

# The Baton of Entrepreneurship

## CBS Views on Entrepreneurship

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# THE BATON OF ENTREPRENEURSHIP

CBS Views on Entrepreneurship



There are many thoughts and beliefs about entrepreneurship. This diversity in opinions and concepts may be triggered by the booming interest in entrepreneurship and in entrepreneurs. Journalists, politicians and academics, just to mention a few groups, have greatly turned their focus and attention towards entrepreneurs and entrepreneurship. And in the labour market, entrepreneurship has become one of the more attractive options. Entrepreneurship has indeed become a centre of attention throughout society.

There are numerous definitions, terms, theories, thoughts, and conjectures on and around entrepreneurship. It is truly a multidisciplinary topic that draws on sociology, economics, management, and psychology, etc. It can therefore often be confusing to study, and exceedingly difficult to gather a coherent set of academic contributions on entrepreneurship. Very different things are investigated under the heading of entrepreneurship. Even when scholars discuss overlapping issues, the used terminology may often be misaligned. Indeed, even the most accomplished experts tend to be confused when debating topics on entrepreneurship. There can easily emerge a misperception and misunderstandings due to the muddy and inconsistent use of terms.

Motivated by the need for understanding the differences in the way we perceive and think about entrepreneurship, the CBS Entrepreneurship BiS Platform set out to ask 10 scholars from CBS to offer their thoughts on 5 dimensions with regard to entrepreneurship. In what could best be described as a curiosity-driven relay, these scholars passed the baton over to the next person, resulting in a 'run' across departments and varying traditions of thought. They represented the Department of Innovation and Organizational Economics, the Department of Economics, the Department of Strategic Management and Globalization, the Department of Management, Politics and Philosophy, the Department of Business and Politics, and the Copenhagen School of Entrepreneurship. The five questions posed to the interviewees were:

1. What is your understanding of entrepreneurship?
2. What characterizes and entrepreneur as an individual?
3. What does this mean for university education, or education more generally?
4. What is the role and function of entrepreneurship for private companies and the public sector?
5. In what sense is entrepreneurship important for society?

The aim of the Baton of Entrepreneurship is to stimulate dialogue and share insights into entrepreneurship research across the internal boundaries of CBS. But the Baton of Entrepreneurship also functions as a means to convey differences and inform about how entrepreneurship can be thought of in different ways. Having said this, it also reveals that the differences across CBS might not be as big as one might expect and that there are profound overlaps representing a potential for cross-organizational interaction on the topic of entrepreneurship. Perhaps this commonality will be the fuel, which allow new discoveries in the field of entrepreneurship to flourish.

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# #1 TOKE REICHSTEIN

Toke Reichstein's research interest in entrepreneurship investigates regularities at the individual level aiming to disentangle the premises that drives individual into self-employment and under what circumstances the newly established firm tend to succeed. His work in technology licensing and innovation departs at the firm level and seek to marry contractual economics and management of open innovation in the pursuit of a more complete understanding of the best practices in terms of drawing on external partnering for retrieving information and knowledge beneficial in the firms innovation activities.

## What is your understanding of entrepreneurship?

Entrepreneurship is a process of business establishment triggered by an individual's choice to pursue a discovered business opportunity given the context in which he operates - either alone or as a member of a team. Accordingly, entrepreneurship regards the contextual, dispositional and opportunity-related mechanisms that hamper or trigger the establishment of new businesses or practices.

## What characterises an entrepreneur as an individual?

Characterizing the typical entrepreneur is a difficult task. Multiple research streams (psychology, sociology, economics, neurobiology, etc.) have found the entrepreneur interesting and worth studying. This is not least because the character is dynamic and often highly visible among peers. Yet, common across disciplines is that the typical entrepreneur is professionally footloose and relatively unconstrained by the established. From a management perspective, the entrepreneur thrives with challenges, seeks new opportunities and positions himself in the information corridor, allowing him to discover, develop and exploit opportunities. Such traits provide the entrepreneur with advantages in the context of entrepreneurship. But it also represents specific disadvantages.

