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**Wirtschaftsentwicklung
und
Human Resource Development**

(Rostock Working Papers on
Economic and Human Resource Development)

Nr. 29

Christoph Diensberg, Yiannis Fessas (eds.)

Developing Practices and Infrastructures for
Entrepreneurship Education and Training in Europe

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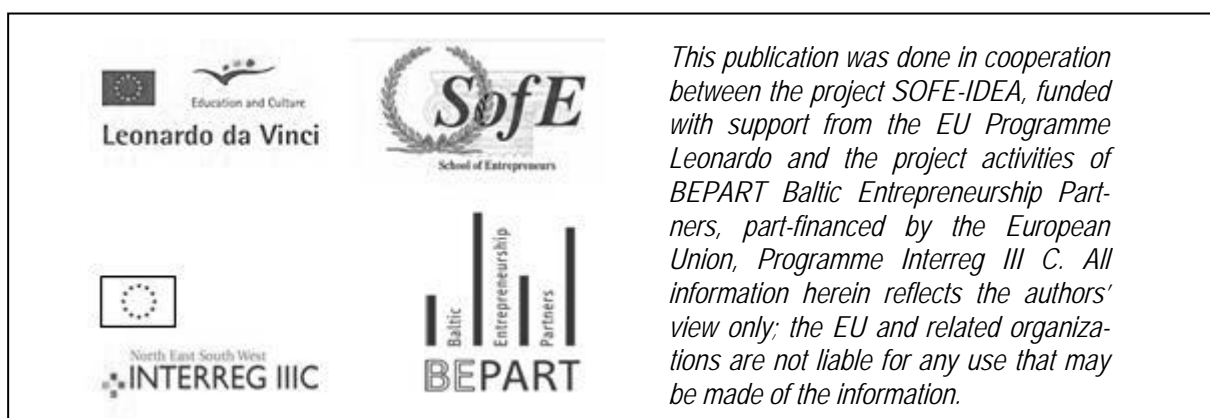
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Introducing a Structured Approach to Entrepreneurship Training in Europe

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Abstract

Entrepreneurship education is already high on the agenda in most EU Member States. A wide variety of programmes and activities exist across Europe, and hundreds of seminars and short courses are given each year on or about entrepreneurship and how to start and run a business. However, there is a need of promoting and coordinating these initiatives more systematically. A better integration of programmes and activities in the established curriculum was advocated at the Oslo Conference “Entrepreneurship Education in Europe” on October 2006. (Europ. Commission, 2006) Furthermore there is room and need for a unified system to accredit and verify Entrepreneurial skills, knowledge and competence at different levels. It is quite obvious that there is a need to harmonise and improve the different viewpoints to Entrepreneurship in the enlarged EU now including 25 members.

The SofE - IDEA (School of Entrepreneurs) concept, envisages five levels of entrepreneurial competence starting from the very Basic level up to a Life-Long-Learning level. SofE concept is not about providing course material or training methodology, it is a EU-wide skills and competencies accreditation system. A clear description of Qualifications Criteria have been set up to certify the applicant meets the Entrepreneurship Competency Standards (ECS).

A comprehensive and structured list of subjects, a syllabus, and a huge collection of questions and model answers will be the main tools used within the structured accreditation process. Against a complete signed and approved “Logbook”, the “Business Practice Certificate” will be the award given to persons who successfully fulfil the award requirements set by the SofE - IDEA Governing Board.

1. Introduction

The need for more Entrepreneurial Spirit in Europe, which is facing increasing competition from the USA and Asia, has long been recognized. Entrepreneurship is a key driver of the economy. Thus wealth and a high majority of jobs are created by small businesses started by entrepreneurially minded individuals, many of whom go on to create big businesses. Starting a new business or growing an existing one, is a demanding and tough job. The real secret to success is eagerness to learn and having access to knowledge, experience and expertise of others.

