Creating conducive environments for learning and entrepreneurship: Living with, dealing with, creating and enjoying uncertainty and complexity

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Abstract

The paper argues that that there is a need to move away from the conventional focus of Entrepreneurship Education upon new venture management, business plans and growth and innovation to a broader concept based upon an understanding of the way that entrepreneurs live and learn. Seven challenges in this respect are proposed. First, that of creating the 'way of life ' of the entrepreneur. Second, the sharing of culture and values. Third, actively supporting the development of entrepreneurial behaviours, attributes and skills. Fourth, designing the entrepreneurial organisation. Fifth, developing the learning to learn capacity. Sixth, being sensitive to the demands of different contexts. Seventh, adding value to existing ways of learning. The paper concludes that meeting these challenges cannot easily be achieved within the existing business school structure, values and beliefs and that new organisations are needed within a university context.

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Introduction

The aim of this paper is to look beyond the issue of **what** should be taught in entrepreneurial learning to **how** the environment for 'teaching' it should be organised and **how** the knowledge frameworks themselves might be more appropriately presented. This seems to be an issue that while not wholly neglected in academic debates, is frequently dealt with superficially (Gibb 2001). The issue of creating a 'conducive learning environment' for entrepreneurship can be approached from several different perspectives. The first concerns the basic rationale for seeking to stimulate entrepreneurial behaviour namely that of enhancing the ability to cope with uncertainty and complexity. The second focuses upon how to design environments and organisations to facilitate and promote 'effective' entrepreneurial behaviour: this is defined as the practice of entrepreneurial behaviour in a way as to enrich the lives of individuals and help the organisations in which they work to perform better. The third concerns the opportunity for individuals to create and enjoy their own entrepreneurial environment of uncertainty and complexity.

The focus of this paper is upon the development of entrepreneurial (or enterprising) behaviour. A basic assumption is that such behaviour should not be exclusively located in a business or even market economy context. Societies of very different ideologies can embrace a culture that values personal enterprise, and organisations of all kinds can be designed to facilitate effective entrepreneurial behaviour. The word 'effective' is used (and has been discussed in more detail elsewhere, Gibb 1999)) in recognition of the point that entrepreneurial behaviours in society and organisations can be deviant or even criminal and certainly either immoral or amoral. Effective entrepreneurial behaviour is posited as being that which is morally and ethically acceptable within the conventions of society and enables the individual and organisation to fulfil their objectives more wholesomely.

There will be no debate in this paper as to why the issue of entrepreneurial behaviour in all kinds of organisations and contexts is becoming more important. This has been discussed extensively elsewhere (Gibb 2000). It should be sufficient to note that governments, almost throughout the world, have been increasingly extolling the virtues of the 'enterprise culture' over the past decade or so as a means of meeting the demands for flexibility and dynamism created by the globalisation phenomenon (Blair 1998, European Commission 1998). Almost universally, the boundaries between the state and the individual have been redrawn. Public expenditure has been restrained and individuals and local communities urged to develop a stronger capacity for 'self help'. Large organisations have downsized and restructured, in pursuit of the so called 'flexible labour market' both inside and outside of the firm (Rajan et al 1997): and there has been an associated growth of small enterprises. The market paradigm has been introduced into all kinds of public services. Individuals as consumers, workers and as members of families

face greater levels of uncertainty and complexity in their lives. Mobility, geographical, occupational and even relational (in the personal sense) is a key contributing component.

The environment in which individuals are living their lives is, in general, one of greater uncertainty and complexity. The challenge to education and training organisations is therefore to equip individuals and organisations to deal with this. This paper argues that acceptance of this challenge creates an imperative to redesign our approaches to learning and the organisation of knowledge in a manner that builds confidence and capacity to deal with uncertainty and complexity. It will be argued that to achieve this there will be a need to move away from the current narrow paradigm of entrepreneurship to a wider notion of entrepreneurial behaviour. Acceptance of this has implications for the way the teacher might seek to 'bring forward' the environment in which entrepreneurial people operate, as part of the learning process.

There is an implicit recognition in the above argument that entrepreneurship can be 'taught' in a non-entrepreneurial manner or that lip service can be paid to enterprising approaches to teaching without subjecting them to the same rigorous scrutiny that is awarded to knowledge. In the university context, for example, in designing new degree programmes it is the author's experience that the almost total focus is upon the knowledge content and its structure. A possible explanation for this is that the 'contract' with the student is the one of delivery and acceptance of knowledge rather than the development of the person. It would therefore no accident that, notions of enterprise and entrepreneurship appear to be more acceptable in primary schools than they do at universities (Ma 2000)

Against this backcloth the notion of a 'conducive environment' for learning and entrepreneurship can be taken to mean the bringing forward of the environment in which the knowledge will be used and therefore facilitating learning as part of the 'doing' process. This has implications not only for the way that the classroom is organised, but also for the way knowledge is organised by institutions, the contexts for knowledge that are applied and the values and beliefs that may underpin learning approaches.

