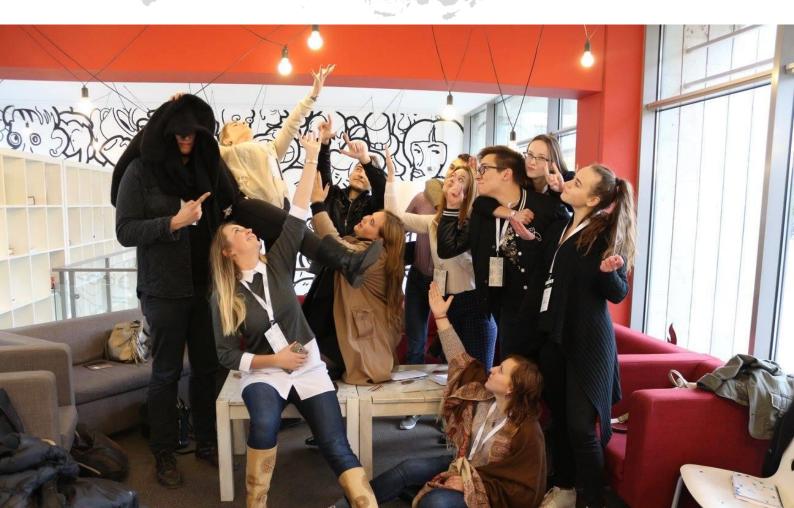
Facilitating Entrepreneurial Experience at the Vytautas Magnus University Centre for Enterprise Practice: Entrepreneurship as a part of everyday life and a path to better jobs

Kaunas, Lithuania





Title	Facilitating Entrepreneurial Experience at the Vytautas Magnus Univer- sity Centre for Enterprise Practice	
Pitch	Entrepreneurship as a part of everyday life and a path to better jobs	
Organisation	Vytautas Magnus University - Centre for Enterprise Practice	
Country	Lithuania	
Author	Dr. Samo Pavlin (University of Ljubljana)	
Nature of interaction	<ul> <li>Collaboration in R&amp;D</li> <li>Commercialisation of R&amp;D results</li> <li>Mobility of staff</li> <li>Academic entrepreneurship</li> <li>Governance</li> </ul>	<ul> <li>Lifelong learning</li> <li>Joint curriculum design and delivery</li> <li>Mobility of students</li> <li>Student entrepreneurship</li> <li>Shared resources</li> </ul>
Supporting mechanism	<ul> <li>□ Strategic</li> <li>☑ Structural</li> <li>□ Operational</li> <li>□ Policy</li> </ul>	
Summary	Following independence from the Soviet Union in 1991, one of Lithua- nia's main challenges was to introduce more entrepreneurial thinking and acting to better tackle social issues and improve business competi- tiveness. The Vytautas Magnus University (VUM) through its Centre for Enterprise Practices (CEP) sought to introduce and embed these entre- preneurial attributes in its students by offering three major interrelated entrepreneurship activities: the Entrepreneurship Academy, the Entre- preneurship Laboratory and Smart Practices. Students who undertake these activities complete problem-based projects that require them to solve issues being faced by business, or generate ideas, and establish links with the cooperating companies. The results including business re- ceiving new ideas and insights for solving their issues and developing new business, whilst the students benefit from developing entrepre-	

neurial capabilities and future business networks.



#### **1. BACKGROUND**

Entrepreneurship and entrepreneurship education were already on the political agenda in Lithuania ten years ago. However, the usual understanding of what entrepreneurship is and how to develop entrepreneurship competencies through education was quite narrow at that time. Since then, some university enterprise centres have emerged in order to promote entrepreneurship education or start-up consultations among students. One of such centres emerged at The Vytautas Magnus University (VMU). It is a public institution established in 1922 in Kaunas and comprises nine faculties and one academy, with a strong focus on the liberal arts. At the beginning of the process, entrepreneurship held some negative connotations, although this is now changing.

The VMU decided not only to provide start-up programmes but to go deeper and, besides entrepreneurship competencies, develop an entrepreneurship spirit, entrepreneurial thinking and an ecosystem to support long-term entrepreneurial activities. This idea has been institutionalised in the Centre for Enterprise Practice (CEP) aimed at fostering an entrepreneurial spirit in students and developing programmes and facilities to assist and encourage aspiring entrepreneurs in setting up their own business including the Entrepreneurship Academy, the Entrepreneurship Laboratory and Smart Practices programmes.

