



Randel Carlock

The Berghmans Lhoist Chaired
Professor of Entrepreneurial Leadership

Professor Randel Carlock explains his novel approach to entrepreneurial education.

Yes you can

There is a recurring question posed to all of us teachers of business that reaches to the root of why we do what we do. Can you really teach people to manage, particularly in a highly specialized area such as entrepreneurship?

To find the answer, it might be worth putting the question to some of my favorite poster boys for innovation, people like Mozart, Charles Darwin and Pablo Picasso.

They were all influenced by family members who were powerful teachers, who pre-dated them with the talent that made each one famous. Mozart's father was one of the great music teachers of Europe; his notes are reflected in countless passages composed by his son. It was Darwin's grandfather who invented the theory of evolution, although the younger of the two eventually took it to the next level. Picasso's father painted and sculpted doves, which later became Pablo's trademark.

The one thing Mozart, Darwin and Picasso have in common is that they were taught. They took their talent, combined it with their education and experiences, and ended up doing great things. That is what we believe we can do with entrepreneurship, so I would answer the opening question with a resounding yes. Entrepreneurship success factors, like those for most activities, can be taught.



The Soldier's Tree, by Rodney Graham.

Courtesy of the Lhoist Group collection

The logical question to follow would likely be "How?" In this multi-step process, we first polish our students' entrepreneurial skills through our specialized curriculum. For example, in the Venture Opportunities course, students learn methods for identifying great opportunities and assessing which ones are worth pursuing, while the New Ventures course covers business plan development, from opportunity to first revenues. As all new businesses require funding, Entrepreneurial Finance and Private Equity helps students understand venture capital and how to secure necessary funds to grow a firm. Realizing Entrepreneurial Potential emphasizes the entrepreneurial process in acquiring and regenerating an established firm. Managing Sustainable Growth helps students understand the factors they need to manage if their firms are going to successfully grow.

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We teach that the entrepreneurial leader is the kind who can stand to be shaken up, one who appreciates turbulence, managing risk and ambiguity, and understands his or her own vision as it concerns values, ethics and responsibility. In turn, this kind of thinking supports a business culture that encourages and sustains creativity, innovation and risk taking.

Energizing people, aligning the organization and managing change are all key components of this specialized type of leadership. Entrepreneurship also entails developing particular talents, such as the ability to recognize new opportunities, to encourage team building and to develop business plans.

At the foundation of it all, we professors truly believe in entrepreneurial strategies that reflect global awareness. Contrary to those who argue that entrepreneurship is a predominantly American phenomenon, we point out proof that the global economy is widening, as international finance markets are

creating entrepreneurial opportunities everywhere. In Europe and Asia, the pressures of the social and cultural influences remain a challenge to entrepreneurship, but we can see more and more examples of entrepreneurial strategy emerging, truly a reflection of a new global mindset and a powerful way to manage.



The Revolution Tree, Bourlémont, by Rodney Graham.
Courtesy of the Lhoist Group collection

So, why did photographer Rodney Graham frame his trees the way he did? More important, why did Jean-Pierre Berghmans, Chairman of the Executive Board of the Lhoist Group and MBA '74, select this as the symbol of the Berghmans Lhoist Entrepreneurial Leadership Chair? Because entrepreneurial management is about doing something in a new way, which can clearly be seen when the characteristics, both traditional and entrepreneurial, are lined up side by side. An entrepreneurial view can grant a fresh way to see opportunities, employees and customers, sometimes even when it's upside down.

Teaching to think in a different way

Many INSEAD students come from backgrounds that emphasize traditional thinking and structure; thus, it's vital for teachers to help them examine management differently. One method is to offer activities in their entrepreneurship courses that emphasize not just cognitive knowledge but experiential learning that can teach skills and change attitudes. The Managing Sustainable Growth course is geared to do just that, providing a strong complement to the core curriculum by offering opportunities for students to apply their knowledge. Following are three very different course exercises that students complete as part of their entrepreneurial learning process.

