FAMILY BUSINESS ENTREPRENEURS’ INFLUENCE ON ENTREPRENEURSHIP EDUCATION AND TRAINING – A DISCUSSION PAPER

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Abstract

Entrepreneur education and training are the key concepts for the success and welfare of the European societies. In this, the most important actors are the local and national family business entrepreneurs and their enterprises. The challenge for them is to become global and to build international business and social networks with their European counterparts as well as to learn to be motivated in cooperation with educational establishments. This study focuses on the online learning program of Global Entrepreneurship developed with the support of family business entrepreneurs as mentors. The students act as business assistants to the entrepreneurs. The study offers entrepreneurs an exciting and motivating platform for this in five European countries: Austria, Finland, Hungary, Italy and Lithuania, as well as in Turkey. At the same time, the educational institutions support the entrepreneurs in putting their innovative visions of international cooperation into practice. The outcomes of the cooperation include SME business surveys, marketing research and a proposal for an online department store. The evaluation emphasizes the occupational competences and attitudes of the entrepreneurs, which are results based on the previous study by Westerholm (2007) in the same countries except for Italy, which is a new partner country. The empirical case of INNOVET- Transfer on Innovation - is a real-life application of entrepreneur education and training.

Key words: entrepreneur education and training, family business entrepreneur, international cooperation and networking, educational innovation transfer.
INTRODUCTION TO THE TOPIC

The EU has adopted a stand strongly in favour of entrepreneurship, of which a prime example can be found in the “Framework for key competences in a knowledge-based society 2004: Entrepreneurship.” (European Commission 2004). According to this framework, entrepreneurship supports all citizens in everyday life at home and in society and helps employees gain awareness of the wider context of their work and capitalize on opportunities that arise. It also provides the foundation for special skills and knowledge that entrepreneurs need when starting a social or commercial enterprise.

The importance of the global division of labour is growing and mobility between societies is increasing. Networking in the information economy in particular could provide a solution to the appropriate division of labour, adoption of innovations and specialization, if multicultural backgrounds could be capitalized upon. In practice, entrepreneurship education and training can succeed if the entrepreneur education curriculum corresponds to the needs of local entrepreneurs and the learning environment extends from the classroom to any part of the world. (Carrier, 2006; Westerholm, 2007).

According to the Global Entrepreneurship Monitor 2007, there is lack of meaningful entrepreneurship education everywhere. The emphasis in entrepreneurship education is on the research and development of processes of learning. The traditional, teacher-oriented practices in entrepreneurship education seem to offer very few opportunities to be creative and innovative (Schumpeter, 1934; Landström, 1998; Kyrö, 2008). Developing creativity and innovation in the context of entrepreneurship education requires new pedagogical methods and theoretical bases (Kyrö, 2008) and a bridge to global business realities and active entrepreneurs. This bridge is built by inviting the entrepreneurs to play an active role in planning and implementing entrepreneurship education (Gibb 2002). It is important to pay attention to the skills needed in real multicultural business environments.

In addition, we are convinced that the traditional teacher’s role is going to change into the role of active communication and cooperation with the world of work. The strong signals come from the enterprises. This will reflect on the study programs of students more than ever. On-the-job learning and work training are going to have a central position in their studies. Practical assignments strengthen their abilities, skills and attitudes.

In future, the question is whether the difference between successful performance in school and successful performance in business life can be discerned in time. Kupferberg (2003) emphasises that creativity is more meaningful than competences. He believes that education and training are going to meet new challenges which are more than plain competences. Insight is an integral element of competence, bringing into play such characteristics as willpower, intuitive thinking, spirit and communication skills that impact on ability to manage practical problem-solving situations. The ability to learn from experience is valued and taken as part of the broader learning process. (Munch and Jakobsen 2005). The focus in valuating learning results in future will be on individuality and fragmentation, the vision being an unlimited range of patchwork profiles that discard the holistic
competence concept. The primary concern in the world of work will be on broad-based education linked to a personality that exhibits strength, individual initiative, independence and the ability to reach analytically justified decisions. (Drexel 2003).

RESEARCH POSITIONING AND PLAN OF THE STUDY

The INNOVET study (see Fig. 1) provides family business entrepreneurs with a practical platform to put their competence and experience to use as mentors. The students in the partner institutes function as business assistants conducting business surveys and marketing research and preparing proposals for international cooperation based on the requests and wishes of participating family business entrepreneurs in Austria, Finland, Hungary, Italy, Lithuania and Turkey. The partner countries and educational establishments are the same as in Westerholm’s study (2007), with the addition of new partner Italy.

