



**ENTREPRENEURSHIP TEACHING AND TRAINING:  
A KEY TO IMPROVED ENTREPRENEURIAL PERFORMANCE AND  
ECONOMIC GROWTH?**

By

Torben Bager  
Professor & Managing Director  
The International Danish Entrepreneurship Academy, IDEA



## Topics addressed

- **Introducing IDEA – The International Danish Entrepreneurship Academy**
- **Entrepreneurship & growth: any connection?**
- **Entrepreneurial framework conditions & performance: any connection?**
- **What role for entrepreneurship education & training?**

## The International Danish Entrepreneurship Academy:

- An internationally embedded network organisation
- Bringing together researchers, lecturers, advisors, investors and business leaders in an interactive community
- In order to create more, and more competent, entrepreneurs
- Drawing from knowledge that has its roots in the higher education system



### **Primary target groups**

- Students & alumni from universities and colleges
- Growth oriented entrepreneurs
- Intrapreneurs in existing firms

### **Change driving target groups**

- Teachers & decision makers at universities and colleges
- Business advisors and mentors
- Top and middle management in existing firms

5 Regions

Finances: App. 11 mio.  
Euro, 2005-2008

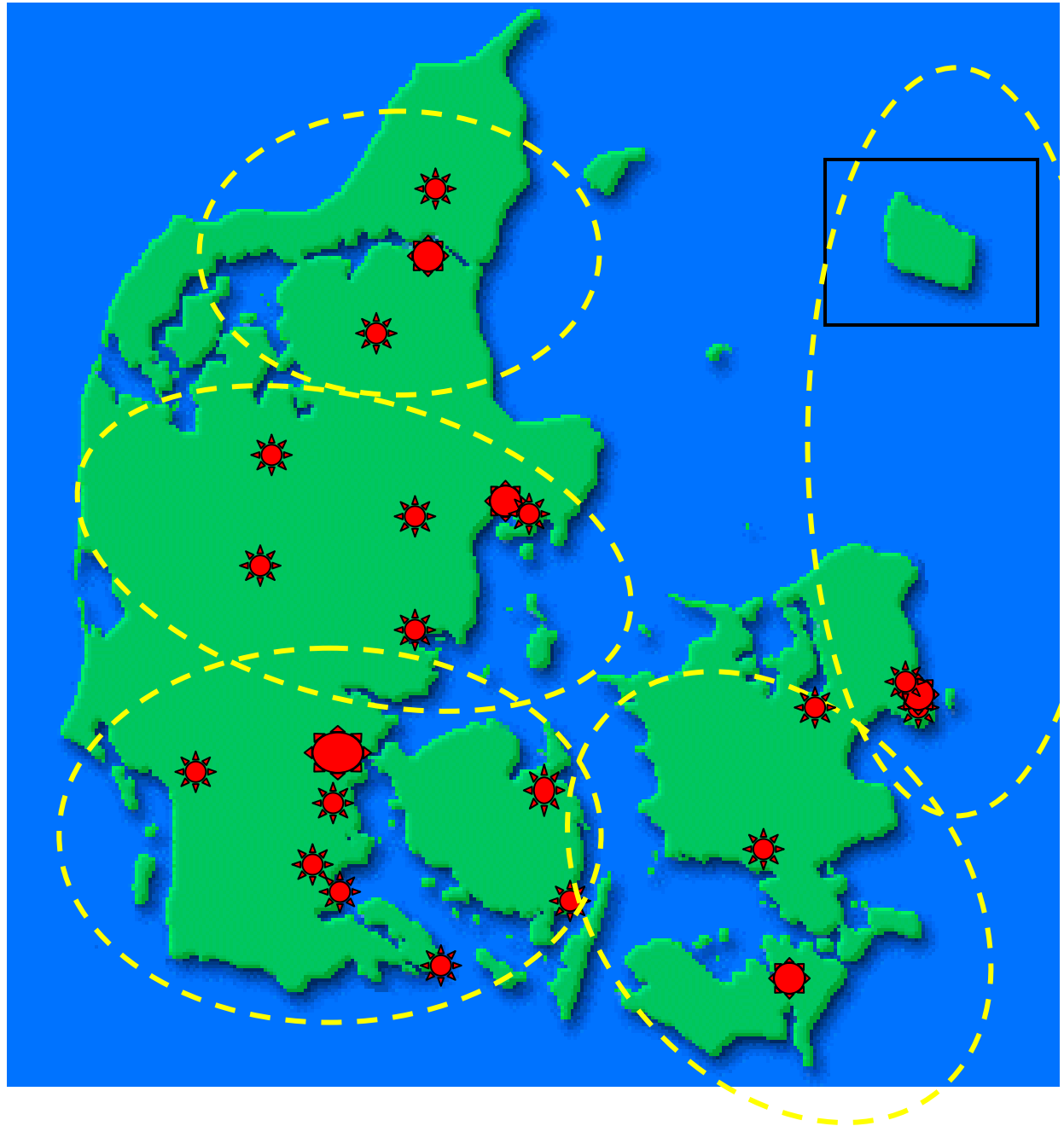
55 partners:

