

Development of Entrepreneurship Ecosystem for efficient entrepreneurial learning in European Arctic

Case InnoBarentsLab and Creative Steps 2.0

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New curriculum development process in entire Lapland UAS is reflecting growing need of the European Arctic region for more entrepreneurial mindsets and innovators locally and across the borders. New curriculum of International Business (IB) Degree programme is implemented since September 2017. It differs from previous curriculum mainly due to stronger entrepreneurship education emphasis than ever before. New curriculum is an attempt to take up innovative practices in entrepreneurship education in order to facilitate entrepreneurship studies as an integral part of business studies. However, entrepreneurship competence development is no longer relevant only in business studies. Since the strategy of Lapland University of Applied Sciences (Lapland UAS) highlights the importance of entrepreneurship in the education programmes of our institution, entrepreneurship competence development is no longer the privilege of the business studies only, but it becomes a part of every curricula regardless the field of study. “The creation, growth and internationalisation of businesses are vital for Lapland. Lapland UAS pays special attention to developing entrepreneurship and businesses. We meet the needs of businesses with productised training, research, development and innovation services” (Lapland UAS Strategy 2017). Significance of entrepreneurship education is also stressed at the national Finnish education (Guidelines for Entrepreneurship Education 2009) and European Union strategy levels.

Entrepreneurship 2020 Action Plan that is part of Europe 2020 Strategy is based on three pillars: developing entrepreneurial education and training; creating the right business environment; role models and reaching out to specific groups (Entrepreneurship 2020 Action Plan 2017). Investing in entrepreneurship education is one of the highest return investments Europe can make. Studies suggest that young people who benefit from entrepreneurial learning, develop business knowledge

and essential skills and attitudes including creativity, initiative, tenacity, teamwork, understanding of risk and a sense of responsibility. This is the entrepreneurial mind-set that helps entrepreneurs transform ideas into action and also significantly increases employability. Above mentioned strategies suggest, that the role of higher education in entrepreneurship goes far beyond just delivering the knowledge, its role is to participate in creation of ecosystems, partnerships and industrial alliances. Entrepreneurship 2020 Strategy suggests that universities should become more entrepreneurial in their wider approach, to ensure that they develop and live a culture of entrepreneurship and innovation through their missions, leadership, stakeholder engagement, curricula and learning outcomes (Entrepreneurship 2020 Action Plan 2017). European Arctic, Finland and Lapland needs more entrepreneurs and people with innovative mind-sets and entrepreneur-like attitudes. The challenges of new economic realities in the Arctic, unemployment and future job developments especially has been discussed after the global economic downturn in 2008-2009. Global actors, communities and authorities started to search for solutions to address growing youth unemployment problems and changing economic dynamics globally.

Gradual Development of entrepreneurship ecosystem – building on good practices of predecessors of Lapland UAS

We did not come up with new *entrepreneurial* IB curricula format accidentally. It is a result of a long-term work and endeavors undertaken long before the launch of IB curriculum 2017 at Lapland UAS. Everything we have today as entrepreneurship education directly integrated into IB curriculum is a result joint efforts and joint struggle of entire “organism” of the School of Business and Culture. More than just the curriculum building, which is usually a one or two year project carried out by the team of experts, the whole story is more about the entrepreneurship ecosystem building in the entire faculty of Business and Culture of Lapland UAS. “Ecosystem” is a term that is borrowed from biology: it is a system that includes all living organisms (biotic factors) in an area as well as its physical environments (abiotic factors) functioning together as a unit. Main units of entrepreneurship education ecosystem in the context of the school are the following six domains: organisational culture, enabling policies and leadership, availability of appropriate finance, quality human capital, supportive educational framework and arrangement of institutional and infrastructural support (Isenberg 2011). The building of two latter domains was especially supported in recent years and is still undergoing further development in current days. It should be mentioned that the whole ecosystem development started long before two universities of applied sciences in

Lapland (Rovaniemi UAS and Kemi-Tornio UAS) were merged into one - Lapland UAS in 2014.

