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INTERGRATION TO FINNISH SOCIETY  
THROUGH ENTREPRENEURSHIP  
STUDIES OF BUSINESS FACTORY  
CASE STUDY: HILINA GIZAW

BUSINESS ECONOMICS AND TOURISM

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## **FOREWORDS**

This process has been very interesting for me. I want to thank my supervisor Timo Malin and other Coaches of Business Factory & Business Road for their help in making this research possible and accepting me to study at Business Factory since 2006. I also want to thank my parents for their support and my friends for making me feel like home in Vaasa during my studies. Without all of you this would not been possible. Especially I want to thank Osman Nalbantoglu for his inspiring guidance and motivation in my entrepreneurship career.

Vaasa 15.3.2010

Riku Happonen

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## VAASA UNIVERSITY OF APPLIED SCIENCES

Degree Programme of International Business

**ABSTRACT**

Author	Riku Pekka Happonen
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The aim of this research was to document operations of Business Factory Learning Environment at Vaasa University of Applied Sciences. The research covers the years between 2005 – 2009.

The Empirical case study reveals the story of one foreign degree student and the development of her business idea while integrating to Finnish society through Vocational Entrepreneurship Studies at Business Factory and its network. The theoretical frame focuses on entrepreneurship, networking, social capital and knowledge share in the Team Entrepreneurship study module. Research methods are qualitative research with narrative in-depth interview in the empirical case study.

The results of the research reveal the importance of a supporting network in the development of a business idea and the challenges that foreign degree students face in Finland.

The practical implication of this research is a model of a larger supporting network which focuses on the development of students' business ideas and promotion of entrepreneurship as a possible career opportunity.

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Keywords	Business Factory, Integration, Team Entrepreneurship, Knowledge Share, Networking, Narrative, Supporting Network
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## VAASAN AMMATTIKORKEAKOULU

Liiketalouden ja Matkailun koulutusohjelma

**TIIVISTELMÄ**

Tekijä	Riku Pekka Happonen
Opinnäytetyön nimi	Integroituminen Suomalaiseen yhteiskuntaan Business Factoryn yrittäjyysopintojen avulla
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Tutkimuksen tarkoituksena oli dokumentoida Business Factory yrittäjyysoppimisympäristön toimintaa Vaasan Ammattikorkeakoulussa. Tutkimus käsittelee projektin toimintaa vuosien 2005 – 2009 aikana.

Tutkimuksen empiirisessä osassa kuvataan yhden ulkomaalaisen tutkinto-opiskelijan liikeidean kehittymistä ja integroitumista Suomalaiseen yhteiskuntaan. Teoreettinen viitekehys keskittyy yrittäjyyteen, tiedon jakamiseen, sosiaaliseen pääomaan sekä verkostoitumiseen tiimiyrittäjyyden opintomodulissa. Tutkimusmenetelmät ovat laadullinen tutkimus yhdistettynä narratiiviseen syvähaastatteluun.

Tutkimustulokset osoittivat tukiverkoston tärkeyden liikeidean kehittymisen kannalta sekä sen, kuinka vaikeaa ulkomaalaisen tutkinto-opiskelijan on integroitua Suomalaiseen yhteiskuntaan.

Konkreettinen tutkimustulos on rakennelma tukiverkostosta, mikä keskittyy opiskelijan liikeidean kehittämiseen Vaasassa. Tukiverkoston tärkein tehtävä on opiskelijan tukeminen hänen yrittäjänuran alkuvaiheissa, mikä lisää yrittäjyyden kiinnostusta yhtenä uravaihtoehtona.

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Avainsanat	Business Factory, integroituminen, tiimiyrittäjyys, tiedon jakaminen, verkostoituminen, narratiivinen, tukiverkosto
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## **Shortenings used at Thesis**

BF = Business Factory

BR= Business Road

BS = Brain Storming

TE = Team Entrepreneur

SME = Small and Medium sized Enterprise

VSP = Vaasa Science Park

VAMK = Vaasa University of Applied Sciences

FINPIN = Finnish Polytechnic Incubator Network

PRH = Patentti- ja Rekisterihallitus

## TABLE OF FIGURES

Figure 1 Modes of Entrepreneurship (Kyrö 1997, 204).....	20
Figure 2 Entrepreneurship separation of the author, Knowledge to Operation Model .....	21
Figure 3 Business Incubator Process of Business Factory by author.....	23
Figure 4 Learn by Doing model of Business Factory by author .....	27
Figure 5 Process of Business Factory since 2009 by author .....	30
Figure 6 the Triple Helix model of the VSP operation and innovation system ....	31
Figure 7 Concept of the Business Road .....	33
Figure 8 Management of Intangible Resources (Röös, Fernström, Piponius, Rastas 2006, 13) .....	47
Figure 9 Nonaka I & Takeuchi 1995, 62 .....	54
Figure 10 Entrepreneurial Line of Hilina Gizaw .....	61
Figure 11 Hilina Gizaw: Integration to Finnish Society .....	71
Figure 12 Growth of Social Capital .....	74
Figure 13 Opened Brain Storming Model of Business Factory.....	79
Figure 14 Entrepreneurship Education Model of Vaasa in the future, the Star Model .....	80

## CONTENTS

FOREWORDS .....	2
Shortenings used at Thesis .....	5
TABLE OF FIGURES .....	6
CONTENTS .....	7
1. Introduction to Thesis .....	10
1.1. Aim and Limitation of the Research .....	11
1.2. Research Methods .....	12
1.3. Structure of the Thesis .....	13
2. Vocational Entrepreneurship Education as a Process of University of Applied Sciences.....	15
2.1. Entrepreneurship Theories Referred in this Thesis.....	17
3. Business Factory Process at the Beginning.....	22
3.1. History of Business Factory .....	24
3.2. Learn by Doing Model.....	27
3.3. Business Factory Co-operative .....	28
3.3.1. Services of Business Factory Co-operative.....	29
3.3.2. Process of Business Factory since 2009 .....	30
3.4. Practical Frame of Business Factory Network.....	31
3.4.1. Vaasa Science Park .....	31
3.4.2. Business Road concept.....	32
3.4.3. Activities of Business Road .....	33
3.4.4. Entrepreneurship Seminars .....	33
3.4.5. Business Ideas & Workshops.....	34
3.4.6. Development of Business Activities & Personal Coaching.....	35
4. Other Business Incubator Models in Finland.....	36
4.1. Team Academy Model.....	36
4.1.1. Entrepreneurial Birth Process .....	36
4.1.2. Team Academy Model Compared to Business Factory Model .....	37
4.2. Pro Academy at Tampere University of Applied Sciences.....	38

4.2.1. Learning Process at Pro Academy .....	38
4.2.2. Pro Academy Compared to Business Factory.....	39
4.2.3. Helia Business Incubator Project .....	41
4.3. FINPIN Business Incubators in Finland .....	42
5. Networking in General .....	43
5.1. Theoretical Frame of Networking used at Business Factory .....	43
5.1.1. Social Capital Approach as part of Social Psychological point of view.....	43
6. Knowledge Share & Management .....	47
6.1. Intangible Assets Frame.....	47
6.1.1. Human Capital .....	48
6.1.2. Structural Capital .....	48
6.1.3. Relation Capital.....	49
6.2. Nonaka I & Takeuchi, Japanese Model of Knowledge Share .....	50
6.2.1. Knowledge and Leadership.....	51
6.2.2. Theory of Knowledge Creation inside Organization .....	52
6.2.3. Knowledge Creation in Practice at Business Factory .....	54
6.2.4. Management Process for Knowledge Creation.....	56
6.2.5. Global Organization Knowledge Creation.....	57
7. Summary of Theoretical Framework for Empirical Case Study.....	58
8. CASE STUDY .....	59
8.1. Narrative In-Depth Interview .....	60
8.2. Entrepreneurial Line of Hilina Gizaw.....	61
8.2.1. Coming to Finland in 2005 .....	62
8.2.2. Business Factory Studies at 2006.....	63
8.2.3. First Coffee Sales at 2007 .....	64
8.2.4. Establishment of BF-Global Co-operative at 2008.....	65
8.2.5. Expanded Network and Graduation in 2009 .....	67
8.2.6. Nordic Abyssinia 2010.....	70
9. Summary of the Empirical Case Study .....	71
9.1. Social Capital of Hilina Gizaw .....	74
9.2. Knowledge Share as a Key Element of success.....	75
9.3. Validity and Reliability .....	76



10. CONCLUSIONS.....	77
10.1. Practical Implications of the Research.....	80
10.2. Suggestions for Further Research .....	83
11. SUMMARY of the Thesis Process .....	84

## **1. Introduction to Thesis**

I started my studies year 2006. During the first course of the studies called Entrepreneurship held by Dr. Osman Nalbantoglu I began to think like an entrepreneur. Dr. Nalbantoglu asked me and my friend Matti Malkamäki to participate in a project called Business Factory. Business Factory is a study module where a group of students establishes their own company and learns how to run it. First, I had an interview held by the coaches of Business Factory. I had to sell my knowledge and vision to them. I felt very happy when I got an email that I was granted an opportunity to study at the practical business division of our university.

There were ten students from International Business study program who started studies in October 2006. The Group had both national and international students, which was a new experience for everyone. Each of us had our own idea which was to be developed with each other and coaches. During the first year there was a lot of planning but not many concrete cases. At first everyone had lots of motivation but during the year it came down. An actual co-operative company of international degree students was established in February 2008. For two years students were planning future business activities in a theoretical frame. Some students left Business Factory and some graduated from the old group. A new group began studies in autumn 2007 and this group, along with some older members established a co-operative company called BF-Global to operate in practice.

This thesis is about integration to Finnish society through Entrepreneurship Studies at Business Factory. I will examine some selected theoretical frames about entrepreneurship. I will open also the Business Factory's learning environment and the history of the project. I will also go through knowledge sharing, networking and social capital as the main theoretical frames, as those are highly valued at every level of our society, especially in business activities. The empirical case is to determine how one foreign degree student has been integrated to Finnish Society through Business Factory learning environment.

## 1.1. Aim and Limitation of the Research

The aim of this research is to show how Business Factory (BF) learning environment and Team Entrepreneurship studies integrate foreign degree students to Finnish society. This study includes BF's own operations and operations of BF networks. This study is unique as there is no previous research about the process of Business Incubator project at Vaasa University of Applied Sciences. I have a lot of personal experience in the project which I refer through the processes. There are similar Business Incubator projects around Finland and some are partners of the project in Vaasa. I will explain the differences of the used models in partner projects compared to Vaasa. Vaasa University of Applied Sciences has special interest towards *entrepreneurship*, *multilingualism* and *internationality* within their every study program. This thesis determines how Business Factory education promotes this interest and the most importantly entrepreneurship as a career opportunity. BF aims to develop personal networks of students through common projects with national and international students. Everyone has personal knowledge which can be put into use when working together and allowing everyone to participate in discussions. The main process is to show how this tacit knowledge can be transferred to explicit knowledge. A good point of view comes from Nonaka I & Takeuchi (1995).

There are some limitations to this study. I will concentrate only on Business Factory and operations of its network. There are several practical projects at Vaasa University of Applied Sciences but BF is the most interesting from the point of view of this research. Secondly, I will not concentrate on actual entrepreneurship history much as Mr. Joni Jylli has written a Thesis (2009) where he explains the historical aspect of entrepreneurship as well as students' motivation towards entrepreneurship. My focus is foreign degree students' integration to Finnish Society through BF education.

## 1.2. Research Methods

Research methods can be divided into two, which are primary and secondary research. Primary research involves collection of unknown data and it can be either qualitative or quantitative research. Secondary research is a research done by other researcher earlier and data exists but it can be measured again with a different research problem. Qualitative research has no structure and it is an exploratory research method with a focus on small samples instead of high volume. Small samples are intended to provide picture and understanding of the problem setting. Quantitative research seeks to quantify the data and usually applies some form of statistical analysis which can be put on use with programs like SPSS. (Malhotra 2007, 143)

Data is the collected information from a study group. Data itself can be primary or secondary. Primary data can be either qualitative or quantitative, depending on the objects of the research. Primary data is originated by the researcher specifically to support the research problem. Secondary data is collected for another purpose other than the problem at hand. (Malhotra 2007, 42) The cost of qualitative data is usually higher than quantitative data. This is because qualitative research takes more work hours than quantitative research. If quantitative research is done to a local shop then it is easy for researcher to visit the shop and ask the customers about related issues.

Secondary data can be either internal or external. Internal data is the information received from the organization to which the research is done. This can be company books or databases which researcher might have access given by management. External data is usually free information which can be gathered from books, newspapers, web pages, library statistics and other published sources.

This research is mainly qualitative and I practice a method called Narrative In-Depth interview on the case study. The method is opened up in chapter 8.1.

### **1.3. Structure of the Thesis**

The First chapter is an introduction to this thesis with information on what I am going to research and write about. Description of the aim and limitations is given; also a definition of Business Factory is introduced.

The second chapter is on entrepreneurship theories, which are selected for this Thesis.

In next chapter 3 I open the Business Incubator project of Business Factory and how it operates in Vaasa University of Applied Sciences. I explain the models used and the services given to students. Chapter opens also Vaasa Science Park and Business Road concept.

Chapter 4 is about the models of Team Academy & Pro Academy and the differences these projects have compared to Business Factory. I open also the oldest Business Incubator project in Finland and network of FINPIN are examined. This chapter provides additional information concerning student run businesses in Finland.

Chapter 5 opens Social Capital as a concept of Networking. As a continuation I show how Social Capital affects on Team Entrepreneurship studies at Business Factory.

Chapter 6 is theoretical frames of the knowledge share and management. This chapter is the main theoretical part of the thesis and works as a base towards the empirical case study.

Chapter 7 is the conclusion of theoretical frame of this thesis and how it is related to my empirical case study.

Chapter 8 is the empirical case study. It shows the process of one Foreign Degree Student's journey from her home country to Vaasa, Finland and how she has integrated to Finnish Society through Business Factory's Team Entrepreneurship module.

Chapter 9 is the summary of the case study and the examination of terms of reliability and validity in qualitative research.

Chapter 10 examines the conclusions of this study, practical implications and aims for further research. Finally chapter 11 is the summary of the thesis process.

## **2. Vocational Entrepreneurship Education as a Process of University of Applied Sciences**

On 23 of March 2009 a working group from Ministry of Education and Ministry of Employment and the Economy released the following statement. "Institutions of higher education should encourage their students to become entrepreneurs much more than they do these days. Education should offer tools to becoming an entrepreneur, inspire to innovation and create prerequisites to the growth of companies. Work groups presentations are lined with government politics which emphasizes entrepreneurship as a facilitator of competitiveness. Many universities have good practices on how they emphasize entrepreneurship education. There is still room for improvements. Universities should recognize much better the students who have abilities to become an entrepreneur. Universities should, especially in present economical situation, develop practices which support new innovations, productization and growth of companies. This was mentioned by the Minister of Education, Ms. Henna Virkkunen, while receiving the report.

Research, Development and Innovation processes of Finnish institutions of higher education is developed according to national innovation strategy. The vision of the government is to develop Finland as a leading innovation system of the world. Part of this vision is that educational institutes are stronger, more profiled, more qualified and impressive units. A follow the recommendations of the work group and consider how to support higher institutes of education at their efforts of better entrepreneurship education, said Virkkunen.

Minister of Employment and the Economy, Mr. Mauri Pekkarinen, said that present economical situation assumes new grip from universities towards entrepreneurship, innovation and growth of companies. Know-how will be decisive in the future determining how well our country succeeds and how well being of the people is able to secure. Advantages which come through know-how should be possible to canal both important educational and practical economical life. This challenge, I hope the whole system of higher education will respond to within the coming years, emphasized Mauri Pekkarinen."

([http://www.minedu.fi/OPM/Julkaisut/2009/Korkeakoulupohjaisen\\_yrittäjyyden\\_edistaminen.html](http://www.minedu.fi/OPM/Julkaisut/2009/Korkeakoulupohjaisen_yrittäjyyden_edistaminen.html))

This information is very current and I wanted to attach it to the beginning of thesis. This gives the view of the government and how they see entrepreneurship education and training at universities. There are several projects going on at our school such as “Yrittäjyysjuonne” which was opened by Jylli (2009). We have “Yritysklinikka” where students can do project work for real companies and solve their problems. ([www.yritysklinikka.com](http://www.yritysklinikka.com)) In the technical department we have a project called “Open IT Lab” where students can do part of their studies as project works given out by local companies. ([www.openitlab.fi](http://www.openitlab.fi)) Students receive mainly credit points from these projects.

