

THE UVIC ENTREPRENEURSHIP PROGRAM



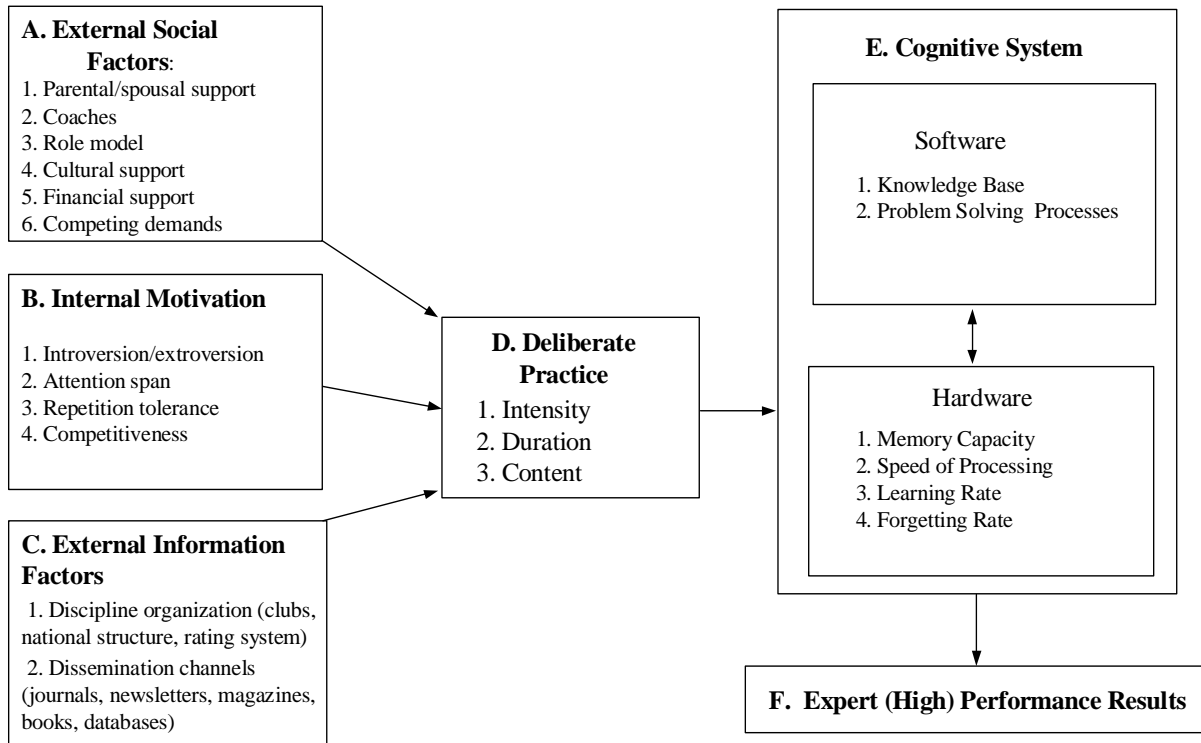
Program Objectives and Description

The Faculty of Business Entrepreneurship Program uses an INTEGRATED design. This means that in the undergraduate program five courses are taught as one; and in the graduate program the three ENT courses are also taught as one. Integrated design supports the Program objectives as discussed in the following sections, which are:

- Individualised education
- Full immersion
- Creation of student own Entrepreneurship Portfolio

The overall objective of this approach is—through encouraging *deliberate practise* of key skills (please see diagram below)—to help students to become an expert in entrepreneurship within five years of graduation.

General Model of Expertise/Skill Acquisition



Adapted from Charness et. al., 1996

Individualised Education

This Program has been created with individual people—the students of entrepreneurship—in mind. Listening closely to feedback from prior classes in entrepreneurship tells us that all students of entrepreneurship do not share identical goals. At least five different reasons (or versions of these reasons) for studying entrepreneurship have been identified:

1. A student has decided to pursue a career as an entrepreneur; wants to start his/her own business or to purchase and run entrepreneurial companies;
2. Students committed to a more traditional career wish to understand entrepreneurial processes so that they may apply this knowledge as required (management of, evaluation of, etc.);
3. Friends or acquaintances of students with a business degree may want their advice and/or financial support for their ventures;
4. A student may already be involved in an entrepreneurial setting with specific challenges and/or opportunities which need the refinements possible only through rigorous study;
5. It sounds interesting, the time is available, so why not?

