

E-Scan & SPEED WM Pilot Programme Report *March 2010*

Leveraging Entrepreneurial DNA into Better
Business Performance



“Leveraging entrepreneur DNA into better business performance”

Foreword

As Programme Manager for SPEED WM, I constantly reiterate two fundamental principles which guide us in this mainly undergraduate enterprise programme. Firstly it is an educational programme and whilst we may be driven by the metrics of ‘businesses and jobs created’, we are fundamentally about adding wider skills to our students whether or not their short term aspirations are to ‘run their own business now’. I know from personal experience that entrepreneurial skills are just as much sought by employers to make our students more employable on graduation.

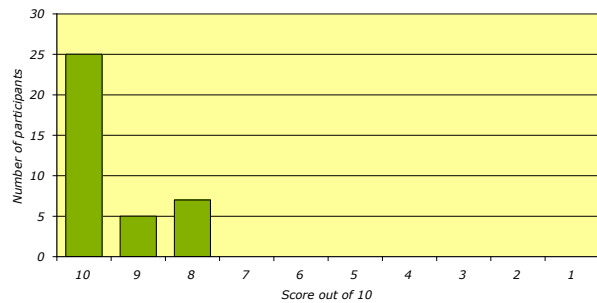
The second thing about SPEED is that the models are continually evolving. We are all aware that the short term future of Higher Education will undoubtedly be about doing ‘more for less’ which means we also have to be enterprising and commercially aware in the techniques and tools which we employ. As a practitioner, I strongly believe that although we can use many teaching techniques, face-to-face support for students is immensely valuable and we must select tools to maximise that value.

We were interested to support the trial using E-Scan as an example of a tool to quickly provide a framework upon which our mentors can use to approach those aspects of learning development tailored to individual student beneficiaries.

The results below are both interesting and positive and I believe this is because we are teaching our students to think not just about their futures but about themselves.

When recent participants of the SPEED WM program were asked about recommending the E-Scan and Review process to other aspiring entrepreneurs the results were very positive – average 9.49 / 10 (March 2010).

Recommendation of the E-Scan and Review process to other aspiring entrepreneurs



E-Scan is a tool that supports the processes in effecting positive changes in self efficacy, by measuring entrepreneurial capability and if integrated into a development program can positively affect the ensuing results.

On its own, it is limited to the ability of the student to understand its recommended actions which may not always be fully understood.

We actively seek ways to improve our efforts in the areas needed to develop our students, some of whom will become the successful entrepreneurs and intrapreneurs of the future.

Stephen T. Moore 10.05.10

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Introduction

The world we live in is stretched, changed and affected by ambition, whether on an individual basis or as a cohesive strategy within organisations. Many people have some level of desire to be the best in some aspect of their life, whether it is personal or professional. Those that choose to do something with that ambition and are willing to take a risk may open themselves up to a world of opportunities. How these opportunities are handled is what converts people into entrepreneurs.

More people now want to run their own businesses, with 75% of 25 – 34 year olds expressing a desire to do so, in a poll by Association of Chartered Certified Accountants (ACCA) carried out in September 2009.

What exactly makes a successful entrepreneur?

There are many factors which contribute to a person’s desire to succeed. A complex mix of personality, environmental influences and a person’s upbringing are seen as key factors, however just as key is a person’s understanding of themselves. If a person can realise their limitations and strengths, they can subsequently manage those limitations and play to their strengths. To have an understanding of yourself can set you apart. Knowing your triggers and knowing your responses will give you an edge.

Learning and development organisations are a key contributor in helping to build better foundations for entrepreneurship, which means that today’s entrepreneurs have greater access to tools, techniques and support than ever before and are better enabled to develop dynamic businesses and grow the economy as a whole. However these measures alone do not regulate or define the future for entrepreneurs, as the willingness to learn new skills, apply experiential knowledge and adapt to the demanding changes of the business environment all contribute to the future success for individuals and their enterprises.

Additional input from others such as advisors, coaches or mentors may also assist in determining the gradient of their progress and how effectively entrepreneurs are able to convert opportunities into commercial success. These external influences can sharpen, speed up and strengthen the performance of the entrepreneur within their chosen environment.

