

# **EUAS** conference **Innovation and Entrepreneurship**

**Book of abstracts** 

Tallinn, 2013

This book consists of abstracts that were presented at the EUAS entrepreneurship conference "Innovation and Entrepreneurship: new ways of thinking" in 22.11.2013, Tallinn, Estonia.

The abstracts were reviewed by two anonymous and independent reviewers.

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## Innovation and Entrepreneurship: new ways of thinking

Estonian Entrepreneurship University of Applied Sciences (EUAS) has a tradition for organising entrepreneurship conferences that are dedicated to the university's anniversary celebrations in November. This year the theme to the annual conference was "Innovation and Entrepreneurship: new ways of thinking".

Entrepreneurship and teaching innovative and entrepreneurial thinkers has been one of the challenges that universities are facing in todays higher education. The challenges posed by the business sector and society are permanent, students constantly keep teachers under pressure to develop and move towards to the enhancement of the learning experience. How can we help students in developing entrepreneurial mind-sets? Can entrepreneurship be taught? These were some of the key questions, which lead the discussions by the presenters, keynote speakers and the participants at the conference.

The EUAS 2013 conference aims to discover and present the latest best practices in the field of entrepreneurship and innovation, share concepts in teaching entrepreneurship, inventive solutions, and promote joint thinking as well as collaboration. The conference key themes were: entrepreneurship education, entrepreneurial university, entrepreneurial values, innovations and entrepreneurship, social entrepreneurship, university-business cooperation and partnerships.

The conference brought together participants and presenters from many countries around Europe. The keynote speakers were Allan Gibb, Professor Emeritus from Durham University (UK), who inspired the participants on the topic of "Innovation and Entrepreneurship: new ways of thinking". Professor Björn Bjerke from Linnaeus University (Sweden) challenged the audience by discussing "Can entrepreneurship really be taught?" And Darja Saar the CEO of ENTRUM (Estonia) shared her experience on entrepreneurial thinking of the youth "ENTRUM: Entrepreneurship education starts from enterprising mind-set". In addition to the keynote speakers the conference provided ten short presentations on various topics. The abstracts of those presentations are gathered together in this book of abstracts.

On the behalf of the organising committee I would like to thank all the participants, presenters and supporters who helped to make this years conference a success. Thank you for providing interesting discussions and sharing your valuable experiences from different points of view.

Kaija Kumpas-Lenk Editor

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### Summary about the keynote presentations



### Innovation and Entrepreneurship: new ways of thinking

Professor Allan Gibb, University of Durham

- why is the issue important: the uncertain and complex world needs innovation;
- innovation is only possible with personal enterprising behaviour and entrepreneurial organisation design and leadership;
- will show the link between innovations of all kinds and entrepreneurship;
- what is entrepreneurial organisation design;
- what this means for all kinds of organisations including universities;
- what is entrepreneurial leadership;
- the future challenges for us all.



### Can Entrepreneurship really be taught?

Professor Björn Bjerke, Linnaeus University

Starting an entrepreneurial venture is rarely, if ever, a rational process, at least not in the objective sense of term. Success as an entrepreneur is normally not possible by following a simple three-step sequence, which is finding an opportunity, drawing up a detailed plan and implementing this plan. For my experience, entrepreneurs are rather driven by such qualities as passion, courage and ability to take action, by doing something out of ordinary (by "just not be") and not being restricted by visible limits resources (by "acting as if"). These are issues raised and discussed in this keynote speech.



### **ENTRUM:** Entrepreneurship education starts from enterprising mind-set Darja Saar, Entrum Foundation, Board member

Every year different countries across the globe initiate contests, programmes and projects teaching how to establish the company or sell a product. Nevertheless the number of entrepreneurs is still the same. Young generation despite the real needs of economy prefer to stay in so named "comfort zone" and hope for good paying job provided by government. So, why classical entrepreneurship failures and what be the solution?

Before making investments in youth entrepreneurial skills you need to shape the enterprising mind-set among youngsters, making entrepreneurial values and lifestyle really attractive to young people. Youth Entrepreneurship Ideas Contest and Educational Programme ENTRUM launched by Eesti Energia (Estonian Energy Corporation) in 2010 and based on a concept of an ideal of a personality with enterprising mind-set developed by Estonian Chamber of Commerce and Industry successfully solves the problems of bringing out youngsters from "comfort zone" to the successful starting point of entrepreneurship.

