



by Janneke Delisse, Marteyn Roes, Rens Rovers, Joop Verbrugh

**F**or entrepreneurs, running a successful business means managing uncertainties. While comprehensive multi-year plans may seem like an obvious solution in theory, they rarely lead to success in

practice. Markets are subject to rapid changes and entrepreneurs are expected to respond to these changes accordingly. The speed with which these developments are emerging, paired with new visions on entrepreneurial education, were two important reasons for HAN University of Applied Sciences to re-examine the content, curriculum, ambitions, and regional collaboration of its Small Business & Retail Management degree course (SBRM). As a result, HAN decided to redesign the second year of the SBRM course, which teaches students how to start and manage their own business.

## Exploring background, target group and method

### Small Business & Retail Management

The SBRM degree course is a (four-year) Bachelors programme geared towards students aspiring to a career in independent entrepreneurship or a management position in the SME sector. Key topics within the curriculum include entrepreneurship, research and internationalisation. This is expressed by carrying out practice-based research in the local and wider EU region, sharing research results with the region, and starting a business.

The SBRM course prepares students for independent entrepreneurship by focusing on relevant knowledge, skills and attitudes during theory lessons and lectures, and by helping them start their own business in the second year. For more than ten years, the SBRM course has worked ac-

## Definitions

### Start-up

'A start-up is an institution that aims to develop a new product or service under circumstances that are characterised by great uncertainty'

(Ries, 2013, p. 35)

### Lean start-up

The lean start-up method involves using data analysis to search for alternatives to the original plan at an early stage in the development of a product or service.

## Books

According to the Dutch Student Companies concept, which gives students a step-by-step approach to starting and managing their own business. In the programme, groups of six to eight students came up with an idea, developed this into a detailed business plan, started a company, sold products, and then liquidated their company. To support this programme, various training modules were offered, which were then used as the basis to create different plans. These modules included entrepreneurial skills, marketing, organisation, personnel and management, law, business economics, business research, logistics, and sales.

### Experience of old structure

Given the changing markets and visions on entrepreneurial education, HAN questioned whether students were being optimally prepared for future entrepreneurship. In 2011, Robert Everts and Marjan Stennis from the Entrepreneurship Research Centre at HAN conducted an exploratory study to answer this question. Among other things, they conducted a literary study on entrepreneurial skills and then linked their findings to the experiences of several students and staff from the Centre for Entrepreneurship and the SBRM degree course. The researchers drew the following conclusions:

- Educational uniformity was discovered when researching the different skills. It is assumed that students will follow the same path or use the same tools on their journey to becoming an entrepreneur.
- The majority of lecturers adhere to the standard rational decision-making model for market development, which defines markets a priori and emphasises the importance of predictions. Students are not judged on their entrepreneurial results or entrepreneurial spirit, but on their ability to comply with standard procedures. This approach stresses 'by the book' business management and leaves little room for individual contributions by future entrepreneurs.



Croll, A., & Yoskovitz, B. (2013) *Lean Analytics*. Cambridge: O'Reilly.



Keeley, L., Walters, H., Pikkell, R., & Quinn, B. (2013). *Ten Types of Innovation*. New Jersey: Wiley.



Maurya, A. (2012). *Running Lean*. Cambridge: O'Reilly.



Osterwalder, A., & Pigneur, Y. (2010) *Business Model Generatie*. Deventer: Kluwer.



Ries, E. (2013). *Lean start-up*. Amsterdam: Pearson.

- The teaching method could be more problem-based, question-based, active, and motivating. This can be achieved by working on real-life issues and by introducing role models to the programme (e.g. successful entrepreneurs or guest lecturers).
- Student Companies give students the opportunity to become active entrepreneurs, but with limited responsibilities due to the large group size. In other words, the group process is the dominant factor. The biggest drawback is that students are so restricted by rules and deadlines that individual freedom is virtually non-existent.
- The SBRM course lacks 'action'. Many students are disappointed with the course because they spend too much time on theoretical issues and exams, and too little time on actual practice. Entrepreneurship is something best learned by 'doing'.

## Definitions

### Validated learning

Data is collected and used to make analyses, which are in turn used to develop hypotheses. These hypotheses are then tested and analysed to ensure that new ideas are not implemented haphazardly, but are based on the data collected and the analyses performed.