## What does this mean for university education, or education more generally?

Universities should offer educational opportunities that provide students insights into the stages and process of entrepreneurial venturing. Not only to feed the entrepreneurial process directly. But also to provide capabilities in assessing and evaluating entrepreneurial opportunities and ventures as a stakeholder or form useful and sustainable policies targeted at entrepreneurial activities. It will also feed the labour market with capacities and capabilities that may prove central in the further development of the pop-

ulation of organizations across economies. The aim should be to furnish an understanding of the advantages and disadvantages, so as to enable the individual to better manage entrepreneurship and the entrepreneurial individual.

## What is the role and function of entrepreneurship for private companies and for the public sector?

Many established organizations, private and public alike, are characterized by bureaucratic and formalised ways of operating. Accordingly, such organisations may often lack the qualities necessary for generating competitive advantages. The static and rigid organisation often fails to act in times of turmoil or economic shocks. And it is by far proactive in taking initiative for change and development. Unfortunately, the entrepreneurial individual does not consider such organisations attractive in the pursuit of a career. Indeed, they tend to leave relatively quickly for a more fitting environment if they for some reasons find themselves working for such organisations. This is a major challenge for the established and the public sector since such co-workers can be key for generating a more dynamic organisational environment. They may prove essential for innovation, development and ultimately performance. To harness these qualities, it is imperative to organize as to attract and retain the entrepreneurial individual.

## In what sense is entrepreneurship important for society?

Entrepreneurship is important for society since it challenges the existing hierarchies of markets and industries and rattles the ranking among firms as well as among individuals by redistributing wealth, profits and surplus. It upsets status quo by being an engine for change, challenging the traditional and entrenched ways of operating and the habitual perception of reality. It fosters Schumpeterian creative destruction where old and obsolete ways and assets are replaced by younger and more promising alternatives. Finally, recent research suggests that entrepreneurship plays a decisive role in offering high quality career alternatives to a subpopulation of individuals that otherwise accounts for a greater share of the costs and welfare loss associated with high employment turnover. Entrepreneurship thereby represents a major contributor to societal welfare and growth.

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## #2 ANDERS SØRENSEN

Anders Sørensen holds a MSc degree in economics from Aarhus University (1993) and a PhD from Copenhagen Business School (1997). During his doctoral studies he was visiting graduate student at University of California, Berkeley. He is Professor of Empirical Economics at the Department of Economics, CBS, and co-director of CBS' Human Capital, Organization design, and performance (HOPE) research environment. Previously, he was Assistant Professor at Johns Hopkins University (USA) and director of CBS' Center for Economic and Business Research (CEBR). He was a member of the Danish Productivity Commission. His main research interest is in productivity, human capital, and innovation as well as empirical economics. Sørensen has published his research in journals such as *American Economic Review*, *Journal of Economic Growth*, and *Small Business Economics* and has been at CBS since 2004.

### What is your understanding of entrepreneurship?

An entrepreneur is a person who organizes and manages the start-up of a firm. Thereby, an entrepreneur identifies an opportunity, develops a business plan, starts the firm, and manages the business. Hopefully, the entrepreneur earns profits.

### What characterises an entrepreneur as an individual?

To be successful, entrepreneurs need both theoretical skills obtained through schooling and practical skills acquired through wage-work. In other words, formal schooling and wage-work experience are complementary types of human capital for entrepreneurs.

### What does this mean for university education, or education more generally?

This idea that entrepreneurs require two types of skills to be successful is related to Lazear's "Jacks-of-all-Trades" theory. He argues that entrepreneurs should be generalists whereas wage-workers should be specialists. Consistent with his theory, Lazear finds that for a group of Stanford MBAs the probability of becoming an entrepreneur increases with a more field-dispersed set of courses in the MBA program. Hence, large variation in the curriculum is important for prospect entrepreneurs.

