

EFB Position Paper: Entrepreneurship Education



Entrepreneurship education has been highlighted as being essential for fostering creativity and innovation. As the EU itself recognises, there is a need for the more systematic promotion of entrepreneurship initiatives. However, currently most of the entrepreneurial education initiative and programs being run or promoted by the European Institutions have overlooked a key resource.

European Family Businesses believes that coordinated action by the Commission is needed to utilise and promote the knowledge of thousands of family entrepreneurs to teach students, primarily in higher-education, of the benefits of starting a business and running it for the long-term. In the context of entrepreneurship education, European family businesses believes:

- Entrepreneurship education should also include specific family business issues such as succession and family governance to better prepare future entrepreneurs to successfully run their businesses.
- It is crucial that ownership education is promoted as an accepted topic next to business education. European Family Businesses is of the opinion that developing ownership education is critical to give key stakeholders a better understanding of the responsibilities and options that owners of companies have.
- Entrepreneurship education should aim to foster new family entrepreneurs, but also to promote entrepreneurial behaviour (including innovation) in existing family firms. This knowledge should enable heirs to re-invent the business, which is proved to be what keeps the company going from each generation.
- Entrepreneurship education should include succession planning and business transfers to favour business continuity.

The EU2020 Strategy underlines the need to, 'promote knowledge partnerships and strengthen links between education, business, research and innovation, including through the EIT, and to promote entrepreneurship by supporting Young Innovative Companies(1)' and 'to give a strong impetus to the strategic framework for cooperation in education and training involving all stakeholders'.(2)

EFB believes that a key 'stakeholder' is the family business owner. The Commission recognises that 'both higher education institutions and businesses benefit from working together'(3). European Family Businesses-GEEF fully supports this view and the conclusions that came out of the Commission's Communication on 'a new partnership for the modernisation of universities', in particular, 'universities should involve entrepreneurs

(1) Communication From the Commission Europe 2020, a Strategy for Smart, Sustainable and Inclusive Growth, p.13, com (2010) 2020 final

(2) Idem, p.18

(3) (http://ec.europa.eu/education/higher-education/doc1261_en.htm)

and business people into the teaching of entrepreneurship, for example via the establishment of visiting professorships to outstanding entrepreneurs⁽⁴⁾. Business owners and entrepreneurs need to be directly engaged in the learning process, since they bring practical expertise and hands-on know-how into the class room. In addition, Family Business owners or entrepreneurs can often bring something different - their corporate values, such as sustainability, trust, responsibility, and integrity.⁽⁵⁾

- From primary to higher education business owners must be active in the learning process.
- Every university, applied university and business school should offer education on family business issues either through dedicated programmes or as an integral part of other programs, e.g. their entrepreneurship curriculum.
- Universities should be encouraged to set-up Family Business chairs so as to promote research in the field of Family Business and value-based management.

European Family Businesses also believes that the recommendations that came out of the expert group on Family Businesses which highlighted in the final report that, 'national governments could plan to make changes to their education systems and work closely or in partnership with private-sector organisations and educational institutions (e.g. business schools and universities) to develop family-business-specific courses as part of existing curricula or as new Curricula'⁽⁶⁾. EFB would encourage any action taken by the Commission to follow up on the above recommendation or to encourage the implementation of already existing best practices such as, the Family Business Academy (organised by the Cyprus International Institute of Management as a module of the Masters in Business Administration), the Master 2 Family Business Governance of the Institut d'Administration d'Entreprise de Bordeaux (France), and the 'Cattedra AldAF - Alberto Falck di Strategia delle Aziende Familiari Università' of the Bocconi University (Italy)⁽⁷⁾.

In Conclusion, it is clear that the European Union recognises the need for more wide spread entrepreneurship education in the context of building better relationships between universities, entrepreneurs and businesses. However, if the European Union wishes to promote 'smart, sustainable and inclusive growth' in Europe, emphasis needs to be placed on the family business model since the family business is very often run sustainably and for the long-term.

June 2012

European Family Businesses is a federation of 11 national family businesses associations. Our aim is to make political decision makers aware of the contribution of family businesses to society at large and to promote policies that are conducive to long term entrepreneurship. Our members represent turnover in excess of one trillion Euro, 9% of European GDP.

⁽⁴⁾ A new partnership for the modernisation of universities: the EU Forum for University Business Dialogue, p.5, COM(2009) 158 final

⁽⁵⁾ Corporate Values Guiding the World's Largest Family-Owned Businesses: A Comparison with Non-Family Firms. Working Paper, March 2011, Lucia Ceja and Josep Tapias.

⁽⁶⁾ (Final Report of the Expert Group Overview of Family Business Relevant Issues: Research, Networks, Policy Measures and Existing Studies, p.18, 2009)

⁽⁷⁾ Idem, p.26