

[NACUE](#), the National Association of College and University Entrepreneurs, is an umbrella organisation representing the UK's university enterprise societies. Founded in 2009, in a few years it has grown from a ragtag group of students into a fully-fledged quango, with its own policy advocacy unit and a total of £1.8 million in government funding (spread over [two rounds](#)).

For a long time NACUE was merely an ineffective, albeit well-meaning, organisation. The people behind it were committed to "promoting entrepreneurship", though somewhat less committed to actually practicing entrepreneurship. You know, the kind of people who favour talking over doing, who prefer feel-good talks on passion, inspiration, and ["personal branding"](#) to the ugly nitty-gritty details of day-to-day business. Still, they didn't do any harm and did achieve some good.

However, now that public money is being spent on this outfit, the pertinent question is not "has NACUE added value?" (NACUE loves the phrase "adding value"); rather, the question is "has NACUE added £1.8 million worth of value?"

Under a government that has abolished over 100 quangos since election, it took a hard sell to justify public funding for a new one. In its report, ["Enterprise Education in a Smaller State"](#), NACUE pitched itself as the grassroots approach to encouraging entrepreneurship; that by exposing more students to the idea of an entrepreneurial career path, NACUE would help kickstart economic growth.

I'm not cynical about NACUE's basic approach. More numerous and more effective university enterprise societies would have an undeniable impact. The quality and quantity of startups that have emerged from well-run societies such as Manchester Entrepreneurs, Oxford Entrepreneurs and Cambridge's CUTEC attest to that. But as much as NACUE likes to attach its name to their successes, these groups were doing fine long before the organisation came into existence; and despite its attempts to spread "best practices" across the UK, enterprise societies at most universities remain small and disorganised.

How small? NACUE claims to represent 40,000 students, a figure it reached by aggregating the membership numbers of its affiliated societies. However, as most student societies grossly inflate these numbers, NACUE's numbers are likely similarly inflated.

It's a simple wheeze, followed by student societies of all stripes. Offer people free or cheap membership during freshers' week, gain hundreds of "members" (most of whom never attend an event), and use your enhanced membership figures to entice corporate sponsors. NACUE has simply performed the same trick on a national level. Based on my experience at Warwick Entrepreneurs, where roughly a quarter of official members regularly attended events, I'd put NACUE's true membership figures at less than 10,000.

The default state for student societies is to be badly organised, so NACUE cannot be blamed for that. However, despite having spent significant resources developing the ["NACUE Sustainability Model"](#), "Succession Framework", and other best practice documents, NACUE does not deliver sufficient support to struggling societies to help them actually execute on these recommendations.

NACUE offers two main forms of direct support for societies. The first is the assistance of its regional co-ordinators -- whose must divide their attention between multiple campuses -- and the second is the annual [Leader's Training Conference](#), where society presidents and vice-presidents descend on London for a weekend of skill-building. However, on returning to their home university, a society president needs exceptional dedication to bring other exec members into line, with few students bothering to read NACUE's lengthy best practice documents. As a result, most societies struggle with basic issues and NACUE's high-level guidelines prove fairly irrelevant. If this all

sounds like a fairly trivial issue (students are badly organised, news at 11), keep in mind that NACUE's government funding represents over £20,000 of taxpayer money for every society they support.

In fairness, NACUE has made one great achievement at the society level. For a long time, the stereotypical member of a university enterprise society was the Accounting and Finance student with zero interest in startups but a passionate interest in CV padding and investment banking internships. To their great credit, NACUE has gently pushed such individuals aside, and successfully recruited students with a genuine interest in entrepreneurship; many of whom are running successful, profitable businesses.

But the average NACUE business is a small business. Think Apprentice-style projects; selling [customised umbrellas](#), developing [new ice cream flavours](#), that sort of thing. One of NACUE's justifications for taking public money was that supporting student enterprise would help drive economic growth, and yet you might be sceptical towards the notion that former polytechnic students selling tablecloths somehow represent the future engine of national productivity. You wouldn't be alone.

Scott Shane, author of "The Illusions of Entrepreneurship: The Costly Myths that Entrepreneurs, Investors and Policy Makers Live By", has [persuasively dismantled the myth](#) that encouragement of entrepreneurship for its own sake is a net benefit to the economy. Instead, he argues for a focus on the subset of high-impact startups that have a disproportionate effect on economic growth.

"When governments intervene to encourage the creation of new businesses, they stimulate more people to start new companies disproportionately in competitive industries with lower barriers to entry and high rates of failure ... Stop subsidizing the formation of the typical start-up and focus on the subset of businesses with growth potential. Getting economic growth and jobs creation from entrepreneurs isn't a numbers game. It's about encouraging the founding of high-quality, high-growth companies."

NACUE's egalitarian ethos means it will always support any student that wants to start a business -- any business. This, in itself, is an admirable aim, but it puts off those students with greater ambitions. NACUE-affiliated societies should strive to be like the Homebrew Computer Club (where Steve Jobs met Steve Wozniak), but in their current form they drive the best people away.

The NACUE organisation itself, based in East London, is an even more interesting beast. Around half its full-time staff have experience in other corporate roles, and the other half are made up of former society presidents and exec members who got sucked into increasing involvement at NACUE before eventually taking full-time positions upon graduation. For example, Hushpreet Dhaliwal, NACUE's CEO, originally joined as an intern.

What worries me is that NACUE has become a springboard for students with a genuine interest in startups to end up following an "entrepreneurial" career that is nothing at all to do with actually starting companies. The basic career trajectory goes something like this:

Use your experience at NACUE to sell yourself as a expert in student enterprise and a "leader" in entrepreneurship, scoring yourself positions as a board member or advisor at any number of government bodies, think-tanks, and other organisations tangentially related to enterprise. If along the way you somehow manage to start an actual business -- you know, one that makes money, even if it's only a tiny amount -- mention it as often as you can to bolster your credentials as a bona fide entrepreneur, and pray that no-one ever looks the company up on Duedil. Of course, unlike real entrepreneurs, you have lots of time free for self-promotion and schmoozing; play your cards right,

and you're guaranteed a pass into the TED/Davos/international-thought-leader jet set.

An impressive early start to your career, for sure. The only trouble is it's not an entrepreneurial career, but since you keep calling yourself an entrepreneur, bright students see you as someone to emulate. And that's my main problem with NACUE. The nature of the organisation is such that, even if it doesn't intend to, it holds up meta-entrepreneurs -- people who prefer encouraging "entrepreneurship" over doing it themselves -- as the greatest role models.

Building a profitable business is difficult, unglamorous, and risky, whereas the path of the meta-entrepreneur promises early, easy glory. NACUE is a well-run organisation filled with smart, passionate people, which is what precisely makes it so dangerous for entrepreneurially-minded students. At an age where career ambitions are still unclear, and the traditional options so unpromising, the siren call of NACUE may be too strong. But I'd advise students to avoid getting too close, for fear of being sucked in.

American students are not afraid to drop out of college at 19 to launch companies, and yet British students feel they must spend 5 years building their network and credentials at NACUE (or in the City, or elsewhere) before taking the leap. It's not true; this is the age of cheap web hosting and ubiquitous broadband. Starting a potential world-changing business has never been easier. Ignore the meta-entrepreneurs and just start.