

# Become SMART and acquire entrepreneurial competences during internship. A Case study at Lapland UAS

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## Abstract

In the modern knowledge economy, higher educational (HE) institutions need to foster entrepreneurship that require integration of theory to real-life learning. Real-life tasks in work places combined with entrepreneurial internship focuses on serving the learning gaps related to entrepreneurship and internationalization. The paper reviews the experiences and measures taken by the network of Higher Education institutions to foster students' entrepreneurial competence-development during their internship period.

## Introduction

The EU as an era is facing crisis; currently 23 million people are unemployed across the EU, the working age population is aging and simultaneously the number of the population will decrease. Several policy statements stress that higher Education institutions have a central role in building a Europa where the impact of education can be measured in terms of economic, social and ecological progress (Markkula 2013). Higher Education started to include entrepreneurial education in their Degree Programmes but universities are not, however, regarded as entrepreneurial in nature. Another fact is that the university graduates do now widely see entrepreneurship as an attractive goal for their lives. Learning entrepreneurial competencies during the internship period has been perceived as one viable solution in the

challenging situation. Five (5) HE institutions started collaborating in order to learn from good practices in respective countries and develop guidelines for efficient internship with the focus on learning entrepreneurial competencies. The emphasis in this paper is to describe efficient internship models as identified during the development process of the project at Lapland University of Applied Sciences (UAS).

## Smartpractice in a nutshell

The objective of the Smartpractice project is to support the development of entrepreneurship competencies by identifying success factors and by developing challenging implementations. The project is based on international cooperation as to enable institutions and countries to learn from internship practices, to foster trainees' entrepreneurial competence-development and assist the students either setting up their enterprises or showing entrepreneurial mind-set while employed by companies. Participation to internships programs benefit enterprises as well; Enterprises obtain valuable knowledge from the trainees and are able to improve their business operations on the basis of the feedback. Not only the interneers but even other HE institutions benefit from the knowledge related to internship since they are able to have an insight into company policies and operations. The priorities of the network project focus on:

- Identification and implementation on working internship practices between students, their HE institutions and Host-Companies
- Improvement of the quality and relevance of higher education
- Development of entrepreneurial competences by using innovative methods
- Creation of understanding between all the parties involved by increasing awareness of entrepreneurship related-competence development

## Methodology

This research paper represents a multiple Case study that examines the processes of integrating internship practices into real-life settings in a way that supports entrepreneurial competence-development. The study is based on data from five cases from Lapland UAS. During internship

the SMART guidelines created by the network were applied and data from all the actors involved, i.e students, UAS staff including coaches and host-companies and their mentors. Identification of working practices was based on feedback gathering in the form of quantitative and qualitative self-assessment as well as interviews and reports and presentations made by the students. The crucial question in the evaluation process is to identify the issues that need to be changed or modified but the results can also be used for more comprehensive analysis and that is recommended.

The analysed data consist of mainly quantitative questionnaires complemented by written assessment and evaluation after each phase of the project. The approach is pragmatic since it incorporates research and practice. The tutor, mentor and students were interviewed in Finnish and the findings were translated into English. In the analysis the data was grouped to themes on the basis of the research areas and conclusions were made on the basis of them. The interviews produced information in reasonably easy way. In the following sections the entrepreneurial competencies and internship cases are described.

## Entrepreneurial competencies

Finding new and better methodologies for the development of students' entrepreneurship competencies during the university years, thus is the core task of the project. Defining entrepreneurial competencies was based on investigation of existing theories and also through workshops held in Verona, Italy (October, 2016), when partners in an interactive workshop created the framework of entrepreneurial competencies, relevant in particular in the context of SMART practice approach. The framework of the entrepreneurial competencies was needed in order to pilot SMART methodology and gather the feedback of participants. The aim is to carry out the research on how the competencies have improved or changed based on the pilot cases in all project participating countries. As a result, partners created the questionnaire based on the defined entrepreneurial competencies. Student participants of pilot methodology implementation cases had to answer the questionnaire before and after the implementation of the selected pilot SMART practice cases. In addition, there were interviews carried out with selected participants in order to deepen the understanding on gained experiences and improved entrepreneurial competencies.