### What is the role and function of entrepreneurship for private companies and for the public sector?

Entrepreneurship may have an important effect on incumbent firms. Entrepreneurs are often considered to have an important role as an engine for growth and prosperity. In the words of Schumpeter, entrepreneurs create combinations of inputs and outputs. They pioneer new activities, exploit new market opportunities and allocate labour to its most productive use. If this is the case, entrepreneurs will influence the conditions for incumbent firms. However, entrepreneurship is not always found to be good business for those who are involved in entrepreneurial projects. Earlier research surveyed by van Praag and Versloot (2007) indicates that jobs created by entrepreneurs are unsecure and relatively low-paid. And, in contrast to the impression created by famous high-tech start-ups, van Praag and Versloot (2007) conclude that employees in start-ups often have shorter education lengths than employees in other firms and that productivity levels in entrepreneurial start-ups are not different from or even lower than in established firms. For the public sector entrepreneurs may be of importance if they are able to drive innovations that can make the public sector more effective.

### In what sense is entrepreneurship important for society?

Entrepreneurs are generally considered as being of key importance for generating new jobs and economic Growth.

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I hold a chaired professorship in Entrepreneurship at the University of Zurich and a ten-percent professorship at Copenhagen Business School, Department of Innovation and Organizational Economics. I previously held positions at the University of Southern Denmark in Odense and the Centre for European Economic Research in Mannheim (ZEW). My academic degrees Diplom-Volkswirt (Master of Science in Economics) and Dr. rer. pol. (PhD) are both from the University of Konstanz. I am additionally affiliated with ZEW and the Centre for Industrial Economics at the University of Copenhagen. I conduct empirical research in Innovation, Entrepreneurship and Business Strategy.

### What is your understanding of entrepreneurship?

It is a bit of a generic textbook answer but I believe it is true: It is the process by which individuals pursue opportunities without regard for the resources they currently control. That is, they have an idea, recognise that there is also an associated opportunity and then begin to collect the funds and resources to pull the project off.

### What characterises an entrepreneur as an individual?

Research has so far not been able to show that entrepreneurs and non-entrepreneurs differ genetically. It has, however, been shown that they differ in terms of their personal traits. Most importantly, entrepreneurs have a lot of passion for their business and are willing to make big sacrifices to get their business up and running. Second, they have a keen focus on customers (and not on technological aspects). Third, they are good at getting things done – they raise the funds they need, put together a team that works, establish partnerships and motivate employees (easy, as they are passionate about their business, see above). Fourth, they have a huge amount of tenacity and do not give up as soon as they encounter the first setbacks.

### What does this mean for university education, or education more generally?

We cannot really change personal traits. What we can do, however, is endow students with the skills that facilitate becoming and – more importantly – being an entrepreneur. Students should have skills in all kinds of disciplines, just like in Lazear's jack-of-all-trades model. They clearly need to learn how to write a business plan. They also need to acquire more mundane skills like accounting, which most people with the personal traits discussed

above would disregard. Knowledge about human resource management will also help, as will courses in strategy. Most importantly perhaps, however, is that students learn how to express themselves orally and in writing.

### What is the role and function of entrepreneurship for private companies and for the public sector?

The option of starting an own business gives people the option to be their own boss and to do what they actually wish to do. Many entrepreneurs are convinced about their business and believe that their product or service makes the world a better place (they are, well ... passionate). These products or services – at least the ones that succeed – indeed make life easier for both the humble consumer and the established firms. Many entrepreneurs conceived their idea while working with a corporation. Think of the founders of SAP. IBM, their employer, turned down their idea. And yet, SAP proved to be quite useful for both the private and the public sector (and for the army of consultants who implement their software, not to mention the founders themselves). The threat of new entrants perhaps also makes the lazy incumbent more innovative. After all, the monopolist enjoys an easy life – until the first challenger pops up.