The paper begins with a brief review of the current narrow paradigm under which entrepreneurship education seems to be taught. It argues that this model is inappropriate because of its substantial traditional emphasis upon business. It then focuses upon a number of challenges relating to an entrepreneurial approach to learning. First, the creation of a learning environment where individuals can experience key aspects of the 'way of life' of the 'entrepreneur'. Second, appreciation of the values that underpin the approach to learning and influence the capacity for use of the learning. Third, the kinds of behaviours, skills and attributes that need to be enhanced and the associated pedagogical challenge. Fourth, the way in which organisations might be developed in order to provide an environment conducive to entrepreneurial learning. Fifth, the creation of the capacity of students to learn to learn from their environment and particularly from key stakeholders. Sixth, the importance of embracing a variety of contexts in teaching. Finally, overall, the development of an approach that focuses more upon adding value to the 'experience' that individuals already have. The paper concludes

with reflections upon whether the environment in business schools and universities is truly conducive to such approaches.

The Current Narrow Paradigm for Entrepreneurship

Recent reviews of what is being taught in the field of entrepreneurship in Europe and North America (Brown 1999, European Commisson FIT 2000, Gartner and Vesper 1999, Hayward 2000, Hills 1998, Levie 1999, Mason 2000) indicate that the emphasis in business schools is substantially upon the process of new venture creation using the business plan as the framework for organising knowledge. This is often complemented by a core focus on emerging, growing and innovative businesses. This is supplemented by 'appropriate' functional inputs, often provided by the core faculty. To this menu may be added a number of options such as family business, IT, franchising, etc. The pedagogical process frequently makes use of projects, of entrepreneurs as role models (and occasionally as teachers) and engages stakeholders such as banks, accountants and solicitors in presentations. Overall there is a strong cognitive and business focus with knowledge organised in such a way that it can be easily tested.

Most entrepreneurship teaching is delivered by business schools or economics faculties and there is only minor outreach into science and arts faculties (Levie 1999, Beranger et al. 1998, European Commission FIT Report 2000). Programme brochures and 'models' frequently embody statements about the development of entrepreneurial behaviours but there are few precise statements as to how these are to be 'achieved' or indeed assessed (Bates 1998). In many student programmes, assessment is by projects although essays and examinations still predominate. It is argued below that the emphasis upon knowledge per se as a basis for delivery and assessment may lead to neglect of a number of key challenges related to the development of the capacity of students to 'feel' entrepreneurship and learn in entrepreneurial ways.

Challenge Number One – Creating the Way of Life

When individuals move from employment or a position of relative security into self-employment a number of changes take place in their 'life world'. These challenge their capacity to cope with and indeed enjoy the entrepreneurial experience. Some key characteristics of the 'life world' are shown in Exhibit 1. The individual enters into a position of greater freedom and greater ownership and control but greater responsibility. Personal assets are usually at risk and rewards (the ability to make a living) are linked closely to the customer. There is greater autonomy to make things happen but a wide range of tasks have to be undertaken. Interdependence on a diverse group of people has to be managed and networks of trust have to be built as a basis for this. New entrepreneurs are likely to work longer and more variable hours at least in the beginning. Their friendship patterns are likely to change and their relationship patterns within the family also. Their ego is probably more substantially at risk and ultimately their social status is likely to be considerably influenced by the success or otherwise of the business. Much of the new learning will be by doing and responsibility for learning and self-development rests with themselves.

Exhibit 1. Coping with and enjoying a more entrepreneurial 'Way of Life'

1. Greater freedom
2. Greater control over what goes on
3. Greater responsibility - more of the 'buck' stops with you
4. More autonomy to make things happen
5. Doing everything – coping with wider range of management tasks
6. Rewards linked more directly/immediately to the customer
7. Personal assets and security more at risk
8. The ego more widely exposed
9. Living day to day with greater uncertainty
10. Greater vulnerability to the environment
11. Wider interdependence on a range of stakeholders
12. 'Know who' becomes much more important - to build trust
13. Working longer and more variable hours
14. Social, family and business life more highly integrated
15. Social status tied more to business status
16. More learning by doing, under pressure (more tacit than explicit)
17. Loneliness

It is possible to help individuals to create business plans, provide all relevant knowledge and indeed assist in obtaining finance and setting up the business without providing any of the above experience. Yet much of this way of life can be rehearsed by use of appropriate pedagogy. Some key notions in this respect are set out in Annex 1. The objective is to familiarise participants with the environment of 'living day to day with uncertainty' and managing this in a confident manner. This necessitates abandonment of the notion that all teaching has to be 'instructional' and controlled and that all learning takes place in the classroom. Thus, instead of a taught session on marketing students might be sent out to explore the validity of a business idea by finding and interviewing five potential customers. The 'material' collected with all its probable ambiguity and inadequacy becomes the basis for the next 'teaching' session.