# Innovation and Entrepreneurship: new ways of thinking

**Abstracts** 

### Prototypes of the Successful Entrepreneur in Different Countries

Ruth Alas, Tiit Elenurm Estonian Business School

Abstract: The turbulence in external environment is causing a fundamental transformation in the organisations. For entrepreneurial people turbulence means opportunity. Entrepreneurship is the core source of sustainable advantage in companies today. Entrepreneurship is about creating organizations, change, innovation and wealth. Entrepreneurship is the process of creating value by bringing together a unique combination to exploit an opportunity. This paper reflects results of the international research program "Entrepreneurship Work in Organizations Requiring Leadership Development" (E-WORLD). Implicit entrepreneurship theory was used as the basis for conducting comparative cross-cultural entrepreneurship research. Nations have developed different entrepreneurial prototypes, different entrepreneurial qualities, characteristics and behaviours are attributed to entrepreneurial individuals. Empirical results from the 115-item survey highlight differences of implicit beliefs about behaviors and characteristics of successful entrepreneurs in different countries. Results from 28 countries all over the world allow comparing perceptions of entrepreneurial success factors also in different groups of countries. Claster analysis was used to group the countries according to characteristics of successful entrepreneurs. These perceptions influence the actions and effectiveness of entrepreneurs and people who could support or inhibit their entrepreneurial initiatives. Therefore it is important for entrepreneurs in a given culture to match the prototype of the successful entrepreneur for that culture. Cultural differences and the influence of the institutional context are evident in interpreting social obligations of entrepreneurs, in linking future orientation and communication, and in perception of entrepreneurial risks and challenges. To conclude, similar features of successful entrepreneurs were found in countries with similar culture or with similar institutional development. At the same time differences were found in features of successful entrepreneurs in estimations of people with entrepreneurial experience compared to respondents without entrepreneurial experience.

**Keywords:** Entrepreneurship, success factors, implicit beliefs, cross-cultural comparison.

## How to Research the **Entrepreneurial Process**

**Tõnis Mets** University of Tartu

**Abstract:** The aim of this conceptual paper is to define key propositions, methodology approach and a model in the contemporary entrepreneurial process research. Entrepreneurial process is the cornerstone of entrepreneurship and (open) innovation challenging smart specialisation – the next policy focus on the innovation and smart growth agenda of the Europe2020 strategy in the framework of the European Union. Current models of the entrepreneurial process are highly fragmented and do not have enough explanatory and predictive power for academic as well as practical purposes.

The entrepreneurial process and sub-processes are not linear as the process follows a cyclic character of experiential learning, and in the entrepreneurial process it needs to alternately adapt means and goals according to the effectuation theory in order to realise the opportunity. Although several taxonomies of the entrepreneurial process models exist, these studies could be methodologically divided into two main research domains:

Variance approach models are based on a static linkage of variables frequently linked with using statistical analysis; has led the research to high simplicity, potentially high generality and modest accuracy of results.

Process theory approach using narrative and grounded theory methods can reach high accuracy, but also more sophisticated and possibly lower generality of results. Bridging two main methodology domains of the entrepreneurial process studies is the challenge for further research to integrate stronger sides of both of them. Although the first test of the novel model has been done, the real answers to the questions about "necessary and sufficient causality" and "generic and distinct" nature of the model and methodology are the tasks for further research. It means that better understanding of the entrepreneurial process and entrepreneurship could contribute into the respective policy as well as the training methodology.

**Keywords:** Entrepreneurial process model, variance theory approach, process theory approach.

# Discussing the Study Results of Sources and Dynamics of Emotions in Entrepreneurship Education: What are the Implications and Future Steps?

Marge Täks<sup>1</sup>, Riitta-Liisa Arpiainen<sup>2</sup>, Päivi Tynjälä<sup>3</sup> <sup>1</sup>University of Tartu, <sup>2</sup>Aalto University, <sup>3</sup>University of Jyväskylä

**Abstract:** The purpose of the presentation is to discuss implications of our recent study on entrepreneurship education learning experiences. The study focused on gaining a better understanding of the main sources of emotions as well as the role and dynamics of emotions in entrepreneurship education. Data was collected in three entrepreneurship courses in Estonia, Finland and Namibia (N=79). As a result of this study the following main sources of emotions were identified: 1) new kind of learning environment, 2) collaborative learning, and 3) challenging tasks. The learning environment sub-categories were: 1a) uncertainty and confusion, 1b) theory versus practice and 1c) support from outside. The collaborative learning sub-categories consist of: 2a) teamwork, 2b) time pressure and 2c) individual differences. Challenging tasks had the sub-categories: 3a) overcoming knowledge and skills gaps, 3b) interacting with the outside world and 3c) leadership and managing people. Based on the identified sources of emotions and on the analysis of their appearance during the courses, hypothetical dynamic patterns of emotions related to learning processes were identified.

