

From Entrepreneur to Undergraduate: does the university support or constrain student entrepreneurs?

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This paper focusses on an under researched area of research within the fields of enterprise education and the entrepreneurial start-up. Much of the scholarly focus around enterprise education and support within Higher Education (HE) institutions has been on the development of entrepreneurial identity, capability and intent leading to start-up (Nabi et al 2016). The role of the university is understood in terms of a potential ecosystem supporting and helping to generate entrepreneurial intent and start-ups in response to wider social and economic demands for entrepreneurial action. Arguably, within these discourses and policy literature, the student is assumed to be a blank slate who may have intent and potential but is, nevertheless, a novice with no prior experience. However, there has been little interest in students who begin their HE studies as entrepreneurs and business owners and who have already demonstrated entrepreneurial intent. These students with prior entrepreneurial experience (PEE) are a significant and growing constituency and are likely to have different development needs than students who have no or very limited practical experience of entrepreneurship.

PEE students are the focus of this study which uses data drawn from annual surveys distributed at Coventry University over a 3-year period. These surveys identify a number of students who arrive at university with PEE and in many cases continue to run their venture during their studies. This data, which explores characteristics of these entrepreneur students, provides a first insight into this neglected aspect of entrepreneurship education and support. This paper will outline the results of the survey data and discuss the future direction of the research, which will include qualitative methods and interviews with student entrepreneurs. The aim is to begin establishing a focus and research agenda for a neglected area of enterprise education and business support.

Key words: enterprise, education, entrepreneurial, intent, ecosystem

Theoretical background

This paper builds on research and policy formulation around university entrepreneurial ecosystems and enterprise education. The starting point here is that universities can provide an effective environment for supporting students towards entrepreneurial action, whether that be in the form of resources, such as financial support, or mind-set and skills development through enterprise education (Kautonen et al 2015). Many of these studies demonstrate a positive correlation between enterprise education and key indicators such as increased entrepreneurial intent, increased capability and growing entrepreneurial identity. However, there are also studies which indicate a negative impact from enterprise education (Nabi et al 2016).

Developing this theme of university support further, several scholars have explored the university as an eco-system: as a dynamic and networked set of resources rather than individual and isolated interventions (Isenberg 2010; Morris et al 2017). Several studies identify a range of resources that make up an effective university ecosystem, including the availability of enterprise education, engagement of alumni, incubators, prototype services, funding (Morris et al 2017). However, questions arise about the model of an appropriate ecosystem and whether a one-size all model will accommodate the diversity of student needs (Wright et al 2017).

A limited number of studies have begun to explore the differences between those students who are novices and those who come to university with PEE and the different needs and expectations of these different student groups. For example Morris et al (2017), claim that PEE can diminish the impact of enterprise education and that there can be a tension between the offerings of the university ecosystem and the needs of the student with prior experience. The authors conclude that there “remains a ‘missing link’ in the literature regarding the way previous business experience affects the impact university entrepreneurial activities have on venture creation by student entrepreneurs” (p.70).

A further issue relating to enterprise education and the university ecosystem is concerned with the apparent tensions between the student role and the role of the entrepreneur which are often understood to be conflicting identities that struggle to coexist (Hannon 2005). This topic has been addressed by Nielsen, & Gartner (2017) who go onto to explore the nuanced tensions that might be expected to emerge from the entrepreneur-student dynamic where different dominant identities might emerge in different contexts

It is the intention of this work in progress paper to begin to address these gaps in the literature and to explore the nature, scale and experience of students with PEE and their relationship to the university enterprise support ecosystem.

Methodology

The research design involved surveying students at a HE Institution during their induction period a week before formal teaching had commenced. The survey distribution was repeated over a 3 year period and captured data from first year undergraduates in 2016, 2017 and 2018. This strategy helps generate substantial data as well as helping to identify recurring and changing themes and historical patterns. The surveys generated substantial responses over the 3 year period, as indicated below, and in combination the 3 years add up to 5342 survey responses from students across all four university faculties. The timing of the survey is novel and aimed at capturing a moment in the student journey and allows this study to conduct further research to understand subsequent developments in the student journey as they enter their second and third years of study.