Today, CEP is also an initiator of many joint university-business projects; for example, internships, courses and training opportunities for students, assisting in company start-ups, and promoting an entrepreneurship spirit among students and scientists<sup>1</sup>.

#### 2. OBJECTIVES AND MOTIVATIONS

The initial motive of VUM was to establish a unique system in the labour market – one enabling students to communicate with the best companies in Lithuania, which could subsequently lead to good jobs. The objectives of the entrepreneurial activities at the VMU were related to attaining synergy between science and business, growth of the knowledge economy, and fostering an ecosystem benefiting innovations and cultivating entrepreneurship<sup>2</sup>.

The university's philosophy was thus related to an entrepreneurship spirit, which supports multidimensional ideas that are able to perform creatively in different contexts. In re-establishing itself, the university implemented the Harvard University model and a liberal arts philosophy that also included cooperation with many professors from the diaspora and the USA.

However, the key part of entrepreneurial activities is related to the actual inclusion of students in the programme and their further motivation for entrepreneurial activities. In this context, the prime motive of students from both the natural and social sciences is their willingness to put their knowledge into practice – to see what they can do with the knowledge they have acquired in their studies by strengthening entrepreneurial skills via implementation of concrete projects.

# **3. STAKEHOLDERS**

The primary stakeholders are: Vytautas Magnus university; students and youth; companies; other partner organisations (NGO's, Public or state institutions) and the City Municipality.

**Vytautas Magnus University** describes itself as entrepreneurial university, a flexible organisation that interacts with the social and economic environment to adapt to changes in the environment, and one that accesses non-traditional sources of funds for research, education, technology transfer and commercialisation. The university provides a space for young people to develop critical thinking and become more open-minded. Study system of Liberal Arts in VMU fits well with the entrepreneurial mind-set development system, provided by CEP. VMU benefits from better reputation of its students and graduates.

The main group of stakeholders are the **students** of different study levels and years of study, from first year to doctoral degrees. CEP work with about 150 students yearly who are involved in all key activities, and over 1,000 who might participate at some particular events. The main entrepreneurial activities at CEP are based on mixed groups of students –i.e. from business, arts, psychology, the humanities, etc. so they become used to working in a multidisciplinary environment. After graduating, the most motivated students are invited to become coordinators or volunteers in various programmes.

Other stakeholder groups include a **network of organisations** (business companies as well as public institutions or governmental organisations), that employ better skilled graduates. Partner organisations provide mentors and experts, who participate in varies stages of the CEP instruments and programs. The CEP activities incorporate successful representatives with relevant and transferable experience and knowledge from both groups.





# Implementation

# 4. INPUTS

The coordinating group at CEP includes six people and a director undertaking tasks such as education programme management, selection and management of students, organisation of work placements, managing project proposals and coordinating of the back office. Education programme managers are responsible for the content of the whole "learning" process., coordinating mentors and trainers' team and monitors and evaluates the effect of the programme.

Key human resources are represented by a *team of mentors or trainers*. They are generally from companies some of whom are paid for their workshops, seminars and other activities, while others are there on a voluntary basis. In addition, mentors with greater responsibilities such as dealing with student teams for a longer period of a few months are better rewarded. The main function of the mentors is to be "case-coordinators", supervisors or personal coaches of a small students' team, responsible for the concrete practical development of the students and their concepts. The main goal is to manage processes in such a manner, that their team would achieve expected results (to develop certain entrepreneurial competences, to solve the case, providing partner organisation with concrete solutions to the given challenge).

Today, there are nearly 50 partners from the business and public sector involved in various CEP activities. They are chosen based on their availability to support the programme and their problem-solving competence. The size of a company does not matter but its representatives should be able to demonstrate their practical knowledge and problem-solving skills.

The academics play the role of experts, especially in providing expertise for problem-solving in specific cases the students are working on. HE managers and the administration unit are also involved in supporting CEP activities.

The selection or recruitment of *students* for the entrepreneurship academy is vital due to the programme's relatively long duration. Accordingly, it is important to have motivated students who are willing to follow the entire process, not just part of it. All students apply online and only 50% of students who apply are selected.