### In what sense is entrepreneurship important for society?

Many important innovations have been brought about by start-ups. Think of Red Bull, which keeps our students awake. But we should also bear in mind that entrepreneurship is a viable option for minorities who are otherwise marginalised on the labour market. Entrepreneurship also constitutes a challenge, like for example the collection of private and sensitive data by social networks.

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## #4 WOLFGANG SOFKA

Wolfgang Sofka received his doctoral degree from the University of Hamburg. He has previously worked for the Centre for European Economic Research (ZEW) in Germany and Tilburg University in the Netherlands. His research is built around the topic of how firms can prosper in an environment in which the creation of innovations becomes an increasingly shared and interconnected activity, sometimes referred to as Open Innovation. This trend allows them to search and work with promising partners, e.g. leading customers or universities. At the same time, they need to develop strategies for capturing the value of the resulting innovations.

### What is your understanding of entrepreneurship?

Entrepreneurship is the act, process and research field on how new organisations are founded. Entrepreneurship usually entails the assimilation of crucial resources (e.g. funding, human resources, knowledge) with the purpose of creating a new economic entity. Entrepreneurship typically leads to the creation of new firms but can also include organisations without the primary purpose of creating profits (e.g. for social needs).

### What characterises an entrepreneur as an individual?

The typical entrepreneur has the ability to mobilise crucial resources and combine them in a novel way. This inherent novelty oftentimes implies that he/she makes decisions under conditions of uncertainty and is willing to accept substantial risks. Not all entrepreneurs act out of opportunity. They can also be pushed towards entrepreneurship in the absence of alternative career perspectives.

### What does this mean for university education, or education more generally?

Certain characteristics of entrepreneurs are not teachable, e.g. the ability to accept risks. Universities can teach content and processes underlying entrepreneurship, e.g. financial planning or communicating with investors. Universities can provide learning environments in which students can immerse themselves in an entrepreneurial experience without exposing themselves to the financial risks. Students can learn and experience to think like entrepreneurs. Schools and universities would be ill-advised to push students into entrepreneurship, given the substantial failure rates.

They can provide opportunities and knowledge for students who decide for themselves whether they want to become entrepreneurs.

### What is the role and function of entrepreneurship for private companies and for the public sector?

Entrepreneurship is an important tool for firms and the public sector to explore new opportunities, whether they are commercial (e.g. new products or services) or societal in nature. Entrepreneurs can develop and find solutions to problems which cannot be predicted ex-ante. The entrepreneurial approach allows dedicated organisations to explore these new solutions without being constrained by existing hierarchies, practices or structures. It is inherent to the process that many of these new solutions will fail, but the successful ones should make up for the losses incurred from the failures.

### In what sense is entrepreneurship important for society?

Entrepreneurship fills an important need in society to provide new solutions to problems which are not or insufficiently covered by the status quo. It allows societies to adjust and adapt to changing needs. Finding these new solutions in new organisations ensures that resources are used productively and efficiently.

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## #5 WILLIAM B. GARTNER

William B. Gartner holds a joint appointment with Copenhagen Business School (Fall Term) and California Lutheran University (Spring and Summer Terms). He has held faculty positions at the University of Virginia, Georgetown University, San Francisco State University, the University of Southern California and Clemson University. He is the 2005 winner of the Swedish Entrepreneurship Foundation International Award for outstanding contributions to entrepreneurship research. His research has been published in AMR, JBV, ETP, JOM, JSBM, IJSB, SBE and SEJ. His current scholarship focuses on entrepreneurial behavior, the rhetoric of entrepreneurial practice, and the hermeneutics of possibility and failure.

