**Myth of the dropout entrepreneur**

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The myth of the college dropout who went on to become a billionaire tech entrepreneur remains persistent, but its lessons continue to be misunderstood and misapplied.

In Pakistan, students and policymakers alike are quick to cite the same worn-out trio of examples – Mark Zuckerberg, Steve Jobs and Bill Gates. Students not doing well will use them to explain away the need for good academic performance. Policymakers will cite them to argue that college degrees are no longer necessary because big-tech does not require them anymore, perhaps reducing the pressure on themselves and making their own jobs easier.

What these people misunderstand is the causal relationship between dropping out and business success. These giants of tech did not become accomplished tech-entrepreneurs because they dropped out. They came from relatively privileged backgrounds and had the benefit of excellent schooling and had acquired all the skills others acquire through formal higher education by way of their hobbies. How many people anywhere can make the same claim? They dropped out because their prior educational backgrounds had them so prepared that the pace of a college education was too slow and bored them. I have yet to hear of significant numbers of Pakistani university students whose schools have prepared them to an extent as to make a college education redundant.

The truth is that the typical (tech-)entrepreneur does not fit the Gates/Jobs/Zuckerberg mould. In 2009, the Ewing Marion Kauffman Foundation published a report titled ‘The Anatomy of an Entrepreneur’. It includes an analysis of the highest educational qualification; 14 percent hold some kind of doctoral degree or have post-doctoral experience, 33 percent have a master’s degree, 48 percent have a four-year bachelor’s degree – in other words, 95 percent have at least a bachelor’s degree. Only five percent have an associate bachelor’s or lesser qualification. Discounting the importance of a formal higher education for aspiring entrepreneurs is doing disservice to the cause of entrepreneurship itself. I wonder if these people walk the talk and advise their own children and family members to skip college.

Academic pedigree also matters. According to a Crunchbase News survey this year, in the US, Stanford, Harvard, MIT and Berkeley are the top four schools that account for a disproportionate number of startup founders. In the Pakistani context these names can probably be replaced by the names of local counterparts. These schools offer social networks that raise the probability of success of their ventures. In fact, according to some recent reports, Pakistani startups with founders with work experience at global tech-giants and Ivy-league and similar educational credentials have a much higher probability of finding investors.

It is also worth mentioning that in the US the typical entrepreneur is not a teenager or childless 20-something in a hoodie. The Kauffman Foundation study determined that the median age of entrepreneurs at the time they founded their first company was 40 years. Little wonder then that almost 60 percent had at least one child when they founded their companies, and 43 percent had two or more. This portrait of an entrepreneur is very different from what many young people assume, and what many policymakers (who should know better!) continue to perpetuate.

Competence (acquired through a high-quality education), skills (self-acquired or developed in professional settings), professional connections and work experience are all ingredients that raise a founder’s probability of success.

A report by the Pakistan Institute of Development Economics (PIDE) earlier this year put the average unemployment rate in Pakistan at 16 percent, but the unemployment rate for people with bachelor’s and higher degrees at 24 percent, and for women with degrees at a staggering 40 percent.

On the supply side of the labour market, the vast majority of graduates float through college, incurious about what they are studying and seldom venturing beyond their textbooks, the minimum necessary to pass their courses. With the exception of a few institutions, there is no interest, no intellectual curiosity, no exploration of and experimentation with the breadth of tools and technologies that are not (cannot) be covered in the limited time available in university courses.

To take an example from computer science, a course on Cloud Computing could demonstrate concepts on and introduce students to the free and open-source OpenStack, or Amazon’s AWS, or Microsoft’s Azure, or Google Cloud, or a number of other vendor specific platforms – but it cannot use all of them. There are a myriad of languages, tools, and development platforms available for just about everything. Universities can never be able to cover concepts and impart mastery in all of them to graduates over a breadth of 30-something technical courses in four years. That kind of training and expertise is the domain of vendor specific certifications, of which there are hundreds if not thousands.

On the demand side of the labour market in the private tech sector, employers complain about being incapable of finding and hiring a moderate size team of 10. Many employers today have abdicated their role of training fresh graduates in favour of demanding experienced or fresh graduates that somehow come pre-trained and can go to work on day-one on whatever platform or technology they are using. Employers are standing on one side, unemployed/ underemployed graduates on the other and separating them is a chasm.

Here I would like to make mention of at least one Pakistani ed-tech/ training startup ‘SkipQ’ (https://www.skipq.org/) that has identified this gap and developed a successful business model that addresses it. Currently they are focused on meeting the demand for cloud computing skills in the market. They select cohorts of fresh graduates, train them on a tool/ platform and contemporary development workflows for about six weeks. In this time, they bridge the gap between what they know and what employers need them to know, while paying them a small stipend. Those who negotiate the programme successfully have a job waiting for them. This model is working so well that multiple cohorts are pre-booked for hiring by employers. However, the founder emphasiwed that this programme does not make bachelor’s degrees redundant – it just bridges the gap between a broad (good) undergraduate education and the specific demands of the tech labor market.

Does that mean that bridge programmes, such as the one above, are all we need to solve our unemployment/ underemployment problems? No. A typical cohort received 950 applicants, of which 50 were accepted into the program, of which only seven successfully graduated while they can fill 200 positions even now.

The science and engineering undergraduate programmes of the few good universities we have are broad (as they should be) and must be excused for not imparting skill in whatever tool or platform is in demand by employers that minute. But what about public-sector skills and vocational training programmes that are, or at least should be, all about hands-on experience? Are their pipelines as tightly integrated with employers as that startup’s?

But the question troubling me the most is: What are most universities doing? How come that even with all the handholding, 41 out of 50, or 82 percent, selected applicants with four-year degrees are incapable of making it through a six-week training course that prepares them for the first in a series of vendor-specific certifications?

If university students are ‘customers’, as some university managers fancy referring to them in internal discussions, then those customers must demand from their ‘service providers’ to do better. They must demand their money’s worth of education while taking responsibility for their own future. Students need to be more forward looking, for their own sake, prepare for transitioning from academia into a competitive job market by identifying and picking up in-demand skills before they graduate. Prospective and current students must demand employment statistics of graduated batches instead of unrepresentative, cherry-picked ‘success stories’.

Finally, bachelor’s degree programmes and the prevalent campus culture at most of our universities barely prepare students to become self-directed learners able to pick up an employable skill, even with support. I cannot see how a dropout with a high-school education that feeds these universities could fare better and possibly know enough about anything to turn out a successful entrepreneur. For that reason, in Pakistan at least, the myth of the successful college dropout that blossoms into a billionaire entrepreneur must be put to bed, especially in policymaking circles.