Although the above 'life world' is drawn from a self employment analogy it can be argued that many individuals employed in public and private organisations increasingly share this world (Gibb 2000). Managers in downsized, decentralised large corporations, employees in education, health other public services where a 'market' paradigm has been introduced increasingly share some of the life world features with the conventional 'entrepreneur' (Quin 1985, Worrell et al 2000). The ability to cope with and enjoy this way of life is therefore one that goes beyond a business context. The General Practitioner in the 'new' Health Service or the Headteacher in the new so-called autonomous school system are examples.

Challenge Number Two – Sharing Cultures and Values

What we teach, and the way we feel we need to teach it, reflects our underlying values and beliefs not only concerning methods of education but the kind of knowledge that is selected for delivery. It is also reflective of the kinds of institutions within which teachers work. The business school model, for example, can be characterised as one

focused on valuing objectivity and a ‘rational/analytical’ stance. It emphasises cognitive aspects of learning with a neglect of affective (enjoyment) and connative (motivational) aspects. (Ruohotie and Karanen 2000). Moreover while case studies are used to facilitate practice at problem solving (usually within the rational model), the emphasis is upon teaching ‘about’ rather than ‘for’. This emphasis is underpinned by the notion that teaching 'about' is more academically respectable than teaching for with its emphasis upon practice (Levie 1999). Associated with this stance is the rather loose intellectual notion that concepts and theory cannot be explored via a process of practice, a notion that natural scientists and philosophers might find strange (Shusterman 1999).

It can be argued that underpinning the conventions of business school teaching are a number of beliefs derived from, and associated substantially with, a bureaucratic/corporate model as set out in the left hand side of Exhibit 2 below. The emphasis in this 'implicit' model is upon the ‘value’ of information, accountability, systems, planning, demarcation, transparency, formal planning, formal methods of appraisal and so on. The aim is seemingly to reduce the world in order to organise and make sense of it. This approach is underpinned by the division of schools into departments of marketing, finance, production, etc. Seeking to fit these together into an 'holistic' model, arguably necessary to support the pursuit of entrepreneurship, can be described as akin to the creation of Frankenstein. All the pieces are there ('scientifically' underpinned) but the creature that emerges does not seem to move (or be moulded) together very well in a necessary organic fashion!

Exhibit 2 The Cultural Divide?

The Bureaucratic - Corporate - Entrepreneurial Dilemma

government/corporate (looking for)	***entrepreneurial (small business) (as being)***
order	untidy
formality	informal
accountability	trusting
information	personally observing
clear demarcation	overlapping
planning	intuitive
corporate strategy	tactically strategic
control measures	personally led
formal standards	personally observed
transparency	ambiguous
functional expertise	holistic
systems	reliant on ‘feel’
positional authority	owner managed
formal performance appraisal	customer/network exposed

The world of enterprise on the right hand side of the Exhibit is arguably one of ambiguity, impreciseness and one of constant judgement as to how best to make sense of things. A core value underpinning these ways of doing and looking at things is the notion of trust achieved through the building of personal relationships and 'dealings'. It can be argued that trust is the very basis of an entrepreneurial society and organisation (Fukuyama 1995). It is arguably the absence of trust that leads to the demand for more and more accountability, more and more information, more and more transparency, more and more systems and more and more 'objective' forms of personal and organisational appraisal. In summary, the left-hand side of the Exhibit can be seen as being 'business like' in the professional sense of the word. It carries with it associated professional values and beliefs.

While the Exhibit is deliberately dichotomous it is nevertheless useful. It has been used, for example by the author to contrast the values of the banker with the small entrepreneur as a basis for exploring difficulties in their relationship. It has been used to examine problems that arise in the operation of donor assistance in developing and transition economies (Gibb 2000). In this context the end client group is frequently the informal sector arguably characterised by the right side of the diagram. On the left is the donor organisation with its imperative to spend taxpayers' money soundly and accountably. In the middle (not shown) is the NGO recipient of donor funds who can easily see the customer as the donor rather than the informal micro enterprise. There is a power asymmetry that pulls the NGO, its behaviour and its systems to the left leading to numerous potential problems.

Overall therefore recognition of the values and beliefs underpinning what is taught, and questioning these, is arguably an essential part of creating a conducive environment for entrepreneurial learning. This might, for example, lead to a rethink the concept and value of the business plan as a focal point for organisation of our teaching. It is almost certain that business plans were not invented by entrepreneurs but by those, within corporate organisations such as banks that need personal risk reduction documents in order to justify to the hierarchy their release of resources.