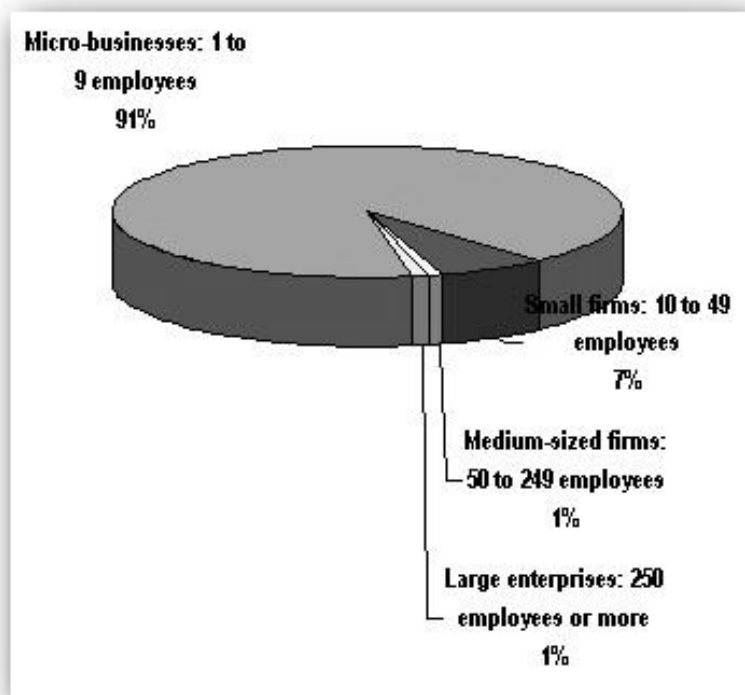
Entrepreneurial abilities, in part innate, are always accompanied by a store of specific knowledge (of market-place, administrative, managerial and communication) which requires/demands training and updating in the course of time.

In the light of growing challenges imposed by ever more competitive and globalised markets, where knowledge and professionalism represent a resource of very great value and constitutes the key to success, the SofE - IDEA System supplies a framework for training and certification of aspiring and existing entrepreneurs in order to stimulate their competitiveness and continual improvement.

2. Filling in the Gap

While statistics give a very clear picture of the demographics of businesses (see graph below), the educational systems does not prepare its output to fit into this economy.

Figure 1: Business shares according to enterprise sizes



Source: own illustration.

There are around 23 million small and medium-sized enterprises (SMEs) in the European Union. In practice, 99% of the businesses in the European Union are SMEs, and they provide two-thirds of all private sector jobs (about 75 million jobs). Nine out of ten enterprises in the EU's non-financial business economy are micro-businesses (with fewer than 10 employees). These micro-enterprises account for about 30 % of all jobs and one fifth of the created value-added.

Entrepreneurship education is a lifelong learning process, starting as early as elementary school and progressing through all levels of education, including adult education.

On one hand, university degrees prepare people to fit into large firms as competent managers. On the other hand, there are hundreds of seminars and short courses given in all EU countries each year on or about entrepreneurship and how to start and run a business. Such small business management and operations-related courses often teach how to oversee the day-to-day functions of a small business once it is established. These courses might focus on managing finances or employees, for example, or might also deal with practical information, such as taxation or license management. But the timing and content of these courses is not following a plan which connects them with each other. Furthermore there is no unified system to value and verify this knowledge acquisition process.

So, there is a need for a more structured approach for effective training of entrepreneurs. (LdV seminar "Development of Entrepreneurship", Hague 2003). Entrepreneurial education and training has to focus on the SME's importance and demographics and must adapt to their special needs. There is a vast list of daily tasks that have to be performed in any business. These various tasks are allocated to the available persons and are executed to various degrees of completion and quality, depending on the available resources (including time). In a large firm, there are many employees per function, while in a small firm, there are many functions per employee. Small business managers are responsible for managing all aspects of a business, from inventory control to marketing and staffing. As these managers are involved in all facets of a business, they have the opportunity to develop and implement innovative ideas. Moreover, entrepreneurial education and training has to adapt to the new global economy, where competitiveness and continuous development is a survival factor.

3. The SofE - IDEA Model

3.1. The Leonardo da Vinci Project

A consortium of nine partners (Cyprus, Czech Republic, Germany, Greece, Italy, Norway, Romania, Malta and the UK) under the co-funding of the EU (DG Education & Training) in the framework of the Leonardo da Vinci EU Programme, developed an integrated and structured system of entrepreneurial development. The name of the funded project is SofE - IDEA (School of Entrepreneurs – Integrated Development of Entrepreneurial Achievers).

The specific aims of the project are:

- (a) To develop and evaluate the idea of an integrated system of entrepreneurial training and development whereby any person, wishing to engage, or already engaging in business will acquire knowledge and skills of a certified level of competence in a well-structured and well-documented methodology, regardless to the acquisition manner (through formal, non-formal and informal learning, either by conventional training, self-study, e-learning etc.),
- (b) To introduce an effective and integrated, Europe-wide mechanism of valuing this knowledge and creating a driver to encourage the refreshing, reactivation and enlarging of such knowledge and ability.