I decided to concentrate on Business Factory which is pre-incubator project of our school. Students can participate with their own business idea or an idea which comes from the group and develop an idea with others. The module is called *Team Entrepreneurship* and it is worth 15 credit points. ([www.businessfactory.fi](http://www.businessfactory.fi)) Students receive a lot of information and operation tools which they do not receive from normal lectures. I have participated on Business Factory since my first semester at Vaasa University of Applied Sciences year 2006. I begin with an idea of my own which I tried out in practice. It did not work out very well but I learned from my mistakes. Later I and some other students established a *co-operative* company called BF-Global, which has given us an opportunity to do real business while studying. I have enjoyed my time in this project and in future I hope I can work through similar or same project here at Vaasa or somewhere else. This thesis goes through the history and models used at Business Factory studies as well as real business. I wish I can inspire you to consider entrepreneurship as one option for your future career. Trust me, it takes much but gives much more back. Have a nice reading experience!



## 2.1. Entrepreneurship Theories Referred in this Thesis

Everyone seems to have their own opinion on how they see entrepreneurship and who is an entrepreneur. I am an entrepreneur as I have established a company and sold products legally through it. In history the term entrepreneurship has risen up several times. Mr. Joni Jylli has cross-sectioned entrepreneurship in his thesis in 2009, so I will not go through the history of entrepreneurship in this thesis. Instead I will use theoretical frames written by Jukka Vesalainen, Seppo Luoto and Kari Ristimäki 2008. Theories are presented in the book of Luoto, Melin, Ristimäki (2008), *”Yrittäjyyden edistäminen korkeakoulujen tehtävänä”*. I also refer to Paula Kyrö, 1997, *”Yrittäjyyden muodot ja tehtävä ajan murroksessa.”*

Theoretical frame of Jukka Vesalainen is about a three dimension model which is based on three factors of entrepreneurship behavior. These factors are always present in the daily operations of an entrepreneur. These factors are 1) dimension of economical risk 2) dimension of managerial production 3) dimension of innovation. *Dimension of economical risk* is entangled with risk taking and possible profit. Making profit is an element of why a company exists. An entrepreneur cannot be seen as a capitalist as many do not put their own savings into business at all. Most of the businesses begin with loans which are given by many parties such as Finnvera in Finland. Risk is always for the entrepreneur to bear. If the business does not work out then it is the collateral of the loan which is owned by lender. This collateral can be anything valuable possessed by the entrepreneur and agreed on at the establishment of the company. Economical risk determines the role of the company. For some who do not invest much money a company gives a basic living. For some who invest a lot it can give basic living and much more. Economical risk can be seen as an investment to make things possible instead of capital loss. Risk can be divided into three parts: 1) No economical risk, paid work relation with company. 2) Small economical risk, small scale business like a co-operative where a member is not responsible personally for company actions. 3) A huge economical risk, risk taking in the stock market or a huge investment in industrial assets like machines or factories.

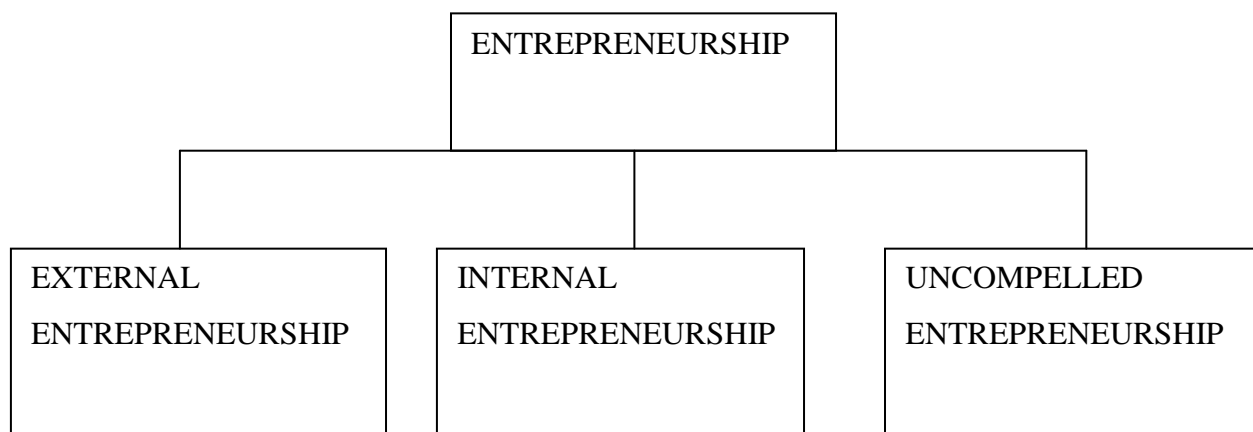
*Dimension of managerial production* is based on a view of an entrepreneur as a manager of production combinations. He or she has to connect different areas of business and find people to fill those positions. An entrepreneur has to build an organization which is based on a business idea and available resources. This role requires also qualities for making partners believe on business idea which exists on paper. These partners are investors, personnel and customers. *Dimension of innovation* is the new value in a business idea. This is how partners can be spoken to stand behind the idea. Idea has to have some competitive edge towards competitors. Innovation can be completely new or a tuned version of an old product or service. Usually new ideas are combinations of these. To be innovative means that an entrepreneur has to have a clear vision how the business will develop within the next years and how much profit is expected. Many of us can be visionaries but only few are brave enough to catch the vision and make money out of it. An innovator can be seen as an efficient piggy backer of information flow. (Luoto, Melin, Ristimäki 2008, 10-14)

The theory of Kari Ristimäki is more about innovation and how it is integrated into education in universities. Ristimäki bases his thoughts on entrepreneurship to pedagogical changes, which means that entrepreneurship education itself should be more innovative. Entrepreneurship is divided to two main headings which are *entrepreneurship* and *business knowledge*. These terms are usually bound together or seen as one process. A fact is that these terms are very different. This is how educational pedagogy should change and not consider those terms as one which is an old fashioned model of economists. A person can operate in an entrepreneurial way without being an entrepreneur. An entrepreneur operates on many levels, which is not a common model of economists who might see only one role for an entrepreneur. "Entrepreneur is a capitalist but capitalist is not necessary an entrepreneur." This sentence was in a book and it shows the difficulty of determining entrepreneurship. Entrepreneurship is seen as previously in Vesalainen case, as innovation, risk taker and catalytically action. Together these are seen as *entrepreneurial way of thinking*. Sure they have some differences in the content of the terms but the main message is the same. (Luoto, Melin, Ristimäki 2008, 23-26)

What makes Ristimäki's theory different from Vesalainen is theory is that risk can be more than just economical. It can be also psychological or social risk. Ristimäki does not open up the content of these risk types but I try to open those from my experiences. Social risk comes from the work load that an entrepreneur has to do to make business successful. At the beginning days are very long as so many aspects need to be taken care of. This reduces available time to spend with family, friends and relatives. So we could say that there is social risk involved. Psychological risk can surface when business meets difficulties and setbacks. These reasons can be anything from robbery to fire or bankrupt. It requires lot of mental strength to rise again and triumph. (Luoto, Melin, Ristimäki 2008, 23-26)

Educational tool changes are in Seppo Luoto's mind as well. He suggests changing normal teaching methods of entrepreneurship more towards dialogues between a teacher and a student or a bigger group. The truth is not important as we all have personal opinions but it is rare occasion when a student is allowed to speak their mind. (Luoto, Melin, Ristimäki 2008, 35-37) I agree with Luoto's thoughts. This would give both parties more than just one perspective on the topic and for the student an opportunity to use tacit knowledge of the related topic. Usually it is up to the teacher to determine the content and for some students it might feel like the only solution. I have passed all my courses in International Business but I was unhappy as the every course content was related only Finland. It would have been more interesting to hear what the topics mean in other countries and business cultures. Our group had more than ten different nationalities when studies begin. Some have left for unknown reasons but there are still few remaining. I did not feel like studying to have an international aspect as all course contents were about Finland and our point of view. Many of my group mates thought the same and we just kept on waiting that it would change on the next course or the following but overall there was only little content leading to internationalization. I would have wanted to learn more about Chinese business culture or how to open business relations in Bangladesh. That is one huge disadvantage of the current education in international business courses in Vaasa as I felt the whole degree aims more or less towards entrepreneurship.

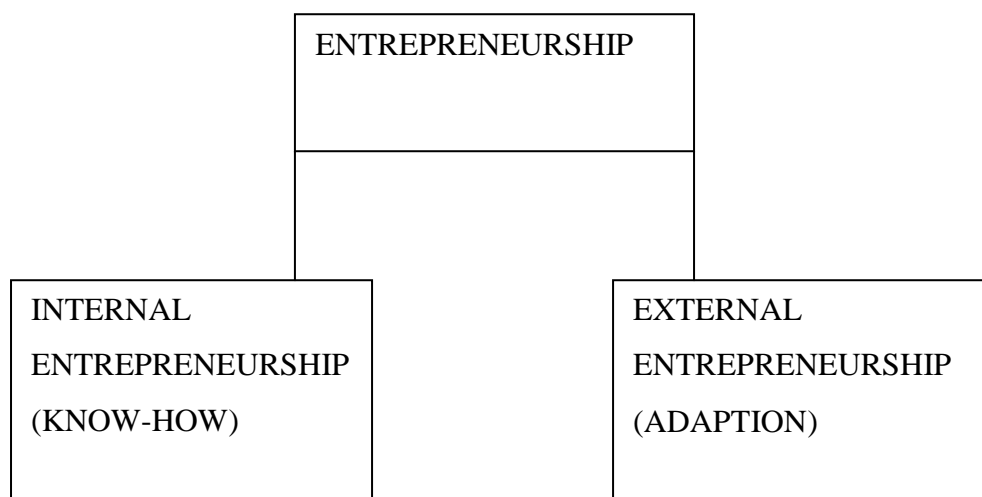
Paula Kyrö's (1997) thought is that entrepreneurship can be divided to several entities. These entities are internal entrepreneurship, external entrepreneurship and uncompelled entrepreneurship. These entities are placed in a figure below to show how entrepreneurship is more than just one term.



**Figure 1 Modes of Entrepreneurship (Kyrö 1997, 204)**

External entrepreneurship means one's own company. A person owns a company and has established it. He or she also works as a Manager of his/her own company. An Entrepreneur knows about economics and other business activities. External entrepreneurship gives birth to new vacancies in society in several fields. Uncompelled Entrepreneurship sees a person as an influential member of society. It contains all the behavior and how that person operates inside the society. This is normal as every one of us is looking for his/her place at our society system. When we succeed higher level in society our self confidence and standard of living rises. Internal entrepreneurship is about person's entrepreneurial behavior. A person can have skills of internal entrepreneurship even when not working as an external entrepreneur. Gifford Pinchot III (1985) created a term of "intrapreneur" to separate the roles of entrepreneurship. He sees intrapreneurship as any kind of an innovation of how an idea is transformed to productive reality.

My opinion is that there are two terms inside entrepreneurship and these are external and internal. Here is my own figure and explanation of it. This is how I see entrepreneurship and its studies at Business Factory in Vaasa.



**Figure 2 Entrepreneurship separation of the author, Knowledge to Operation Model**

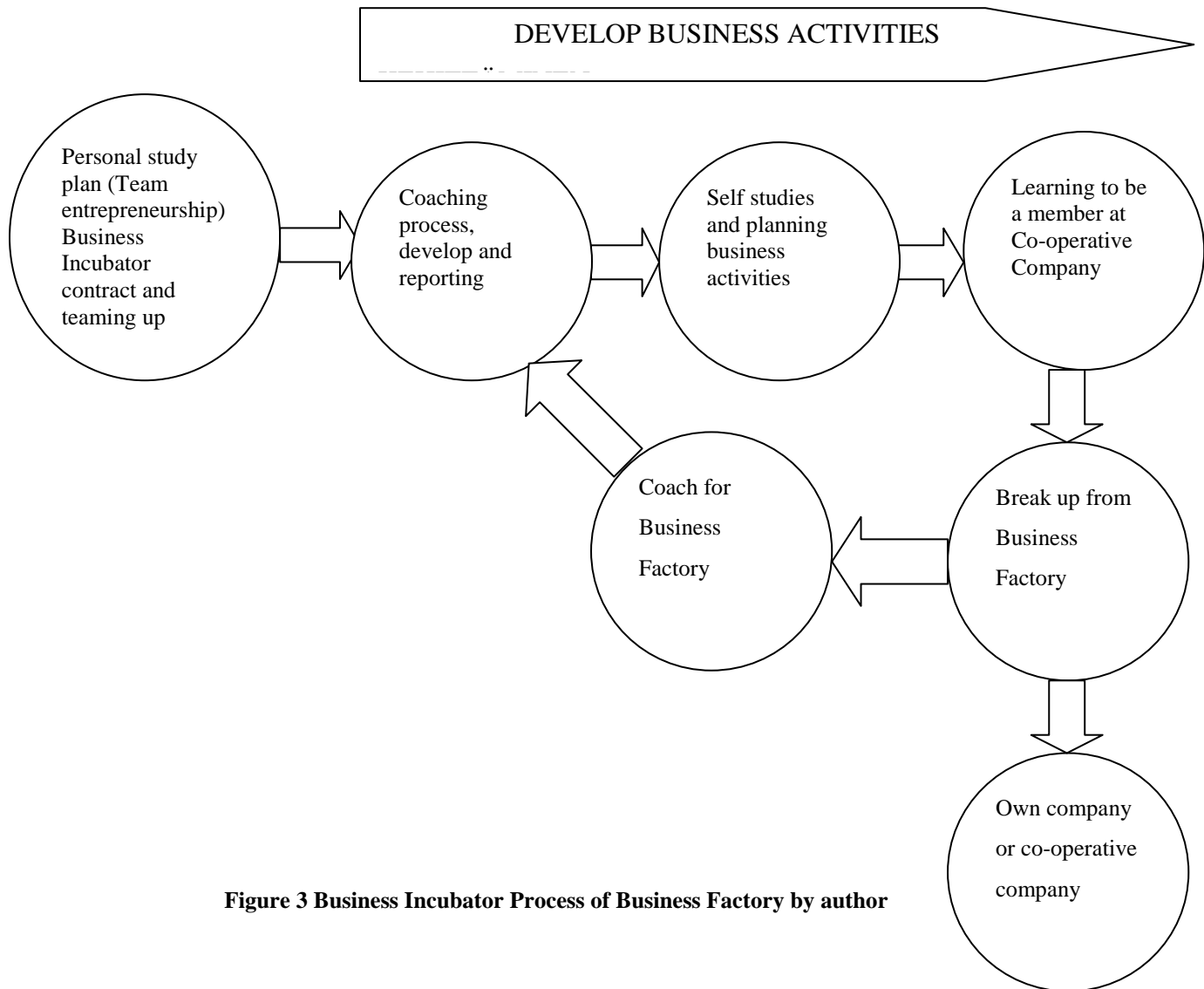
Entrepreneurship is both internal and external. The process begins from internal part where a student is learning more and more about entrepreneurship and its tools. Students create their personal SWOT analysis to determine their own strengths, weaknesses, opportunities and threats as a new entrepreneur. Internal entrepreneurship level rises as a student learns new skills' at lectures and in activities. The vision is to increase entrepreneurial know-how through practical cases by doing for real instead of imaginary cases at the normal lectures and supporting the student at his or her journey. We are all learning daily and it is nice to see personal development while operating with people around you in a team. Internal entrepreneurship is the know-how of the person concerning information and theoretical frames of related topics which the entrepreneur has to understand in order to operate. External entrepreneurship then is the daily operations when a company operates as a juridical person instead of the owner. Now knowledge comes in to daily operations as the entrepreneur is aware of the best approach depending on the situation. I name this as *Knowledge to Operation Model*.

### **3. Business Factory Process at the Beginning**

Business Factory is a Business Incubator project which was established in 2005 at Vaasa University of Applied Sciences (former Vaasa Polytechnic). The business incubator process began with meetings of a group of 7 to 12 students. These students were informed and committed of a learning process to establish a co-operative company and develop its business activities together. Each student will have a personal study plan and they will write a contract with Business Factory for using the premises and services. The Learning process is guided from establishment to the development of student's business. The idea is that each student will understand the life line of business and solve the coming problems in practice. During this process a student can use personal guidance given by coach, experts of Vaasa University of Applied Sciences or external partners who are committed to the business incubator process. Each student is also coached to find suitable literature for problem solving. From the literature the student will prepare two to three essays. Students will report monthly about their business activities to their coach. Group meetings will be held during specified times. The student will keep up the learning diary to report his or her findings and learning's to the coach.

The Business Incubator process has been planned to take one year. Business Factory is a learning environment for a student and it is possible to gain 15 credit points from Team Entrepreneurship study module or smaller parts depending on the level of activity. A student can work as part-time coach for new BF students after completing the process. Established co-operative companies will remain at Vaasa as only the students will change during the years. It is possible for other university students to participate in co-operative company activities.

