

THE APPLIED EXPERIENTIAL LEARNING METHOD IN ENTREPRENEURSHIP EDUCATION: A CONCEPTUAL APPROACH

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Abstract

This concept paper considers the impact of the applied experiential learning method in entrepreneurship education on the levels of authenticity, engagement and decision-making among active learners, and their further impact on entrepreneurial orientation. The paper lends support against adoption of a surface approach to learning in entrepreneurship education. This is an important implication for educators and learners.

Keywords: Entrepreneurial orientation, Entrepreneurship education, Applied Experiential Learning, Pedagogical Tool, Peer based.

Introduction

Leading universities today strongly champion entrepreneurship, new venture creation and entrepreneurship education as part of their business school curricula. The learning and teaching strategy and the general educational aims for entrepreneurship as also management courses at premier universities emphasize on the applied experiential learning (APEL) method as a key pedagogical tool in the classroom. This teaching method enables learners in achieving—self-learning, self-assessment, self-reflection and self-management advantages—and, in more meaningful ways. The learner-centric, real-world approach of applied experiential learning requires that educators of entrepreneurship ought to assume a proactive role in understanding the interface between learning styles and the learning environment, and champion the applied

experiential learning method throughout the educational environment through institutional development programs.

The conventional learning system, or ‘surface approach’, of the transmission and reproduction of knowledge has limited scope from the perspective of the ability of a learner to confidently and creatively manage the two key dimensions of entrepreneurial-centric learning: the variability and uncertainties arising out of interaction in the real world. In this context, the monologues lecture method has lost its utility beyond the introduction of the academic subject due to the ever reducing concentration spans of the learner.

Similarly, the case study method is losing ground due the demand on the learner of a large number of pages of pre-reading material, and diversity of the learners’ demographic—members from different cultural backgrounds may not be comfortable with articulating perspectives and insights in group situations, and in a foreign language. The cultural background of a learner thus discourages interactivity with the educator. Gaming methods, as a pedagogical tool, have become predictable due to overuse, and the similarity of games and outcomes. Further, access to ready availability of information questions the overall classroom learning method, per se.

For learner communities in entrepreneurship, whose members are by nature ‘dreamers’ and ‘doers’, these methods of instruction have become less engaging. The “I” factor has been missing in the classroom method. The entrepreneurship journey of an active learner is essentially about transformation and acquiring higher order thinking skills. Learners prefer to understand entrepreneurship and management through exposure, observation, doing and experiencing.

The motivational factor for active learners enrolled in entrepreneurship management programs is a legitimate expectation that success in the real world ought to be reflected in newer forms of pedagogical instruction, and mentorship. The application-driven, experiential-based learning method of instructional pedagogy emerged as an outcome of curriculum development by the AACSB Task Force (1986), which termed it as “applied experiential learning”—shortened as the acronym, APEL. The APEL pedagogy combines real world situations, application of concepts, ideas and theories that simulate learning in an interactive learning setting. As a teaching best

practice, the APEL method is widely used across its several professional entrepreneurship management programs: family business; entrepreneurship; and own business.

Applied experiential learning is a construct that has been studied as an evolving pedagogical method of instruction in extant literature, where research studies have explored its theoretical and practical implication for educators and learners in entrepreneurship. In this context, the foundational theorists such as (Dewey and Lewin, 1915; and Wolfe and Byrne, 1975) emphasized learning by and experience based learning based on trial and error as well as inductive learning methods. Recent developments in theory and research on experiential learning by several authors have studied the antecedents of applied experiential learning and its impact on learning (Cope and Watts, 2003; Corbet, 2003; and Politis, 2005). These studies look at the overall applied experiential learning orientation of entrepreneurship education, while exploring the role of experience, critical incidents and reflection in entrepreneurial learning, among others.

This research explores the learning process of the entrepreneur-learner in relation to personal and business development, while discussing the impact of critical incidents and their role in enhancing entrepreneurial learning. Further, the research highlights the need for mentoring support designed to help entrepreneurs to interpret critical incidents as learning experiences, in order to increase the power of the learning outcomes.

