



CASE STUDIES

The Hague University of Applied Sciences: Using research to drive education practice ¹

ORGANISATIONAL CAPACITY: FUNDING, PEOPLE AND INCENTIVES

ENTREPRENEURIAL TEACHING AND LEARNING

PREPARING AND SUPPORTING ENTREPRENEURS

INTERNATIONAL INSTITUTION

¹ Lesley Hetherington has written this case study based on interviews with Klaas Molenaar, Margot Lobbezoo, Ronald Visser and Toon Buddingh from The Hague University of Applied Sciences. Andrea-Rosalinde Hofer (OECD) edited this case study with input from Gabi Kaffka. Contact: andrea-rosalinde.hofer@oecd.org

What is this case study about?

The Hague University of Applied Sciences with approximately 24 000 students from more than 146 nationalities is using a hands-on research centre to drive education practice.

The team delivering entrepreneurship at The Hague University of Applied Sciences is diverse with breadth and depth of experience that extends significantly beyond conventional research and teaching. Several of the core players in the Research Unit for Financial Inclusion and New Entrepreneurship are senior, experienced entrepreneurs and hold part-time positions at the university in combination with their external interests. They are committed to contribution to the future to the region, the country and to entrepreneurship globally. There is a consistent orientation to towards developing collaboration and synergy throughout the centre's activities. Research feeds into education and practice and education and practice creates research publications.

The research publications from the centre are intended to reach and impact a wide audience, rather than a formal academic one. Students are actively involved in the creation of the research publications and are acknowledged for their contribution. Listening to the students – both in the university and in educational projects in developing countries informs research, education interventions and contributes to informing public policy and the greater university ecosystem.

The Research Unit has become a core platform to connect within the university, the region and globally and created a virtuous circle in which the insights from the research activities are used to inform entrepreneurship promotion and business incubation and vice versa.

Link to HEInnovate dimensions

This case links to the HEInnovate dimensions of **Organisational Capacity: Funding, People and Incentives**, through employing highly experienced hybrid entrepreneurs to lead a new research unit, and university incubator.

- The HEI has the capacity and culture to build new relationships and synergies across the institution
- The HEI is open to engaging and recruiting individuals with entrepreneurial attitudes, behaviour and experience.

The case links to the HEInnovate dimensions of **Entrepreneurial Teaching and Learning**, through both course development, and involving students in research publications and incubator activities.

- The HEI provides diverse formal learning opportunities to develop entrepreneurial mindsets and skills
- The HEI provides diverse informal learning opportunities to stimulate the development of entrepreneurial mindsets and skills
- The HEI validates entrepreneurial learning outcomes which drives the design and execution of the entrepreneurial curriculum
- The results of entrepreneurship research are integrated into the entrepreneurial education offer

The case links to the HEInnovate dimensions of **Preparing and Supporting Entrepreneurs**. A key aspect of this is recognising and supporting existing hybrid entrepreneurship within the student body.

- The HEI increases awareness of the value of entrepreneurship and stimulates the entrepreneurial intentions of students, graduates and staff to set up a business venture
- The HEI supports its students, graduates and staff to move from idea generation to business creation
- Training (learning opportunities) are offered to assist students, graduates and staff in starting, running and growing a business
- Mentoring and other forms of personal development are offered by experienced individuals from academia and industry
- The HEI offers or facilitates access to business incubation

The case links to the HEInnovate dimensions of **Knowledge Exchange and Collaboration**

- The HEI provides opportunities for staff and students to take part in innovative activities with business/the external environment
- The HEI integrates research, education and industry (wider community) activities to exploit new knowledge

Additionally, the case links to the HEInnovate dimensions of the **International Institution**

- International perspectives are reflected in the HEI's approach to teaching (learning and orientation to reverse knowledge transfer)
- The international dimension is reflected in the HEI's approach to research

Using research and publications as active educational projects

The Hague University of Applied Sciences (Dutch: De Haagse Hogeschool) is a university of applied sciences and community higher professional education institute with campuses located in and around The Hague. It was formed through a merger between 14 smaller institutions of higher professional education in September 1987. Since 1987, it has expanded to four campuses in The Hague, Delft and Zoetermeer. Technische Hogeschool Rijswijk (TH Rijswijk) later merged with the institution in 2003 and was relocated to the Delft campus in 2009. The main campus in The Hague was finished in 1996.

