Alternative Ways of Involving Stakeholders: The Rise of Entrepreneurism in Higher Education and the Case of a Learning Enterprise

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Abstract. The education field has not traditionally stressed entrepreneurship; however, in light of current difficult economic scenarios and shrinking global job markets, a myriad of Educational Technology entrepreneurs is emerging across the world. Edupreneurs are here. They are self-motivated members of an enterprise who can recognize opportunities and take action on complex educational problems while aiming to create social value, financial value, and/or social benefits. Stakeholders hold a critical role when relating with edupreneurs. Stakeholders are the various individuals and groups who are directly invested in and may be affected (positively or negatively) by the entrepreneurial activities. The purpose of this chapter is to discuss the rise of entrepreneurism in higher education and explore the case of a learning enterprise that supports the preparation of educational technologists as up-and-coming entrepreneurs. The development of such a learning enterprise is connected to the concept of a civic-minded professional who is someone interested in using his or her knowledge and skills for the public good. The learning enterprise enhances its members' civic-minded agency, meaning the group's purposeful and reflective acts that aim to address community members' educational needs. Stakeholders are deeply involved in addressing needs and issues in collaboration with educational technologists.

Keywords: Entrepreneurism · civic-minded professional · educational technology · stakeholders.

1 The Rise of Entrepreneurism in Higher Education

Investments in Education Technology are on the rise with $2 billion deals closed last year in Educational Technology investments, which represents a 55% increase since the previous year [1]. Money is invested in a diverse group of products and services ranging from classroom-management apps to foreign language for adult learners. But an entrepreneurial mindset goes beyond starting a business, or making money. It is a way of life driven by the continuous impetus of looking at issues from a novel perspective with the intent to create solutions that people actually use. As Kao et al. [2, pp. 41] explain, entrepreneurship meets the central human need to innovate and create. Entrepreneurship consists "of doing something new (creation), and/or something different (innovation) for the purpose of creating wealth for the individual and adding value to the society."

Education, in general, and Educational Technology, in particular, have not been traditionally perceived as a proving ground for entrepreneurship initiatives; however, in light of current difficult economic scenario and shrinking global job markets it is imperative to ensure that students are adequately prepared to face the challenges ahead. As Wagner [3, pp. 8] identifies, the gap between "what our best suburban, urban, and rural public schools are teaching and testing versus what all students will need to succeed as learners, workers, and citizens in today's global knowledge economy." Among seven survival skills for the 21st century, Wagner [3] highlights "initiative and entrepreneurialism" as ways to pursue new opportunities, ideas and strategies for improvement. Organizations are looking for highly adaptable employees who can produce creative solutions to complex problems. As social change takes over every dimension of people's lives, schools reveal themselves as too conservative and "lagging behind change" instead of helping students "understanding and living with social change" [4, pp. 151]. As postgraduate programs in Educational Technology renew themselves to face the challenges ahead, they engage in educating the new generation of educational technologist – the edupreneurs.

1.1 The Edupreneur

Edupreneurs are "self-motivated learners/members of an enterprise who can recognize opportunities and take action on complex educational problems while aiming to create social value, financial value, and/or social benefits" [5, pp. 115], [6].

Globalization and the digital revolution have allowed people to engage in low-risk start-ups. College and university postgraduates are no longer expected to put all their time and effort toward moving up the corporate ladder in a single company during the span of their entire career. Much to the contrary, they are experiencing different career paths in different organizations including, in all likelihood, a company of their own and embodying the true spirit of an edupreneur.

1.2 The Stakeholders

What do entrepreneurs do? They establish a network of relationships with their stakeholders. Stakeholders are the various individuals and groups who are directly invested in and may be affected (positively or negatively) by the entrepreneurial activities. This definition embodies Freeman's stakeholder theory and his wider definition of stakeholders that "includes any group or individual who can affect or is affected by the corporation." [7, pp. 41].

In order to be successful, edupreneurs need to establish strong connections to anyone impacted by their work, such as, the people that they serve, their investors, suppliers and employees as well as other organizations and communities. If edupreneurs solve educational complex problems, then they need to engage with the people who are committed to address these problems and/or are impacted by them. The quality of stakeholder involvement results in more equitable and sustainable solutions to educational problems as more voices are heard and taken into consideration in the

decision-making process. A high involvement of stakeholders leads to a more efficient management of resources (knowledge, people, money and technology) to solve problems and allows for a better understanding of complex operating environments, including market developments and cultural dynamics. Most importantly, it contributes to the development of trust-based and transparent educational technologist-stakeholder relationship.

As Freeman [7] points out the quickest manner to destroy a corporation is to ignore their stakeholders. When corporations operate with the consent of stakeholders and communities they not only display social responsibility but they also better identify opportunities and threats critical for strategic planning. According to Freeman's stakeholder theory, edupreneurs need to: (1) identify the stakeholders, (2) identify the relations they want with them, (3) identify the urgency/timing need for communicating with them, (4) identify their information needs, and (5) identify the best communication channels.

2 The Case of a Learning Enterprise

The following paragraphs describe a learning enterprise created under the School of Education at Iowa State University in the United States (U.S.) This enterprise supports the preparation of educational technologists as up-and-coming entrepreneurs. Iowa State University is a member of the Association of American Universities and ranked by U.S. News and World Report as one of the top public universities in the nation. Over 36,000 students are enrolled, and served by over 6,200 faculty and staff. The university is located in Ames, Iowa, a progressive community of 60,000, located approximately 30 minutes north of Des Moines, and considered one of the best most livable small cities in the U.S.