Our mission is to clearly understand student interests, and to provide the information that students need, in the way that students need it. The Portfolio Practicum course (undergraduate program only) and individual meetings with instructors before, during, and after the Program support this

objective. However, the perspective that we take on venturing as we teach in a group setting is to coach prospective entrepreneurs to make decisions as though students were a “venture capital investor” because the objectivity that comes from this perspective will help a person to invest time and talents (the most important “venture capital”) wisely in each of the above situations.

Full Immersion

Entrepreneurial ventures (indeed society itself) are/is based upon exchange; and there can be no exchange without a transaction. So the basis for all that we teach is to fully immerse students in an understanding of transactions.

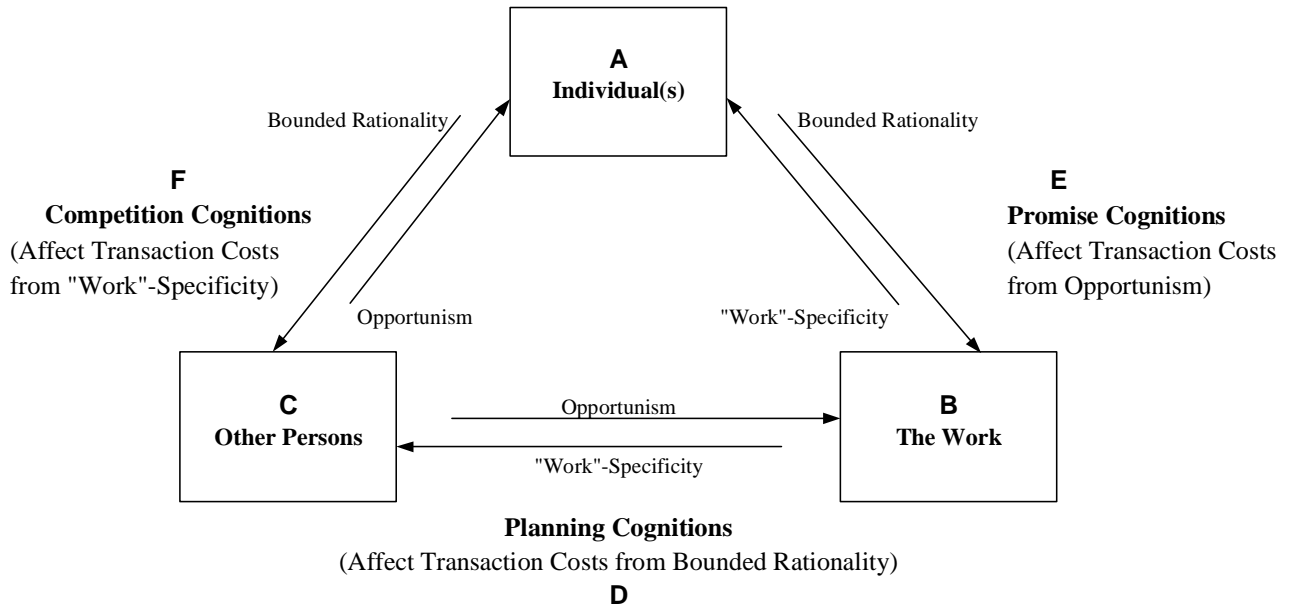
There are three parts to every transaction – the creating entity (the individual entrepreneur or entrepreneurial team), the work itself (product or service), and other persons (customers and other stakeholders). We can understand the process of exchange using the following logic: There can be no transaction when an individual offers to transact without creating anything to sell (the work). Nor can a transaction occur where an individual creates a work but has no buyers (other persons) to which to sell. And, the idea of a product (the work) being for sale to buyers (other persons) without a creator, or at least a packager (the individual) is undefined (Mitchell, 1999).