The survey asked students: ‘Have you ever run your own business or been self-employed?’ and ‘Do you currently run your own business or are you self-employed?’ In addition, students were asked to state gender and ethnicity and this was cross-tabulated with the other questions in the data analysis.

Data collection

The responses have been aggregated over the 3 year period

Have you ever run your own business or been self-employed?

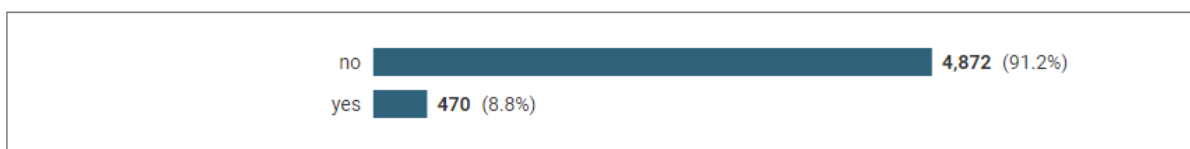


FIG 1. Over the 3 year period 8.8% of students, 470, stated they had run their own business or been self-employed.

Do you currently run your own business or are you self employed?

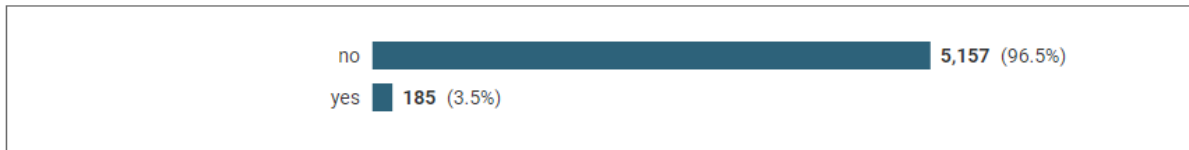


FIG 2. Over the 3 year period 3.5%, 185 students, stated that they are currently running a business or are self-employed.

Have you ever run your own business or been self-employed?	Gender	
	Female	Male
no	93.74%	91.57%
yes	6.26%	8.43%
No answer	0.00%	0.00%

FIG 3. Shows the number of females v males who have previously run their own business or been self-employed

Do you currently run your own business or are you self employed?	Gender	
	Female	Male
no	97.60%	96.52%
yes	2.40%	3.48%
No answer	0.00%	0.00%

FIG 4. Shows the number of females v males who are currently running a business or are self-employed.

Have you ever run your own business or been self-employed?	White - British	White - Irish	any other White background - please add	Mixed - White & Black Caribbean	Mixed - White & Black African	Mixed - White & Asian	any other Mixed back ground - please add	Asian /Asian British - Indian
no	94.36%	100.00%	89.05%	96.77%	88.24%	100.00%	80.00%	94.67%
yes	5.64%	0.00%	10.95%	3.23%	11.76%	0.00%	20.00%	5.33%

FIG.5 Have you ever run your own business or been self-employed by ethnicity

Asian /Asian British - Pakistani	Asian/Asian British - Bangladeshi	any other Asian background - please add	Black or Black British - Caribbean	Black or Black British - African	any other Black background - please add	Chinese	or other ethnic group - please add
98.78%	84.62%	98.77%	96.00%	97.06%	80.00%	96.23%	98.18%
1.22%	15.38%	1.23%	4.00%	2.94%	20.00%	3.77%	1.82%

FIG.6 Have you ever run your own business or been self-employed by ethnicity, continued

Do you currently run your own business or are you self employed?								
	White - British	White - Irish	any other White background - please add	Mixed - White & Black Caribbean	Mixed - White & Black African	Mixed - White & Asian	any other Mixed back ground - please add	Asian /Asian British - Indian
no	98.03%	100.00%	94.97%	100.00%	100.00%	100.00%	90.00%	97.33%
yes	1.97%	0.00%	5.03%	0.00%	0.00%	0.00%	10.00%	2.67%

