

# AN INNOVATIVE APPROACH TO ENTREPRENEURSHIP EDUCATION IN ROMANIAN ACADEMIA: THE FRESHCONSULT PROJECT

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#### **Abstract**

In today's fluid and highly sophisticated context, with its unprecedented challenges and opportunities, Entrepreneurship Education (EE) plays a crucial role in building the appropriate competencies, abilities and attitudes, valuable as employee as well as entrepreneur.

As major EE providers, higher education institutions (HEIs) are struggling to adapt their teaching methods to prepare their graduates for diverse, complex and shifting market requirements. This continuous quest is leading them to innovative paths. Such a new approach was designed by the authors of this paper in order to increase the effectiveness of the EE in the Romanian academia. The FRESHconsult Project was developed as a modern educational tool, under the Model of Augmented Interaction Academia - Business Environment's (MAI-A-BE) (Dragusin, Sirbu and Grosu, 2018) "umbrella". Its aim was/ is not only to enhance students' overall entrepreneurship competence, but to also contribute to bridging the gap between the Academia and the Romanian business environment, trough free generic consultancy services. The followed 5 stages of this innovative endeavour are carefully detailed, along with the results of the FRESHconsult pioneering project's first iteration. 38 entrepreneurs of micro and small businesses, of all age categories, mainly active in the service sector, benefited from this collaboration, under our professional supervision. A number of 38 validated teams (181 students) were involved, providing a total of 1572 hours of free generic consultancy. This translated into 174 fresh/creative ideas/ proposals/ recommendations, many in the process of implementation. Both students' and entrepreneurs' strong positive feed-backs were tracked and emphasised is this paper. Further research to assess the project's impact is suitable.

#### Keywords

Entrepreneurship Education, innovative teaching methods, learning by doing, The Model of Augmented Interaction Academia - Business Environment, FRESHconsult project, Romania

#### **JEL Classification**

A20, M10

#### Introductory remarks. Focus on theoretical and practical frameworks

Nowadays, the demand for graduates displaying entrepreneurial behaviours and attitudes faces an upward trend. "Today's graduate currency or 'value' is in the ability to manage and



apply knowledge in action and in an entrepreneurial context, and not only in the ability to acquire and assimilate knowledge" (Collins, Hannon and Smith, 2004). Taking into account the rapid changes imposed by the digital age, the ability to be adaptable and to find viable business solutions are essential for the young graduates. These skills can get them closer to the capacity of taking rapid actions, act with initiative, adopt a reflexive behaviour and efficiently work in multicultural environments. This may constitute competitive advantages for the graduates from higher education institutions (HEIs) struggling to adapt their teaching methods to the nowadays challenges. The role of education in society is changing and the fast technological advancement is imposing an open attitude and a bulk of innovative teaching methods and actions, without which the old fashion academic players may lose their credibility and position on the market (Romero, Petrescu and Balalia, 2011).

Approaching the particular case of Entrepreneurship Education (EE), a study conducted in the United States of America, revealed that Class Discussion, Creation of Business Plans Guest Speakers, Case Studies Lectures by Business Owners, Research Projects, Feasibility Studies, Internships, In Class Exercises, On-Site Visits, Small Business Institute and Computer Simulations are among the most popular teaching methods used in universities (Solomon, 2006). A review of these pedagogies indicates that most of them are passive in learning and do not address several prevalent issues and characteristics. There is no examination of opportunity recognition such as requiring an environmental scan. Limited integration of technology and the Internet fails to take into account the technological savvy of the younger generation (18-25) who has been raised on the integration of technology into their everyday life, including but not limited to: cell phones, iPods, instant messaging and computers. Moreover, the "little consensus on just what exactly entrepreneurship students should be taught" (Solomon, Alabduljader and Ramani, 2018) is making even harder the "job" of an entrepreneurship teacher that has to stimulate the young students to dare and put their ideas in practice.

In a general perspective, the teachers need to come up with innovative teaching methods that stimulate and engage students along the educational process for a much proper anticipation of the market directions (Smeureanu & Isăilă, 2017). Apart of the teachers' involvement and efforts, the interest and dedication of the students are of the same importance if all of them want to achieve the common main objective: to be competitive as workforce or entrepreneurs for the shift towards the digital era.