The University has a highly international student population with approximately 23 400 students from 146 nationalities. Degree areas in the seven faculties tend to be focused on application and include technology, innovation and society, public administration, law and security, management and organisation, ICT and media, health and sport, economy and finance and welfare and education. It operates partnerships with companies, public bodies and other organisations in the Haaglanden region, as well as international institutions. Research activity is high with a range of postgraduate and continuing professional education courses.

Much of the enterprise and entrepreneurship activity within the university links to the Research Unit for Financial Inclusion and New Entrepreneurship. The Research Unit is very proactive in engaging with students. The research publications published by the unit involve collaboration with the student community. The publications are designed to raise awareness about new issues in entrepreneurship and stimulate new ways of engaging with enterprise, these, in turn, create new activities in the university.

The publications are active educational projects. A key educational aim of the Research Unit is to support students to learn and understand more about value creation in the next economy and related new forms of entrepreneurship and a new type of IT based and self-controlled financing. For example, learning through doing, in a real context, is core to the Bachelor degree for Small Business and Retail Management. After two years, students decide which track to choose whether retail or small business. Students who choose small business then actively run a small business for a year, and during the year they fine tune their idea, based on what that suits them. This match, between the student and the idea is very important. 40-50 students enter the programme each year, of these 10-15 are already in business and integrate study into their daily business practice. The programme is acutely experimental and students who are just starting out in business get inspired by the programme and the learning opportunity it provides.

The Research Unit produces publications that are result of collaborative research initiatives with other faculty members, external partners, and students. For example, part-time business administration students contribute to the research behind the publications as part of their research module. They learn through undertaking real work, which helps the research unit and the university, while gaining credits towards their degree qualification.

The publications of the Research Unit seek to challenge the reader, to challenge assumptions around entrepreneurship, make the reader think ‘outside of the box’ and to learn from experiences in ‘developing’ countries.

The members of the Research Unit believe that much can be learned from developing countries and the possibility of reversed transfer of knowledge from developing countries to Europe and the industrialised world in terms of reverse thinking of transfer of know-how, transferring insights from developing countries into Europe.

The Research Unit for Financial Inclusion and New Entrepreneurship aims to achieve the following:

- Systematise and disseminate knowledge on financial inclusion and new entrepreneurship, both nationally and internationally.
- Undertake practice-based research with a close link to teaching.
- Contribute to the professionalisation of lecturers and researchers of The Hague University of Applied Sciences by their active participation in innovation, in education and research.
- Contribute to policy debates on Financial Inclusion and New Entrepreneurship.

Recognising, supporting and learning from hybrid entrepreneurship

The world is changing and more people will have periods of unemployment and self-employment. This means that university students need 21st century skills or they will be left behind.

Hybrid entrepreneurship recognises new forms of being enterprising which are emerging in society and that have not yet been fully recognised by policy makers, practitioners and service providers. Hybrid entrepreneurship considers mixed forms of working, and encompasses new forms of enterprise triggered by social issues and new forms of engagement with entrepreneurship, including mixing work and self-employment.

Hybrid Entrepreneurship is not reported as an identifiable category in economic statistics. This could lead to misleading assumptions. We need to ask better questions e.g. 'are young people in Spain unemployed, or just busy? With less focus on life-long (self) employment people now combine paid work (or un-paid house-work) with self-employment, or opt for just part-time entrepreneurship. New hybrid forms of enterprising emerge. they might not be seen, but they exist...

Klaas Molenaar

The Research Unit challenges policy makers, academics and service providers (such as education institutes, business advisors and financial institutions) to pay more attention to hybrid entrepreneurs. Hybrid entrepreneurs are enterprising people who intend to create new value for a fair and sustainable society alongside maintaining more conventional work roles.