Following significant academic research by Entrepreneur Consultancy BV, entrepreneur characteristics and competencies have been defined to analyse the potential for success for individuals, whether new or existing entrepreneurs. Over 150,000 have taken an entrepreneur scan (E-Scan) to date. The E-Scan is a fully automatic analysis that gives an objective insight into a participant’s entrepreneurial profile, by evaluating the results against other successful businesses in the same industry sector. The E-Scan defines the participant’s characteristics and qualities which, combined with thinking styles, define the participant’s entrepreneurial profile – their ‘Entrepreneurial DNA’.

How does E-Scan work?

E-Scan analyses characteristics and qualities by providing approximately 100 questions and statements, for example; “I immediately modify my plans for small changes in circumstances”. A range of alternative answers are given for the participant to choose from.

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These answers are combined to build up a personal entrepreneurial profile based on 10 key areas:

- | | |
|-------------------------|-----------------------|
| 1. Need for Achievement | 2. Need for Autonomy |
| 3. Need for Power | 4. Social Orientation |
| 5. Self Belief | 6. Endurance |
| 7. Risk Taking | 8. Market Awareness, |
| 9. Creativity | 10. Flexibility |

The answers are compared against an industry standard to reveal very strong, strong, reasonably strong and weak areas.

Table 1: Example from a recent E-Scan showing the mix of participant’s characteristics

Very Strong area	Strong areas	Reasonably strong areas	Weak areas
Social Orientation	Endurance Market Awareness Self Belief Need for Achievement Creativity Flexibility	Risk Taking	Need for Autonomy Need for Power

This person clearly has particular strengths that are suitable in becoming a successful entrepreneur; being able to engage people, recognise opportunities, set goals and adapt to changes then define the way and be willing to see things through. As an entrepreneur early in their career, learning about risk taking, taking decisions and being in control of situations (Need for Autonomy and Power respectively) will either become apparent through experience or should be considered in a ‘What will I do in specific situations?’ frame of mind.

The scan itself takes around 20 minutes to complete and concludes with a personal report. Within the report, there are several visual profile graphs which illustrate their strong and weak points and benchmark them to norms of the industry sector of the person. This report outlines characteristics, qualities and strategy styles. It also identifies the participant’s thinking styles; specialist, pioneer, manager or salesperson, and which thinking style is predominant in that person.

Graph 1: Example of the characteristics measured against norm profile - General

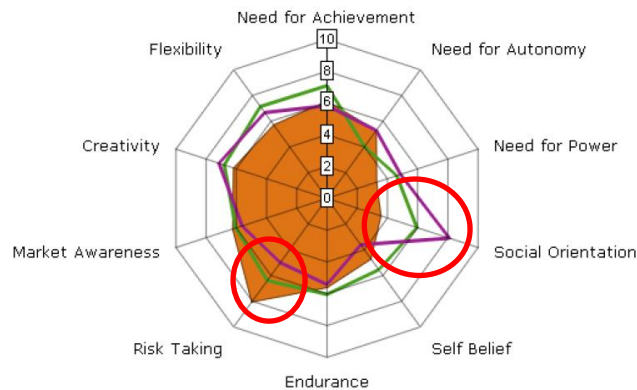


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360° Feedback

Knowing oneself is paramount; having the input of others has been proven to help build the whole picture which can assist in identifying whether an entrepreneur understands the impact they have on others and whether it is something to work upon

Graph 2: Example of the 360° input from colleagues



This person may be perceived to better in social situations than they believe themselves and also may not be recognised as a risk taker, perhaps not outwardly expressing this characteristic due to a fear of looking foolish

When reviewing the input of others with one participant it was both reassuring and challenging. Almost all of the feedback coincided with self perception which gave comfort, yet the interest in understanding why others felt differently about specific characteristics means she now appreciates how she portrayed herself in a more subdued fashion with respect to risk taking and although her peers felt she was more able to connect with people, it helped identify opportunities for self development including attending public speaking clubs and presentation skills courses.