Vaasa University of Applied Sciences Business Factory – Business Incubator process 2005 - 2008



**Figure 3 Business Incubator Process of Business Factory by author**

### 3.1. History of Business Factory

The project called Business Factory began in the year 2005. Studying entrepreneurship was difficult without an actual company. Of course, there were entrepreneurship courses at every education program but those were only theoretical courses. Business Incubator program was started by Mr. Timo Malin in the role of a coordinator and coach. There were earlier researches done at University of Vaasa as need of practical entrepreneurship model for higher education in Vaasa. The aim of the project was to develop entrepreneurial activities in practice. The important factor was learning the process of participants about know-how. The wealth of the company was not necessary in the pre incubator process as long as students gained knowledge of running their own company after graduation. Students have work contracts with the company and they can earn a normal wage. Their status is a student instead of an entrepreneur. For the coordinator the project gives great environment for development as a teacher and as an expert of one's own field. (6.10.2009 <http://www.puv.fi/fi/uutiset/businessfactorystayrittajaksijoopintojenaikana>)

Nine students from various fields of study formed a pilot group of the project. All of them were from Finland. The beginning was difficult as students did not know each other so well. The teaming process took half a year and after that first co-operative company, BF-Ideastream co-operative was established. The name BF-Ideastream comes from Business Factory as a learning environment and Ideastream was invented by students. The company offered IT solutions for SMEs. The office of the company was located at Wolffintie Technical campus in the basement. Street address was Palosaarentie 8 – 10, 65200 Vaasa. It is the same location where the Administration of the VAMK is located today. BF-Ideastream started the process and learnt how to establish and run a co-operative company in Finland. Its yearly turnover reached to 20 000€ in 2007. When students were about to graduate there was no continuation for the co-operative. Members decided to put the company for liquidation. Members of BF-Ideastream lived the whole life cycle of the company.



After BF-Ideastream in 2006, lot of foreign degree students became aware of the possibility of Business Factory as part of their studies. There were also new coaches selected to bring more resources to the project. These new coaches were from several fields of marketing and entrepreneurship. New degree students began the Business Factory process after individual interviews held by the coach team. During the study year 2006 autumn - 2007 spring there was a law which stated foreigners could not be owners a of co-operative company due to their study visa versus working visa problems. This made it difficult to establish new co-operative company since most of the new students were not from Finland. The first year for the new student group was about learning the mentality of an entrepreneur and how to minimize the risk. The second group learnt from the mistakes that the pilot group did before them, which were good information to them.

In autumn 2007 the law was changed and foreign degree students were able to establish a co-operative. There were some students from Finland also with the second group so they took care of the establishment papers. The new co-operative company was officially accepted to operate on the Finnish market in February 2008. This new co-operative was called BF-Global. The new co-operative members were from Finland, China, Ghana, Russia and Ethiopia. It was the first time that international degree students became interested in their own company. Ranges of business activities were wide, but mostly members wanted to learn more about importing. BF-Global had something valuable compared to BF-Ideastream and that was cultural knowledge and international networks. Each member had his or her network at home so this was a huge asset for the co-operative company. Members knew the languages, which was useful in import activities, for example, from China. Chinese members were able to ask offers from suppliers and manufacturers using the local language. This helped other members of the co-operative to save resources. Successful imports were coffee from Ethiopia, African paintings from Ghana and clothes & electronic gadgets from China. BF-Global created its own brand as a new international company. Their vision and mission can be found on the company web page. ([www.bf-global.fi](http://www.bf-global.fi))

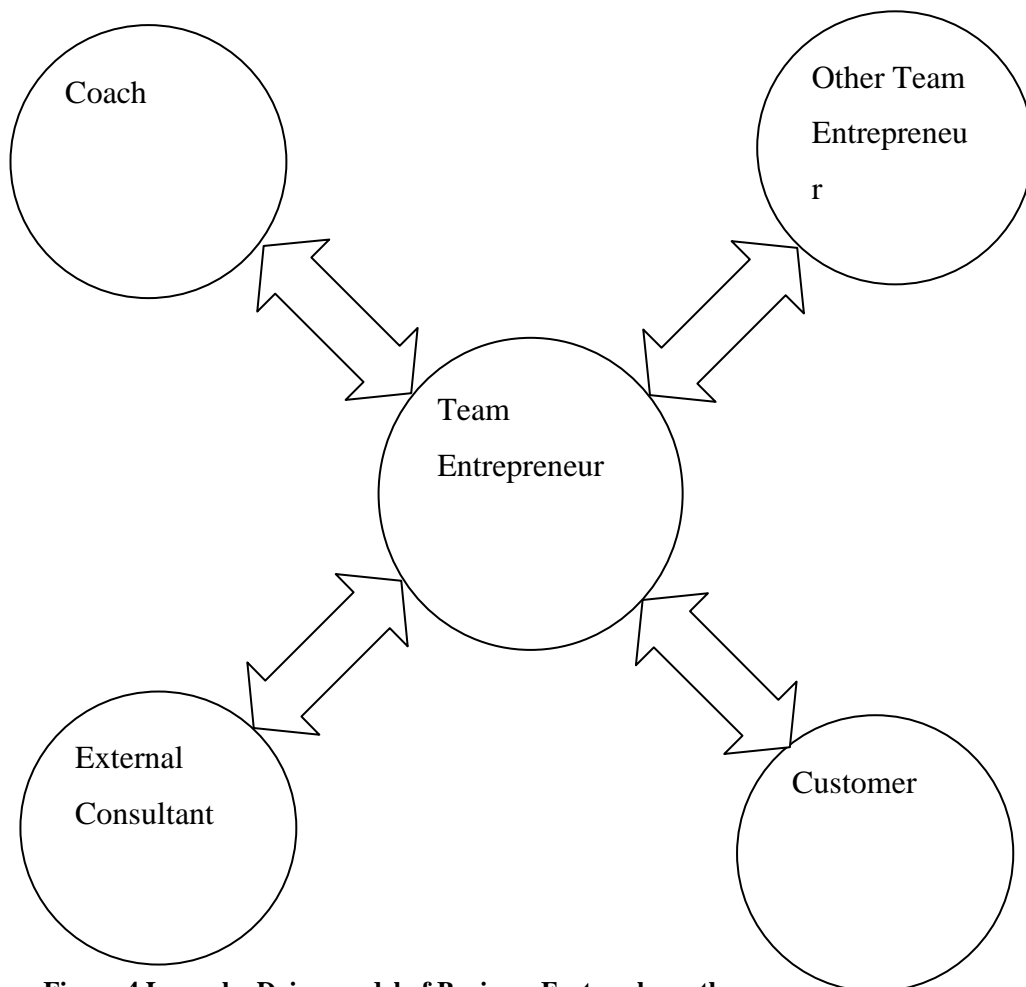
There were lots of disadvantages as well with the international team. Only few spoke Finnish as there were some Finns as members. Communication between company and interest groups was for the few members only due to language barrier. The business culture in Finland was unknown, so lot of resources was used to learn it. Nobody had experience of running a company so the first year was a learning process for each member. This reduced time from business activities and members divided to two separate groups. The groups were the ones who were active and others not so active towards company requirements. Another problem was financing. There were lots of innovative ideas but not so much capital to proceed from plan to action. All the money came from personal savings of the members as company policy stated not to go for a big loan from a bank. Considering members being students and asking them to invest thousands of Euros into a new business was a threat. Someone had a bit of extra money to begin with but some did not. As Business Factory studies were part time so company activities were also part time along with other school and free time activities. Still, company is real and needs proper management to take care of everyday activities so the Finnish members were responsible of this too.

The main concern for BF-Global was bookkeeping and how to take care of it according to law. Coaches watched for some time how the members took care of it but realized that students needed help with it. This brought extra resources to Business Factory as new financial administrative coach joined and brought two students to take care of official book keeping and wage payment. This was a huge benefit for the members of the co-operative as they could concentrate more resources on actual business activities instead of administration.

Today many of BF-Global members have graduated and some have left Finland for Master degree studies. Still they are members of the co-operative as coaches are not making decisions. Those graduated are not part of Business Factory anymore but they remain at BF-Global for international network purpose. New members of BF-Global are able to ask the older ones for help if they need an opinion or guidance from a person who has done things earlier.

### 3.2. Learn by Doing Model

This is the model of Business Factory operations from the point of view of a participating student, which here is referred as Team Entrepreneur. (TE) Team Entrepreneur receives help from every direction. His or her decision is to collect the information which is seen as relevant concerning a specific business idea. The coach is one from BF's own network. They encourage a team entrepreneur with his or her business idea and gives recommendations on which things to consider. The role is more supporting than judging. Other Team Entrepreneurs give their feedback and opinions for the development of business idea at Brains Storming sessions. Feedback and development comes also through co-operative meetings.



**Figure 4 Learn by Doing model of Business Factory by author**

An External Consultant can be a lawyer or an expert from the tax authority who comes and explain common things to consider on business idea of TE. Local business idea development organizations can be seen as External Consultants too.

Local organizations include Vaasa Science Park with Business Road concept and VASEK etc. Customer is important in the process. They give first real feedback to business idea and would they buy it or not. The purpose of each company is naturally to find customers who need the offered product or service. Feedback can be collected through BF network and their services. Coach is a staff member of VAMK who has Team Mastery training which is received through Partus Oy, which is one organization in BF's own network. ([www.partus.fi](http://www.partus.fi))

### **3.3. Business Factory Co-operative**

BF project has been active for five years. During this time coaches have seen the problems of administration at both co-operatives, Ideastream and Global. Students main study method is normal lectures so they have not had so much time to spend on the administration of their companies, although companies are real and paper work has to be done monthly according to the Finnish law. For the administrative purpose Business Factory co-operative was established on 3<sup>rd</sup> of April 2009. Its financial department offers outsourcing opportunity for students' companies so they can consider actual business activities more than administrative part. BF co-operative is a tool to manage the administration of the project. Membership is limited to coaches and few students. Students can work through the co-operative by doing real business, practical training or writing a thesis.

The role of BF co-operative is to be the beginning of Team Entrepreneurship module. This module is open to all students of Vaasa University of Applied Sciences not just business students. The module is for 10 to 15 credit point's total but it is the newest module so students are not aware of this opportunity in every study program.

### 3.3.1. Services of Business Factory Co-operative

*Learning agreement* is where the studies began. A student agrees to the terms of the BF and receives access to teaching material and tools provided.

The main service is *Brain Storming (BS)* for students who have made an agreement and accepted to Business Incubator program. Every coach is an expert of own field and they give help to students according to a written contract. These fields are marketing research, B2B marketing, accounting, entrepreneurship knowledge, financing and personal selling. Every student can use these services by booking an appointment for a personal meeting or a group meeting if more than one person is operating in the same project. BS opens one idea each week for open discussion, dialogue, development and feedback.

BF co-operative offers *financial administration* solutions for companies which have been established after Business Incubator program. These solutions are bookkeeping, wage payment and tax information. The third service of the co-operative is called *Speed Dating*. The concept is to collect persons with business ideas and investors to the same seminar. A person with business idea can discuss limited amount of time with each investor and receive feedback. When the time is up then it is time to move to next chair and sell the idea again. There can be up to 10 – 20 pairs. There have been three official Speed Dating seminars so far.

Students can also participate at *testing* project where they test one of other members' ideas in practice. Usually this is done through *Event* marketing. Event is done during a few hours and planned before. One example was a coffee tasting event at ice hockey match of Vaasa's Sport on 21<sup>st</sup> of November 2009. Team of students went to the match and offered free coffee tasting to the fans of ice hockey and collected feedback from the spectators.

(<http://www.businessfactory.fi/page.php?PID=2&language=en>)

### 3.3.2. Process of Business Factory since 2009

This model takes one year from each student who is granted an opportunity to join Business Factory's Team Entrepreneurship studies. This model is divided into two parts. The first part includes five BS sessions and one event to participate in order to receive the agreed credit points. The second part is development of a student's own idea or helping other team at development and test of their idea. Student has to participate on one Speed Dating Workshop in the spring. This gives the rest of the agreed credit points. Networking is the key that makes all the other processes possible. Students learn to network with each other and also with experts of the Business Factory network in Vaasa

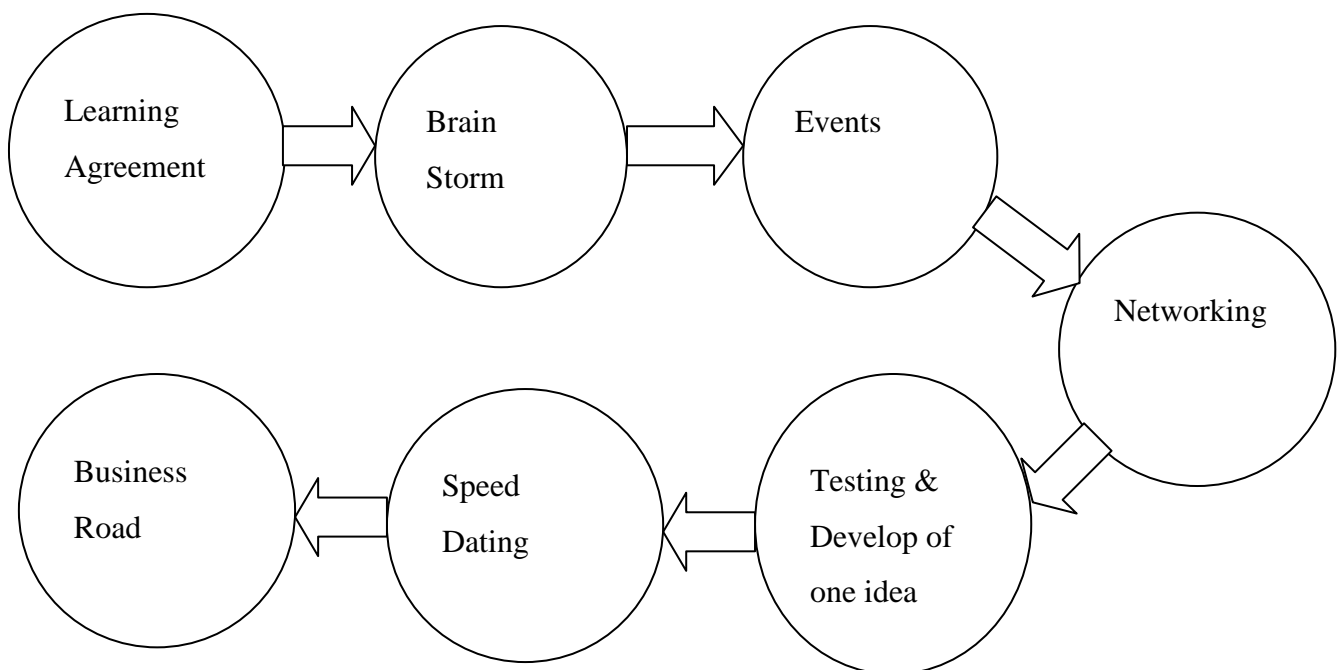


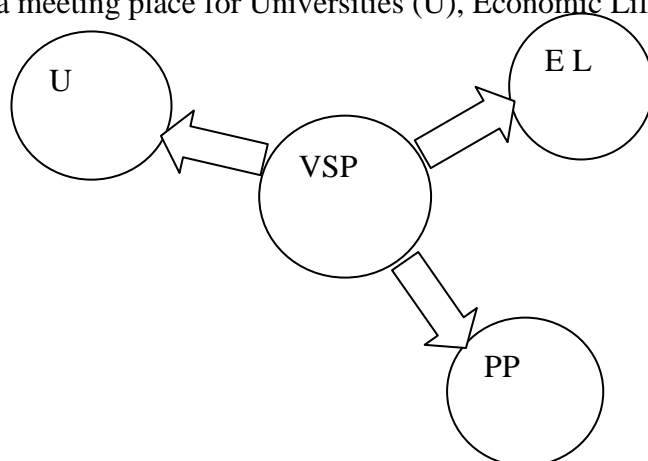
Figure 5 Process of Business Factory since 2009 by author

### 3.4. Practical Frame of Business Factory Network

In the year 2008 BF was facing troubles due to high fixed cost of their premises. After negotiations Vaasa Science Park offered a solution. There was an empty room next to VSP office on Wolffintie 36 F2. This became the new office for BF students. BF and VSP have been co-operating since 2007 but for a student this has been visible after the BF office was moved next to VSP office.

#### 3.4.1. Vaasa Science Park

Vaasa Science Park is an important concept of development of innovation in Vaasa and Ostrobothnia region. VSP is a meeting place for companies and universities to promote cooperation and research. VSP is also promoting and planning a new Innohouse to Vaasa. This new Innohouse would be developed into a meeting place for Universities (U), Economic Life (EL) and Public Parties (PP).



