

Unit of Assessment: 17 – Business and Management Studies

Title of case study: The Development of a Composite Measure of Entrepreneurial Behaviours as the Core Offering for a Start-up Enterprise

Period when the underpinning research was undertaken: 2016 – 2020

Details of staff conducting the underpinning research from the submitting unit:

Name:

Role:

Period employed by submitting HEI:

Elizabeth Chell

Professor of Entrepreneurial Behaviour

May 2007 – Dec 2020

Period when the claimed impact occurred: 2016 – 2020

Is this case study continued from a case study submitted in 2014? N

# 1. Summary of the impact

Professor Chell's research regarding composite measurement of entrepreneurial behaviours has resulted in development of a reliable and simple online tool able to assess entrepreneurial behaviours. This tool, which recognises, assesses, and develops the behaviours of innovators and entrepreneurs, is the core offering of Enploy Ltd, a UK start-up company. The business, which has secured investment funding of GBP147,500, and grown from zero turnover to an income over GBP86,000, has utilised this tool in an innovation community support programme and is a core offering of its business. Enploy has also run Learning and Development courses at companies including Barclays Bank, the Co-op, Gymshark, and charity UnLtd. These workshops and programmes have developed individual's mindsets, enhanced management skills and improved working cultures.

#### 2. Underpinning research

New, innovative, growing businesses are essential for sustaining and growing the national economy, yet many new businesses fail. Thus, enaction of a successful entrepreneurial personality is of vital importance for individuals and their employees, as it is for the wider economy. The nature of entrepreneurship and the identification of entrepreneurial characteristics is a more controversial topic. One approach to defining entrepreneurship is through its practical application, by asking how people with entrepreneurial tendencies behave and how these behaviours can be reliably assessed.

In 2008, Chell proposed that an 'entrepreneurial personality' is a socially constructed phenomenon but also presents consistency in terms of behaviours and skills **[R1]**. She reviewed and brought together approaches from across the social sciences, supported with real world case studies, to collect and evaluate the purported traits of entrepreneurship. Additionally, she explored the extent to which psychometricians have developed tools for assessing these characteristics.

Concurrently, Chell and Innovation Foundation Nesta worked together to define the nature of innovation skills [R2]. NESTA commissioned Chell, with a grant of GBP119,000, develop an assessment tool to measure the innovative capacity of young people. She and her team reviewed past literature and developed a tool to assess their findings. Recognising the common denominators between innovators through a literature review, they identified five skills (Creativity, Self-Efficacy, Energy, Risk Propensity, and Leadership) in young people which were required to become an innovator in the future. As well as showing these skills could be learnt, they also proposed these skills could be measured. The Youth Innovation Skills Measurement Tool (YISMT) was developed to robustly assess innovative behaviours, which are a subset of enterprising tendencies and entrepreneurship. The YISMT was piloted and tested at four types of schools, across the 14-19 age range, which improved the reliability and validity of the measures. In the main study, the YISMT was administered to 811 pupils from seven institutions



and correctly identified more innovative pupils. Further insights were also gathered on how to develop innovative behaviours, through focus groups and interviews with staff and pupils **[R3]**. The findings showed how different contexts shaped behavioural expression and how to maximize motivation and opportunities for development.

Enploy Ltd, a Learning and Development consultancy, approached Chell to develop a tool which assessed entrepreneurial behaviours in those of graduate age or older. She carried out a review of the concept of 'skill' [R4]: distinguishing skills from competencies; exploring the problems of identifying an entrepreneurial skillset; and advocating for a better understanding of the multidimensional nature of particular skills – especially risk-taking propensity. Enabled to target an older sample more accurately, Chell detailed the key behaviours as: Proactivity, Risk-taking Propensity, Creativity, Leadership, Self-Efficacy, and Emotional Intelligence [R1, R5]. Measures for these behaviours were incorporated into the new tool. Leadership and Emotional Intelligence were included as dimensions primarily of managerial capability.