Challenge Number Three – Creating Pedagogy to support the Development of Behaviours, Skills and Attributes

As noted above, many institutions engaged in entrepreneurship programmes pay lip service to the need to develop and practice entrepreneurial behaviours (European Commission FIT report 2000). There are many examples of lists of such behaviours but no universal agreement as to the core. Such lists often combine *behaviours* which can be observed, *attributes* which are deemed to be part of the personality but arguably open to influence from the environment and *skills* which can be developed. There would seem to be some measure of agreement as to key behaviours which include: finding opportunities, grasping opportunities, fixing things and bringing networks together effectively; taking initiatives; being able to take risks under conditions of uncertainty and through judgement; persevering to achieve a goal and strategic thinking (thinking on one's feet, not just tactically). Related to these are a number of supporting attributes around which

there is a considerable 'trait' literature. These include: motivation to achievement; self-confidence and self-belief; creativity; autonomy and high locus of control; hard work; commitment; and determination. In turn related to these, are skills which include negotiation, persuasion, selling, proposing, project management, time management, strategising, and creative problem solving. While there may be disputes about the above list and absences from it (for example planning) what is most important is that the stance taken can be clearly defended from the literature.

Once this is achieved the pedagogical challenge is to create the learning environment which provides opportunities for practising and developing these behaviours, reinforces the attributes and develops the skills. This needs careful appraisal and full use of the wide range of pedagogical approaches available that might enhance and develop specific behaviours, attributes or skills. While much more research is needed in this area it is possible to make a determined effort in this respect. This will, however, require a full analysis of what each of the behaviours might mean (Harris 1996). For example, opportunity finding behaviours may embrace: creative problem solving; harvesting ideas from competitors and peer businesses; undertaking detailed ongoing customer analysis and communication; internal brainstorming; research and development; use of the world wide web; attendance at exhibitions; and travel abroad. Such an analysis provides an agenda as to the kinds of 'how to's that should be brought into the education programme. It also, however, provides the basis for exploration of appropriate pedagogies. For example in Annex 2 a list of pedagogies is provided linked indicatively with the potential to help develop certain behaviours. Searching, brainstorming, audits, competitions, panels and projects, for example, can all support opportunity finding.

A major problem in systematically developing such approaches in a higher education context is that they are not generally deemed to have academic value. For example the use of drama to encourage creativity and insight into the needs of different stakeholders would not rank well along side a series of knowledge intensive seminars. Students themselves, having been brought up in school and university on a diet of being fed knowledge, may have problems in accepting a different kind of learning contract related to their personal development and the practice of internalisation of knowledge into behaviour. This presents an intellectual as well as personal challenge to the 'teacher'. The final barrier to creating this environment conducive to development of entrepreneurial behaviour is that it cannot easily be assessed, almost certainly not in a way that is conventionally academically acceptable (Ma 2000).

Challenge Number Four – Designing the Entrepreneurial Organisation

A key aspect of creating environments conducive to entrepreneurial learning is recognition that the way we regulate and govern our society and design our organisations can facilitate or hinder the practice of entrepreneurial behaviour. It is, for example, clearly evident to those who have worked in transition economies that the structure of state companies could lead only to deviant or ineffective entrepreneurial behaviour (Gibb and Lyapunov 1996). It is also evident that some organisations (for example small businesses and political parties) can be run by people who are perceived by the external

environment to be highly entrepreneurial. Yet, as in the case of the classical autocratic entrepreneur, they may manage their own organisations in a manner which excludes the opportunity for individuals to enjoy the kinds of freedom and control necessary for the pursuit of entrepreneurial behaviour.

Recognition of this aspect of creating the 'conducive environment' is arguably becoming increasingly important as corporate business methods are moved into schools, health and welfare services. It has also been argued elsewhere by the author (Gibb 2000) that large corporations in downsizing may have failed to redesign their core organisation to enable those retained in the business to cope more comfortably with greater uncertainty and complexity. As a result there are much greater levels of anxiety and stress (Grimshaw et al 2000). Moreover inappropriate design may encourage pursuit of 'ineffective' entrepreneurial behaviour in order to ensure that new benchmarked standards and targets are met. For example in a police force in order to improve 'clear-up rates' relating to car theft a new category of offence entitled 'car interference' may be developed. This means that failed attempts at car theft may be removed from the relevant statistics in order to meet targets. Similarly, radar trap mechanisms on motorways can be adjusted for speeds in order to ensure that targets are precisely met.

It is important in organisational design to recognise that entrepreneurial behaviour is contingent upon the needs of the task environment. There are certainly many environments where entrepreneurial behaviours are not required, for example in flying an aircraft! It has been argued elsewhere that the entrepreneurial organisation will be designed to facilitate enjoyment of the 'internal life world' set out earlier and support effective behaviour (Exhibit 3) below (Gibb 1999).