On the basis of these findings and earlier research on emotions, entrepreneurship education (EE) research in general and EE research on emotions we have developed and piloted a tool, emotional scale with the log, that enables to monitor emotional dynamics in real-time and could be used as "a personal learning space". In the presentation we will discuss questions that arise from creating such personal learning spaces that are related to ethical dilemmas or teaching competencies and other.

**Keywords:** Emotions, entrepreneurship education, personal learning environments, e-learning environment.

# The Integrated Development of Students' Entrepreneurship: Experience of Kauno Kolegija

Vida Gembickienė, Simona Jankauskaitė, Birutė Leonienė Kauno Kolegija/University of Applied Sciences

Abstract: The article analyses the relation between the increase of theoretical realization of the multiple intellect of the individual and the relations of the integration possibilities of the formal and informal development of education in the context of students' entrepreneurship development. It goes deeper into how the possibilities of the entrepreneurial personality development are increased by executing the integrated education, which is related to the wider expression of the multiple intellect of the individual. In this way after the modernisation of the educational process, an entrepreneurship encouraging environment is created, with the result of the personality able to entirely express itself, to solve the problems responsibly and creatively, and to participate actively in the social life. Based on the theoretical insights and the data of the carried out research, provided in the article, an evaluation of the importance of the event "Business Days", traditionally organised by Kauno Kolegija/University of Applied Sciences, Faculty of Business Management, on creating the environment favourable for the development of the students' entrepreneurial skills, is presented. Thus the authors hope that their experience in the field of integrated development of students' entrepreneurship will be useful for other educational institutions. Moreover, the participants of the research have confirmed that the integration of the formal and informal education allows the students to better express and develop their versatile intellect, increase the entrepreneurship of the personality.

**Keywords:** Realization of the multiple intellect of the individual, an entrepreneurship encouraging environment, integrated development of students' entrepreneurship.

# Introducing Augmented Reality into Education – Opportunities for Innovation and Entrepreneurship

**Emlyn Witt, Irene Lill**Tallinn University of Technology

**Abstract:** Augmented Reality (AR) refers to the enhancement of real world objects and scenes with virtual (computer-generated) content. Recent technological developments have seen the hardware necessary for running AR applications becoming affordable and widespread and AR applications themselves becoming increasingly available particularly in product advertising and online sales. Despite these developments, AR has not, as yet, had much of an impact on mainstream education.

AR offers new possibilities to enhance education through making learning more interactive and interesting, enabling visualizations and immersing learners into more realistic simulated environments. It also greatly broadens the scope of virtual content which could be used effectively in learning contexts and this raises new and considerable opportunities for educational content development, entrepreneurial activity and university – business cooperation.

The Learning Augmented Reality Global Environment (LARGE) project funded by the European Commission aims to promote the use of AR in education by simplifying the process of AR content creation through developing an open, easy-to-use, internet-based AR system for educators and learners. The results of an initial, multi-country stakeholder consultation exercise are reported and the details of the AR system developed are described together with feedback received on it from users. Conclusions and recommendations for further research and development are drawn.

**Keywords:** Augmented Reality, education technologies, university-business cooperation.

### MOOC vs LOOC - Challenges in a Small National Education Landscape

#### Mati Lukas

Estonian Entrepreneurship University of Applied Sciences

**Abstract:** 2012 was the year of the MOOC – Massive Open Online Course. Every month we have seen a new provider of free open learning platform. Traditional online courses charge tuition, carry credit and limit enrolment to a few dozen to ensure interaction with instructors. The MOOC, on the other hand, is usually free, credit-less and, massive. There are at least two MOOCs concept: cMOOC and xMOOC. cMOOC emphasize the connectivist philosophy while xMOOC are based on traditional college courses and around a professor sharing. The concept of cMOOC was first implemented in 2008, at the University of Manitoba, "Connectivism and Connective Knowledge". More than 2000 students signed up. The xMOOC hype cycle officially began in autumn 2011 when two Stanford professors, Sebastian Thrun and Peter Norvig decided to offer "Introduction to Artificial Intelligence" for free online. More than 160 000 students in 190 countries signed up, and for the first time an open online course was truly "massive".