Many of the staff working in the Research Unit are hybrid entrepreneurs.² These are senior, experienced entrepreneurs who hold part-time positions at the university in combination with their external interests and bring extensive social capital to the university.

Around sixteen percent of students at The Hague University of Applied Sciences combine self-employment with study and can be considered hybrid entrepreneurs. To support them in pursuing both their start-up dream and completing their study programme, the Research Unit has created an internal competition for the best hybrid student entrepreneur. An extracurricular contest has been set up with a EUR 2.000 prize for the best hybrid student entrepreneur. The competition was set up to find out what students really do. From a research perspective, it is important to make real student behaviour obvious, to show that students are hybrid entrepreneurs. Understanding what students really do informs what should be done for students.

In the competition, we are looking for synergy between their field of study and their business. We ask, 'why is their study beneficial to their company?' We look to understand why they continue to study.

From this we collect data to support our research on hybrid entrepreneurs.

Klaas Molenaar

Molenaar and his team seek to empower people and to support the people who act. Engaging with people and making connections are very important, and as Molenaar says, the Research Unit was created and is managed by walking around and talking to people. Enterprise must be internalised in the university, for this to happen the faculty must internalise it. This is a cultural/mindset issue and comes before structure and formal business development.

² Klaas Molenaar is Professor on Financial Inclusion and New Entrepreneurship at The Hague University of Applied Sciences and a hybrid entrepreneur. He is a consultant on enterprise education, a specialist in Entrepreneurship Development and Training, Economic Livelihood, Financial Inclusion and MSME financing, and Migration, Entrepreneurship and Development and academic. He is a former member of the National Advisory Council for Micro Finance in the Netherlands and President of the board of the European Micro Finance Network. Klaas actively crosses borders - geographical, sectorial and institutional - in search for new insights and financing. He works 2 ½ days per week for the University Toon Buddingh is also a hybrid entrepreneur. He works two days a week in the research unit and is Director at Akebia Interim Management.

Learning to be an entrepreneur

In the Netherlands, creating new jobs within the economy is a major challenge. There is significant active fiscal stimulation to support self-employment. Many entrepreneurship programmes assume that the self-employed will accrue resources, rise out of poverty and unemployment and start hiring additional staff members and thus create jobs for others. Since the 1980s, the aim has been to create general awareness (through education) that enterprises and entrepreneurship play a positive role that promote entrepreneurship is an attitude of mind which can be applied to many aspects of one's economic, social and private life.

Klaus Molenaar, Head of the Research Unit for Financial Inclusion and New Entrepreneurship works in entrepreneurship education globally and has experienced how much the approach to education matters. According to him, just as bankers need to understand the entrepreneurs in order to offer financial services, educators need to understand their students.

It is important to think like an entrepreneur; thus assessments and training must also be designed from that perspective. When creating entrepreneurship materials for a workbook for refugees in Kenya, all the activities were written in the "I form": e.g. "I want to do this." This was important in the development of mindset of the business advisers and trainers; and it impacted the learners' uptake of, and engagement with, the material.

Klaas Molenaar

Molenaar sees the true aims of education in preparing people who can operate in the world of the future, have 'critical' skills, and are able to survive and thrive Post "Uber", post "web IT development period". To this end, businesses and incubators can be turned into platforms for learning about starting small, learning how things work, learning how to make things work, and to understand the power of trust.³

There is a core lesson of micro finance in developing countries, where micro finance depends on extending trust, which in turn promotes trust and trust worthiness, and those who do well (e.g., work well and are trustworthy) get more help, more support, and grow faster. The Research Unit is based on the same principles.

The Research Unit makes a distinction between training in developing (technical) skills, building up (management) capacity and deepening and broadening (entrepreneurial) attitude in people. The focus in entrepreneurship development is on attitudinal aspects and less on managerial capacities (related to business management training) and technical skills (central in vocational training).

The Research Unit is testing a new way of collaborating with industry. Student interns work for two days in the university, one day in a company and two days in the incubator. This provides a different type of learning opportunity and insights for all parties. The incubator makes a good transition point.

You can be very successful but don't learn, or learn a lot but aren't successful. In this second model, you can start over and "pivot!"