Entrepreneurial competencies framework related to the SMART practice is built upon two main blocks. It consists of the main behavioral attributes and competence attributes. Behavioral criteria includes statements that measures the ability to act in various worklife situations accordingly and reflects own attitude towards selected worklife related relevant behaviors. It measures such attributes as his/her own ability to work on developing own capabilities and professional skills, an interest to learn new things at work. When an interesting project comes along, student is or is not interested to offer himself/herself proactively as project co-worker or when there is not much to do at work, students see it as a chance to start new projects, for instance. Also emotional part is tackled as a component of behavioral attribute of entrepreneurial competence. For instance, we analyze to what extent students manage own work so that he/she tries to minimize contact with people whose problems affect them emotionally and their ability to overcome emotional barriers.

As for the competence attributes, analysis focuses on creative problem solving abilities, ability to collaborate, networking and entrepreneurship skills that are not included in other categories mentioned. Framework analyses students' ability to present ideas that are suitable for the work task, their ability to present new ideas to solve problems, to present practical solutions to reach targets. In the part of the ability to collaborate, the model tests how efficient students are in engaging in efficient teamwork, ability to listen and respect various opinions, ability to provide own feedback in constructive manner. Networking ability is reflected in the skill to work with professionals from various fields towards a common goal and open-mindedness towards new partnerships. For other entrepreneurial competencies, such criteria as ability taking risks, responsibility for own decisions, ability to work independently and efficient time management are taken into account.

## Cases

In order to be classified a working case, the internship practices needed to be integrated into cross-discipline implementation based on entrepreneurial competences; furthermore the internship practices needed to reflect on modern working life practices such as distant/virtual work. The terms used also reflect on the transformations of the working life: the terms tutor, mentor and coach are used.

## **Case - Learning competencies by becoming an entrepreneur**

As stated earlier, traditionally the HE students have shown reluctance to start their own businesses and Finland has taken serious measures to change the situation. One of the successful implementations focuses on integrating authentic entrepreneurial business operations into the students' studies, i.e the students become entrepreneurs. The Business students at Lapland UAS may choose after their first year of studies an entrepreneurial study path where the students actually become entrepreneurs. About half of the day-students (studying full-time) choose the entrepreneurial line, half the traditional studies. One student enterprise, the Merkanto Co-operative was chosen as one of the piloting enterprises was because of the positive feedback from the students but likewise to show how complex and flexible entrepreneurial competence-development may be.

### **Information on the host-company Merkanto**

When the enterprise was established at the beginning of the second year of studies the staff comprised of 10 employees. The reason why the students chose the entrepreneurial line was that the students felt that they were “doers” which means that they are not happy with the traditional way of studies. They were happy with the possibility to be able to become entrepreneurs. The students were asked if money; the possibility to make a profit paid an important role in their choice but the students said that it was not the case. One obvious reason was that “they didn't believe that they could earn some money while working in their own enterprises”. The pay presented itself as an extra bonus. At first the co-op Merkanto operated in the premises of Lapland UAS in Tornio where the students didn't have to pay any rent and they used their own computers. The students invested 200 euros/each in the co-operative.



Image 1. The student entrepreneurs and the interviewer in the Merkanto office in Oulu

The model is based on Team practice and the working practice requires and also challenges collaboration between the members in the form of Team skills. The students reported that the best way to learn from entrepreneurship is to work as an entrepreneur. There is a lot of Tacit knowledge in the process and by “piloting” and testing serious financial and operational setbacks can be avoided. When the business booms, entrepreneurial competencies related to trust and collaboration grow.