### What is your understanding of entrepreneurship?

I am interested in processes of organizing (from Weickian and Schumpeterian perspectives) as it pertains to the emergence of new organizations. But the sensibility of “processes of organizing” could also be expanded to include the emergence of new: markets, products, services, technologies, and ways of doing business (i.e., business models). Given a more expansive definition of the term “entrepreneurship,” the word has become a catchall phrase that has become meaningless (see below). Entrepreneurship means whatever people want it to mean, and, therefore, it is almost useless for talking about what the phenomenon might or might not be. So, for example, one might not see how “swimming” and “entrepreneurship” would have anything in common, yet, if someone combines them into “entrepreneurial swimming” then, there is some sense making that such a phenomenon exists as an aspect of entrepreneurship. As Arthur Cole put it in 1969: “My own personal experience was that for ten years we ran a research center in entrepreneurial history, for ten years we tried to define the entrepreneur. We never succeeded. Each of us had some notion of it – what he thought was, for his purposes, a useful definition. And, I don’t think you’re going to get further than that.”

### What characterises an entrepreneur as an individual?

The empirical evidence is meager for supporting any claims that entrepreneurs are different from any other kind of individual. The question assumes an essentialist perspective on individuals that differentiates people based on who and what they are, rather than on what they do. A “process perspective” would see that someone who plays soccer is a soccer player, and when they aren’t playing soccer they are not soccer players. Identity is transitory, depend-

ing on action, rather than being. Entrepreneurship involves actions, that, at some point, end, and, people become something else.

### What does this mean for university education, or education more generally?

I believe knowledge about the processes of organizing are now, widely known, and, in some respects, a set of routines that are easily learned. What is under-appreciated about this phenomenon is that the likelihood of successfully organizing is less than 30% of all attempts. So, the experience of entrepreneurship most likely involves failing. Entrepreneurship, then, is primarily about having things go wrong more often than not. Education tends to be about “right answers” while entrepreneurial processes are about trying and not having things work out. Success is the wrong metric for entrepreneurship education.

### What is the role and function of entrepreneurship for private companies and for the public sector?

All good things come to an end. Success is transitory. Failure is a fundamental aspect of change. Traditions are solutions to yesterday’s problems. So, if today is different than yesterday, then, what worked yesterday doesn’t work today. Entrepreneurship for the public and private sectors implies that nothing lasts. Get used to it. Failure is in your future. Move on.

### In what sense is entrepreneurship important for society?

Human beings appear to desire a great deal of novelty in their experiences. We are easily bored. Therefore, change is inevitable. What is often under-appreciated is that change does not necessarily lead to being “better off”. We tend to forget that Schumpeter saw entrepreneurship as the process of “creative destruction.” Entrepreneurship as a solution to problems in society is over-rated. Whenever people tell me that they have a solution for mankind’s problems, I run away from them as fast as I can.

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## #6 ASMA FATTOUM

Asma Fattoum joined the department of innovation and organizational economics as assistant professor of Entrepreneurship in September 2013. She holds a Ph.D. in Economics from the University of Lyon and a Ph.D. in Strategic Management & Entrepreneurship at EMLYON business School. Her research examines the consequences of entrepreneurs' cognitive biases on venture performance, with a particular focus on the IPO context.

### What is your understanding of entrepreneurship?

Entrepreneurship is a process that starts with turning problems into opportunities, and then exploiting these opportunities by combining required resources, knowledge and people. Opportunity exploitation enables entrepreneurs to realise both economic and social goals.

### What characterises an entrepreneur as an individual?

An entrepreneur is a passionate, creative and determined person. It should be noted, however, that several academic studies have shown that entrepreneur's excessive passion and determination may reflect other cognitive biases such as high locus of control and over-optimism. Such biases may instead be sources of problems for the entrepreneur.

### What does this mean for university education, or education more generally?

Being an entrepreneur requires specific skills and knowledge. The role of university education is to provide students with all necessary techniques, methods and tools to be able to orchestrate, plan, manage and effectively combine resources, knowledge and people in order to successfully implement the project. Entrepreneurship education makes students aware of the different stages of the entrepreneurial process and provides guidance on how to overcome obstacles to venture success.

