EXPERIENTIAL LEARNING AS A DEVELOPMENT TOOL FOR ENTREPRENEURIAL MINDSETS: THE CASE FOR STIMULATION ASSIGNMENT

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ABSTRACT

An entrepreneurial mindset is often referred to as essential for successful entrepreneurs. What is not as thoroughly vetted is how one obtains, creates, or develops this mindset. Its characteristics, dimensions, and features have been researched, but the way that one assimilates and embeds such an orientation is less researched. We suggest that it is through experiences putting the characteristics, dimensions, and features into action (i.e., by working on and improving one's entrepreneurial skills and reflecting on experiences) that develops an entrepreneurial mindset. This paper includes a review of entrepreneurial mindset and presents a case in which an experiential-based learning program was deployed to "stimulate" participants as they developed entrepreneurial skills that informed each individual's mindset.

Keywords: *design thinking, entrepreneurial behavior (mindset), entrepreneurial competencies, pedagogy*

INTRODUCTION

Mindsets are a set of shortcuts to thinking, behaving, and feeling that become automatic and help guide actions (Kuratko et al., 2021). This means that people develop different mindsets to handle varying contexts or situations that they may encounter. Exposure to such contexts and situations is one step, whereas sustained exposure constitutes the longer journey wherein one adapts along the way and comes out on the other side: changed. We will explore one current understanding of the composition of a mindset and then move to how one develops mindset by using the Entrepreneurial Mindset and training in its use through training in the use of entrepreneurial skills. A review of the importance of not only reflection, but critical reflection, as a process for breaking habitual patterns in established mindsets and reframing how students think. Finally, an introduction to a stimulation-based learning project facilitated through the KANU Marketplace, an interactive peer-to-peer web/app-based marketplace where students can build business ventures, will be presented. To these ends, entrepreneurship education should be less about acquiring a rote set of concepts emphasizing 'what to think' to being more focused on cultivating an approach to navigating evolving information and 'how to think.'

FRAMING MINDSETS AND THE ENTREPRENEURIAL MINDSET

In this section, a review of relevant literature discussing mindset and entrepreneurial mindset (EM) will be used to frame as a key factor in our equation. Next, a review of experiential learning theory (ELT) as a pedagogical tool for developing mindset will be included as an important variable in the process for leveraging entrepreneurial skillset development (ES) as conduit for entrepreneurial mindset development. Simply stated, our goal is to demonstrate a heuristic that simply frames the relationship between ELT and ES with the goal of development EM. It should be noted this is iterative in nature, whereby as EM grows, subsequent iterations of ELT and ES application will increase EM over time:

ELT + ES = EM

MINDSET OVERVIEW

Mindsets are a living, dynamic repository of our assumptions, beliefs, heuristics, schemas, mental models, and other tools (Mitchell et al., 2002), that individuals have repeatedly created or used to make sense of their surroundings and enable individuals to conserve effort as they proceed through their days. A plethora of mindsets exist ranging from perspectives in doing research and solving problems: Analytical mindsets (Zyphur, 2009); the expected professional actions of scientists, i.e., scientific mindsets (Hayter et al., 2021); from managers to entrepreneurs (Boisot & MacMillan, 2004); and from a growth mindset to a fixed mindset (Dweck, 2006). Several scholars have pointed to variations across these different mindsets (Boisot & MacMillan, 2004; Dweck, 2006; Hayter et al., 2021). Such variations may be attributable to individual life paths in learning (Hayter et al., 2021); differences in their "beliefs," "truths," and "justifications" (Boisot & MacMillan, 2004); or differences in how much credit an individual puts into thinking, behaving, and feeling (Kuratko et al., 2021). Nevertheless, the result is the same: there are great variations even within categories of mindsets. The mindsets help define what action is appropriate in the circumstances that trigger the mindset (Boisot & MacMillan, 2004). This occurs because the mindsets hold different facets of knowledge and, to be effective, the knowledge guiding actions needs to match needs in the external environment.

This argues that diverse mindsets have fundamentally different epistemological bases (Boisot & MacMillan, 2004), thereby triggering different behaviors. Boisot and MacMillan demonstrated this through their research when they matched different knowledge management processing tools with assessment needs (p. 518). Their approach matched an assessment need (determining possibilities), with the knowledge management processing tools of brainstorming and scenario analysis. They matched an assessment need of providing a plausible solution with pattern generation and recognition tools. They further matched the assessment need of determining and acting on probabilities with the use of statistical processing and analysis tools. Finally, they matched the need of actualities determination with optimization techniques. Often selecting the right time to act, is as important as the action taken. Therefore, prior knowledge and

experience may be critical in having the action taken to be successful (Gruber et al., 2013; Shepherd & DeTienne, 2005).

Different mindsets use different "rules" or "heuristics" on when to act. For example, a managerial mindset seeks evidence to justify an action to be taken, while an entrepreneurial mindset puts its resources on the line and acts (Boisot & MacMillan, 2004). Moreover, an entrepreneurial mindset has been described as one that seeks to create the future, not necessarily predict, or forecast it, as captured in effectuation theory (Sarasvathy, 2008). Mindsets are a synthesis that includes the beliefs, values, and rules (whether explicit or implicit) of action of an associated role or identity. The latter depends on whether an individual has internalized the role to the point where it becomes one of that individual's various identities. The specific set is shaped by confluence of education (Haynie et al., 2010); societal expectations (Dweck et al., 1995); previous experiences (Greenwald & Banaji, 1995) of the individual, and the ability to make meaning from those experiences via reflection and critical reflection (A "critical" reflection framework, 2007).