### **Case - Learning entrepreneurial competencies through commissioned project work**

Three other pilot cases represent an approach of project work. Selected companies become commissionaires and introduce a business problem to a student group. In the situation of the SMART methodology piloting, there were implemented three different business cases. Students were assigned a supervisor from the company and a coach from the education organisation ( Lapland UAS). First students became familiar with the businesses, their line of operations, products and services produced and business model. Each company organised one day so called business-shadowing day. During this day, the group of students had a possibility to visit the company, either whole day or part of the day they had a possibility to follow actual work of the company, meet with the management, workers and also test some of the products offered by the company in order to experience better and understand the company’s operations from the inside point of view. Students had additional workshop to clearly identify the problem or set of problems in order to decide which problem will become a base for the learning task. First students had internal team decision about prioritising the task and then it was again coordinated and agreed with the company. Teams had four weeks time to come up with the solution for the problem, which also included the problem analysis, research and study and eventually final presentation to the companies about proposed solution and the project plan for the realisation of proposed solution. Teams prepared clear action plan for the work and followed their plan in order to reach final result expected from teams by their host companies. During this time teams actively communicated with the companies and met whenever it is necessary face-to-face or online with supervisor or coaches from the university. Coaches met with the teams every week and provide the feedback on reported progress and helped with the challenges that sometimes arise during the process.

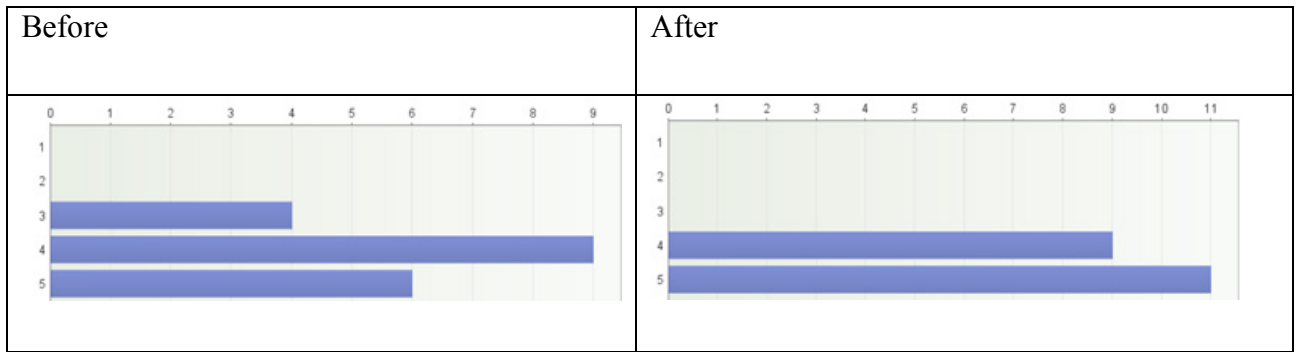


Image 2. Students of Lapland UAS, Rovaniemi campus - working during the SMART practice pilot workshop

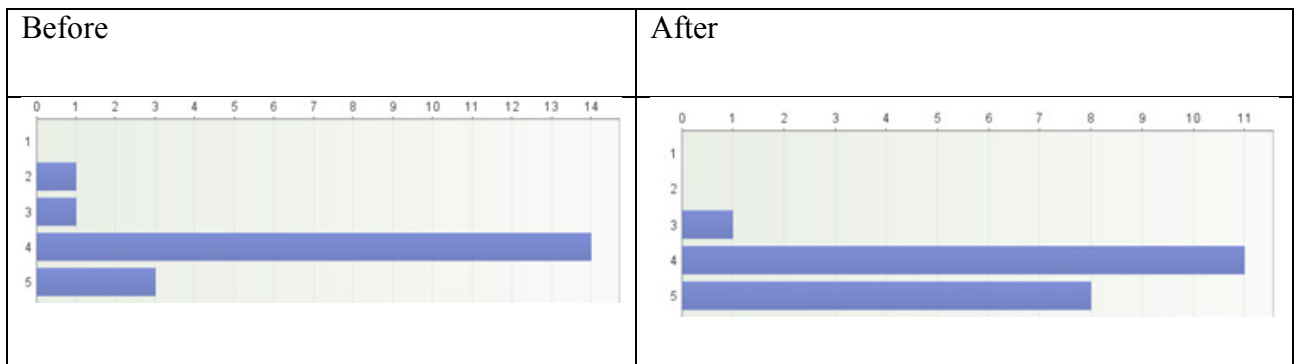
## Comparison of the competence development through the SMART practice pilot cases

