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ON THE WEB

SMALL BUSINESS

Entrepreneurship Courses: It Pays to Pick the School



George Washington University students discuss what they can do as consultants to help a company.

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When Howard Anderson was a student at Harvard Business School in the late 1960's, it was a given that he and his classmates would graduate and take jobs as executives at Fortune 500 companies. His professors took a dim view of striking out on your own.

"They always treated entrepreneurs like there was something wrong with them," recalled Mr. Anderson, who, after a few ill-fated interviews with recruiters for corporations like [the Ford Motor Company](#), started the Yankee Group, a high-technology market-research firm in Boston.

Today, Harvard flaunts its entrepreneurship program, as does the Sloan School of Management at the Massachusetts Institute of Technology, where Mr. Anderson now teaches. Business schools in general have gone giddy with entrepreneurship. In 1970 there were 16 entrepreneurship programs nationwide; as of 2000, about 1,500 universities and colleges offered such courses. .

By the numbers, this should be the best time in history to learn about starting a small business. But what an entrepreneurial education means depends a lot on the school.

Top-tier business schools like Harvard and M.I.T. emphasize the entrepreneurial mind-set rather than the details of being a small-business owner. The nuts and bolts of keeping a small venture going are left to the community colleges and Small Business Administration programs. And somewhere in between are schools that instill their entrepreneurship programs with a healthy dose of small-business basics.

Students who come to the Sloan School of Management are not looking to be "lifestyle entrepreneurs," who are small-business owners content to keep their businesses healthy but not necessarily wealthy. "We want them to aim higher," Mr. Anderson said. About 15 percent of his students have patents in their own names, and while their ventures may start out small, few intend to stay that way.

One reason to separate entrepreneurship from small-business management, Mr. Anderson said, is that founders and managers are often different species. Although he himself founded and ran the Yankee Group for 30 years, he does not see himself as the norm.

"Once a company is up and running it takes a different set of expertise," he said. "Very few people are both the entrepreneur and the guy to run it for the next 40 years."

Mr. Anderson does teach practicalities, of course. M.I.T.'s entrepreneurship classes focus on all the crucial steps of a venture, like putting out the fires that start-ups face. For example, what happens if your product does not work, or what happens if your partners quit on you?

At the George Washington University's School of Business and Public Management, some students intend to be the next Bill Gates. Others are simply preparing to take over the family business.

"We try to imbue in our students entrepreneurial spirit and then couple that with good small-business management," said Charles N. Toftoy, director of the school's entrepreneurship and small-business program.

Dr. Toftoy teams his undergraduate and graduate students with small to medium-size businesses in the Washington area, from hair salons to software companies, where they help the owners solve their biggest problems. They have assisted more than 2,100 companies with issues like competitor analysis, cash-flow management and inventory control.

"We've helped businesses arrange their parking spaces," Dr. Toftoy said.

As business majors at George Washington, Michael Goldman and four other students were assigned to help a local Salvadoran restaurant. The owner's first request was that the students translate the menu into English. "Then she wanted us to figure out a way to make more money," Mr. Goldman said. The team helped her place advertisements in the local Spanish-language newspaper and recruit people to hand out coupons.

Although Mr. Goldman, now 23 and a real estate broker at the Ezra Company in Bethesda, Md., has no interest in starting his own restaurant, the experience gave him a full notebook to consult should he some day start his own company.

One reason schools may overlook the small-business side of entrepreneurship is that few small-business owners go back to school for a business degree. Most simply do not have the time. In 1997, Charles Kendall signed up as a full-time M.B.A. student at George Washington, but as the owner of a small video-production business, the founder of a fledgling video-equipment company and a father expecting his second child, he had one too many sleepless nights to continue past the first year.

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