![INNOVET study online Global Entrepreneurship Learning Program online](Figure 1. INNOVET research positioning by adopting Westerholm’s model (2007, 17).

The INNOVET study promotes entrepreneurship education and training. It develops different learning program versions according to the needs and educational traditions of the partners. Each partner has its own networks. In the national networks there are representatives of family business entrepreneurs, educational and business organisations, staff members and students as business assistants. The national networks communicate actively with those of other partners.

The focus of our interest are the entrepreneurs, who to date have had a minor role in entrepreneur education. However, they are the bridge to the reality of global business environments, offering challenges to new innovations and visions. There is a constant dialogue between the various forms of entrepreneurship education and training and the family entrepreneurs.
We emphasize at first the entrepreneurial approach and then the student-oriented approach in planning the ongoing process of the project. The teachers’ role as instructor is to support and facilitate cognitive paths, to propose pedagogical methods and to develop evaluation criteria with the help of the entrepreneurs and students. The entrepreneurs are the experts of real-life business cultures.

The Plan of the INNOVET Study on Entrepreneurship Education and Training

Objectives of the study

Target groups: entrepreneurs, students and instructors

The pilots of Global Entrepreneurship course in Austria, Finland, Hungary, Italy, Lithuania and Turkey 2008 - 2009

Outcomes of the pilot courses

7 language version of ongoing e-magazines

Surveys, marketing research and business networks

Proposals of international online shops and department stores

On-the-job training abroad

EVALUATION

Figure 2. The plan of INNOVET study.

The first real challenge was to find the enterprises and entrepreneurs who would like to participate as mentors. The channels for communication in each partner country were several newspaper articles, chambers of commerce and seminars where the entrepreneurs were invited. The aim was to locate at least two enterprises and entrepreneurs from each partner country. The entrepreneurs gave to the students several assignments, which consisted of requests of proposals for cooperation and new business ideas. The entrepreneurs had little or no familiarity with the cultures and business environments in the partner countries. They needed to be informed and the students of Global Entrepreneurship did this survey and e-mailed the results to entrepreneurs.

Most of the Global Entrepreneurship courses online started during fall 2008. The course consists of six parts:

- what does entrepreneurship really mean?
- entrepreneurship and the EU
- entrepreneurship in your own country
- entrepreneurship in partner countries and the assignments of mentor entrepreneurs
• preparing the reports to entrepreneurs and proposals for international cooperation
• new business ideas and preparation for the work training abroad

The work training abroad of Educating European Citizens consists of three parts

1. Before the training abroad in the partner country
   • Country (place of training) package is given to the trainee to study
   • Entrepreneur’s (place of training) assignments are given to the trainee who makes a survey in his/her home country about entrepreneurship
   • Global Entrepreneurship course

2. During the training
   • Detailed program prepared by the enterprise receiving the trainee
   • Guidelines and objectives for the training by the mentor enterprise

3. After the training abroad
   • Evaluation based on the European Reference Framework (EQF) – Key Competences for Life Long Learning (LLL)
   • Certificate granted by the mentor enterprise and the educational institute responsible for the MOBILITY administration
   • Agreement about ECVET credits between the educational institutes sending and receiving the trainee

OBJECTIVES OF THE STUDY

The study consists of the following objectives:
• to promote entrepreneurship education and training
• to develop new practices in entrepreneurship education and training
• to discover how entrepreneur education and training functions in an open online learning environment in six different educational and business cultures
• to train the students in the competences and attitudes transferred to them by family business entrepreneurs as mentors
• to evaluate how the family business entrepreneurs, staff and students benefit from the process and outcomes of the INNOVET program

The actors in our project are the entrepreneurs, students and instructors. The project offers an international platform for dialogue and interaction. All the members in each group are equally responsible for planning, conducting and evaluating the processes taking place during the project. Each group faces operational opportunities but also obstacles to reaching the goals.

All group members with their organizations are in a position to create and implement new ideas and ways of doing things. In the beginning there is confusion due to the needs of active international cooperation and reciprocal communication between the partners. The differences and similarities in educational and business cultures are not known or understood, and it takes time to build new practices for action building trust. Individual and collective cognitive and affective skills are
needed in the operational activities. In their personal learning situations, the members of each group specialize in the roles of both supply, i.e. resources to solve problems and provide solutions, and of demand, i.e. formulating objectives and goals.

