



CENTRAL BALTIK
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EUROPEAN UNION
EUROPEAN REGIONAL DEVELOPMENT FUND
INVESTING IN YOUR FUTURE



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The results of the pilot trainings in CREAENT (CB 14) project

Word Package 3 “Training program development for creative entrepreneurship“ of the INTERREG IV A project “Creative Entrepreneurship Training Network – CREAENT”. Program period November 2009 – October 2012.

Responsible partner of WP 3:

University of Tartu, Faculty of Economics and Business Administration, Centre for Entrepreneurship,

Involved partners:

Aalto University, School of Economics, Small Business Center

Tallinn University of Technology, School of Economics and Business Administration

Stockholm School of Economics in Riga

For the improving the entrepreneurship training program for creative industries the research of ”Creative entrepreneurs’ perceptions about entrepreneurial education“ was carried out. We briefly give the overview of the results and recommendations for training program development.

The results of the research provide valuable insights for the development of entrepreneurial training and other support measures for creative entrepreneurs in the Central Baltic Region. This includes the content, methods and format of training alike. Moreover, the relatively large sample of young, creative entrepreneurs from the four target countries enables the identification of common traits as well as differences among them, which need to be taken into account when designing education. The comments of the interviewees also give information about the different national contexts that the creative entrepreneurs are operating in, and the consequent challenges in business development.

1. Motivation and attitudes towards entrepreneurship. The research shows that the motivational factors and paths towards entrepreneurship are relatively similar in all studied countries. Majority of the interviewees in all countries were creative professionals in their own field, and the entrepreneurial motivation and business idea had risen from the desire to exploit of one’s own professional skills more in full than in paid employment. This desire was, however, often combined with the lack of business skills and the capability to transform the idea into self-sustaining business. Moreover, the non-traditional nature of creative businesses was reflected in some respondents’ skeptical attitude towards business planning.

The business plan was perceived as a bureaucratic document required by business incubator or funding agencies, but with no real use in everyday life. On the other hand, there were entrepreneurs who had managed to make the business plan into a useful tool, which evolves hand-in-hand with the business. Here, a central challenge for educators is how to teach creative entrepreneurs to approach the business plan as a useful and flexible instrument instead of a piece of paper with irrelevant and unrealistic standard calculations?

2. Networks and support of peers in entrepreneurial process. The importance of networks and support from peers was highlighted throughout the study. A characteristic for creative industries is the non-linear nature of business, based on projects and teams built around a specific assignment instead of a permanent organization with standard production process. Consequently, the encouragement of networking of the participants – both among themselves and with other professionals - should be a central part of training programs for creative entrepreneurs. The Central Baltic countries provide a fertile ground for such networking, as in all four countries the most preferred direction for internationalization is in the other countries in the region. Moreover, the perceived cultural closeness in the region serves a basis for a common identity, which could be transformed as a selling argument when entering global markets.

3. Learning methods and materials. The discussions with the entrepreneurs underlined the importance of a ‘hands-on’ approach in educational measures targeted to creative entrepreneurs. This concerns both the methods and content of education. The entrepreneurs stressed the importance of learning by doing, and preferably through concrete business problems and situations. In an ideal case, the learning material would be provided by the student’s own enterprise, which would ensure the practical applicability of the knowledge and skills acquired in the training. Moreover, the involvement of experienced entrepreneurs as teachers would be appreciated. They would provide role models and share valuable experience, but also act as conduits between the young entrepreneurs and their own networks.

Finally, although there were many similarities among entrepreneurs from the four countries studied, there were also certain differences, which need to be taken into account when designing training initiatives. This concerns both the different level of business skills of the entrepreneurs, and the skills needed in order to cope with the local business environment. Although there were some skills that would need improvement in all countries, such as sales and marketing, the training needs in other areas were different. Consequently, when designing an international training model, it should have flexible modular structure rather than a standard program. This would enable the adaptation of the content as regards to practical skills by country. To conclude, the research results show that there is a good potential for the collaboration among young, creative entrepreneurs in the Central Baltic Region. This study provided building blocks for support measures, which can contribute to the exploitation of this potential more in full in the future.

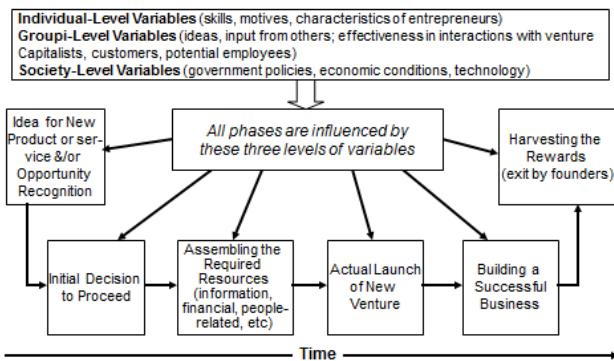
The pilot trainings

Background

The goal of the curricula was to develop knowledge, practical skills and attitudes via entrepreneurial learning process based studies (Baron&Shane, 2008). The main suggested (efficient) method was agreed being process- based approach to training among creative specialties, known as “learning by doing” method.



