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3.4 DEVELOPING CORE COMPETENCIES OF SME MANAGERS USING HEUTAGOGY PRINCIPLES

Summary: What are the most effective ways of educating today's young SME managers and entrepreneurs? How can a formal tertiary education institution become a good supporter and partner in developing the most important entrepreneurial skills for managing modern SMEs in the environment of global competition? In today's world of constant hunting down for innovation it is getting obvious that learning and developing of entrepreneurial skills at the early stage is becoming vital for most new SME managers. Czech tertiary institutions are often criticized for not meeting the increasing market needs for changing competencies especially in SME management. Effective development of entrepreneurial skills requires changes in approach toward traditional learning from both sides – from educator and from students as well. Heutagogy was developed and introduced in 1999 as a learner-centred and self-determined concept, which encourages students to become more proactive during their learning process. With information more easily accessible and students capable of using modern technologies, the classes are becoming more a place of sharing and discussing rather than traditional knowledge transferring. This is also accelerated by the fact that many students of entrepreneurship and SME management often start their working career while still studying. First experience with using principles of heutagogy in entrepreneurship and SME management education shows very promising direction.

Keywords: andragogy, coaching, entrepreneurship, heutagogy, intrapreneurship, learner-centered development, lifelong learning, self-determined learning, SMEs

1. THE IMPORTANCE OF ENTREPRENEURSHIP COMPETENCIES DEVELOPMENT

Globalization is one of the key influencers responsible for the more frequent changes in our business environment. Changes become a constant element of daily lives of most managers and business owners.

It is much harder to respond changes effectively especially in the environment which does not provide too much safety and is hardly predictable. To be able to cope with changing markets, more people need to be involved in decision-making process. This involves not just strategic decision making by top management or company owners, but it includes also small daily decisions of many employees on middle or lower levels. Those employees need to perform more and more as entrepreneurs, which often requires changes in their existing development plans. They no longer can count on safe company environment but need to seek actively niches for innovation to keep their companies competitive.

1.1. ENTREPRENEURSHIP AND OTHER -PRENEURSHIPS

Development of entrepreneurial competencies is becoming vital not just for those who plan or already are business owners. As the decision-making needs to be delegated to lower levels in company structures and more people are involved in business growth of their companies, entrepreneurial competencies are becoming useful for much broader group of people.

A new phenomenon was open in mid 80s of 20th century by Pinchot (1985). He pointed out that entrepreneurship is going to be vital also for larger companies to deal effectively with

its competition. Those companies need intrapreneurs to be able to sustain their comparative advantage on a market place. “People are our greatest assets” is a popular phrase for many annual reports’ summaries. Last decade proves it cannot be just an empty phrase to please shareholders. The level of intrapreneurship and how it is supported often shows how much true the above-mentioned phrase is.

1.1.1. Discovering intrapreneurship and corporate entrepreneurship

Intrapreneurship is often described as a entrepreneurship within a larger organization (Antoncic and Hisrich, 2003) or as applying the entrepreneurial principals in corporate environment. Pinchot (1985) calls an entrepreneur a „person who focuses on innovation and creativity and who transforms a dream or an idea into a profitable venture by operating within the organizational environment”. Burgelman (1983) describes intrapreneurship as, “the process whereby the firms engage in diversification through internal development. Such diversification requires new resource combinations to extend the firm's activities in areas unrelated, or marginally related, to its current domain of competence”. In literature we can find several terms which have same meaning – those are intrapreneurship (Kuratko, 1990), corporate (or internal) entrepreneurship (Schollhammer, 1982), corporate ventures (Ellis and Taylor, 1987) and new ventures (Roberts, 1980).

The main reason why intrapreneurship has been gaining more attention is the rising uncertainty in both external business environment and internal organizational structure. Entrepreneurship can be sometimes perceived with certain level of skepticism when speaking about its application of to large and established organizations (Morris and Kuratko, 2002). Because many managers of large corporations have no previous own entrepreneurial experience, they can feel entrepreneurship belong to completely different category and should not be connected to their business. Researches prove that large organizations often lack flexibility in their culture and they are not able to provide environment rewarding autonomy and development opportunities which many talented individuals are looking for (Morse, 1986).

When speaking about talents, researches also show that intrapreneurial environment attracts highly skilled and innovative people who are interested in applying their entrepreneurial skills for a benefit of their employee. They might not be interested in establishing their own business so they search for a relatively safe corporate environment. By incorporating a concept of intrapreneurship into corporate culture, organization gains an improved potential for creativity and innovation which is connected directly to its overall competitiveness on a market (Kuratko and Montagno, 1989). According to Åmo and Kolvereid, (2005) intrapreneurs not only develop and apply their creative and innovative skills but they also share more likely their know-how. They are also more capable in important core competences like decision-making, goal setting or teamwork.