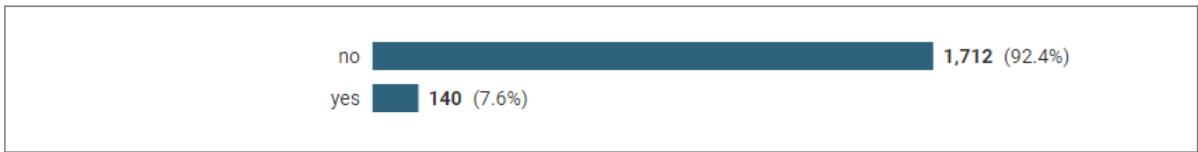
FIG 7. Do you currently run your business or are you self-employed by ethnicity

Asian /Asian British - Pakistani	Asian/Asian British - Bangladeshi	any other Asian background - please add	Black or Black British - Caribbean	Black or Black British - African	any other Black background - please add	Chinese	or other ethnic group - please add
93.90%	84.62%	92.59%	92.00%	86.76%	80.00%	94.34%	96.36%
6.10%	15.38%	7.41%	8.00%	13.24%	20.00%	5.66%	3.64%

FIG 8. Do you currently run your business or are you self-employed by ethnicity, continued

The data can also be presented historically to demonstrate trends:

Have you ever run your own business or been self-employed?



Do you currently run your own business or are you self employed?

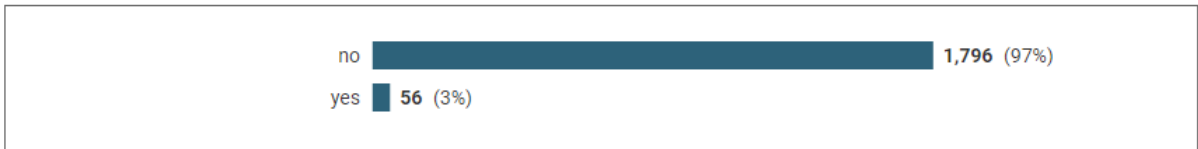
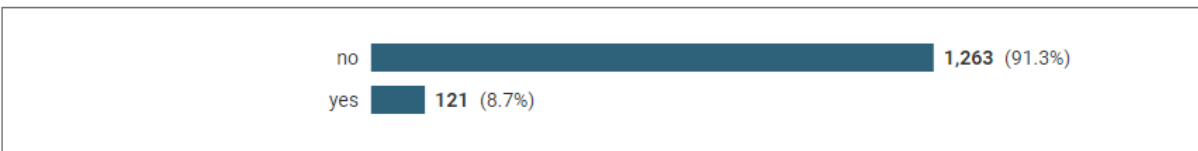


FIG 9. Shows response regarding PEE and current business in 2016

Have you ever run your own business or been self-employed?



Do you currently run your own business or are you self employed?

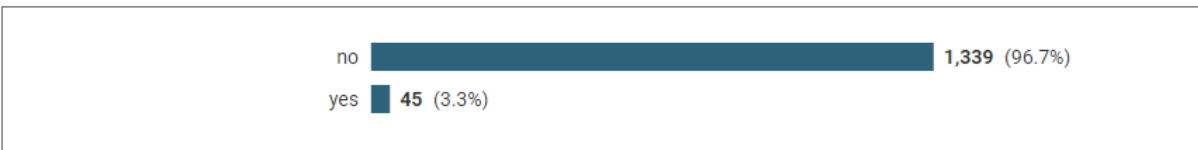
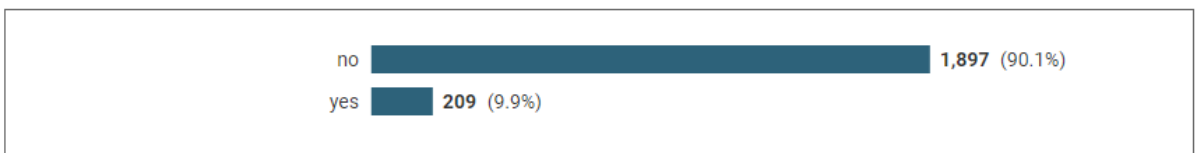


FIG 10. Shows response regarding PEE and current business in 2017

Have you ever run your own business or been self-employed?