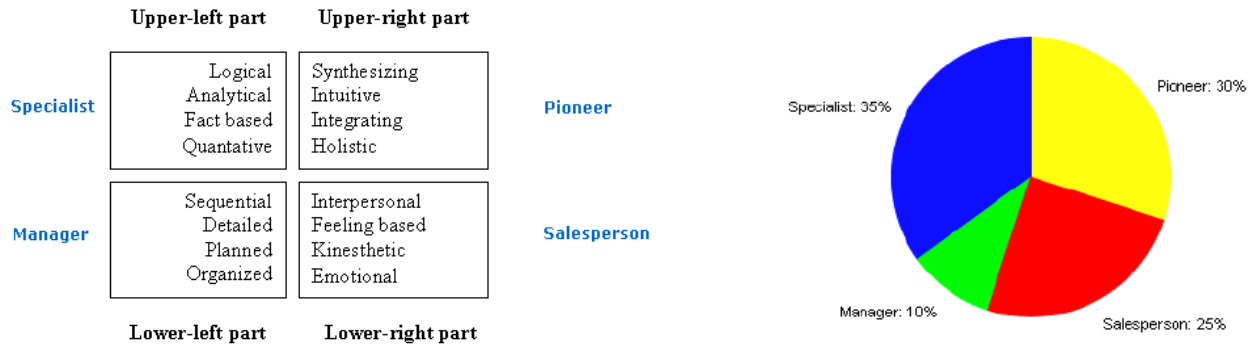
What about the Thinking Styles?

The structure of the brain is directly related to the way you think; in other words, this is your thinking style. It is this thinking style that in turn influences your behaviour. The brain has left and right, upper and lower parts, which form the four quadrants that together act as a single unit. Their cooperation depends on the situation, but by nature one or more quadrants are more dominant than the others. Reasoning, emotion, dependence, instinct are formed by the complex and unique interconnection in each person's brain. Each person has a predominant thinking style, which not only identifies how people perceive situations, assess information and make decisions but also how they thrive in certain conditions and where they are most comfortable in business cycles and how this applies in whether they are good at starting businesses or running them.

Knowing whether you're a Pioneer who thrives on chaos and sees the big picture or a Salesperson who connects with people and can understand their needs can be vital in the early stages of a business. Creating order and structure for someone with a Manager thinking style is paramount importance. A Specialist wants to be the best in their field, a 'go to' person for knowledge and wisdom. None of us are 100% in any one style yet we have our own inclination towards one, or aspects of several.

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Graph 3: The structure of the brain and how a person thinks the way they do, faced with situations

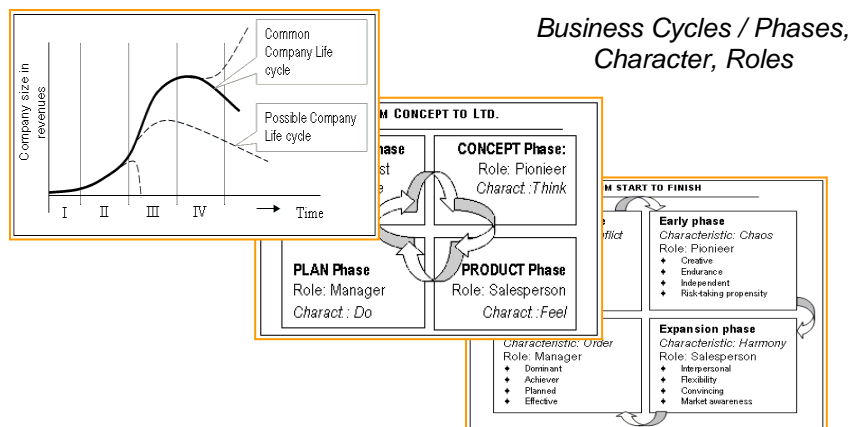


This entrepreneur has predominantly a ‘Specialist’ thinking style with ‘Pioneer’ also prevalent. They will thrive in situations where they are the ‘go-to’ person and can influence or lead new projects. They are less likely to want structure or be wholly affected by the needs of others. An ideal person to be starting a business with a new idea or product, yet equally comfortable building a business based upon a technical or professional capability.