Entrepreneurship as a process, Baron, Shane 2008



Level 1

The aim of the course: to give students the necessary tools to develop 1) their entrepreneurial behavior, attitudes and skills, 2) their own business concepts and 3) start a business of their own.

The learning outcomes, the student is able to:

- Evaluate own options as entrepreneur and/or employee
- Find, create, analyze and communicate business and project idea
- Analyze and plan own entrepreneurial process, its pre-qualifications and components, and ethically act as entrepreneur
- Understand entrepreneurship environment, incl. legislation
- Implement innovation processes in own specialty projects, incl. product/service development and protection of IP

Level 2

The aim of the course: to give entrepreneurs the necessary tools to deepen 1) understanding of entrepreneurial identity development, 2) understanding of the line of business 3) entrepreneurial knowledge and skills, 4) strategic understanding of their own businesses, 5) practical skills in marketing, sales and marketing communication, 6) understanding of growth and financial management, 7) understanding the importance of IPR in own business, and 8) understanding of social skills as success factors in the process of internationalization.



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The learning outcomes, student is able to:

- Analyze the role of own business/economic sector and linkages in societal value creation
- Manage own (professional) start-up/SME (incl. investments, funds, ideas, IP, team, project) strategically, incl. in international environment
- Compile and communicate own professional innovation and/or business project/plan

Four pilot training were carried out: Aalto University School of Economics Small Business Center, SSE Riga and Tallinn University of Technology in Level 2 and University of Tartu in Level 1.

Participants of the trainings

Aalto University School of Economics Small Business Center

The training group consisted of 13 professionals in creative industries: 8 women and 5 men. Their experience in entrepreneurship was from 5 to 20 years. The heterogeneity of the group enriched the learning process. The group creation succeeded well and the participants wanted to carry the learning process together throughout the whole course helping each other's and sharing their ideas and advice freely in the group.

Tallinn University of Technology

15 participants - managers/owners of the companies (micro-size companies); Growing enterprises with experience of 3-5 years in business.

SSE Riga

At SSE Riga a group of 24 people was chosen for the pilot course. All participants had their companies and most of them were owners-managers. There were 4 men and 20 women in the group and they represented a wide range of creative industries.

University of Tartu

Participants were students (Open University and full time students) of UT Viljandi Culture Academy – 28 beginners in creative industry. Also we developed and used this methodology teaching entrepreneurship in the project “Handicraft for Job 2” – 210 participants.

Content and form of the courses

Aalto University School of Economics Small Business Center

All together 10 learning sessions (8 days contact teaching + distance learning + 3 extra sessions). The participants needed definitely more mentoring sessions during the learning process than planned. Therefore were added 3 extra follow-up workshops after understanding how desperately these sessions were needed. Each participant was justified to private and confidential discussions with an expert (mentor) in Optima environment.

Tallinn University of Technology

Two 3-days learning sessions. We had training in two modules and networking events in between. First module gave them overview about what is strategy, how to grow and why to grow. II module was to help to understand what exactly they can do to grow. Networking events helped to get connections and networks for growing and last module – leadership – to understand how to be a great leader to motivate their team to change and grow. This module-system helped to get the big picture.

University of Tartu

4-hour lectures/seminars from September 2010 to June 2011 (28 days + individual mentoring). Mentoring lasted until the end of the project. We used face-to-face mentoring, but also in iPlanner environment. The program consisted of two modules: I Entrepreneur characteristics and project skills (during this stage, the participants improve their abilities in marketing their own skills, project working and building customer networks.) and II Entrepreneurship and business skills (the aim of this stage is to crystallize one's skills, networks and business idea into a business plan and build a path from training to working as an entrepreneur).

SSE Riga

The pilot course “Entrepreneurship for creative companies” at SSE Riga was run from May 2011 - December 2011 and it included 7 modules. Each module was run for 2 days, each day from 9 am to 5 pm with 12 contact hours for the whole module. It was organised on Monday-Tuesday and run on a monthly basis with exception of July when a break was made due to summer holidays. Each module consisted of lectures in combination with group work and discussions in the class. Lecturers were asked, in their modules, to combine theory with real life examples relevant to small companies and creative industries. The ration of lectures vs. group work/team exercises was approximately 40:60 and in some courses even 30:70.

Findings

In all pilot trainings the trainers tried to create a trustful environment for participants. It was achieved differently: modules outside the city; carefully selected participants; ice-breaking roll plays ect.