Therefore, to effectively learn how to conduct successful transactions, students need to be FULLY IMMERSED in three sets of knowledge:

- **A:** Knowledge about yourself as **the individual** creator (the venturER). We refer to this knowledge set as **Venturer Expertise**. **Venturer Expertise** involves gaining an understanding of student own venturing knowledge structure and how to improve it; and also involves gaining an in-depth understanding of the “harvest system” method of planning a venture to succeed, by choosing the venture characteristics that lead to the outcomes that students want;
- **B:** Knowledge about **the work** that students create (the venture itself). We refer to this knowledge set as **Venture Characteristics**, which have to do with gaining the skill to recognise the characteristics of viable ventures, and gaining the capability to recognise the strategic decisions that affect sustainable competitive advantage for the specific work of the venture;
- **C:** Knowledge about **other persons** who will judge student work, or who have specialised help to offer (the venture stakeholder environment). We refer to this knowledge set as **Stakeholder Relationships**. Understanding **Stakeholder Relationships** is about gaining the ability to identify and prioritise stakeholders, and gaining the skills and techniques needed for opportunity recognition, product launch, market acceptance, and the establishment of reliable transacting.

As shown in the following diagram, the creation of successful transactions also requires knowledge about the interaction among the individual, the work, and others, which in turn creates the need to have a full understanding of three key mental models or knowledge/cognition sets:

- **D: Planning Cognitions:** assist in developing analytical structures and courses of action necessary to solve previously unstructured problems, thus utilising transaction costs related to *bounded rationality*—human inability to obtain perfect information;
- **E: Promise Cognitions:** help in building mutual trust in economic relationships, thus utilising transaction costs related to *opportunism*—people pursuing personal gain with guile;
- **F: Competition Cognitions:** create advantageous bargaining positions, by utilising transaction costs related to *work specificity*—choosing to commit our time and resources to produce product/service A v. B, which means we are stuck (specifically) selling A and not B.



Based on Gardner (1993); Williamson (1985)

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Thus, our UVic ENT Program transaction-based definition of entrepreneurship is: *Using transaction cognitions (planning, promise, competition) to organize exchange relationships (among individual(s), other persons, & the work) that utilize the factors that create market imperfections (bounded rationality, opportunism, work specificity) to create new value (Mitchell, 1999).* We also reason that value-yielding imperfections exist beyond economic borders: in the environment, and in society itself (Cohen & Winn, 2004). Thus, we take the opportunity to teach students how to generalize transacting expertise to create sustainable value in a "triple bottom line" manner: where value is added economically, environmentally, and socially.

As students can see from the foregoing discussion alone, our full immersion process will require students to learn a new vocabulary to support new patterns of thinking, and the deliberate practise of key skills. We are confident, however, that students who DO fully immerse themselves in the learning process will be *surprised* and *delighted* with the results.



The full immersion approach follows the natural sequence of venture start-up. That is, students will learn Knowledge Sets A, through F, **while** students come to understand and practise: Searching, Screening, Planning/Financing, Setup, Start-up, and Ongoing Operation & Growth skills.

Courses

In an integrated program such as this, the record keeping is done by course; but the teaching is done by one interconnected program that follows the essential processes (above) whereby individuals create new ventures: Searching, Screening, Planning/Financing, Setup, Start-up, and Ongoing Operation & Growth processes. The course modules for both the Undergraduate and the graduate ENT programs are as follows:

Undergraduate:

ENT 410	Venture Marketing Expertise (Promise Skills) (1.5 units)
ENT 411	Venture Planning/Finance Expertise (Planning Skills) (1.5 units)
ENT 412	Acquiring Expert Venture Cognitions (1.5 units)
ENT 413	Portfolio Practicum (1.5 units)
COM 400	New Venture Strategy (Competition Skills) (1.5 units)

Graduate:

MBA 561	Planning Cognitions: Acquiring Entrepreneurial Expertise (1.5 units)
MBA 562	Promise Cognitions: Entrepreneurial Marketing (1.5 units)
MBA 563	Competition Cognitions: Entrepreneurial Strategy (1.5 units)

Creation of Student Own Entrepreneurship Portfolio

The unique characteristics of an entrepreneurial career do not always fit comfortably into the structure of a traditional business school education. While many universities recognize this problem, the solutions that they have adopted to the university education of entrepreneurs have tended to be incomplete.

Historically, courses or programs in entrepreneurship have emphasized the writing of a comprehensive business plan as the culminating—and actually more often as the *only*—experience students have in their entrepreneurship education. Writing a comprehensive business plan is important because it requires that students develop an entry strategy and at least mentally integrate the tactics of all the functional areas in order to achieve that strategy, which is an important entrepreneurial skill. Thus we have also made it a key part of student Program.

