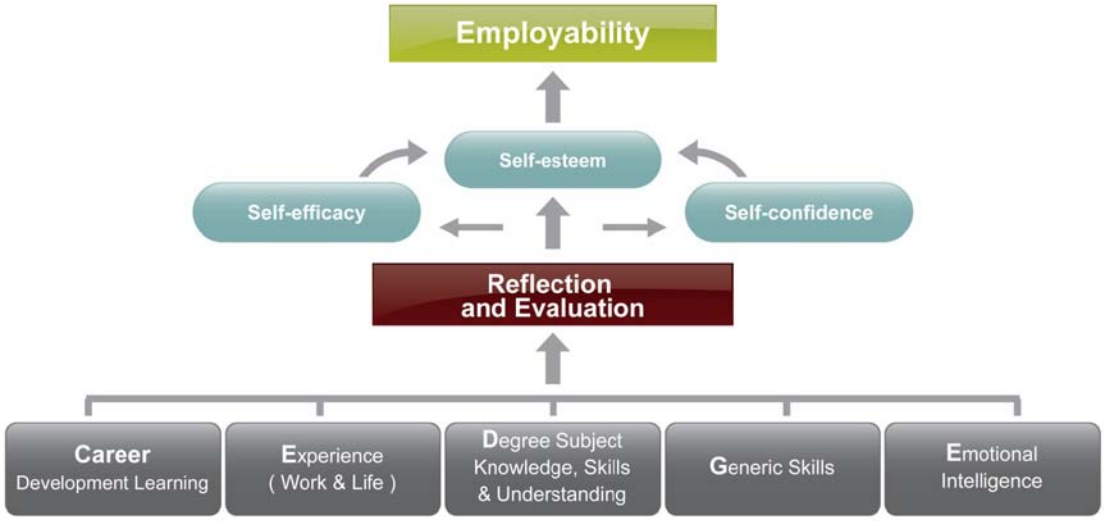
Moving from conceptual ambiguity to operational clarity: employability, enterprise and entrepreneurship in higher education

It has become increasingly evident that the word ‘employability’ is often used carelessly and interchangeably with ‘enterprise’, which in turn is confused with ‘entrepreneurship’. Watts & Hawthorn (1992) acknowledged this confusion between enterprise and entrepreneurship some years ago when they proposed that it was possible to distinguish between: ‘business entrepreneurship’ – encouraging students to set up their own businesses; ‘working in enterprises’ – using enterprise as a noun meaning business; and ‘being enterprising’ – being innovative, recognising/creating opportunities and taking risks/responding to challenges. The authors suggested that at the time, a certain ambiguity surrounding the terminology may have been quite useful, as it gave Higher Education Institutions the freedom to implement the Enterprise in Higher Education policy, in ways that matched their needs. Indeed, this ambiguity was expected to encourage debate in HEIs about the meanings of these terms. The term ‘enterprise’ was used for a number of years in HEIs to describe many activities that we now subsume under the term ‘employability’. However, since the term ‘employability’ has become used more widely in the HE sector, the scope for confusion has become greater and the need for clarity more pressing. This is particularly important in areas relating to funding of these activities.

It is important to recognise that ’employability’, ‘enterprise’ and ‘entrepreneurship’ are complex concepts and that each has a substantial literature in which there is considerable debate about where the overlaps lie. However, this lack of clarity could become a serious problem for HEIs looking to implement strategies in these areas. The purpose of this paper is to offer some suggestions for helping to resolve this confusion and clarify the meanings of these terms.

Employability

We have defined employability as '…having a set of skills, knowledge, understanding and personal attributes that make a person more likely to choose and secure occupations in which they can be satisfied and successful' (Dacre Pool & Sewell, 2007, p 280). It has also been conceptualised in our CareerEDGE model illustrated below:



Dacre Pool & Sewell (2007)

Career Development Learning
Experience (work and life)
Degree Subject Knowledge, Skills and Understanding
Generic Skills
Emotional Intelligence

Figure 1 - **CareerEDGE - the essential components of graduate employability** (Dacre Pool & Sewell, 2007)

We have suggested that whilst at university all students need to engage with and be supported to develop the five elements on the lower level of the model and be given opportunities to reflect on and evaluate these experiences in order to reach their full employability potential.

