

# The Impact of Entrepreneurship Education on Entrepreneurial Skills of University Graduates (Case Study: Payame Noor University of Torbat –E- Heydariye)

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**Abstract**—The present age is called knowledge era because today the real capitals of societies are knowledge, knowledge based skills and creative thinking of manpower but effectiveness of these capitals depends on the expansion of entrepreneurship training with respect to young and educated manpower. It is obvious that we must consider this matter in Iran as a special necessity by utilization of appropriate educations presented by specialized institution such as universities.

This article describes the experiences obtained in an entrepreneurship education course in Payame Noor University of Torbat–e-heydariye in 2013 based on successful experiences of many countries. Research sample was composed of 500 applicants in entrepreneurship center of the university and the results show that 80 percent of graduates were successes.

**Keywords**—Entrepreneurship, Entrepreneur, Center of Entrepreneurship Education, University

## I. INTRODUCTION

**G**LOBALIZATION has resulted into an increasingly challenging demand for graduates to be more competitive and creative. Governments are committed to develop creativity through such efforts to stimulate, incorporate elements of innovation in school curriculum, focusing on R&D and increase the availability of risk capital (Othman and et al 2012). Moreover, an uncertain world economic increase number of graduated people. Thus, the problem of unemployment presents a challenge for higher education institutions (Hoe Chee Hee, 2006). Therefore, many of experts are seeking catalyst for expanding economic growth and they believe that one of potential catalyst is for entrepreneurship. Entrepreneurship defines as doing works that normally do not do in the ordinary course of business processes. University as

the source of all the changes in society should be a leader in the entrepreneurial process. Because university's mission and commitments to community, they must try for the survival and efficacy and on the other hand the role of communities as a template with other organizations, in order to provide a suitable ground for other agencies for effective plan. Policy makers also believe that increased levels of entrepreneurship can be reached through education and especially entrepreneurship education. Therefore, such education is promoted and implemented into school curricula in many of the European member countries (European Commission, 2006).

Universities should also be pioneer in entrepreneurship process, because the University's mission and commitment to community on one hand, it tries to survive and their effectiveness and the other hand play role of communities as a template of other organizations. Furthermore, it should plan for effectiveness of other organizations in order to efficient manner provides new products and services for the society. Thus, over all expectations, objectives and policies are established by the university to train entrepreneurs in order to attain coherent strategy for training entrepreneurs. University must believe that is a system and social set. If the system do not optimize the relationship with its environment and lose exchange material and information with the environment, it will have static condition and also lose its independent identity. It seems university should regard creativity, innovation, entrepreneurship and necessary of development and prosperity as fundamental principle in order to University programs to be aligned and coordinated and with a spirit of creativity, innovation and entrepreneurship as a major strategic goal of the University gradually becomes dominant culture of the society. But unfortunately what our universities have been regarded as a matter of education and research issues, scientific and training related to the needs of the university and the community has not done enough attention. In addition, students with entrepreneurial process are still unknown, because there is not sufficient infrastructure to provide entrepreneurial development. The employment problem of graduates has become a social problem of unemployment, which made the bad situation doubly and the brain drain are

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the main consequences of it. In such situations, it is a crucial time for creating the necessary platform for the development of entrepreneurs. Therefore, this article tries to explain the sample and indicates how it is run and the results.

## II. THE CONCEPT OF ENTREPRENEURSHIP

Throughout the theoretical history of entrepreneurship, scholars and researchers from multiple disciplines such as anthropology, psychology, sociology, economics, management and technology and have grappled with a diverse set of interpretations and definitions to conceptualize this abstract idea. A further search of the literature also reveals that researchers have been inconsistent in their definition of entrepreneurship. There are a minimum of a hundred definitions to explain the concept of entrepreneur and entrepreneurship. Their meanings depend on when they were devised and on the society in which the various researchers developed them. In the last century, many writers have identified entrepreneurship with the function of uncertainty and risk bearing and others with the coordination of productive resources, the introduction of innovation and the provision of technical know-how (Hoselitz, 1952). During the sixteenth century, people who organized and managed military and exploration expeditions in France were called "entreprendre". The word entrepreneur originates from the French verb, "entreprendre" and the German word "unternehmen" both of which means to undertake (. In the Oxford Dictionary, an entrepreneur is defined as one who organizes, manages and assumes the risks of a business enterprise. The early 18th century French economist Richard Cantillon introduced the term entrepreneurship. In his writings, he formally defines the entrepreneur as the agent who buys means of production at certain prices in order to combine them into a new product. He further defines entrepreneurship as self-employment of any sort where the entrepreneur is the bearer of uncertainty and risk. Shortly thereafter, the French economist Jean Baptiste Say (1824) defines the entrepreneur as someone who shifts economic resources out of an area of lower to an area of higher productivity and greater yield. He added to Cantillon's definition by including the idea that an entrepreneur is one who brings other people together in order to build a single productive organization. But Say's definition, according to Peter Drucker (1985), does not tell us who the entrepreneur is. And since Say coined the term almost two hundred years ago, there has been lack of consensus over the definition of entrepreneur and entrepreneurship.