Exhibit 3

Designing the Entrepreneurial Organisation

Creating and reinforcing a strong sense of ownership
Reinforcing feelings of freedom and autonomy
Maximising opportunities for holistic management
Tolerating ambiguity
Developing responsibility to see things through
Seeking to build commitment over time
Encouraging building of relevant personal stakeholder networks
Tying rewards to customer and stakeholder credibility
Allowing mistakes with support for learning
Supporting learning from stakeholders
Facilitating enterprising learning methods
Avoiding strict demarcation and hierarchical control systems
Allowing management overlap as a basis for learning and trust
Encouraging strategic thinking
Encouraging personal contact as basis for building trust

The teacher will therefore need to develop and discuss concepts of organisation design relating to flattening hierarchies, achieving customer focus, linking appraisal to stakeholder and customer feedback; broadening task structures to achieve 'holism';

allowing ‘effective’ mistake making for learning purposes; supporting action learning; finding ways of decentralising and giving ownership in businesses and indeed creating a stronger feeling of ‘independence’. There are many different models in large and small companies that can be used in this respect.

Challenge Number Five – Developing the Learning to Learn Capacity

A conducive environment is one in which there is recognition that learning does not take place solely in an ‘instructional’ context. The bulk of lifelong learning takes place in an uncontrolled pedagogical environment. The key challenge is therefore to create an environment where participants can learn to learn in the way which will be demanded of them in entrepreneurial circumstances. This means recognition of the fact that most of the learning that will take place is through relationships with the relevant stakeholder environment. The entrepreneur will learn from customers, suppliers, intermediary organisations, banks, accountants and solicitors, their peers, competitors from local government and from their own staff and family as well as even from the regulators and government officials (Gibb 1997). The doctor in his/her practice will learn from patients, health authorities, local government, medical councils, other doctors, and hospital consultants. Effective learning from stakeholders will reduce transaction costs and lead, arguably, to greater organisational efficiency and effectiveness. This will also be enhanced when the entrepreneur and doctor also seek to understand the learning needs of each of their stakeholders and systematically set out to educate them and indeed ‘bring forward the future for them’.

To create an environment conducive to learning from stakeholders will make several major demands upon the teaching organisation. The first is recognition of the importance of tacit as well as explicit learning and the need to encourage students ‘to make sense of things’ from their experience and feed this into the explicit learning process. It will also demand an understanding of how learning needs arise from the development processes of the business so that needs can be met at an appropriate time. Perhaps, too often, the would-be business start up, is fed a teaching diet of conventional functional management including marketing, finance, production, information systems and human resource development, to name but a few. The onus is then left to the individual to apply this weight of knowledge to the start up process. Little attempt is made, except through the odd case, to relate precisely the knowledge to the process of development of the venture.

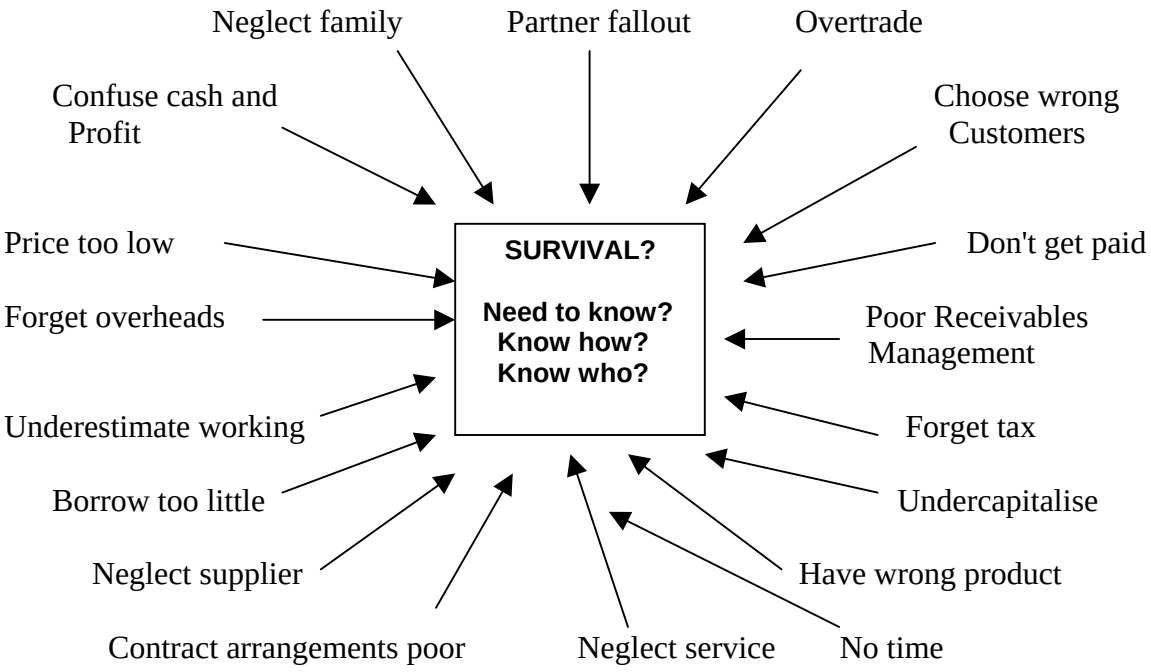
Annex 3 provides an example of how, in a new venture process situation, learning needs can be related to the tasks at ‘each stage’ of the business development. Such an approach is arguably important even though it can be recognised that new ventures do not proceed smoothly from one stage to another but engage in a process of iteration in order to find the right balance. Nevertheless at each stage of the process problems can be identified and opportunities recognised in advance and met by appropriate learning. A key aspect therefore of this approach is that knowledge might be organised not only around the development process whether it be start up, survival and growth, exporting, or new product development, for example, but around the notion of the problems and opportunities that might be confronted. Here the challenge to entrepreneurship education

