

COPING WITH UNCERTAINTIES IN ENTREPRENEURSHIP – AN EXPERIMENTAL-LEARNING APPROACH

Uta Wilkens

Institute of Work Science, Ruhr-Universität Bochum, Germany
uta.wilkens@rub.de

Yvonne Braukhoff

Institute of Work Science, Ruhr-Universität Bochum, Germany
yvonne.braukhoff@rub.de

Abstract:

This article highlights the importance of Entrepreneurship Education as a key driver for economic growth and points out challenges. In order to promote entrepreneurial activities, many universities have substantially invested in Entrepreneurship Education. Considering the increasing challenges posed by the VUCA-world, coping with volatility, uncertainty, complexity and ambiguity presents a key competency of leaders. In this connection, Entrepreneurship Education may strengthen problem-solving skills, change orientation and self-reliance. Since traditional courses come up against limiting factors, the use of experimental based approaches is intensified.

For this purpose, the course “Coping with uncertainties in Entrepreneurship” was developed and is offered within the framework of “inSTUDIES^{plus}” a project funded by the German Federal Ministry of Education at the Ruhr University Bochum. This course aims to foster an entrepreneurial mentality among students and reduce uncertainties concerning starting a business. Applying peer education, student groups develop peer sessions which contain the confrontation and overcoming of typical situations of entrepreneurial uncertainty. As practical part, panel discussions arouse students’ interest in entrepreneurial careers and foster the exchange between entrepreneurs, start-up consultants and students. Problem-based-learning elements are incorporated, since students discover and explore real life topics and present their learning outcomes to their peers. In reference to experimental-based-learning, integrated role-playing games serve as simulation and thus allow students to actively experience and cope with real life uncertainties.

Consequently, the course concept “Coping with uncertainties in Entrepreneurship” combines elements of problem and experimental-based-learning in order to meet current challenges of Entrepreneurship Education.

Keywords: Entrepreneurship Education, Higher Education, experimental learning, problem-based-learning, peer learning, coping with uncertainties, role-playing game

Extended Abstract

Entrepreneurial firms play a crucial role in fuelling economic growth and creating new jobs (Honig & Martin, 2014). In order to stimulate economic growth Entrepreneurship Education serves as a key strategy to spread an entrepreneurial mindset among target groups of various institutions like schools, universities, incubators and professional schools all over the world.

Since the first entrepreneurship class in 1947, there has been a remarkable increase in entrepreneurship as academic discipline worldwide (Katz, 2003). Today, nearly every university offers entrepreneurship courses and the number of faculty positions, endowed chairs and peer reviewed journals in the context of entrepreneurship continue to rise.

Likewise, learning approaches in Entrepreneurship Education show a high variety. Nevertheless, the special demands on entrepreneurs present learning approaches with stiff challenges (Honig & Martin, 2014). The source of changing competition patterns and roiling markets with which firms have to cope are appropriately described by the acronym VUCA – volatility, uncertainty, complexity and ambiguity (Doheny, Nagali, & Weig, 2012). Since the entrepreneur’s environment is characterized by changing competition patterns and turbulent markets, coping with failure and uncertainty and tackling sudden changes represent daily tasks (Honig & Martin, 2014). Traditional learning settings often contrast with

these challenges because of relatively constant topics, a focus on theoretical knowledge and a high dependence on the authority of the teacher (Gibb, 1987).

In consideration of these differences Gibb (1987) proposes a twist towards more flexible and experience-based concepts to teaching entrepreneurship. Such flexible learning approaches should support students in solving problems and coping with failure and conflicts and in acting more independently.

Within the framework of “inSTUDIES^{plus}”, a project funded by the German Federal Ministry of Education and Research, the course “Coping with uncertainties in Entrepreneurship” pursues the goal to spread an entrepreneurial mentality among students and reduce uncertainties in connection with starting a business.

The theoretical framework includes psychological approaches of Entrepreneurship Research and theories of risk perception. Students explore the entrepreneurial personality and entrepreneurial skills, in order to understand how an entrepreneur strives for success despite taking risks. In addition, theories of risk perception improve the understanding of decisions under risk and uncertainty.

The theoretical part of the seminar is accompanied by panel discussions bringing together entrepreneurs and start-up consultants. Thus, panel discussions arouse students’ interest for entrepreneurial careers and foster the exchange between experts and students.

Based on the panel discussions and referring to the theoretical framework student groups prepare peer sessions which represent their test performance. Applying peer learning, student groups – as peer tutors – who explore and prepare a specific entrepreneurial topic in detail, benefit from their role as an expert (Topping, 2015). Simultaneously, tutees – as students addressed – take advantage of the shared understanding, because of the interaction on the same level.

Each peer session discusses a specific situation of uncertainty in entrepreneurship, which students choose freely based on the exchange during the panel discussion. This approach represents problem-based learning, since students discover relevant learning topics, they work on these real life cases and prepare and present their learning outcomes to their peers.

Each peer session contains the confrontation with and overcoming of the chosen real life case. Developing a role play, tutors prepare the confrontation with this situation. Thereby, the role-playing game enables tutees to take different views and consequently, to reflect motives and test possibilities for action (Rao & Stupans, 2012). Applying experimental-based learning, the role-playing game serves as simulation and thus allows students to actively experience and cope with a concrete uncertainty (Honig, 2004).

Afterwards the student group presents a coping strategy to overcome the experienced uncertainty. For this purpose the student group has to base their coping strategy on theoretical knowledge and therefore apply and try out theory on a real life problem. The teacher takes the role of a mentor, in order to support student groups throughout all phases.

This special combination of theoretical framework, panel discussions and peer learning enhances the exchange between sciences and practice in order to foster an entrepreneurial mindset and reduce uncertainties among students and consequently contributing largely to entrepreneurial education.

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