In the next step, in order to assess their motivation, students need to provide a recommendation letter from a professor, a previous manager at a company where they used to work, an NGO leader etc. This is followed by the "Entrepreneurship weekend" where their team workabilities, personality and experiences are checked in "real-time" context. Based on this, a final list of students accepted for the programme is published. Thus, the first step excludes 50% of the applications, and the second step about 25%.

It is important to stress that the focus on the selection process is mainly on the motivation of the students. The criteria and priorities for accepting students also depends on the smart prac-

tice process and particular cases. As an example, if the cooperating company is from a technical field, there is a greater need for students from the faculties of informatics or natural sciences; or if the case entails marketing and design, which involve more soft skills, there are more students from the faculties of arts than of economics and business. After graduating from the "Entrepreneurship academy" and "Entrepreneurship Labs", only best students (about 25%) pass to another phase – "Smart Practice" (explained in activities).

The activities take place in the university's auditoriums and classrooms, as well as in the partner organisation premises.

# 5. ACTIVITIES

Entrepreneurship education at VMU is based on development of the following six competencies:

- creativity,
- problem-solving,
- team work,
- networking capability,
- self-assessment (providing feedback on one's own performance and development as a personality), and
- pro-activity.

CEP supports development of these competencies primarily through the following three activities, which progressively develop students from developing entrepreneurial spirit in students, to executing entrepreneurial activities for businesses:

- 1. <u>Entrepreneurship Academy</u> its main aim is to encourage entrepreneurial spirit in students,
- 2. <u>Entrepreneurship Lab</u> its main aim is to develop student entrepreneurial capabilities by working on a case or problem for business, whilst in the university programme,
- <u>Smart Practices</u> its main aim is to develop student entrepreneurial capabilities by working on a case or problem for business, whilst <u>working in the business</u>.

The vital concept behind the CEP programme is to open up the opportunity for students to develop selected important skills and competencies. For this reason, students need to be motivated to invest their additional time in addition to their study programmes, invest their effort and be results-oriented. This motivation is already tested in the selection process.

#### Entrepreneurship Academy

The Entrepreneurship Academy is the first stage in developing entrepreneurial competencies and establishing an entrepreneurial attitude. Its aim is to demonstrate how ideas can be turned into specific projects and implemented in the business world. The Entrepreneurship Academy aims to offer this to a wider audience of students, which includes:

- students who are interested in pursuing an entrepreneurial career path during or directly after their studies,
- students who may not immediately continue with an entrepreneurial path, however are open to this pathway at some later stage in their lives,
- students who do not necessarily continue with entrepreneurial activities or entrepreneurial education.

The Academy is based on interactive lectures that take place in a classroom with around 50 students, or more. Experiences entrepreneurs who have succeeded in their career and achieved something outstanding (this might include also journalists, photographers etc.) are carefully chosen entrepreneurs to present their story as part of the course, highlighting the entrepreneurial aspects of their story. The idea is to intentionally present entrepreneurship in a range of fields, and to develop understanding of how entrepreneurship is realised in different environments. This is followed by an interactive discussion and group work to discuss these different perspectives of entrepreneurship.

Academy sessions are held every second week, with each session lasting one or two days (eight hours a day), including weekend sessions. The invited speakers have the concept of the Academy explained to them, what the expectations are etc., but are free to design their own session. Students are assigned credit points for participating in this activity.

#### Entrepreneurship Lab

The Entrepreneurship Lab is intended for students interested in further activities in the entrepreneurship field and represents a follow-up activity of the Entrepreneurship Academy. Students are given a problem from companies and other organisations, which they need to solve as part of the course. They then form interdisciplinary teams, ensuring that the necessary competencies are in place need to solve a particular case. The team includes six or seven students and there are around ten teams per year. Each team is assigned to a specific entrepreneurial idea together with a mentor, who are mainly practitioners and are supported by academics from the university who provide research insights and advice.

A team works together for two to four months to develop the case. Teams meet every week, also more often if needed, to discuss, share and then split up the tasks for individual work. The meetings can be shorter and more intense (a few hours) or occasionally also longer (half a day) an team members. They also create Facebook or other social media groups where they can communicate and share ideas. Together with their mentors, they use different techniques, from idea selection to the development of alternative scenarios, selection of the best ideas, prioritising, using the Business Model Canvas and other interactive tools. The mentors help students in these processes and to come up with a particular project solution which is then presented to the company.