### Minimum viable product (MVP)

A minimum viable product (MVP) is a product or service that contains only the core features necessary for its deployment and that reflects the core concept and value proposition.

- SBRM could attract more entrepreneurs to the programme. Interaction with both new and established business owners helps with the development of heuristics. This interaction can take several forms, such as interviews with entrepreneurs, feedback from entrepreneurs on the students' work, and interviews with students who work for new or established entrepreneurs.

## Implementing a new structure

Based on the experiences of the old structure and new visions on entrepreneurial education, the SBRM degree course developed a new academic programme for the second year: the Private Enterprise study unit, which was launched in August 2014.

The Private Enterprise unit consists of a project and relevant supplementary subjects. It runs for the entire duration of the second year. In it, students work in small groups of four people to transform their business concept into a detailed business model as quickly as possible. They then offer their product or service to potential clients and other stakeholders (e.g. suppliers and producers) at an early stage in the development process to determine whether it meets their needs. The lean start-up method, developed in 2011 by Eric Ries, offers students a structured guide to help them carry out these steps and increase the likelihood of them starting a successful business.

The Private Enterprise unit focuses on new entrepreneurial methods (i.e. lean canvas, lean start-up, validated learning) and innovative business ideas. The unit begins with a Start-Up Week in which boot camps, workshops on business models and innovations, and guest lectures prepare students for the upcoming academic year. To provide students with maximum support during the unit, the programme works with regional entrepreneurial supervisors. Various parties, including law firms and banks, agreed to organise master classes, consultations, pitches, and guest lectures for the students.

After the Start-Up Week, the next step is to determine which business model offers the most potential for setting up a viable business. Students will determine the ideal business model that will help them approach the market and the customers they believe need their product or service, and help them set up a business. They will then research and validate their business model using the lean canvas method (Figure 1).

In the first project period (10 weeks), students will translate their business concept into a business model. In the second period (10 weeks), they will develop a minimum value product (MVP) and prepare to launch their business. There are several aspects involved in starting a business. A business plan serves as a detailed guide to starting a company. The courses, master classes, and consultations will provide students with the necessary support during this

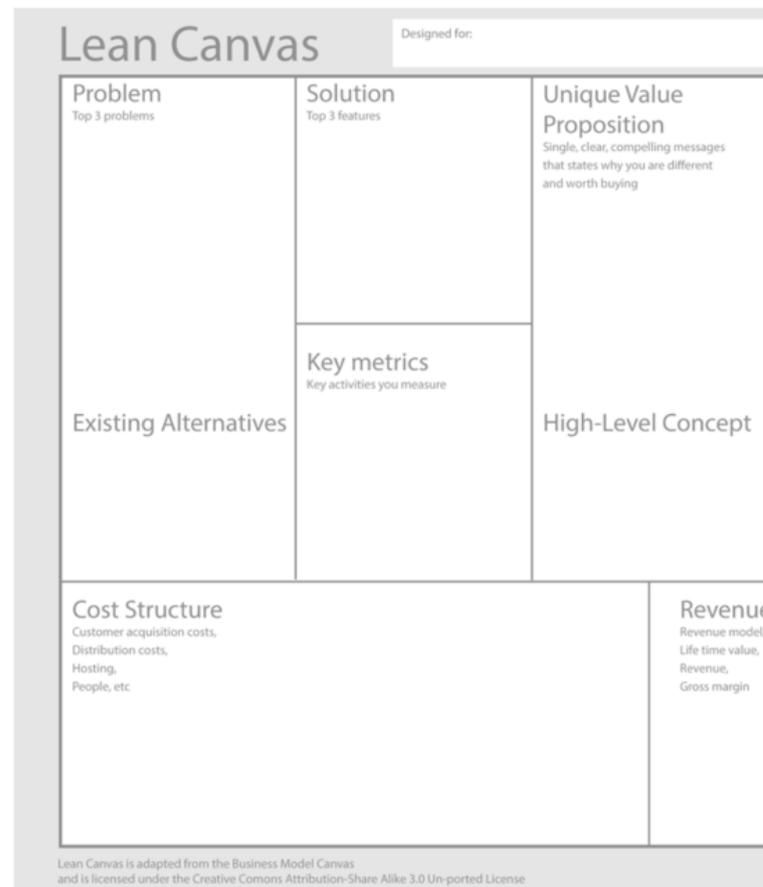


Figure 1: Business model (lean canvas)

phase. More importantly, they will be working in groups to conduct research, collect information, and translate this into a practical and feasible plan. Extra business facilities will be provided in the form of an SBRM incubation centre located at the Laan van Scheut in Nijmegen.