is to use the medical school approach of moving out from a particular problem (for example a painful knee) working out all possible causes of the problem, examining what is know about these causes and how they interact, how they relate to the workings of other parts of the anatomy (aspects of the business), what research and scholarship there is to help and what theories there are that might help in the process of diagnosis. While therefore meeting 'academic standards' the emphasis is continuously on solving the problem as best as possible in the light of available knowledge.

It can be argued therefore that entrepreneurship knowledge agendas should be derived from a problem/opportunity focus. Exhibit 4.provides an example of this. It sets out many of the problems that are known to arise in the early years of the business (well documented in research). Each of these need to be explored and explained. Each has related concepts associated with them which can be reviewed: but at the end of the day there is a need to 'know how' to recognise, solve or avoid the problem. Thus a 'need to know' is matched by 'know how'.

Exhibit 4

Survival Problems



One further critical aspect of this approach of 'learning to learn' is 'know who' in recognition of the fact that empathy with key stakeholders, personal relationships and trust and networking are key aspects of entrepreneurial behaviour. 'Know who' is not something that is conventionally taught at business schools or indeed valued academically but is a critical element in all aspects of business development. It can be linked strongly with theory (Boissevain and Mitchell 1973) but there is a need to encourage practice.

Overall creating the conducive environment for entrepreneurial learning to learn has a major positioning challenge for the educational institution. In this context, the teaching institution as a learning organisation needs to position itself as the interface organisation between the relevant stakeholder environment and the student. As such it must therefore understand precisely how the sets of relationships work between the student and stakeholder in order to enhance possibilities for learning both ways. Here there will be a clear demand for the reorganisation of knowledge and more research will be needed to underpin it (DUBS 1999). Is, for example, enough known about how the banks develop and build relationships with small businesses at various stages of their development, what they need to learn from them and how they need to educate them and vice versa from the small business perspective? Without such knowledge it is impossible to teach 'relationship learning'.

Challenge Number Six – Sensitivity to Context

A major challenge in creating 'conducive environments' for entrepreneurial learning is that of adapting to the very different contexts into which entrepreneurial learning can be introduced. A starting point is re-examination of the customer base for entrepreneurship. The research in Europe and in North America indicates that the major focus within higher education is upon business school students (Menzies 1998, NCOE 2001). There is, however, a recognised need to extend the offer into science and arts departments. This may mean taking the 'offer' directly out of the business context which has (in the light of earlier discussion) some advantages and some disadvantages. It presents an opportunity to explore wider notions of enterprise and organisation design as argued above. Yet even the new venture approach can be applied to a variety of different contexts not necessarily relating to business, for example, the setting up of a new medical practice.

Another advantage of exploring entrepreneurial behaviour outside of the business context is that it can be removed from its ideologically and politically charged link with notions of market liberalisation . Entrepreneurial behaviour in the health and education services is not conditional upon the introduction of market reforms or indeed private business practice. Indeed it has been argued above that much of this practice may be anti entrepreneurial. Exploring concepts of entrepreneurial organisation design and the encouragement of effective entrepreneurial behaviour in all kinds of organisational contexts will also help to relieve us of the burden of the 'heroic' ideology (Ogbor 2000) embodied in the 'creative destruction' metaphor (Schumpeter 1934). This 'ideology' associates entrepreneurship with major innovations and company growth and is dysfunctional to exploration of the concept in a wider range of contexts. It is clear, for example, that many self employed individuals operate in task environments which are highly complex and uncertain and which demand a great deal of entrepreneurial behaviour. On the other hand some growth companies operate in more certain and even simple environments which demand sound management rather than entrepreneurship. Moreover the association of growth with uncertainty, complexity and indeed rapid change itself may be misleading. Research at Durham fifteen years ago indicated that firms facing declining markets and fighting to retain turnover and indeed survive face

major changes and may be extremely dynamic in their response (Gibb and Scott 1985) Associating growth with entrepreneurship may therefore be loose thinking. Growth in turnover is not a proxy for entrepreneurial change.

Overall, work in the field of entrepreneurship needs to address the question as to why the entrepreneurial paradigm is currently widely embraced by politicians and modern gurus. It has been demonstrated by the author, elsewhere (Gibb 1999) that there is a major challenge in linking the development of the entrepreneurial paradigm with the uncertainties and complexities resulting from global change, as noted in the introduction to this paper. Focusing upon the global issues that are creating more uncertainty and complexity in a wide variety of contexts can provide a strong and rich content base for entrepreneurship programmes much wider than those that can be drawn from the new venture process.

