

# IEEC 2014: Newcastle

## Heading for the Exit: Tough Times for Digital Creative Graduate Entrepreneurs

**Richard Hanage**

Visiting Lecturer, Teesside University Business School

[richard@hanage.com](mailto:richard@hanage.com)

**Dr Jonathan M. Scott**

Reader in Entrepreneurship, Teesside University Business School



# Education + Engagement = Impact

**Take seven creative graduates .....**

## **Educate them:**

- Good quality BA (& MA) degree education.
- Almost no enterprise education.
- Good post-grad business start-up education.

## **Engage with them:**

- Selected for extensive start-up support (cash & kind)
- Good business sector mentors
- Embedded in lively start-up community

## **Observe the impact:**

- Seven 'failed' businesses and no serial entrepreneurship
- A few good career outcomes

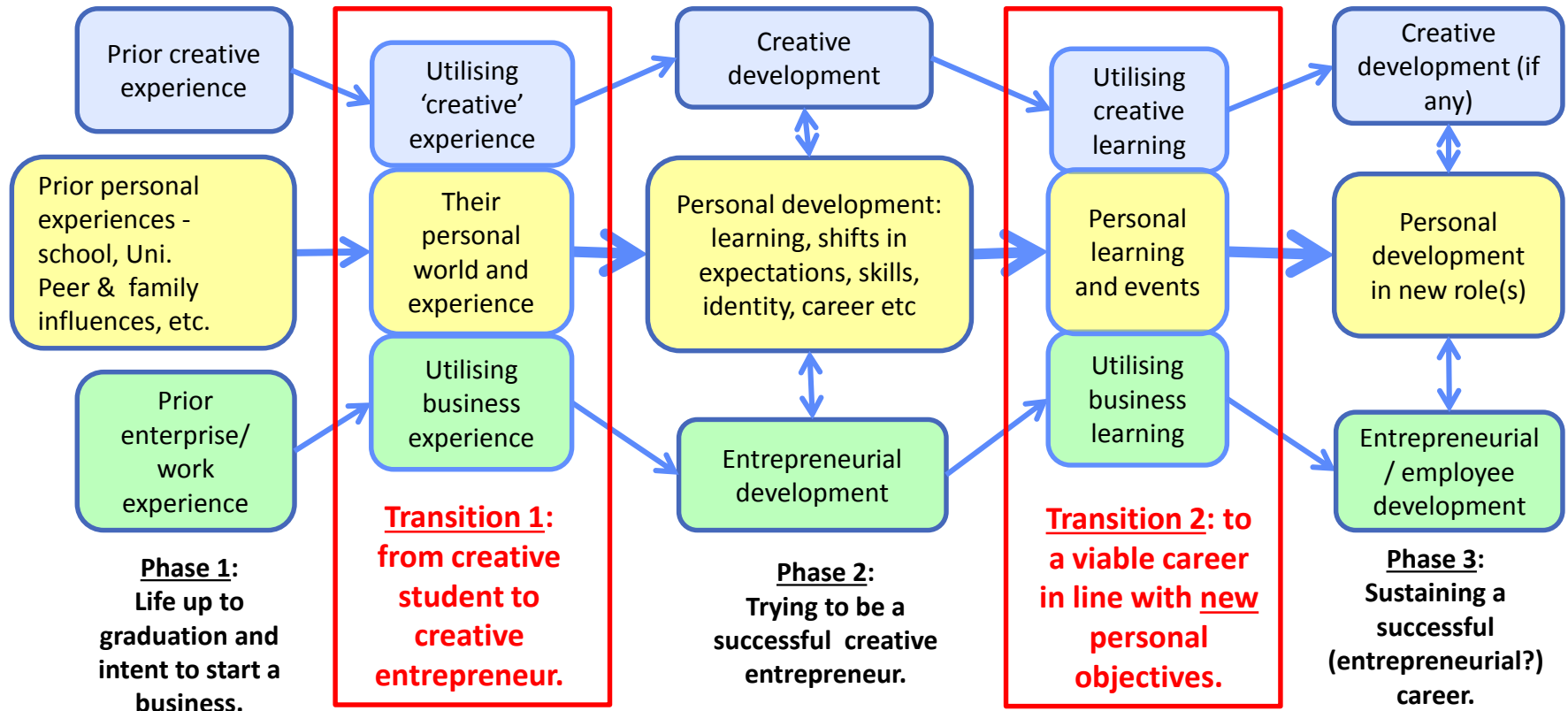
**What happened? Why did it happen? What can we learn?**