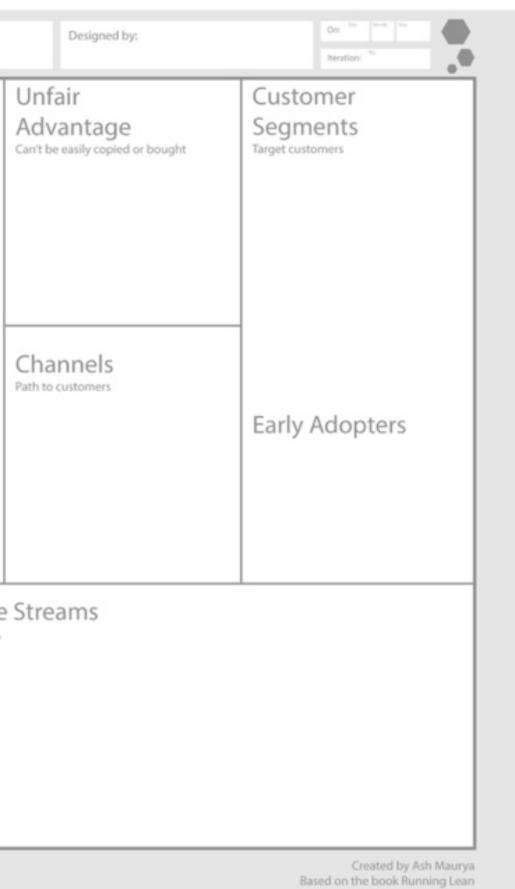
During the second half of the year, students will start their company, manage their company, and sell products or services.

## Learning aim and outcomes

The new Private Enterprise unit was launched in the 2014/15 academic year. During this year, a lot of experience was gained, knowledge acquired, and changes made.

### *Real entrepreneurship*

Whereas the old programme structure was critiqued for being overly theoretical and hypothetical, the new structure is far more practical in nature. Students are encouraged to develop a business concept that suits their interests and passions, with the ultimate goal of starting their own company.



Students appear to be more focused on commercial enterprises

The innovation theme devotes a great deal of attention to radical innovations, while smaller adjustments and additions would also suffice.

Old situation	New situation
Longtermplanning(structured)	Iterativeplanning(trial&error)
Predictable markets	Unpredictable markets
Writing a business plan	Get out of the building
Mediumtolargegroups(6-10)	Small groups (1-4)

### Conclusion

Entrepreneurship is changing and the SBRM course is changing along with it. Based on the experiences of the old structure and new visions on entrepreneurial education, the SBRM degree course aimed to develop a new academic programme for the second year: the Private Enterprise study unit. The new unit focuses on new entrepreneurial methods (e.g. lean canvas, lean start-up, validated learning) and innovative business ideas. The unit started in the 2014/15 academic year. Since then, much has been learned and changed. Despite the fact that some students were able to handle the freedom of the new unit better than others, we found that many students decided to continue their own business after the academic year had ended and that the new structure corresponds more closely to what is expected of students in practice. As lecturers and programme developers, we need to develop the unit to be more iterative (in accordance with the lean start-up method). This has led to new objectives including giving students the opportunity to:

- Continue their business once the academic year ends and offer them the necessary support.
- Start their own individual business.
- Work in multidisciplinary teams.
- Connect their study unit to regional projects.
- Participate in national and international start-up competitions.



*Students are capable of quickly adapting their business model to changing circumstances*

Although many business ideas turn out to be unfeasible, students are perfectly capable of adapting their business models or developing new business models if necessary.

*Students continue building their start-ups after the second year*

The old programme structure required students to liquidate their business after the first year and few businesses were ever re-launched. Under the new programme several students have decided to continue developing their business.

*The change from much to little structure needs to be evaluated*

The old course was considered overly structured, with too many plans, meetings, and administrative requirements. The first year of the new course gave students much more freedom. As it happens, not all students were able to handle this freedom.

*Innovative character of new products needs to be evaluated*

While the new unit focuses on innovation as its main theme, this theme is not sufficiently clear: