Entrepreneurship Education in Sports: Issues and Challenges

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Abstract: Much has been said of the importance of entrepreneurship. Entrepreneurs are giving a helping hand to governments in job creation, economical, technological, and social development. The rise of entrepreneurs has already begun. Having agreed on the controversial statement of "Entrepreneurs are made, and Entrepreneurship can be taught", universities have dipped their toes into the lake of entrepreneurship trying to shape their students as entrepreneurs. However, studies show many have not been successful in this mission. Among academic disciplines, sports is one of those areas that despite enormous opportunities in the industry, along with graduate level knowledge and skills capable of improving daily lives of many, has produced fewer entrepreneurs than it intended; But why? The main reason, according to many experts, is that entrepreneurship education is not practical. The entrepreneurship courses are not productive and the content of such classes doesn't make a strong bridge between academia and industries; the gap is still there! The question is what is a practical sport entrepreneurship course? Which instructional model is more beneficial for sport students in entrepreneurship classes? This study attempts to answer these questions.

Keyword: Entrepreneurship education, Sport Entrepreneurship, Small Business, Sport industry, Sports students

1. Introduction

The surge of new and innovative business start-ups has left a significant influence on the formation of entrepreneurship as a global phenomenon, showcasing its impact on economic growth. Their undeniable role in job creation and positive contributions to economy has earned entrepreneurial activities governments' recognition. The association of entrepreneurship with profit orientation, capital investment and new markets creation (Cantillon, 1755; Schumpeter, 1934) has prompted economists to give entrepreneurship substantial credit for economic expansion (Cole, 1949, 1995; Weber, 1930). Consequently, regarding entrepreneurship as a major engine for economic growth and job creation is not far-fetched (Wong, Ho and Autio, 2005; Engelen, Kube, Schmidt and Flatten, 2014; Lackeus and Williams Middleton, 2015). Doh and Kim (2014) believe, in the current knowledge-based economy, entrepreneurship has turned into one of the leading key players of sustainable economic development (Grossman and Helpman, 1994; Kirzner, 1997; Shane, 2000; Audretsch and Thurik, 2001; Baumol, 2002; Acs et al., 2004; Baumol, 2004; Audretsch and Keilbach, 2004; Acs, 2006). Moreover, Dana (2001) points out, entrepreneurs, beyond their contributions to economic growth, improve industrialization through creating wealth and reducing unemployment. They directly impact national wealth through taxation, and through improving living standards they affect social well-being. So governments’ attempts in creating more entrepreneurs do not come as surprising.

Additionally, according to OECD (2000), Small and Medium-sized Enterprises contributes over 95% of companies and close to 70% of employment among its members. SMEs have changed the rules of play in economic performance, leading governments to put more faith in their contributions, as thanks to new technologies, the importance of the scale of economies are being reduced in many kinds of activities (Liesch and Knight, 1999; McIntyre, 2001; Berry, 2002; OECD, 2004; Kramer et al., 2007). Doh and Kim (2014) explain, policymakers should pay more attention to SMEs regarding productivity, industrial renewal, export growth and employment opportunities, as SMEs are now one of the most important sources of innovation and job creation in OECD area. Apart from financial incentives such as loans, tax reduction and import/export supporting policies, one way to bring entrepreneurs into the field is education.

Entrepreneurship Education: Many scholars, now, believe that entrepreneurship can be taught; this is no longer a topic of debate (Gorman, Hanlon & King, 1997; Kuratko, 2005; Drucker, 2006). Bae and Qian and Miao and Fiet (2014) conducted a comprehensive meta-analysis on entrepreneurship education literature. They further report that based on their meta-analysis, there is an association between entrepreneurship education and entrepreneurial self-efficacy in the literature, which in turn could have a
Entrepreneurship education is defined by The Centre for Entrepreneurial Leadership Clearinghouse on Entrepreneurship (refer to www.celcee.edu) as the process in which an individual receives the knowledge and skills required for opportunity discovery, and the insight and capability to act and implement what is necessary to pursue that discovered opportunity which was overlooked by others. The definition of entrepreneurship education given by GEM 2012 Global Report (Xavier et al., 2012, p.35) is: “The extent to which training in creating/managing new, small or growing business entities is incorporated within the education and training system at all levels”. However, Fayolle et al. (2006) explain, entrepreneurship education programs (EEP) are defined from various aspects, mainly as pedagogical courses that aim to increase entrepreneurial knowledge, skills and attitude and also development of certain personal qualities. Therefore, producing entrepreneurs might not be the main objective of an entrepreneurship education program. Although the EEP literature is growing, however the empirical evidence that support its effect on new businesses and entrepreneurial activities is still insignificant (Cox et al., 2002; Matlay, 2008). Scholars (Peterman and Kennedy, 2003; Shepherd, 2004; Tan and Ng, 2006) believe recent development in entrepreneurship education methods and application are improving entrepreneurial skills and life goals among young nascent entrepreneurs (Peltier, Scovotti and Pointer, 2008).

