Enterprise and employability: to conflate or not to conflate?

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Back in 1992, Watts and Hawthorn provided definitions of enterprise that could subsume employability. They argued that enterprise may be about: helping students set up a business; working within an enterprise (organisation); or being enterprising, innovating and creative. Their comments were made in the context of the Enterprise in Higher Education programme, which ran for eight years until 1996. This predated the nomenclature 'employability', but ran alongside traditional employability elements such as career development learning. More recent enterprise initiatives (for example the National Centre for Graduate Entrepreneurship) have focused more specifically on entrepreneurship, innovation and knowledge transfer, rather than on employability.

Alongside this, employability as a separate and distinct concept has grown in strength, incorporating concepts such as key skills and career development learning, meaning that employability and enterprise have come to be seen as distinct, if not mutually exclusive concepts.

Public images of enterprise are influenced by popular media. Programmes such as *Dragons' Den* epitomise enterprise as activities which are competitive, and are primarily about wealth creation. In her 2009 paper Jones laid out the development she saw in the concept of the 'entrepreneur' throughout the last three centuries (Jones, 2009). This, she argues, has culminated in an image of the entrepreneur as a saviour and a celebrity. This image, she argues, portrays enterprising individuals as being focused on wealth creation, and in so doing provides imagery of enterprise as a highly commercial activity, which repels some people, disproportionately women, from enterprise activities. A similar view of enterprise as commercial activity leads Cruz et al (2009) to explain that: "Many public bodies promote entrepreneurial education programmes because of the importance of the programmes for economic development and the competitiveness of the business structure" (p. 199), focusing again on the wealth creation aspect of enterprise skills. However, if enterprise skills are considered as a particular type of employability skill these somewhat mercenary connotations are reduced.

Some HE institutions have already integrated employability and enterprise: Lancaster, Birmingham and Newcastle Universities all have integrated careers and enterprise centres. The Centre for Excellence in Teaching and Learning, the Institute for Enterprise, based at Leeds Metropolitan University, takes an open approach to what enterprise can be. They cite Paul Kearney's 1994 definition as a useful starting point:

> *"Enterprise is purposeful active behaviour, which can take place in any number of contexts, business being only one. Enterprise is making things happen, having ideas, and doing something about them, taking advantage of opportunities to bring about change."*
> (Kearney, 1994)

This definition fits well with how students and graduates access employment in the information age. While some vacancies are still advertised in traditional ways, employers also engage in viral advertising, computer games and other innovative methods to attract specific graduates. As there is no legal requirement to advertise vacancies and doing so is expensive, many vacancies are not advertised at all, but are taken by those most effective at networking or creating their own opportunities. Even when in work, significant minorities of graduates and other employees (BIS, 2009b) have portfolio careers, i.e. they incorporate a range of part-time positions, or spend part of their time in self-employment, a co-operative or volunteering while in paid employment for other blocks of time. Even employability skills as basic as career management require creativity and enterprise. Enterprise can be as much about parents finding innovative solutions to their childcare issues so that they can work as about money-making activities. For example, a group of parents opting to establish co-operative working arrangements which incorporate reciprocal childcare demonstrate innovation and creative approaches to problem solving: enterprise in its widest and perhaps more 'social' sense.

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Case study 1: A portfolio career: combining employment and entrepreneurial activity

Louisa [not her real name] returned to education at the age of 23 after staying at home with her small children after finishing A-levels. Until this point the only paid work she had done was part-time cleaning for a small enterprise. Despite this some of her employability and enterprise skills were well developed. Living on a tight budget had taught her to be enterprising. She was highly creative: for example doing a house swap with a friend in order to go on holiday without incurring accommodation costs.

While studying for her degree Louisa took an active interest in developing her employability and took opportunities to complete paid work placements as well as a voluntary position working for a local charity. Post-graduation, she struggled to find a traditional graduate position; her family responsibilities meant she was not geographically mobile and was only able to work fixed hours. As a stop-gap measure Louisa took a paid part-time role in the charity where she had volunteered, having been offered the position as a result of her opportunity spotting: finding appropriate funding opportunities for the charity. Over time she supplemented this role - which she enjoyed but was poorly paid – with a more lucrative job which was less stable. In addition Louisa undertook a range of enterprising activities: for example, after visiting a music festival she noted many revellers abandoned items such as tents, boots and sleeping mats. She began collecting these after festivals and reselling them via an internet auction site.