At the European Union's (EU) level, it is widely accepted that economic development and a higher life quality strongly depend on the creation of vigorous local businesses. This can be achieved by enhancing local entrepreneurial potential to set-up, develop and manage new ventures. The European Commission is committed to promoting entrepreneurship through education at all levels (Suciu & Florea, 2017). Entrepreneurship is considered one of the key competences to be provided through lifelong learning. In that sense, an increasing number of EE programs are available across Europe, but as highlighted by the European Commission, their development and promotion has to become more systematic. The existing programmes have many similarities in terms of objectives, content and teaching strategies. They have an interdisciplinary approach, share similar topics and are aiming to develop valuable personal attributes.

As regards the case of Romania, there is formal support for entrepreneurial education, which is considered a priority within governmental strategies. Based on a series of weaknesses of the EE system pointed out by Drăguşin and Balalia (2010), we are highlighting the current most visible challenges that the higher education institutions have to overcome:

• The reluctance of people to start a business as they are afraid of the bureaucracy that they have to face and the lack of financial support for their business. Partially it could be true, but what it can be told that holds us back as a nation is that fear of trying and even failing. If we manage to change the perspective of failing and see it as part of the



final success, it would be a huge step for the evolution of entrepreneurship in Romania. Currently, the young people are more and more opened to embrace the entrepreneurial path, as various governmental actions have been developed. Apart of the private initiatives, there are governmental programmes that are offering entrepreneurs the possibility to benefit of financial support. Moreover, in most of the country's regions multiple entrepreneurial training sessions are provided as part of different projects financed through the European Union's funds.

- In most of the courses, including the entrepreneurship course, the teachers are still using traditional pedagogical styles that do not always meet students' learning needs and have limited effect. Their experience in promoting and diffusing entrepreneurial spirit among students is low and the application of innovative teaching techniques are still at their beginnings, but the rhythm has to increase in order to cover the needs and expectations of the current and next generations of young digital students.
- The lack of consistent materials and guidelines dedicated to the Romanian entrepreneurship for entrepreneurs that wish to develop and conduct their business within the Romanian market;
- There is a visible gap between existing EE and real Romanian business world requirements, as the actions of collaboration are still in a premature stage.

The purpose of overcoming the above-mentioned limits is to gain a more competitive position among the suppliers of EE within the EU and even at the international level, by adopting innovative solutions (Bob and Balalia, 2009).

Addressing the last identified weakness, we are presenting the FRESHconsult project as an innovative teaching method worth being extended in other HEIs for various teaching subjects for a closer connection between the existing EE and the real Romanian business environment. In such a context, we had developed the present paper based on the following structure, besides this introductory section. The first part of the paper outlines important definitory information specific to the description/characterisation of the FRESHconsult project, while the second emphasises the main outcomes of the first period of implementation. The paper ends up with a series of final considerations.

# 1. The FRESHconsult Project - a real example of implementing the Model of Augmented Interaction Academia - Business Environment in Romanian Higher Education Institutions

In the previously outlined context, in order to adhere to EU recommendations in terms of EE and to align to viable educational tools, the promotion of the Model of Augmented Interaction Academia - Business Environment (MAI-A-BE) (Dragusin, Sirbu and Grosu, 2018) in the Romanian academia is essential. Aiming to enhance students' entrepreneurial spirit and to strengthen the cooperation between higher education institutions and the business environment, such models bring a new approach to EE in the Romanian HEIs. Programs under the umbrella of such models generate positive outcomes for parties involved, HEIs and businesses. To put in a nutshell, on one hand, these projects bring important contribution to the development of students' entrepreneurial mindset/ attitude along with other "soft" skills like creativity and innovation, highly acknowledged in the real business environment. Involvement in such programs may consistently contribute to the improvement of students' personal and professional lives, "Professors can add consistently to the variety of their teaching/learning activities and can make a better correlation of the theory with the practice, through the application of the learning by doing/experiential learning principle. On the other hand, entrepreneurs can benefit from the rare opportunity to get genuine support for free and the total liberty to implement or not students' proposals/creative ideas; they may also enjoy the new information/knowledge



researched/provided by students, saving valuable time". (Dragusin, Sirbu and Grosu, 2018, p. 320).

