

**Indian Innovations in Shiksha Research Series**

**Re-imagining  
Entrepreneurship  
Education in India:  
The Phoenix Business  
School Experiment**

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Imagine a group of MBA students... starting their own real green company and issuing a slow money IPO as part of their studies.

Imagine a group of MBA students... consulting the Forest Department on a business strategy for tourist eco-walks in the nearby local forests and helping them to pilot it.

Imagine a group of MBA students... earning three lakhs (INR 300,000) profit from their business and using it to pay off one semester's fees.

Imagine a group of MBA students... growing their own organic food on the rooftop garden of their campus.

Imagine a group of MBA students... working with a local village government school to design and build a playground out of waste materials.

Imagine a group of MBA students... researching and making a film on local hotels and practices for eco-friendly tourism.

Imagine a group of MBA students... interacting with and learning from the complex challenges of the real world...

Imagine...

## **A New Kind of MBA**

To re-ignite the spirit of innate creativity, empathy, passion, teamwork and entrepreneurialism in every student, a small and yet a very exciting experiment took place at an unknown newly founded MBA institute called the 'Phoenix International Business School', in Udaipur, Rajasthan in 2008. While the experiment lasted only two years, it continues to influence the lives of students who were part of the program and certainly holds lessons to be drawn for future-thinking educators.

What was so special about that one year at Phoenix International Business School? Charchil Jain, one of the students enrolled in the pilot program puts it simply, *"I learnt more about business and life in that first year of my MBA than I ever have in my entire school and college education. The experience of starting and leading our own businesses was totally different than doing an internship. We were not preparing for exams or job interviews, we were preparing for real life or rather engaging with it more meaningfully."*

## **Innovations in Education**

In order to describe some of the best ways of learning, educationists around the world have coined lofty terms such as 'experiential', 'project-based', 'situated', 'student-directed', 'inquiry-based', 'trans-disciplinary', 'holistic' learning, 'design thinking', and so on. Particularly, the problem-based method of 'learning by doing' that encourages 'creative, compassionate, team and critical thinking' is gaining more recognition than ever before in recent times due to a variety of factors including greater complexity, diversity and sense of uncertainty in the world. It has had a long tradition of proponents from early times of Confucius, Aristotle and Socrates. During the 20<sup>th</sup> century people like John Dewey, Maria Montessori and Jean Piaget further built on these theories of learning. 1



Closer home in India, Mahatma Gandhi showed the way with schools run on *Nai Talim* ways of holistic learning—engaging the heads, hearts and hands (3 ‘H’s)—something that is key to deep innovation and moves beyond the commonly emphasized education narrative of reading, writing and arithmetic (3 ‘R’s). Rabindranath Tagore established Shantiniketan, a school with inquiry-based learning and creativity as one of its chief components. More recently, the Dalai Lama emphasizes an education of the heart, which aspires for a compassionate and empathetic human being.

Some alternative schools in India have tried to infuse these ideas in their curriculum at K-8 level. A few extra-curricular projects like Design for Change and Junior Achievement have been exciting innovations at the school level in recent years. One would, however, have a hard time finding a single program at higher-education level in India that truly embraces such pedagogical practices. In a country that is aiming to

double its college-going population in the coming decade, it is quite shocking that there is no real questioning around what is being taught in our colleges and what its ultimate purpose is. College degrees seem to have turned into commodities which can be bought and sold in the free-market—an investment to yield lifelong (monetary) returns. Whether or not a college program truly nourishes one's passion and interest and sense of well-being and happiness, and prepares one to sustainably serve the larger society and ecosystem that one is part of is increasingly being considered to be secondary.

### **MBA Training and Trends in India**

A look at much sought after MBA degree programs would make this argument more clear. Since the economy opened up to private investment and foreign markets in early 1990s, there has been the continued mushrooming of MBA degree programs across the country. The higher the pay-package being offered at the end of the program, the higher the competition to get in. Every year, corporate India gets a fresh-crop of trained business-professionals ready to continue to cash-in on India's growth story.

When fresh graduates step into the real world of work, however, many employers are finding that the MBA training that the students received is inadequate due to its inconsistency with the diverse social realities inherent in India and a lack of any practical experience that the students carry prior to/during their coursework—a common trend among post-graduate level professional degree programs in India. Though most students are required to take on internships as part of their studies, most of these fail to seriously engage the students with real world questions and challenges. Thus, huge investments have to be made in re-training programs at big and small companies alike. Despite that, low job-satisfaction and high employee turnover is a commonly known fact across industries.