Louisa's portfolio career combined both employment and entrepreneurial activity, though the same range of skills were required to be successful in both: opportunity spotting; communication; problem solving; initiative and flexibility. Louisa enjoys the range of activities she undertakes in her work and no longer hopes to find one full-time position.

For those graduates who opt for traditional full-time employment, enterprise skills can still come into play. For example, graduate trainees traditionally spend time in each department of an organisation, establishing their strengths and preferences before opting for one area. Increasingly organisations actively train their employees in enterprise skills, with the expectation that they will be intrapreneurial. For example the CBI's 2005 Innovation Survey (MORI, 2005) found that 67% of organisations reported training their managers in the identification and development of new ideas (in comparison to only 20% in 2002). Both the idenification and development of new ideas are key enterprise skills. In addition many other employees act either as intrapreneurs or 'job crafters'. Intrapreneurs use enterprise skills in the workplace, innovating for the organisation's benefit. Job crafting is a form of enterprise which fits neatly into the classification of employability skills.

'Job crafting' could be classed more as an example of career development skills. It is the way in which employees redesign their own jobs to make them more enjoyable and engaging. Whereas job design theory previously focused on top-down management development of roles, Wrzesniewski & Dutton (2001) described the way in which employees subtly develop their own roles in increments over time so it better meets their needs and interests. While some examples of job crafting are about managing one's own expectations and feelings about work, two of the main ways in which employees job craft is to change the type and frequency of the work they do and to manage the relationships they have in the workplace. The latter two forms depend on spotting and developing opportunities: key enterprise skills. As job crafting is an effective mechanism for employees to become more content and engaged (Berg, Dutton & Wrzesniewski, 2007) it is sensible to regard these specific enterprise skills as employability skills.

The UK, along with other highly developed countries, relies decreasingly on industry and goods manufacture as sources of employment. The knowledge economy is one in which rapid change, diversification and evolution are the norm. 59% of people work for small and medium-sized companies which undergo rapid change in processes, approach and even output type over short periods of time (BIS, 2009a). In short, these are organisations for which the ability to see opportunities, respond to change, be flexible and other enterprise skills are vital; therefore enterprise skills are employability skills, on a continuum, as illustrated in Figure 1.

Figure 1: Continuum of enterprise and employability

Enterprising			Employable
Entrepreneur	Portfolio worker	Job crafter/Intrapreneur	Employee
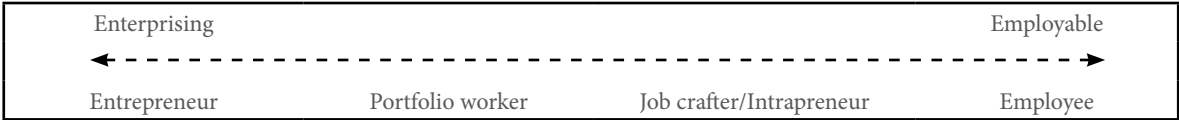
For personal or personality reasons individuals may choose to aspire to a particular place on that continuum. For example a person's tolerance of risk can impact on the type of work they wish to do. There is considerable literature on the relationship between gender and risk aversion level, which, it is suggested (e.g. Chaganti, 1986), accounts for the relative lack of female entrepreneurs. However, the skills required at each point are for the most part transferable to all the other points. Another reason for not using enterprise skills to act as an entrepreneur is that this may cause discrepancy between one's beliefs and actions.

Social enterprises are one way in which individuals who might not regard themselves as entrepreneurial use the subset of skills that make them enterprising. Kearney, Hisrich and Roche (2009) argue that the term 'entrepreneurship' is increasingly used in the public sector even though it is usually associated with the private sector. In 2006, the 62,000 social enterprises in the UK are estimated to have a combined turnover of at least £27 billion and account for 5% of all businesses with employees (Atkinson, Tuohy & Williams, 2006). Other business structures require enterprise skills as well, for example co-operatives. Co-operatives are far removed from the popular media view of entrepreneurialism as enterprise activity. Within co-operatives all members hold a share of the business and all receive equal payment and benefit from the profits of the organisation. Typically, though not always, co-operatives also have highly developed social responsibility policies and practices. Co-operative members also need to be enterprising, however, as shown in case study 2.