The tool was further developed by a small team, including Chell, with around 1500 respondents. Tests for internal consistency (Cronbach's alpha > 0.8 for four of the measures, 0.764 for Self-Efficacy) suggested that it was reliable as a measurement of the entrepreneurial personality as whole. The validity of the tool was tested using criteria such as 'I am determined to create a firm in the future', which demonstrated good predictive value – especially from measures of Proactivity, Risk-taking Propensity, and Creativity. A new cohort of 476 respondents was used to establish the normal exhibition of each behaviour, and thus ready the tool to best impact upon the cognitive, affective, and behavioural learning of future clients

#### 3. References to the research

**R1** – **Chell, E**, (2008). The Entrepreneurial Personality: A Social Construction, London: The Psychology Press/Routledge ISBN: 978-0-415-32809-8. DOI: <u>10.4324/9780203938638</u>

**R2** – **Chell, E** & Athayde, R (2009) '<u>The identification and measurement of innovative characteristics of young people: Development of the Youth Innovation Skills Measurement Tool.' London: NESTA; Research Report July 2009.</u>

R3 – Chell, E & Athayde, R. (2011). Planning for uncertainty: soft skills, hard skills and innovation, Reflective Practice: SI Reflective Learning & the Small Firm (October 2011), 12, 5 (Oct): 631-644. DOI: 10.1080/14623943.2011.601561

**R4** – **Chell, E** (2013) A review of skill and the entrepreneurial process, International Journal of Entrepreneurial Behaviour & Research, 19, 1, 6-31. DOI: 10.1108/13552551311299233

**R5** – **Chell, E** & Karataş-Özkan, M (2014) (Eds.). Handbook of Research on Small Business and Entrepreneurship. Cheltenham: Edward Elgar. ISBN: 978-1-84980-923-8

#### 4. Details of the impact

The main impact of Chell's work has been in the start-up, and scale-up, of Enploy Ltd. The tool, which was developed from Chell's research, has underpinned Enploy in providing workshops and Learning and Development programmes [S1], receiving investment funding, and having a positive turnover. Further, through direct use of the tool, Enploy's clients have been able to identify and grow behaviours and skills associated with entrepreneurship.

## The Tool as Enploy's USP

The Office of National Statistics highlights that a four-year survival rate for new businesses hovers around 50%. Enploy has thrived for over four years; employing two full-time staff, a part-time non-executive director, and a part-time trainer.

Enploy's activity is dependent on the research produced with Chell regarding entrepreneurial behaviours. Enploy reaches out to its clients by showcasing the tool as 'an online diagnostic to identify strengths and growth opportunities', advertising its ability 'to enable you to screen for



potential, enhance employability, and provide advice on entrepreneurship' **[S1]**. It also details that identified skills will be developed. Highlighting Chell's role in the development and success of Enploy, the Operations Director describes how Chell 'worked with us in designing the measure of Entrepreneurship'; and noted that 'the Enploy team were thrilled with the tool and the value it offered to learners.' **[S2]** The Managing Director (Enploy), reflected that, from 2016-2020:

'What the tool has successfully achieved is a way of potential customers and clients thinking about entrepreneurial behaviours by reflecting on their own strengths and weaknesses in these areas. Over the past few years, the tool has helped open sales conversations, as well as being a great asset to use in workshops.' [S3]

Through the tool, and other programmes, participants were, for the first time, able to:

- identify specific attributes associated with entrepreneurial behaviour,
- reflect and build self-awareness about their skillset,
- consider how to enhance their work through development of their entrepreneurial skills.

#### The Tool: Starting-Up Enploy

The Tool was first marketed commercially in 2017, when Enploy conducted a pilot (GBP1,400) with Barclays Bank, involving 70 participants from their Degree Apprenticeship Programme. Three workshops were also run with the charity UnLtd as part of its Uprising's Fasteners programme, which supports 18–25-year-olds looking to develop skills for work life. This led to UnLtd awarding two grants; 'a Do-It Award (GBP4500) in 2017, and a Grow-It Award (GBP15,000) in 2018, in addition to further work with twelve 18-25 year olds in the Youth Employment Programme in 2019.