Developed on the principles of the MAI-A-BE, the FRESHconsult project brings an innovative approach on EE in the Romanian academia. A unique project in the Romanian HEIs, FRESHconsult implies providing free generic consulting services by teams of students under professors' coordination/supervision to entrepreneurs owning micro and small enterprises. The need for enhancing students' entrepreneurial competences, to implement 'learning by doing' principles in teaching entrepreneurship, to connect students more to the reality of the business environment, the lack of economic knowledge of the entrepreneurs starting and developing small and micro enterprises, their need for consultancy services correlated with their lack of financial resources to benefit from such services (Nicolescu et al., 2017; Dragusin, Sirbu and Grosu, 2018) represented our main hypothesis for launching the first pilot version of the project during the first semester of the academic year 2017-2018 at the Faculty of Business and Tourism (FB&T), part of The Bucharest University of Economic Studies (BUES), under the Entrepreneurship discipline's associated activities. We are detailing below the content of our innovative project's main five stages (Dragusin and Grosu, 2018):

#### a) Initiation stage

In this stage we've set up the scope of our project - strengthening the ties between the FB&T and the Romanian business environment – and its main *objectives*:

- engaging at least 40% of the students (in their second year of study) taking the Entrepreneurship course, into our pilot project;
- providing free generic consultancy for at least 30 Romanian entrepreneurs.

In order to achieve the objectives, we took several additional decisions:

- to strongly promote the FRESHconsult project among our second-year undergraduate students;
- to run the project during the entire first semester of the academic year (14 seminars/14 weeks);
- to target only entrepreneurs owing SMEs with less than 49 employees (micro and small categories of enterprises), with less complex activity and, in general, with very modest financial resources.

#### b) Planning stage

The pilot FRESHconsult project had no funding, so we've carefully planned all the activities in order to properly use the other available resources, while raising and maintaining an adequate level of motivation among the parties involved – students and entrepreneurs. The project didn't incur additional costs for the main stakeholders - students, professors, entrepreneurs – except for the insignificantly ones assumed individually, usually associated with writing any other project/paper, as a minimum requirement for a university discipline (paper, printing costs, a CD with the electronic version).

The estimated human resources consisted of at least 176 students (the equivalent of 40%, out of the total number of 441 second-year students, enrolled for the Entrepreneurship course). We've decided to form teams of 4-5 students to work each with an entrepreneur identified by them, from their social network. Designing a plan with each part's responsibilities - team of students and professors - was strictly related to the project's objectives. The coordinates of our communication plan with the students included the following: a general presentation of the project's scope, objectives and phases (each with associated deliverables); the criteria each team should use to identify an eligible entrepreneur; schedule of the team's activities and the deadlines for the preliminary deliverables; the content of the team's final report and the deadlines needed to be met. In this stage we have identified the following *risks*:



- The lack of a stable/constant source of entrepreneurs willing to benefit from our project; except for our initial pull of 14 entrepreneurs we couldn't recommend others. Our efforts to develop a partnership with the Romanian Trade Register failed until now. However, taking into consideration the pioneering character of our project and the reality that it was unknown/ untested, we've assumed that there is a considerable probability that students could find entrepreneurs willing to join our project in their social network.
- Students' reluctance to work on the project. Their main perceived obstacles were related to their impossibility to find an entrepreneur wiling to collaborate with them or to the fact that they may not be considered trustworthy persons, unable to provide qualitative results. Therefore, in this first implementation phase of the FRESHconsult project, we decided to give students the opportunity to choose between traditional approach working on the team's own business idea versus working under the FRESHconsult 'umbrella'.

#### c) Execution stage

In this stage we've presented the project to our students, highlighting its unique nature in Romanian HEIs and the potential benefits it can bring for all those involved, on short, medium and long-term. Our purpose was to help students internalise the scope and the objectives of the project and become aware of their responsibilities, along with their major influence on the project's success. An honest and serious behaviour was mandatory for ensuring the projects' success.