3.2. The Concept

The system proposed by SofE - IDEA consists of three instruction levels starting from a basic level with the main purpose to create awareness. The “basic” level is open for all even for those who only finished junior school but have the willingness and aptitude to start and run their own business. The second (“advanced”) level is where theory meets with practice and it is the most appropriate level for people recognizing the need to learn how to play the many roles demanded in a modern micro or small enterprise. The third level is called the “Life-Long-Learning Level” and is designed for individuals seeking specific knowledge to help acquire specific skills which will allow them to practice something better or to be able to converse productively with their specialist consultants and advisors.

It is important to emphasize that training according to the syllabus requirements is provided independently of the SofE - IDEA Organisation, through every form of course (formal, informal, self-learning, e-learning, etc.).

The SofE - IDEA is designed for various types of candidates:

1. Aspiring entrepreneurs who want to start their own business and pursue their dreams.
2. Professionals who want to leave the role of an employee and start their own business.
3. Successful professionals in one arena who want to diversify by owning their own business.
4. Small business owners who need specific courses on entrepreneurship, in order to stay competitive and to take advantage of the emerging market opportunities.
5. Existing entrepreneurs who want to improve themselves; identify and fill gaps; update their knowledge and skills.
6. Managers who, apart from their duties, are having the role of consulting and mentoring.
7. Scientists and researchers who face the challenge of business, commerce, and entrepreneurship in order to develop and protect their inventions and discoveries.
8. Students who have studied non-business curricula, and now start their own business or enter the market as self-employed (e.g. engineers, doctors, technicians, gymnasts, etc).

Within the SofE - IDEA System knowledge and skills are acquired in a structured and consistent manner, while their acquisition is objectively examined and certified against well set standards. The IDEA model aims at creating a process whereby entrepreneurial education at any level will lead to an assessment and a certificate given by a recognized body in each country (chamber, association, authority, etc.). Such certificate could be valid for a certain period, after which the skills and knowledge must be re-evaluated and re-certified. In that way, the qualification will always reflect the owner's effective competences on the current business environment and the process will encourage life-long learning.

3.3. The Tools

In order to assist examiners, trainers and candidates to achieve qualified and certifiable results, the SofE - IDEA model has envisaged and developed a number of tools:

- the syllabus
- the logbook
- a set of question and model answers.

The Syllabus

The Syllabus and its supporting performance indicators are the framework for training providers to use in building appropriate objectives, learning activities, and assessments for their target audience. With the help of an experts' network in each country the syllabus and subjects will be kept current and relevant.

The Logbook

The aim of the SofE - IDEA Logbook is to help candidates, course providers, evaluators and the SofE - IDEA organisation to get the best results out of the certification process.

A logbook in which the examination result will be entered each time an examination is successfully executed, will be given to every participant. Each logbook has an unique Code Number and in combination with each candidate's unique code number an unique identification key is provided. Thus the consistency of the logbook and the candidate's status can be easily checked by the SofE - IDEA Organisation.

The logbook will be made available in all languages of the consortium.

Questions & Model Answers

The questions and model answers will provide guidance to examiners, trainers and candidates as to the desired level of competence a person should attain.

The selected format for the Q&MA is the multiple-choice item. The main reason for using such model is that in general, it takes much longer to respond to an essay test question than it does to respond to a multiple-choice test item, since the composing and recording of an essay answer is such a slow process. A candidate is therefore able to answer many multiple-choice items in the time it would take to answer a single essay question. This feature enables the examiner to test a broader sample of course content in a given amount of testing time. Consequently, the test scores will likely be more representative of the candidates' overall skills and competences (Burton, 1991).

3.4. The EEP Certificate

For acquiring the EEP certificate (at any level), candidates must prove their knowledge and skills. In order to be awarded the EEP certificate, candidates must then fulfil the SofE - IDEA requirements and have successfully passed the written exams, organised and supervised by the SofE - IDEA Organization.

The goal of the EEP Certificate is to provide evidence of an acquired knowledge base which is necessary for successful entrepreneurship and of competences to cope with today's global and competitive market. The added value of someone having the EEP Certificate, apart from knowledge and skills acquired in the process, will be an evidence for:

- credibility to bankers for funding;
- reliability to agencies, state and EU for subsidies;
- solidity and trust to potential partners.

4. Conclusion

The mission of the SofE - IDEA concept is to promote excellence, opportunity, and leadership among entrepreneurs, focusing on but not limited to SMEs and the self-employed.

The SofE - IDEA System is more than just another training programme. It is a programme for certifying acquired entrepreneurial knowledge and skills, based on well established standards.

The SofE - IDEA consortium has indeed developed a programme of structured instruction for practicing or building entrepreneurs. This will lead to a recognized qualification (EEPC, European Enterprise Passport Certificate) outside the formal educational system.

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