A 10-week blended learning programme (GBP2,500) was delivered for 24 graduates within Enploy's local university entrepreneurial development programme. The participants described how they gained 'insight of where your weaknesses are' and became 'more aware of potential opportunities I wouldn't have seen before' [S4].

Innovation Birmingham (a community of over 170 digital start-ups) have used Enploy to enhance their incubator programme 'Entrepreneurs for the Future (E4F)' (GBP6000). Enploy's tool fills a gap in the E4F programme - which previously missed development opportunities at the level of the individual - by bolstering mentoring through integrating the online diagnostic into the E4F personal growth platform. Innovation Birmingham have valued the demonstrable influences that Enploy has on aspiring entrepreneurs, with dedicated sessions for young women in digital start-ups [S5].

#### The Tool: Scaling-Up Enploy

In April 2018, Enploy received an investment of GDP147,500 seed funding from entrepreneurial investment firm, Jensen Funding Partners **[S5, S6]**. This enabled Enploy to grow its product offering and sales, allowing the company to double its staff. Enploy was also awarded a place on the PwC SCALE Midlands programme – which supports high potential business, where they were able to present to over 200 senior executives **[S5]**. They were invited back the following year to deliver a group masterclass on entrepreneurial mindset to the 2019 cohort of businesses.

Work continued with Barclays, supporting learners in the Chartered Manager Degree Apprenticeship programme in their understanding of enterprise and entrepreneurship, in both 2018 and 2019. Workshops were also held with food retailer the Co-op, with 37 individuals in their Chartered Manager Degree Apprenticeship trained to become future leaders. Other expansions included entrepreneurial sessions at Wasps and Worcester rugby clubs. In partnership with the Rugby Players Association, Enploy led a series of interactive workshops and e-learning courses [S7].

In 2018, Enploy designed an 8-week programme for Gymshark, the highly innovative and exponentially growing, fitness apparel brand. As a consequence of the success of those courses, Enploy created a bespoke six-month, accredited programme to train 40 members of Gymshark's Customer Support Team. They also included a train-the-trainer package to transfer the knowledge to the Gymshark training managers. Reports, using Officevibe metrics to define



employee engagement, were conducted either side of the programme. They showed large increases around the quality and frequency of feedback (up 17%) and of recognition (15%), employees' happiness at work (up 11%), and how employees align themselves with the company's values (11%). Given Gymshark's tagline 'be a visionary', increasing alignment demonstrates the growth of entrepreneurial mindsets amongst Gymshark's employees [S8].

In 2019, Enploy carried out 'Growth Mindset Masterclasses' and 'Vision & Values' workshops for the internal team at UBCUK Ltd – a major provider of serviced office space in the UK. Reflecting on UBCUK's involvement with Enploy, the Managing Director of UBCUK noted that, 'It's added value to everyone irrespective of whether you're an emerging leader or not. It reminds you of some real key skills or if you haven't used them before, it teaches you some new skills' [S9]. These sessions supported UBCUK to develop their vision and mission statement and to facilitate creative thinking [S10]. This demonstrates how Enploy not only develops individual employees but also businesses and their futures.

#### 5. Sources to corroborate the impact

- **S1** Enploy's Offerings
- S2 Testimonial from Enploy's Operations Director
- **S3** Testimonial from Enploy's Managing Director
- **S4** Entrepreneurial Development Programme Report
- **S5** Enploy Press Release
- **S6** <u>Seed Funding Press Release</u> by Jenson Funding Partners
- **S7** List of Enploy Case Studies
- **S8** Officevibe Data for Gymshark's Customer Support Team
- S9 Reflection by Managing Director of UBCUK
- **S10** Enploy Reflection on working with UBCUK