In last decade getting and keeping a competitive advantage is becoming more difficult even for large and well-established corporations. Respected organizations of high reputation can't survive without innovation and contact mutual interaction with their customers. It is not even enough to react to customer needs those days – there are thousands companies on the market that are trying to read their customers’ minds even before they express their needs. Therefore even the industry giants are implementing intrapreneurial cultures to be more flexible and fits the unpredictable and unstable market. This is a case of GE (General Electrics) or IBM just to name few. With increasing demand for customization size and volume is not enough to keep competitive. Corporations need to search other ways to stay in touch with their customers which loyalty and preference is less and less stable.

Despite the fact that intrapreneurship and corporate entrepreneurship have been researched intensively for over three decades, not much research has been done in the Czech Republic covering this topic. In fact, the word “intrapreneurship” and its Czech translation are both still very new to local business dictionary and not widespread among Czech executives.

1.1.2. Entrepreneurship and intrapreneurship – similarities and differences

There are many similarities between intrapreneurship and entrepreneurship. The following descriptions of those two key terms were taken from the work of R.W.Y. Kao. The entrepreneur is defined as “a person who undertakes a wealth-creating and value-adding process, through incubating ideas, assembling resources, and making things happens” (Kao, 1995). Entrepreneurship is defined as “the process of doing something new (creative) and something different (innovative) for the purpose of creating wealth for the individual and adding value to society” (Kao, 1995). The intrapreneur is defined as a person who plays an entrepreneurial role in an organization. According to Morris and Kuratko both entrepreneur and intrapreneur show adaptability, flexibility, speed, aggressiveness and innovativeness.

Intrapreneurs are also characterized as people who are having commercial insight, who show awareness and understanding of the market and business environment. They are self-motivated, creative and innovative, persistent, result oriented with good people skills. Table 1 summarizes the similarities and differences between entrepreneurship and intrapreneurship.

Table 1: Entrepreneurship and intrapreneurship - similarities and differences

Similarities	Differences
<ul style="list-style-type: none"> ▪ Both involve opportunity recognition and definition. ▪ Both require a unique business concept that takes the form of a product, process, or service. ▪ Both are driven by an individual champion who works with a team to bring the concept to fruition. ▪ Both require that the entrepreneur be able to balance vision with managerial skill, passion with pragmatism, and pro-activeness with patience. ▪ Both involve concepts that are most vulnerable in the formative stage, and that require adaptation over time. ▪ Both entail a window of opportunity within which the concept can be successfully capitalized upon. ▪ Both are predicated on value creation and accountability to a customer. ▪ Both entail risk and require risk management strategies. ▪ Both require the entrepreneur to develop creative strategies for leveraging resources. ▪ Both involve significant ambiguity. ▪ Both require harvesting strategies. 	<ul style="list-style-type: none"> ▪ In start-up entrepreneurship, the entrepreneur takes the risk in intrapreneurship and the company takes the risk other than career-related risk. ▪ In start-up the individual entrepreneur owns the concept and business in intrapreneurship; the company typically owns the concept and intellectual rights with the individual entrepreneur having little or no equity in the venture at all. ▪ In a start-up potential rewards for the individual entrepreneur are theoretically unlimited where in intrapreneurship an organizational structure is in place to limit rewards/compensation to the entrepreneur/employee. ▪ In a start-up venture, one strategic gaffe could mean instant failure; in intrapreneurship the organization has more flexibility for management errors. ▪ In a start-up the entrepreneur is subject or more susceptible to outside influences; in intrapreneurship the organization is more insulated from outside forces or influence.

Source: Morris and Kuratko, 2002

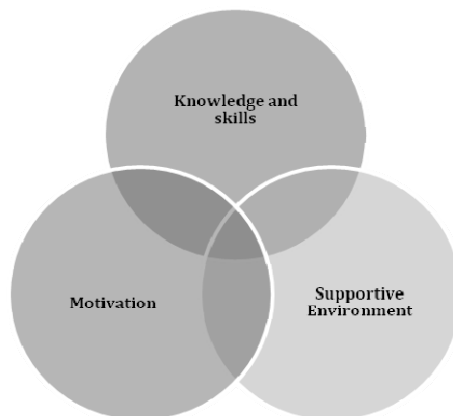
1.2. CONDITIONS FOR GREAT ENTREPRENEURIAL PERFORMANCE

Several components are contributing to successful entrepreneurial or intrapreneurial performance. They can be divided into three main areas:

- entrepreneurial knowledge and skills
- entrepreneurial motivation
- entrepreneurial environment

In the ideal case, all three components are present in the workplace – the best area for great entrepreneurship or intrapreneurship performance is where all three components meet as the Figure 1 describes.