In this stage, the teams were set up and each team identified a beneficiary-entrepreneur who received an official acknowledgements letter for his/her involvement in the project. Also, students signed confidentiality agreements regarding business/entrepreneur-related information.

Students were informed about the documents they need to deliver, all of them being developed under our strict coordination.

Each team of students needed to provide a consultancy report to both the supervising professor, respectively us, and the beneficiary-entrepreneur, including: a short description of the entrepreneur and his/her business along with a descriptive summary paper, business model CANVAS, SWOT analysis, recommendation plan, a brief table with the main provided suggestions, table with time allotted to FRESHconsult activities, individual assessment, synthesis table, entrepreneur's feedback, photos with students and the entrepreneur to advocate the experience under the FRESHconsult 'umbrella'.

#### d) Monitoring and control

During this stage various issues were reported by students and we strictly monitored the projects' progress. Furthermore, permanent controls of student teams were accomplished, especially during the seminar activities.

#### e) Closure

In this stage, we assessed each consultancy report based on rigorous standards, in order to attest each team as part of the FRESHconsult project. The number of reported working hours was verified, validated and summed up to get the total number of free generic consultancy hours provided by the students of the FB&T, under our coordination. The final consultancy report was delivered to the beneficiary-entrepreneur and a feedback from both entrepreneurs and students was collected. At the end of the implementing period an analysis of the projects' strengths and weaknesses was developed.

#### 2. The first implementing period of the FRESHconsult project: main outcomes

The first implementing period, which was during the first semester of the academic year 2017-2018, generated various positive results as outlined in the following paragraphs.



There have been 42 student teams involved in the project, out of which only 38 validated, leading to a success rate of 90%. The 38 validated student teams translated into 181 students, more than the number we initially estimated (176 students, the equivalent of 40%, out of the total number of 441 second-year students, enrolled for the Entrepreneurship course).

38 entrepreneurs beneficiated of a total of 1572 hours of free generic consultancy offered by student teams, under our supervision. Entrepreneurs were from all age categories. Considering the urban-rural criterion, 32 were from the urban area, while six were from the rural area. In terms of their business size, two of the enterprises were start-ups, 26 were micro and 10 small. In what regards their main branch/ field/ industry, five were manufacturers, six were acting in the retail industry, while 27 were active in the services sector.

Student teams formulated 174 creative, fresh suggestions to their beneficiary-entrepreneurs, many of them, being in the process of implementation; issues like marketing strategies, competition analysis, or human resources strategies were mainly envisaged. All the involved entrepreneurs have been extremely enthusiastic about the FRESHconsult project and provided strong positive feedbacks, like:

- "During the consultancy period, we have managed to improve the promotion of my café-shop, both in the online and offline environments, which led to an increase in the number of my customers, implicitly my profit. [...] I was extremely pleased to see that such programs are developed in a Romanian university." (male entrepreneur, owner of a micro enterprise active in Horeca, in the urban area);
- "The team of students from the FB&T, the BUES, who collaborated with us in the FRESHconsult project proved to be very enthusiastic and creative, bringing an important contribution to the promotion of our company and the products we sell. [...] Thank you for your collaboration and I hope such projects will continue also in the future, as they are extremely useful." (female entrepreneur, owner of a small enterprise producing and selling bakery products in the rural area);
- "The consultancy report I have received exceeded my expectations. The collaboration I had with the students team was very friendly, based on mutual respect. I will use the received plan in the future." (male entrepreneur, owner of a micro enterprise active in the auto service sector, in the urban area).

However, four of the targeted beneficiary-entrepreneurs highlighted some issues associated to the project's progress, perceived as superficiality of the partnering student teams. Their periodic assessment revealed us too repeated non-compliance with the deadlines and a very weak content of their intermediary and final reports. This led us to the decision to exclude those four teams from the FRESHconsult project.