All this influences and informs the action chosen by an individual. This implies that given different circumstances and individuals, even in the same role, different actions may be taken even though those with similar core beliefs may have actions that will fit into a category while not being exactly the same. Just as thoughts guide actions and emotions, so too do actions impact thoughts and emotions. This internal influence over time does not mean that these mindsets in use are static. On the contrary, mindsets tend to be dynamic in their components and use. They are considered as flexible and self-regulating. They tend to match the dynamism and complexity of the individual's environment (Haynie & Shepherd, 2009; Hayter et al., 2021). Some even refer to this ability for dynamic changes in the thinking patterns and recognizing when they are effective as being a metacognitive ability of effectively using mindsets (Haynie et al., 2010). Further, they see the dynamism as evidence that a mindset has the capacity to be a metacognitive tool, a way to examine how one is thinking about thinking, when it is used in a conscious fashion.

This does not mean that all mindsets are equally influential for an individual. Usually there is a central mindset that is used by an individual that is related to the individual's strongest sense of identity or in the role that the individual is currently engaged (parent, sibling, child, worker, boss, etc.). Often this mindset is related to a specific role that an individual needs to execute at the current time. This role, when used often, may morph into an identity that an individual can call upon as needed. Certain societal expectations and behaviors are associated with each identity, which in-turn encompasses a way of being. Individuals accept these roles and identities based on their alignment with core values and beliefs (Badaracco, 1998). The greater the alignment the more likely an individual will embrace a role and repeat it until it becomes an identity (O'Neil et al., 2022). Individuals may develop an identity through a series of narratives about that identity in action (Phillips et al., 2013) and chose an identity based on external conditions and social clues (Greenhaus & Powell, 2003). Some identities become sticky and take over time, resources, and/or quality of life areas outside of their initial use and individuals with a sticky identity may inappropriately use that identity in a context that does not support it (Sull & Houlder, 2005).

ENTREPRENEURIAL MINDSET

Recently, several scholars set out to clarify the entrepreneurial mindset construct. For instance, the literature review in Kuratko et al. (2021). provides a way to understand the dynamics and dimensions of the use of mindset specifically in entrepreneurship. Some things bear repeating: the first is that the mindset construct is not merely cognitive but has aspects of affectation (emotion) and situation-bounded behaviors which must all be included to be understood (2021, p. 1682). As noted previously, entrepreneurial mindset includes an emphasis on effectuation theory, which codifies the idea that entrepreneurs seek to create the future, not predict it (Sarasvathy, 2008). It is also a construct that is defined and delimited in its use; thus, each person has a unique blend of entrepreneurial behaviors. This mutual causation allows us to link to complexity theory and understand that prescriptive forecasts are not possible but general and repeatable patterns are discernable. Discernable means others can see some patterned behaviors that can be codified.

While some aspects of a mindset are readily visible to others; others are more internal such as the use of metacognitive processes (Naumann, 2017) resulting in cognitive adaptability, i.e., reviewing how you are thinking and making adjustments rapidly under conditions of uncertainty and ambiguity (Haynie et al., 2010; Haynie & Shepherd, 2009). Visible aspects are general and can be used across many contexts and shared with others. There are five that may be seen, according to Naumann (2017). We offer this set of visible, but not always conscious, set of attributes in a slightly different configuration than did Nauman. Based on the work by Kuratko and associates (2021), these attributes visible or used will fall into three categories: cognitive (thinking), affective (emotions), and behaviors (volition or actions guided by the previous two). It sparks the questions – in what ways does an entrepreneur think; in what ways does an entrepreneur feel; and, in what ways does an entrepreneur act?

Cognitive Dimension

Mindsets are complex mental models that people use to control the amount of energy they must spend in specific context. The most critical short cut that an entrepreneur needs, is to rapidly decide how to think in any given context but especially when contexts are uncertain and ambiguous (Kuratko et al., 2021). The thinking skills range from simple constructs like paying attention to meta-cognitive aspects like revising decision making processes (Ireland et al., 2003). The key though is to realize that significant elements of the external context like the presence of an opportunity, the emergence of the firm that they have been working on and internal epiphanies like realizing that one really is an entrepreneur (Morris et al., 2012) will all impact their thinking. The discussion on opportunities above and the recognition that as contexts change so too must an entrepreneur's mindset imply that not only must an entrepreneur create a way of thinking appropriate for ambiguous situations but that it must be revisited when changes occur and then it must be applied once a suitable opportunity has been focused upon.