**Figure 6 the Triple Helix model of the VSP operation and innovation system**

“In the Triple Helix Model, Vaasa Science Park in the region’s operator network is an important developer of the innovation system. The Science Park extensively utilizes the multidisciplinary expertise of the region (universities). Multidisciplinary Research and Development (R&D) projects are carried out in cooperation with the economic life and different public organizations. The operators meet in the Science Park and as a result, innovations are born. In the future Vaasa Science Park will increasingly operate as a system supplier in extensive multidisciplinary R&D projects between universities and the economic

life.” Referenced 24.3.2010 (<http://www.vaasasciencepark.fi/en/vaasa-science-park-tausta>)

### **3.4.2. Business Road concept**

Business Road is an entrepreneurship program for university students at Vaasa. It is one service which Vaasa Science Park offers. Students can get support for their business planning, business idea and later consulting for successful start up of their own business. BR consists of several sub programs which are bound to three main concepts. These are seminars, workshops and personal guidance. Student can participate in every program or just in one depending on his or her choice. BR is done in three languages which are Finnish, Swedish and English. This is completely free for every student of any university in Vaasa. Students can earn credit points for their degree depending on how active they have been and how many programs they have participated. Students can either walk the whole road or participate only in the ones the person is interested. If the road becomes too heavy then student can step away from the road at any time they like. Business Factory is related to Business Road concept as an incubation program for new business ideas of the area.

Business Road experts have created a brand envelope to determine their vision, mission and strategy with values and advantages to partners. This can be found at an APPENDIX 1.



### 3.4.3. Activities of Business Road

Business Road activities are divided into three categories. These categories are entrepreneurship seminars, business ideas & workshops and personal coaching & development of business activities. Some of these categories have several activities. (<http://www.vaasasciencepark.fi/en/br/program>)

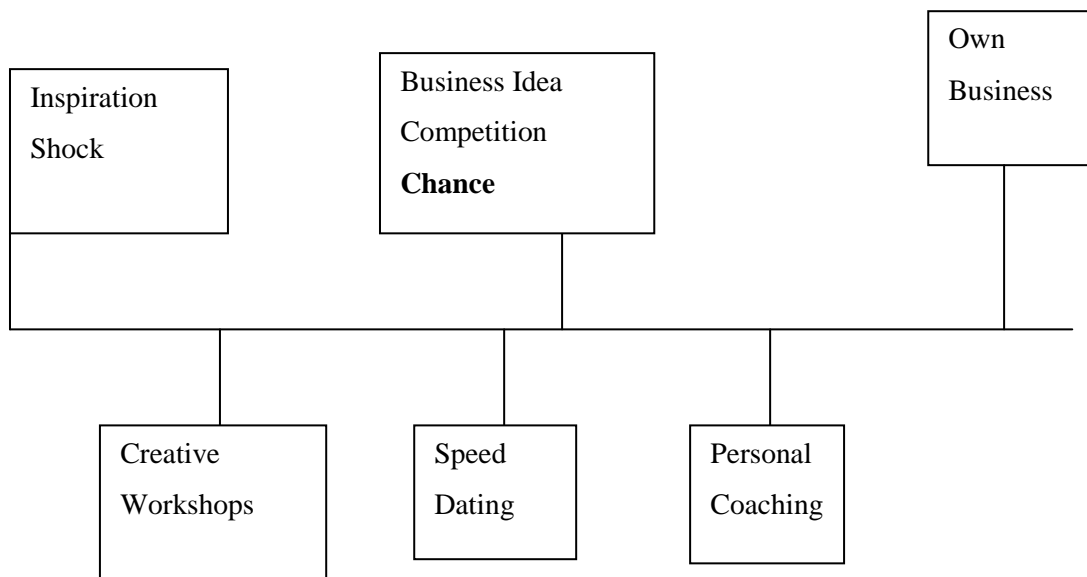


Figure 7 Concept of the Business Road

### 3.4.4. Entrepreneurship Seminars

Entrepreneurship Seminars are the base of all operations. Here students can get familiar with entrepreneurship. One activity is called *Inspiration Shock*. It is a half day seminar where participants hear about entrepreneurship and business activities. The Seminar is open for everyone and the purpose is to collect innovative speakers and experts to present creativity, innovation and actual business stories. The seminar is held annually and it is trilingual using Finnish, English and Swedish languages.

### 3.4.5. Business Ideas & Workshops

Business Ideas are the main programs of BR. There is one workshop activity which is held annually but everyone who has an idea can go and discuss about it with experts any time. Activity is called *Creative Workshop*. Creative Workshop is done with Creative Lab of Western Finland Design Centre *Muova*. It is an interactive and instructed workshop for innovation and creativity in business activities.

([http://www.muova.fi/tmp\\_muova\\_site\\_1.asp?lang=3&sua=1&q=y&s=7](http://www.muova.fi/tmp_muova_site_1.asp?lang=3&sua=1&q=y&s=7))

As students have found an innovative or creative business idea they can go on and participate on the next level. At this Feedback level begins the actual productization. There is a program where students get feedback on their business idea from the experts of Business Road. This program is called as the *Chance*.

Chance is a business idea competition where students from every university can compete with each other. Year 2009 as many as 250 students competed with 74 business ideas. The best ideas were rewarded with 7500€. There were three rewarded categories such as the best product idea, the best service idea and the most innovative idea. There is a list of sponsors whose contributions have made Chance possible. These sponsors are from all three levels which participate on Vaasa Science Park: universities, economic life and public partners. All levels were present as consultants and later as evaluation group. Students use VSP business planning tool to make a mini business plan of their idea and make a power point presentation to evaluation group. The time period of Chance is each spring.

### 3.4.6. Development of Business Activities & Personal Coaching

This is the final level of Business Road. Here incomes Business Road and its own network which provides different services to most advanced ideas in practice. Other levels were theoretically based programs but at the final level students can make a decision. The decision is to establish own company or to participate as a member of established co-operative company, BF-Global. This company operates as an acceleration tool and platform for the students who want to try their ideas out in practice. Student can also make a contract with Business Road for the usage of common office and personal coaching hours. Students receive keys to their shared offices where they can develop own business activities.

There are several other experts which are able to help students with the most profitable business ideas. Vaasa Science Park has the next level for those new companies how to develop idea. These services are called *Innohelp* and *Innovation Manager*.

More information about *Innohelp* available at:  
<http://www.vaasasciencepark.fi/en/innohelp-for-companies>

More information about *Innovation Manager* available at:  
<http://www.vaasasciencepark.fi/en/innovation-manager>

## **4. Other Business Incubator Models in Finland**

Business Factory has several partners on the administrative level. Two of the closets' are Team Academy in Jyväskylä and Pro Academy in Tampere. I am about to go through shortly the models of these two partners and compare their models to the model of Business Factory. I also explain probably the oldest business incubator project in Helsinki which has started in 1986, but is not a direct partner of BF.

### **4.1. Team Academy Model**

Team Academy in Jyväskylä has operated for more than a decade. It is part of Jyväskylä University of Applied Sciences. Here students work full time with their own companies and make real cases with real companies. In the past there have been more than 2000 cases so Team Academy brand is strong and well known. Each year students' start from the beginning of the company establishment and their goal is to collect money for traveling around the world after graduation. There are several coaches providing assistance for students. There have been more than 20 co-operatives inside the brand of Team Academy. Each year three or four new teams begin their journey. (<http://www.tiimiakatemia.fi/index.php>)

#### **4.1.1. Entrepreneurial Birth Process**

Team Academy uses the entrepreneurial birth process developed by head coach Johannes Partanen. It serves as a map which guides the whole community and which have attracted lots of attention abroad too. It shows one way of entrepreneurship, but it is up to the each individual either walk the road or not and how fast to proceed if road is taken. The process does not force to think in certain way but has good influence on ones action and learning processes. The key to learning is to do real cases with real companies and read awesome books. Theoretical frame has to be known before it can be practiced and reflected to the real business world. It is important to know, how to create customer relations in theory before doing it in practice. Companies make pilot projects with partners so they can show their skills before more difficult and larger projects are given.

Before the task everyone has to do self evaluation concerning the topics related to project. “Do I know how, do I dare, will I learn? Each completed assignment is assessed by using the so-called Motorola model: what went well, what went not so well, how can I improve my performance and what did I learn” (Kuvaja & Saurio 2004, 51)

“The pedagogic architecture is based on a learning organization, information theories, self-steering, team learning and shared values.” (Kuvaja & Saurio 2004, 51) The focus is on lifelong learning process for both the student and the coach. Each student makes a learning contract which is monitored and updated regularly. It is up to each student to consider his or her current competence and future learning competence. The key to success is hard work and commitment so everyone makes their own study plan and follows it. As there are no common theoretical lectures each individual student read between 20 – 25 books per year to gain the knowledge. (Kuvaja & Saurio 2004, 50-51) Team Academy is determined to share knowledge and help of establishment of similar business incubators internationally to several countries at Europe as well as Africa.

#### **4.1.2. Team Academy Model Compared to Business Factory Model**

Team Academy co-operatives make many more practical cases to third parties than co-operatives of Business Factory. Their know-how is better as they have operated since 1993 as BF has operated since 2005. BF has had many organizational changes in the past few years and the new concept is under development whereas Team Academy has operated with the same concept since birth. Students of Team Academy work full time and have no common theoretical lectures. Their ultimate goal is to have a trip around the world after graduation with earned money during their three and half years of studies. Students at Business Factory work part time or at free time with the projects. All the projects are up to each individual business idea which is supported by coaches.

Business Factory has in total two co-operatives compared to Team Academy's three to four are established each year. A student can earn 15 credits from BF and a whole degree with 210 credits at Team Academy.

## **4.2. Pro Academy at Tampere University of Applied Sciences**

There were four operating Polytechnics in Tampere when Pro Academy began. The pre-incubator process was given to one of those. There were around 4500 students at the selected polytechnic. During 1990s there was no encouragement towards students' practical entrepreneurship pedagogy so there was a need of a special line of new innovative studies where students could set up their own businesses. Pro Academy was established in late 1999 at the business unit of Tampere Polytechnic. (Kuvaja & Saurio 2004, 64)

### **4.2.1. Learning Process at Pro Academy**

A student can be accepted to the Pro Academy after first year of basic studies have been completed. During the first year applications can be sent to coaches of Pro Academy who then decide the selected ones through an interview process. Pro Academy provides the physical environment and innovative atmosphere for students to create something new. Students have been given both freedom and responsibility their own actions at co-operative. The aim is that students feel like coming to work at the office and seminars instead of going to a classroom in the morning. Learning is based on learn by doing principal which is commonly used in Business Incubator projects in Finland. Weekly schedule has a four hour training session twice a week where personal team coach is present. This training session includes topics of the co-operative daily activities with normal business activities. Studies set a total of 68 credit points where 44 credits are completed as courses and the rest are practical projects in a real business environment. 44 credits of courses are done by reading business theories and reflecting those in practice through essays. Each student monitors the progress made at his or her studies with help of training session log, study plan and personal portfolio. Feedback is collected from customers, colleagues and coaches to ensure personal growth and development. (Kuvaja & Saurio 2004, 63-65)

### **4.2.2. Pro Academy Compared to Business Factory**

Students at Tampere can be selected to Pro Academy after first year basic studies. This way a student is already aware of some theories so it saves the time of the coaches and other members. Pro Academy does also bit more projects to the third parties compared to Business Factory. The most of the students at Pro Academy are from Finland where as Business Factory has the advantage of international affairs. Many of BF students are from International Business study program so context is more international at Vaasa. If compared to Team Academy model and Business Factory model, Pro Academy is in the middle. Pro Academy studies are not as much as 210 credits of Team Academy but much more than 15 credits of Business Factory.

Major difference is feedback and how it is collected. I have been at Business Factory for two years and we have not collected direct feedback from coaches or colleagues. It is understandable partly due to the international context. We should practice giving both positive and negative feedback of our actions in a polite way which in the end allows personal growth and development as an entrepreneur and as an individual. This is where we could learn much from our partner network. Each TE receives, of course, feedback from our external customers concerning our products and services. I have seen that polite negative feedback is the best way of development and personal growth. I have used one tool with my good friends and after that our relations have grown. The tool is simple: I want the other person to tell me how he or she sees me as a person. I want to hear specially the negative side so I can improve my behavior. If we do not speak the complete truth about our business activities in this case then we are deceiving each other and that can result in a massive disaster in years to come. We could use this tool at Business Factory to explain the negative sides of business ideas in a polite way. This would not break the entrepreneurs' vision or hopes of successful business but provides the view of the reality.

We have visited Pro Academy once. Our co-operative Board went to Tampere and met some of their students. We spent one afternoon discussing and networking with them. We had ideas which to develop together but to match time schedule between two organizations in different cities was a problem. I truly hope we can go and have another meeting with them both at mentor level and student level. They have organized some event management and it would be good to learn from them about it. Some of Pro Academy students held an exhibition in Tampere where companies could come and recruit people for summer jobs. Also, there were several universities to promote their study programs. I was there with our school recruitment department in spring 2009. This event was called Rekrytori. ([www.rekrytori.fi](http://www.rekrytori.fi))

Hopefully in the future Business Factory could have a closer relation with Pro Academy and Business Factory. There could be a seminar once a year in Vaasa in the spring and one seminar in Tampere each autumn. This would make the partnership stronger in all levels. I am sure that students at Pro Academy would be interested in the import activities of Business Factory students. Our students would be interested in learning how to manage projects for a third party. (<http://www.proakatemia.fi/en/frontpage/>)



### **4.2.3. Helia Business Incubator Project**

Helsinki area has had several polytechnics over the years. These units were earlier Helia and Haaga which were united in 2007. Helia has had business incubator project even earlier than Team Academy in Jyväskylä. Helia project began in autumn 1986 with three participants and two Helia coaches who were from financing and marketing sections. Their first office was about 15 square meters but was changed to a four times bigger office after six months. Their office was open every day between 6.00-22.00 also at summer time, which is not the case in Vaasa. Between 1987 and 2002 the office remained the same but due to interest of students they needed to get a new office. It was opened in 2002 and had space around 250 squares. It was possible to have more than 15 operating companies in the office. Each company had its own office room to use. There were also two conference rooms, social room and one room for coaches.

The students were mainly operating with their own business and reporting to the coaches. There were also some compulsory meetings with the coaches once a month. These meetings had also external experts to bring new information for students such as bankers. Each participant was required to present a plan of a business idea and external reporting, the financial statement. Students were able to get total of 18 credit points from business incubator studies and additional 30 credit points of practical training from daily work with their own company. There has been between 10 and 20 companies each year at the project. Still there have been only two coaches with 50% weekly work hours each. Students were divided to three groups inside the project. The first group is for active students who establish a company during project. The second group is also active but does not establish a company within the project but out of it. Third group is older entrepreneurs who want to develop their existing companies with the help of the project. (Ylikerälä 2005, 149-151)

### 4.3. FINPIN Business Incubators in Finland

FINPIN network consist of lot of administrative level staff members from several Universities and Universities of Applied Sciences in Finland. The network has a few seminars each year where new information concerning entrepreneurship and innovation is shared. I took part of in the second latest seminar which was held at Jyväskylä on 24 to 25 of November 2009. This seminar was the first of a kind where present staff member from all the universities in Finland. I was probably the only student in the group. There was also SaTaVa project coordinator from Vaasa with me. SaTaVa is a project where three regions work together. There is Satakunta, Tampere and Vaasa. This project mission is to promote entrepreneurship at each University. (<http://www.opiskelijayrittaja.fi/>)

I got a lot of new information from the seminar and I learned how other Business Incubator projects operate in Finland. I heard what and how students organize seminars in Helsinki and how things are done in Järvenpää. The Minister of Education presented new information about Government strategic changes concerning operations of the Universities of Applied Sciences in Finland. By 2020 there should be 18 organizations where there are 26 organizations today. International co-operation is too small scale in Finland in general compared to other countries. The same is with growing enterprises and entrepreneurship in general. People are more interested in working for Nokia instead of establishing a Nokia or a similar economical tycoon. Entrepreneurship has been set as a part of strategy of every university in Finland. Finland will not raise from recession without good export activities. I also found out that every organization has very similar practical entrepreneurship activities in their content but the name is different. It seems like every organization just wants its own glory without thinking about possible co-operation to develop operations. (<http://www.finpin.fi/Suomi/Tapahtumat/Yritt%C3%A4jyysp%C3%A4iv%C3%A4t2009/tabid/10335/language/fi-FI/Default.aspx>)

## 5. Networking in General

International networking is daily at our university. (Most of the people do not understand how to network even we meet international students every day.) When I moved to Vaasa in August 2006 to study International Business I started to network at on the very first day. I was new in town and did not have many friends. I knew it right from the start that during my studies is the best way to network within people around the world. There are several theoretical frames for networking even though we network naturally when we face a new situation as one group.