As a responsible person of curricula development, or “OPS vastaava” called in Finnish, Anzelika Kratsina can compare the development of two innovative education curriculums in former days at Rovaniemi UAS and nowadays at Lapland UAS. It was 2010 when we launched new, very innovative in our understanding BA programme called “Innovative Business Services” at Rovaniemi UAS. Apart from the contents, competency based model and new pedagogical methods, such as Problem Based Learning and Project Based Learning, we focused very much on supportive educational framework development and arrangement of institutional and infrastructural support. Integrating real life work and business practices into education process was clearly a big challenge for all – teachers, students and also work life representatives. There could be observed rather big resistance by many professionals towards new ways of “practical” teaching. In order to empower students and create an environment for entrepreneurial learning, new curricula defined the teaching staff as coaches, no longer teachers or lecturers. Course planning with the participation of business representatives and actual joint implementation could be rather big challenge at times. However, it was clearly the search for new pedagogical methods for making education closer to actual working life and especially to create best methods to enhance entrepreneurship competence development. In 2012 the school received EU funding to create an infrastructure for entrepreneurial learning support and exchange of good entrepreneurship education practices within the project “Young Innovative Entrepreneurs”. It gave an opportunity to learn various entrepreneurship education methods and start-up support mechanisms in different schools in Finland: Demola Tampere, Aalto Design Factory in Helsinki (Demola 2017) as well as to gain interesting experiences from international partners, in particular learning the practices of University College Dublin Innovation Academy (Innovation Academy 2017) and other institutions across Europe. Whole learning and development resulted in the expansion of various practices of entrepreneurship learning and coaching as well as in actual infrastructure and teaching methodology development for entrepreneurship training in IB studies. Several entrepreneurial education solutions were implemented since the introduction of “Innovative Business Services” BA degree programme in 2010. These practices were taken over and further developed by Lapland UAS. Further entrepreneurship ecosystem development process in recent years has strongly advanced.

Experiential learning through InnoBarentsLab projects

InnoBarentsLab (IBL) was established within previously mentioned EU funded project “Young Innovative Entrepreneurs” in 2012 and its project based entrepreneurship training was integrated into BA studies (InnoBarentsLab 2012). IBL served as a platform for the experimentation of

entrepreneurship training. Students were offered an approach of learning by doing through project work in real life business situations in addition to their traditional learning in class. Nowadays, in Lapland UAS IBL continues its functions as a separate unit within the school of Business and Culture in Rovaniemi campus. Every project, that students perform in IBL becomes an integral part of their study programme, thus students can gain project credits. Within IBL students have an opportunity to either initiate and implement their own project, to join an existing project that is jointly implemented with real work life and business representatives or another possibility for the students is to undertake entrepreneurship path, leading to their own business development and a start-up. The amount of ECTS credits gained during their entrepreneurial work at IBL can vary from 1 ECTS to 15 ECTS. There is always a division in the student groups – those who prefer more studying the theory and those who prefer more learning by doing. Therefore it is up to the multilateral agreement between the student, coach and tutor teacher or the head of degree programme on what will be actual contribution to the project by the student and expected output. IBL functions already five years and the side-effect of its existence is a big amount of incoming project requests, from the businesses locally and internationally, from various social entities, local or regional governments as well as from the students' own interest in establishing and developing own enterprise. Sometimes there are more projects and entrepreneurial ideas on the pipeline of IBL than availability of actual human capital. Therefore many projects become a part of other study modules and are integrated with such study courses as Innovation and Entrepreneurship, Project Studies and Work, Project Management, Marketing, Financial Management and many other. New IB curricula 2017 concentrates on the semester projects, meaning that in each semester students gain competences through theory, which is directly linked to the practice of the project work.

Entrepreneurship projects as integral part of IB studies

For the reader to understand the diversity of the projects through which entrepreneurial learning and competence development takes place, we can give some examples of projects that are carried out by IB students just within one semester. In total more than ten different projects were implemented within this semester between January, 2017 and April, 2017 under the supervision of the coaches of the school of Business and Culture (Anzelika Krastina, Katarina Holla, Hannele Niemi, Anitra Arkko-Saukkonen) that equals at least 300 RDI points. Due to so called non-disclosure agreement with some of the companies that provide project cases, we are not able to reveal all the projects, however, hereby are some examples of the ongoing projects during spring semester 2017.

I-customs research project. This project's goal is a research about Import substitution policy in Russia and its implications for Finnish export. This project is run in cooperation with Saint-Petersburg National Research University (ITMO). This is an international collaboration project: there is one team of students working on this research in Rovaniemi, Finland and one team from Saint-Petersburg, Russia. Students will present their results at the I-customs conference in Saint-Petersburg at the end of May 2017. By participating in this project, students get to learn most importantly how to work remotely across the borders in an international setting and how to enable digital tools for joint business cross—border cooperation. Another big challenge was to get the material for the research as there haven't been made any research on this topic before, therefore information in variety of language was used, including English, Finnish and Russian languages.