Manish Jain, an educational visionary and a critic of modern factory-schooling comments, “Management students are being trained to manage something they know nothing about in real terms, that is, about the needs of society and environment. There is also no space for them to develop their own personal vision and values for their own life or local community. Most of them end up hating their jobs and only look forward to their next holiday or purchase of the latest gadget. Very few believe that what they are doing is adding any real value to the well-being of the planet. No wonder the global economy is in such a mess.”

### **Phoenix's Realism Edge**

The program officially titled as ‘CSR and Social Entrepreneurship’ was developed and offered alongside an open distance-learning degree under the Punjab



Technical University. The founders of Phoenix, Mr. Vineet Baya, Mr. Shabbir Hussain and Mr. Vinod Baya, strongly believed it was necessary to douse the MBA with a strong dose of 'realism' because most of the students had entered the program without any prior work experience (as is the case with most business schools in India). Although students had to write the university exam at the end of the school year, how they go about preparing for it was largely left for the institution and its faculty to decide. This arrangement offered greater flexibility with regards to the program design and its implementation. Availing this freedom and autonomy, Phoenix could do away with some of the rigidity associated with internal exams, grading, compulsory attendance and fixed class schedules that are generally the norm in business schools.

It is interesting to note that 'innovation' and 'entrepreneurship' are increasingly becoming the buzzwords on university campuses around the world. Even well-established business schools such as MIT, Harvard, Stanford are trying to grapple with the questions of what they can do better to maintain their 'competitive edge' in the field, given the competitive global economy and looming uncertainties. Many business schools in India have now adopted the case study-based classroom discussion method in an attempt to make the curriculum more relevant to the real world of business. But the global leaders are now taking many steps to move beyond the case study methodology.

In 2011, Harvard Business School, the pioneer in case-study method, launched its pilot program titled FIELD (Field Immersion Experiences for Leadership Development).<sup>2</sup> It asks students to carry out real-world projects engaging in team-building activities, providing consultancy to companies around the world as well as to launch a small company with a seed-capital that the school would provide them. Other universities are also following suit.<sup>3</sup> The primary reason behind this is that the case study method is not a robust enough pedagogical tool to help the students build their capacities to deal with complex factors that continuously emerge in the real world in the 21<sup>st</sup>

century. Also there is a different level of personal student engagement between working on a simulated scenario and on an authentic problem.

Back in the 2008, the first cohort of Phoenix MBA students took a huge stride by actually creating their own case studies and then relating them with the theoretical concepts in business. The interesting part is that these case studies were not some hypothetical or other business scenarios printed on a piece of paper but rather real-life, local community based for-profit as well as non-profit projects that the students themselves consulted on, initiated, designed, and carried out working collaboratively in teams.

The first project given in the first week of classes involved students setting up a one-day corn-chaat food stall at a local festival, Hariyali Amavasya, in Udaipur. Students had to develop a business strategy and practically implement it as a team, including cooking their own product. When the food started to smell due to the moisture in the onions after several hours, they had to figure out a way to sell it quickly and mitigate the loss, which they did! They ended up learning a secret to removing the smell from an old illiterate woman. The ancient adage that *'if you know how to listen, everybody is your guru'* was proven true for these students. Another important marketing lesson came when students realized their mistake about initially having the food-stall sign made only in English. This would not appeal to the local customers better versed in Mewari and Hindi tongues. Exploring the 4Ps of marketing—promotion, product, pricing and place – were well-integrated in the process.

Some of the other projects implemented—

#### *One Month Hands-On Business*

Students ran a one-month T-shirt business during their first year. As part of this, a market research survey and marketing strategy was developed, supply chain was

built and a line of customized t-shirts were creatively conceptualized, sourced, produced, branded and profitably sold.

The students later initiated another one month project - a weekly farmer's market - where they sourced local, organic fruits and vegetables from the nearby Tapovan Ashram and sold it by the street-side. They became familiar with the situation of local farmers and the agriculture sector. Some even ventured to Ahmedabad to attend a public hearing with the then Minister of Environment, Jairam Ramesh, on the fate of BT Brinjal and genetically modified foods in India.