The link between the business cycle and thinking styles of an entrepreneur

The business life cycle of a company has four phases of development: no growth, light growth, strong growth and decreasing growth. The entrepreneur needs to influence these phases at several points in the cycle and specific thinking styles relate to the circumstances. For example a predominant Pioneer thinking style relishes the chaos in early phases and can also be an instigator of creativity when stagnation occurs. A Manager thinking style seeks organisation and works effectively to get things productive. It is clear that each person is more suited to particular phases but they still have to identify where they are and how they can overcome issues, so it may be they need a Salesperson thinking approach during light growth which could either come from their team or be applied with external provision.

Knowing how this applies to an individual helps them to understand why they thrive or struggle in specific situations and how they can overcome problems or capitalise on where they are the best person for the task, which applied in project teams means the role is less important than the most suitable person to getting the job done.



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Using a Personal Review to uncover relevance and determine action

Having taken an E-Scan is only the first step. It is the investigation and understanding about how the entrepreneur is motivated and the desire to learn more about entrepreneurship that will really help individuals improve. The review taken with each person, using a proven and repeatable 5 stage process clarifies to the entrepreneur exactly who they are and how they can adapt themselves in the business environment.

The process typically takes 1 – 2 hours, culminating in a plan of action that the participant takes forward into the work environment, enabling quicker focus on getting things done and more effective actions from a basis of self awareness, building on strengths and knowing ‘when I thrive’ plus developing opportunities for self development that will be outside of comfort zones.

Pilot Programme – SPEED WM

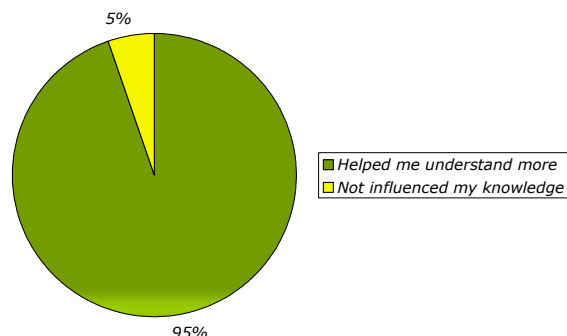
A recent pilot programme was undertaken involving 37 participants. These participants were university undergraduates who are being nurtured towards entrepreneurship within a program being run across the West Midlands region called SPEED WM (Student Placements for Entrepreneurs in Education – West Midlands). These participants had an average age of 29 (range of 20 – 53) in a range of businesses such as manufacturing, events management, software, digital media, interior design and social enterprises. After they had completed the scan, they then went through their personalised report with a mentor, discussing their results and made targets and strategies based upon their strong and weak areas.

Feedback from the participants:

The participants of the pilot programme were asked to complete a review questionnaire of the scan. This involved answering 4 key questions on how the E-Scan has influenced them as entrepreneurs and their future development, and if they would recommend it as a useful and productive exercise for aspiring entrepreneurs.

The reviews of the pilot scheme were very positive. For 95% of the participants, the E-Scan helped them understand more about what makes a successful entrepreneur.

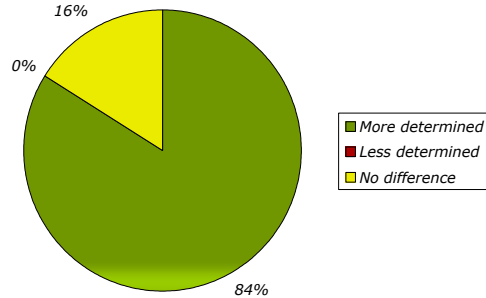
Taking the E-Scan and my understanding of what makes a successful entrepreneur



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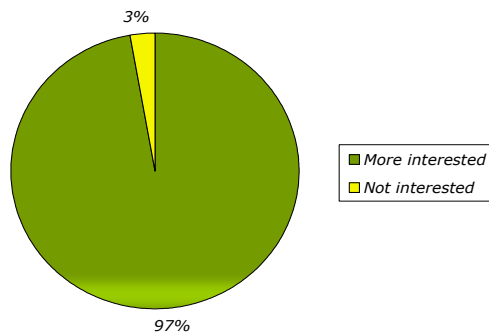
84% are now more determined to become successful entrepreneurs

