

National Council for Graduate Entrepreneurship

Working Paper 056/2006

This series is intended to promote discussion and to provide information about work in progress. The views expressed are those of the authors.

The Utrecht Academy of Entrepreneurs:

A new way of training Entrepreneurs
For Entrepreneurs, By Entrepreneurs

Drs. A.J. Gilbert Silvius MBA
Utrecht University of Professional Education
P.O. Box 85029
3508 AA Utrecht
The Netherlands
gilbert.silvius@hu.nl

December 2006

© Drs. A.J. Gilbert Silvius.

All rights reserved. Short sections of text, not to exceed two paragraphs, may be quoted without explicit permission, provided that full acknowledgement is given.

Key words

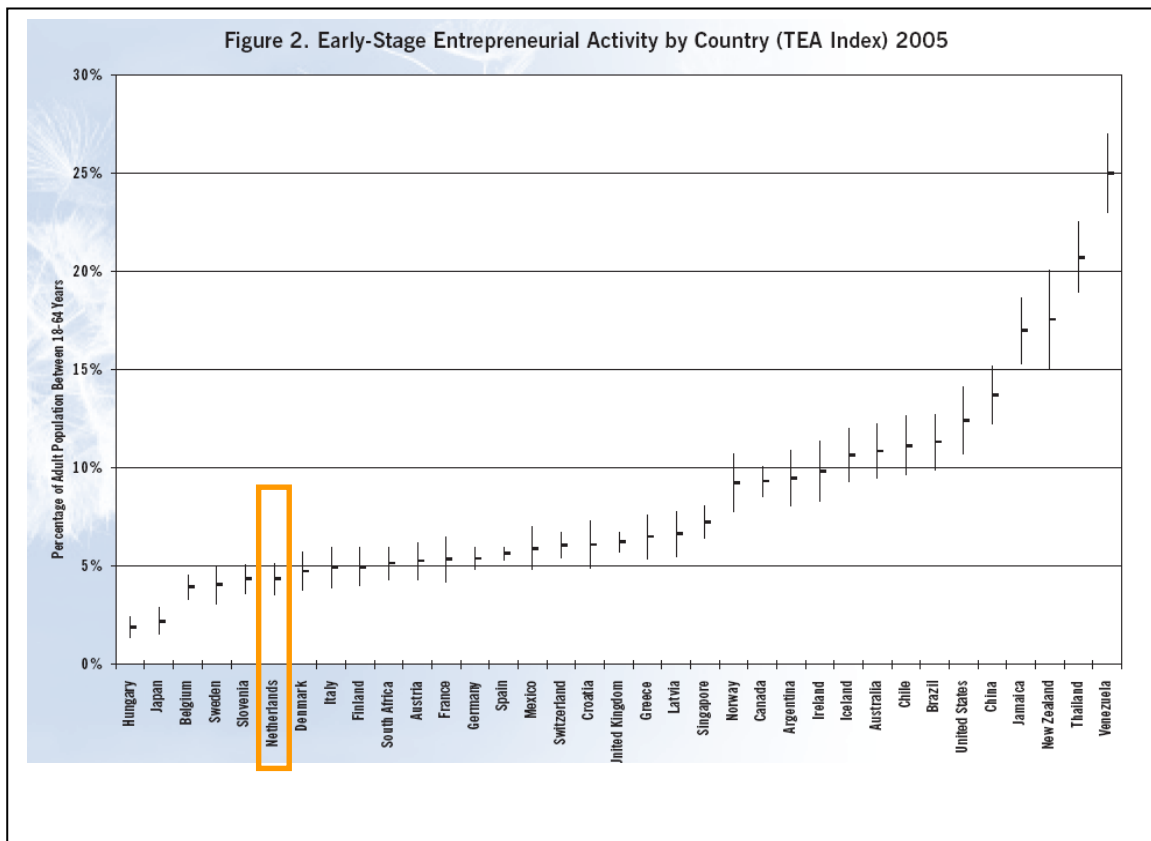
Entrepreneurship education, Entrepreneurship coaching, Best practice

Introduction

In the Netherlands, the need for entrepreneurship education is well recognized. In the yearly GEM survey, the ranking of the Netherlands on entrepreneurial activity is only modest (figure 1). This position inspired both national and local policy makers to initiate several programs aimed at stimulating entrepreneurship. Despite a growing appreciation of the Dutch entrepreneurial environment (Ecorys Netherlands, 2005) the actual entrepreneurial intention still lacks behind that of other European countries (Wennekers, et al. 2005). Especially amongst young people, the choice for entrepreneurship is not so common (Princen, et al. 2006). Therefore several entrepreneurship programs are developed, focused on students and young people. Most of these programs however lack involvement of the private sector.