### *Consulting Project*

The student group was given a consulting project in collaboration with the government forest department on how sustainable tourism could be promoted at Sajjangarh, a rather-neglected local sanctuary. Students developed and conducted a



market research survey with tourists. They even went on to design a training module for the local tour guides, which was shared with them. Field trips for local schools were also organized and run by these MBA students. Many of the students camped in the forest for the first time in their lives. One student even discovered his passion for bird watching and nature photography.

### *Design Thinking Project*

The next project to unleash their imagination was designing and setting up a roof-top organic farm on the roof of the college— while in the process learning a bit about corporate social responsibility, connecting with nature and being resourceful. They had to go around meeting *kabaadiwalas* (the junk yard recyclers), juice stands for bio-waste and collecting cow-dung for making *Amrit Mitti* (compost)—thus literally getting their hands dirty and unlearning the fear and embarrassment of doing the menial labor work. They also learned that 'waste' could be an important asset. Students teams were designated patches to grow vegetable on and care for during the year. “People were laughing at us when we were collecting sugar-cane and cow dung on the streets. Even we hesitated at first. But when you have to learn something, you’ve to put yourself outside your comfort zone sometimes”, says Prity Soni, one of the students in the program. Unlearning was indeed a key aspect of the program which would appear in many different forms.

Students also took part in a zero-waste, up-cycling workshop, making jewelry and home-use items from coconut shells and a filmmaking workshop to develop their design thinking skills.

### *Creative Expressions Project*

The students performed a series of environmental awareness street-plays across the city as part of the ‘Udaan Green Theatre Festival’. Their confidence in self-expression and public speaking as well as awareness about various environmental concerns was

nurtured through this project. One of the students found his passion in theatre and is today a TV actor in Mumbai.

### *Global Interactions Service Project*

There was also a week when the class hosted college students from America who were in India on their study-abroad service learning program. They jointly executed projects such as designing a playground from waste materials for a tribal village school, constructing thatched roof and mud benches with bamboos, leaves, cow-dung and mud, making a video on zero waste tourism etc. The Phoenix students also hosted their American counterparts in their homes. Deep cultural exchanges, the breaking of stereotypes and opening of meaningful conversations were made possible in the process.

### *Gift Culture Projects*

The students also worked with a local community organization, Shikshantar, to help cook, host, design, entertain, serve clean-up, and organize a special Halchal Saturday Slow Food Cafe. They were introduced to the concept of gift culture which promotes building a culture of trust, empathy, service, kindness, cooperation.

Another project challenge had the students exploring how to use their profits from a 1-day business to support a social cause which was not just charity-oriented like one-time distribution of food or blankets. Students had to explore various social concerns in the city and think of a strategy to use their funds to advance a social cause. One group of students concerned about pollution and health decided to make meaningful bicycle signs to promote a campaign on bicycling as a means of eco-friendly transport in the city. Several discussions on Corporate Social Responsibility and Corporate Greenwash also followed this activity.

Students learnt Art of Hosting dialogue tools such as World Café, Circle Practice and Open Space Technology to facilitate deep conversations and access collective

intelligence. The idea of leader as a host who holds the space for dialogue and diversity amongst the group rather leader as the person with all the answers was introduced to the students.

### **Insights from Year One**

The academic year was full of such outside the classroom and authentic projects— authentic in the sense that they had an immediate direct impact and a real benefit to not only those involved in running the project but also the people in the community. The students could get real feedback on their skill level and efforts from a variety of sources. It also was an effort to blur the boundaries between abstract theories in an isolated classroom environment and the world outside. By working with hands and connecting with the larger community in the spirit of service, the students had the rare opportunity to engage their head, heart and hands while applying and testing important business concepts in the real world. A round of intense reflection and



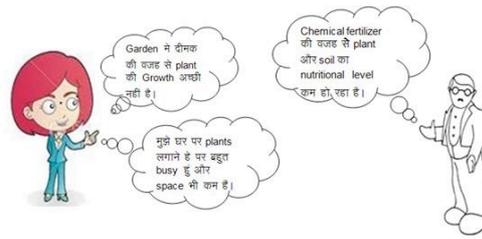
discussion in the classroom followed every fieldwork activity.