### 5.1. Theoretical Frame of Networking used at Business Factory

Jukka Vesalainen presents many theoretical frames of networking in his book “*Kaupankäynnistä Kumppanuuteen 2002*”. My focus is on *social psychological point of view* as it is closely linked at BF’s daily operations.

#### 5.1.1. Social Capital Approach as part of Social Psychological point of view

Social capital is based on relations between persons. The quality and richness of relation have a positive impact on the goals of both parties and opportunities for success. Social capital approach has three dimensions. *Structural dimension* refers to situations and habits when both parties are in interaction with each other. *Nature of relations* is about quality processes within the relation. The most valuable of these processes are trust and credibility. Third dimension is *cognitive*. Here both parties establish a shared vision and awareness of goals and strategies to reach the shared vision (Vesalainen 2002, 25) Social capital can be created at individual level, organizational level or even at society level.

Each individual contributes their piece of social capital for the use of social network. Individuals each organization has social capital to use for the good of organization’s goals. These pieces of social capital are the key elements for the line of business of the organization. (Vesalainen 2002, 26)

Within Business Factory these three dimensions are modeled in practice. Structural dimension comes alive when Brainstorming sessions take place. (See chapter 3.3.1 for Brain Storming) Structural dimension is present every day when people work at Business Factory. There are several cultures and habits colliding each day so it prepares students to solve similar situations later in their career.

Nature of relations is linked to structural dimension as those go hand in hand. Overall nature of relations is always active and is not bound to the actual office where people work. It is present at the lunch area of the university. It is also present at the nightclubs during weekends when the same students meet in their free time activities.

Cognitive dimension is also connected to the daily activities as students work through a co-operative company which they have established together. Here I mean the group of international degree students who established BF-Global co-operative. The company is for real and not just for study purposes. It is an opportunity for them to begin with own business idea and develop it as they learn new skills at normal classroom studies. The company operates under Business Factory influence but it is owned by students. The entire decision making is within the members of the company while coaches have the right to be at the meetings but they do not give their opinion as long as decision making goes as it should. Students gain lot of information and they learn together. They learn about practical business in Finland as well as about cultural differences among them. This learning process is important for each member as well as for the organization as one. Each member gains skills which they could not learn in normal classroom studies. A normal classroom lesson takes around ninety minutes where students do not interact with each other as much as they interact in their own cognitive environment, the co-operative company.

The process of communication inside the co-operative is unique and students learn to respect the rules, norms and mutual trust. Recently this step has been removed at Business Factory as company establishment took lot of resources and time due to paper work with the PRH. This means that the students do not

establish their own new co-operative but they become a member of the existing co-operative.

Dialogue and discussions are needed to make everything happen. We need to listen to what others are thinking and discuss our own view. Peter M Senge (1990) opens dialogue and team learning in a way which can be seen in Team Entrepreneurship education at Business Factory. He writes about a frame of System Thinking which is seen as a body of knowledge. *Personal Mastery* is the process of personal learning within individuals in a network. Senge sees this as a tool of organizational learning as well. Individuals are the organization and this way the whole organization can learn from this. Personal Mastery clarifies and deepens our vision and makes us focus on the energy, become more patience and seeing reality more objectively. *Mental Models* is how we see and understand the world. Entrepreneurship education holds an old tacit model of how students were educated in the last Millennium. New model of learning organization cause a conflict with old powerful model and practices fail to become real. Mental Models are also personnel related. *Building Shared Vision* is, according to Senge, very difficult. All personnel of the organization are not given the opportunity to influence on vision which is against the principles of organizational learning. Usually it is up to senior management to establish the vision where to reach but it might not motivate everyone except the powerful leader. *Team Learning* is difficult with people who are different than us. (Senge 1990, 9-11) Today many organizations consist of teams and companies are looking for team players as one of their criteria of recruitment. As Tero J. Kauppinen reveals that team operates more efficiently when members are different from each other. 25 % of team members could be similar as me but other 75 % should be different. (Kauppinen 1997, 114) Team learning is about finding the path together without reaching the end. The process is always developing. There are some critical dimensions in Team Learning.

First team members have to think insightfully about the complex issues of the organization. Teams have to learn how to use tacit knowledge of many minds and operate as one. Secondly there has to be innovative and coordinated action within

the team. Information flow has to be known by everyone so the organization would have trust within. Thirdly the roles of team members in other operating teams have to be known. Most of the operations are carried out in other teams than senior management who sets the strategy so that other teams have to operate as planned.

This is where all the teams need dialogue and discussions. The most important process at team learning is process of dialogue and discussion. Usually these terms are seen as one but there is a major difference within. Dialogue is normally seen as discussions between two parties. This is twisted point of view. Senge sees dialogue as thinking similar way or thinking together instead of just speaking together. We all have own opinion but in dialogue we need to learn how to suspend our own view. Dialogue needs three aspects in order to be successful. There are suspension of own assumption, equal team members without titles or positions inside the organization and one facilitator who holds the context of dialogue. In order to learn from dialogue teams need to reflect the learning process after the situation is over. Discussion then is the mode where we present and defend our own view and try to find the best solution as a group decision on each case. Team learning requires learning how to understand and to deal with powerful opposing forces that are against dialogue and discussions. All this needs practice. Every musician has lot of rehearsal before the actual concert. Like Austrian ski jump team members said that they have practiced lot past four years before Vancouver Olympics 2010 in order to success. Not many organization think this way as results are needed fast (in this winner take all society). This is how Senge sees system thinking within organization. (Senge 1990, 236-249) In the Team Entrepreneurship study module of Business Factory there is no such a rush and results are not needed immediately. According to Johannes Partanen, Senior Coach of Partus Oy, it takes several years before a group can be called a team. The aim is that students operate within teams and try to team up with others who have a similar idea or skill required in order to succeed together.

So far this has working quite well in some groups which in the future can be called teams but there are also some lonely wolves that operate better alone.

## 6. Knowledge Share & Management

The biggest assets' of people working at Business Factory are intangible assets. Everyone has some special know-how to share with each other. Some are specialized on computer programs and others have specified language skills such as Chinese. I go through a theoretical frame where these intangible assets are divided under three main headings. Each main heading has several sub headings. I also go through Nonaka I & Takeuchi model (1995) of Japanese company creating competitive advantage from knowledge sharing. This will open to the reader this theoretical frame in practice and how company can benefit from this.

### 6.1. Intangible Assets Frame

The concept of intangible assets has existed for a long time but the content is not defined very accurately at business life. The problem has been that there have been too many options in terminology and these assets have been co-ordinated with each other even the message is different. Intangible assets are all the assets of the company which are neither financial nor physical. It is these intangible assets that usually create added value to the customer. These assets can be dividing in three main headings. These main headings are human capital, structural capital and relation capital, as shown in figure. (Röös, Fernström, Piponius, Rastas 2006, 13)

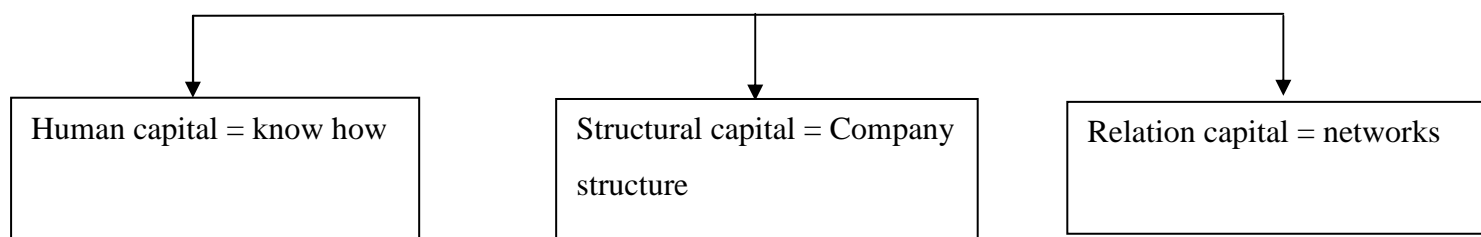


Figure 8 Management of Intangible Resources (Röös, Fernström, Piponius, Rastas 2006, 13)

### **6.1.1. Human Capital**

Human capital includes personnel *know-how* where personal knowledge becomes an asset. The company is able to use personnel knowledge for its own use when this knowledge can be referred to job description. *Experience* is another form of human capital. We all have some experience from our past and this experience is valuable anywhere we go. This experience is usually on our CV. If it is said the CV is not returned then management of the company has the knowledge of your experience before you begin your career. The company does not own experience but it can be controlled by agreements like the example above. *Capabilities and attributes* are individual assets which we all have. Someone is good with numbers and another one is good at languages. Every employee has something to give for common good which is how at our Business Factory operates. We have people with different skills and through project work together these attributes and capabilities come up and can be used to reach our targets. (Röös, Fernström, Piponius, Rastas 2006, 13-14)

### **6.1.2. Structural Capital**

Structural capital is the company structure and how it operates. These include management selection process, company systems, daily operations, intellectual property rights, branding of the company, reputation and organizational culture. Usually all of these are owned or at least controlled by company which operates as a juridical person. Reputation is based on the view of external interest groups view. These groups can be investors, customers, owners etc. Organizational culture is internal and has the images and opinions of the employees. (Röös, Fernström, Piponius, Rastas 2006, 13-14)



### **6.1.3. Relation Capital**

An organization has relations to their interest groups at management level. Each employee has also personal network which comes through mainly hobbies. I know a football society in my hometown Iisalmi where everyone is able to join by paying a fee. This society has men and women aged 16 – 65 and everyone is interested in playing football. There are managers of several local companies, local politicians, police officers, teachers and students who have same interest. Through this society it is easy to expand personal network which is similar to golf clubs. Lot of members from every level of society is interested in the same hobby. These personal networks come useful when it comes to business relation. If you already know the person through out of office activities then you have an advantage towards competitors who do not know the person in advance. All these three intangible main headings are present at Business Factory's daily operations. Relation capital is the biggest of these as there are many foreign degree students who participate in the project. Every one of them has a personal network at home which is important factor in business. One of my friends, Emmanuel, who comes from Ghana, has family and relatives there who are able to help him to import products to Vaasa or find suppliers for him. The same goes with all of our members but we have the whole world covered. People come from Ghana, Nigeria, Taiwan, China, Russia and several other countries. They have knowledge of local business culture and local language, which is a huge asset later if they establish their own company or work through co-operative company here in Vaasa. Our second greatest intangible asset is human capital. Through mixed teams personal knowledge arises and team work gets better. Of course, there can be some setbacks as Finnish people communicate with foreigners who have different background and values than we have. Business Factory is the place where this mutual respect can get stronger through projects together. On 31<sup>st</sup> of October 2009 Vaasa's hockey team Sport played against KiekkoVantaa. One mixed team of Business Factory's students went at the arena to promote nail printing, which is offered by one foreign degree student who has graduated from

Vaasa University of Applied Sciences. She was a member of BF and now works as a full time entrepreneur.

## **6.2. Nonaka I & Takeuchi, Japanese Model of Knowledge Share**

Nonaka I and Takeuchi reveal in their book (1995) why Japanese companies have been and still are successful even through recession. The solution does not come from normal factors such as labor force, income and machines but instead from the talent and innovation of information which creates new services and products at organization level. After Second World War Japan was in ruins and American companies produced products to the mass market. Japanese companies had to develop something new in order to survive and they became market leader of sniffing new market solutions over the years. How did they manage to do so? Japanese have found a solution to combine organizations' external and internal information for common use. External information is spread widely for everyone and employees are able to use shared information databases. They are good at translating external information to internal information and towards common good. It is not like western style of information share: "I can use information for my purposes only". This tacit knowledge is emphasized more widely along with co-workers. Tacit knowledge includes technical skills, believes and hopes of the bearer. Even it is not easy to measure, it still shapes the organization view towards business. There is invisible information inside all of us and it requires someone to find it out and translate to explicit knowledge. This is what authors refer to as information creation within organization. This model reveals an organization as a living and breathing individual compared to machine model of western societies where every person does only the task given by the supervisor. Idea of tacit knowledge opens new window to review organization from another point of view. Here innovation process is not just replacing pieces of information. It is a unique and an organizational renewing process. Personal attraction to company vision and mission creates the base of operation where new innovation is not just personal goal of R&D department but the process of every member of organization. Innovation is about how to create a world or organization towards the vision.

Innovating new ideas is not just learning from others but instead of repeated interaction between members. The process is the same for everyone from employees to middle management and all the way to the top executives.

The task of the top executives is to create the vision from the collected information of all members. Middle management operates as a bridge between employees and top executives operating both ways. Middle management can be seen as collectors of tacit knowledge. (Nonaka I & Takeuchi 1995, 3-19)

### **6.2.1. Knowledge and Leadership**

In this chapter different information of philosophies' of western society are compared to Japanese philosophy. Western philosophy is based generally on the work of Plato, Aristotle and Descartes. It is common to search for the truth either rational or empiric way. Rationalism is to search for the truth without physical findings and empiric through sensation. Descartes founded the view of dualism where body and mind are seen as separate phenomenon. Separated phenomenon are also subject, I and the object, others. This information is based on processes of our mind. This belief is still very dominating in western philosophy even researches like Karl Marx have tried to synthesize dualism. American pragmatist John Dewey's interest was to merge knowledge and action. Japanese tradition has three typical elements which are community of human and nature, community of body and mind, community of I and others. Concept of these communities lives strongly at Japanese behavior which helps sharing of tacit knowledge or at least speeds up the movement towards common goal. When a Japanese person goes to work for someone else he practically works for himself. (Nonaka I & Takeuchi 1995, 20-55)

How western dualism has affected in organization theories and managerial processes? None of the famous philosophers has an argument for the innovation that people could together set a vision and try to reach it. (Philosophers and researches are just fighting on whose findings are the right ones and this has been case for hundreds of years.)

In the 1980's when networking between companies began more widely and there was a business strategy old school trying to understand how companies build their competitiveness in a long run. This forum has stayed mainly for executives so even today strategic visions are seen only suitable for people in management position. A new synthesis between knowledge and action was created by Peter Drucker (1909-2005). He was the man who invented management. Drucker wrote about contribution of knowledge workers in the 1970s, which was long before anyone knew or understood how knowledge would become as an essential asset just like raw material of the new economy. (Business week magazine 28.11.2005, found 11.1.2010 [http://www.businessweek.com/magazine/content/05\\_48/b3961001.htm](http://www.businessweek.com/magazine/content/05_48/b3961001.htm))

### **6.2.2. Theory of Knowledge Creation inside Organization**

Knowledge creation has been recognized in two levels. These levels are ontological and epistemological. Ontological means here that only individuals operate as providers of knowledge. Organization either supports individual knowledge or makes it possible. Epistemological is here more about tacit knowledge which is personal knowledge, context based difficult to communicate or formulate. Michael Polanyi (1891-1976) used term of *tacit knowledge* to describe knowledge creation. (Found 10.11.2009 <http://www.infed.org/thinkers/polanyi.htm>) Knowledge creation is about interaction between tacit knowledge and explicit knowledge. From this interaction four combinations can be separated. 1) Tacit knowledge translation to socialization. 2) Tacit knowledge transformation to explicit knowledge such as outsourcing. 3) Combination of explicit knowledge to explicit knowledge. 4) Explicit knowledge to tacit knowledge such as internalizes information. Socialization process is exchanging knowledge and creation of common models for both parties. This is like master/apprentice model. Outsourcing process here means finding of common language to communicate. Organization tries to find

economical language which every member of organization understands and miscommunication can be avoided.

Combination process is the integration which is usually the task of middle management. Information flow is high so it needs to be coded to match with the vision and strategy set by top management. Internalization of knowledge is a process where explicit knowledge is translated back to tacit knowledge. This is sometimes seen as learning by doing model which is used in many organizations in FINPIN network as well. Socialization process begins with creating the atmosphere where members of an organization can interact. This helps people to open up and feel innovative. Outsourcing process consists of interesting dialogues among members. Combination process wraps up the information flow of management and employees to match the pre determined vision. At the end Learn by doing process makes all previous processes possible to understand and adapt to daily operations. It also makes the cycle start again and this cycle can be called *spiral of knowledge*. So which facts make this spiral possible and operational? Writers of the book proposed five different facts. 1) Organization needs an intention where to go and commitment to it. 2) Teams those are able to operate independently. 3) A chaos situation where old habits and concepts are reconsidered. 4) Out of office situations with co-workers which are not directly linked to the company's daily operations such as sauna parties in Finland or dinners in Japan. 5) Flexible information channels and non restricted opportunities for using this information. (Nonaka I & Takeuchi 1995, 56-94)

### 6.2.3. Knowledge Creation in Practice at Business Factory

Authors of the book had a case of car industry in Japan where the previous model was implemented. I will implement this process to our Business Factory studies and open it through a Brain Storming session. Here is a model of the process of previous theory to make it visible.