The entrepreneurship plan ends with the recommendations, a project or idea that can be partly or fully implemented by the companies. The project's final presentation to the university's management give clear recommendations on what should be improved and developed in order to be more successful. The projects and solutions provided by the students in the Lab cannot always be fully implemented, but typically at least generate ideas that are considered for future development.

Solutions which offer commercial potential, can be subsequently developed together with the company, or as a separate activity by the university. The outcome of the Entrepreneurship Lab activities is the development of commercialised services, which provides a positive example of how the university could offer commercial services to businesses. Students are assigned credit points for participating in this activity.

#### **Smart Practice**

The core focus of Smart Practice is to create small student groups (three- four students per team) that work on specific projects inside companies for a few months. Thus, the Smart Practice is more company-based than the Entrepreneurial Lab, which is university-based. As such, the Smart Practice course is often formally organised as an internship, which is directly related to the study programme. There is often relation between the two: the concepts and ideas developed in the Entrepreneurial Lab can be further developed and realised in the Smart Practices. It is also very common for the companies involved in the Entrepreneurial Lab to also offer smart practice places and thus highlights the potential to progress students through the programmes. The student teams are supported by university supervisors who offer research consultancy to the teams, however the core workload is completed together with a company mentor.

Prior to placing the students, the activities are discussed with the company. Usually, personnel from CEP visit companies and explain the whole concept of the university's entrepreneurial activities in general. They also explain what kind of contribution is expected from the company – providing cases and tasks for students during smart practice, and assigning mentors. Students are assigned credit points for participating in this activity.

# 6. OUTPUTS

The CEP main goal is to improve the **students' competencies**, **attitude and knowledge regarding entrepreneurship**. The six competencies (see previous section) are evaluated at the start and end of the programme. Students who complete all three CEP activities – Entrepreneurship Academy, Entrepreneurship Lab and Smart Practices – get to know the cooperating companies and establish contacts with them. They develop project-based reports which are reviewed by both the company and the CEP personnel. In attaining this goal, students visit the companies, analyse them, maintain contacts with high-level management while solving particular problems facing companies which they need to present in front of company boards.

**Students** also receive feedback and recommendations after the whole process has been completed and a certification of their work. They also receive a portfolio of their activities, the process, their contribution, management and credit points. The benefits gained by students of different study programmes vary because students from the natural and technical sciences need different competencies and knowledge than social sciences students, however they all increase their six main competences to a certain extent.

The outcome for a **company** can be a solution to a particular case. Some cases are only intended for study processes but could also turn into a solution to the problem in reality. There has not yet been an commercialisation example of the results from these activities., however, the university sees the future potential of some high-quality cases developed by students that might develop into commercialised products. Companies also benefit from developing a close working relationship with potential employees and an opportunity to see these potential employees up close in real working situations.

#### 7. IMPACTS

In the long term, the entrepreneurship activities change the mind-sets of students – that entrepreneurship not only has a business or money value, but is part of everyday life, an approach that sharpens alertness to opportunities, recognising problems, enhancing creativity, etc. Through the hands-on approach, students can better understand what they want to achieve, what they want to do and what their prospects are for the future. In this way students are given an opportunity to develop entrepreneurial skills and competencies. They are also provided with a chance to develop and implement their social and business ideas and acquire experience, which includes building business networks and thus enhances their entry to the labour market.

Business people can have access to innovative ideas and research, thereby giving an opportunity to make their services and products more competitive while they also have an opportunity to recognise the most talented students and possibly hire them. The academic community (professors, researchers, entrepreneurial mind-set providers) can contribute to solving practical problems and thus exploit the university's research potential in practice. On the other hand, it has an opportunity to commercialise ideas by setting up start-ups and spin-off enterprises<sup>3</sup> The academic community contributes by developing ideas, potentially for further commercialisation. Also they have network of potential students or young researchers, who are potential for developing ideas. They can provide expertise in varies stages of idea development process.

Until now, the CEP activities have not only added substantial value to students and the businesses they are working with, however also the academics within the university by introducing entrepreneurial values and an understanding of entrepreneurship. Changes have also occurred in the opinion of external partners – business and other social partners – which have realised that entrepreneurship can be research-based, and the university may be seen as a partner for other organisations in the society.