A question of creative style – self inventory

Do you identify yourself as a person who “has original ideas” or “is stimulating”? Perhaps you are the kind who “risks doing things differently,” or “fits readily in to ‘the system’.” *

These are just a few of the statements students confront when doing an assessment exercise based on the Kirton Adaption-Innovation Inventory, or KAI, created by Dr M J Kirton. This special instrument looks at how one makes decisions around problems or novelty,

10 ways to lead to a more entrepreneurial organization

1. Practice entrepreneurship as a value and behavior
2. Use a shared vision to challenge the status quo
3. Be your customer
4. Improve the climate for risk taking
5. Catch employees being entrepreneurial
6. Support innovation projects
7. Manage subtle internal competition
8. Train on opportunity recognition and innovation skills
9. Create flexible structures
10. Hold people accountable for innovative behavior
11. Reward innovation *

*There are 11 items because you always create value for your stakeholders. If you offer 10, deliver 11!

Traditional versus entrepreneurial management

Traditional

Targets & budgeting
Organizing & staffing
Controlling & problem solving
Strategic planning
Hierarchy
Financial performance
React to change

Entrepreneurial

Sharing a vision
Motivating & inspiring
Encouraging personal development
Opportunity recognition
Teams
Sustained growth
Plan to change

identifying one's preferred style of problem solving and creativity.

An important concept of Kirton's research is the recognition that everyone is creative, and everyone is a problem-solver, even if there is variation in styles and capacities. Thus, depending on how you respond to 33 questions, KAI proposes to place you on a continuum with a range of possible identities.

R&D, marketing and advertising people tend to be what KAI labels "innovators," while engineers, accountants and lawyers tend to be "adaptors." "Bridgers" are usually personified as a typical general manager. They land in the middle, as they can work with both of the other types. Whereas an innovator might ask, "How can I make things different?" an adaptor would more likely ask, "How can I make things better?" A bridger works with both styles.

Use of this instrument informs students that each type is creative. Understanding and respecting the differences is critical for effective entrepreneurial management.

* All material related to the Kirton Adaption-Innovation Inventory was created and copyright protected by Dr M J Kirton. All information and descriptions come from the KAI response sheet and www.kaicentre.com. Professor Carlock is a certified KAI practitioner.

Recognizing opportunities – learning from others' experiences

INSEAD MBA alumni Paul Chantler and Thor Gudmundsson knew that good ale is hard to find, and they were also aware of a significant constituency of British ex-pats living in Paris who dreamed of the good old days back in their local pubs. They began thinking they could somehow turn these two factors into an opportunity. Their solution: to open an English pub restaurant and micro-brasserie, which they named The Frog and Rosbif.

The students in the Managing Growth class live the venture with Chantler, who uses a series of five case studies, steering students through the start-up, growth and expansion of this new pub chain. Professor Carlock uses somewhat of an entrepreneurial teaching method, as he passes the podium to Chantler to bring the story to life.

Students find no applied model or formulas in the text, but instead, there is a real-life element that steers them through the challenges of running an entrepreneurial venture. The cases cover a range of issues, including how after opening the first pub with smashing success the duo almost flopped with the second.

"The great thing about our story when we present it to the students, is that what we've done with our business is totally achievable," Chantler says. "We're not Rupert Murdoch, Bill Gates or Richard Branson. Our story and our cases are based on simple concepts with a healthy degree of realism and immediacy."

Now, with a professionally produced video to accompany the text and presentation, the students are experiencing the Frog and Rosbif growth story firsthand.

From trash to fashion – doing it themselves

Perhaps the French know best that the most exciting, dynamic and different ideas flow freely from the minds of fashion designers. When it comes to managing these very different people, what is the best approach to take? For the final exercise in the Managing Growth course, students take on the challenge as they split into two roles, one of faux fashion designers and one of managers.

The designers are instructed to follow the work of John Galliano from the House of Dior to create an outfit for the Homeless Chic line, a hot new fashion that transforms trash into style. While they know the Homeless Chic line is controversial and could wreak havoc in areas of public relations and marketing, the students in the management role are challenged to help the design team create cutting-edge fashion, while protecting the reputation of the company.

How do they manage the designers, the creative process and the market forces to create a salable item that is both cutting edge and haute couture? And how do the designers make the most of their creativity within management constraints?

The exercise culminates in the mock fashion show itself during the all-important Paris Fashion Week.** After the flashbulbs die down and before the champagne glasses are empty, the teams come back together to discuss why and how they accomplished their goals and whether management helped or hurt the creative process. IQ

**This class exercise was based on the ideas presented in *The Harvard Business Review* article "The Perfect Paradox of Star Brands" (October 2001).