Beside of MOOC concept, Michel Sonntag, provost of University of Maine at Presque Isle, introduces in 2012 the concept on LOOC – Little Open Online Course. The University of Maine was experimenting with opening up some courses for free to between 2 and 7 students. These students have been treated as any other student in the class with the same expectations and opportunities to complete assignments and exams if they wish. However, they have not received credit for their work. They had opportunity to decide to become a paying student before the normal add/drop period ended.

Usually the national Universities operate on the very small market, offer education in national languages and dispose limited resources for development of online platforms. There is no chance to involve massive number of students to participate in online courses. This situation raises many questions: What will be the concept of online learning on a small national education market, where modest recourses, small number of students and national language needs to be taken into account? What is more important, whether large scale of students or innovative teaching methods? How to ensure in conditions of limited resources the high quality of courses and to motivate teachers to develop their courses? How to cooperate with partner universities where courses are taken in national languages? What methods and platforms to use? Where will the money come from? How to combine MOOCs and the classical learning opportunities? How to assess the results? Badges, credits or degrees?

Keywords: MOOC, LOOC, online courses.

# Is Effective and Enterprising State Democratic? Town Planning as an Indicator of Social Effectiveness

Siim Sultson

Estonian Entrepreneurship University of Applied Sciences

Abstract: Totalitarian town planning in Europe between the two World Wars and during World War II in Italy, Germany and the Soviet Union is mostly taken as something negative but meanwhile admirable. In these countries the middle class had been winners after the regime based on monarchies, which was reversed by the World War I, causing overwhelming joy but also some anxiety - economic decline after the World War I threatened the society, which risked losing everything that they had achieved during the previous decades, centuries. Renaissance Park designs, baroque square arrangements, classicist axes for cities and monumental form models which seemed to embody peace, harmony and effectiveness. Although the new tradition-based town-planning was quite similar everywhere - e.g. in the USA, the United Kingdom and France - , the new trend most strongly appeared in the state ideology countries where the material support was also the biggest - in Italy, Germany and the Soviet Union. In these countries, strong ideologies were crystallised into grandiose and ensembles memory carriers in architecture, town-planning, as well. Nevertheless town planning stated above was somehow common in authoritarian and guite democratic countries. Even more, strictly organised, axial town planning, well known since Roman times via renaissance and classicism upon the 20th century is rather functional in order to organise town gridline, to make state more effective, enterprising.

Is strictly organised public space as part of town planning merely ideological? Is axial and strict gridline of town totalitarian or just functional? Why did totalitarian systems use strictly organised, axial town planning? Strictly organised, axial town planning seemed to embody peace, harmony and effectiveness. It seemed to embody enterprising state tending to solve all social problems as effectively as possible. According to Aristotle the less democratic the state is the more effective, e.g. enterprising it seems to be. How to re-arrange town planning, public space in most effective way? There seem to exist quite effective examples that are solved with rather enterprising methods in modern time's world and Estonia. Is Aristotle model of enterprising and effective state as projection of town planning sustainable? Could there be any match with Platon state? Is there any need for state architect?

**Keywords:** Town planning, effective enterprising, social effectiveness.

## The Impact of Base Training for Starting Entrepreneurs in Estonia

Mare Kurvits, Aet Kull, Meelis Zimmermann Estonian Entrepreneurship University of Applied Sciences

**Abstract:** The role and importance of entrepreneurs in society is increasing in Estonia as well as all over the world. In Estonia remarkable change in attitude towards the importance of educating and training of entrepreneurship was connected with economic recession started in 2008. Now, entrepreneurship is a national priority at all the education levels in Estonia. Unfortunately, according to Alain Fayolle, few researches are available concerning to the evaluation and measurement of entrepreneurship education programs and courses. How much we actually know what are the outcomes and effectiveness of entrepreneurial courses?

In Estonia only few studies have been conducted about teaching methods and effectiveness of entrepreneurship courses. In 2012 the first study about current teaching practices of entrepreneurship in Estonia and Latvia was carried out by Inna Kozlinska and Tõnis Mets. Before that the studies concentrated on finding out the training and consulting needs of the Estonian entrepreneurs. In 2010-2011 "Research of Estonian Management Practices" was carried out. The survey included questions about management training. The surveys of the development trends of small and medium- sized enterprises in Estonia have been conducted since 2002 at three years interval (2002, 2005, 2008, 2011). In these surveys consulting and training needs were also studied.