This paper reports the 'Utrecht Academy of Entrepreneurship' (UOA, which is short for 'Utrechtse Ondernemers Academie' in Dutch) as a new and innovative regional program for training and coaching young entrepreneurs. The UOA provides a unique cooperation between the private and the public sector in stimulating and supporting successful entrepreneurs.

Figure 1. Total Entrepreneurial Activity by country (%)
(Source: GEM 2005)



The 'Utrechtse Ondernemers Academie'

Based on a private sector initiative of ING Bank and the Utrecht Chamber of Commerce, the concept of a the UOA was developed by the Utrecht University of Professional Education and one of the regional schools for professional education. After finding two other private sector partners, another bank and an accounting firm, the UOA foundation was established in 2004.

The goals of the UOA are:

- Enhance the image of entrepreneurship with non-entrepreneurs.
- Increase the number of start-up businesses and their success.
- Support entrepreneurs in the development of their business.

In order to realize these goals the UOA develops programs for specific target groups. These programs all consists of four pillars: *knowledge*, *skills*, *coaching* and *networking*. In the *knowledge* element the young entrepreneurs are trained in the practical knowledge they need as an entrepreneur. The education however is not provided by the university, but by entrepreneurs and the private sector itself. The university develops the program, organizes it, monitors the learning process and acts as facilitator. The *skills* training elements are integrated in the sessions by creating realistic situations as a briefing of an advertisement agency, a job interview, etc. Each young entrepreneur is appointed an experienced entrepreneur as a personal *coach*. Together with the participant, the coach is responsible for frequent contacts, a personal development plan for the young entrepreneur and an assessment of the personal qualities of the participant. After the first six months in the program, the coach advises the UOA on whether the participant should enroll to the second year. Also at that moment the participant has to formally start his/her company to be allowed to stay in the program. The last element, *networking*, is provided by the network of companies and their contacts that affiliated themselves with the UOA.

One of the targets groups that the UOA identified is bachelor level studies in the last semester of their studies. For these students an 18 months additional part-time program is developed. The first 6 months complementing their study, the next 12 months complementing their first year as an entrepreneur.

Program curriculum

The UOA program is open to all bachelor students of all studies, considering 'entrepreneurship' as a way to practice one's profession rather than as a profession on its own. The consequence of this admission policy however is that the students enrolling in the program will have a different starting level in general business skills. The homogeneity of their learning needs therefore makes an individual curriculum for all students necessary. Individual study programs are of course ideal from the student's perspective, but very hard to manage. Especially if the education is provided by the private sector participants.

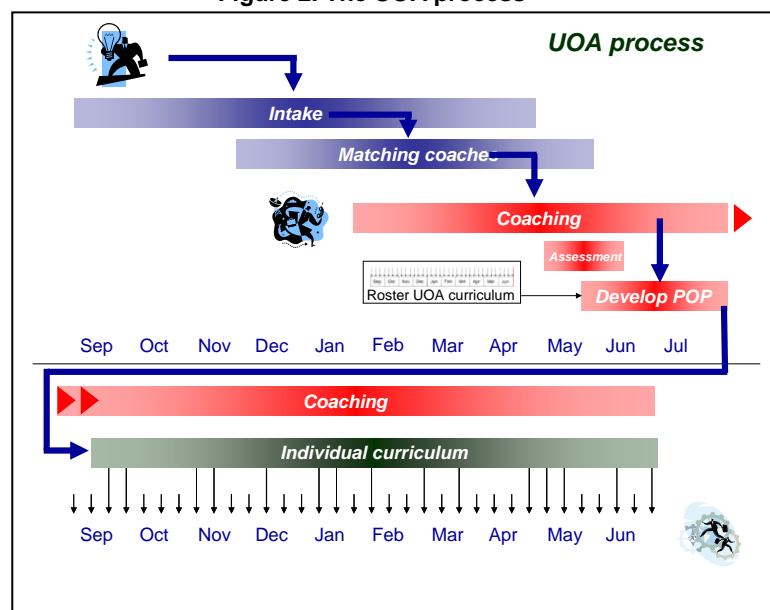
In order to make the individual learning programs of the UOA students manageable the following process was developed (Figure 2). When a entrepreneurial student contacts the UOA, the first step is an intake interview. In this interview the goals and structure of the UOA program is explained to the student and a first assessment is made of his business idea. The assessment aims to identify the student as being one of the following categories.