Affective Dimension

Entrepreneurs have a reputation of being risk takers. This is true but not in the sense of taking unjustified risks. They are the ones that take on marketplace risk (Schumpeter, 1942). There is risk entailed even at the conceptualization stage for a new business when a would-be entrepreneur presents ideas for prospective customers to either support or reject. To these ends, there is more in play than simply "knowing the facts" or "building the plane while in the air." There is an intangible sort of tacit element that is inherently coded to the core feeling and emotive aspect of the entrepreneur. Now then, this is more tangible than a sort of flippant *je ne sais quoi* mentality. The affective or subjectively experienced feeling is a key ingredient to the entrepreneurial mindset and is captured most prominently in Design Thinking (DT). "DT is generally defined as an analytic and creative process that engages a person in opportunities to experiment, create and prototype models, gather feedback, and redesign" (Razzouk & Shute, 2012). The first step in the DT process is: empathize. This step focuses on leveraging human capacity to demonstrate emotional empathy or recognizing an instinctive, affective, shared, and mirrored experience of one to another (Spencer, 1855). Gasparini (2015) noted that within the context of DT, designers apply empathy – first – to "acquire insight into users' needs," and inform every subsequent step in the DT process. In this, the user is key, and this is typically referred to as UX (user experience). He also provided a practical example whereby participants applying DT approach UX engagement empathically to uncover relevant solutions. Finally, in their investigation into the role of empathy in DT, Köppen & Meinel (2015) recognized that empathy in organizations is the conduit for creating sense (meaning) and knowledge (cognition). Here it is evident that the affective, tacit, human emotion is being leveraged through a codified cognitive process (DT) and technically applied (through behavioral approach to entrepreneurial pursuits). This serves as an example of a mindset thread braiding explicitly with a skillset thread, connected via applied experiential learning.

Behavioral Dimension

Entrepreneurs are known for action taking and this is where the rubber hits the road, proverbially speaking. Though, long before starting a firm, they will have entrepreneurial goals that they will share. The entrepreneur's values will guide their action choice (Alvarez et al., 2013). The ability to continue to take action in the face of an ambiguous context indicates that the entrepreneur will be engaged in sensemaking and displaying that behavior for others to witness (Kuratko et al., 2021). Tang et al. (2012) identified three dimensions associated with the alertness construct: environmental scanning and searching heightens entrepreneurial knowledge base, association and connection links external observations with a novel perspective, and evaluation and judgement focus to determine possible opportunity. However, the full set of entrepreneurial action taking ranges from scanning for opportunities (Baron, 2006) to assembling resources and individuals needed to initiate the new venture (Dobni et al., 2000). Over time, one evolves from naïve optimist to a more realistic entrepreneur (Hmieleski & Baron, 2009) along with having an entrepreneurial mindset that can become more adaptable and flexible

To further nurture these mindset dimensions, experience is critical. Though the challenge is that intangible mindset aspects are difficult (if not impossible) to develop outside of the pursuit of something that is tangible. Hence, pursuit of entrepreneurial skillset development by way of applied experiential learning can indirectly influence the development of the entrepreneurial mindsets that we want to see in our novice or even proto-entrepreneurs. It seems that this is how entrepreneurs in the real world grow and develop themselves.

EXPERIENTIAL LEARNING AS A DEVELOPMENT TOOL FOR ENTREPRENEURIAL MINDSETS

It has been extensively noted that the best ways to learn the art and science of being an entrepreneur (or being entrepreneurial) is through "learning by doing" (Politis, 2005). Applied experiential learning, inclusive of real-life/real-world situations are likely to evoke the three dimensions mentioned previously (cognitive, affective, and behavioral). In accessing students' entrepreneurial skills development through (Chang & Rieple, 2013) investigation, it was determined that significant growth was realized in students' perceptions of their skills through hands-on applied projects. To note, the skills being measured were based on Lyons and Lyons, 2002 and their categories of technical, management, entrepreneurship, and personal maturity while the categories associated with the knowledge skills and abilities of the entrepreneurial mindset are cognitive, affect and behaviors.

Because of the "doing" emphasis from Politis (2005), we can perhaps best understand the behaviors as the conscious or unconscious attempt to put the cognitive understanding into action given the person's affective state and external context. When we look at the set of skills provided by Lyons and Lyons in 2002 and confirmed in 2013 by Chang and Rieple, it is evident that the act of attempting to put entrepreneurial constructs into action may also require additional task skills. However, Chang and Rieple (2013) found that having a hybrid learning method, which balanced on the job training (OJT) and pure academic teaching, enables students to also learn tacit skills as well as explicit skills. For example: the limited time environment of "real world" problems enhanced the uncertainty and ambiguity that students had little previous experience handling. The real world project that was the basis for the learning resulted in students learning to assess conditions, and choose appropriate entrepreneurial knowledge to apply even in conditions of uncertainty and ambiguity (Chang & Rieple, 2013). This active hands-on experiential learning for entrepreneurs is called for and determined valuable by multiple researchers (Chang & Rieple, 2013; Lyons & Lyons, 2002; Politis, 2005). The Entrepreneurial Learning Initiative argued for the inclusion of experiential learning in the development of an entrepreneurial mindset (*Develop the future workforce with an entrepreneurial mindset*, 2023). AACSB in their 2020 iteration of standards for accreditation also began including a requirement of experiential learning (*Guiding principles and standards for business accreditation*, 2020).