# Research Question and Approach

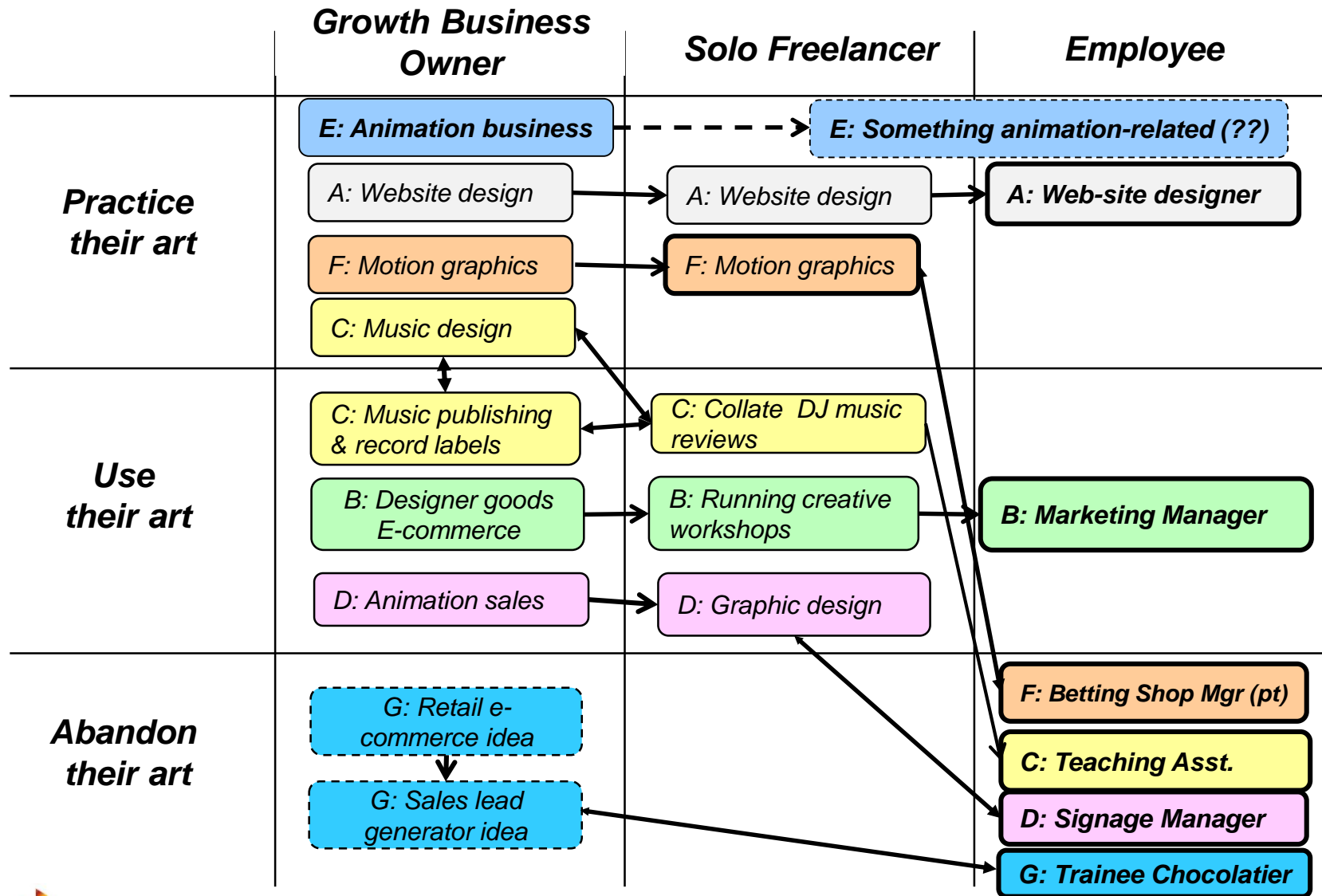
**What happens to graduates with a creative degree when they try to start a digital-creative business on graduating?**

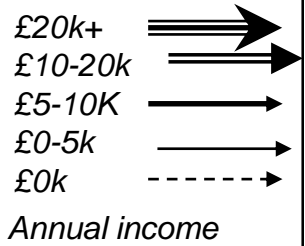
- Four year longitudinal study of 7 graduates, through 6-monthly in-depth semi-structured interviews and periodic questionnaires (eg GET test, Learning Styles)
- A 'convenience sample' from my start-up workshops.
- All had been independently assessed as having 'promise of business success', but were young and lacked business experience.
- They had high levels of start-up support, eg DigitalCity Fellowships
- Interviews were recorded, videoed, transcribed, and analysed by topic. Also used business plans, tweets, Facebook, for some minor triangulation. No other contact.
- Researcher tried to be a 'disinterested observer', but inevitably influenced the participants' thoughts and actions, through the questions asked.