Entrepreneurship Education Methods: Kuratko (2005) demonstrates that there are several pedagogical designs for entrepreneurship education and they vary from business plan to venture creation. Business planning is used by most courses because the process of drafting business plans intends to expose learners to sets of knowledge and skills that strengthens their entrepreneurial intentions (Becker, 1964; Honig, 2004; Youndt, Subramaniam, & Snell, 2004; Fayolle, Gailly, & Lassas-Clerc, 2006; von Graevenitz et al., 2010). On the other hand according to Lee, Chang, & Lim (2005) many universities opt for the venture creation focus in their entrepreneurship education. This approach intends to teach practical steps to creating mini companies (Rodrigues et al., 2012), and because it is done through a multi-functional implementation process it helps students develop skills needed in the entrepreneurial venture (Liñán, 2007). Additional apprenticeship training along with formal training by abstraction is supported by some scholars as they believe without it formal training has little value (Brown, Collins, & Duguid, 1989). Similarly, business guru, David Birch counts three skills that entrepreneurs must master in order to become successful: selling, managing people and creating new product and service. He argues that critical skills like managing people are not things that can be taught through formal training of business plan writing.

The learning-by-doing experience has received approval from education scholars. Repetition and experientation is said to increase the confidence of an entrepreneur in actions and enhance his/her knowledge (Minniti and Bygrave, 2001 p.7). It is further argued that this approach emphasizes venture creation consequently giving students practical experiences and skills which otherwise would be missing from business planning. Rasmussen and Sarheim (2006) reviewed five Swedish universities’ action oriented programs and found out many such programs emphasize learning-by-doing. One example that they bring up is the Chamars University of Technology in Gothenburg. In this university the designated program tries to get students actively involved in the start-up process, team composition, and venture formation. Audet (2000) argues that the best way for increasing entrepreneurial activities in students is affecting their perception of desirability and feasibility of starting venture, which in turn enhances their entrepreneurial intentions. Audet lets the participants choose between either a business plan or a field study. People in the business plan assignment were required to find a business idea, evaluate it, and then implement what is necessary to pursue that opportunity which was overlooked by others.
Entrepreneurship in Sport Industry: Sport industry is divided into three separate segments by Pitts et al. (1994): sport performance, sport production and sport promotion. Hence, sport entrepreneurs seek opportunities in these fields and other industries which can be related to the abovementioned segments; just to mention few, fitness clubs, gyms, goods and equipment manufacturers, sport media and advertising agencies, etc. The definition of sports entrepreneurship and the central role of innovation are of crucial importance because it is a relatively new field. Aside from the traditional coaching and teaching physical education, there are several other career paths available for people who venture into the world of sports. Thanks to Information Technology, now sport entrepreneurs can expand entrepreneurial opportunities from sport industry to other industries; computer games, wearable devices, sports application on smart phones, and so many other products and services are the outcomes of this. As Stier (1993) argued, for future sport professionals the need to have an extensive knowledge of business and necessary skills to handle challenges that rise in the business of sports is imperative. He further points out sports entrepreneurship as one of the areas where possible opportunities for employment lie. Moreover, Ratten (2011) relates sports entrepreneurship to people or organizations in sports that bring about innovation in business and deliver something unlike what was previously done and known. The importance of entrepreneurship culture for entrepreneurial opportunities in sports is highlighted by Ratten (2012). There are common attributes and values among entrepreneurship and sports. They both seek economic and regional development. Innovation, risk taking, pro-activeness, initiative, and opportunity seeking are also a few of common traits that run in both fields.

As the numbers of sport entrepreneurs increases, the need among them to act more strategic and innovative to secure their position in the ever evolving and challenging economics of the modern era rises as well. Thus integration of sports management and entrepreneurship disciplines made its way into scholars’ agenda (Ratten, 2011). These entrepreneurs are often contributing to creation of social wealth through social and community activities and are not merely producing personal wealth (Ratten, 2012). The background and experiences of sports entrepreneurs, and the amount of it they possess, is what determines their ability in identifying and deciding on opportunities (Ratten 2012). If they are observant and able to see new opportunities they can use innovation and creativity to clear the way for achieving desirable results.