Toon Buddingh

³ Culturally, the Dutch are very commercial, a verbal agreement is legally binding. Trust is key, being trustworthy gets things done. Trust enables automation. The Netherlands is a much more automated society than much of Europe, e.g. on campus the local supermarket is largely unattended, with only automatic check outs. It is a culture where 'I know I can' has credibility.

The Research Unit's culture is informal and performance orientated based on being honest with each other. This creates a high trust, high learning culture. Understanding what students really do informs what should be done for students.

Building a viable support structure

A key question, when building the incubation and start-up support facilities inside the university was 'How much structure is needed?' Structure tends to come with strict rules which can be an inhibitor to learning and development. It was decided that it is better to leave people alone and widen scope if they deserve it.

The decision on which students to support, and how to support them is done by recognising their stage of development. The focus is on the impact of the support and value creation. If they are more advanced then they get more focused help. There are approximately 700 students across all four years in the business degree, with 80-100 on the small business graduation track, of these around a quarter have a business that is big enough to do an internship in their own company.

When screening business ideas, I ask myself 'Do I want to tell my wife and do I mind about media attention?' I actively have this discussion with my students. Our guidance may not be enforceable, but the conversation creates the process that makes the screening process happen. We aim to create a graduate track where the students feel proud of themselves and their peers.

Ronald Visser

Student assessment is built around a business pitch which includes pitching to outside audience made up of entrepreneurs and investors. The companies run for a while, formality comes much later. To develop 21st Century skills, entrepreneurship (not just business) needs to be understood.

Toon Buddingh has specialist expertise in start-ups and building incubators. His commercial incubators had an eighty nine percent (89%) success rate in helping start-ups which was achieved without public or government funding. The key to the model was its simplicity and growth was easily measurable. The core income was generated through renting tables. The model worked because the income was predictable, sustainable and scalable.

Buddingh's insights come from bringing commercial style incubators into the university. His expertise is in bringing people together and facilitating ("poking") interaction and connection and creating moments for "wealth" to assist the individual to find which path they are on. He had to 'tweak' his experience in building commercial incubators to create an incubator that works in a science university. The motivation is different for different stakeholders. At the regional level, the driver for entrepreneurship and incubation is job creation.

Toon Buddingh sees his role at The Hague University of Applied Sciences as a type of human mining engineer, mining two resources: young talent out of society and technology out of industry. He has used his expertise to build the university incubator, and as the incubator has grown it has enabled internal growth, including enabling more staff to support entrepreneurship in the university.

There is always the next generation of students wanting to rent start-up space and easy to grow through adding more chairs and more tables.

Toon Buddingh

The incubator, and the students entering the incubator provide valuable data to support the research on hybrid entrepreneurship. There are three identifiable categories of entrepreneur within the incubator.

- Professional solo entrepreneurs with ‘a good product which sells itself’. In this scenario, 80% of the success is down to the product, the incubator provides an easy start-up setting and infrastructure. Most of the entrepreneurs in the incubator fall into this category.
- Innovative SMEs, with innovation in the business model.
- Fast growth companies who take a more strategic approach to building the business. They actively research the market and build demand with active planning and attracting external financial investment.

There is a spirit of high collaboration within the incubator. All three types of company work alongside each other in an open office space. This collaboration is actively facilitated through the creation of events and bringing in professional speakers on topics selected to bring the incubator companies together.

An important transition for any entrepreneur is the transition from the non-employer universe to becoming an employer. According to Toon Buddingh it is normal for entrepreneurs in the incubator to reach a point where they are overwhelmed. This is the point when they recruit a second person to try and clone themselves. This is an important milestone for the company and a critical success factor in the company’s future growth. The second person tends to be better at listening. They must learn about the company and the entrepreneur’s vision. They need to understand why things work and how they work. Much of their role is to extract tacit knowledge from the founder. This creates an opportunity for the codification of knowledge. (The memory of the company to be recorded and captured for the company, not just for the founder) In turn, this opens a pathway for accelerated learning in the company and, if used wisely, provides an opportunity for the founder’s knowledge and know-how to be developed as a tangible asset which can be transferred to others without the founder’s direct input. This is a pivot point for the founder but it can feel like loss of control. Students get exposed to this understanding through their incubator experience and their involvement in the Research Unit’s work.