Another unique aspect to notice about this program is that the learning was not fragmented into narrowly defined topic areas such as marketing, operations, finance or human resources. Each project brought along with it an inter-disciplinary and holistic understanding of these various aspects of business that students could internalize from their own experiences. Understanding business concepts was intricately tied to a particular market segment or specific industry that the project dealt with. The importance of such learning methods is well-researched and cannot be emphasized enough.<sup>4</sup>

Moreover, much in demand these days, soft-skills such as teamwork, leadership, communication, presentation, negotiation, marketing and persuasion etc. were inherently learnt as these multi-faceted projects unfolded through the year. Prity Soni, who took up a training job with an education firm after completing her two years at Phoenix, proudly mentions how she was instantly promoted to the center manager level because of her confidence and ability to perform even in challenging situations. She especially appreciates the multiple opportunities received during her MBA to connect with people at various levels and across industries in a friendly, non-hierarchical manner. “It was (joining this MBA program) the best decision I ever took in my life. Although the course no longer exists...it is still alive...alive in all of us students,” says Prity.

### **The Second Year Project Challenge**

Prity also emphasized how helpful it was for the students to move beyond the thinking and talking stage to actual implementation stage of any proposed project. Business plans would otherwise only remain as plans on a paper unless tested out and implemented in the real world. In their 2<sup>nd</sup> year, the icing on the cake was definitely the 6 month long green-entrepreneurship project during the second semester



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wherein self-formed teams of 5 students each had to come up with a business plan and test it out in the community. Each team was offered Rs.5000 as the seed capital with the only condition that the business has to take into account the three 'P's— People, Planet and Profit. It was a fine balancing act for students to deeply look at starting a business that is environmentally sustainable while financially viable and conscious of social justice issues at the same time. They were encouraged to reflect upon four essential questions for social entrepreneurship: 'What are they really good at doing?, What do they really care about?, What the world really needs at this time?, and what can they be paid for?' Students struggled to succeed in most the teams, learning a lot through their challenges and failures.

One team started a business called the "Green Dhara" that sourced and supplied vermi-compost across the Udaipur city and offered gardening/landscaping services. Rather than taking the seed-investment from the college, the students rolled out their own version of an IPO by selling market shares and attracting Rs.10,000 of private slow money investment.<sup>5</sup> They later applied for a government tender and got a

contract worth Rs.400, 000. The investors were give a 20% return on their investment and the students were able to pay one semester of their fees with the profits. The business still continues to be run successfully by Gopal Singh—one of the students involved in the initial team. It was a tremendous boost for the student morale and a grounding experience in inventory management, financial modeling, product designing, human resources interviewing and hiring, and several such key business concepts. Above all, it unleashed the entrepreneurship potential that lies dormant in many students who sign up for business degree mprograms not really knowing what could be done with it apart from seeking high-salaried corporate jobs.

Gopal, after completing his MBA, had a stint with a marketing company. But his entrepreneurial spirit refused to die so he left his job after only two months. He instead chose to continue to run the Green Dhara business. “People in my village initially ridiculed me for doing a gardener’s work. But today they understand. I have designed two landscaped gardens for my own village”, prides Gopal. He employees a staff of 20 people. He envisions taking this business at the national level. Giving credit to his time at Phoenix, Gopal admits that whatever he is up to today is all because of those two years spent learning by actually doing things and how it offered him the necessary decision-making skills to carry on a growing business.

Charchil Jain, one of the students who ran the Green Dhara business, says that his time at Phoenix offered him the confidence to take on any challenge and keeps him reminded of the question ‘What value am I adding to the society by doing the work that I do?’ Charchil continues to take much interest in roof-top farming at his home and participated in the first national conference on urban farming in Mumbai.

Sanjay Parashar, another student in the cohort, re-discovered his love for nature and wildlife photography while working on the consultancy project with the forest department. Even now he says he gets up five in the morning everyday to spend time



with nature, to observe birds and various natural phenomena. He has started a nature club in a local management institute where he is currently working and takes people on regular nature treks. “My dream is to take pictures of all 314 varieties of birds present in Rajasthan and present them to people. When you have something inside you, you have to do something about it! I am the only ‘idiot’ in my family who loves and spends so much time with nature. Thanks to my MBA program which allowed me the opportunity to express myself, appreciated my talent and provided me the valuable feedback to improve my skills” says Sanjay who, while at Phoenix, won the National Geography award for one of the top 100 entries in wild-life photography.