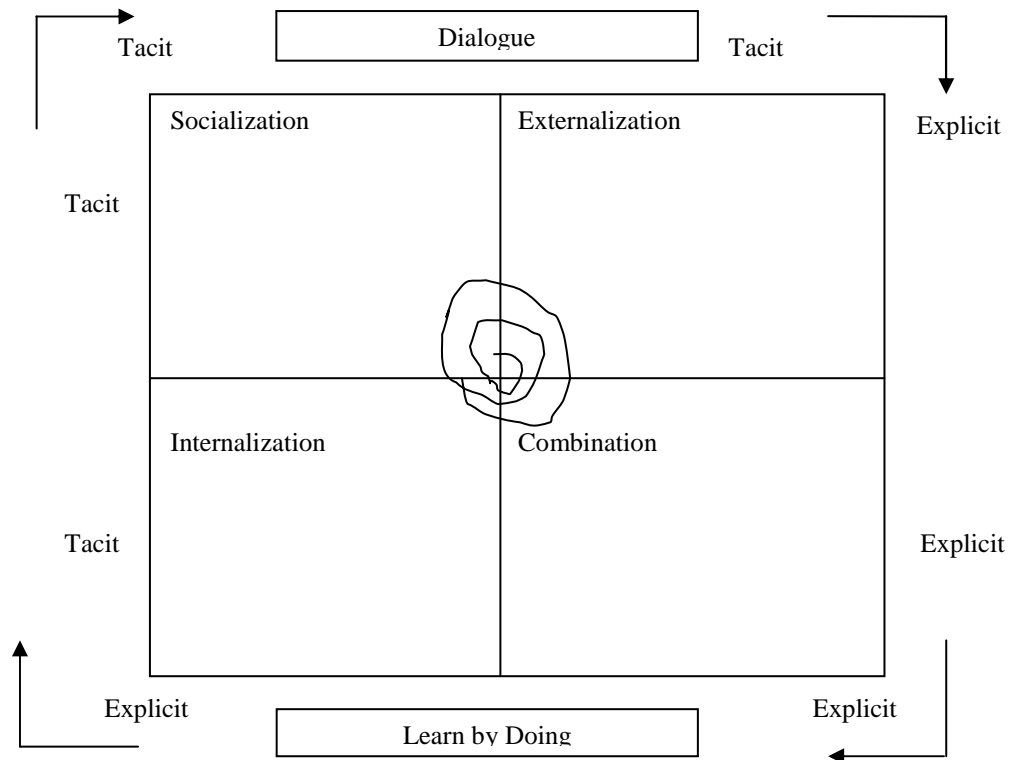


Figure 9 Nonaka I & Takeuchi 1995, 62

The whole process begins when people join Business Factory. They have knowledge or experiences of some process but they do not know how to reflect on it. There was one case of Lee's nail printing services and its promotion in our BS session on 26<sup>th</sup> of October 2009. One member of the group had tacit knowledge of the potential customer and how to deal with them. He was not an actual entrepreneur and he brought the idea up at the session. This is the *socialization* part.

As he gave the idea to the group the knowledge transformed to explicit knowledge as others began to develop the idea. The actual idea was to promote Vaasa's hockey team Sport at their home game by printing the logo of the team to nails of spectators. This is the *externalization* part. When the idea was developed by the group then it was time for a meeting with customer, Vaasa's Sport. They gave their own ingredients as they offered an opportunity for video commercial and voice commercial at the game. This time the group brought another member who had explicit knowledge of making these commercial videos. This was the *combination* part as the actual idea was transformed to be a part of the larger concept. After everything was ready and agreed it was time to learn by doing. Our promotion team of Lee's nail printing was promoting their customer Vaasa's Sport on Saturday 31<sup>st</sup> of October 2009 which was five days later when idea came up. On Monday 2<sup>nd</sup> of November 2009 was time to wrap up the experience and go through what was good, what could be improved for next event, what problems came up and what did we learn from this. This is the *internalization* part of the model as group has now their own experiences of running an event. Now the cycle starts from the beginning with a new idea and new knowledge. The tacit knowledge of the team now passes to others by documentation so a new group can learn from the previous experiences and use it on their cases at BS sessions in the future.

#### 6.2.4. Management Process for Knowledge Creation

Traditionally we know two approaches of knowledge creation in Finland. These are up-down and down-up models. Up-down model is very traditional where individuals in management position give directions, orders and concepts down to employees to live with. This model was seen the most harshly in the Revolution of France in 1789 when royals were hunted down and executed due to their up-down policy towards farmers (employees). Down-up model is more used these days where employees develop company even more than management. This can be seen at industrial level where engineers create something new for the company and company changes policy due to most recent information.

Japanese organizations have also a third model which is widely used. This model is called middle-up-down model. Their middle management is in a key role of integrating the knowledge of both employees and top management for use of the organization. These middle managers transform the knowledge of the employees “what is” to top management “to be”. Middle management also offers frames for employees to implement their tacit knowledge for common good. Nonaka I & Takeuchi bring a solution to their own theory through an example of “knowledge creating crew”. (Nonaka I & Takeuchi 1995, 151) They write about *knowledge practitioners*, *knowledge engineers* and *knowledge officers*. Knowledge practitioners are set to be front-line employees and line managers. Knowledge engineers are middle managers and knowledge officers are individuals in top management. Very common for knowledge practitioners is daily operation with customers. They are like librarians with lot of tacit information which is used if situation requires. Knowledge practitioners can be divided into two sub groups. These groups are operators and specialists. Operators are the ones with tacit knowledge and specialists transform tacit knowledge to explicit knowledge for example by testing. A good example of this is car industry where a new car model is invented by one group and tested by another. Then feedback is given back to operators and improvements take place. Line managers’ task here is to accelerate the process and make sure that everyone follows the plan.



Knowledge engineers in the middle management are in a key role as I have mentioned earlier. Still today their work is not appreciated that much as credit goes to top management (and their wallet). Knowledge engineers try to bring balance between chaotic front-line business and top management wandering from one meeting to another and being visionary. Knowledge engineers main task is to bring all four aspects of knowledge creation to understandable forms. Knowledge officers are responsible of whole organization, their know-how and financial situation. Sometimes it seems like they are just wandering around but their responsibility is high. An executive who is aware of knowledge creation and middle-up-down process is more likely to gain better results than up-down manager or down-up manager. I would like to see a manager with middle-up-down view to work as Human Resource Manager. (Nonaka I & Takeuchi 1995, 124-159)

### **6.2.5. Global Organization Knowledge Creation**

I see the model of Business Factory very similar to the presented middle-up-down model. There are very global students operating together and many of them have left Vaasa after graduation. I see the role of coaches to create a report of all the knowledge creation that has happened in their premises and update it yearly. This report could be then given as a value added tool for future students so they would not make the same mistakes again but would be able to develop the concepts even further. A vision is to mix the teams with Finnish students and International degree students to create know-how out of the box. It is important for students to network during their studies. A good network is an advantage no matter which field of business our students work with after graduation as there is no more just one country where to operate but the whole global world as one business area. Writers of the book use Japanese car industry as an example of this global organization knowledge creation. The book is written on the view of Japanese excellence only, so I use my example of a more global than just one nation's view.

## **7. Summary of Theoretical Framework for Empirical Case Study**

The previous chapters were about the entrepreneurship, knowledge share, social capital and Business Incubator project in Vaasa. The focus was to show students, what they can participate, learn and achieve through Business Factory studies. As I have been active in BF for almost three years I know what students can learn from this and I hope in the future more students will take part in this great project to educate themselves more. Chapter 4 was about national partners who generally have practical business studies in Finland. Today business is global and due to time differences it is possible to do business 24 hours a day. This is where we all need good networks. I am a very practical person which can be seen from this theoretical study. There are a lot of my personal opinions and experiences included what I have done here during my studies. Theoretical main concept was Nonaka I & Takeuchi Knowledge Creation model which I refer to in the empirical case study.

The case study is about Foreign Degree students and their integration to Finnish society during their studies and after graduation. I chose to concentrate on one Team Entrepreneur who comes from Ethiopia and has participated in Business Factory for several years. There is no theoretical chapter about integration itself in this thesis even it is huge topic all around Finland and the World. Hopefully other researchers write a Master Thesis or Doctoral Thesis about it. I am looking forward to my empirical case and the results. At the beginning of next chapter I explain the case study and the chosen methods.

## 8. CASE STUDY

When I started my thesis I had a vision of collecting information from many graduated foreign degree students who have participated Business Factory during their studies. I planned to have group interview with the ones who are still at Vaasa and an online interview with people living outside of Finland. I believe this would have given me very similar answers without depth knowledge of the actual BF process. After I did not receive answers from my focus group I decided to change the method and concentrate on the entrepreneurship process of one graduated student who comes from Ethiopia. Her name is Hilina Gizaw.

The focus of case study is the phenomenon of real life situation and reveals the decision or decisions made by the respondent. It also reveals the deeper meaning of the decision and why it was made, how decisions were implemented to her operations and what the result was. This case study does not concentrate on generalization but to individual development. (Yin 2003, 12-14, 30-31)

I chose to have a narrative in-depth interview with her. We discussed for three hours between 14.30 and 17.30 on 29<sup>th</sup> January 2010 where the respondent reminiscent about her business idea development within the five year period between 2005 -2010. I knew this person beforehand as we have been working through the same co-operative company so we had good dialogue and discussions when memorizing the past. Dialogue is important at narrative interviews where the researcher gives the respondent time to memorize their own past and gives opening question to unlock the memories. It also helps to verify the validity and reliability of the collected data. I found the actual method from Harri Jokiranta's Academic Thesis published on 2003 in the department of Social Sciences at University of Tampere. His Academic Thesis was called "It's a Man's Life – Men in Rural Areas Narrating Their Lives." (<http://acta.uta.fi/pdf/951-44-5798-6.pdf>) Jokiranta uses term "Life Line" to demonstrate the results of the narrative in-depth interview. (Jokiranta 2003, 143) This way the reader can understand the text more easily and can empathize with the role of the respondent. I found this method very interesting and decided to practice it on my case study.

I present the memories of one foreign degree student's life in Finland and how her entrepreneurship awareness and business idea developed during the stay. I try to demonstrate the role of Business Factory's social capital and networks as key elements at the process of knowledge share and development of business idea.

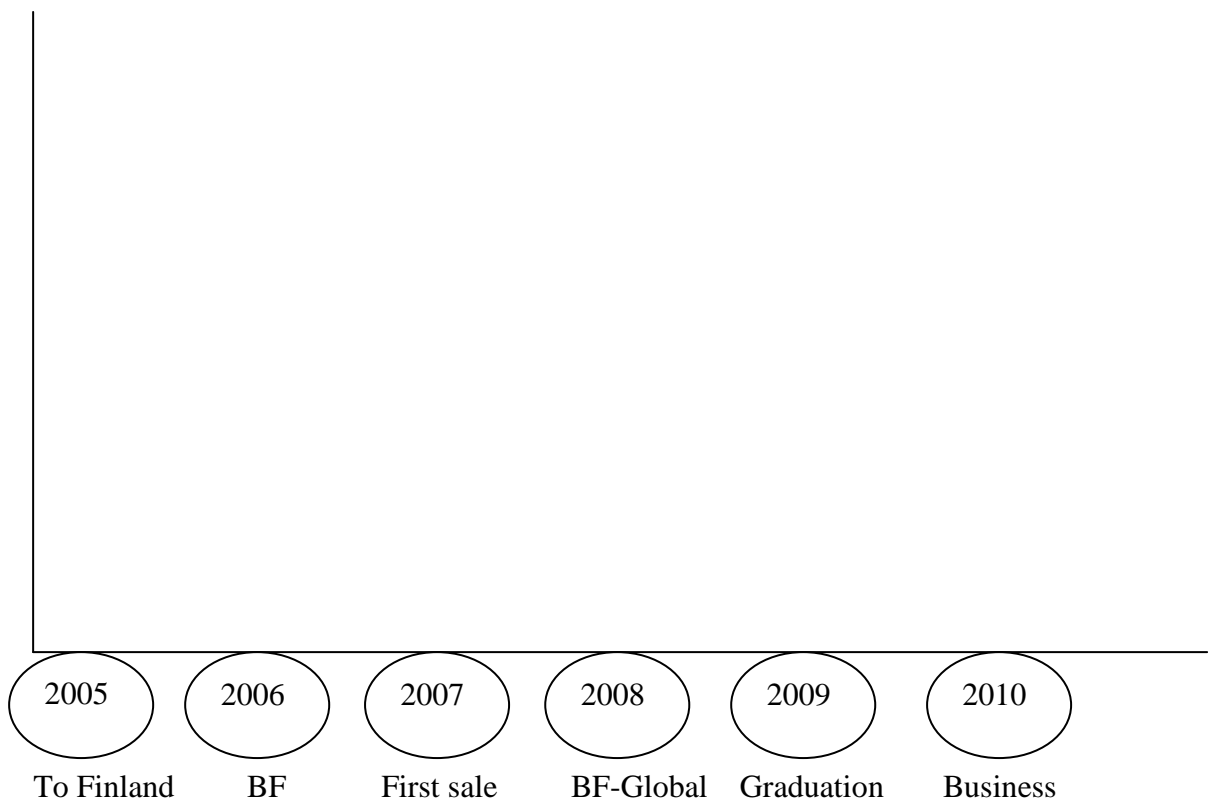
### **8.1. Narrative In-Depth Interview**

Think about a movie and a love story called Titanic directed by James Cameron. The movie came out in 1997 and the main leading actor was a young rising star called Leonardo DiCaprio. His opposite as the main leading actress was Kate Winslet. Their characters had a love story on a ship of dreams which sunk down to the bottom of the Atlantic Ocean after hitting an ice berg on 15 April 1912. At the beginning of the movie a 100 years old woman named Rose Calvert tells a story to her granddaughter about the Titanic's first and last voyage. She tells about the departure of the ship and people she met until the disaster of Titanic. Almost the whole movie is a flashback of Rose's life and how she survived the disaster to tell it years later to her granddaughter.

This is a very good example of narrative in-depth interview where one person tells her story from point A to point B within a certain timeline. Even in the early writings of Aristotle the term narrative comes up. According to him different goals in the story turn the story into a plot. An episode at the beginning causes the episode in the middle which in the end causes the final episode (Chandler 2002).

## 8.2. Entrepreneurial Line of Hilina Gizaw

This timeline reveals the main topic for each year in the respondent's life in Vaasa. In the next chapters I open up each year separately and reveal the hidden agenda about what else happened during these years and who were involved in different occasions. Some of the topics concern the increasing of her entrepreneurship awareness and development of business idea. Other topics are then about the basic life of a foreign degree student in Finland with daily difficulties and lectures at school. The main focus is on the development of a business idea, increase of social capital, networking and knowledge share. One very important factor is the people she met during the years and how they influenced and encouraged her to focus on entrepreneurship as a career choice. I learnt new things about my friend and her background which helped me understand her behavior in a different way.



**Figure 10 Entrepreneurial Line of Hilina Gizaw**

### **8.2.1. Coming to Finland in 2005**

Ms. Gizaw comes from Ethiopia where she studied one degree in Marketing Management at University of Addis Ababa. She applied to several universities in Finland before she enrolled in Vaasa. Before applying to Finland she was going to study in the USA as she saw some youth series of colleges' and universities in the USA on TV. She found out that it was too expensive to study in the USA, around 30 000 USD per year. Her friend told her that education is free in Finland if you are admitted to a university. It was VAMK who offered an opportunity to have entrance exam at home with a phone interview. Other universities would have wanted her to write an entrance exam in Finland, which would have cost too much for her budget. She was granted a study place and right after she started to look for information about Finland as she had no idea what to expect.

Ms. Gizaw arrived in Finland and Vaasa in autumn 2005. She was staying at home in Ethiopia but now it was time to survive alone in a new environment where people spoke a different language. She arrived when school had already started, so for the first few days she had to find the school and attend the lectures as well as trying to learn more about the city of Vaasa. She did not have many friends at the beginning and she felt home sick and a bit sad. School was something she enjoyed every day and making friends with foreign students in the same situation as she was, as a result, her network started to expand within the first days. After a few months her friend introduced a Finnish family to her and they let her live at their place for free. Foreign degree student cannot receive governmental support as we Finns do so their expenses are higher and all have to paid out of own savings or by getting a job. It was difficult to get a job in Vaasa so she decided to move to Helsinki to apply for a job. She got a job from housekeeping but her wage was low as she did not have understanding of the Finnish law so she felt like being used. Ms. Gizaw used to spend holidays in Helsinki with her friends and attending Ethiopian culture days where she met new

friends from her home country. This was a relief for her and gave new strength to overcome the loneliness in Vaasa.