⇒ 33 universities &  
colleges

⇒ private firms

⇒ incubators & science  
parks

⇒ Connect Denmark,  
the Danish Association  
of Entrepreneurs, etc.





## Activity 1: New educational activities

- **New experimental university courses: cross-institutional**
- **Master of Entrepreneurship & Innovation (E-MBA)**
- **Diploma course for entrepreneurship teachers**
- **Diploma course for advisors and mentors**
- **Courses for growth oriented entrepreneurs**
- **Courses for entrepreneurial leaders and intrapreneurs**
- **Intrapreneurship courses: university – business collaboration**



## Activity 2: New teaching material & methods

- New textbooks, videos, computer games etc.
- Web based learning programmes – blended learning
- Developing new teaching methods:  
teaching ABOUT and IN entrepreneurship
- Promote the establishment of networks for entrepreneurship students
- Organise events, seminars and conferences for educators, advisors, entrepreneurs etc.



## Activity 3: Start-up simulators and incubators

- **Aim: Create a 'bridge' from study phase to entrepreneurship phase: simulating start-up before true start-up**

- **Aim: Compensate student inexperience through involvement of experienced business people**

IT University of Copenhagen – 5te, started early 05

Aalborg University – started summer 05

University of Southern Denmark – IDEA House starting early 06



## Drivers of economic growth

- **Work**
- **Capital**
- **Knowledge**
- **Entrepreneurship/innovation:**
  - Start-up activity
  - Innovation in existing firms
  - Spin inn & spin off processes/cluster formation
  - Commercialisation of science based knowledge



## Evidence from GEM

- **Measuring and benchmarking the share of entrepreneurially active adults in a country**
- **Evidence based on 5 years of investigation in about 30 countries show:**
  - ⇒ The total Entrepreneurship Activity index explains some of the variation in the growth performance of these countries
  - ⇒ However, for developed countries the minority of high-growth oriented/innovative start-ups is particularly important
  - ⇒ Europe is lacking behind in all respects