Effect E-Scan has had upon my determination to become a successful entrepreneur



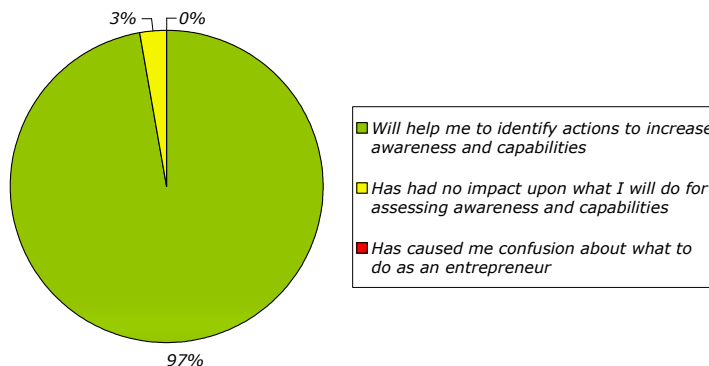
and consequently, 97% are more interested to learn more about entrepreneurship.

Effect that E-Scan has had upon my desire to learn more about entrepreneurship



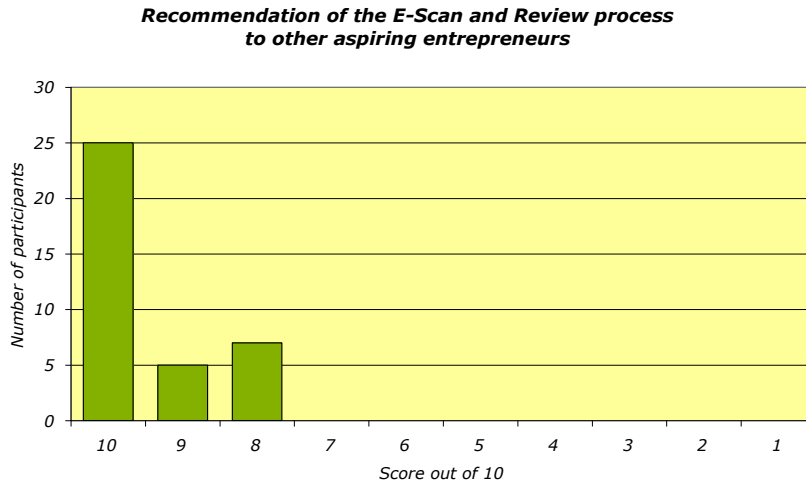
When asked if E-Scan had enabled them to learn more about themselves as an entrepreneur in understanding their strengths and weaknesses, 97% said that it would help identify actions to increase awareness and capabilities.

E-Scan Review's impact on understanding of entrepreneurial strengths and weaknesses



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25 of the 37 participants gave the highest score of 10 out of 10 for recommendation of the E-Scan to aspiring entrepreneurs, with the average score being 9.49.



The reviews - What were the key drivers for motivation as an entrepreneur?

Each person has their reasons for becoming an entrepreneur, whether it is a desire from early age, an opportunity that presents itself, or an ambition to breakaway and work for oneself. Yet each one of these reasons is fuelled by a combination of 1 or more of 3 specific ‘needs’; achievement, autonomy and power. Seeking recognition, taking independent decisions and being in control may contradict the conformist view of general society and the key elements to be understood to ascertain ‘why’ anyone wishes to become an entrepreneur.

These attributes and the other characteristics are evolved within a 5 stage process that brings the E-Scan to life for each participant. The stages include exploration of key points, evaluating the detail, and developing opportunity for learning and summarising action points which can consequently be taken into the workplace.

In the review, the participants could give any additional feedback regarding the E-Scan and the overall process. A point that was repeated in the feedback was the clarity and insight that the scan had given the participant. One participant, Matt Marsh, wrote that ‘The E-scan is a fantastic way to observe how you as a person think and work. It clarifies the way you approach things best maximising the way you can achieve success, as well as highlighting areas where you could potentially stumble. As a result of this I feel more confident in the strategy and approach in becoming a successful entrepreneur.’