Data regarding worklife and entrepreneurship competence development and possible behaviors that are likely to be performed during different experiences, such as work, training or internship was collected through survey before and after SMART practice pilot case. In total in Finland we engaged 22 students in the process. As mentioned, two pilot cases were directly linked with the students' entrepreneurship cases – running own business. Other three cases were commissioned by outside business companies and 20 students were engaged in these projects. Data collected shows that minor or more advanced competence development can be observed almost in each area of SMART practice defined framework of the entrepreneurial competencies. Hereby are some examples of the most obvious change and improvement of abilities and attitudes. Examples always reflect “before the SMART practice pilot case” and “after the SMART practice pilot case” results. Answers were given in the scale of 5 levels, where “5” means “strongly agree<sup>2</sup> with the statements while “1” refers to “Disagree” with the statement.

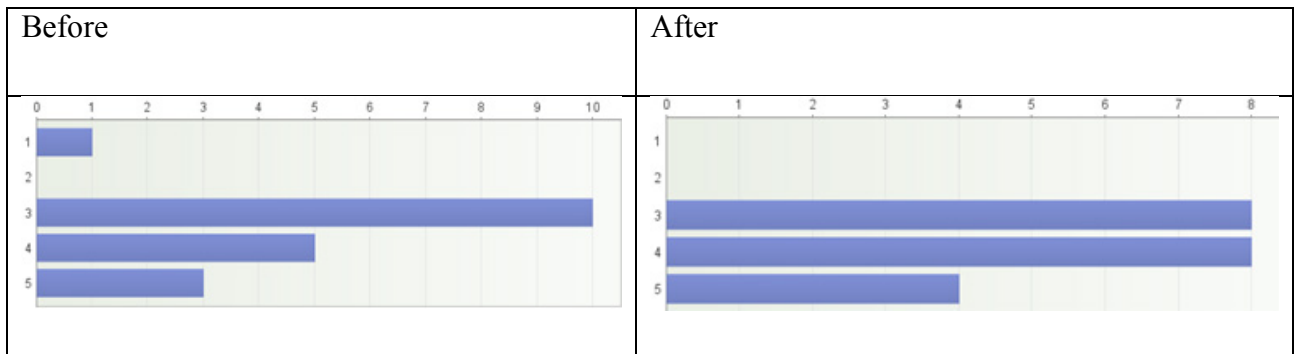
*I try to develop my capabilities*



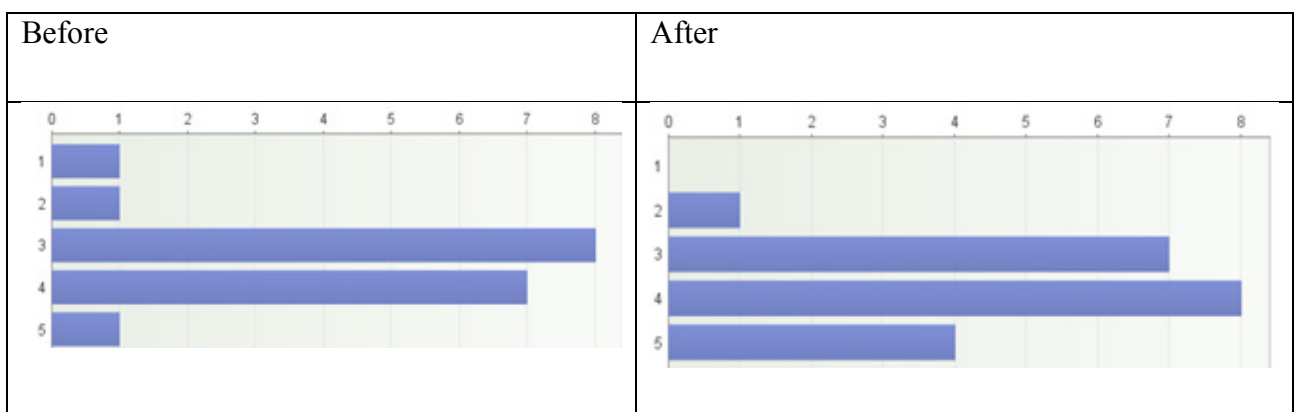
*I try to develop myself professionally*