Kolb's (1984) experiential learning theory is based on the premise that "learning, the creation of knowledge and meaning, occurs through the active extension and grounding of ideas and experiences in the external world and through internal reflection about the attributes of these experiences and ideas" (p. 53). When it comes to developing an entrepreneurial mindset and

skillset, researchers have consistently pointed towards Kolb's theory framed by the Experiential Learning Cycle (ELC) as a tool for codifying and explaining student learning and development (Carland & Carland, 2001; Daddi et al., 2020; Neck & Greene, 2011; Perry, 2011). A critical component of the ELC is reflection, which is the stage that builds off the learner's lived concrete experience and a proactive grappling with abstract conceptualization. It is at this point whereby critical reflection assists the learner in asking questions of their experience (behavioral) and current understanding (cognitive) with the intention of recognizing where there are gaps in the learner's personal perspective.

Upon observation and realization of these gaps (which are always there and only discoverable through critical reflection), learners can regroup and move into active experimentation. This is an iterative, cyclical process that can lead to the highest levels of learning and discernment and has been observed through an in-depth study of a business management class in New Zealand (Perry, 2011).

SIMULATION VERSUS STIMULATION: LEARNING OPPORTUNITIES

A recent review of entrepreneurial education empirical work (Carpenter & Wilson, 2022) indicated that entrepreneurial students benefit from experiential learning and/or practice-oriented pedagogy. While practice orientated education puts the responsibility on the student to construct their own learning experience, it typically does result in higher learning (Hahn et al., 2017). Hands on applied projects have been shown to be beneficial for entrepreneurial student's growth in entrepreneurial skill (Berbegal Mirabent et al., 2016; Politis, 2005), and embedding an entrepreneurial mindset because of their use of all three areas needed for entrepreneurial mindset development (Kuratko et al., 2021). One area that has been used for many years (Crookall, 1994) is that of having students do a simulation. Another is having students engage in starting and running a business or event during the school term (Sadek & Loutfy, 2013).

Simulations

Simulations have been adopted in business schools and specifically entrepreneurship programs for nearly 30 years (Crookall, 1994). The special issue of *Simulation & Gaming* in September of 1994 was dedicated exclusively to the concept of entrepreneurial education and serves as a seminal work for acknowledging and building upon the opportunities associated with simulations as an educative tool for framing entrepreneurial education. Simulations as an educational tool provides many benefits to the development of entrepreneurial mindset and skillset of learners (Bagheri et al., 2019). For all of the positive impacts associated with simulations, there are some identified challenges that should be noted. Those challenges include associated costs and expenses that can be (Chen et al., 2018) prohibitive, the learning curve associated with the program technology can be steep and the powerful computers that are needed to run the programs may not be equally accessible to everyone (Wawer et al., 2010). Finally, the fact that it is a simulation – not real – can impact the level of dedication students have in the results of their decisions. This concept is referred to as *fidelity* and this refers to the amount of realism associated with game play, whereby excessive realism can be problematic (Billhardt, 2004; Fox et al., 2018). Meaning, that students want to be challenged to an extent, but according

to Low et al. (1994), not overwhelmed with overly realistic game play and decisions to "minimize the danger of confounding factors" (p. 384). In the absence of actual lived experiences, simulations may be the next best option for the development of entrepreneur in an educational scenario.

Stimulations

In addition to simulations, to complement that learning, an effort to create real-life applied experiences (e.g., stimulation) could enhance learning in new, untapped ways. Just as a curriculum should have various courses for delivering essential content, various pedagogical approaches should be adopted to frame content and reach learners from various learning styles and dispositions (Cassidy, 2004). According to Cambridge University Press, stimulation refers to a sort of action that can cause someone to become *more* active, *more* enthusiastic, or to develop (Cambridge University Press, n.d.). This definition, in conjunction with the work of Forster-Holt (2021), is the perspective we take on regarding the impact of engaged learning. This would include things like running a booth at a flea market or convention center or even creating an online business as a part of a course. This latter example is important as recent examination of the effectiveness of entrepreneurial education noted that face to face projects were more impactful than those done through distance education (Carpenter & Wilson, 2022). Having a way to engage in actual real-life applied experiences through online venues is a newly emerging opportunity.

In the following section, an overview of a stimulation-based learning project facilitated through the KANU Marketplace, an interactive peer-to-peer web/app-based marketplace where students can build business ventures, will be presented.

FROM CONCEPTUAL TO ACTUAL: USING STIMULATION LEARNING TO SUPPORT MINDSET DEVELOPMENT

While the key focus of this paper is conceptual in nature, a case example of how experiential learning theory and pedagogical approaches can be leveraged to help develop an entrepreneurial skillset and, in turn, an entrepreneurial mindset could help clarify in a practical way what we have presented. An example from an Introduction to Entrepreneurship class facilitated in fall 2022 at a regional university will be presented. This class integrated a new educative tool that is designed to move the learner beyond simulation and into the realm of stimulation: KANU Marketplace. A realm that requires real time, real business decisions from ideation to development and from launch to execution. Enter KANU Marketplace as an example of this technology.

KANU Marketplace

There is a place for case studies to drive home theoretical points in hands-on real-world (-*esque*) conditions. There is also a place for hypothetical simulations to illuminate how real time decisions can lead to the next circumstance that an entrepreneur will have to navigate. Another pedogeological approach adopted in an Introduction to Entrepreneurship course was KANU,

designed to be "a safe and secure place where student ideas, services, and products earn money and invaluable business experience" (according to its website). KANU was founded in 2019 by two University of Rhode Island undergraduate students and is "the peer-to-peer campus marketplace fueled by entrepreneurship education." KANU has been designed to be "a revolutionary virtual business platform that systematically helps manage your [students'] way through the complexities of owning and operating a business venture." KANU is delivered in both a web-based, and an application-based (available on smart phone) service.