- Having a business idea, but requiring support in developing a business plan.

- Having a business plan, but requiring support in getting started in business.
- Having established a business, but requiring support in developing the business.

This assessment and the intake interview are the inputs for the second step: matching the business coaches. The coaches are recruited by the two commercial banks and the chamber of commerce. They are entrepreneurs, retired entrepreneurs or consultants to entrepreneurs. The last category typically match as coaches of the first group of students, the ones who have an idea, but no plan. The (former) entrepreneurs are matched on the other two groups of students based on industry sector, specific aspects of the student's business or personal preferences. All coaches provide their services pro-bono.

Figure 2. The UOA process



Once the match has been made the student and the coach have bi-weekly contacts. These contacts vary from meetings to a telephone call or an email. For the first two groups of students, the ones having an idea and the ones having a plan, the UOA aims at one coach on every two students. By having the coaching in duos, the students can team up and stimulating each other.

One of the tasks of each coach/student combination is to develop a personal development plan (POP) for the student. To help them with the development of this plan, three aids are provided.

1. The program manager of the university is available for support. This person is a study counselor with experience in individual study programs.
2. Two assessments are provided to be used in the POP process. One assessment is aimed at assessing the student's entrepreneurial skills, the other one is aimed at assessing the student's knowledge of the entrepreneurial curriculum.
3. The entrepreneurial curriculum developed by the UOA that can be used as a 'menu' from which components can be selected.

The UOA's entrepreneurial curriculum is developed as a hypothetical maximum scenario. Table 1 shows this curriculum. It comprises of 80 3-hour workshops covering both general business theory components as very practical entrepreneurial skills. In the POP an individual selection is made based on the student's learning needs.

Table 1: The UOA entrepreneurial curriculum

<p>Being an entrepreneur</p> <ul style="list-style-type: none"> • How to develop a business vision? • Starting a business alone or with partners? • Getting started • Buying yourself into a company • Franchising • Mingling business matters and private matters • Ambition, motivation and leadership • Creativity and innovation • Crisis management <p>Marketing & Strategy</p> <ul style="list-style-type: none"> • Building your business plan • Market analysis & SWOT analysis • Goal & priority setting • Understanding the customer • Pricing • Distribution • Cooperation with business partners • International business • Creating a brand • Direct marketing • Internationalisation and foreign entry <p>Commerce</p> <ul style="list-style-type: none"> • Selling skills • Commercial bids and offers • Negotiating skills • Networking • Relation management • Sales management • e-Commerce • Bidding for tenders • Sales conditions <p>Organisation & Management</p> <ul style="list-style-type: none"> • Putting a plan to action • Leadership & People management • Process management and improvement • Management by Objectives • Planning & Control • Entrepreneur or manager? • Sourcing and Make or Buy? • Industry organisations and networks • Stock management <p>Communication</p> <ul style="list-style-type: none"> • Visual artwork • Sales collateral • Free publicity & Press contacts • Effective presentations • Presenting yourself on trade fairs • Optimizing your website 	<p>Obligations, permits and housing</p> <ul style="list-style-type: none"> • Permits and requirements for housing • Environmental aspects • Obligations as an employer • Statistic data • Housing • Insurance <p>Financial Management</p> <ul style="list-style-type: none"> • Administration • Budgeting • Cost calculations • The annual report • Cooperating with your accountant • Liquidity planning / Cash management / Credit management • Economic life • Cooperating with your bank • International payments <p>Financing</p> <ul style="list-style-type: none"> • Types of banks • Types of credits and loans • Securities • Leasing and factoring • Subsidies and start up facilities • How to handle payment difficulties? <p>Legal and fiscal matters</p> <ul style="list-style-type: none"> • Legal entities and fiscal aspects • Fiscal administration and procedures • Responsibilities as an employer • Corporate taxes • Product liability • Contracts • Intellectual property <p>Human resources</p> <ul style="list-style-type: none"> • Recruitment and selection • Types of contracts and conditions • Legal obligations • Pensions and social security • Illness, absence and recuperation • Remuneration • Assessment of work and appraisal • Communication skills • Laying-off staff <p>Information & communication technology</p> <ul style="list-style-type: none"> • Common software packages • Your website
--	---

An important aspect of the UOA is the fact that the teaching and training is provided by the private sector. This is realized by a set of approximately 20 knowledge partners who, next to the UOA founding partners, made themselves responsible for delivering

one or more of the workshops. For managerial reasons these workshops are scheduled in a fixed roster of 40 weeks, starting in September and ending in June. With 80 workshops this gives a frequency of two workshops every week.