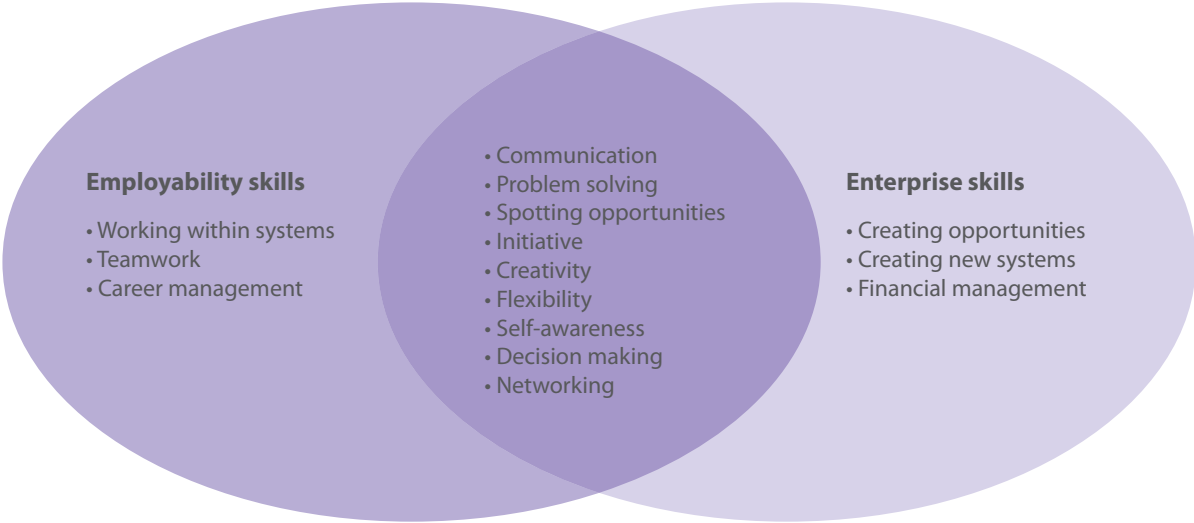### Case study 2: Using enterprise skills to job craft into a new working structure

Following graduation James began working as an employee selling subscriptions for the *New Internationalist* magazine. During this time as an employee he experienced redundancy twice: while working for the original company, and then in a newly established smaller organisation which subcontracted the work from the *New Internationalist*. This coupled with a growing political awareness and dissatisfaction with traditional hierarchical working systems spurred him to reconsider the way in which the work was performed. Though he had taken a management role in the previous incarnation of the organisation, James opted to establish a co-operative with the staff from the previous organisation.

Though the co-operative performed the same tasks as before, they found that the work could be completed in a much shorter period of time. In part this was because they abolished time as the mechanism for measuring effort and instead used mutual agreed measures of output. The group found it possible to use a significant proportion of the income to the group to fund activism, while working fewer hours and receiving equitable salaries. As outputs rather than methods were valued, individual members found enterprising ways of meeting their targets which required the ability to recognise and maximise opportunities.

In establishing and working within this co-operative the members used a range of skills which are traditionally regarded as employability and enterprise skills. For example, teamwork, problem solving and communication are regarded as key employability skills, but were also required for this working structure. The enterprise skills of opportunity scanning and creating new systems were also vital. The members were highly employable, and highly enterprising following Kearney's definition of enterprise as "purposeful active behaviour". They work according to a different model which has been shown to be sustainable but uses the same range of enterprise and employability skills which we aim to develop in the curriculum.