Figure 1: Conditions for great entrepreneurial performance



1.2.1. Entrepreneurial knowledge and skills

Great performance cannot happen without proper skills and knowledge in place. Knowing well the particular business and being able to apply this knowledge is vital for success. For entrepreneurs this knowledge and skills set is a combination of two areas:

- a) knowledge and skills of entrepreneurship and management (for example managing a travel agency)
- b) knowledge and skills of particular business (for example knowledge and overview of tourism and hospitality business, knowledge and experience of particular touristic destinations, etc.)

1.2.2. Entrepreneurial motivation

People need to be motivated to perform their knowledge and skills for achieving great results. Most managers and business owners find internal motivation being a critical issue for company success because this is the element which can be influenced from outside to only certain level. Motivated and engaged employees are making a real difference mainly in the areas of business that deal directly with customer. This is becoming obvious especially those days when products and services can be quickly copied – but people's attitude and relationship cannot.

1.2.3. Entrepreneurial environment

Supporting environment is the last component of great entrepreneurial performance. Entrepreneurs can get a lot of support from their government by creating policies and procedures, which can make running business easier and less risky. Each year the World Bank updates its long-term research called "Doing business", which measures ten core criteria of supporting business environment. In 2012, over 180 countries participated in the research. It

provides interesting comparison how different countries are helping their small and medium businesses to compete in global market economy.

For intrapreneurs the most important components of supportive environment is their company culture, their systems and processes and particularly the support of a sponsor, usually someone from top management who is able to protect new intrapreneurial ventures until they can bring some interesting results.

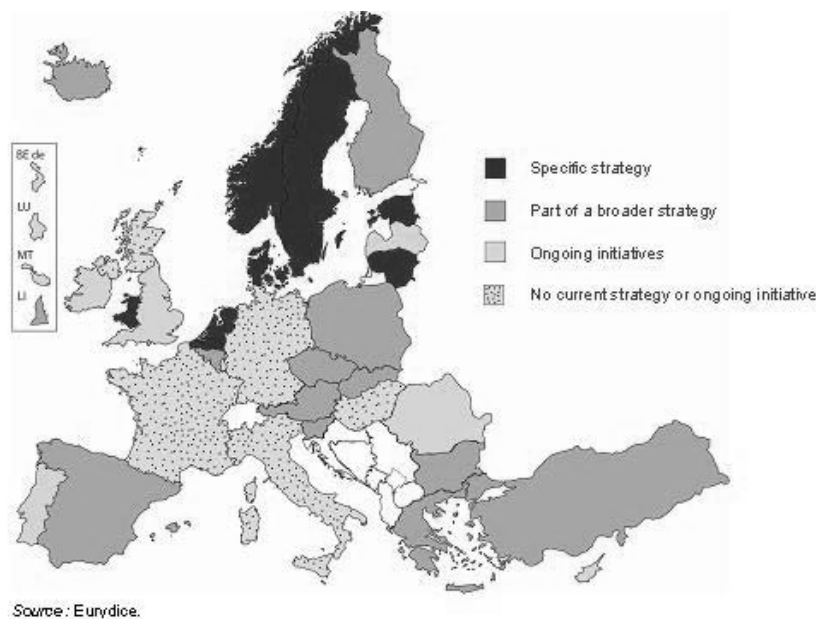
1.3. NEEDS IN ENTREPRENEURSHIP DEVELOPMENT

World needs more entrepreneurs and Europe needs them especially. Czech Republic is not an exception. In the global market environment with strengthening competition the need for innovation is present and demand for people with entrepreneurial competencies is increasing. Besides traditional entrepreneurs who can be found mainly in small and medium business environment, there could be noticed significantly increasing demand for intrapreneurs from large corporations. Increasing focus on talent management is one of the signs, which confirms this trend. Surveys suggest that profiles and core competencies of talents in many corporations are very similar to profiles and characteristics of intrapreneurs.