### What is the role and function of entrepreneurship for private companies and for the public sector?

Entrepreneurship represents a fundamental instrument through which private companies and the public sector are able to take advantage of innovative solutions that address emerging opportunities in an efficient way.

### In what sense is entrepreneurship important for society?

Entrepreneurship plays an important role for society by providing creative solutions for unmet needs. Entrepreneurship produces economic value, creates jobs and enhanced social welfare through social profit projects. For these reasons, it is important that public regulation encourages entrepreneurship.

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## #7 ESTER BARINAGA

The debate on the role of the state is also a debate on the form to be taken by civil society. This has led to the introduction of a new language of social action, civic engagement and social entrepreneurship as well as an increased focus on the centrality of the civil society sector for the renewal and sustainability of our societies. Having that as a background, my research focuses on the strategies, methods and tools used by civil society initiatives in their efforts to ignite social change, with a particular emphasis on those initiatives addressing ethnic marginalization and stigmatization in our societies.

### What is your understanding of entrepreneurship?

My approach to entrepreneurship is through my practical and intellectual interest in social entrepreneurship, which I look at as organised bottom-up efforts aiming at social change. I've had the privilege to work alongside many a social entrepreneurs and I'm myself often presented as one (see the non-profit organisation I started and continue to chair Förorten i Centrum – [www.forortencentrum.org](http://www.forortencentrum.org)). It is thus both from practical experience and research on social entrepreneurship that I take my understanding of entrepreneurship. I see entrepreneurship as the process of planning, organising and implementing efforts to create and innovate within any sphere (may this be social, cultural, economic, digital...). This view moves entrepreneurship away from a strictly business definition and goes back to the root of the French word "entreprendre", to set in motion, to initiate. The Danish term "iværksætta" transmits well this understanding.

### What characterises an entrepreneur as an individual?

It is difficult to define the individual entrepreneur and research is not conclusive on this. My own take is to restrain from identifying entrepreneurship with a single individual, and instead focus on the process of coordinating efforts to create, materialise or set in motion a particular idea. This focus on process leads to the realisation that entrepreneurial initiatives are seldom carried (or successful) because of a single individual. Instead, the coordination of a variety of actors is at the core of entrepreneurship.

### What does this mean for university education, or education more generally?

If entrepreneurship is about (1) setting ideas in motion and (2) coordinating actors, then university education needs to rely on action-oriented pedagogies. These are pedagogies that push the student to experiment with new ideas, that encourage her to discuss and test them, that foster looking out for partners and that contribute to frame and strengthen collaborations. The studio-based pedagogies that we work with in the OIE program are well suited for this.

### What is the role and function of entrepreneurship for private companies and for the public sector?

As time passes and society changes, organisations – public or private – need to respond to such changes. Cultivating an entrepreneurial attitude helps organisations not only to stay attune to contemporary social, economic, technological and cultural changes. An entrepreneurial spirit can contribute to be part of making the next wave of change.

### In what sense is entrepreneurship important for society?

Entrepreneurship is a process that channels the energy for keeping society moving. The direction in which it moves depends on the actors involved and the ideas they work with.

### To whom do you pass on the baton?

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## #8 THILDE LANGEVANG

Thilde Langevang is Associate Professor in Entrepreneurship and Development Studies at the Department of Intercultural Communication and Management, CBS, where she is affiliated to the Centre for Business and Development Studies (CBDS). She holds a Ph.D. degree in Geography from University of Copenhagen. Her research focuses on various expressions of entrepreneurship in Africa and examines the influence of the developing country context for entrepreneurship motivations, opportunities, organizing forms, and resource and skills acquisition.