We emphasize at first the entrepreneurial approach and then the student-oriented approach in planning the ongoing process of the project. The teachers’ role as instructor is to support and facilitate cognitive paths, to propose pedagogical methods and to develop evaluation criteria with the help of the entrepreneurs and students.

THEORETICAL BACKGROUND

This study is a qualitative study following the process of the INNOVET project (2007–2009), which through mutual exchange and communication and innovative transfer of learning seeks to develop a target model for entrepreneurship education and training that strengthens the competences and attitudes needed by the entrepreneur in international business networks.

Entrepreneurship education and training

According to Snow, Corno and Jackson (1996, 247), a personality consists of an affective and conative function and intelligence as a cognitive and conative function. This theoretical, psychological model presents the main ideas of intelligence and personality research. A transfer of the psychological model to entrepreneurship education is still quite a way off. With this model as their basis, Ruohotie and Koiranen (2000) have analyzed entrepreneurship education from the perspectives of both personality and intelligence. They believe key processes are related to conative construction, i.e. motivation and will, while Bloom (1956) in his educational taxonomy favours attitudes. Affectiveness thus emphasizes the key processes. The nature of entrepreneurship education is a world of the cognitive, affective and conative factors of intrapreneurship, and owner-entrepreneurship according to Kansikas (2006, 418) reflects a need for the goal of a learning entrepreneurship. This would reflect the need for individual flexibility in learning the skills required of potential entrepreneurs in a given time, environment and life situation. A learning entrepreneurship is based on a motivation for active and independent learning. The learning entrepreneurship is an attitude that may manifest as pedagogical solutions. The same can also be achieved through a Bloom-based approach, in which the attitudes of the entrepreneur are structured directly at the analysis stage.

Remes (2003, 164) and Westerholm (2007, 130) state that there is too little debate within the arena of research both nationally and internationally about learning in entrepreneurship education. It would seem that a unanimous view of entrepreneurship education has been adopted in research, yet that view is to too large an extent positioned in the field of adult education and leaves much to be desired in terms of entrepreneurship education as a part of civic education. The paradigm of teaching business plans perseveres within the business studies unit in vocational education. Although periods of on-the-job learning bring the message from the business community that education in attitudes and interaction skills is of at least
equal importance, this message is only slowly integrated into the curriculum. Even slower is its integration into education and learning.

Remes (2003, 164) has described the forms of entrepreneurship as analogues of entrepreneurship training as follows: 1) the manifestation of voluntary entrepreneurship in pedagogic activities should be compared to the enterprising approach of the individual, 2) the manifestation of external entrepreneurship to the teaching of entrepreneurship knowledge and the enterprising use of materials, and 3) internal entrepreneurship to the enterprising approach of society. The modelling put forward by Remes could be taken a step further by classifying entrepreneurial skills as cognitive, affective and psychomotor skills, as this serves practical curriculum planning in vocational entrepreneurship training, yet does not abandon the entrepreneurial type classifications created by Gibb (2005, 47–48). The importance of practical learning alongside theoretical education has long been known. Voluntary entrepreneurship and its many aspects are best described by affective core skills (see Kyrö 1998 and 2005; Remes 2005). In vocational education, these core skills are best strengthened as a learning process in open learning environments, e.g. in practice enterprises and during periods of on-the-job learning, and they can be evaluated through demonstrations, which by definition concern the practical application of skills. The affective element of personality falls outside evaluation in demonstrations under current entrepreneurship training, although it should be evaluated alongside cognitive work processes. (Westerholm 2007).

Skills of small and family business entrepreneurs

Skill, qualification, ability, capacity, effectiveness and proficiency are integral elements of the concept of competence, which is an amalgam of knowledge, behaviour, attitudes and values and refers to mastery of a certain skill, such as learning or reaching goals. Competence is also linked to creativity, innovativeness, flexibility, endurance and accuracy and precision. The usage of the concepts competence and qualification has been wavering and no consensus has been reached regarding the semantic content of the two (Ruohotie and Honka 2003; Antwell 1997; Drexel 2003; Juceviciene and Lepaite 2005). Competence may thus be taken to mean either a characteristic of the individual or the requirements of given tasks. The competence needs of business in a slightly wider context have been examined by Munch and Jakobsen (2005), who have stated that competence has become an important area of emphasis in education and industrial policy in recent years. Evaluation of the effectiveness of education has focused on qualification, understanding or ability. The concept of qualification has been nearly impossible to differentiate from that of competence in research on evaluation, as many factors in the everyday language of evaluation mix up the two. The meaning of good school performance and of good business performance has been difficult to define.