Apart from the summer internships, business competitions and college festivals, which are common across most business schools, business theory at Phoenix was constantly interwoven with action learning and/or service learning in the local community. The fact that the institute was located in the heart of the city near shops, hotels and tourists helped bridge the gap between the classroom and the real world. The program also allowed the natural talents and interests to emerge from students themselves thus providing them the much-needed motivation and freedom to experiment and explore.

### **Lessons Learned from the Phoenix Experiment**

Unfortunately the Phoenix MBA program was discontinued after the second year of its revolutionary experiments. Fear from the management as well as some of the students about their job placements after the program was one of the leading factors. Some of the faculty members found themselves inadequate to facilitate a project-based method of learning thus giving rise to their resistance to these ideas. There were also a few students who found it a bit demeaning to do menial labor or community service work while at a business school. Whatever may be the reasons for its closure, it was surely one transformative journey for many involved in the process and cannot be ignored for its value in re-thinking higher education. Manish

Jain—one of the key faculty who designed and facilitated this program— later went on to establish an innovative, self-designed learning university called the ‘Swaraj University’ near Udaipur, Rajasthan, (more can be found on: [www.swarajuniversity.org](http://www.swarajuniversity.org)) which is considered to have one of the best social entrepreneurship approaches in the world. “We are living in times of great uncertainty. The game is changing, so should our management institutions. Students must feel well-equipped to engage with the changing world around them by putting themselves in real-life scenarios and diversified situations. They must be in touch with the diverse real grassroots situations facing India and bring new outside-the-box thinking to these scenarios. We need to support students to become job creators not job beggars,” says Manish Jain while highlighting the importance of these methods of learning.

### **Key Pedagogical Shifts for Business Schools in the 21st Century**

Five pedagogical shifts are important to take note of from the Phoenix experiment for management programs interested in social entrepreneurship:

- 1) Shift from the flatlands of paper case studies and simulated scenarios to *‘engaging directly with complex real-world situations with diverse actors’*. One of the key aspects for students is to develop the resilience to deal with failure as ‘fail early and fail often’ becomes an important pedagogical device.
- 2) Shift from just talking about the product, analyzing it or managing producers to *‘getting their hands dirty’* – getting to really know about the product, the producers and associated production processes intimately by working on the ‘shopfloor’.
- 3) Shift from focusing on individual intelligence and performance to *‘accessing collective intelligence, intuition, and building team self-awareness, cooperation and community’*.
- 4) Shift from thinking only in terms of short-term personal profit and gain to *‘feeling in terms of giving, empathy, inter-connectedness and service’*. Opening our hearts is an important aspect of leadership.
- 5) Shift from highlighting globalization to deepening our *understanding of the need and possibilities for localization* - exploring more about how our business benefits/ affects local community, local economy, local culture, and local ecology.

Sharing a big picture view driving these shifts, Manish Jain further adds, "The tiny little country of Bhutan has shaken the world by talking about Gross National Happiness (GNH) instead of just GNP. What is real happiness? This was one of the most important questions that we tried to engage our management students in."

Imagine the limitless possibilities if our higher-education programs were truly freed from the shackles of rote learning focused solely on exams and the current disengagement from the real issues that the world is facing—not only the climate crisis but also the overall crisis of human social, political, cultural and ethical relationships. The Phoenix Experiment represents a call to move our management institutions beyond the language of 'producing employable human-resources' (to meet the market demands of a consumption driven society) and to re-imagine a different future built by the next generation of business leaders based on self-awareness, creative entrepreneurship, ecological sustainability and compassionate social justice.

## ENDNOTES

1. See [www.edutopia.org/project-based-learning-history](http://www.edutopia.org/project-based-learning-history)
2. Business Education—Field of Dreams, 'Harvard Business School Reinvents its MBA Course', The Economist, December 3, 2011.
3. "MIT Retools to Aid Students with Startups," The Boston Globe, January 26, 2014.
4. Wankel, Charles and Robert DeFillippi. Educating Managers Through Real World Projects.
5. Slow Money is a movement to organize investors and donors to steer new sources of capital to small food enterprises, organic farms, and local food systems. See [www.slowmoney.org](http://www.slowmoney.org)