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When the then Department for Innovation, Universities and Skills commented: "We want to see all universities treating student employability as a core part of their mission" (DIUS, 2008, p.6), we assume self-employment can be subsumed into that ideal. The use of the term 'employability' and the growth from career development learning means there is already a focus on skills, which is necessary in rapidly changing economic circumstances. But is it beneficial to differentiate between employability skills and enterprise skills? The following diagram illustrates some of the skills required for both. While any of the employability skills could potentially be required of an enterprising graduate and vice versa, they are distributed here according to their primary importance to that concept.

Figure 2: Enterprise and employability skill sets

Employability skills

• Working within systems
• Teamwork
• Career management

• Communication
• Problem solving
• Spotting opportunities
• Initiative
• Creativity
• Flexibility
• Self-awareness
• Decision making
• Networking

Enterprise skills

• Creating opportunities
• Creating new systems
• Financial management

Sources: Lyons & Brown (2003); NESTA (2008); Boyatzis (2008)

As the overall level of employment and consequently unemployment in a given society is strongly correlated with national and international economic factors beyond the individual's control, focusing on employability as the route to paid employment can be highly misleading. It can lead to individuals feeling responsible for their own unemployment, even though there may be insufficient jobs available. This is not a beneficial approach for society as a whole: worklessness can lead to feelings of inadequacy and depression (for an overview see Warr, 1987). If employability is perceived simply as a set of skills which allow one to be employed, then developing such skills in one person simply means that one person gets an available job rather than another: it does not increase the total employment level. If employability and enterprise are seen as part of the same set of skills, the benefit to the economy as a whole can be seen. Back in 1949 Schumpeter argued that wealth within a country can be created in one of four ways: through new products, new production methods, new markets or new forms of organisations. Employability skills such as problem solving and flexibility can assist in all of these, but in that context they are likely to be labelled enterprise skills. Employability is not just the ability to 'get a job': one can be highly employable and still there are no jobs available. If one is enterprising and employable then it is possible to develop new opportunities.

In conflating enterprise and employability, and promoting these to students, there are some important issues. First, the benefits of doing so presuppose that enterprise can be taught (Kuratko, 2005). I believe it can, but to do so staff have to be entrepreneurial first. Within universities we need to model enterprise, valuing innovation and creativity, opportunism and risk-taking, and using intrapreneurs and entrepreneurs as role models: people who are not necessarily valued or rewarded within a university. For example this might be the member of staff who seizes an opportunity to learn from a real-life, immediate situation and so changes the module content to focus on a current event, or one who works with a student developing the commercial applications of an idea outside the curriculum. Second, it may be beneficial for institutions to keep enterprise and employability separate in order to attract particular funding or the interest of external bodies. Third, conflating them may deter particular groups of students. As some students look for more secure work, increasingly applying to seemingly 'safe' options such as the public sector, and given the popular definition of enterprise as entrepreneurial activity, using the term 'enterprise' may alarm students and prevent them from engaging with employability activities. However, this should not be an issue. If institutions embed employability/enterprise activities into the curriculum they can appear seamless to students. Students may not be aware that the teamwork skills they are developing in a group-assessed module benefit them in the workplace, or that an exercise analysing the press cuttings of a particular organisation is anything more than a mechanism for analysing a particular theory. When employability and enterprise are central to courses they can be virtually invisible to students, and they can be central without losing any academic content if staff themselves are sufficiently enterprising.

As universities become more enterprising as institutions, and expect their students to be more enterprising, it is vital they value and reward enterprise and creativity in their staff and develop systems that allow for minor and major modifications of modules and courses rapidly to maximise the benefits of seizing opportunities. Some institutions have already begun looking at the benefits of intrapreneurial behaviour. As universities increasingly maximise third stream revenue, their systems are already becoming more flexible and responsive; for example, at Leeds Metropolitan University it is now possible to validate an accredited programme within months. I would argue that this process needs to gain velocity to allow programmes to be accredited within weeks, to maximise the seizing of opportunities. To do this it is essential to note that enterprising behaviour can be highly rewarding for the institution, but is also, by its nature, risky behaviour. Part of being enterprising, and part of being employable, is the ability to move forward from failed activities, learning from them. For a university truly to promote an enterprising approach in its employees, it must also develop systems that do not penalise the less successful ventures: it must reward the behaviours rather than the outcomes.

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