### What is your understanding of entrepreneurship?

Entrepreneurship is a value creation process, which involves turning ideas into action, seizing opportunities and managing resources creatively. The exact features and expressions of entrepreneurship and the type of value created, however, depend on the context. In my view, it is important that the concept of entrepreneurship is not delimited to the activities of hero individuals who introduce radical innovations to the market, but also includes the more mundane undertaking of a variety of actors. Most entrepreneurship research has focused on business elites in the global North while there has been a tendency to ignore or disregard the entrepreneurial activities of “ordinary people” in the global South. A number of African countries, for example, are currently recording very high levels of entrepreneurship (measured as business start-up activities) in the Global Entrepreneurship Monitor (GEM) survey. This activity, however, is, if at all considered entrepreneurship, often devalued as “necessity entrepreneurship” indicating that it is considered an inferior form of entrepreneurship pushed by poverty and lack of other choices.

### What characterises an entrepreneur as an individual?

It has proven very difficult to determine the key characteristics or personality traits of entrepreneurs. It could be argued that not too much effort should be put into trying to answer this question since much entrepreneurial activity is not being enacted by isolated individuals but by groups of people, organizations and communities. Instead of focusing so much on the individual entrepreneur and his/her traits I support the move towards focusing on the process of entrepreneurship, its features, the various factors that influence it, and the types of value created.

### What does this mean for university education, or education more generally?

Entrepreneurship education should attune students to various forms and domains of entrepreneurship. Students should be equipped with the tools and methods needed to initiate new businesses, events, projects, organizations etc. in different societal context.

### What is the role and function of entrepreneurship for private companies and for the public sector?

Entrepreneurship plays an important role for both private and public organizations since entrepreneurship is a key means through which organizations react to change and become agents of change.

### In what sense is entrepreneurship important for society?

Currently there is a lot of focus on all the positive effects of entrepreneurship on society. This is, for example, the case in development discourse where the current move “from aid to trade” and the focus on private sector development imply a new emphasis on enterprises and entrepreneurship as the key drivers of economic growth, job creation, and poverty alleviation in developing countries. While entrepreneurship can make a difference for some poverty stricken individuals and deprived communities around the globe, it is important that we do not overestimate the effect and uncritically celebrate private initiative.

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## #9 CAMILLA BARTHOLDY

External Lecturer Camilla Bartholdy has 10+ years experience as digital business developer in Danish and American startup companies. She is founder and owner of four companies. She holds a Master's degree in Information Technology and E-Business from the IT-University of Copenhagen. Today she also works for the Copenhagen School of Entrepreneurship (CSE Student Entrepreneurship Incubator), where she is managing the Teaching&Education Program between CSE and CBS.

### What is your understanding of entrepreneurship?

Entrepreneurship is the business process of identifying new business opportunities. The entrepreneurial work process is agile and iterative, as entrepreneurs are in the search of a business model. The entrepreneurial work process is a set of action oriented activities, work tools and methods that will help individuals to test and validate if they have identified a potential business opportunity.

### What characterises an entrepreneur as an individual?

It is an individual who drives on freedom to control his or her own life. The entrepreneur is a do'er, an executer who takes action on all steps in the business development process. A successful entrepreneur is also a team player who knows his/her personal skills, strengths and weaknesses and is able to gather lacking skills towards a working team. An entrepreneur takes ownership of own achievements and sees 'failure' as part of the learning process. He or she wants to make a difference in personal life and the lives of others.

### What does this mean for university education, or education more generally?

Theory and practise have to be applied simultaneously during education. Students should be able to integrate and use their own start-up process as a case in their university education.

### What is the role and function of entrepreneurship for private companies and for the public sector?

Private companies and the public sector can use the entrepreneurial process tools and methods to execute and test innovation and market potential for new solutions – products or services.

### In what sense is entrepreneurship important for society?

Entrepreneurship creates business opportunities and new jobs. Entrepreneurs are job-makers and not job-takers. The entrepreneurship process – its tools and methods – is a new, agile and iterative way of identifying business opportunities. This is important if we want to understand how we can create socially valuable business solutions.

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## #10 DANIEL HJORTH

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### What is your understanding of entrepreneurship?

