

# A Classroom Path to Entrepreneurship



Sylwia Kapuscinski for The New York Times

Nick Massari, second from left, is director of operations at Nanina's Gourmet Sauce. He discusses his company's pasta sauces with a customer at a supermarket in Red Bank, N.J.

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**The college campus, it turns out, can be an ideal incubator for hatching small businesses.**

**Nanina's Gourmet Sauce, a pasta sauce company based in Belleville, N.J., was started, for instance, in 2005 by students taking an entrepreneurship course at Monmouth University in West Long Branch, N.J. Nanina's products are now sold in nearly 400 supermarkets and gourmet shops in New Jersey and Manhattan, and the company's director of operations is 23-year-old Nick Massari, a student in that class.**

**The course at Monmouth is one of thousands of similar offerings on campuses across the United States. Undergraduate courses in how to start and run a small business are becoming as ubiquitous as Economics 101. Gone is the conventional wisdom that running a small business cannot be learned by sitting in a classroom.**

**According to the Kauffman Foundation in Kansas City, Mo., more than 2,000 colleges and universities now offer at least a class and often an entire course of study in entrepreneurship. That is up from 253 institutions**

offering such courses in 1985. More than 200,000 students are enrolled in such courses, compared with 16,000 in 1985.

The Monmouth course, started in 2005 and taught by John Buzza, a successful food industry entrepreneur who decided to devote his energy to teaching, went well beyond textbooks and lectures.

That first year, Professor Buzza brought along with him a real-world challenge. A chef he had worked with at Nanina's in the Park, an Italian restaurant and catering company in Belleville, had created a tomato pasta sauce that customers were always asking for, but he had neither the time nor the skills to turn the idea into a business. Instead, Professor Buzza gave his class the assignment of starting a pasta sauce company.

"We had no idea how to begin," Mr. Massari said. "But instead of getting lectured on how to do it, we went out and did it." The class of 35 students was split into five operational teams: sales and marketing, finance, information technology, research and development, and production. They spent significant time researching the market, creating a business plan, revising the plans and carrying out a blueprint for getting the pasta sauce on supermarket shelves. The next semester, they took a course in small-business management where they learned to run the nascent company as a business.

The company began shipping its sauce in January 2006, and Mr. Massari, a stellar college infielder who had signed a baseball contract with an independent ball club when he graduated, was asked by the owner of Nanina's to take over the embryonic business. Giving up his long-shot baseball dreams, Mr. Massari jumped at the opportunity. "I had always thought about owning my own business," he said.

Starting with one ShopRite supermarket near the restaurant, the sauce is now sold in four major supermarket chains in the region, including Pathmark and [Whole Foods](#). Mr. Massari predicted that sales would hit \$1 million this year and profitability would not be far off.

Professor Buzza, who is also director of Monmouth University's Center for Entrepreneurship, said his philosophy is that he is as much a coach as teacher and that his course must have business relevance. "We take the theory and put it into practice," he said. "Education is the foundation, but application is the affirmation."

The traditional career path of long-term employment for a single corporate giant has become less appealing to a new generation of graduates, as starting and running a small business has become more desirable. In fact, small business is generating about 75 percent of all new jobs in this country, according to a report in 2006 from the [Small Business Administration](#).

"What you have today are people who have to think about their careers in a way you didn't before," said Tom Tremblay, president and chief executive of the Guardair Corporation, a small manufacturer in Chicopee, Mass. "So it's essential that people learn how to manage and run and participate in small companies. Small business can be taught, and it needs to be taught."

Marjorie Smelstor, the Kauffman Foundation's vice president for the Kauffman Campuses Initiative and Higher Education Program, agreed that small business can be taught. The Kauffman Foundation is spending \$50 million to finance such programs at 19 universities, including Arizona State, Oberlin, the [University of Wisconsin](#) and the [University of Rochester](#).

"The bigger question is, How is it taught?" Ms. Smelstor said. "If it is taught purely in a traditional classroom with lectures and talking heads with an emphasis on a theoretical approach, then no, it won't be taught or learned." If however, there is a formal connection between classroom learning and hands-on extracurricular activity like actually starting a business, then the concept thrives, she said.

Many colleges have turned to active or retired business owners rather than academics to teach the courses. At C. T. Bauer College of Business at the [University of Houston](#), for example, Daniel Steppe, a 66-year-old multimillionaire, is director of the Wolff Center for Entrepreneurship. Mr. Steppe spent 37 years in business, started five successful companies from

scratch and, after selling his last start-up in 2001, decided to forgo golf for academia.

“Our classes are taught by a group of men and women who spent 20 to 30 years in the entrepreneurial world,” Mr. Steppe said. “We have some theory but our focus is on the practical. We don’t go through all the physics and formulas on how the bicycle works. We just get on and ride it.”

Increasingly, the schools are seeking better frameworks and processes to ensure that the pedagogy is replicable and measurable. And some, like Ms. Smelstor of the Kauffman Foundation, emphasize the continued importance of a strong liberal arts education as a foundation for successful programs. “We think entrepreneurship in business schools is often too narrowly focused,” she said.

But at colleges with a lengthy commitment to such courses, it is clear that the campus environment plays a significant role. At Babson College in Wellesley, Mass., for example, entrepreneurship is part of the school’s identity. Always listed among the top business schools for entrepreneurship studies, Babson was a pioneer in the academic discipline as far back as the late 1970s.

Most colleges do not offer entrepreneurship courses until the junior or senior year. But at Babson, incoming freshmen take a yearlong course in which they are required to start and run a small business. Each class of 25 to 30 students is given \$3,000 in seed money and is required to create a company to sell a real product that will exist for the school year. According to Professor Andrew Zacharakis, the students have never had a company fail to make back its initial financing. Most often, the companies make a profit, which is donated to charity.

“Our professors do a really good job of helping kids become active learners,” Professor Zacharakis said. “In high school, they sit back and listen to the teacher. Here, the professor is more of a coach. You are given a framework to think about how it works and you are expected to apply that.”

On Babson's leafy suburban campus, budding upperclassmen entrepreneurs are the superstars, says Philip Tepfer, a 22-year-old senior who already has started his own apparel business, Sail (Proud), which sells clothes for sailing.

"Entrepreneurship is deep within the culture here," Mr. Tepfer said. "They are always pushing us to go out and do something on our own." Mr. Tepfer said his nascent business will reach \$40,000 in sales in its first year and he projects more than \$300,000 by Year 2. "Yes, there's risk," he said. "But it's better than working at the campus coffee shop."