# Creative Graduates: Stages of Business/Career Development

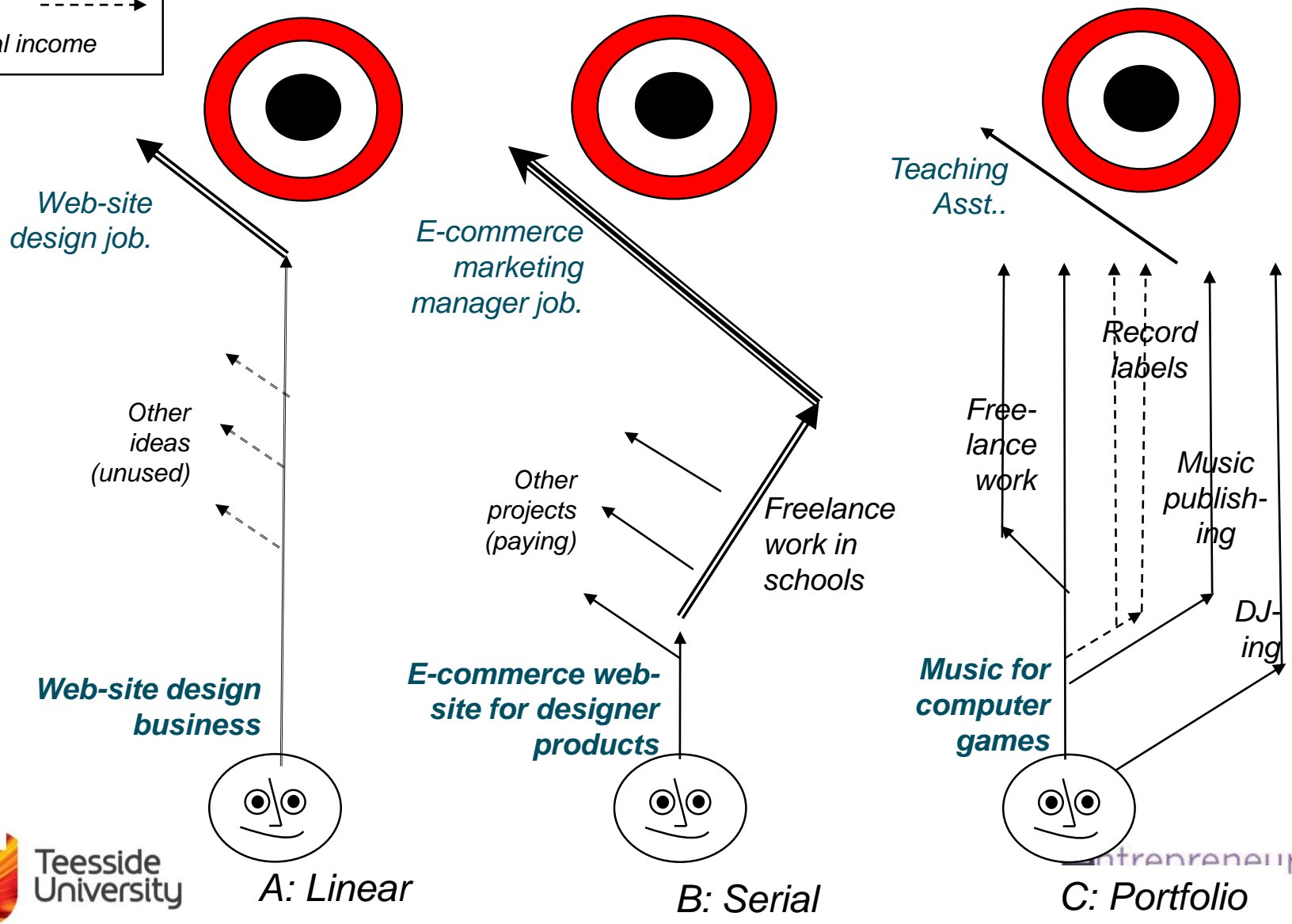


# Business/Career Routes





# Varied Journeys



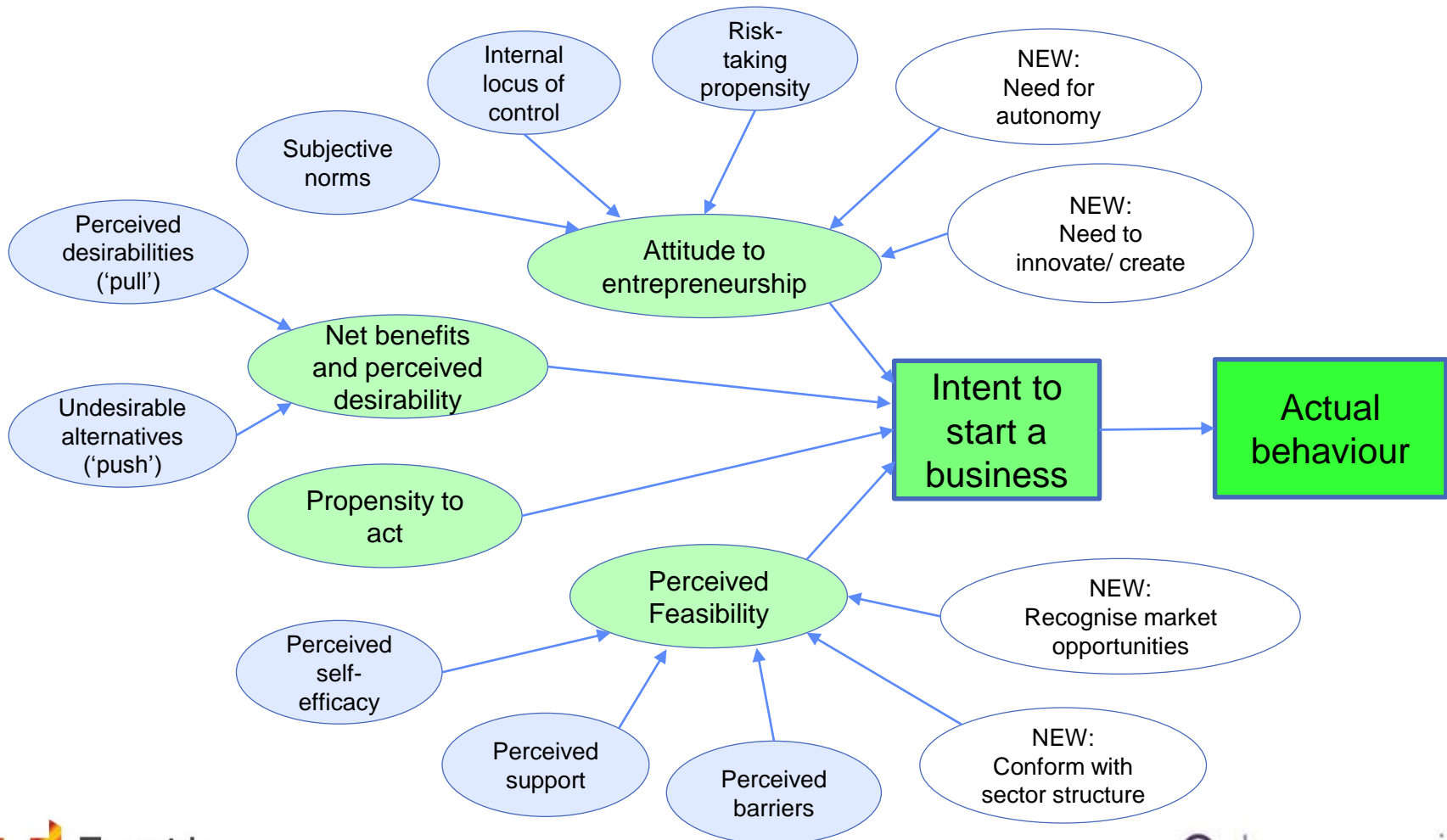
Entrepreneurial

# Observations, please!

- **Fill in your name & email on the feedback sheet**
- **Jot down at least three thoughts about the presentation so far (practical or academic).**
- **Discuss with your neighbour(s)**
- **Select one to tell us all about**