2. DEVELOPING AND EDUCATING FUTURE ENTREPRENEURS

European commission researched in 2011 entrepreneurship development in 31 countries and in 5 regions. The overall situation is shown at Figure 2 – despite the agreement of entrepreneurship development importance, only several countries – mostly from northern part of continental Europe - have in place a specific strategy. It is interesting to notice that large countries which are considered being leaders of EU economy, like Germany and France, have no strategy in place nor ongoing initiatives for their development. The Czech Republic has entrepreneurship development incorporated in its documents regarding country competitive strategy but this is not specifically described as a strategy.

Figure 2: Entrepreneurship development support in EU countries



Source: Eurydice, 2011

About 2/3 of participating countries confirm they incorporate some key entrepreneurial skills in the primary education despite the fact that none of the countries has introduced a specific

subject on entrepreneurship at this age stage. High school education level brings mandatory subjects as economy and social science where entrepreneurship is mentioned in over half of the participating countries. Two countries (Latvia and Romania) offer entrepreneurship as specific subject. Four countries (Latvia, Romania, Lichtenstein and Norway) have identified clear practical framework for development of entrepreneurial competencies.

2.1. CURRENT SYSTEM OF EDUCATION AND DEVELOPMENT

As the demand for people with well-developed entrepreneurial competencies is rising in both SME's and corporate world, it created a natural demand for education and development of both future entrepreneur and intrapreneurs. Today's college and university students, called Millennials, grew up in very different environment to previous generations. They are used to learn from different sources and they are comfortable with computers, smart phones or tablets often more than pen and paper.

Students interested in studying entrepreneurship are usually those with a significant potential of entrepreneurial competencies development. Many of those students have previous work experience often from family business environment; some of them are founders and owners of their own businesses. I surveyed 154 of those young people and they express in their feedbacks the following needs for their education:

- urgent need for more practical education (f. e. using real case studies)
- urgent need for more interactive and “hand-on” style of education
- need for working on real projects where newly gained knowledge could be immediately transformed
- need to use more diverse forms of learning

Those finding confirm the key need characteristics of most tertiary student today in the Czech Republic, but students of entrepreneurship find them much more critical. It can have a fatal influence on their business projects and determine their success.

2.2. CHALLENGES IN ENTREPREPENURIAL EDUCATION

To adapt the existing entrepreneurial education for modern business environment, universities and colleges face challenges which the do not have previous experience with. Those challenges can be divided into three main categories:

- challenges for educators
- challenges for students
- challenges for system

Each category of challenges can be represented by several key questions, which should be researched in depth to obtain inspiration for further entrepreneurship education development.

2.2.1. Challenges for educators

Key questions:

- Do educators understand the changing business environment and future market needs?
- Are educators well equipped (both with competencies and with tools) for being able to respond to those needs?
- Can educators adapt their existing portfolio to those needs?

It is important that educators of entrepreneurship are in touch with the “real world” environment. Entrepreneurship is extremely practical discipline so it requires more practical education. Co-operation with SMEs or larger businesses is supporting learning process and students usually enjoy being in contact with existing business owners or managers. Some business schools find this aspect so important that they require their educators to have some

previous own business experience. This is not a case in the Czech Republic however non-academic presenters are invited as guest speakers more frequently now than five years ago. New techniques and new media need to be implemented in current education programs in order to truly support development of entrepreneurial competencies. This requires educators to adapt and develop new competencies as well. The positive thing is that more university professors and assistants already have found innovative ways to bring new media into the classrooms however it is still very much dependent of their personal passion and enthusiasm for new technologies. McLoughlin and Lee (2010) identify in their report specific affordances of social media – connections and social rapport, collaboration (information finding and sharing), learner-generated content, and accumulation of knowledge and information – that contribute to the cognitive development of students.

In 2011 first class of students of entrepreneurship at our university was able to use private social network provided by external IT company. They were able to communicate among others in between classes, to share resources and to recommend interesting sources of information. As a lecturer I noticed significant increase in preparation for classes and students also mentioned this as a benefit in their final evaluation. We continue with this in 2012 however are using different social network more suitable for education. Some of the changes do not have to be too sophisticated. Students must do a lot of writing during semesters and the experience with writing team essays was not satisfactory. Students were not working as a team properly, they tended to split the work and write individually. As teamwork is perceived as one of the most important competencies in the business world, we made recently an experiment – students were asked to deliver the teamwork topic in the form of video. They had to organize the whole project from script writing, organizing equipment, shooting the video, cutting it and posting the final result on Youtube. The outcomes exceeded expectations – students worked on their assignment with enthusiasm and they were able to deliver very good quality videos. The teamwork was also performed to much higher level. Students indicated the following benefits from this work:

- interesting and exciting way of learning (they had to research the topic and share their learning before starting to work on the video)
- fun (they enjoyed working together on this project despite the fact they spent about 25-30 hours in average on it)
- result they were proudly presenting not just to their fellow students but also to their relatives and friends outside their classes
- learning new useful skills which most of them want to further develop

The importance of developing new approaches to teaching entrepreneurship is being recognized – the new style of teaching future entrepreneurs needs to be more co-operative and creative using different sources of information and bridging the gap between academic theory and real world experience.