A selection of feedback from participants:

- ‘It is an excellent, very well put together test and combined with the review process can reveal and subsequently help you improve various areas of your character’ (Euripides Altintzoglou)
- ‘I answered the questions truthfully and found the results to be very accurate. I related to the results and they helped me to have more of an understanding about how I think.’ (Nitesh Patel)

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- ‘Due to my prior scepticism I was surprised by the accuracy and intelligence of the E-Scan...The E-Scan significantly heightens your awareness and encourages you to see the way you really are.’ (Lisa Abrams)
- ‘I didn’t think I would get anything out of this, but I have to admit I was wrong. I am glad I took the E-Scan because I found the analysis inspirational.’ (Dave Baines)
- ‘It’s made me more focused as I understand things more clearly.’ (Amanda Merrick)
- ‘The E-Scan was spot on and accurate.’ (Tamara Joseph)
- I would highly recommend taking the E-Scan for anyone who would like to go into business as I feel the scan has helped me to concentrate in areas I would not have thought of before I took the E-scan.’ (Ravina Jackhu)

Benefits – for the participant

For the participant, the value lies in the insight that the results and personalised report give them into own profile as an entrepreneur and the review session enables the participants to really understand the results, rather than having a report to take away and read. Many of the participants of the pilot scheme mention how the insight would help them improve on their weaknesses yet instead of just focusing upon the weak areas of a person’s profile, strengths are also looked at and a balanced and objective view can be taken. To have this insight and clarity at an early stage in a person’s career allows them to have the foresight into any areas where problems could arise, and know how to generate the strategies to deal with them.

One participant, Hannah Williams, remarked that the discussion of the report with their mentor was particularly useful, saying that she ‘found it very beneficial in talking about my strengths and weaknesses with an outside person as it is hard to work these out for yourself unless you talk to others.’

Carla Ankah, a participant from the pilot programme gave her views on the review in her feedback, saying ‘I think it was very insightful and I was given lots of ideas as to how I could improve my weaknesses. It also helped me understand where the weaknesses may have may have come from. I left feeling very positive and optimistic about my business venture. It was almost as if I had attended a good counselling session!’

Benefits - for the mentor / coach

As a measuring tool, the E-Scan assists an entrepreneur to learn about themselves which is also very valuable to build a mentoring or coaching relationship. The mentor / coach can identify with both the characteristics and thinking styles of the participant reinforcing the relationship quicker and leading to a stronger performance for the participant. Applied wisdom can then focus on both the performance of the business idea and with the person delivering it, thus resulting in faster and more refined progress.

One of the mentors for the current SPEED WM programme said “Working as a mentor with SPEED WM student entrepreneurs, in my second year supporting the program has become much more productive, as the mentees know more about being an entrepreneur, their own strengths and weaknesses and how they deal with situations. I now find each person is switched on to what it takes to be successful, we cover more ground in each session together and these

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are now completed in between a half or two-thirds of the time taken before, so the mentees and the program benefits from more sessions per mentee in the allocated time.” (Gary Lennon)

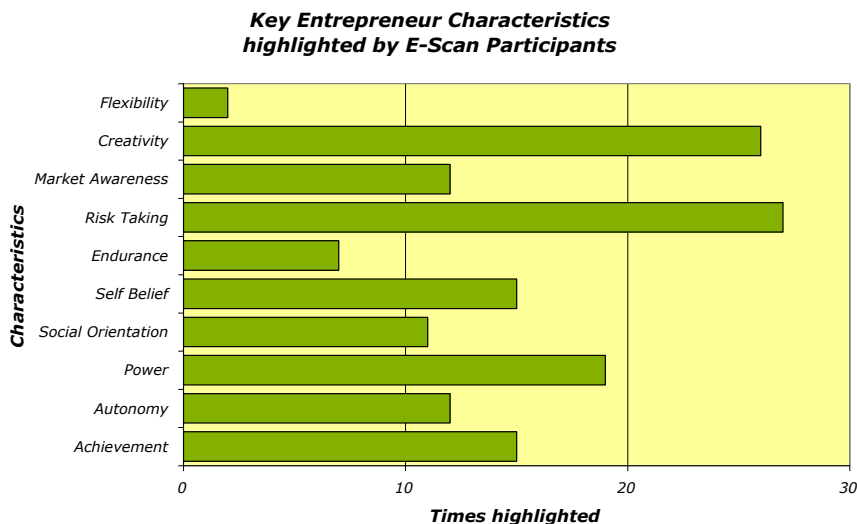
Benefits - for an entrepreneurship program manager

