? You couldn’t pay me enough!”

CONCLUSIONS

In response to a real shortcoming in the Scottish economy, the Government economic development agency, Scottish Enterprise in 1994 launched a wide-ranging initiative designed to improve Scotland’s business birthrate.

Part of the initiative has involved getting to grips with an attitude problem that exists within Scotland’s Higher Education student community, where traditional business teaching has focused largely on academic theory, and does not adequately prepare students for the realities of the employment market, where downsizing and rationalisation on the part of large companies has meant increasingly that jobs are not so easily come by in the first place and cannot be relied upon to provide continuous employment thereafter.

The setting up of several Centres for Entrepreneurial Studies at Scottish Universities was effectively designed to address the challenge of instilling an entrepreneurial philosophy into the mindset of Scotland’s undergraduate and postgraduate population.

This necessitated amending and adding to the course content of a number of degrees and not simply those which are business orientated, not least in terms of teaching methods employed. These must, if they are to reflect the different nature and content of the modules developed, stand out from the traditional means employed by Universities.

This is not merely the view of the academic community. These measures take into account the opinions and ideas of the entrepreneurs who have volunteered their services to the Universities involved with the programme.
Contributing in a variety of ways, from case study development and teaching to student mentoring and assessment, and from sponsorship to assisting with the Centre administration, the entrepreneurs, who represent a cross-section of age groups and industries, are motivated by many different reasons.

The key question is whether the entrepreneurs perceive any real benefits, either to themselves or their businesses, or whether they contribute purely on the basis that they are ‘putting something back’. Inevitably, the answer is not clear cut.

Principally however, it is a combination of the challenge and a sense of obligation. The opportunities for networking, the new ideas and the fresh perspective are appreciated, but seen as helpful side effects. The entrepreneurs are happy to continue to contribute, in part because they enjoy the recognition or the enhanced status, but mostly because they believe they have something of value to offer, and some feel that the economy and the educational system will be the better for it.

Undoubtedly there are benefits, including the opportunity to promote the entrepreneur’s business. As individuals too, the entrepreneurs’ presentation skills have developed and several have altered their managerial style as a result. The greatest reward though, is nothing more complicated than personal satisfaction and pleasure, and the knowledge that the students they are in contact with will have received a more complete education.

Ironically, the entrepreneurs’ greatest concern is that students should understand the importance of applying the marketing concept, as opposed simply to knowing how a business operates in theory. In practice, good communication with customers and staff, spotting and seizing opportunities, and sheer hard work, are crucial to success. As one entrepreneur put it, education is not what matters so much as innovation, and the ability to stay one step ahead in order to stay profitable and keep the customer satisfied.

Undoubtedly the teaching programme might be improved, and the entrepreneurs suggested firstly that classroom contact alone is insufficient to achieve the stated aims. Project work, associated with real businesses, and site visits, should be added to the module content. The entrepreneurs also felt that they should be more widely involved, and in particular they could do a better job with more training and development. Increasing the payback in the process. Ultimately however, the entrepreneurs were satisfied with the programme direction, and the progress being made, and were simply keen to extend the reach.

If the motivation is not primarily the promotional benefit, then equally it is not the potential for direct financial return. Most entrepreneurs enjoyed what they did, and agreed that they preferred moral, rather than contractual, obligation. If some would be happy to accept payment, the main rationale was that the Universities should be seen to be appreciative of the entrepreneurs’ efforts, and seriously committed to the future of entrepreneurship teaching.

The final conclusion is that for entrepreneurs there are many incentives, and clearly there are marketing benefits to be derived. Apart from the satisfaction gained from successful teaching delivery though, a better education for the students, more new business starts, and a helping
hand, are genuinely the main reasons for an involvement which will continue for as long as it is seen to be beneficial.

REFERENCES


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