These authors emphasize the use of experiential applied learning theory to magnify the importance of learning in the process of entrepreneurship and new venture creation as well as in entrepreneurship education. This research offers a conceptual understanding of how entrepreneurs learn and the usefulness of the applied experiential learning method in improving knowledge, cognition, and creativity among active learners.

The evidence from the study of extant literature offers a finer evaluation of the understanding of applied entrepreneurial learning approaches through conceptual frameworks that explain entrepreneurial learning as an experiential process in terms of career experience, transformation as well as entrepreneurial knowledge and effectiveness—recognizing risk and acting on entrepreneurial opportunities. Such approaches to learning have been found to contribute towards

deeper learning by enhancing learner's interest, motivation, participation, knowledge and skill development.

This paper reports on the implementation of an experiential learning approach designed to encourage and facilitate deeper learning approaches by interaction in the real world, with the contributing aims of providing learners and educators with a more interesting learning experience of generating actionable ideas, risk taking and uncertainty posed by the real-world challenges as well as a broader set of skills for future entrepreneurial development.

The Applied Experiential Method of Learning

The applied experiential method of learning is articulated through a series of learning assignment activities that require the learner to demonstrate skill sets such as: authenticity in learning, engagement through peer-based interactivity and decision making. This includes understanding and working with variables such as: marketing sensing and understanding opportunities; resource identification and information gathering; analyzing market information, generating alternatives, and making decisions; formulating and testing business ideas; and learning to recognize and manage risk.

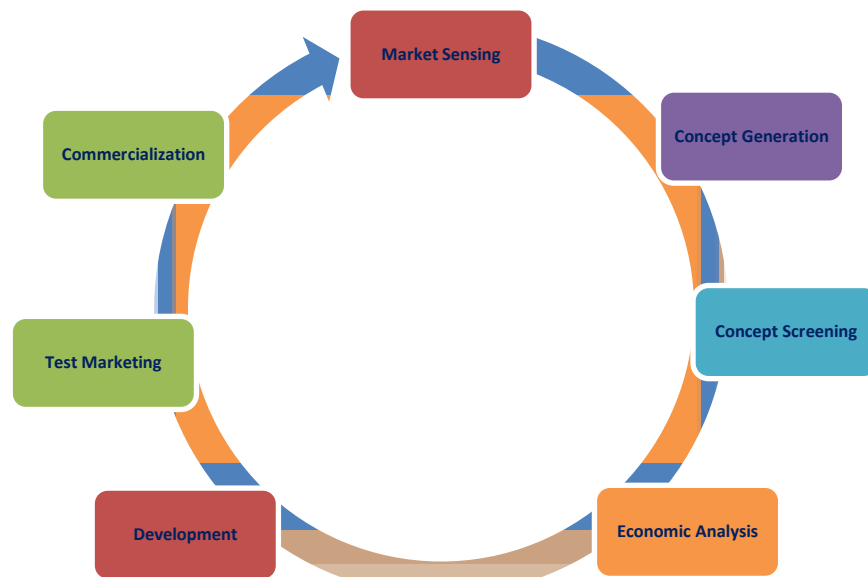
Post the activity, the learner is required to demonstrate an assurance of learning by presenting to the peer group outcomes based on real-world experience.

The Model

In the conceptual model (Fig 1.1) of applied experiential learning, the entrepreneur-learner interacts with the real world through the application of knowledge, theories and concepts learnt in the classroom, and under the mentorship of an educator as opposed to the adoption of a surface approach where learning is seen as the dissemination of reproduced knowledge. The design of the method is developed from a 'student-marketcentric-real world' approach—a departure from the didactic 'transmission' model of learning and teaching where entrepreneurship educators impart knowledge to in a classroom setting.

The method requires learners in entrepreneurship to alter approaches in response to a real-world setting; take decisions based on limited information; demonstrate the ability to influence other and accept viewpoints—all making the learner market ready.

Fig. 1.1The Applied Experiential Learning Cycle



The conceptual model is developed through a review of literature and is then validated in the context of product-based, immersive learning exercises. The model is validated using a multi-stage analysis based on collaborative, peer-based learning in order to consider a possible influence of profit. The model is found to have a very good fit and all the seven variables of the pedagogical tool are found to be significant. The study thus establishes the impact of the applied experiential learning method on the levels of authenticity, engagement and decision-making in the case of active learners.

Unleashing Entrepreneurial Acumen

The applied experiential learning cycle is implemented and tested through immersive, peer-based learning assignments that help to unleash entrepreneurial acumen among the learners. In step one,

each group of learners generate a cluster of ideas based on the group's core competency (market sensing). In step two, the group selects the best product concept that meets the standards of performance of the peer members (concept generation and concept screening).

In step three of the immersive learning exercise, the group determines a budget, the customer, competition and environment; and conducts an economic analysis, which confines to the set rules and strategy (economic analysis).

In step 4, the learner-group then develops the prototype of the product class in the 'home factory', and finalizes on its marketing mix detailing (product development). This is then presented to the larger group followed by an extensive discussion.

In step five of the immersive learning assignment the product to be marketed is finalized based on inputs from peer discussions, and then tested in the marketplace for acceptability (test marketing). Once the test marketing stage is over, 10 percent of the budgeted quantity is produced and sold to buyers. The experience, trade, client feedback and critical incidents are documented through field reports, on the basis of which the final product launch is planned and executed. In this step, the members of the group are permitted to discover the actual price point at which the product is accepted by the consumer.

In step 6, the go-to-market strategy is finalized and the group is not permitted to change any of the strategic variables. The groups is given three weeks' time to launch the product in the marketplace, and achieve both the targeted top line and bottom line—contributing profits from sales to the peer group (commercialization). In step seven, the peer group of learners makes a presentation on the experiential assignment and learning outcomes, while declaring profits generated—and celebrate their success at a class party. The best product strategy and the highest profit generating teams are recognized and appreciated.

Learning by Doing

The immersive learning exercise is administered to the class. Under this task, each group has a fixed number of members and each student-member invests only a small amount of capital. This

ensures that the team's total investment is affordable. The maximum selling price is fixed by the instructor so that teams do not price themselves out of the market, and end up in a loss. The teams are required to produce 100 units and all 100 units at a pre-determined price point that is hedged against further reductions. The task requires that the teams need to achieve a minimum of 100 per cent profit margin.

Dwelling on the learning outcome

This is the most important part of the experiential learning exercise. An external expert panel is invited to evaluate the presentation on: creativity; innovation; visioning; and the business plan. The panel helps to mentor the group by offering suggestions on scaling up ideas, maximizing profits and managing risk. Students are encouraged to use photo essays that include interactions with customers at the point of sale; video recordings and sound bites of post purchase satisfaction or dissatisfaction; and learning as well as response to innovations used in the immersive learning exercise.

Conclusion

Of the total profit generated by the teams, 30 per cent is deducted as tax and used for the recognition and reward of student effort and initiative. The best product, the best packaging design, and the best overall performance is recognized a small token of appreciation, and the proceeds distributed among members who achieve the top line and bottom line thresholds. The remaining 70 percent of the profit generated by the groups is invested in a celebration of success—in an effort to build team spirit, camaraderie and emotional bonding.

The study looks at the impact of the applied experiential learning method in entrepreneurship education, a construct hitherto not much analyzed. The analysis of the relationship between the levels of engagement and decision-making among active learners in entrepreneurship, have also not been looked into in the previous literature. The paper gives support against the adoption of a surface approach to learning in entrepreneurship education. The conceptual model is developed through a review of literature and is then validated in the context of product-based, immersive learning exercises. The model is validated using a multi-stage applied experiential learning cycle based on collaborative, peer-based learning in order to consider a possible influence of profit.

This is an important implication for educators and learners.

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