Sport Entrepreneurship Education: For the current system of vocational education, one of the major challenges is to match what students learn, from knowledge and skills to behaviour and attitudes, to what the employment market requires (European Training Foundation 1999). Therefore, the responsibility lies on the shoulders of instructors to develop evolving curriculum standards that are capable of growing and adapting with the changes in the employment sector. The same principle applies in the sports industry, where the constant ever evolving nature of the industry requires instructors to be developing curricula accordingly to prepare students for what lies ahead in their careers. In the discussion of Sport education reform, Ge (2011) believes entrepreneurship education plays an important role. Indeed, with regard to difficulties and challenges in entrepreneurship and self-employment in sport industry, measuring the impact of entrepreneurship education was proposed as one solution. For that, three major measures were suggested, namely to build favourable culture of innovation and entrepreneurship in universities campus, to design new entrepreneurship education instructional models and finally to develop entrepreneurship education in Sport education service system. Sport literature, when it comes to entrepreneurship area, is very young and immature. There are studies that have focused on various aspects of Sport industry, such as development of human capital and competitive sports (Krueger & Neergaard, 2012), entrepreneurial attitudes and sport franchise: increase net income (Legg & Gough, 2012), entrepreneurial strategies and brand management theories (Miloch, Lee, Kraft & Ratten, 2012), relationship between exercise and the attainment of personal and professional goals for entrepreneurs (Goldsby, Kuratko & Bishop, 2005), sport mega-events as promoters of urban entrepreneurship (Hall, 2006), entrepreneurial systems (Spilling, 1996) and sport entrepreneurship, field and suggestions for further research (Ratten, 2012). What is
missing is a category of research in which scholars would study and explain the pedagogical aspect of sport entrepreneurship. Similar need has already been pointed out for sport management field as well (Light and Dixon, 2007). Sport is one of those areas that despite enormous opportunities in the industry, along with graduate level knowledge and skills capable of improving daily lives of many, have produced fewer entrepreneurs than it intended. Having considered increasing number of sport entrepreneurship programs, the productivity of these courses needs much more attentions.

Dana (2001) explains, for training programs to reach to their full success potential, they must be relevant to the host environment. Extending one program’s success in one environment to another, and expecting the same effects would be a fallacy. Hence, it seems the content of a sport entrepreneurship course should be developed based on sport students’ needs. Borges (2010) attempted to do a comparison between sport entrepreneurship instructors and practicing entrepreneurs in what they regard as important skills to teach student to enable their success in running sport-oriented businesses. This comparison is of great value for students as well as educators to evaluate the current material taught in sport entrepreneurship courses. As one of this research's result, Borges found that larger percentage of sport management and entrepreneurship instructors, value digital skills and strategic management more than sport entrepreneurs do. Instead, sport entrepreneurs give more weight to financial management topic rather than sport entrepreneurship instructors. A review on entrepreneurship education literature shows, sport programs lack a specific and sport-oriented design and content for their entrepreneurship courses. The responsibility of preparing students to enter the ever changing and evolving sports industry has been laid upon instructors of sport management, as they have to ensure the curricula developed are effective enough to prepare students for the challenging industry of sports. Because many of the instructors do not possess experience in owning their business or employment in large sports corporations, the need for thorough examination of content and skills they offer is extreme (Borges, 2010).

Humphreys and Maxcy (2007) examined the value of sport economics in sport management curricula and reported that this field has received small attention because of two possible reasons; either sport faculties are not qualified in this regard or they are indifferent about the importance of this topic. Since entrepreneurship, like economics, is a relatively new area in sport management programs, similar prediction can be made to justify the indifferent approach toward sport entrepreneurship courses. On the other hand, the quality of education system is mostly reflected in the higher education. For students who seek formal education, higher education institutes are the last step before entering the workforce, hence any changes that occur in the society is usually reflected in the curricula of higher education. Therefore, it is important that the curricula are not being developed without proper attention to the needs and specific problems of society or to their role in preparing experts of the future (Patesan & Bumbuc, 2010). This shows the importance of pragmatism and timeliness during the instructional design of sport entrepreneurship courses. Entrepreneurs, generally and in any industry, should exploit available resources and tools to make money out of their entrepreneurial ideas. An up-to-date entrepreneurship course and instructor could increase the entrepreneurial skills of students.

2. Conclusion and Suggestions

Much has been said of the importance of entrepreneurship. Similar to other industries, entrepreneurs help the sport industry grow, both locally and globally. One way to produce more entrepreneurs is education. Sport entrepreneurship education courses can, and should be more productive. To achieve that, following suggestions can be a starting point:

1. An entrepreneurship education course should be designed based on specific needs of students who will attend in that course. Hence, a precise need assessment survey should be conducted before the design process starts. This can determine the real needs of students of any sport faculty.
2. Sport entrepreneurship instructors should be expert in the field of entrepreneurship. It is important to know that sport entrepreneurship is different than sport management or even sport business.
3. New methods of teaching and delivering and evaluating should be exploited during a sport entrepreneurship course. The traditional textbook, lecture method will not work anymore.
4. Real examples and case studies of successful entrepreneurial sport-related firms and companies should be discussed in the classrooms.
5. More action researches needs to be conducted to explore various methods of entrepreneurship instruction in sport faculties.
6. Last but not least, sport entrepreneurship courses and programs should receive top management support.
References


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