*When an interesting project comes along, I offer myself proactively as project co-worker*

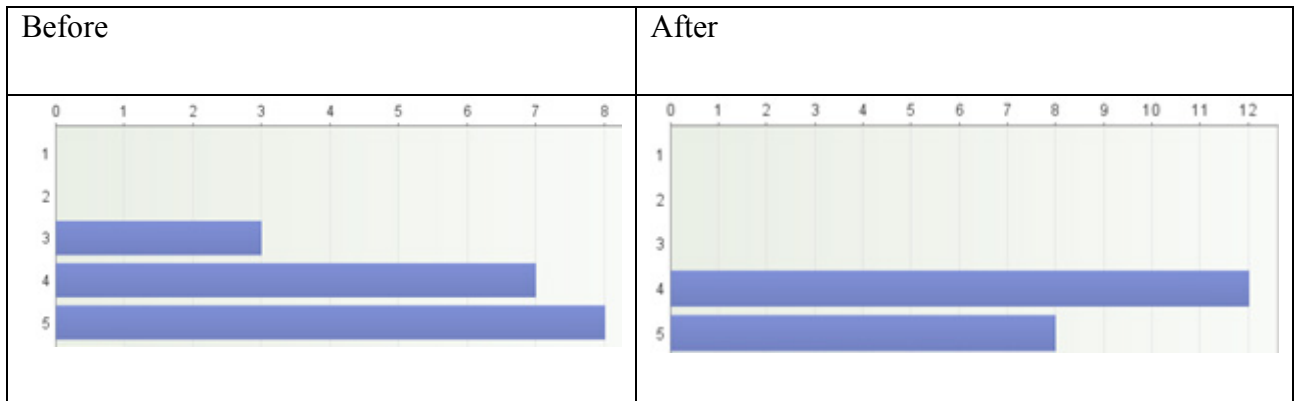


*I take daring yet reasonable risks*

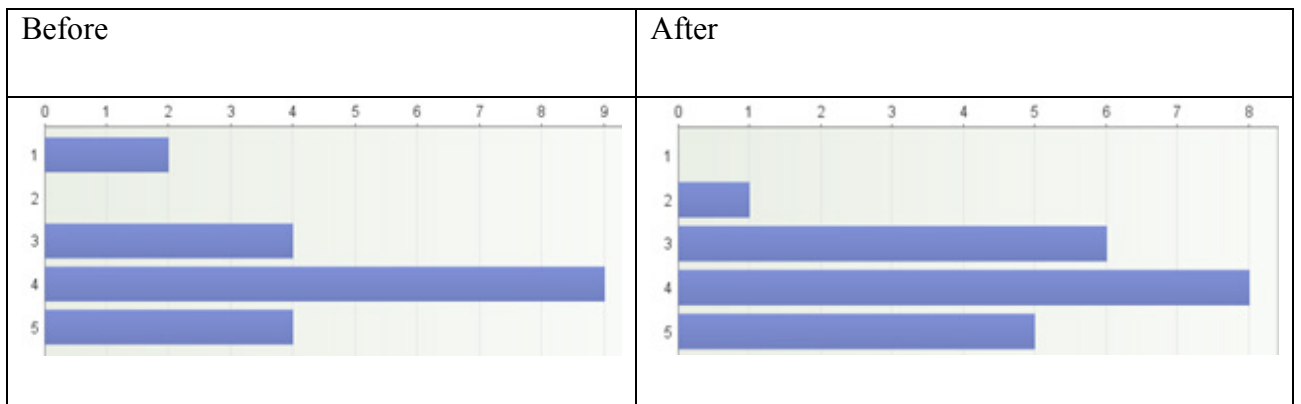




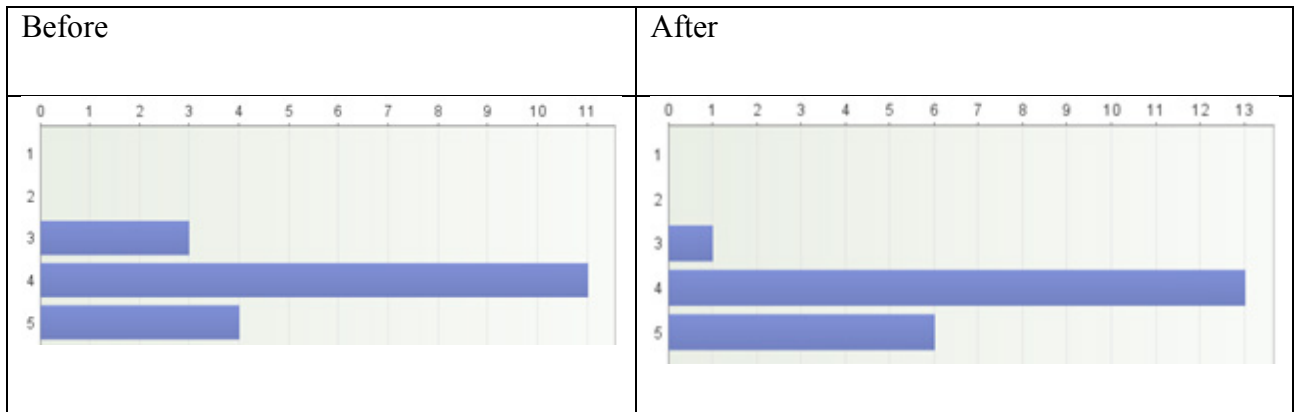
*I am able to engage in efficient team work*



*I am not afraid to take risks*



*I am not afraid to take responsibility for my decisions*



Students were asked how does SMART methodology enhance competencies more than the other forms of practice. Students were expressing rather positive experience regarding the pilot cases implemented as SMART practice approach. Herby are some of the answers given by the students.

- SMART methodology helps in setting ideas, goals and objectives, in controlling and organizing whole working process, time management, good team work in order to deliver result
- Well designed methodology can help us make clear schedule. When we firstly meet problems and tasks, the methodology is the strong tool to clearly intergrade ideas without wasting time
- SMART methodology provides the scheme for teamwork and avoids the unnecessary arguments. Things proceed one step by step so it is very efficient
- We develop a team spirit to be the best possible during the project. And we are autonomous unlike internship. In traditional internship you don't have this kind of team spirit

## Conclusion

Developing internship practices that efficiently foster entrepreneurial competences in any subject-specific field is a complex area where a lot of challenges can be identified. There is research evidence (for example Räsänen 2010 and Jäminki (2016) that application of concrete models help to identify the various elements and offer tools for a working implementation. The models that are suitable for any context are student- and host-company centred. The students should quite independently be allowed to acquire the entrepreneurial competencies but the tutors and mentors should assist and support the students when help is required. The method is called scaffolding; the staff supervises in the background and steps in in case the student has problems or needs assistance. Helping the students identify professional competencies in the degree specific area is of vital importance but the evidence from host-company representatives prove that the “so-called soft-skills” help the mentor in the host-company in a valuable way. Therefore details such as motivation, communication skills, perseverance and collaborative skills should be addressed in the application process. These above-mentioned factors are shared by most organizations but the way how the goals are reached are various. The EU HE institutions have developed practices that foster these goals but in some cases the structures vary from each other. AT some universities the students really become entrepreneurs and learn entrepreneurship practices by applying the principles into action. In most organizations the

model relies on efficient collaboration between the students/staff or HE institutions and the staff in host-companies. What is of vital importance is that the host-company also gets added value from the internship and the task could include bench-marking the services/products or developing business operations. When the student trainees and the mentors collaborate, Tacit Knowledge (Polanyi, 1966) that lies in the host-company may be turned into Explicit Knowledge; therefore becoming more easily accessible to the entire staff. In order for the knowledge transfer from and between all the actors be possible, processes should be opened and described and technological tools could be integrated into the process.

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