Enterprise

Enterprise is a widely-used term that appears to have a number of different meanings. For some it is all about starting new businesses; for others it is about a certain set of skills, e.g. 'enterprise skills', defined by Rae (2007) as 'the skills, knowledge and attributes needed to apply creative ideas and

innovations to practical solutions' (p 611), which would include skills such as 'initiative, independence, creativity, problem solving, identifying and working on opportunities, leadership, acting resourcefully and responding to challenges' (p 611). Enterprise is also used as a noun, which means a business, usually a new business. There is further the adjectival use of the word within 'enterprise parks' which usually means a collection of businesses. The CareerEDGE model acknowledges that 'enterprise skills' as defined by Rae (2007) are an important element of graduate employability. We would suggest that these skills sit comfortably within the 'Generic Skills' element of the model, as they would be valuable attributes for any student to develop, whether they plan to work within an organisation or become self-employed.

Entrepreneurship

It is very important to recognise the distinction between 'enterprise skills' and entrepreneurship. Entrepreneurs want to engage in establishing new businesses. In order to do this, they need a particular and distinctive set of personal qualities and skills. Not all students and graduates would need to or even want to develop these to the same extent. Being entrepreneurial seems to involve many of the enterprise skills, but also something extra – the ability to generate creative ideas, take risks in implementing them and be motivated to get them off the ground. For some students this would be their passion, and it is quite right that they should be given support and advice to encourage such ventures. However, entrepreneurship is not for everybody. In fact, some employers would not want employees with entrepreneurial flair – they don't want graduates taking risks with their businesses and ultimately their profits. The term *intrapreneur* has been applied to describe such individuals, who are recruited into or develop within existing businesses to perform the entrepreneurial role. Intrapreneurship has been defined by Antoncic and Hisrich (2002) as 'entrepreneurship in existing organisations' (p 7). But once again this is a somewhat specialised role, which includes the risk-taking element and according to a number of theorists (see Antoncic & Hisrich, 2002, p 19) competitive aggressiveness towards rivals, which would be appropriate for some but not all graduates.

There is a need for clarity about how these different concepts – employability, enterprise and entrepreneurship – may overlap but are quite distinct in meaning. The reason why this is a critical issue is that different people use the words for different purposes, which results in the words themselves losing meaning. For example, when people talk about 'enterprise', it is not clear what they mean by the term. Are they talking about creating new businesses or developing sets of skills, or getting a job in a business? They could be talking about any or all of these things - the point being, it is unclear. Most importantly, if enterprise is used synonymously with employability, key aspects of employability development as defined by the CareerEDGE model, such as 'Career Development Learning' or 'Work-related Experience', may be overlooked. We would suggest the following definitions may be helpful to ensure that these terms are used consistently and with clarity.

Our Proposed Definitions

Employability – as defined by the CareerEDGE model (see figure 1) and something that would be essential to all graduates.

Generic Employability Skills (including Enterprise Skills)

- imagination/creativity
- adaptability/flexibility
- willingness to learn
- independent working/autonomy
- working in a team
- ability to manage others
- ability to work under pressure
- good oral communication
- communication in writing for varied purposes/audiences
- numeracy
- attention to detail
- time management
- assumption of responsibility and for making decisions
- planning, coordinating and organising ability

(Pedagogy for Employability Group, 2006, p 4)

We would also include the following two skills which employers have consistently named as important in graduate recruits:

- ability to use new technologies
- commercial awareness

The 'enterprise skills' suggested by Rae (2007) would also be included here:

- initiative
- problem solving
- identifying and working on opportunities
- leadership
- acting resourcefully
- responding to challenges

Enterprise skills are included within the Generic Skills element of the CareerEDGE model of Employability.

Nabi & Holden (2008) have recently suggested another useful way of viewing the enterprise/entrepreneurship definitions debate. They see graduate enterprise/entrepreneurship as a dimension ranging from broad and generic (relevant to most students) to specialised and specific training (required for business start-up). We would agree with this, but would extend it. Our suggestion is that the enterprise end of this dimension sits comfortably within the employability domain, but that it is when you venture to the other extreme of the continuum, into entrepreneurship territory, that you may be talking about traits and attributes that may not be helpful and could even be detrimental to a graduate's employability.

Enterprise – a business.

Entrepreneurship – the desire, motivation and skills necessary to start and manage a successful business.

Becoming an entrepreneur is not just about having the right set of skills, but requires particular personal characteristics, including risk-taking propensity (Moreland, 2006), which cannot be taught but can be encouraged and supported. It is this 'risk taking' element that goes beyond what might be desirable graduate attributes for all, to something one might only expect in a small number of graduates, who we would describe as having entrepreneurial flair. This characteristic may be useful for graduates intent on setting up their own businesses, but may not be so for those intending to work in other people's businesses. As Watts & Hawthorn (1992) pointed out some years ago, "some employers are suspicious of students who show too much 'enterprise' and are more concerned with recruiting people who will 'fit in' and conform to the organisation's culture and mores" (p 14). We would suggest that for most employers, a graduate showing 'enterprise skills' as defined by Rae (2007) would be welcomed and valued, but a graduate intent on 'being entrepreneurial' within somebody else's business may well not be.