### **8.2.2. Business Factory Studies at 2006**

While Hilina was working in Helsinki in spring 2006 at housekeeping eight hours per day with a low salary she got an email from Timo Malin about Business Factory study opportunity. She became interested in being an entrepreneur and trying new things in her life. Business Factory was full during the spring but in autumn 2006 she was accepted to begin her fourth module studies at BF. She had an idea of an Ethiopian safari with local coffee. During one Brain Storming sessions she presented her idea to the others. The sessions took place at Business Factory's old office which is now used by VAMK Administration. There were other students also at the sessions. There was a guy called Viktor from Nigeria, Matti and Riku from Finland and two Chinese girls called Jessie and Joy. There was also all the coaches of BF present. Her idea got support from Karl-Johan Smeds as the idea was new and innovative. Osman Nalbantoglu thought it was a crazy idea and a very big project to start with low resource. After good feedback Hilina started to look for more information about Ethiopian coffee and the safaris. During the first year, 2005, Hilina attended a basic entrepreneurship course held by Dr. Nalbantoglu. She thought it was fantastic and she attended every lecture. The lectures had influence on her decision to attend Business Factory and after each coach held training hours each week she got more feedback on her idea. During 2006 all the coaches had three hours per week so it was a total of nine hours of BF studies each week. According to Hilina the BS sessions were the best time at BF as new ideas came every time and people had fun planning future businesses with coaches. Each coach had he's own specialty to teach. Dr. Nalbantoglu's segment was entrepreneurial thinking, Mr. Sabel had marketing research, Mr. Smeds had B2B marketing and Mr. Malin had company establishment. When Christmas break got closer and there were no more exams Hilina went to Helsinki to work for a post office. She met a travel agent who has been in Ethiopia and they had discussions about the business idea of a safari.

After finding that the safari idea would be difficult to arrange it was time to concentrate on the coffee import. This started a whole new era in Hilina's life. A new BS session was arranged as more information was gathered and customers' expectations were analyzed. Her sister came to study in Oulu in autumn 2006, which made Hilina very happy and she helped her out.

### **8.2.3. First Coffee Sales at 2007**

It was spring 2007 when another Brain Storming was arranged around the Ethiopian coffee. This time Hilina had samples and everyone had an opportunity to taste this new coffee. Mr. Smeds and Mr. Malin gave help to Hilina in a different ways. Mr. Malin gave Hilina access to LISSU business plan tool and Hilina was able to start to create a real business plan. (<http://www.vasek.fi/aloittava-yrittaja/>) Mr. Smeds knew the people who were coming to a KESKO event in spring in Vaasa and Hilina got an opportunity to test her coffee with real customers and receive feedback. Her feedback was not that motivating and she needed to refresh the business idea. The target market was companies such as cafeterias to sell bags or beans but those already had an agreement with other suppliers so it was time to modify the coffee to sell it per cup to consumers. There were some quality issues with the coffee and international calls became very expensive for Hilina. This made her sad and she was thinking about leaving everything behind and going home and opening her own coffee export company in Ethiopia as it would have been easier and cheaper. Studies were hectic and she had to stay in Finland in order to pass the courses. During summer 2007 Hilina made her first sales at women running event which was held in Hietasaari in Vaasa. She sold coffee to spectators. Many of them came to have another cup too, so it had a very positive impact on the development of her business idea. The rest of summer went in Helsinki where Hilina was working at a restaurant. She tried to make a deal with the manager but they also had a binding contract with another supplier so here was no deal for Hilina. After the summer Hilina spent one month at home in Ethiopia and gathered more information about the coffee manufacturers. She came back to Finland in September 2007 when Business Factory was re-opened with new people.



There were Emmanuel and Festus from Ghana, Yi Guo, Chenxi Hu, Tommy and Li Rowland from China and Finnish students Riku Happonen and Sebastian Höglund. There was also a Russian girl called Margarita. During first training hours Hilina updated her coffee idea with coaches, especially so with Dr. Nalbantoglu.

It was time to sell the coffee with packages instead of per cup. Hilina also brought few packets for her own use and for her friend in Helsinki who became Hilina's first customer of packet coffee.

#### **8.2.4. Establishment of BF-Global Co-operative at 2008**

I remember the establishment of this company very well as I was the one who took care of the paper work and the bureaucracy of establishment. I was away some months in autumn 2007 as my left ankle was broken. When I got back from sick leave I found out that others were thinking about the business ideas but there was no company. We finally got official papers in March 2008, which gave all of us an opportunity to do official business and pay taxes through the co-operative. This made all of us more professional and real entrepreneurs with risk analysis and daily business decisions. We had to decide who would be the Board members. We chose Sebastian Höglund, Emmanuel Yakah and Hilina Gizaw. Chairman of the Board was selected to Riku Happonen.

Year 2008 was interesting time for Hilina too. She got new customers as the university student union VAMOK ordered few packs for sport event. ([www.vamok.fi](http://www.vamok.fi)) There was going to be an Ethiopian event in Vaasa and it was arranged at Mirahouse. The Manager of the Mirahouse became interested in Hilina's coffee and also bought a few packs. Our university Student Counselor Hilikka Vuorensivu helped Hilina to plan her studies and also gave positive feedback about the coffee. In January 2008 Hilina got a practical training place from ABB.

She worked on a project of customer relations for eight months and she got paid salary during the project. After work she joined others at Business Factory to learn more about entrepreneurship while writing her thesis too. She was a busy woman during 2008 and after the practical training she went on a holiday in Italy with her friend to relax. They had a common interest in a coffee shop concept as they spent lot of time at cafeterias in Milan. After coming back from the trip Hilina made her first purchase and imported 200 kilograms of Abyssinian organically grown coffee.

Now she faced a new situation and learned how to operate with Finnish Customs and what kind of papers to fill in order to get the coffee inside the Finnish borders. This was a peak of her business so far.

It was August 2008 when the coffee arrived. As Hilina now had 200 kilos of coffee to move around she needed to get new customers and it was impossible to carry the coffee by bike so she applied to a driving school and got the driving license. This was a huge expense for her but luckily she had saved some of ABB:s salary to buy it.

After getting the driving license Hilina went to buy a used car to take care of logistic problem of her business. For Christmas 2008 Hilina was planning a gift basket with Emmanuel. They were planning that the basket would include one 250 gram packet of Hilina's coffee and some chocolate from Ghana which was Emmanuel's idea. There would also be a bottle of Finnish Christmas drink, glögi. The idea was innovative and got good feedback but suddenly there was a problem which ruined the idea. The Ghanaian coco chocolate had to pass quality inspection in Finland and it would have never made it by Christmas and to the customers.

### **8.2.5. Expanded Network and Graduation in 2009**

Year 2009 was very busy for Hilina. She participated in a business idea competition Chance and developed her business idea with new experts from Vaasa Science Park. Mr. Seppo Luoto and Mr. Andre Österholm helped Hilina more towards a real business. Hilina's idea was good and she was rewarded 800€ at the competition. Hilina participated also in Speed Dating program which was held at Wärtsilä Hall in Vaasa's Ylioppilastalo. Business Factory office was located for a short period of time at Vaasa's Ylioppilastalo on the second floor during spring 2009. Mr. Luoto helped Hilina to contact local business development agencies like VASEK and Finnvera. VASEK develops businesses in Vaasa region and Finnvera grants small loans for new start-up businesses with smaller interest rate than banks. Hilina also started to export cars to her home country as an agent. This and coffee import made her to travel back and forth between Vaasa and Helsinki. In Helsinki Hilina had a meeting with representative agent of Stockman chain who were interested in getting the coffee at their store. This is still an ongoing project. Hilina was working at Åbo Academy's kitchen as a Kitchen Porter during 2009 as coffee did not sell that well and she needed to make a living some way. May 2009 was the month Hilina had been waiting for a long time as it was her graduation. After graduation she was thinking about finding a professional job in Finland but it was difficult due to fact that her Finnish language skills were not on the expected level and it is almost impossible to get a job without any Finnish knowledge in Finland. She started to design clothes as a hobby and maybe her designs will be seen on the cat walk in the years to come. Hilina made the decision to concentrate on entrepreneurship and her coffee which got good feedback from several people who tasted the coffee on different occasions. Hilina made a contract with VSP about the Coaching Service where she would get sparring from Mr. Luoto according to her business plan needs. She also got keys to the Business Road office at Wolffintie 36 F2 next to VSP.

Hilina had been a member of BF-Global co-operative for two years and in 2009 she applied to a TE-Centrum's free course concerning company establishment. She presented the idea for the course holders but their feedback was not so encouraging. After receiving information about the company establishment she began to establish her own company around the imported coffee even the local feedback was not so good. She believed in her product and decided to show that she can do it and make a living as an entrepreneur and coffee importer. Her personal network had grown in the years she stayed in Vaasa and most of the people have given good feedback on her coffee. She also has good relation with the local coffee manufacturers in Ethiopia which is an asset compared to her competitors in the Finnish market.

There were also setbacks during the year which made Hilina stronger and work harder. She went to a local bank and asked for a loan but the feedback was clear: the business plan is not good enough and without guarantees they would not grant a loan for her. There was also another problem as her student visa was running out. With the help of her local network she learnt how to fill in the company registration papers and how to apply for a new visa which allows her to work as an entrepreneur. She also applied for Finnish government Start-up money which can be given to new entrepreneurs. ([http://www.mol.fi/mol/fi/04\\_yrittaminen/05\\_starttiraha/index.jsp](http://www.mol.fi/mol/fi/04_yrittaminen/05_starttiraha/index.jsp)) Hilina also needed to refresh her work permit at a police station. According to her some of officers are actually her customers today so it has been a real win-win situation for both parties. During the year Hilina's coffee has received interest from the local newspaper. Her product has been in the local newspaper Pohjalainen and VASEK Forum magazine which describes local businesses in Vaasa region. Hilina made her second purchase and import of coffee in December 2009. She ordered 300 kilograms of coffee and tried to get those on to the Christmas market but due to force majeure it arrived after New Year. There were also two separate coffee tasting events at end of 2009. One took place at BF where there were around 10 people tasting and giving feedback. The second event was at Vaasa's Sport ice hockey match in December. There coffee was given for free to the spectators to taste and then give feedback about the taste.

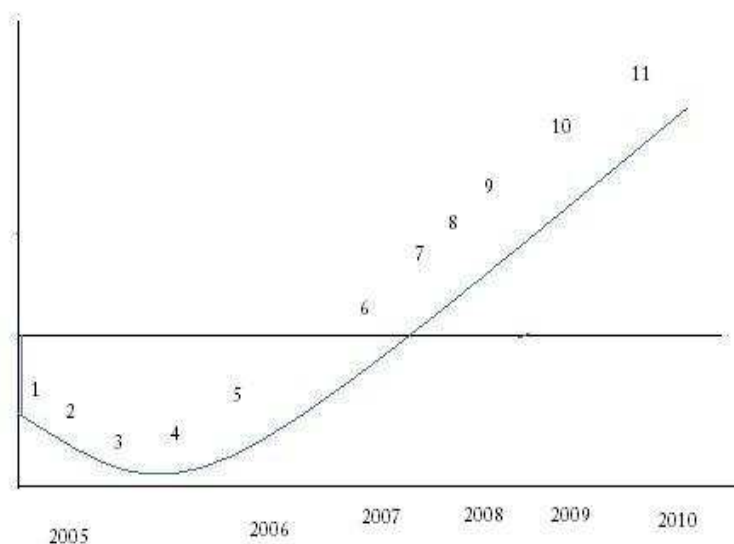
Also, some spectators ordered coffee for home. Total sales were for 5 kilograms during one game. Before the match there was a small scale event at MUOVA. Hilina received around 400€ to spent on a flyer of her coffee which was a good way to contact new customers and present the coffee. One of the Hilina's agents, Tuula Koto designed the flyer both in Finnish and Swedish.

### **8.2.6. Nordic Abyssinia 2010**

At the beginning of 2010 Hilina received good news. Her business plan was accepted at Finnvera ([www.finnvera.fi](http://www.finnvera.fi)) and she received an offer for special loan for women entrepreneurs. (<http://www.finnvera.fi/eng/Starting-a-Business/Financial-solutions/Working-capital#pop180>) It was worth 20 000€. She also received a letter from PRH (<http://www.prh.fi/en.html>) which included her official company establishment papers. Hilina Gizaw will be working as a full-time entrepreneur starting from 1<sup>st</sup> of March 2010. Her coffee also arrived at the beginning of January 2010 as winter storms of Europe delayed the transportation from Germany to Finland. She also got a positive decision concerning her start-up money applications.

## 9. Summary of the Empirical Case Study

Empirical case as a narrative in-depth interview opened a new window to life of a foreign degree student. The figure above reveals eleven important factors which surfaced at the interview. This figure was created by author from the original figure done at the end of interview on 2<sup>nd</sup> February 2010. The black line in the middle of figure shows the critical turning point which made all the other upcoming factors available.



**Figure 11 Hilina Gizaw: Integration to Finnish Society**

Number 1 represents the granted study place in VAMK, Finland. It was the first choice to make as there were several opportunities and universities to choose from. Numbers between 2 and 4 represent negative issues for the person. Numbers 2 and 3 concern the new life in a foreign country without any familiar people and the new environment with different weather, language, culture and habits. I moved to England at 2005 to work in a hotel.

I had no idea where I was going to and what kind of a city it was. I did not have any friends there at the beginning so it was quite a sad time at first.

Number 4 for the subject person is the job opportunity which took place in Helsinki. As she had no understanding of Finnish labor laws and a minimum wage she was working 8 hours per day cleaning rooms with a very low monthly income. Also I know some of my friends in Vaasa whose have been working several years in cleaning organization but their work contract might be in Finnish and they have not received additional compensation from weekends or holidays as stated in the law. Organizations have been known to take advantage of the foreigners as they are dependent on their wages in order to cover monthly expenses. This way they are a bit afraid to quit to job or mention about the work contract as in their cultures the employer can break the contract without being accused for breaking labor unions.

Number 5 is for the first positive thing in Hilina's life in Vaasa. The school has been her escape from normal dull life. At school she made new friends with local students as well as with other foreign degree students who were in the same situation as she. Number 5 represents also the Finnish family which Hilina met and whose gave her an opportunity to live at their premises with no cost. Number 6 is the turning point as mentioned earlier. This represents the contact from Hilina to Mr. Timo Malin and the opportunity to study vocational entrepreneurship at Business Factory. This is the moment which opened a new era in her life. The role of BF has been opened in chapter 3 and this empirical case determines that vocational entrepreneurship studies are important at VAMK in order to motivate students to become entrepreneurs as a career choice. At BF students learn entrepreneurial way of thinking which helps them at their workplace if they do not see entrepreneurship as their career choice. Finland is in recession and we need more new entrepreneurs which in the long run will keep the economy running with tax payment and bring new job opportunities. 90% of all companies in Finland are SME companies so 90% of all employees in the business life earn their living at these same companies.

([http://www.stat.fi/meta/kas/pk\\_yritys\\_en.html](http://www.stat.fi/meta/kas/pk_yritys_en.html))

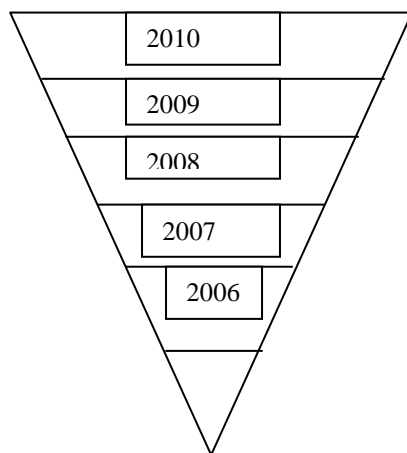


If universities do not concentrate on practical entrepreneurship education together with course studies then the learned wisdom from the books has been wasted and the courses have not have any other meaning than just few credits included at degree. Number 7 in the figure determines the positive feedback of Hilina's business idea of import Ethiopian coffee to the Finnish market. As mentioned earlier lot of people have enjoyed the taste and ordered some packets. This was shown also the first sales done at a women running event in summer 2007 where she got feedback from real customers at a real event organized by others. Her feedback has been both positive and negative during her idea development and many officials have given negative feedback but many closer people have encouraged Hilina to continue with the idea. She had a moment when she was thinking of leaving everything and going home but she did not do so. Hilina got access to LISSU business planning tool in 2007. In spring 2008 BF-Global co-operative was established where Hilina was one out of ten founding members. This is marked as number 8 in the figure. BF-Global Co. brought an opportunity to act legally in business and every member had a channel to try entrepreneurship with their own products or services. For Hilina it was the second critical point where she was legally able to purchase and sell the coffee to her customers. This brought new motivation to her business development and encouraged her to continue with the idea.