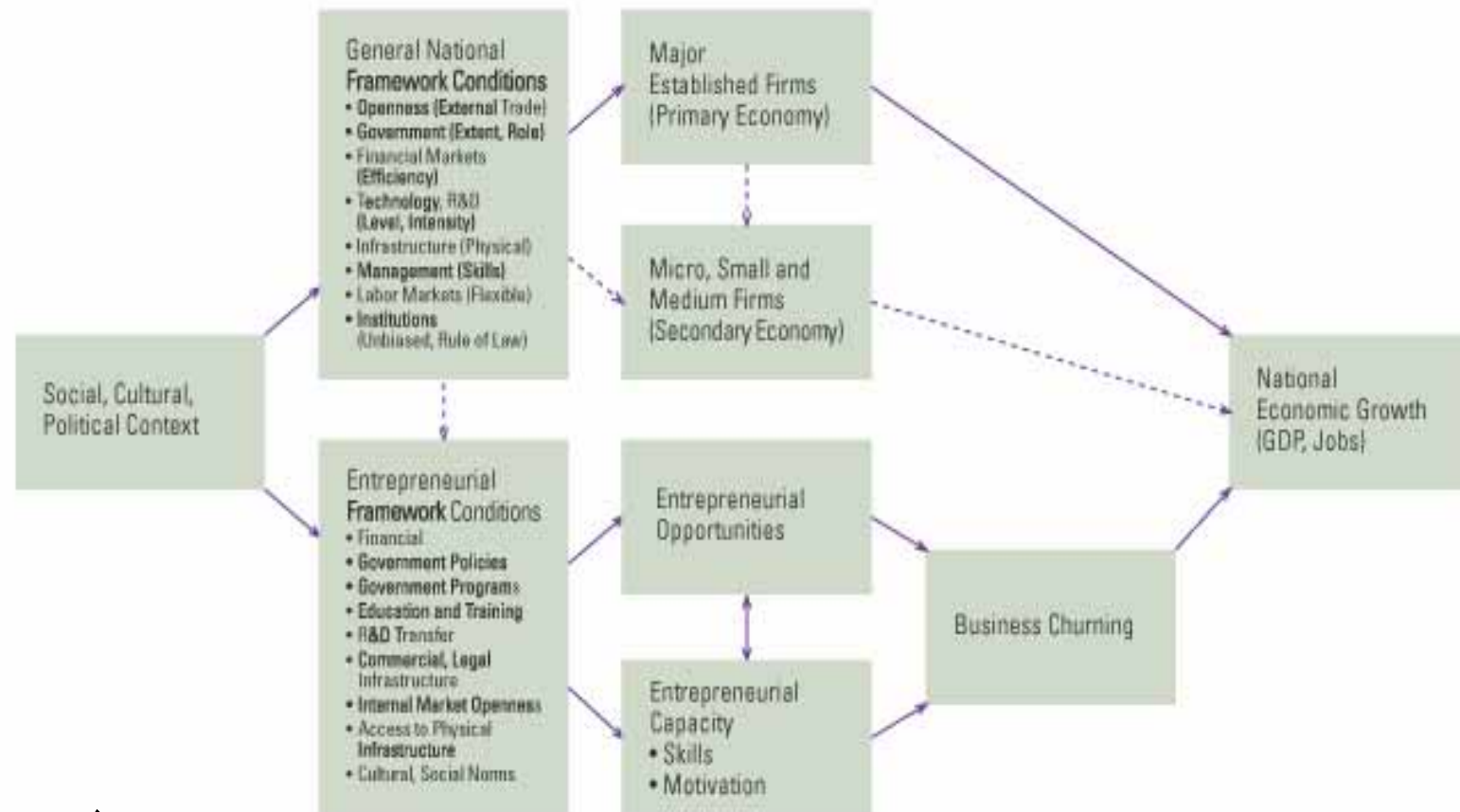
[www.gemconsortium.org](http://www.gemconsortium.org)



## **GEM framework conditions**

- **Financial support**
- **Government Policies**
- **Government Programmes**
- **Education & Training**
- **R & D Transfer**
- **Professional & commercial infrastructure**
- **Market Barriers/Openness**
- **Cultural, social norms**
- **Physical infrastructure**