2.2.2. Challenges for students

Key questions:

- Are tertiary students generally able to work effectively with their inner motivation towards own learning?
- Are students of entrepreneurship really interested in becoming entrepreneurs?
- Are students of entrepreneurship able and willing to actively participate on classes design and bring their own case studies and questions?
- Can students of entrepreneurship share information and knowledge and work in teams despite the individual evaluation system?

To be able to succeed in the real world of entrepreneurship, students needs to learn broader and more complex set of competencies. They need to participate in education more

actively and besides gaining knowledge to be also able to develop a portfolio of entrepreneurial skills and attitudes. This requires significant change in a way how students contribute to classes, interact with educators and among themselves. The skills of using of new tools like social media are also required, however researches show that this is less significant challenge for students than finding a proactive attitude towards learning. Blaschke, Porto, and Kurtz (2010), in their recent research confirm that, from a student perspective, the active use of social media may increase interaction levels (student-student, student-instructor, and student-content) and promote the development of cognitive and meta-cognitive learning skills, such as reflection, critical thinking, construction of knowledge, and understanding of one's individual learning process.

In our course of entrepreneurship students are expected to prepare for classes to be able to work on specific cases in small groups. They are encouraged to bring their own questions and cases into the classes where they meet both educators and real entrepreneurs. The aim here is to shift their perception of learning from "What is the minimum I need to pass" to "What else I can learn from those people". One semester does not usually provide enough time for this complete attitude change but we have good results from the series of entrepreneurial courses, which are taught as a Entrepreneurship and SME management specialization.

The main question is how much students are willing to contribute to teams if the final evaluation is mostly based on individual performance. Researches of some respected experts in education like S. Mitra or K. Robinson confirm that students gain most learning from open collaborating in small groups. Unfortunately, most performance evaluation systems – both in schools and corporations – are based on the individual performance. This can lead to inner competition decreasing the willingness to share important information.

2.2.3. Challenges for system

Key questions:

- How well can the existing education system prepare entrepreneurs for real world challenges?
- Can existing system incorporate tools, which are useful and appealing to students?
- What could engage students more in their studies and make their more active in learning?
- Are appropriate methods of assessment in place to measure real outcomes?

The system of educating future entrepreneurs also needs to be adapted to new requirements from the market. The changes are required in both content and form.

The first challenge comes with the content. Business environment is changing very fast and five years can bring revolutionary changes. If master level studies take three years in the Czech Republic, it means that about half of the knowledge, which students learnt during their first year of studies, can be obsolete when they finish. This represents a critical issue especially when final examination is based on knowledge and must be designed in line with original curriculum. Most students of entrepreneurship in the Czech Republic in their last year of master studies are already having job or are running their own business. They can see the differences between existing markets and education curriculum and it decreases their motivation to learn.

The form of learning is also important especially for student motivation. Although educational technologies have been usually slow to catch up market development, some changes have already started to be implemented. For example according to the Pearson Social Media in Higher Education Survey (2010), over 80% of college faculty is using social media, with 52% of faculty using social media in the classroom. This research was using a sample of 939 individuals from US higher education institutions. This looks like a very good result, however the survey points out that the use of social media is primarily passive. Only about

10% of faculty uses social media in an active way. I believe that those numbers could be similar or even lower in the Czech Republic. The absence of appropriate system and guidelines together with long-term lack of adequate investment in education limits usage of modern ICT tools in supporting entrepreneurial development.

Probably the most challenging part of this category is the learning outcome assessment. They are usually designed in a way they can measure knowledge but it is the knowledge, which is changing the most in the current business environment. Especially in entrepreneurship education it would be more interesting to assess students based on case study work. But those assessments are usually lacking objective measurements and can be also very time consuming for educators to evaluate.