In entrepreneurship training, evaluation has even involved ethical issues. Entrepreneurship training becomes ethically questionable if the participants’ current poor economic status is their only impetus for participation (Westerholm 2007, 133).
DATA COLLECTION METHODS

Data collection

The data collection method involves choices on how to collect data and what data to collect. The questions of what, where and how are interactive. The operative model emphasizes the role of family business entrepreneurs. The evaluation takes place during four phases.

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Figure 3. The process of data collection.

Data collection in partner countries fits the following pattern, based on a study by Voorhees (2001):

**Foundation**

1. Phase: brainstorming session in national entrepreneur forums produces the fundamental visions of export and import ideas reflecting the traits and characteristics of participating entrepreneurs.

**Development of the learning process**

2. Phase: personal interviews with the entrepreneurs selected as mentors to the students in six countries, and their reflections on their hopes for the surveys and the marketing of their product in other partner countries.

**Acquired competence and attitudes as integrative learning experiences**

3. Phase: mentor competences needed and transferred when students are doing their assignments in the Global Entrepreneurship Program online and requesting help from their entrepreneur mentors abroad and at home. The experiences of entrepreneurs and students are published in national and international e-magazines.

**Assessment of the performance of the students by mentor entrepreneurs and staff**
4. Phase: *demonstrations of the outcomes* of the Global Entrepreneurship: surveys, marketing research and proposal for online stores.

**E-magazines and communication**

The international and national e-magazines are the main channels of sharing the experiences and understanding of the problems involved and the status and future trends of SME entrepreneurship in partner countries and Europe. Students, staff and entrepreneurs participate in editing international and national magazines.

The e-magazines are published in Finnish, German, Hungarian, Italian, Lithuanian and Turkish. The international e-magazine is in English. Every e-magazine has its own editorial board and editor in chief (www.globalinnovet.com/magazines).

The administrative follow-up takes place in international meetings and by e-mail and Skype sessions, in English.

**Target groups of the project**

In the international networks of this study there are representatives of family business entrepreneurs, educational and business organisations, staff members and students. The process of learning required active interaction and communication between entrepreneurs, students and instructors.

![Figure 4. Interaction between the actors.](image)

**Students as project participants**

The students represent either business or ICT education. They are doing their studies in basic training, adult education or further training. They can also be recent graduates or apprentices in entrepreneurship vocational training. Students function as business assistants to the entrepreneurs and their companies.

www.jyu.fi/econ/ejfbs
Family business entrepreneurs as mentors

The project is participant and enterprise-oriented and emphasizes local business cultures. Volunteer entrepreneurs are welcome to join the project as experts and mentors, for whom the students are trained as business assistants doing surveys and marketing reports in INNOVET partner countries.

The entrepreneurs and participant students are like magnets gathering information and knowledge from SME environments and implementing this knowledge into visions of multiple possibilities for international cooperation. For students, this can mean a new on-the-job training placement while for the entrepreneurs, it can mean new business ideas and social networks.

Staff of educational establishments

The educational partners are a selected group of staff members at educational organizations. They are educational experts responsible for the administration of the INNOVET venture:

- Finland: Helsinki Business College and Helsinki Chamber of Commerce Institute,
- Austria: Business Akademi, Donaustadt in Wien and Wirtschaftsförderungsinstitut Internationaler Know-how Transfer in Vienna,
- Italy: Instituto Technico Commerciale Statale de Fazio in Lamezia Terme,
- Hungary: Európa 2000, Vocational School of Economics, Tourism and Informatics in Budapest
- Lithuania: Siuvimo is Paslaugų Verslo Mokykla in Klaipeda,
- Turkey: TEK-SAV, a Non Governmental Organization and Foundation specialising in vocational business training in Ankara.

TENTATIVE RESULTS

The major problems in accessing the INNOVET staff in the partner countries are communication skills and lack of time. Differences in educational traditions and business cultures also present some difficulties, as the participants are not sufficiently familiar with each others’ working. However, positive outcomes have already been achieved in the course of the INNOVET process and development of the Global Entrepreneurship study plan online.