Challenge Number Seven – Adding Value Appropriately

Most of the above arguments constitute a major challenge to the conventional approach to learning. They move it away from a focus on instruction within a narrow institutional context (the classroom and university) to the creation of learning opportunities from a variety of sources. They underpin the notion that true learning environments need to provide opportunities for the use of knowledge, for supporting behaviours and for, in general, the notion of using knowledge to think more effectively. Thus knowledge adds to our experience but also helps to give wider meaning to that experience. A conducive environment to entrepreneurial learning is one which recognises the importance of the reinforcement of positive attitudes to the enjoyment of learning and of influencing the individuals' view of the desirability of this learning. Such an approach directly challenges the association of being academic with learning 'about' as opposed to pursuing 'for'. There is substantial intellectual support for this view. In the UK, early notions of the concept of a university placed emphasis upon the use of knowledge rather than merely its acquisition and the creative use of imagination based upon knowledge (Newman 1852, Macauley 1828 and Whitehead quoted in Chia 1996) There is a more recent acceptance of a view of universities as being equally concerned with the scholarship of relevance and the integration of knowledge as with the conventions of scholarship of discovery (research) and teaching. (Gibb 1996, Carnegie 1990). Thus the added value in the entrepreneurially conducive learning environment is one achieved by moving from ‘what you have remembered and ‘what have you learned’ to ‘what do you think’ and ‘what can you do’.

Conclusion

This paper has argued that there is a need to move away from narrow conventions of entrepreneurship with its focus on new venture management and business to the notion of enterprising or entrepreneurial behaviour. Such a notion can be applied to the design of learning for individuals in a variety of different contexts and related to the design of a variety of different organisations. The common aim is to help both individuals and

organisations to cope better with uncertainty and complexity in the task environment and indeed to remove barriers to the creation of necessary uncertainty and complexity where innovation and opportunity presents itself. The argument has been one that this position cannot be achieved by pure focus on knowledge delivered within the conventional paradigms of business school education but demands an holistic and pluralistic approach which is essentially post modern (Kyro 2000). It means moving away from rational, objective and positivist dominated philosophies to those which are more sensitive to the essential ambiguities of the 'way of life' of the entrepreneur, his/her culture and the difficulty in this world of using other reductionist and functionalist approaches.

If accepted, this approach to development of appropriate learning environments for the pursuit of entrepreneurial behaviour will demand that, at the end of the day, students are empathetic to sets of values and beliefs which underpin entrepreneurial: ways of doing things; ways of seeing things; ways of feeling things; ways of communicating things; ways of organising things; and ways of learning things.

There is an element of revolution in this philosophy. It therefore begs questions as to whether such a revolution can be carried out within a conventional business school context. The author from his experience would doubt this very much. There is too much vested interest in the corporate business models, in functionalism, in beliefs about the value of an objective/rationalist approach underpinned by journals and research publications that provide an ever narrowing focus. It has been argued elsewhere (Gibb 1996) that to embrace the conducive learning environment of entrepreneurship requires of organisations that they are heavily networked with the stakeholder environment and positioned in such a way that they can learn from the demands of this environment and indeed evaluate their own excellence via the multiple perceptions of stakeholders. This appears to be beyond the capacity of schools which are dominated by heavy supply side provision and delivery of conventional MBA certification. Yet many of the approaches needed to underpin the conducive entrepreneurial learning field can be embraced within the philosophy of university practice. Perhaps, therefore, the time has come to design new institutions within the university umbrella which will help to lead it, without losing its purity, to respond more effectively to the demands of the 'enterprising society'.

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ANNEX 1. SIMULATING THE ENTREPRENEURIAL WAY OF LIFE - THE PEDAGOGICAL CHALLENGE

1. Developing ***Commitment*** by:
- focusing the programme on the participants own project
- setting up peer review/counselling procedures to monitor progress
- individual counselling on project progress
- formal presentations of project to other participants
- setting up independent panels for review
- building sound links with resources

2. Developing a ***strong sense of Responsibility*** by:
- exercises to develop parts of the proposal (finding customers, suppliers, negotiating with providers of resources ...)
- encouraging development of action plan
- setting times for completion of certain activities

3. Developing a strong sense of ***Ownership*** by:
- a strong focus on the participant's project
- exercises in defending the project in class

4. Developing capacity to cope with ***Risk, Money and Social Status*** by:
- developing a plan
- developing 'what if' scenarios re. key assumptions in the plan
- explore ways to reduce the financial outlay (by subcontracting etc.....)
- exercises to get participants to see stakeholder perceptions
- discussions with existing businesses as to position in local society

5. Developing capacity to cope with ***Long and Flexible Hours*** by:
- time management exercises
- developing organisational systems
- presentations on managing time by other entrepreneurs
- setting systems for customer delivery schedules
- setting aside contingency time

