E-Entrepreneurship: Learning in a Simulated Environment

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EXECUTIVE SUMMARY

E-business is being heralded as the new economy. However, developments in the area of new online business-to-consumer (B2C) venture creation has been accompanied by varying degrees of success, and it is increasingly recognized that online venture creation does not materialize overnight. E-business development typically follows an evolutionary cycle of initial experimentation with Internet technologies and the transformation of consumer propositions toward the creation of a commercially viable online presence. To enable entrepreneurs to negotiate this new business landscape, Netrepreneur simulates the initial startup phases of e-business creation in the online economy. Through the modeling and electronic simulation of the e-commerce environment, Netrepreneur aims to create a holistic understanding of the entrepreneurial process as well as encourage participants to learn by doing in the simulated virtual world instead of trial and error in the real e-economy. This paper reviews the underpinning entrepreneurial pedagogic requirements for design conceptualization and the integration of the real and virtual business worlds within the Netrepreneur system development. It documents the key factors that academia should consider when designing learning programs and activities for would-be e-entrepreneurs. It is our hope that by showing the background to the development of this product, we will facilitate more of this type of innovation in education.

Keywords: action learning; computer based instruction; virtual learning

INTRODUCTION

The process of entrepreneurship has been defined as managerial behavior that consistently exploits opportunities to deliver results beyond one’s capabilities (Parston, 1998). An entrepreneur is someone with vision who spots a new opportunity and acts on it. Successful entrepreneurial ventures inevitably will require innovation through the exploitation of new ideas, whether they are cultural, organizational, or technological. The e-commerce paradigm is in a constant state of invention and renewal in the creation of innovation and brand involvement. The challenge in structuring such a learning environment for the education sector concerns the ability of conventional teaching techniques to meet the needs of e-entrepreneurial startup, the exploitation of new ideas in virtual settings in conditions
of increasing uncertainty. McHardy (2000) contends that the pressures faced by practitioners as they innovate are not easily replicated by conventional teaching means. Furthermore, Thompson (1999), commenting on enterprise curriculum, contends that “while the need for education in entrepreneurship is clear, the problem is nobody yet agrees what entrepreneurship is, and how it should be taught” (p. 209).

This paper focuses on design conceptualization and system development, based on the B2C e-commerce environment, to develop learning in creativity and innovation as part of online entrepreneurial startup. The objectives of the simulation will encourage entrepreneurs to innovate experientially by facing the uncertainty and ambiguity of e-business. It is designed to emulate the way practitioners learn to innovate, allowing participants the opportunity to experiment via action learning, replicating the real world experience but in a relatively risk-free environment.

Action learning involves participants in a situation who attempt to solve real problems in a purposeful and logical way. It allows participants to become empowered, to act rationally, and to develop critical-thinking skills. This enhances their capacity to investigate, understand, and, if necessary, change the ongoing situation, all with minimum external assistance (McHardy, 2000).

The Netrepreneur simulation allows participants to experience and explore a problem in a practical and pragmatic way. The generally accepted definition of simulation given by Guetzkow (1963) is “an operating representation of central features of reality” (p. 10). Thus, to qualify as a simulation, an exercise must have the following two essential features: it must represent a real situation of some sort (or an imaginary situation that might be real), and it must be ongoing (i.e., dynamic).

Simulation can be used as a response to situations in which participants have to display skill and take risks, and it provides a structured environment for learning complex problems. Virtual environments are constructed recognizably like reality, while contrasting in the outcome. Participants then gain the value of practice and experience without the consequential risks. These activities are described as virtual because their meaning has to be created by the designer and interpreted by the participant.

According to Schon (1987), constraints that would prevent or inhibit experiment in the real world are greatly reduced in the virtual world, “permitting different paces in doing different things, different ways of doing the same thing, and, above all, reflection in action” (p. 102). Furthermore, a virtual world only can function reliably as a context for experiment insofar as the results of the experiment can be transferred to the real world (i.e., learning through experience).

This approach of learning and action through virtual worlds is the model that is adopted within Netrepreneur. The simulatory environment creates a constructed representation of the real world of practice, allowing entrepreneurs to improve the viability of the entrepreneurial concept marketability and e-commerce presence. The results of the simulated experiment will facilitate learning by allowing for the incremental improvement of e-commerce sites. Depending on proposition viability, sites can be ported directly to the real world to establish viable e-commerce business ventures.

ENTREPRENEURSHIP

Successful entrepreneurial ventures require creativity and innovation, which call for enterprising people to interpret what is
Online Consumer Trust: A Multi-Dimensional Model
www.igi-global.com/chapter/online-consumer-trust/4413?camid=4v1a