In recent years, there has been increasingly attention to entrepreneurship in Iran. Meanwhile, some lectures, officials and people have had bad opinion about entrepreneurship. Because, they think, entrepreneurship is defined as job creation or employment. However, Concept of entrepreneurship is wider and more valuable. Hence, bad opinion about entrepreneurship and also increasing of unemployed labor in society (especially among university graduates) has led to most of Policies that have been adopted

for the development of entrepreneurship and formulated plans, letters and speeches of officials in this regard, it is considered to be a mere job creation. Unfortunately, there is also the unpleasant problem even in universities that should be pioneer in real meaning of development of entrepreneurial attitudes and perceptions. In recent years, Economic, social, political and cultural conditions of the nation has caused the attention to entrepreneurship, especially in research and education of entrepreneurs. Moreover, funding sources have been advocated for development of entrepreneurial culture and also planning and support entrepreneurs by various executive agencies (headquarters, industrial, agricultural, etc.).

## III. LITERATURE REVIEW

Germany, England and the USA were the first countries which commenced in field of entrepreneurship. Germany started study and identify the individuals who had bold, innovative and motivated individuals who had severe financial constraints in during 1933 and 1935. The first policy was to protect these persons. Therefore, the first college was founded to educate the people in Germany. These schools established between the years 1937 to 1940 in England and later in America during 1942 and 1943. People in these schools during the short periods learn necessary training to start their businesses and one of the topics was how to grow the economy through entrepreneurship. They expressed their ideas in the schools and the number of psychologists, behaviorism, sociologist and professor of management revised their mind. Japan was the first country to do this very classical way and entrepreneurial culture of the school began in the late 50th decade. First institution founded in Tokyo in 1956 and in started to teach students how they make money during the study in 1958. These days, in industrial and postindustrial countries have advocated a significant part of training colleagues. In the United States teach entrepreneurship more than 50 universities, in Sweden 8, Italy, 8; Finland, 6; Austria, 7; Malaysia, 4; Hungarian, 7; Taiwan, Bangladesh and Indonesia have at least 2 universities.

Results of (Oosterbek and et al 2010) show that the effects on students' self-assessed entrepreneurial skills (and traits) are not significantly different from zero and the point estimates are even negative. The effect on entrepreneurial intentions is significantly negative. This result stands in sharp contrast to earlier positive outcomes of assessments based on the appreciation of the parties involved.

Findings of Luthje and Franke 2002 indicate that there is a stronger interest to start up high-tech growth companies after graduation among US students. This discrepancy is accompanied by a more favorable assessment of the entrepreneurial education at MIT. Hence, there is strong evidence that entrepreneurial programs at outstanding US universities still can serve as a success model for academic institutions in Germany (Luthje and Franke 2002).

Researchers have suggested that education and training for entrepreneurship should positively impact entrepreneurial

activity by enhancing instrumental skills required to startup and grow a business (Honig 2004), by enhancing cognitive ability of individuals to manage the complexities involved in opportunity recognition and assessment (DeTienne and Chandler 2004), and by affecting their cultural attitudes and behavioral dispositions (Livie and et al, 2009).

The relevant literature suggests important links between education, venture creation and entrepreneurial performance, as well as between entrepreneurial education and entrepreneurial activity. The primary purpose of this paper is to provide some insights about entrepreneurship education. The meaning of entrepreneurship education is explained, and the significant increase of these educational programs is highlighted. Literature has been suggesting that the most suitable indicator to evaluate the results of entrepreneurship education is the rate of new business creation. However, some studies indicate that the results of such programs are not immediate. Therefore, many researchers try to understand the precursors of venture creation, concluding that is necessary to carry out longitudinal studies. Based on an overview of the research published about the existing linkage of entrepreneurship education and entrepreneurial activity, the main topics studied by different academics are addressed. For the authors, the positive impact of entrepreneurship education puts a double challenge on governments in the future: the increased need of financial funds to support entrepreneurship education and the choice of the correct educational program.

