

Applying lessons to ventures

[Christine Dobby](#) Nov 7, 2011 – 8:41 AM ET

Imagine heading into a meeting to hash out the terms of a bank loan for your startup mere hours after attending a workshop on negotiation tactics delivered by one of the top professors at the Rotman School of Management or Harvard Business School.

A day like that could be a typical experience for students in the fledgling Next 36 program, which operates as a nine-month immersion in business, combining education, mentorship and practical experience, says Next 36 executive director and co-founder Claudia Hepburn.

"They're applying what they learned in class from their professors in real time to the ventures that they're building," she says.

Gearing up to welcome its second crop of candidates at the end of the month, the program accepts 36 top undergraduate students from across the country.

Working in groups of four with \$50,000 in seed money, two mentors, and 180 hours of instruction, they will set out to develop and launch a business around a tablet or mobile application.

This blend of formal training and hands-on experience may be the perfect recipe for entrepreneurial success, an Ernst & Young LLP / Financial Post survey released Monday suggests.

While the debate about whether entrepreneurs are born or made will undoubtedly persist, a majority of respondents (59%) said it takes both entrepreneurial drive as well as solid education to make it.

Sixty-nine per cent of those polled said mentorship from other entrepreneurs is the best way to help budding tycoons generate ideas and more than 40% said mentors taught them the skills to build their business.

Third in a series of four polls on entrepreneurs' outlook following the 2008-09 economic downturn, 53% of the 200 participants surveyed also said entrepreneurship education should begin in high school.

"We've surveyed entrepreneurs in the past and it definitely is a combination of having that gene, but the education part is really important," says Colleen McMorrow, Ernst & Young Canadian leader of entrepreneurial services.

Incubators, accelerators and entrepreneurial centres associated with Canadian universities abound these days, and government programs to foster entrepreneurship are also common.

However, Ms. Hepburn says the Next 36 is unique in its approach of offering academic training combined with practical experience outside the confines of an academic degree.

While she says education around entrepreneurship is crucial, she cautions: "You can't just take anybody and turn them into an entrepreneur. You have to get somebody with the propensity for being resourceful and taking risks to see a big impact."

Brad Cherniak, co-founder of Sapien Capital Partners, a Toronto-based advisory firm for small and medium-sized businesses, says great entrepreneurs — capable of continually making good decisions under pressure — are not created through education alone.

"It's partly based on analysis, which is maybe where education comes in, but partly based on instinct, where they've got iron guts and can deal with the ongoing, crushing pressure of being an interim failure for years," he says.

While Mr. Cherniak agrees education is important, he notes that it can be static compared to the fluid real-life business world.

"There is a risk of education detracting from the rough gut of business, and you do start analyzing things to death."

He also questions whether a step-by-step process for being a good entrepreneur exists. "I'm hesitant to say education is the wrong thing, but I'm just not sure it's the point exactly."

Mentorship, on the other hand, is like education's more dynamic sister, Mr. Cherniak says. "It can be a more informal and ongoing education, by conveying experience that mentors learned the hard way. It's kind of the education of hard knocks."

Ultimately, he notes, unlike professions like engineering, where a defined set of skills is clearly needed, entrepreneurship is not something that can necessarily be taught.

"It's not a nice, neat category, unfortunately."