Do you currently run your own business or are you self employed?

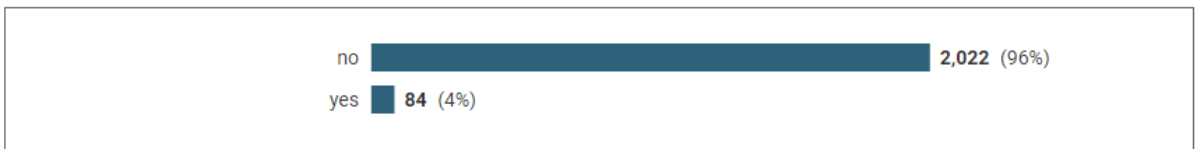


FIG 11. Shows response regarding PEE and current business in 2018

Discussion and Implications

In terms of PPE, on average 8.8% of the sample reported that they had prior experience running a business while 3.5% continue to run a business on entry to HE. Over the 3 year period between 2016 – 2018 these figures rose from 7.6% to 9.9% (have you ever run a business or been self-employed) and 3% - 4% (do you currently run your own business or are you self-employed).

These are small but significant figures when compared to other kinds of indicators. For example research from a 2016 study suggests that 6.6% of students, taken from a sample of undergraduate and postgraduates from several universities, were running their own business (Saridakis et al 2016). This represents only 2.6% more than the 4% who start university as business owners as indicated by the data collected here. It suggests that 60% of start-ups at university may have existed prior to the students entering the university ecosystem. In which case this raises questions about the net impact of university support.

In terms of gender and PEE, the data records that 2.4% females compared to 3.48% males currently run a business on entry into HE and 6.26% females compared to 8.43% report prior experience running a business. This balance is not surprising given the widely reported variance in start-up related to gender and prominence of male entrepreneurs, for example do Paço et al (2015). However, this variation of 26% is slight compared to other studies. For example, recent research has shown that women are only half as likely to start-up than men and that according to a survey only 5.6% of women compared to 11.2% of men had started a business, a difference of 50% (GEM 2017). Comparing the data from both studies would suggest that start up rate amongst females compared to males decreases with age and beyond graduation.

The data on ethnicity and PEE reveals a number of trends. First, it can be seen that a significant group are Asian/Asian British, Bangladeshi, for whom just over 15% recorded previously running a business or being self-employed and the same figure recorded that they were currently running a business or are self-employed. This is closely followed by Black or Black British, African, 13.24% of whom recorded previous experience running and business and are currently still running their business. This could be compared to White - British of whom 5.64% have previously run a business or been self-employed which reduces to 1.97% who record currently run a business or are self-employed. A key insight here is that, not only are there ethnic variations in terms of PEE, but that some ethnic groups are more likely to continue running their business or self-employment as they become a student.

Conclusions and future plans

The study is a work in progress. It raises important questions regarding the journey and development of the student with PEE specifically in relation to their learning needs and how the university ecosystem might support rather than potentially constrain the students' entrepreneurial journey. More broadly, it raises questions about whether the current university ecosystem and research agenda on the development of entrepreneurial intent and start up is appropriate for this group and what a revised support framework might look like.

The next stage will involve a shift to qualitative research methods to gain insights into the student entrepreneurial journey. Over the next two years, interviews will be conducted with the students with PEE to understand key questions. First, do the student enterprises thrive or stall during their HE studies? Second, what factors in the university ecosystem led their enterprises to stall/fail? Third, do different personal and social factors such as gender and ethnicity modify responses and do they

reveal different needs and different journeys. Fourth, what can universities do differently to support students with PEE

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