One has to keep in mind however that this is the hypothetical maximum that in fact is not realistic. Students are estimated to follow 20 to 30 workshops on average, based on their individual learning requirements. With a group of 20 students in the program this means that a workshop has on average 4 – 6 participants. In each workshop however the students of the bachelor-level program of the UOA are joined by students of similar UOA programs of other institutes. These groups may be master level students or may be professional education students, but they all share the same entrepreneurial ambition.

Progress and current status

The UOA was founded in 2004. By then a pilot program by one of the schools of professional education was started with the UOA label. This program attracted a lot of media attention, but could not live up to the expectation. The 6 pilot students did not have a very strong entrepreneurship ambition and the organization of the input of the private sector participants proved to be too complicated. The founders therefore decided to make a fresh start in 2005. With financing from the founding partners a manager for the foundation was hired. The larger part of that year proved to be required to build the network of knowledge partners, the coaches and additional financing from one of the regional entrepreneurship stimulation funds. In the last months of 2005 and the first months of 2006 the UOA entrepreneurship was developed in cooperation with the Utrecht University of Professional Education.

Also in the first months of 2006 a first group of 20 bachelor level students were found and matched to their coaches. This group will develop their POPs in the months June/July and will start their individual curriculum in September 2006.

When the students 'graduate' from the UOA in June 2007 they will receive a certificate with no formal value. The current status of the UOA is that it does not provide formal education. This provides the problem that without a formal status the UOA program is also not a part of the regular financing of the university. This problem is partly solved by the low-cost structure (pro-bono coaches, private sector teachers teaching in their own offices, etc.) of the UOA. In fact the university only invests in communicating the UOA proposition to students and in the program manager / study counselor. These investments are done by the university's knowledge center on business and innovation.

The UOA certificate may not provide any formal value, but it does provide material value. For example the banks that are founders of the UOA have indicated that they plan to include UOA participation in their evaluation of start-up financing applications. Thereby committing to the UOA as a knowledge and skills base for start-up entrepreneurs.

First impressions

Based on the experiences of the first group of 20 bachelor level students a first impression is that the UOA fills the need of very practical knowledge and skills. The students prove themselves eager to start working with their coaches and the private sector network. From a managerial perspective our experience is that it is important to make a distinction in the three categories: having an idea, having a plan and having a

business. Especially the last category can easily get frustrated when they feel they are perceived as one group with 'colleagues' who just have an idea.

Another impression is that the network of coaches needs quite some coaching. Experienced entrepreneurs are not necessarily good coaches. Special attention for their coaching skills is required as well as good communication and support on the development of the POPs.

A third impression is that managing the knowledge partners is quite a job. The fact that this was one of the failures of the pilot program led the UOA to the concept of the fixed roster with two workshops a week. This way the knowledge partners know what they need to deliver, when and where already months in advance. Even now however it takes the UOA office several hours per week to get things organized.

Conclusion

The UOA is an initiative of the private sector, together with some schools and institutions for higher education, to provide young entrepreneurs with education, training, coaching and a network on entrepreneurship. The fact that it is financed by the private sector participants proves the commitment and dedication that these participants have to the goal of stimulating successful entrepreneurship.

The UOA is a regional program in Utrecht, in the center of the Netherlands. This limited geographical scope makes it 'nearby' and easy to identify with for both students and participants. The fact that all the education, training and coaching in the program is done pro-bono by private sector participants and coaches makes the UOA a potential addition to the 'best practices' in entrepreneurship education.

Literature

ECORYS NEDERLAND (2005). 'Benchmark Gemeentelijk Ondernemingsklimaat; thematische rapportage eindmeting' (in Dutch,), Rotterdam, the Netherlands.

MINITTI, M., BYGRAVE, W. & AUTIO, E. (2005). 'Global Entrepreneurship Monitor; 2005 Executive Report', Babson / London Business School, United States of America / United Kingdom.

PRINCE, Y., HESSELS, S., HOESEL, P. VAN & GRAAFF, C. VAN DE. (2006). 'Een blik op MKB en Ondernemerschap in 2015; Scenario's op basis van de CPB-vergezichten voor de Nederlandse economie' (in Dutch), EIM, Zoetermeer, the Netherlands.

WENNEKERS, S., MEJAARD, J., VROONHOF, P. & BOSMA, N. (2005). 'De maatschappelijke urgentie van ondernemerschap' (in Dutch), EIM / SMO, Zoetermeer / Den Haag, the Netherlands.