# Support & Influencing factors

#### 8. SUPPORTING MECHANISMS

The financial support for CEP activities comes from the university, while expert knowledge from business partners. The entrepreneurship activities and cooperation with business are documented in the rector's strategic programme and the university puts entrepreneurial mind-set on its strategic documents, however there is no formal regulation on its implementation. On national level - there are so far no national policy papers to enhance CEP neither bigger public grants being offered, rather small initiatives for students are offered at the regional level.

One of the supporting mechanisms is a well-developed entrepreneurial network involving partner organisations, which support the system through their expertise, practical lectures and workshops, mentoring.

# 9. BARRIERS AND DRIVERS

From the perspective of **drivers** – motivated stakeholders and programme implementers are one of the key factors. The university's entrepreneurial ecosystem would not work without the academic community and business partners on one side and students on the other. The programme's strong focus on developing entrepreneurial competencies in students as a starting point, and the process of acquiring these competencies through projects with business, always comes as a pre-cursor to the results. For example, if a company provides a study case the goal is not to have implemented solutions but to provide students with the opportunity to perform in a real-life environment, with real information and real professionals what might turn into profit only in the longer term.

From the perspective of **barriers**, there could be greater resources because university-business cooperation depends on the partners and the university. Due to the limited physical and human resources, it is impossible to accept all students who apply for the programme.

There is still some scepticism about the importance of entrepreneurship among certain faculty deans or academics. That's why one of the strategic actions of CEP is to promote and foster entrepreneurial mind-set among university community in order to overcome resistance for change and to create critical mass of supporting people.

#### **10. FUTURE CHALLENGES**

In the case of greater resources becoming available, more trainers would be hired to allow a chance of expansion. Given Lithuania's small domestic market, another challenge would relate to increasing international cooperation.

From the administration standpoint, it is important to provide a critical mass of professors and staff to support these entrepreneurship approaches.

There is an idea of creating an open-space lab inside the university following some examples from foreign universities with creative decoration and co-working spaces for students. For this reason, a challenge to be met in the next months is to find a foundation for this project that will bring about an important improvement in the quality of the UBC activities.

#### **11.CONTEXT**

Lithuania was one of the first countries to "explicitly mention and launch entrepreneurship education as part of its national strategy for general education /.../ The current Lithuanian National Strategy on Education 2013-2022 maintains the focus on entrepreneurship education and creativity setting them as priorities and a horizontal principle."<sup>4</sup> The support for its implementation is stated within strategic documents and the inclusion of entrepreneurship in compulsory studies and other initiatives.<sup>5</sup>

The primary motivation for developing entrepreneurial education was the situation in the education market after the country's independence from the Soviet Union in 1991. Competition in the education system was becoming stricter due to falling student numbers and the rich offer of universities abroad. There was a need to create a system that attracts students and shows the university has high-level instruments and contacts with companies from the business sector.

The programme is the first initiative of its kind in Lithuania and therefore attracts much interest and attention from politicians, business people and academics. The programme is interesting because of its recognition of the need to firstly build interest, and then competencies, related to entrepreneurship as a means for developing entrepreneurial activity. Furthermore, its creativity and unique methodology with a psychological approach to the students' personal development is an addition unique element.

In Lithuania the initiatives of entrepreneurship education have started since 2002 - after the approval of the European Charter for Small Enterprises. Two specific strategies "*Economic Literacy and Entrepreneurship Education" (2004)* and the "*National Program of Youth Entrepreneurship Education and Encouragement for 2008-2012"* as well as the broader education strategy "*National Education Strategy 2003-2012"* aim to strengthen the focus on entrepreneurship and financial management at all school levels. In the *Strategy of Economic Literacy and Entrepreneurship Education* it is perceived that entrepreneurship education is not identical to economic literacy. This document helped to understand that entrepreneurship development is a separate area. The input of all education levels to entrepreneurship development is acknowledged.

In another strategic document - *Long-term (until 2020) Lithuanian Economy Development Strategy (2007)* - it is stated that entrepreneurship will develop in the country. This is firstly through improvement of management competence and business environment, development of closer cooperation between science and study institutions and business enterprises. Regarding entrepreneurship education policy, orientation towards development of entrepreneurship and innovation skills as well as creation of favourable business environment is emphasised. The strategy identifies the directions and tools for Lithuania's economic growth. Since Lithuania's entrepreneurship potential is not sufficient, the strategy foresaw an increase in entrepreneurship, putting it as the main priority in the policy of small and medium-sized business development.