Running entrepreneurship programs can be very difficult to manage as it involves having to balance nurturing talent with potentially good business ideas as well as overseeing the placement outcomes of the start-up business, and any jobs that have been created. E-Scan can assist these programmes by essentially giving the program manager a ‘head start’ into their mentees and their entrepreneurial profile. Using an E-Scan to identify those people who will require more support early in the program is extremely beneficial as resources and strategies can be applied quickly and effectively.

Sarah Taylor, programme manager for SPEED WM said: “As an enterprise programme manager, we are focussed on the support and development of individuals which will ultimately lead to new start-up businesses that will become sustainable. The E-Scan and review process was a real eye-opener. It helped me to understand more about how entrepreneurs think, what it takes to be a successful entrepreneur and how the programme can be adapted to take this into consideration. It has accelerated the understanding of our student entrepreneurs who have a better awareness of themselves and how this may affect their entrepreneurial aspirations.”

She continued: “By getting them up and running sooner and improving the understanding of their mentors, it will help them to achieve their business start-up goals more quickly which will help me to achieve the outcomes that are required by the project. I also believe that it will improve the growth potential of their businesses which is good news for both the local and regional economy.”

Additionally, the combined results of the reviews taken with the entrepreneurs has enabled a precise picture of where this year’s intake has concerns or learning opportunities. From the key points discussed with each participant there are clearly areas where more defined program elements can be addressed. The top two are risk taking (73%) and creativity (70%). Provision of immediate actions was provided within the review sessions and it is now an opportunity for the program to consider providing discrete training sessions in more detail on such subjects as risk analysis, decision making and covering the creative process (instigating new ideas and implementing the best ones).



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‘Learn as you go’ is a key characteristic of these types of programs and understanding how the person learns through their preferred thinking style will undoubtedly improve the likelihood of applying new skills within a supportive environment where the student can identify and assess consequences of actions taken. The benefit for the program is that it can become more ‘configurable’ to the needs of each years participants, honing the skills towards the individual and the group as they appear and providing the necessary development support, resulting in more empowerment and thus faster progress.

How can E-Scan be applied?

E-Scans can be purchased on their own, as part of a review process and / or combined with the introduction of mentoring. They can be introduced at the start of a program to facilitate awareness and if the program is set to measure change, additional E-Scans can be used at the end of a programme to measure the progress made.

The 360 degree feedback options which may include colleagues, mentors or tutors will combine to build an even bigger picture for the participant to reflect upon. Training can be implemented ‘in-house’ or at ‘open’ workshops to provide reviewing capabilities for suitably experienced program managers and mentors to maximise effectiveness of program budgets.

Additionally, the E-Scan content can be used for trainers to aid towards improving the qualities of entrepreneurship. Alternatively guidance and advice towards learning organisations is more likely to benefit in assisting in developing in-house workshops and events.

What next for E-Scan?

The benefits of the E-Scan are evident from the pilot scheme. It could benefit at any level of entrepreneurship, as a tool for clarity. This can lead to establishing development needs or as part of training programs. It allows the entrepreneurs to be equipped with a valuable amount of insight of knowledge into themselves and their possible future selves and their future business ventures.

It enables providers of enterprise and entrepreneurship programmes the clear differentiator in gauging the needs of their students quickly and providing suitable tools, techniques and support to make the programme tailored and more productive. This will mean higher perceived value and greater interest, leading to further and more profitable opportunities.

As one participant, Lisa Abrams said in their feedback, “...taking part in this has felt like the first challenge in my journey of entrepreneurship, a chance to prove myself whether I am willing to ‘get real’ with the way I am.”

The E-Scan will essentially provide entrepreneurs with the knowledge that they need to ‘get real’ with their future.