Entrepreneurship as Intentionally Planned Behavior:

Intentionality is a state of mind directing a person's attention (and therefore experience and action) toward a specific object (goal) or a path in order to achieve something. Any planned behavior is best predicted by observing intentions toward that behavior, not by attitudes, beliefs, personality or demographics (Bagozzi and Yi, 1989). Thus, according to social psychology literature, intentions are the single best predictor of planned behavior, especially when the target behavior is rare, hard to observe or when it involves unpredictable time lags (Ajzen, 1991). When the target behavior affords a person complete control over behavioral performance, intentions alone should be sufficient to predict behavior, as explained in the theory of planned behavior. Intentions have been found to be an unbiased predictor of action, even where time lags exist, for example in career choices (Lent et al., 1994). Hence, intentions predict behavior, while in turn certain specific attitudes predict intention. Attitudes, again, derive from exogenous influences (Ajzen, 1987). Thus, intentions are indirectly affected by exogenous influences: Either they drive attitudes or they moderate the relationship between intentions and behavior (i.e. facilitate or inhibit the realization of intentions). And intentions serve as a mediator or catalyst for action: intention-based models describe how exogenous influences change intentions and, in the end, actual behavior. This is confirmed by meta-analytic studies (Kim and Hunter, 1993). Across a wide variety of target behaviors and related intentions, attitudes explain over 50% of the variance in

intentions, intentions in turn explain over 30% of the variance in behavior. This compares to 10% usually explained by trait measures or attitudes alone. Many researchers see entrepreneurship as a typical example of planned intentional behavior (Bird, 1988). Having an entrepreneurial intention means that one is committed to starting a new business (Krueger, 1993). The attitude towards entrepreneurship may be influenced by educational measures. However, despite the recognition that education and prior entrepreneurial experiences may influence people's attitudes towards starting their own business, the impact of entrepreneurship education, as distinct from general education, on intentions towards entrepreneurship has remained largely unexplored (Krueger Jr and Brazeal, 1994).

Entrepreneurial implementation core of Payam Noor University of Torbat- Heydarieh:

Core of entrepreneurial activity at Payam Noor University of Torbat-Heydarieh has started since summer in 2013. All core entrepreneurial members of Payam noor university of Torbat - Heydarieh include (Director, Secretary and three members) to achieve the desired goals related to entrepreneurship have held training courses, workshops, entrepreneurship seminars. Praised from entrepreneurial students the graduates and of industrial and non-industrial entrepreneurs and visiting centers to familiarize students with the core of the business market are a part of entrepreneurial activities of the university. Following, the university trains kindergarten teachers to upgrade their knowledge and skills. Furthermore, about 500 volunteers and students register as entrepreneur in Torbat- Heydarieh, Roshtkhar, Mahvelat and Zaveh and after the course a license is issued of coaching. The results of the core entrepreneurship course is creating job for about 350 students and graduates of Payam Noor University. In addition, 350 people who finding job and around 50 people from the fields of psychology and education who have been trained in these courses established kindergarten. Given these results indicate that 80 percent of success is considerably, further that core earnings registered applicants for Entrepreneurship can be funding for future projects of core entrepreneurship.

#### IV. CONCLUSION AND IMPLICATION

What is clear from the contents above mentioned is considerable importance and influence in the entrepreneurial process. Thus, provide a core of entrepreneurial can be an influence strategy and definitely it can have significant results. However, implementation activities of members and motivate them to be productive and effective is more important than core of entrepreneurship. Hence, as first propose methods of personal selection should be introduced and recommended using personnel who are entrepreneur and having high motivation, enthusiasm and great ability in his or her field. It certainly would be more beneficial to the appointment of the bureaucracy and the power of creativity, risks and other factors personality of personnel can affect the entrepreneurial process.

Furthermore, it is suggested that in addition to the permanent members of the core of entrepreneurs, we must use vary entrepreneur as a consultant. Because, they have sufficient experience and know about entrepreneurial market. Consequently, they can associate alumni with the market and identify and assessment their needs. Eventually, they Provide useful guidelines and explore the way people conduct business. Entrepreneurship can be set and Executable to improve the performance of three core activity areas in following:

#### V.FIELD OF INFORMATION

One of the problems we face in society in relation to entrepreneurship is the lack of understanding of the entrepreneurial process. It seems necessary; a branch of core entrepreneurship can be responsible of entrepreneurship festival and conference, various competitions with attractive titles to identify talents, nurture creativity, foster innovation in the context of entrepreneurship, it also uses information and identifying the entrepreneurial process by position of university.

##### *Education area:*

In order to strengthen the skills and capabilities needed to create and develop ideas and preparation to convert it into long-term business plan. Besides having a long-term horizon and in line with the economic goals of the community, it must have the flexibility to adapt to condition. These courses may include courses in general raise students' abilities in necessary field for employment in accordance with professional knowledge about the tools needed to be in business. These courses should be planned for students from early undergraduate to graduate from post graduated. Moreover, these courses should be independent in each level and be coherence between sections. This field can undertake the training of university's graduates and students also upgrade the skills of workers by highly specialized training. Consequently, member of this field should be well educated in order to provide the necessary training to applicants.

##### *Research and entrepreneurship:*

The field of entrepreneurship is supporting the other two branches, because necessary researches are done for the other two branches and announce the results. Thus, this field must be composed of members from all branches of scientific research in order to carry out comprehensive research. In addition, it can be a great supporter for scientific research and student projects.

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