How to operationalise these concepts in Higher Education

Many HEIs are struggling to find ways of delivering the employability, enterprise and entrepreneurship agenda. This is becoming increasingly important, not just because of government pressure on HEIs to demonstrate their avowed commitment to these issues, but also because of the need to respond to the demands of students, parents, employers and other stakeholders.

Employability, Enterprise and Entrepreneurship

There are a number of responses that HEIs can adopt in this respect. These key areas seem to have become important features of a strategic response to

this challenge. One could be to embed, employability including 'enterprise skills' as a fundamental component of academic provision at all levels. This clearly makes sense as a strong case can be made of the need for all students and graduates to have access to opportunities that will enhance their employability. It is also possible to identify methods by which such an objective can be achieved: for example, through work placements, student projects with employers and career development related activities. It would be important for 'Teaching and Learning' strategies to recognise that some staff will be less experienced and knowledgeable about adopting such approaches to the delivery of their curriculum. Therefore appropriate training opportunities need to be available together with ongoing support in order to maximise the success of this approach. Rae (2007) agrees that in order to implement such a strategy effectively, university staff will need 'leadership, encouragement, inspiration and updating on current practices' (p 616).

It will also be essential that HEIs' quality review processes reflect this strategy and that clear messages are provided to course developers about expectations of (a) how employability including 'enterprise skills' need to be embedded in their programmes and (b) how they can show where they are embedded and which activities relate to the development of these skills. Entrepreneurship needs to be considered separately.

Entrepreneurship will be important to some students, and it is essential that for those students, appropriate opportunities and support is made available when they need it: for example, modules and workshops supporting entrepreneurial activity. It may be that because of the nature of their subject, some courses may feel it would be beneficial to embed opportunities for their students to engage with this type of skill development. But this will not apply to all courses and as such it would not be appropriate to recommend that entrepreneurship development activities be embedded across HEIs. Once again, 'Teaching and Learning' strategies need to be tailored appropriately to the needs of particular courses in this respect, as do quality review procedures and recommendations.

Another key response, which has been adopted by a number of HEIs, is some form of employability/enterprise/entrepreneurship award. There are

essentially two approaches to this response. HEIs can either identify modules, elements of programmes and/or extra-curricular experiences with employability, 'enterprise skills' or entrepreneurship activities. These can then be 'badged' as suitable for contributing towards the final award which is an integral part of the degree programme. Alternatively additional modules, workshops and extra-curricular activities can be accredited in such a way that they contribute towards a separate additional award over and above the degree programme.

Given that HEIs are responding with these strategies, it is especially important that managers, practitioners and other stakeholders involved in this process, recognise the importance of the distinctions between employability, enterprise and entrepreneurship. For example, if enterprise is used interchangeably with employability, there is a danger of too much focus on 'enterprise skills' and overlooking a whole set of issues that we have defined as elements of employability, such as Career Development Learning and Work Experience. Equally if enterprise and entrepreneurship are used interchangeably, students wanting to develop 'enterprise skills' as part of their employability may be guided towards entrepreneurial activities which may or may not be appropriate for their needs.

We believe these points of clarification are not simply an exercise in semantics. They are a serious attempt to help make sense of the terminology, in order to enable a consistent message to be given about employability, enterprise and entrepreneurship to staff, students and employers.

References

Antoncic, B & Hisrich, R D (2003). Clarifying the intrapreneurship concept. *Journal of Small business and Enterprise Development*, 10, 1, pp 7 – 24.

Dacre Pool, L & Sewell, P (2007). The key to employability: developing a practical model of graduate employability. *Education & Training*, 49, 4, pp 277 – 289.

Moreland, N (2006). *Entrepreneurship and higher education: an employability perspective.* The Higher Education Academy: York.

Nabi, G & Holden, R (2008). Graduate entrepreneurship: intentions, education and training. Education & Training, 50, 7, pp 545 – 551

Rae, D (2007). Connecting enterprise and graduate employability. Challenges to the higher education culture and curriculum? *Education & Training*, 49, 8/9, pp 605 – 619.

The Pedagogy for Employability Group (2006). *Pedagogy for employability.* The Higher Education Academy: York.

Watts, A G & Hawthorn, R (1992). Careers Education and the Curriculum in Higher Education. NICEC Project Report. Cambridge: Careers Research and Advisory Centre.

Acknowledgements

The authors wish to thank Professor Tony Watts for his helpful comments and suggestions during the writing of this article.