KANU was borne from the goal to introduce students from various disciplines to the process of starting a small-scale business. It serves as a resource so that students can set up their own successful side-hustle (as outside of a classroom experiences) or could be integrated into a classroom experience to support student learning. Forster-Holt (2021) captures the essence and conditions of a stimulation with the following statement: "a business owner will likely admit that a simulation won't keep them up at night, but running a real business will. Hence the stimulation" (p. 810). Forster-Holt was able to demonstrate the achievement of their goal (articulated first by Neck & Greene, 2011) to "fill a gap in active learning and help our students close the circuit between entrepreneurial thinking and acting" (p. 817). In addition to the learning outcomes of the course, Forster-Holt determined the success of their project through five additional outcomes (p. 818):

Table. 1.
KANU Marketplace Experience & Outcomes Achieved (Forster-Holt, 2021).

Outcome	Met Goal (Y/N)	Corroboration Data
A realistic student and semester-scaled size of venture	Y	"The professor, classroom mentors and the guest judges agreed that student ideas became more realistic when we took away the hypothetical nature of the assignment."
Connecting students to the innovation ecosystem on campus and in the state	Y	"This natural experiment helped us achieve one of our goals of getting students to the starting line of being able to avail themselves of the innovation ecosystem on campus."
Helping our students achieve their goals for the project	Y	Students predominantly reported their goals for their projects were earn income (38%) and have transferable experience (43%). "These answers suggested broad student support for the project."
Gaining broad support by the students for project	Y	"Spring semester 2019, when it was [a] hypothetical [project], student comments were positive, but overall lacked the energy of the subsequent semesters, and suggested that the project was just that – a project."
Campus engagement	Y	"We believe the controlled risk of our stimulation appeals to iGens [current generation of students]… the [stimulation project] seems to have imparted some life skills through a scalable, do-able venture."

This report increased confidence that using this "stimulation" approach of a controlled real-life process would both further a student's learning of entrepreneurial skills and have sufficient iterations to begin to trigger the use of an entrepreneurial mindset, if students were guided in the use of the entrepreneurial skills. This guided use could happen in a course and would benefit if it was a term long assignment. Next, is the integration of the KANU experiential learning project into an introductory entrepreneurship course.

INTEGRATING A STIMULATION PROJECT INTO INTRODUCTORY COURSE

The course chosen for an integration attempt was an introduction to entrepreneurship course and its outcomes. Course outcomes and associated assignments are essential to student learning. Integral to this experience was the learning outcomes focused on applying content and establishing a minimum viable product/service version of a start-up venture using the KANU platform. The course outcomes that were directly aligned with the KANU experience were as follows:

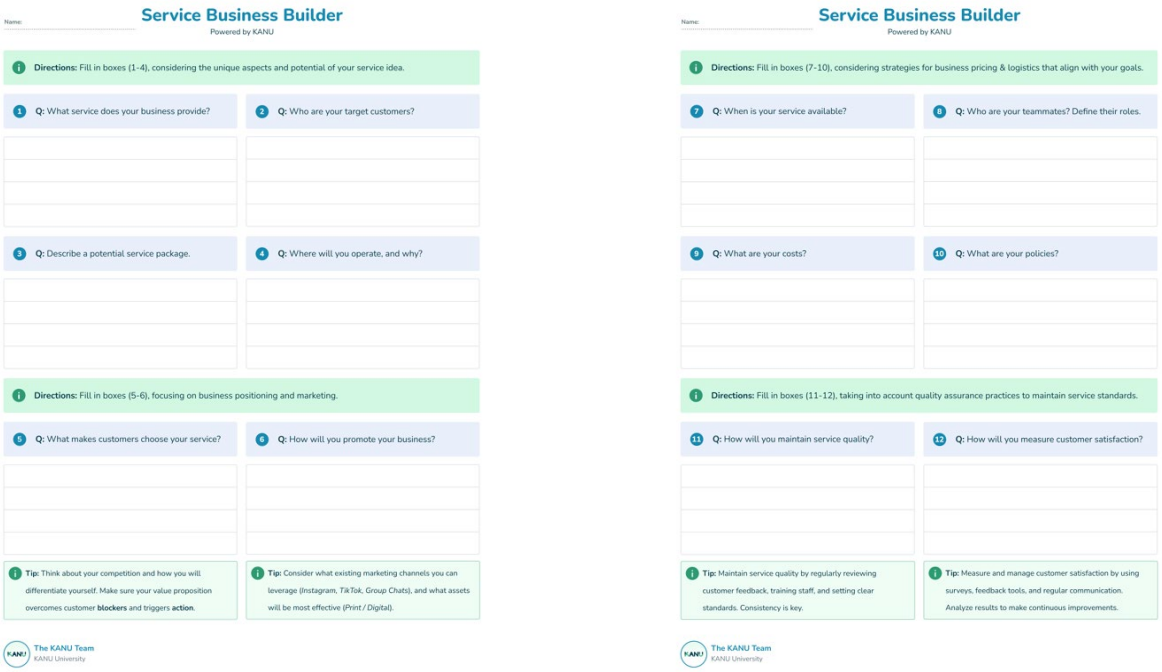
- Identify, describe, and apply techniques necessary to create and operate a new venture including idea development and testing, customer identification, marketing, selling, accounting, finance, and management framed by the business model canvas and executed through the ***KANU Marketplace***.

- Establish a start-up venture that identifies a human problem, develops a working solution, creates a named product or service (with product inventory/service offerings), markets the idea, generates sales and delivery of product/fulfillment of services, infers next steps from the results of their venture, and reflects on the impact the experience had as a developing entrepreneur.

Faculty teaching this course determined that at this introductory level, students would benefit from working through this experiential learning opportunity in teams. Best practices for the student teams indicate that using teams of 4 to 6 (Manegold et al., 2020) may be optimal. Thus, the KANU experience was to be facilitated in teams of around 6 students each. The course assignments that were directly aligned with the course outcomes and operationalized within KANU are as follows:

- Set-up the basic business information through KANU (name, about, ~2 products or ~2 services, geo location, FAQs, etc.);
- Complete *KANU Service/Product Business Builder* worksheet;
- Complete 4-Step "Go to Market" Plan (who, how reach, where are they, when, and price);
- Set & Monitor Sales Goals (revenue, conversion rate, customers, sales, etc.);
- Complete *KANU Ad-Lib Value Proposition* worksheet.

Figure 1.
Service Business Building Worksheet (KANU, 2022).
Download Worksheet



Name:

Service Business Builder

Powered by KANU

Directions: Fill in boxes (1-4), considering the unique aspects and potential of your service idea.

1. **Q:** What service does your business provide?
2. **Q:** Who are your target customers?
3. **Q:** Describe a potential service package.
4. **Q:** Where will you operate, and why?

Directions: Fill in boxes (5-6), focusing on business positioning and marketing.

5. **Q:** What makes customers choose your service?
6. **Q:** How will you promote your business?

Tip: Think about your competition and how you will differentiate yourself. Make sure your value proposition overcomes customer **blockers** and triggers **action**.

Tip: Consider what existing marketing channels you can leverage (*Instagram, TikTok, Group Chats*), and what assets will be most effective (*Print / Digital*).

The KANU Team
KANU University

Name:

Service Business Builder

Powered by KANU

Directions: Fill in boxes (7-10), considering strategies for business pricing & logistics that align with your goals.

7. **Q:** When is your service available?
8. **Q:** Who are your teammates? Define their roles.
9. **Q:** What are your costs?
10. **Q:** What are your policies?

Directions: Fill in boxes (11-12), taking into account quality assurance practices to maintain service standards.

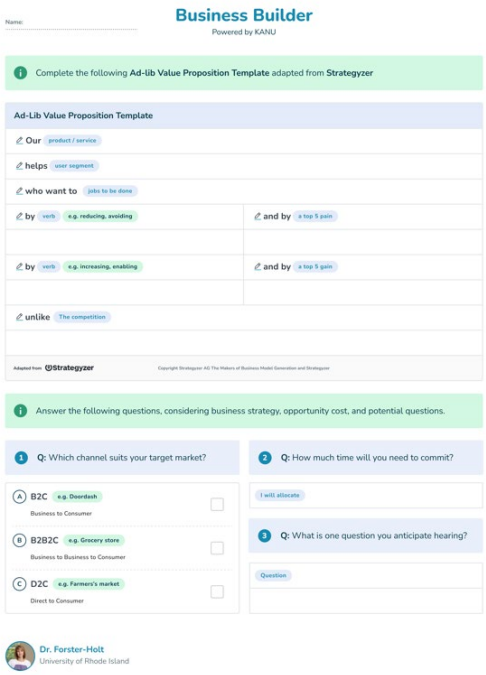
11. **Q:** How will you maintain service quality?
12. **Q:** How will you measure customer satisfaction?

Tip: Maintain service quality by regularly reviewing customer feedback, training staff, and setting clear standards. Consistency is key.

Tip: Measure and manage customer satisfaction by using surveys, feedback tools, and regular communication. Analyze results to make continuous improvements.

The KANU Team
KANU University

Figure 2.
Business Builder Worksheet (Forster-Holt, 2022).
Download Worksheet



IMPLEMENTATION CASE EXAMPLE: PILOT STUDY OF KANU

While this case is only an illustration of the idea of using an iterative experiential project to enable the development of an entrepreneurial mindset and not as case-based research, we are nonetheless sharing basic information about the case's context. Using this above work on how to include it in a freshman/sophomore course as a departure point, KANU was included as an integral component of a fall 2022 section of the introduction to entrepreneurship under discussion thus far. The course was open to all majors across the campus, but serves as an entry point course for the University's Entrepreneurship Minor and Bachelors (BS & BSBA) degree programs. This section had a maximum enrollment of 48 students and in fall 2022, and it was fully enrolled.

The following processes for this pilot study use of KANU were shared by the instructor of record (a tenure-track faculty member). As mentioned earlier, this course was fully enrolled in by 48 students which meant that 9 teams of around 6 members each were used. The organization was by major modules in the course and were conducted in a seated course on the main campus of the University.

Weeks 1 – 4

The semester started by introducing the students to the KANU project. A problem/ideation session was facilitated to find likeminded students from different backgrounds and to begin the team building process. Once students were put into teams a session on Tuckman's phases of team dynamics was facilitated (Tuckman, 1965). Following that a deeper dive session was presented using a problem, human-centric Design Thinking approach (*Get started with design thinking*, 2023) to search for headache problems (Cohen et al., 2020) that existed in the market (immediate vicinity of the University) where the student teams were focused. Additionally, each student completed the PICN Chart (a model that invites students to consider a **P**roblem, develop ~10 potential **I**deas/solutions, describe **C**ustomer characteristics, and develop up to three **N**ext questions they need to find answers to advance their idea). The key goal during this period is to connect as a team, identify a problem/opportunity, and begin to develop testable working solutions in the form of products or services to directly address the problem/opportunity.

Weeks 5 – 8

At this point in the semester student teams have begun to gel and have moved from the Forming phase through the Storming and Norming phases of team development (Tuckman, 1965). They have homed in on a viable business idea and have completed their Service/Product Business Building worksheets, developed a value proposition, identified and discussed the problem and their idea with prospective customers through customer interviewing, and set-up their basic business information in KANU. Teams began to refine their understanding of the problem they are solving and developed temporary working solutions in the form of Minimum Viable Products, Services, and Audiences. It is at this point in the semester that fall break started and this serves as a half-way point in the semester.

Weeks 9-12

At this stage, students began to develop inventories for their products or set established times for their service offerings. Although not a requirement, several students made investments on their own (ranging from $5.00 to $20.00 each), as they were aware that the opportunity existed to recoup their funds and possibly make a profit – indicative of a true entrepreneurial mindset. They spent on raw material and resources to create their respective products (e.g., boba tea, soap shield, specialty international candy boxes, branded and personalized sweatshirts, etc.) and services (e.g., jiujitsu coaching, car wash, etc.). A majority of the students developed a product versus offering a service, which was an interesting observation. Teams opened their KANU storefront and started to receive orders. Students would have to then accept the order request and agree upon a delivery/pick-up option. Indirect funds from an existing grant (held by the instructor) as well as administrative support in connection with a concurrent campus celebration of Global Entrepreneurship Week, allowed for a significant marketing campaign including the KANU project (as a component of the celebration). The campaign was thus deployed across the entire campus and included social media, printed posters (with QR codes), and campus emails to prospective customers. During this time students opened their stores and

began taking orders, balancing inventory levels, and accepting payments through the KANU platform (e.g., Venmo, PayPal, etc.).

Weeks 13-16

The final four weeks were dedicated to increasing sales, delivering orders, reaching revenue goals, and preparing students' final presentations on their business. The final presentation was a 4-minute pitch showcasing teams' business ideas and value proposition, sales strategy and sales numbers, revenues and profit margins, and reflective lessons learned from their launch. This provided the opportunity for each student group to learn from the others. A few significant insights were gained. Some teams were profitable on a single product, while other teams had multiple streams of revenue (via more than one product for sale). At least one team with multiple products had both winners and losers within the context of its entire product line. Most teams at least broke even, and a few were profitable. Interestingly, one team determined that it could and should begin to sell marketing and promotion services to the other teams. At first blush, the activity could be regarded as a minor nuance. Yet, from a macro-view this behavior was an indices of at least the beginnings of a greater entrepreneurial ecosystem being formed (similar to when the establishment of one business leads to many more forming as they all in some way support one another and create an economic infrastructure that leads to even more development). It is evident that the stimulation aspect of the experience had some efficacy based on student reflections and the observed enthusiasm from their engagement. Finally, it is well known that mere ideas, even great ones, cannot be successful without follow-through and implementation. In that all teams concerned actually persevered, keeping in mind that this was an introductory-level course, and made it to their respective marketplaces, this was indicative of an entrepreneurial mindset having been realized in each of the participants.

Instructor's Reflections from Stimulation Learning with KANU: Rose, Bud, & Thorn

The faculty member reported that this first-time experience was challenging, rewarding, and motivating. Observations from his experience will be captured using a similar process often taught to our students as they reflect on an experience: the Rose, Bud & Thorn series of reflections. The Rose includes that which was observed and positive. The Bud focus enables reflections focused on that which demonstrated great potential for future opportunity. The last reflection, the Thorn, considered the aspects of the experience that might have been improved and could be improved in the next iteration.

Rose

The beautiful part of the experience was watching the students move through the decisions that go into developing a viable business with real offerings (product or service). The instructor of record noticed that the students shifted from going through the motions and playing it safe to making decisions that carried with them real-world implications (including financial consequences and opportunities). The customer interviews they facilitated had real repercussions. If students listened well enough, they could develop a solution to real problem being experienced by their potential customers. If they made wise purchasing decisions on

supplies and resources and established a viable price point, they could increase their profit margin. Students consistently noted their awareness of the realness of the decisions they were making. These students were launching live businesses, with real product and service offerings, and a full-campus marketing campaign and they wanted to ensure their virtual storefronts were well presented. As the professor it felt like a switch was flipped. It was evident that students were thinking about entrepreneurship in ways they had not (or might not have) without the stimulation learning experience with KANU.

Bud

As far as experiential learning opportunities go, the untapped potential in this stimulation-based learning experience remains. As this was the first time navigating these waters, it was clear that the more the program and platform is used the more impactful the experience can become for future student participants. When using the KANU platform again (planned for fall 2023), the faculty member will start with a more thorough tutorial of how to utilize the platform. For example, before projects are launched the projects, the platform will be introduced live in front of the students, and then all concerned will collaboratively build a business the KANU way together. Students will collectively set-up a business storefront and make real time decisions in the app (together) so they can see how it works in practice. Additionally, many of the students noted that the experience empowered and motivated them to see their idea (solution) turn into a tangible product (or available service) and then that there were people out there who would purchase their product (or service). This process has the ability to "…awaken a stranger inside of you…" (Antoine de Saint-Exupéry). Meaning, that when a student goes through the process of launching even a small-scale startup, it can help demystify the second, third, fourth, etc., iterations of the startup process. It is this level of stimulation-based learning that is essential for preparation. Successful ventures have become so due to iteration compounded. "Iterate. Iterate. Iterate," one student said. KANU helps put students in a place to be challenged, overcome those challenges, and then use the lessons learned to improve the next iteration of their venture. The experience connects with the students' entrepreneurial skills development and ultimately their entrepreneurial mindset development.

Thorn

There is much room for improvement moving forward. The KANU team (HQ) is working on improvements. A couple of challenges that were experienced were minor, but still influenced the experience. For example, when QR codes or hyperlinks were used to connect customers to the students' store fronts within KANU to purchase products and services, customers would have to establish a username (email) and password to check out. There was not a way to purchase the items without setting up an account and logging in. This is a minor issue, and KANU's management team is already working to address it, but it was a small thorn in the process for the students who set up their storefronts. Most of the challenges were attributed to this being the first time utilizing educational activity. The KANU experience will be facilitated again in fall 2023.

CONCLUSION

We began this research by exploring how an entrepreneurial mindset can be developed and become so integrated with an entrepreneur that it moves from conscious use to unconscious use. An examination of the mindset literature found that this happens with repeated use of the mindset in certain conditions, such that when those conditions occur, they may spark a person to choose to use that mindset. For an entrepreneurial mindset, the conditions are those of recognizing an opportunity. It is no wonder then, that entrepreneurial education has found experiential exercises so valuable in preparing people to become entrepreneurs. While several types of experiential exercises were found, the ones that were the most likely to allow for iterations (whether based on success or failure) were those of simulations and performing the actions of an entrepreneur. In the case of the latter, existing research found that students flourished more when they operated from a "safe" place that was not completely duplicating the complexities and trials found in real life but did, for example, have some similarities such as tight deadlines and some risk of failure. Respecting this last predilection, an experiential learning exercise that naturally allowed for iterations was employed to help embed the entrepreneurial mindset in students. While a single term is not sufficient time to ensure the embedding of a mindset, it does provide iterative opportunities to use a mindset and begin the process.

It is important to note and presumably not surprising, discussing a theory – in theory – is not as productive or illuminating as discussing a theory post-application or experience. Meaning that theory, models, concepts, and content take on a new, more useful dynamic only after learners have had the opportunity to apply and test accompanying assumptions. Additionally, without the hands-on application component educators cannot fully prepare the next generation of entrepreneurs. Rather, at best, the next generation of *theoretical* entrepreneurs would be the result of teachings *sans* application. Braiding the threads of entrepreneurial mindset, entrepreneurial skillset, and experiential learning theory serves as symbol for demonstrating the importance of integrating the three with the purpose of preparing real-world, entrepreneurs. Going back to our initial equation:

$$ELT + ES = EM$$

In this, the goal is to balance the equation, and entrepreneurial mindset can be achieved through the applied experiential learning efforts that are brought to life in the application of entrepreneurial skills. Entrepreneurial skills are necessarily developed through applied experiential learning. The best way to develop this disposition and toolbox is to put learners in real-world situations that require the application of the mindset and skillset that have been seen in successful entrepreneurs (Perry & Black, 2022). Simulations are useful due to their ability to enable students to recover from failure, pivot what they are doing and trying again. However, new opportunities arise and using new aspects such as a controlled real-life real time experience can further that learning.

From the above reflections, it is possible to include realistic simulated experiences of sufficient reality and fidelity to "stimulate" interest and buy-in by students. KANU is one such platform that allows students the fidelity and yet the "safe" space and conditions to create opportunities for learning instead of being overwhelming and stifling learning. Such exercises, when deployed across a full academic term provide iterative sessions in using entrepreneurial skills and thus could help students in developing an entrepreneurial mindset. Given that entrepreneurial mindsets require repeated use of entrepreneurial skills to become embedded in an individual's identity, using experiential exercises including ones that can be done whether in person or online is a great way of accomplishing this task across a whole program. The KANU platform (or others like it) could be used early-on in a program using teams and move to individual use later during one or more upper-level courses. Real-world applied conditions test entrepreneurs in ways that forge their mind and skills, so that when they pivot to new initiatives, they will be more tuned and prepared for the next challenge. Providing this for students remains a work in progress.

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