**Be ready to do this again at the end of the workshop.....**

# Academic Analysis: Changes to 'Entrepreneurial Intent' after Start-up.

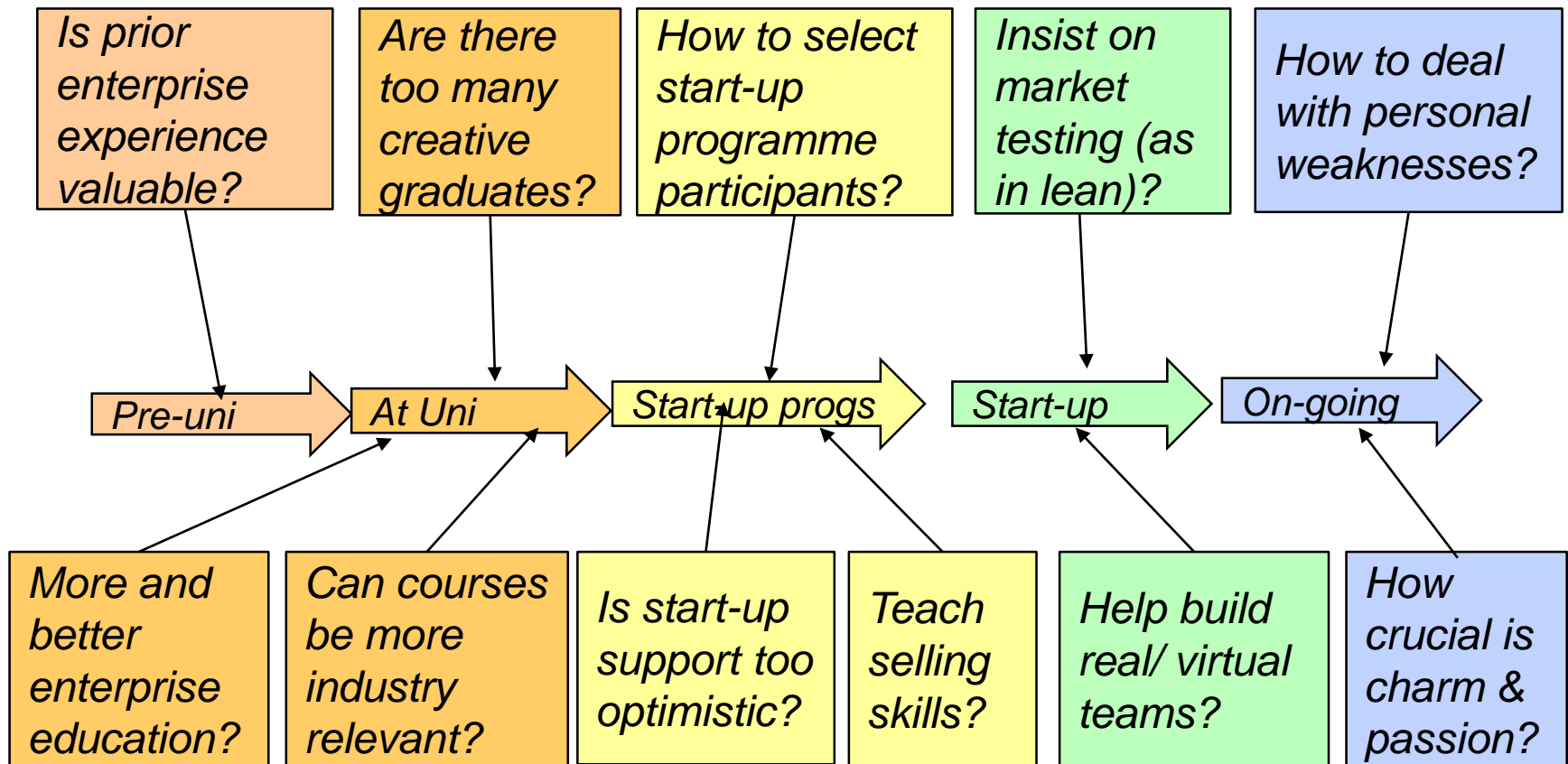




## Practical analysis: Reasons for Failure?

|                                  | A  | B  | C  | D  | E | F  | G  |
|----------------------------------|----|----|----|----|---|----|----|
| Parents not entrepreneurial      | X  |    | X  | X  |   |    | X  |
| Little prior enterprise activity | X  |    |    |    |   | X  |    |
| Little enterprise education      | X  | X  | X  | X  | X | X  | X  |
| Naive about business             | X  |    |    | X  |   | X  | X  |
| Did not understand market        | X  | XX | X  | X  |   | X  | X  |
| Product below standard           |    |    |    |    |   |    |    |
| Market too small                 |    | X  | XX |    |   | X  |    |
| Ideas too ambitious/untested     |    | X  |    |    |   |    | XX |
| Team issues                      |    | X  | X  | XX |   |    | X  |
| No confidence to network/sell    | XX |    |    |    |   | XX |    |
| Over-optimistic support          | X  | X  | X  | X  | X |    |    |
| Alternative income source        |    | X  |    |    |   | X  |    |
| Insufficient effort              | X  |    | X  | X  | X | X  |    |
| Insufficient charm               | X  |    | X  |    |   | X  |    |

# Issues Arising from the Insights



*Are start-up programmes for creative graduates value for money?*

# More observations, please!

- Jot down your additional thoughts
- Discuss with neighbour
- Select one to tell us all about
  
- Please hand in you feedback sheet.

**### Many thanks for your feedback ###**