My approach to entrepreneurship makes understanding it from inside its process more interesting than explaining it at a distance. This means I have not been interested in ‘who’ and ‘what’ -questions, as much as ‘how’ and ‘why’ -questions. Entrepreneurship is to be a process of organisation-creation. It sits there in-between the new idea (the invention) and ‘the new idea with a market’ (the innovation) and makes the move from invention to innovation possible by creating the organisational processes that are initially missing for this move to happen. It does not exclude entrepreneurship from ideation or invention, but we are more likely to find field-specific experts there (such as engineers, medical doctors). Nor does it exclude entrepreneurship from innovation as a process, for entrepreneurship will dominate the earlier stages of innovation processes, whereas management will dominate the latter.”

### What characterises an entrepreneur as an individual?

Many want to believe it is alertness, need for achievement, locus of control, opportunity-recognition talent, and the like. I don’t see this as adding much to an understanding of how or why entrepreneurship processes emerge and become successful. There can be a point with focusing on the individual for individuals are one central element in relationships, processes, and organisations. However, it is more powerful - for an understanding - to see creativity as something emerging from in-between rather than from within individuals. It is more powerful to focus on the dynamics of the relationship rather than on what is related simply. It is, finally, more powerful for an understanding of how an entrepreneurship process becomes successful, that we grasp the processual complexity, the coming-into-existence of organisation, and the gradual

crystallisation of what can be described as an organisation. Little is understood from focusing on the individual.

### What does this mean for university education, or education more generally?

It means we need to develop analytical, organisational, and communicative competencies in students. For they need to learn how to better potentialise relationships as creative; they need to better craft convincing stories of futures-to-come that can attract people, resources and investors to join in as co-authors to such stories; the need to better create organisation where such is missing for new ideas to become new ideas with a market, i.e., new ideas that has value (new or superior) for a user in the context of everyday practices. Developing such competencies is a question of organisation, calculation, fabrication, imagination, rhetorics, communication, and selling as it is a question of analysing tendencies in societal development that might hold potentials for newness in them. Identifying and making use of such tendencies in most often a question of relating different competencies in a productive network, where one gets relationally stronger. It seems entrepreneurship is an experimental discipline, just like chemistry. It needs its labs and studios, just like the chemist and medical student need their labs and experiments.

### What is the role and function of entrepreneurship for private companies and for the public sector?

Entrepreneurship is the process that makes new companies (and organisations) achieve being. This is highly interesting from a societal point of view because of the job-creating potential such processes have. In existing companies, entrepreneurship is the organisational capacity in innovation processes. It is the ‘white canvas’ that attracts new motifs, i.e., the organisation-creation capacity that makes ideation or invention expected, wanted, attractive. It is also the driver that pushes newness into the context of existing practices in established businesses. There, it often has the role of pushing back management, to make space for the new. In public sector organisations it is a not too dissimilar role: it generates newness that has value for users. It will always bring practices to the virtual fringe of things, asking how we can move beyond the present limit of the existing for the purpose of adding value to people’s lives.

## In what sense is entrepreneurship important for society?

Apart from what I just mentioned, entrepreneurship is important for society because it is a process that generates new jobs. This is the key process in a welfare state. Without jobs, no tax income, no societal service, no welfare. Bluntly put. However, entrepreneurship is not there primarily to prevent the welfare state from disappearing. It is there because there is desire to create. There is will to move beyond the present limits of the existing. There is passion to spend. A great effect of this is that jobs are created, more people have more interesting and meaningful lives, citizens get to live in a better functioning welfare state.

### THE BATON OF ENTREPRENEURSHIP - CBS VIEWS ON ENTREPRENEURSHIP

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### CBS ENTREPRENEURSHIP PLATFORM

Copenhagen Business School (CBS) established the Entrepreneurship Platform in spring 2013. The platform integrates and coordinates entrepreneurship research, education and outreach activities at CBS and is a single point of entry for entrepreneurship at the Copenhagen Business School.

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