Since 2008 based training for starting entrepreneurs is carried out by Estonian Entrepreneurship University of Applied Sciences. The training is supported by EAS. The aim of the base training for starting entrepreneurs is to raise the competitiveness of a starting entrepreneur for a successful start in business. In years 2011 and 2012 approximately 100 based trainings were carried out for 1700 starting entrepreneurs. As there was no feedback about the effect of the trainings in longer period a survey was considered to be necessary.

The aim of the current survey carried out in 2013 was to find out the percentage of participants who really started their own business after based training and what were the barriers of starting a business for those who didn 't. Research results indicated that the impact of the Base Training for Starting Entrepreneurs on increasing participants `activity in labour market and in entrepreneurship is positive i.e. 39 percent of participants of the base courses started their own business. As the result of the survey the best practices of the trainings and additional training needs were found out in order to make suggestions about changing trainings more effective.

**Keywords:** Entrepreneurship training, starting entrepreneurs, good practices, entrepreneurship education.

## **Effecting Factors of Customer Satisfaction at Supply Chain Context**

**Risto Laar** 

Estonian Entrepreneurship University of Applied Sciences

**Abstract:** This paper focuses on the main issues how to be successful in the global competitive markets by increasing customer satisfaction at supply chain context. It has become more and more known that the customer satisfaction is the key component in modern global word and to know the reason to that is every company's goal. As the world has become open and customers have more and more opportunities and possibilities to evaluate different offerings among different choices. This paper tries to give latest overview about literature of this issue. Purpose of this paper was to find theoretical evidence for those seven factors: technical capability, innovation, delivery, conformance quality, pricing, flexibility and service. Several latest researches and articles were analysed touring this paper. The authors picked these factors because it's a part of the ongoing research and they are the main theoretical basis of that. The literature showed that all of our defined seven factors are important to maintain or create customer satisfaction and companies must work with all of them. Although some studies found that price is not so important factor to effect customer satisfaction, this paper authors believe that this is something that is very specific by region and needs more investigation.

**Keywords:** Customer Satisfaction, Supply Chain, Business to Business (B2B) Markets.

### Estonian High School Students' Attitude towards Unemployment 1991-2012

#### Merle Talvik<sup>1</sup>, Mati Talvik<sup>2</sup>, Martin Talvik<sup>3</sup>

<sup>1</sup>Estonian Entrepreneurship University of Applied Sciences, <sup>2</sup>Merlecons & Ko LLC Adult Education Center, <sup>3</sup>Tallinn Secondary Science School

Abstract: Unemployment is one of the global problems; which have distinctively come forth during the economic crisis. According to Estonian Statistics the rate of unemployment in 2012 was 10.2% and that of the 15- to 24-year-old was 20.9%. Unemployment has fallen steadily since 2010, that of males most of all. In 2012 we conducted a survey among Estonian high school students in order to learn their attitudes towards global issues and one of those was unemployment. The survey involved 1,391 high school students in the age of 16,91+0,88 (M+SD), 578 were male and 813 female. In the survey students had to answer if the issue described in the survey was important for them on the 5-point-scale. In total the survey included 39 global issues. It was also asked what would happen to unemployment in 50 years' time. Students responded that the issue of unemployment becomes more important during time. In the list of global issues unemployment was on the 10th place in 2012, whereas in 1991 it had been on the 17th place. Concerning future prognosis the responses of males and females diverged. Males thought that in 50 years unemployment will be more important than today to the extent of a quarter (on the scale -100 to +100 %); females estimated that the issue will be worse than today to the extent of a half. The comparison of regional data revealed how youth in different parts of Estonia see the issue of unemployment, it turned out that in county centres of East-Virumaa, Valgamaa and Põlvamaa where the actual rate of unemployment is high, students consider the issue more important. In Tartu and Võru where the rate of unemployment was the lowest among the cities the issue was still relatively important. Thus we cannot draw a simple conclusion that the issue is deemed more important there where the actual rate of unemployment is the highest. Survey results indicate that in the 1990s unemployment together with personal alienation formed one factor whereas in 2012 a significant shift becomes noticeable. In addition to personal alienation unemployment is part of the same factor as cancer, civilization diseases, psychical diseases, family crisis, interpersonal contacts, women's roles, Internet addiction. This shift indicates that young people have become more conscious of the issue of unemployment, and some may have experienced it via their relatives or family members. Unemployment is not any more a problem of non-active and closed individuals but can be associated with various interpersonal contacts and family problems. The field of meaning of unemployment has become considerably wider over the 20 years.

**Keywords:** Unemployment, attitude towards global problems, optimism and pessimism, future orientation.

