

# STRENGTHEN ENTREPRENEURIAL CAPACITY IN ENTREPRENEURIAL COMPETITIONS

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## ABSTRACT

With high unemployment rates, many countries treat entrepreneurial education as one of the effective measures to solve the problem of social unemployment. In recent years, the government of Taiwan, industries, and schools hold various entrepreneurial competitions to cultivate students' entrepreneurship and realization of entrepreneurship. However, many entrepreneurial competitions are based on originality instead of entrepreneurship. Moreover, students encounter obstacles to carry out their ideas in entrepreneurial competitions. Thus, introducing experiential learning into entrepreneurial competitions and allowing students to develop their ideas of entrepreneurship through experience and stimulation of entrepreneurial competitions may reinforce students' entrepreneurial capacity and authentic entrepreneurship. This study mainly aims to introduce entrepreneurship orientation in experiential learning entrepreneurial competitions in order to cultivate participant students' entrepreneurship and enhance their entrepreneurial capacity and even achieve entrepreneurship. This is student-centered experience learning teaching model. This study treats the sixth College Students' Rural Residency Competition, as held by the Soil and Water Conservation Bureau, COA in Taiwan as an example. There are 126 students in the competition are investigated with questionnaire. According to results, experiential learning can strengthen students' partial entrepreneurial capacity.

## KEYWORDS

Entrepreneurship, Entrepreneurial Capacity, Experiential Learning, Entrepreneurial Competition, College Students' Rural Residency Competition

## 1. INTRODUCTION

Entrepreneurship is popular in Taiwan. With high unemployment rates, many countries treat entrepreneurial education as one of the effective measures to solve the problem of social unemployment, as they provide effective learning courses to enhance graduates' entrepreneurial intention and skills (Chen & Lai, 2007; Chen and Cheng, 2012). In order to allow students to have entrepreneurial competence, entrepreneurial education should cultivate their entrepreneurship abilities and innovative concepts, as students actively learn, they can treat entrepreneurship as an option for their future career, meaning they can create a personal career through entrepreneurship, and according to their own professional skills and interests, to solve the social problem of students' difficulties in gaining employment (Chang et al. 2011).

Experiential learning means the participants voluntarily join in a series of activities, and obtain knowledge and insights from the experience, which they can apply to daily life and work. Kolb (1984) argued that knowledge is derived from experience, and learning is the process in which experience is transformed to construct knowledge. Experiential learning can be classified into four stages in an experiential learning cycle: experiential, reflecting, generalizing, and applying. That is to say, the Experiential Learning theory is a four-stage cycle in learning or problem solving. The first stage is specific experience; the second is observation and reflection; the third is abstract thinking; and the fourth is active validation (Kolb, Rubin,

& McIntyre, 1971). It is an instructional process to obtain knowledge from personal life experience (Dellaportas & Hassal, 2013; Kolb, 1984).

Entrepreneurial capacity is the key success factor of entrepreneurship. Thus, Chang (2003) argued that, before being entrepreneurs, individuals must have entrepreneurial capacity. Thus, “entrepreneurial capacity” is the potential competence possessed by entrepreneurs, including three elements: first, entrepreneurial drive: individuals develop the motive of entrepreneurial behavior; second, perceived venture feasibility: individuals’ competence to recognize the execution of the objective behavior as entrepreneurship; third, propensity to act in entrepreneurship: individuals’ continuous characteristics of entrepreneurial behavior, including internal and external control personalities and innovation and goal-oriented behavior. Liñán et al. (2011) argued that entrepreneurial capacity should include the competence to recognize opportunities, creativity, problem-solving competence, leadership, communication skill, R&D competence for new service or product, and the ability to control market situations.

In recent years, the government, industrial circles, and schools hold various kinds of entrepreneurial competitions, such as the TiC100 entrepreneurial competition, the Long Teng Smile Competition, the Innovative Entrepreneurship Project, the U-STAR College Graduates’ entrepreneurship service project, and the WeWin entrepreneurial competition, in order to cultivate students’ entrepreneurship and even the realization of entrepreneurship (Chen and Cheng, 2012; Hsiao et al., 2012). However, Chen and Cheng (2012) argued that, in many entrepreneurial competitions, students participated only to win prizes, instead of accomplishing entrepreneurship. They also encountered obstacles to realize their ideas in entrepreneurial competitions. Chen and Lai (2007) stated that entrepreneurial competitions in Taiwan were only based on originality, and not entrepreneurship. Thus, if Experiential Learning can be introduced into entrepreneurial competitions, and we allow students to develop their ideas of entrepreneurship through experience, the stimulation of such entrepreneurial competitions will reinforce students’ entrepreneurial capacity, and even help them achieve real entrepreneurship. This is the motive of this study.

In short, this study aims to introduce entrepreneurship orientation in experiential learning entrepreneurial competitions to cultivate students’ entrepreneurship, enhance their entrepreneurial capacity, and even achieve entrepreneurship.

## 2. RESEARCH METHOD

The College Students’ Rural Residency Competition, as hosted by the Soil and Water Conservation Bureau, COA, aims to encourage young students to learn to interact with rural community residents and develop common consensus through their personal originality or specialty, participate in or assist with the public affairs of rural communities, and provide assistance in the process of community promotion of rural reconstruction, in order to approach rural villages, farmers, and agriculture. This competition guides more young people to create sustainable rural villages through new thoughts and skills. The College Students’ Rural Residency Competition has been implemented since 2011, and in the last 5 years, it has recruited 300 teams of college students from 15 colleges.

In order to accomplish the research purpose, this study adopts questionnaire survey. It distributes questionnaires to 200 students of the sixth College Students’ Rural Residency Competition in Taiwan, and retrieved 126 valid questionnaires, for a valid return rate of 63%.

The items of questionnaire are based on the scale of entrepreneurial capacity by Liñán et al. (2011), including the competence to recognize opportunities, creativity, problem-solving competence, leadership, communication skill, R&D competence of new services or products, and competence to control market situations. The measurement is based on a Likert 5-point scale. In the returned samples, the Cronbach's Alpha of the scale of entrepreneurial capacity is 0.894, which shows a certain degree of reliability.

This study measures the size and discrete situations of items of entrepreneurial capacity according to means and standard deviations, and analyses the differences of the entrepreneurial capacity of subjects with different personal background variables through variance analysis.

### 3. RESULTS AND DISCUSSION

There are 46 male subjects (36.5%) and 80 females (63.5%). There are 45 subjects of public normal universities (35.7%), 31 subjects of private normal universities (24.6%), 23 subjects of public universities of science and technology (18.3%), and 27 subjects of private universities of science and technology (21.4%). In addition, 36 subjects (28.6%) have taken courses related to entrepreneurial management, while 90 subjects (71.4%) have not; 49 subjects suggest that their parents practice entrepreneurship or commerce (38.9%), while 77 subjects (61.1%) do not; 56 subjects are the eldest in the family (44.4%), 45 subjects are second (35.7%), and 25 subjects are third or above (19.8%).

Table 1 shows subjects' scores in different items of entrepreneurial capacity. The mean of entrepreneurial capacity is 4.01, which denotes medium and high levels. It means that according to the subjects, participation in an experiential entrepreneurial competition can reinforce their entrepreneurial capacity. Among the items, the score for problem-solving competence is the highest, followed by communication competence, and then, competence to control rural market situations. This result is similar to the interview results, meaning it relies on future planning of entrepreneurship-oriented courses. Thus, students can learn before and during their residency, which might strengthen their competence in this aspect.

Table 1. Subjects' scores in different items of entrepreneurial capacity

Item	Mean	Standard deviation	Ranking
Communication competence	4.21	0.773	2
distinguishing competence	3.88	0.845	6
Creativity	4.11	0.772	3
Problem-solving competence	4.25	0.726	1
Leadership	3.94	0.756	4
R&D competence	3.90	0.828	5
Control competence	3.81	0.883	7
<b>Entrepreneurial capacity</b>	4.01	0.625	

According to Table 2, subjects who have taken entrepreneurship courses show higher entrepreneurial capacity than those who have not taken such courses, and the difference is significant. Hence, entrepreneurship courses can reinforce students' entrepreneurial capacity. Therefore, systematic planning of entrepreneurship oriented teaching materials, as well as instruction before and during students' residency, will significantly upgrade their entrepreneurial capacity.

Table 2. The t test of taking entrepreneurship courses or not

	Number	Mean	Standard deviation	t value	p value
Yes	36	4.27	0.466	3.002	0.003
No	90	3.91	0.652		

The remaining dimensions, such as gender, type of school, parents' practice of entrepreneurship, ranking in the family, and grades in the competition do not show significantly different entrepreneurial capacities.

## 4. CONCLUSION AND RECOMMENDATIONS

According to the results of the questionnaire survey, students who have taken courses of entrepreneurship show superior entrepreneurial capacity acquisition than those who have not taken such courses. Therefore, the systematic planning of entrepreneurship oriented teaching materials and instruction before and during students' residency will considerably enhance their entrepreneurial capacity.

Thus, this study suggests that, in the future, we can develop outlines for the teaching materials of experiential entrepreneurship and assignments to allow students' experience, knowledge, skills, and attitude, as obtained during their experiential residency, to effectively reinforce their entrepreneurship and entrepreneurial capacity.

In addition, teaching materials can be developed as videos, while assignments and instruction can be based on the teaching strategies of online platforms through the flipped learning concept.

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