INNOVET networks

The organization of INNOVET is already established and trust exists between partners, as they know each other from previous projects and DACUM seminars (Westerholm 2007). New partner Italy is also somewhat familiar, as three students did their on-the-job training there. Westerholm’s (2007) study provides us with perspectives for gaining deeper insight into the skills the entrepreneurs must possess and what they must be able to do in order to be successful in their business environments and occupation.

The major challenge at the beginning of our study in spring 2008 was in locating motivated entrepreneurs in each country. Many of our partners did not
comprehend the role the entrepreneurs were to have and therefore complained that it would not be possible to get entrepreneurs involved in the project. Once the idea of the benefits sank in, finding suitable entrepreneur partners proved less difficult.

We need three interacting networks: those of entrepreneurs, staff and students. The staff network is functioning well and the necessary trust between the members has been built. The entrepreneur network is under construction. Some of the entrepreneurs are already negotiating with each other at the international level. The entrepreneur profiles and questions to be given to the students when the courses start have been collected.

The student network will come online during autumn 2008 and spring 2009.

**Communication and sharing experiences**

Administrative communication takes place in international meetings face-to-face, by e-mail and Skype, and in Skype meetings. Skype has proven an excellent tool in solving problems and clarifying process objectives. We have been able to conduct several Skype meetings with positive outcomes. The coordinator in Finland can easily identify the major problems and suggest tips to solve them. The ease of communication when using Skype came as something of a surprise, albeit a highly positive one.

**Planning and implementing the Global Entrepreneurship Program online**

The family business entrepreneurs have had Entrepreneurship Forums (Phase 1 of data collection) and the fundamental views as to the partners’ export and import ideas are known. The Global Entrepreneurship Program has been developed to suit the needs of educational institutes as well as local entrepreneurs. The students’ points of views are taken into consideration when the pilots start in autumn 2008 and spring 2009. The number of participating students is yet to be determined but the duration of Global Entrepreneurship Programs varies from one study week to five study weeks or to one semester. ECVET credits are discussed at the end of the courses, as educational practices and traditions differ so much between partner countries. The aim is to reach a consensus by dialogue.

It was not easy to find committed entrepreneurs. A number of entrepreneurs were invited to the international entrepreneur forums organized by the partners in each country during autumn 2007 and spring 2008. Finally, each partner educational organization selected 2–3 entrepreneurs and their enterprises to be an actor in the project. In partner countries, the entrepreneurs represented the following sectors: small traders in the fields of textiles, fashion, cosmetics, arts, health and sweets, plus health fitness centres, cleaning services and the construction industry.

The multicultural business environments in all partner countries are unfamiliar to the various groups of entrepreneurs who anticipate, react and adjust to each other’s desires, abilities, knowledge, visions and plans. The assignments and desires for action require close collaborative interaction and learning together in order to produce innovative outcomes. Collaborative learning takes place every-
where; yet there is also the possibility that collaborative learning will not occur. The ability to recognize and exploit opportunities is in scarce supply if the interaction is weak between entrepreneurs, student and instructors.

Each entrepreneur provided a profile of her or his company and a list of guiding questions to be given as assignments to the students during the Global Entrepreneurship course during autumn 2008 and spring 2009. The questions mostly addressed the following issues:

- what kind of business culture characteristics do the enterprises of my specific sector have in your country?
- how old are the companies?
- are there chain stores or individual shops?
- what are the products?
- are the enterprises owned publicly or privately?
- who are the customers?
- how many staff members are needed to run the business?
- how the products are marketed?
- is there space for new products like the products we sell in our company?
- how much capital and other legal procedures are needed to start a new business venture?
- is it possible to find new markets for my products?
- what kind of international cooperation do you propose?
- how do we start?

The e-magazines are published online and reflect the contemporary situation of the implementation of INNOVET (www.globalinnovet.com/magazines). All the language versions are already online and some partners have started to edit their e-magazine.

**Entrepreneurship education and mobility programs**

Entrepreneurship education is not sufficient if it takes place only in schools even though cooperation with national and international entrepreneur networks has been established. It is necessary to offer a platform of on-the-job learning abroad, preferably in the enterprise where one has served as business assistant and completed assignments given by the entrepreneur. Learning from experience about different cultural business practices and environments can lead to fruitful, international cooperation resulting in real, new innovations for action. Follow-up research is needed to clarify the motivation and commitment of each partner whether an entrepreneur or a student.
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