Number 9 is the VSP organization which gave a lot of assistance to Hilina and developed her business plan more towards the requirements of financial institutions. This factor gave more professionalism for her business thinking and was the next step after Business Factory studies. Participation in Business Road activities increased her skills and knowledge. 2009 was the year of graduation which is marked as number 10. Now she was at the crossroads. She could have chosen to leave everything and go home. She could have also chosen to find a professional job to work for somebody else as an expert. She decided to stay in Finland and become a full time entrepreneur which is the top of the figure as point 11. She received a loan offer from Finnvera for 20 000€ for her business establishment. None of this could have been possible without high social capital, a supporting network and knowledge share.

### 9.1. Social Capital of Hilina Gizaw

Figure reveals the growth of social capital of the respondent. A pyramid's top means that 2005, which is the lowest layer is the time of arrival to a new country. Her social capital started to grow in 2006 when she joined to Business Factory and met coaches whose gave ideas for idea development. Year 2007 layer is wider as she made first sales and got feedback from external customers. Year 2008 was the establishment of a co-operative company and it brought the entire social capital dimensions into daily operations (See pages 47-48). Year 2009 brought new ideas as Hilina moved on from BF studies to acceleration studies with VSP. She decided to concentrate on the development of her idea much more and started to spend more time at VSP office where she had a working station. In the year 2010 she had enough social capital that she was able to establish her own company as a foreigner in Finland and contact local customers. Same figure above shows also the growth of her network 2005 between 2010. It goes with the same formula as growth of social capital. A supporting network around an entrepreneur is important as that increases social capital of the student, in this case Hilina. People are the key element to success!



**Figure 12 Growth of Social Capital**

## **9.2. Knowledge Share as a Key Element of success**

Without help there would be no Nordic Abyssinia today. Many people have given some tacit knowledge for the use of Hilina and during the process that tacit knowledge has developed into explicit knowledge. (Nonaka I & Takeuchi Spiral model page 66) When Hilina decided to attend to first Brain Storming session and presented her business idea the first step was taken. One person's tacit knowledge was brought up for a group of people to give feedback on and changed to explicit knowledge. The cycle of spiral model has been processed over and over each year when new information and development has surfaced or when feedback has required to focus on a previous step. The method of Learning by doing can be related to knowledge share cycle (see chapter 3.2 about the model). All the groups have shared their knowledge in order to help Team Entrepreneur to success at his or her business. In this case Hilina has received tacit knowledge over the years from the coaches of Business Factory, from the other students at Team Entrepreneurship study module, from the external experts such as Vaasa Science Park staff as well as from her customers.

### 9.3. Validity and Reliability

Like a coin has both head and tails so does every research have validity and reliability which have to be kept in mind during the whole research. These terms have different content depending on the research. This research is mainly qualitative so the content of these terms have to match the requirements of qualitative research.

Validity in general defines whether the researcher has studied the actual thesis problem. At this research we could speak about another term, credibility of the research. This means that the results of the research should be credible or believable as the respondent had answered. There should not be misinformation in the research. This research has only one respondent and I have asked her many times to check my writings so that those are correct. If she says that those are correct then this research is credible. I have also *cross-checked* the findings with another researcher who were present at the interview.

Reliability is based on the assumption that if the research is done again by a different researcher the results would be the same. In qualitative research the term is dependability. As this research was *narrative in-depth interview* the content of the results does not change even within ten years as a people remember big changes in their lives. Another researcher can ask the subject person to speak about the years 2005 to 2010 and the results would be the same. (<http://www.socialresearchmethods.net/kb/qualval.php>)

## 10. CONCLUSIONS

The aim of this research was to show how Business Factory studies have integrated foreign degree students to Finnish society and what Business Factory studies are all about. The role of Team Entrepreneurship study module was shown and how the BF project and Business Road project give added value for students at entrepreneurship education in VAMK. The demonstrated research reveals the importance of increased social capital, networking and knowledge share as key elements when motivating students to consider entrepreneurship as a possible career opportunity.

The results reveal the hidden feelings of one foreign degree student. The method of narrative in-depth interview revealed the life in Finland and how entrepreneurship has given opportunity to use tacit knowledge for living. There are thousands of foreign degree students all over Finland and this research reveal the feelings what challenges they all face when coming to Finland as a student. Many of companies do not hire foreigners if they do not speak Finnish, which is a disadvantage of our society. Our society needs talented people to fill the positions which are left open by the previous generations after their retirement. These talented immigrants have huge social capital and cultural knowledge which would be beneficiary for every company in Finland especially those who operate in import or export business. Finland needs new innovative entrepreneurs to bring new jobs as we are living in an economical recession. Still, many entrepreneurship support organizations have the standard that all the applications are in Finnish or Swedish. If these applications such as start-up money or loan offer applications were in English then it would help the immigrants and in the end the whole society. The whole network of new business supporting organizations should be more open towards foreigners who clearly show that they are active and want to make a living in Finland by becoming entrepreneurs. This would integrate much more people from African and Asian countries to our society (and make society more communicative.) “The image of Finland is that people are shy and do not want to talk with foreigners.”

This was said by one foreign degree student at Vaasa. The thesis results brought new tools and practical implications which could be used to develop Business Factory studies. The narrative in-depth interview could be arranged for each participating student at the end of Team Entrepreneurship module. This way the BF coaches could collect practical information for future promotion and also get to know the people better. Same interview could be arranged as an entrance interview too. This way the resources of the project could be used more efficiently with each individual.

Business Factory studies should be implemented to each basic entrepreneurship course at VAMK which is held for first year students at every study program. Each group needs to visit BF office and receive the knowledge of Business Factory studies and the possibilities to implement it as part of own degree.

Universities of Applied Sciences in Finland are in the key role in vocational entrepreneurship education. Each university has hundreds of foreign degree students and there are also many business incubator projects within FINPIN network. These projects are important to keep in the study programs in order to increase practical knowledge on entrepreneurship. Of course, literature and company cases at lectures help but it does not prepare a person to handle real customer situations or contacts with suppliers. All the universities could arrange innovation exhibition together twice a year or even more often where students interested in entrepreneurship would meet each other and network, increase their social capital and share their tacit knowledge. This is one practical improvement which would benefit also personnel relations at universities of Applied Sciences.

Sadly today the model of page 26 has changed within Business Factory to the worse. This can be because lack of resources or volume of students. This model does not consider student in the middle but it is the coach. Several times Brain Storming sessions have been cancelled recently. Position of the Coach and Team Entrepreneur has changed. The model has lost its purpose where focus is on students and their time. Now it is focusing on the Coaches and when they have time to help students.

The problem is that because Business Factory financing is given by VAMK and training hours of the coaches have been minimized in order to keep them at normal lectures. This is the problem which the administration of VAMK has to solve in order to keep happy customers in the future. Normal lectures are also important but BF studies give more value to the end customer, the student.

The case study revealed the importance of Brain Storming as a powerful tool of Business Factory. The content of the tool has been changing within the years and I believe it is still looking for its best updated version. Brain Storming and Testing are paired up to follow each other. After each BS and Testing there is a reflection discussion. This was shown in practice also at Lee's Nails project held at an ice hockey match. (Page 52-53) There is no model available yet so I offer my solution here. The model is based on Nonaka I & Takeuchi's Knowledge Spiral model (page 52) but it is updated to meet the local need. Dialogue is the key of BS.

<p><b>Brain Storming</b></p> <ul style="list-style-type: none"> <li>- Idea is presented to other students and coach</li> </ul>	<p><b>Testing</b></p> <ul style="list-style-type: none"> <li>- Idea is tested with real customer</li> </ul>	<p><b>Reflection</b></p> <ul style="list-style-type: none"> <li>- Testing event is reflected through Motorola model</li> </ul>
<p><b>Reflection 2 and Final Report</b></p> <ul style="list-style-type: none"> <li>- Testing 2 event is reflected with new feedback</li> </ul>	<p><b>Testing 2</b></p> <ul style="list-style-type: none"> <li>- Idea is tested with real customer with updates</li> </ul>	<p><b>Brain Storming 2</b></p> <ul style="list-style-type: none"> <li>- Idea is revalued with the collected feedback</li> </ul>

**Figure 13 Opened Brain Storming Model of Business Factory**

Students document each BS, Testing and Reflection by selecting a secretary whose responsibility is to make notes about each session. This above model is done for each idea which means that this 6 step model is the whole process of Brains Storming in the future.

## 10.1. Practical Implications of the Research

As seen in Learn by Doing model (page 26) there are several players at the network around one Team Entrepreneur and in this case around Hilina Gizaw. The model should be like model on page 26 but work in a different way. Also, a network should be networking together in order to focus on a single student and his or her idea. A good solution is to use social media to document the process together with every participant of the network. Another option could be creating a personal tool for this network where every participant could see real time the documentation of one session with the student and also comment it. One example of this tool is LISSU business planning tool where invited experts can read the document and give their own comments on it. LISSU tool is controlled by VASEK today. All the possible tools that different organizations have should focus to serve student in the middle of the figure. It is the only way that new ideas can be developed and new companies established after the student has graduated. Figure 14 shows how network should operate in the future.

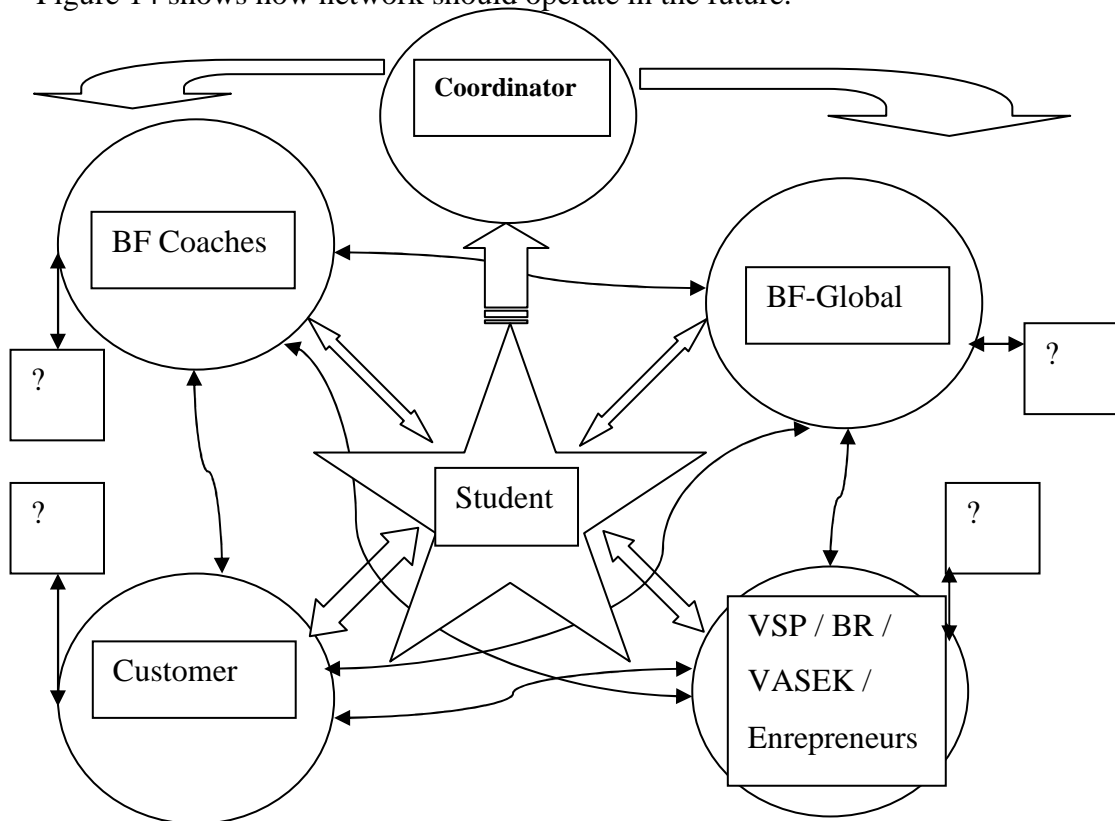


Figure 14 Entrepreneurship Education Model of Vaasa in the future, the Star Model



The figure above shows how resources must be focused in order to improve entrepreneurship education in Vaasa. In this way it is possible to increase entrepreneurial ways of thinking and possibly establish new companies in the Vaasa region. The student is in the middle of all actions. The student can be either a Finn or a foreigner. There should not be any difference in that. A student has been at Business Factory at the beginning and moved to acceleration mode which is BF-Global. When the idea is clear and the student is willing to try it on the market, he or she *contacts* the coordinator. The coordinator goes through the idea with the student and collects a group of experts around each case. There could be up to 5 cases going at the same time. BF Coaches can update the information if something from the basic knowledge is not clear yet. The coordinator tries to find the first external customer for the student to discuss the idea with and to give feedback. This way the student can focus on actual product or service. Vaasa Science Park and Business Road can offer an office to the student. This way it is possible to develop together the idea with the coordinator. VASEK could offer business planning tool LISSU to each of these students who are in the acceleration phase. It opens an opportunity for the whole network to document the ongoing process with each student. There are personal networks around each organization and people who work for these organizations. For each case, someone could know someone who might be able to help or be a possible customer of the new entrepreneur and product. *White arrows* between parties are knowledge arrows. A student can get tacit knowledge through different players of the network. *Black curvy arrows* are networking arrows which determine how the network has to work in order to help the student. *Black direct arrows* are the personal network of each of us. *Question mark boxes* are these mystery persons who could have some added value to give. *Striped big arrow* shows that the student needs help and is asking for help with his or her business. *Big oval shapes* are the most important organizations which can help the student during studies. *Star* in the middle is the student and his or her idea.

The next step is to create mentioned network. It starts at the collection of all business ideas of the students and the document ideas to one book. This case it is possible to have all the necessary information at hand for the next step. Project needs a team of coordinators who organize the supporting network around students. This network can have several people from different fields of expertise. Coordinators organize group meetings when needed. There could be approximately 5 persons around one project and there could be up to 4 – 5 projects going on at the same time. Students could all work in either a VSP room or at new Innobotnia office which has space for many groups at the same time. This network needs some financial support as people are not that willing to work for free and give expertise on use. This project could be financed by the city and all the participating universities. Also, financial support of the European Union could be applied if the project can meet the requirements of European Social Fund. ([http://ec.europa.eu/employment\\_social/esf/index\\_en.htm](http://ec.europa.eu/employment_social/esf/index_en.htm))

## **10.2. Suggestions for Further Research**

This research is done at Vaasa University of Applied Sciences and there was only one respondent in the empirical case. Each university of Applied Sciences has different methods used in their business incubator projects but some has only native participants. It could be useful to find out how other business incubator projects are operating and how the results could be measured.

In the future it would be good to concentrate research funds to integration levels of how foreign degree students have integrated to Finnish society. It would be beneficial to know how they have integrated during their studies and after graduation. Each University could make it own research and the results could be collected to a national research report. Financing could come for example from EU support. This would bring more interesting thesis opportunities around Finland.

Next step in Vaasa would be a new research which could be a comparative study. Researcher could collect a group of foreign degree students. Half of the group could have participated in Business Factory studies and the other half not. As this case study focuses on one person, so a comparative research could proof my case.

## **11. SUMMARY of the Thesis Process**

This thesis process began in spring 2009 when I was going to have Inter Rail after my courses were over. I had an idea of what my thesis should look like and what the empirical part would be. During summertime in my home town I began to consider that maybe the topic is not for me and I decided to change it. I collected information from some European universities on what is their entrepreneurship education like. I heard in autumn 2009 that I have to change supervisor for my project. I found that Timo Malin had a project concerning Business Factory's learning environment and its documentation. This project was very good for me.

The process has been very difficult as there is no previous research done on this topic in Vaasa. The whole writing process has taken 9 months as I have written it part time. I have never been a very theoretical person so the theoretical frame process took a lot of time. Thanks to my supervisor I got some old BF handbooks where I could find basic information. Writing a qualitative research has been very difficult process for me. It is the biggest writing process so far in my life and the content has changed many times during this process. I came across several difficulties during this process. One was the creating of methods of how to present BF operations and which theoretical frames are supporting the studies. Theories like social capital, networking are present daily but I did not know the theory of my behavior and how we operated as there was no known theory. The only theory we used is Learn by Doing which I guess was meant to cover all included theories. Luckily, I got help from different professionals about what to consider in my text.

When I was going to carry out the empirical research I had an idea of interviewing several graduated foreign degree students who have participated in the Team Entrepreneurship module. I sent my questionnaire to some of them as they do not live in Finland anymore. Some of them were in Finland during the time of the empirical research from December 2009 to February 2010.

I did not get any research material back in time so I had to change the approach to my empirical research and I decided to change from depth interviews to narrative in-depth interviews where I could concentrate more on one case study and more in depth information. After the research I found out that this one provided me much more important information compared to normal questionnaires where questions are closed or guide lined.

As I said at the beginning that this process has been very stressful and time consuming. I hope it pays off in the future.

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## APPENDIX 1 – Brand Envelope of Business Road