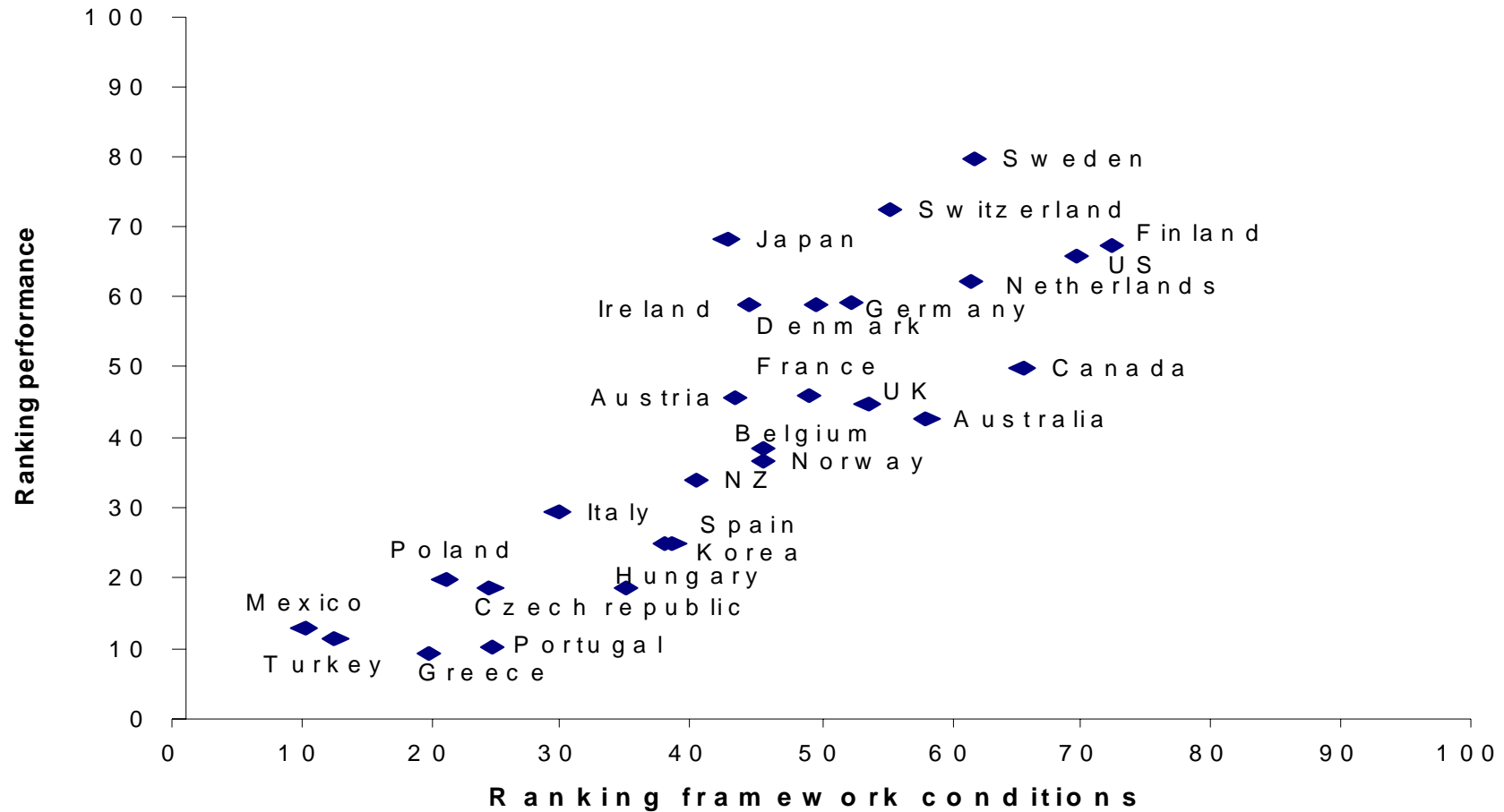
FIGURE A-1: THE GEM CONCEPTUAL MODEL





# Evidence from FORA innovation study

([www.foranet.dk](http://www.foranet.dk))



# Measuring innovation is difficult



- **Traditional criteria:**
  - R&D activity in firms (in practice large firms)
  - No. of patents relative to population
  - Venture capital provision
- **Does not capture SME innovation well**
- **More relevant in Metropolis areas than in innovative SME areas**
- **Most high-growth firms are not technology based**
- **User/market driven innovation is underestimated**

## Characteristics of innovative SME regions



- Low level of high-tech entrepreneurship
- Low level of venture capital provision
- Low level of tech-transfer from universities
- High level of market/user driven innovation
- High level of flexibility in firms
- High intensity of SME networking
- High share of young fast growing firms

**Examples: most parts of Denmark, Ireland, Iceland**

## Consequenses for educational policy



- **Not sufficient to boost technological education**
- **Not sufficient just to call for a rise in the educational level**
- **Need for improved competences related to:**
  - How to identify and exploit (market) opportunitie
  - How to generate new idea
  - How to act/manage innovatively
- **This points to a need for:**
  - Improvement in creativity training & opportunity recognition training at all educational levels
  - Diminishing the focus at cognitive-passive learning relative to action oriented learning