Positive feedback was also received from all the validated teams of students, who managed to provide reliable, consistent generic consulting reports. Among the most valuable benefits perceived by the students while working for the FRESHconsult project and frequently mentioned were (in random order): a desired "switch" of the entrepreneurship courses and seminars from a dominant theoretical approach to a practical one; the opportunity to be in direct contact with the real business world, along with the chance to translate into practice the known theoretical notions; improvements of important entrepreneurial competences and skills; the development of a new social network. According to students' appraisal, the FRESHconsult project was perceived as an effective enhancer of skills and competences like: creativity, flexibility, adaptability, result-orientation, teamwork, work under pressure, detail orientation, self-confidence, perseverance, self-motivation, openness towards accepting others' ideas, active listening, public speaking, critical thinking, management and marketing related competences, even artistic competences, etc.



- "We can't form and develop our experience from books ... we need practical activities, such as the FRESHconsult project" (female student)
- "The FRESHconsult project meant a 'new' beginning for me." (female student)
- "Through the FRESHconsult project, I understood what it really means to be an entrepreneur in the real business world". (male student)
- "In the first place, I gained many new, trustworthy friends on which I can count, especially if I want to start a business." (male student)

However, students also perceived some weaknesses of the FRESHconsult project, mainly related to any beginning. During this first iteration, one of the most referred ones were: the difficulty to find entrepreneurs willing to get involved into the project and to collaborate with the teams of students; the challenges associated with developing a collaborative relationship with the beneficiary-entrepreneurs; the lack of more structured requirements regarding each of the project's stages.

We, as professors who coordinated the project, felt that we have: enriched our professional experience, improved our practice centred teaching methods and developed strong ties with both our students and the 38 beneficiary-entrepreneurs. On the other hand, the main problems we identified during this first stage of the project's implementation – quite similar with the ones identified by the students – referred to the lack of a more standardized approach, the poor engagement into the project of some students, students' low time management skill, the lack of a stable/constant source of entrepreneurs willing to benefit from our project.

### Conclusions. Focus on strategies to overcome project's main issues and on future development directions

EE is an effective tool that can stimulate the entrepreneurial mindsets of young people, encourage innovative business start-ups, growth of small and medium sized businesses and foster a friendlier entrepreneurship culture. There is no consensus on what and how to best teach entrepreneurship, but it is generally accepted that just content and pedagogies should target all three main characteristics of entrepreneurs and innovators: knowledge, skills and attitudes. EE exhibits a wide variety of teaching approaches addressing mentioned characteristics.

The analysis of the Romanian higher education system led to interesting conclusions regarding its evolution, merits and limits. For the challenges it has to face, major adjustments are needed. In that sense, coherent efforts should be made in order to reduce the gap between Romanian students' entrepreneurial needs and aspirations and the EE offerings within HEIs, in general and in non-business studies, in special.

Projects developed based on the principles of the MAI-A-BE might represent important tools for diminishing, or even, eliminating this gap. As a real example of translating into practice this model, the FRESHconsult project generated positive outcomes for both parties involved: academia and business environment. Developing students' entrepreneurial mindset, connecting them with 'real-life' problems, entrepreneurs receiving free, fresh, creative ideas for developing their businesses from student teams are just few examples. On the other hand, issues like the lack of a more standardized approach, the poor engagement into the project of some students, students' poor time management or the lack of a stable/constant source of entrepreneurs willing to benefit from our project have resulted from the first implementing period of the project. In order to overcome these, a more detailed, standardised description of students' tasks has been translated into the elaboration of an operational guide for the project, successfully used during the project's second iteration during the current academic year. This second iteration step also involved a better promotion of the project among all the FB&T staff, mainly based on the outcomes of the first implementation stage. Many of them proved to be very interested in the FRESHconsult



project, which translated into the involvement of additional three professors, running complementary to entrepreneurship courses. This led to an emerging vertically integrated project which will be carefully analysed and developed in the near future. Furthermore, we are going to complete soon the results of the project's improved second iteration. Its implementation meant also a more effective promotion in the business environment, in order to develop a database of entrepreneurs willing to benefit from free general consultancy under the 'umbrella' of our project.

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