Building school in Vietnam project. This is a social entrepreneurship project and a fundraising project aiming to help building an actual school for kids in Vietnam. The cooperation is with a former student of Lapland University of Applied Sciences who is currently back in Vietnam. This whole project has begun initially in some provinces of Vietnam where is lack of schools for kids. Often, they need to walk more than 10 kilometers just to get to school and when they are experiencing these problems with transportation, then it is more useful for them to just stay home and help family with getting food for themselves. This results in kids not getting education just because of not having enough schools. That is the reason why this fundraising campaign has such a huge importance and students who decide to participate in this project can experience the challenges of social entrepreneurship.

Chinese in the Arctic. During this project students cooperated with the company from Rovaniemi to create a new service package for Chinese customers. They decided to focus on the Chinese customers as there is an enormous potential in it. Students got to research what Chinese customers expect when they come to the Arctic Circle and created a service package for them which includes suitable activities for them. How did they create new service? By doing very detailed research about Chinese culture, their behavior, and expectations. Not only students got a chance to work with real company in the Arctic and try to help them to enter Chinese market, thanks to this project they also got to know the Chinese culture. This knowledge is nowadays very useful for every future entrepreneur who wants to be once global and not just local.

Rovaniemi Arctic Spirit - side event. This project has a bit longer duration than the other projects as it will continue also during autumn semester. Students got a chance to organize a side event for conference which will be held in Rovaniemi in November of 2017 - Rovaniemi Arctic Spirit. The conference is politically and scientifically oriented to the topic of sustainable development and

focusing on the people of the Arctic. The organizers of the conference would like to have a side event where the young people of the Arctic would be given a voice as they are the future of the region and they need to be heard in order to influence own future in the Arctic. Students, who have own business ideas will be able to showcase it at the event and possibly meet experts and potential experts for the feedback and the network. To accomplish this, students need to be innovative so the side event meets success and brings something new to the world of science and policy in the Arctic. The planning phase has started and will continue by students who will be also implementing it in fall 2017.

Lapin Leipomo project. In this project students cooperate with local company - a bakery of traditional and special Finnish pastry established in Rovaniemi. As the company operates in the Arctic, they need to have perfect marketing to be found by local and international customers and overcome the distances of the Arctic. The task given to students is to design a webpage which will be presented afterwards to the company which creates the websites. This leaves a big responsibility to the students as if their proposal would be successfully approved, they might be able to see their work in real life every day. That also works as a motivation for them and they are working very hard to accomplish the approval of their proposal of the website.

Our Stories workshop. The aim of this student's project is to organize a workshop as a part of the international Our Stories project. Our Stories is a 3-year international project with the aim of promoting storytelling and story-design as a marketing tool for companies. By working on this project students realize the importance of good story behind any business. Another advantage is that they see how the real long-duration project works and what are the processes inside the project. The workshop that students organizing is meant to have the same goal - to clarify storytelling and story-design to invited entrepreneurs. This way students work with different environment as the target group are companies along Northern Lights Route.

Northern Stars Seminar - Creative Entrepreneurship in the Arctic. Northern Stars is an international seminar organized annually by the students as a part of their project studies work. The seminar's main theme is Innovative Business Opportunities & Creative Entrepreneurship in the Arctic. Through the process of organizing such an event, students got the chance to learn important real-life lessons as they needed to go through certain steps of the process as well as through problems which it brings. The result was more than 250 people in Borealis Auditorium of Lapland University of Applied Sciences on the April 5th 2017. Participants listening to speakers from all over the world and being able to participate at the Pitching competition for Young Arctic Innovators. Even with some complications, which came along during the process of planning and

realization of the seminar, the Northern Stars Seminar has been a success and huge learning for the students who organized it.

New methodology development as a part of ecosystem -Creative Steps 2.0 model in education

Development of entrepreneurship ecosystem also supports the development of new innovative pedagogical methodologies. So, within the project called Creative Momentum, experts in the school of Business and Culture have developed and tested a methodology called “Creative Steps 2.0 model” in May, 2016. This methodology later on was used and integrated in many study modules aiming to encourage entrepreneurial learning. The methodology allows intensive trans-border cooperation between companies and student teams in order to develop new innovative products and services or innovative business solutions. It does not matter where the company is located, and where the students are, with the help of digital tools and ten innovation, steps’ process there is ongoing intensive transnational collaboration as a part of the educational process with integration of actual work life experiences of globalized businesses. During the Arctic Business Winter School students worked on several projects with the help of Creative Steps 2.0 methodology (March-April, 2017) which resulted in final pitching competition, where student groups presented innovative solutions to given problems or challenges. In addition, some of the students presented their own business ideas.