6. Developing a sense of ***Freedom and Independence*** by:
- exercises on what it will be like to 'be on your own'
- exploration of what responsibilities freedom will bring
- interviews with existing entrepreneurs on what it means to them
- review of participant personal goals and the business

7. Developing capacity to ***Decisions under Uncertainty*** with ***Limited Data*** by:
- exercises on making decisions with no or little hard data
- reviewing situations where there is 'paralysis by analysis'
- asking participants to use 'tacit' knowledge to make decisions

8. Developing ability to manage ***Interdependency*** on key ***Stakeholders:***
- identification of key stakeholders
- exercises on what stakeholders are looking for and why
- exercises on the way stakeholders learn and ways of educating them

9. Developing capacity to take ***Initiatives*** and be ***Proactive*** by:
- exercises on who they know and how well they know them
- exercises on the strategic development of 'know who'

11. Developing ability to cope with ***Income Fluctuations and Customer Dependency*** for ***Rewards*** by:
    - setting a clear view of what levels of personal income are targeted
    - review of what levels of turnover and margin these are based upon
    - examination of how income might vary and how they will cope
    - examination of ways of smoothing out income
    - consideration of other ways of making income in an emergency
    - consideration of role of savings

12. Developing ability to manage changes in ***Social and Family*** relations:
    - exercises in considering all family issues (divorce, succession, tax ...)
    - 'what if' scenarios on family affairs
    - exploring how other entrepreneurs plan for family issues

13. Developing capacity to manage/control ***Holistic Task Structure*** by:
    - exercises in clarifying exactly what participants will have to do
    - developing training focused on these needs - simulations

14. Developing capability to ***Learn to Learn*** as entrepreneurs by:
    - focus on: learning by doing, mistake making, copying, problem solving, experiment, peer review, feedback from stakeholders ....

15. Developing capacity to cope with ***Loneliness*** by:
    - encouraging membership of clubs and associations
    - time management exercises
    - building links with peers and using counsellors

ANNEX 3. LINKING PERSONAL LEARNING TO NEW BUSINESS PROCESS DEVELOPMENT

Personal Development: Stage, Tasks and Learning Needs		
Stage	Key Tasks	Key Learning and Development Needs
1. From idea and motivation acquisition to raw idea	* To find an idea * To generate an idea * To explore personal capability and motivation for self-employment	* The process of idea generation and evaluation * Knowledge of sources of ideas * Understanding of the ways in which existing personal skills/knowledge might be used in self-employment * Understanding of what self-employment means * Personal insight into self-employment * Positive role image/exploration/feedback * Self-evaluation
2. From raw idea to valid idea	* Clarify idea * Clarify what needs it meets * Make it * See it works * See it works in operating conditions * Ensure can do it or make it to satisfactory quality * Explore customer acceptability-enough customers at the price? * Explore legality * Ensure can get into business (no insurmountable barriers) * Identify and learn from competition	* What constitutes valid idea * Understanding the process of making/doing it * Technical skill to make/do it * Customer needs analysis * Customer identification * Who else does it/makes it * Idea protection * Pricing and rough costing * Ways of getting into a market * Quality standards * Competition analysis
3. From valid idea to scale of operation and resource identification	* Identify market as number, location, type of customers * Clarify how will reach the market (promotional) * Identify minimum desirable scale to 'make a living' * Identify physical resource requirements at that scale * Estimate additional physical resource requirements * Estimate financial requirements * Identify any additional financial requirements needed	* Market research * Marketing mix (promotion etc.) (ways of reaching the customer) * Pricing * Production forecasting and process planning to set standards for utilisation, efficiency etc. * Distribution systems * Materials estimating and wastage * Estimating labour, material, capital requirements * Profit/loss and cash flow forecasting
4. From 'scale' to business plan and negotiation	* Develop business plan and proposal * Negotiate with customers, labour, suppliers of materials, premises, capital suppliers, land etc. to ensure orders and physical supply capability * Negotiate with banks, financiers for resources	* Business plan development * Negotiation and presentation skills * Knowledge of suppliers of land, etc. * Contracts and forms of agreement * Knowledge of different ways of paying * Understanding of bankers and other sources of finance * Understand forms of assistance available
5. From negotiation to birth	* Complete all legal requirements for business incorporation * Meet all statutory requirements * Set up basic business systems	* Business incorporation * Statutory obligations (tax, legal) * Business production, marketing, financial systems and control * What advisers can do * Understand how to manage people (if have labour force)
6. From birth to survival	* Consolidate business systems for processing * Ensure adequate financial control (debtors, creditors, bank, etc.) * Develop market, attract and retain customers * Meet all legal obligations * Monitor and anticipate change * Maintain good relations with banks, customers, suppliers and all environment contacts * Provide effective leadership development for staff	* Management control systems * Cash planning * Debtor/creditor control * Marketing * Selling skills * Environmental scanning and market research * Leadership skills * Delegation, time planning