Faculty Development Program in International Entrepreneurship

Up until about 1993, very few people inside and outside of academia talked about entrepreneurship, said Patricia McDougall, a leading researcher and speaker at the 2008 Faculty Development in International Entrepreneurship (FDIE).

“Nor did international business (IB) faculty even acknowledge the existence of entrepreneurship.”

Technology – the Internet and before that the fax machine – enabled scholars to turn international entrepreneurship into a worldwide conversation, she said. “In the new millennium the study of international entrepreneurship took off. By 2004, all of a sudden IB scholars started getting interested in the subject.”

Walter Kuemmerle, an acknowledged expert on international entrepreneurship, noted in his address that “IB preceded discussions about entrepreneurship by about 15 years” and both fields faced the same challenges in the early stages of development: to be considered relevant and taken seriously by faculty and students.

Two disciplines

With the goal of putting both disciplines under the spotlight, the FDIE focused on the intersection between international business and entrepreneurship. Faculty members, current and prospective researchers, and directors of entrepreneurship centers were brought up to date on the latest concepts for teaching or internationalizing their programs.

Sponsored by the U.S. Department of Education and the the Institute for International Business (IIB), University of Colorado Denver (UCD) CIBER in collaboration with CIBERS at Indiana University and Brigham Young University, the June 2-5, 2008 conference featured presentations by distinguished specialists from academia and the business community.

At the UCD CIBER, the teaching of international entrepreneurship leverages the university’s strengths and exploits Colorado’s position as one of the top entrepreneurial states in the US, according to Manuel Serapio, IIB/CIBER Faculty Director and coordinator of the 2008 FDIE.

Mind of the entrepreneur, role of the teacher

WALTER KUEMMERLE is a researcher, lecturer and consultant for numerous business schools, companies and nongovernmental organizations worldwide. An expert on international entrepreneurship and private equity, he was a professor at Harvard Business School for more than 10 years, and in 1999 was named one of two Novartis Fellows. His research has appeared in publications such as Strategic Management Journal, Journal of International Business Studies, and Harvard Business Review among others. Kuemmerle holds a master’s degree in industrial economics from the Koblenz School of Corporate Management in Germany and a doctorate in business administration from Harvard Business School.

Are entrepreneurs people who just get lucky or do they possess certain characteristics that ensure success? Walter Kuemmerle posed, then answered, this question in his address to the FDIE. “I think there is a certain disposition toward entrepreneurship but a lot of it can be learned, especially through role models and great teaching.”

Teachers can help would-be entrepreneurs determine if they have the right stuff by asking pointed questions based on what Kuemmerle described as “the five characteristics that distinguish entrepreneurs.”

Are you comfortable stretching the rules? This does not mean doing something illegal. “Many entrepreneurial ventures have been built by people interpreting rules in a way that is creative but not illegal.” As an example, Kuemmerle cited Bill Gates of Microsoft. “Gates offered to potentially sell DOS to IBM when he did not own it yet. He stretched the rules. This is something that is very hard to teach and it’s a part of entrepreneurship.”

Are you prepared to make and deal with powerful enemies? “This way of thinking isn’t necessarily innate to students.”

“There is a certain aspect of entrepreneurship that a lot of people who research and teach it are not 100 percent comfortable with and it’s important to acknowledge this. The academic system is set up in a way that is not exactly friendly toward entrepreneurial ideas; there are certain things you can and cannot do. But at the individual level we are all entrepreneurs. When we get up in the morning and think about what we have to do next, that’s entrepreneurial.”

Do you have the patience to start small? “People with business degrees are often impatient types and don’t appreciate how long it took some of the most successful entrepreneurs to develop and fine-tune their product or service offering before a full-scale roll-out.”

Are you willing to shift strategies quickly? “Entrepreneurs are able to stand up in front of a group of people and declare, ‘What I said yesterday doesn’t apply today.’ I know of very few companies that had a business plan that worked out exactly as written. Sometimes they exceeded it and often they under-performed. So flexibility is important.”

Are you a closer? “This is the one characteristic that is quite difficult to teach in the business schools. It’s about salesmanship.”

On the question of whether or not entrepreneurs are risk-averse, Kuemmerle said, “I don’t know any successful entrepreneur who wakes up in the morning and says Show me the risk so I can take it. In a very smart way entrepreneurs off-load a lot of risk to others. This is something you have to acknowledge in the classroom when you talk to students about entrepreneurship.”

Students should also be asked how they feel about risk: How much loss they can tolerate and if they have a fallback option.

“One early definition of entrepreneurship was focused on the individual’s attitude towards risk. Among other definitions it was later defined as ‘opportunity-oriented behavior – the relentless pursuit of opportunity without regard to tangible resources’.”

However, Kuemmerle’s research shows that “most smart entrepreneurs know they need certain resources.” Therefore, he defines entrepreneurship as “Opportunity-driven behavior that’s cognizant of but without intense regard to the resources required to pursue the opportunity. It is the art of matching resources to opportunity and adjusting the match as the enterprise grows and changes.”