- Smart Kitchen Surface – the idea behind the pitch was to combine normal kitchen appliances to one surface for easier use.
- Go Dili – the presentation was about a hostel that combines accommodation & bar.
- HAGI – handmade gift – the business idea is about organizing workshops for creation of handmade cards for special occasions.
- Team of one – presented special outdoor equipment selection system.
- Arctic Innovators – presented Kolarctic Business School with the aim to inspire generation of youngsters to have a strong desire to stay in the Barents region and to put efforts to its development.
- Kolarctic Transportation Solution – presented their solution to the transportation problems in the Barents region.
- Arctic Lifestyle – their pitch was about how to enlarge particular market segment for a safari provider like Arctic Lifestyle.

Every single project is fundamentally different, however, every of the projects provide a good base for actual entrepreneurial learning. Having diversity of the entrepreneurial projects, bring

also a lot of challenges for the coaches, tutors and students. However, nowadays the coaching process has been established and it makes it much easier for the coaches to supervise the teams than years ago in similar situations. The coaching process consists of meeting with each of the teams individually and defining tasks for certain milestones. This way students could hold to some kind of timeline of milestones and deadlines. Thanks to this, they always know what they need to do to in order to meet the deadline and move further with their project. The process brings also certain real life challenges students need to solve. To mention a few: cultural differences, communication problems, commissionaires underestimating or overestimating students, different levels of education and knowledge and of course different level of commitment by the team members. Bernadett Diószegi, student of International Business at Lapland University of Applied Sciences has experienced a few challenges with entrepreneurs while her project work: *“the cooperation between students and companies is often an issue. For example, for the project that I have been a part of - collecting donations to build a school for Vietnamese children - the hardest part is to convince companies that this is a real project and the donations will really go for the purpose we said, they often don't trust students.”*

Learning through participation on the projects is something what every student should experience as it brings completely different real-life situations to consideration. While learning about Project Based Learning is useful to gain valuable knowledge, actually working on projects can bring experiences which can be useful for future entrepreneurs.

Laura Ukkola, Tourism student at Lapland University of Applied Sciences confirms this statement: *“I think I learned more in InnoBarentsLab than I do on usual lessons. As there is nothing obligatory, I do everything based on inner motivation and sense of responsibility for the group. In general working on different projects has made me more active in everyday situations.”*

To conclude, Lapland UAS has moved quite forward towards better preparation of future entrepreneurs in Lapland region and entire Euro-Arctic Barents region. Reflecting only one semester business, social and general entrepreneurship projects demonstrates that we reap the fruits of a system that supports good entrepreneurial learning. Recently there have been many visitors from outside Lapland and Finland to benchmark either InnoBarentsLab experiences or the methodology of entrepreneurship education integrated in the curriculum of the study programmes at Lapland UAS. These visits are the moments, when during the presentation of your own school developments one realizes that certain good practices of entrepreneurship education have been developed at the school of Business and Culture. Most importantly, good entrepreneurship ecosystem is in place that allows further development of good practices in order to claim the status of an entrepreneurial university. Establishment of entrepreneurship ecosystem

is, however, the first pre-requisite if an educational institution wishes to observe good results in the field of entrepreneurship education. It should be noted that these developments take place gradually, comparing the experiences in entrepreneurship education that took place a decade ago in Rovaniemi UAS, when it all was just at its starting point with many different challenges, especially in the context of entrepreneurship ecosystem, it is absolutely different situation currently at Lapland UAS, where entrepreneurship education practices seem to become more like a routine practice than an exception. At this point, it is important to accumulate all good experiences and methodologies, to analyze the results and set new goals and tasks for further efficient entrepreneurship education development in the Arctic regions. It is important to measure actual entrepreneurship competence development. The result is not always immediate as noted by one of the former students, it can be realized later on in some life situation when one will realize that the skills learnt during entrepreneurship projects have been really significant in further career and business development. *''I didn't realize the skills I learned in InnoBarentsLab helped my career competence until I had to utilise these skills during the intense networking and pitching period for our start-up.''*

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