„Because of the strong group cohesion it was great to see how the participants responded with an open mind to others with different values, ideas and opinions. This attitude is the key question in cross-cultural communication. The participants started to develop their entrepreneurial competencies (personal and teamwork skills, cross-cultural skills, business knowledge and skills) intentionally during the learning process. Therefore the starting day was extremely important “kick off”. The main outcome of the course was that the participants started to develop their self-awareness so that they were more conscious of their views and actions, which led them to understand how they might need to modify their approaches to carry on business. Being more aware of yourself helps you make changes in your daily interactions. It develops your emotional intelligence and helps you in achieving success.“

“A very good group synergy, very motivated team (well selected), great and high quality trainings, superb organization of the training, feedback was unexpectedly good – more than any of the participants was expecting. Program construction was perfect: 2 modules outside the city. Results: cooperation, new ideas, products, real changes in entrepreneurs’ life and work after the program.”

Supportive aspects of the learning process. Crucial is mentoring – both individual but also in group. „The participants needed definitely more mentoring sessions during the learning process than planned. Therefore I added 3 extra follow-up workshops after understanding how desperately these sessions were needed.“ „We are mentoring our participants until the end of the project. In company creating and product development stage the mentoring is much needed. And the need may last for 2-3 years.“ Some partner used also different internet environment for teaching and mentoring like Optima and iPlanner. “For example our students compile business plans in small groups and for that they use iPlanner what is based on internet. iPlanner.NET is a secure, multi-user, multi-project collaboration software intended for planning, reporting, evaluation and simulation of business activities and for preparing complete documents like business plans, financial plans, cost-benefit analyses and alike. One of the main benefits of this professional e-service is to offer a common web-based planning and reporting environment for entrepreneurs, investors and business professionals. Collaborating on an online electronic document with unified structure makes business planning process more cost-effective and agile.“

As coaches, they can help participants grow, develop, and expand the tools, knowledge, and skills they need to be successful. As problems or areas of interest are identified, the mentors work with the participants to solve the problems or explore the issues (McKenzie et al., 2006). Mentors and coaches can facilitate communication, share experiences, and collaborate with participants and in the case of virtual courses, help to reduce the sense of isolation experienced by many online learners. As both experts and confidants, they can help to adapt online learning to different learning styles, and individualize and personalize the program, and therefore, make it more effective, memorable, and sustainable.

Learning process. “In life-long learning this is very applicable – this is the way and method to teach entrepreneurs. Very much depends on the group. Practical learning from entrepreneurs gives real-life examples and possibility to compare (Navitrolla, Ivo Nikkolo jne)”. Also were used study trips, learning by doing, product development through the peers feedback and testing with real customers.

Improvement aspects: “Law ABC – could be held by Estonian lecturer in Estonian – some people couldn’t understand the content because of poor English and difficult vocabulary of the lecturer. The adding of leadership module could be done in advance.“

„I would take the theme “Managing corporate growth and financing in international context” a little bit earlier than it was carried out in this course. Also one day more about practical skills in marketing and selling is needed.“



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Conclusion

Creating a trustful learning environment and knowledge creation space helps to remove barriers between the trainees, motivates them to share empathic and creative atmosphere, and stimulates the development of new ideas and grounding a new venture in the field of community entrepreneurship. Creating a safe knowledge creation space helps to avoid the concerns and fears related to the intellectual property issues and motivates responsible attitude of every individual who has joined the working group.

The pilot trainings show that the main factors of the experiential learning process: firstly, for creative entrepreneurs are very important that the learning material is provided by the learner's specialty-based business idea, which would ensure the practical applicability of the knowledge and skills acquired in the training. Secondly, the importance of multilayered support from peers/coaches/mentors and social/local/specialty-based networks was emphasized by the trainees-entrepreneurs.

In recognition and assessment of unexpected patterns of our study we may point out that as the "conventional" teaching methodology is not inapplicable for the creative entrepreneurs, the key factors of their venture creation process focus on their personal experience, skills, capabilities and motivation, which have a direct impact on the novelty and quality of the new enterprise. The creative process of a specific promising idea and the launch of a new venture is highly influenced by the background of each individuals' education and specialisation. The major engaging motivator of participants has been self-realisation and mission rather than earning profit.

My experience is that the people in creative sector take seriously the process of entrepreneurial identity development; they want to make business based on their values; e.g. sustainability, fair trade etc. They are also more open-minded to new learning methods and taking emotional risks. Collaborative learning describes the way how the people in creative sector learn. However, it is good to remember that to grow and to go international takes time. In conclusion my experiences are positive and 12 entrepreneurs are on the way to growth and they have refined their entrepreneurial skills. (O.Hägg)

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