2.1 *Learning Design Solutions* Background

The learning enterprise, named *Learning Design Solutions*, grew out of an advanced instructional design course in which postgraduate students worked on real-world projects with clients from organizations in the community. The focal learning activity of the course was to be part of a multi-team instructional consulting company designed to simulate a small firm that provided professional-level services free of charge. Postgraduate students, taking on the roles of technology consultants, worked with both university clients and organizations within the community (e.g., government agencies, schools, and healthcare providers). However, the demand for instructional design work was greater than could be accommodated by the single advanced instructional design course offered only during a semester each year. In order to meet the needs of the community, the course instructor and a group of postgraduate students envisioned an organization that could provide instructional design services year round.

2.2 *Learning Design Solutions* Purpose and Operations

The primary purpose of *Learning Design Solutions* is to create a context within which postgraduate students can develop an entrepreneurial mindset and practice managing financial and business aspects of the enterprise. In addition, it hones their consulting skills and applies their instructional design expertise in ways that ultimately improve people's lives and add societal value. The students take responsibility for all roles within the organization, including project management, customer relations, advertising, and dissemination [5].

Learning Design Solutions members and collaborators weekly review and reflect on their processes and inquire how they can improve their services and make operations more effective. These learning experiences capitalize on students' practical strengths while testing the application of ideas, theories, and models learned in the classroom. These experiences happen in real time with real stakeholders, and the decision-making involved carries real implications. Examples of projects developed are needs analyses, evaluation of training solutions, design and development of e-learning solutions, just to mention a few. The length of the projects is also variable. They can last for 3 to 6 months to 4 to 6 weeks. Stakeholders belong to different communities ranging from the university to organizations outside the state of Iowa.

2.3 *Learning Design Solutions* Business Model

Learning Design Solutions offers educational technology consulting services to internal Iowa State University clients as well as external clients from business and industry, both within and outside of the local community. This organization is defined as a service center under the university structure and categorized as a non-profit organization that operates on a break-even basis. The per hour rate for services is calculated each year based on the anticipated number of projects that will be contracted and the anticipated costs to both keep the organization running and to complete the number of contracted projects anticipated. Any revenue generated is re-invested into the organization by, for example, offering competitive scholarships to postgraduate students in Educational Technology.

This learning enterprise was created in 2009 with start-up funds from the Iowa State University John Pappajohn Entrepreneurial Center, followed by a significant grant from the College of Human Sciences Entrepreneurship Initiative. *Learning Design Solutions* is a unique enterprise within the university and one of few that are self-sustaining. However, the first client project completed as part of this learning enterprise was a community-driven project with a significant social positive impact. Members in this organization strive to become civic-minded professionals.

2.4 Other Similar Learning Enterprises

Other similar learning enterprises have been reported in the U.S. For example, Indiana University at Bloomington has implemented a multitude of educational technology

projects with real-world applications developed by the Instructional Systems Technology department. Along the same lines, David Merrill's team at Utah State University has been working on educational materials targeting entrepreneurial education [e.g., 8]. Similar enterprises have also been identified across the U.S., mainly among students in business and management [e.g., 9] at Valdosta State University. Utah State University has started up a somewhat similar enterprise to *Learning Design Solutions*. It began as an educational technology consulting firm out of the department of Instructional Technology and Learning Sciences under David Merrill's supervision. It is currently a well-established venture in Logan, Utah, known as Letterpress Software, Inc. (www.lpsoftware.com).

2.5 A Civic-Minded Approach

Career-centric approaches to Educational Technology produce technocratic professionals more interested in economic gain than in using their knowledge and skills for the public good [10]. Based on the conceptualization of entrepreneurship presented above [2], one of the main purposes of entrepreneurship is to add value to society, which is the intent of many of creations and innovations in Educational Technology that aim to help people learn better and become responsible and active citizens. The term civic-minded agency is defined here as an individual's or group's purposeful and reflective acts that aim at addressing societal needs and issues [10]. In this line of reasoning, a civic-minded educational technologist (1) has the public interest and a sense of civic responsibility at the forefront of his or her work, (2) is attentive, responsible and responsive to the emergent educational needs of the members of the community, and (3) utilizes his or her knowledge and skills in Educational Technology to improve learning and performance of the community members. Civic-minded educational technologists are concerned with the well-being of all members of a society and utilize their knowledge and skills to improve people's lives and bring positive social change. Social change is at the heart of their work and contributing to an equal distribution of social goods (e.g., education and access to technology) is their drive [11]. Therefore, involvement from stakeholders at all the stages of the design and development process is critical.

3 Final Remarks

The rationale for creating a learning enterprise stemmed from the recognition of an opportunity to serve the many educational needs of the surrounding community. The drive came from the chance to offer postgraduate students different career venues in education and the invaluable opportunity to practice "live" what they were learning in their programs, especially skills and knowledge related to Educational Technology. Additional motivation derived from creating a self-sustaining unit that could provide resources and funds to support students' professional development and research.

Learning Design Solutions can enhance its members' civic-minded agency and relies on a quality stakeholder engagement to address educational needs and issues in collaboration with educational technologists.

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