However, the use of business plan preparation as the **ONLY** major training tool for entrepreneurship has a heavy cost. First, the integration of functional areas of knowledge (financing, marketing, accounting) to create effective plans is not the only entrepreneurial skill required for success. Entrepreneurs also need considerable practice in honing their opportunity identification skills, negotiation skills, networking skills, selling skills, and strategic planning skills to enable them to create and profit from effective economic contracts (promises) that are based upon strategically competitive work (competition). Most universities that use only the business plan approach must hope that students either already have, or will get, real world experience to strengthen the other two sets of skills.

Secondly, most entrepreneurs and students erroneously view the business plan as a one-shot financing document whose relevance is minimal once the financing is approved. Success requires that entrepreneurs see planning as a vital and ongoing part of the process rather than as an “event.”

Finally, business plan preparation, by its nature, over-emphasizes new venture creation, when ongoing planning for venture survival and growth are equally key entrepreneurial issues.

In an Academy of Management session in 1994, noted entrepreneurship scholar, Karl Vesper proposed the use of student portfolios in response to the acknowledged shortcomings of the traditional business school approach to entrepreneurship education. The logic is as follows: In the Arts, a musician or visual artist prepares the best examples of his or her work for evaluation by experts and peers. Architectural and engineering schools often use portfolios as a means of evaluating their students and as a means of introducing their students to the professional world.



The adoption of the portfolio as a tool in entrepreneurship education can have several advantages.

1. It can help to integrate ALL of the skill sets needed. The “one-shot business plan” mentality would be replaced, because students produce a number of integrated documents or media.
2. The portfolio approach can replace the traditional university emphasis on coursework with an emphasis on demonstrating student development as a skilled practitioner.
3. The repetition involved in the Portfolio creation process is expected to provide students with an improved understanding of the practical application of planning, promise, and competition skills, and to demonstrate the ability to do it continually.



While creating the Entrepreneurship Program at the Faculty of Business at the University of Victoria, we adopted the portfolio concept as the means for organizing the curriculum and helping students and professors (in the undergraduate program) to focus attention to *deliberate practice*, and to create in both students and coaches, the capability to continually assess achievements— both past and future.

As part of the academic experience, the portfolio leads to student co-op terms, which can then be integrated into student final portfolio, as can extra-curricular experiences such as speakers, experiences with mentors, and so on. In the production of student portfolio, teaching team members and business mentors will be able to closely monitor and supervise student work so that students can achieve its major objective: **to produce a portfolio that can convince student stakeholders that student entrepreneurial efforts are worthy of their backing.** A unique feature of the University of Victoria undergraduate program is that an advisory panel consisting of faculty, business leaders and fellow students review key portions of each student's portfolio at a public presentation (e.g. the Venture Capital Conference at the end of term). It is our hope that students will enthusiastically embrace this unique approach to helping students to be a more prepared entrepreneur.



The Innovation Project

Each year on the first day of the Program, students divide into groups of 4 or 5 and undertake the innovation project challenge: to use only \$5 and 10 days to conceptualize, create, produce, sell, and collect the money for a product or service (legal and acceptable according to university regulations). As classes continue these project teams compete to see which one can achieve two objectives:

1. Count out the most cash in class at the end of the competition period; and
2. Win the confidence of their fellow students in a mock-investment auction where each team invests a hypothetical \$1 million in any/ all groups but their own.



Due to the generosity of Peter Thomas, noted entrepreneur and philanthropist, the winning teams are presented their awards by Peter himself.

The purpose of the competition is to level the learning field. At the beginning of the Program, some students may be entrepreneurs, and others may not. After the innovation project has been completed, every student has shared the entrepreneurial experience. The rest, is to learn and to practice what is systematic about achieving success in new ventures.

Awards

The UVic Entrepreneurship Program has:

- Won the 1999 Academy of Management Entrepreneurship Division "Innovation in Entrepreneurship Pedagogy Award," presented on August 9th, at the 1999 Annual Meeting held in Chicago
- Won the USASBE Model Undergraduate Entrepreneurship Program Award, presented at the US Association for Small Business and Entrepreneurship Annual Meeting, San Antonio, TX, February 19, 2000, and
- Been ranked by *Canadian Business* as the # 1 MBA in Canada for entrepreneurship, 2001.