Key learnings from the case study

1. Mindset is fundamental to developing new ways of doing things. If you create the mindset, the connections and the skills, formal business knowledge and management skills can be developed later. Listening to and understand the needs of our students helps to design learning experiences that meet their needs.
2. Hybrid entrepreneurship is an important part of the overall economic scene, and of student’s life. It needs to be recognised, understood and catered for, if we are to give university students the mindset and skills that they need for life ad their careers post university.
3. Providing a course on entrepreneurship is not the same as a course on how to become an entrepreneur. This requires an entrepreneurial university and an entrepreneurial ecosystem, which does things differently. In the case of The Hague University of Applied Sciences, the Research Unit does things differently and provides a hub for different types of engagement and learning. It offers reward and gives support to people who act.

4. Employ ‘unconventional’ people and hybrid entrepreneurs for entrepreneurship promotion in higher education. They bring their networks and their expertise and their commitment to making a difference for society. They will find a way of working together and getting things done.

Annex

The papers developed by the Research Unit Financial Inclusion and New Entrepreneurship have been used as a structure for this case, which shows how research and practice have been interwoven to inform and structure enterprise development within the university, the region and globally. The research unit creates publications to highlight emerging themes in entrepreneurship in a way that is very accessible to the wider community. The publications used in this case are:

- **Entrepreneurs may have many faces** (2016, various contributors, co-ordinated by Klaas Molenaar, Margot Lobbezoo and Christopher Braam). This publication was developed through creating a blog. The technical creation of the blog was supported by a student in international management. The selections were made to stimulate new thinking about entrepreneurship, particularly the importance of learning from developing countries.
- **They are not yet seen ... but ...: Hybrid Entrepreneurship emerging in a changing society** (2016, Klaas Molenaar). There is a new breed of enterprising people and they need to be understood so they can be best supported. With less focus on life-long (self) employment people now combine paid work, unpaid house work, with self-employment, or opt for part-time entrepreneurship. New hybrid forms of being enterprising emerge. Combining of work with self-employment is common in developing countries, but in Europe is not recorded in the statistics. It is an area without clear definitions or classifications. According to the study, 60% of students at The Hague University of Applied Sciences combine study with self-employment. Policy makers and service providers don’t address hybrid entrepreneurship, indeed current policy often creates conflicts for hybrid entrepreneurs, e.g. people receiving benefits who undertake social enterprise or self-employment risk of losing their benefits.
- **It is beautiful but remains small. A study on graduation showing it is all about our missing memory** (2016: Albert Kraaij and Klaas Molenaar). Globally governments, non-governmental organizations (NGOs) and donors continue to spend large amounts of money on targeted programmes and policies to enhance employment creation through the creation of small firms. The assumption is that if you start lots of micro-companies then economic development and job creation will automatically follow- that what starts beautifully as small will eventually become big. However, in practice this doesn’t work. A core issue is whether job creation is best achieved through increasing the number of independent entrepreneurs or increasing the chances of survival of the new and established firms. The centre, through the incubator activity, seeks to address these challenges in new ways.
- **Microfinance, what is it all about?** (2016, Klaas Molenaar and Julie-Marthe Lehmann) Microfinance, and the concept of raising people out of poverty is not new. Microfinance existed in the Middle Ages, an apprentice of the guilds could borrow money from his master to set up his own trade after training. In the 15th century Franciscan monks provided lending through creating pawn shops. In the 19th century, the Netherlands first mutual insurance association was set up in Friesland, with farmers joining forces and collectively depositing money to help each other in the face of an emergency. At the heart of all these initiatives, there is a focus on creating access to financial services for people who otherwise would not have access to these resources. Services were provided based on trust, collateral was not

required. In all these initiatives, there is an element of learning through doing and such transformation processes have many parallels with current trends in developing countries. This philosophy for access and participation is mirrored in the entrepreneurship educational practice at the university.