The analysed strategic documents on entrepreneurship policy allow identifying main areas of essential initiatives and action directions for entrepreneurship promotion:

- Entrepreneurship culture through the development of entrepreneurial mind-sets;
- Entrepreneurial skills through the development of education systems;
- Business activity based on new knowledge and technologies, and oriented to innovation;
- National and global *networking* through promoting various partnerships in business and science sectors;
- Creativity development through promoting entrepreneurial education of various levels and strengthening interaction among science, studies and business.

Promotion of entrepreneurship practice in Lithuania is supported through measures which provide financial subsidies for establishing an enterprise in innovative environment (incubator, innovation centre, technology park), stimulate research and business partnerships, support research infrastructure, promote scientists' and researchers' competence development and students' entrepreneurship promotion, encourage cooperation of universities, technological institutes, consulting companies and business enterprises.

#### **12. KEY SUCCESS FACTORS**

The team that created the programme had very different backgrounds and experiences (for example, theology, psychology, social entrepreneurship etc.) but shared the same principles toward entrepreneurship. They mixed psychology, non-formal education methodology and the main processes underway in organisations to create an approach between formal and non-formal education along with a quality service that has led to the programme's success. This combination of knowledge has been vital for the success of the CEP programme.

Another key factor in being included in the UBC activities is the students' motivations and their open and pro-active approach to the process, without being afraid of new challenges. In order to make sure that students have this approach, they already pass a strict selection process. Students included in the programme and working together have a different gender, age, study field, and faculty. Considering this, CEP has made sure that synergies emerge between the different personalities, age groups, experiences and views of the process, and expected results in the student working teams.



# 🖳 Further Information

#### **13. MONITORING AND EVALUATION**

The programme is evaluated by student feedback, according to each business partner's personalised feedback and personal meetings with the partners involved. In the last four years, the programme has been developing and adapting to the stakeholders' needs based on these different forms of feedback, although currently there are only minor adaptations to the programme.

The monitoring of the programme also envisages a student diary, which involves an assessment of their level of the six key competencies prior to taking part in the entrepreneurship programme. This analysis is conducted by students in cooperation with their mentors and followed by a competence development plan. The six competencies are again re-evaluated after the programme is completed.

# **14. SUSTAINABILITY MEASURES**

The programme's sustainability can be ensured at least for the next few years if the number of students does not decrease, if the programme is regularly supported by the university management and the budget is at least maintained. There are sustainability measures like: ecosystem (University – partner organisations – city municipality) development; commitment of main stakeholders; infrastructure and "know how".

#### **15. TRANSFERABILITY**

The CEP model applied at the VMU receives considerable interest from other universities and students. The programme can be transferred to other environments regardless of the country, culture or age groups and already there have been some initiatives to share the programme. VMU started implementing this programme among school pupils and they are also trying to pilot it in the public sector between different divisions, for example municipalities.

#### **16.LINKS**

Vytautas Magnus University: www.vdu.lt

VMU Centre for Enterprise Practices: http://www.verslopraktikos.lt/home-verslo-praktikosen/

#### **17. CONTACT PERSON**



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#### **18. REFERENCES**

- <sup>1</sup> Vytautas Magnus University: <u>http://www.vdu.lt/en/about-vmu/</u>
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- <sup>2</sup> VMU Centre For Enterprise Practices: <u>www.verslopraktikos.lt/home-verslo-praktikos-en</u>
- <sup>3</sup> VMU Centre For Enterprise Practices: <u>www.verslopraktikos.lt/home-verslo-praktikos-en</u>
- <sup>4</sup> School Education Gateway, Entrepreneurship Education in Lithuania: <u>http://www.schooleducation-gateway.eu/downloads/entrepreneurship/Lithuania\_151022.pdf</u>
- <sup>5</sup> OECD. Supporting Youth Entrepreneurship in Lithuania A Review of Policies and Programmes: <u>http://in-vega.lt/wp-content/uploads/2016/05/V-Lithuania-Youth-Entrepreneurship-Report-2015.pdf</u>