## Consequenses for entrepreneurship teaching



- **More focus at 'playful' idea generation and opportunity recognition relative to instrumental business plan teaching**
- **Developing and applying more action oriented pedagogy:**
  - More flexible
  - More project oriented
  - More student influenced
  - More externally oriented
  - More multidisciplinary
  - More focused at e-learning and blended learning

## Consequences for universities



- **A few entrepreneurship courses for selected students is not enough**
- **An entrepreneurial culture needs to be developed**
- **Universities must, as organisations, become more:**
  - Proactive
  - Risk-taking
  - Innovative
  - Network oriented



## Barriers for entrepreneurial universities

- **Rectors and decision makers only paying lip-service**
- **Study administration and study coordinators resisting**
- **Most teachers being negative or slow:**
  - Against multidisciplinary
  - Against involvement of external parties
  - Understanding high level of knowledge as high level of cognitive-analytical skills
  - Unfamiliar with innovative pedagogy and the coaching role of teachers



## Drivers for entrepreneurial universities

- A strong political pressure
- An engaged and positive business community
- A growing interest in entrepreneurship in the general public
- Interested and engaged students
- Pioneering teachers
- Pioneering rectors and decision makers



## Consequenses of entrepreneurial universities

### **Long-term:**

Students better qualified to become entrepreneurs or innovative employees & managers

Alumni-entrepreneurs involved in sponsering university activities

### **Short-term:**

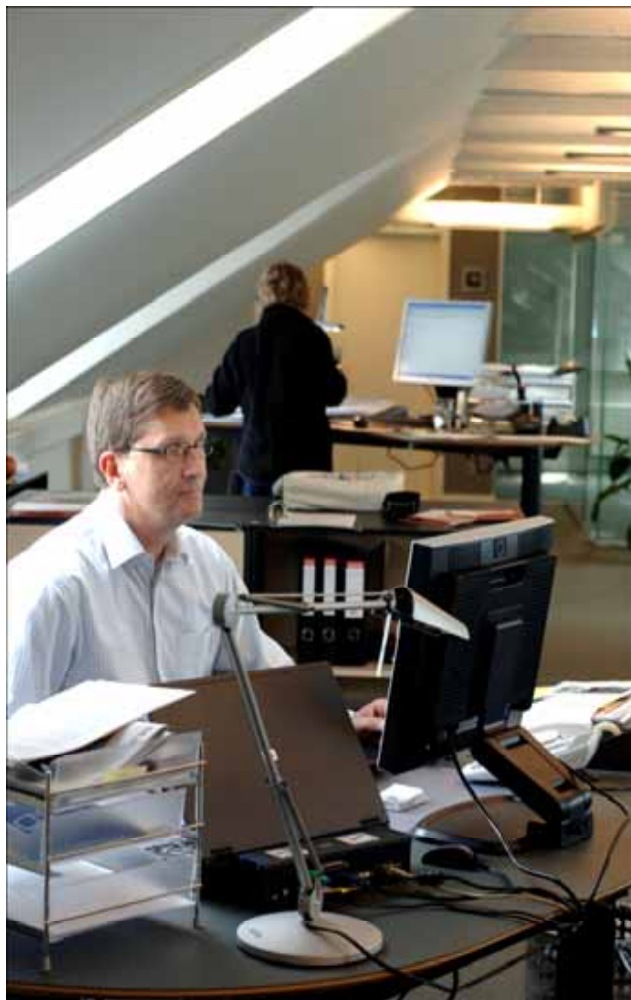
Improved knowledge exchange with the business community

Improved university based incubator and commercialisation performance

## Conclusions

- **Entrepreneurship teaching & training matters!**
  - Motivating and mindsetting young people
  - Improving entrepreneurial competences
  - Improving the survival and growth of new firms
  - Improving the innovativeness of existing firms
- **However, it is not just another academic topic!**
  - Entrepreneurship must be taught differently
  - Universities must become more entrepreneurial themselves

# Welcome to IDEA in Kolding



*03. November 2005*



[www.idea-denmark.dk](http://www.idea-denmark.dk)