3. HEUTAGOGY AND PERSONAL DEVELOPMENT

The changes we have been witnessing in the last decade in HR development are revolutionary. Since we live in a society, which has made a high technical progress, and information is now within a reach for most population in most of the European countries, advanced learning according to many education professionals should be more self-determined: it means that the student determines what and how learning should take place.

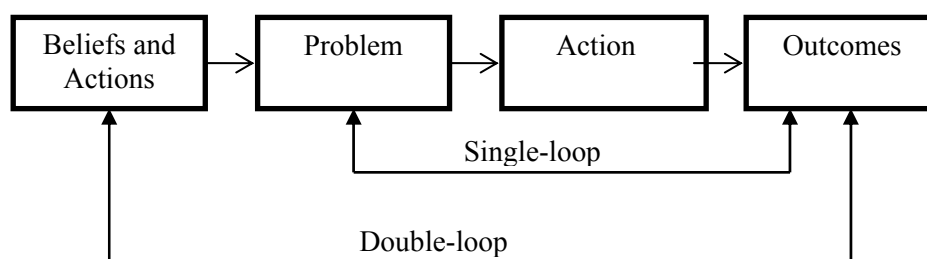
3.1. HEUTAGOGY, ITS PRINCIPLES AND BENEFITS

According to Hase (2002) heutagogical approach to education recognizes the need for flexibility in the learning process where the educator provides resources but the learner designs the curriculum, not just the learning process, by negotiating the learning. The focus is mainly on development of individual capability, individualized learning and independent learning. Ford (1997) argues that learning should be more “knowledge sharing” rather than “knowledge hoarding”. Hase confirms that heutagogy can have a significant potential future of learning when knowing how to learn will be a fundamental skill given the pace of innovation and the changing structure of communities and workplaces.

3.1.1. Heutagogy definition

With the term derived from the Greek word for “self”; with “agogos” meaning “leading” and based on theories of self-determined learning, the term heutagogy was coined by Hase and Kenyon in the late 1990’s. Heutagogy represents the concept of truly self-determined learning. Recent researches suggest that heutagogy could bring appropriate forms of learning to the needs of current students of entrepreneurship. Heutagogy can be also viewed as a study of self-determined learning. Heutagogy works with so called double loop learning as Figure 3 describes.

Figure 3: Double-loop learning in heutagogy



Source: Eberle and Childress, 2005, as shown in Eberle, 2009

Heutagogy involves beliefs in the learning process, which helps to motivate learners to get better learning outcomes. It is important what is being learnt as well as how it is being learnt. This represents one of the key long lasting impacts of heutagogy – creating a positive attitude towards learning by positive experience of own capability.

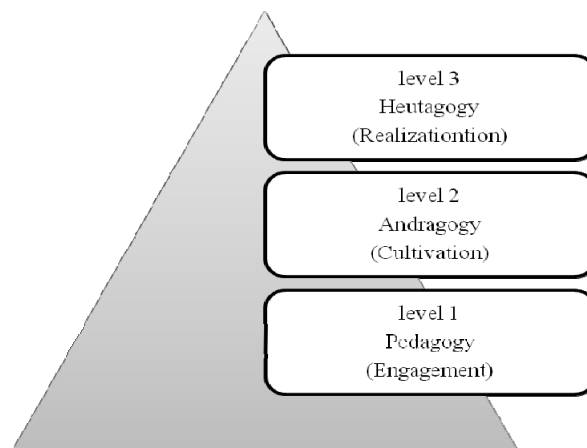
3.1.2. Heutagogy and andragogy – similarities and differences

So how is heutagogy connected to andragogy and how do they differ? Andragogy is self-directed learning methodology used in adult learning process. According to Knowles (1978) andragogy can be described by the following characteristics:

- learner control and self-responsibility in learning
- learner definition of learning objectives in relation to their relevance to the learner
- a problem-solving approach to learning
- self-directedness in how to learn
- intrinsic learner motivation
- incorporation of the learner experience

In an andragogical approach adult students play active role in their learning process based on their learning needs. Knowles (1975) defined this way of learning as a process in which individuals take the initiative, with or without the help of others, in diagnosing their learning needs, formulating learning goals, identifying human and material resources for learning, choosing and implementing appropriate learning strategies, and evaluating learning outcomes. Educators are playing a role of mentors in andragogical process – they design a training curriculum, show the students how to find the relevant information and provide a link between theory and real case study experience. They establish learning objectives and supervise students in their learning path. Students are responsible for their own learning and for its application in their working environment. Heutagogy evolved from andragogy as its progression. The progression is shown in Figure 4.

Figure 4: Progression from pedagogy to andragogy and from andragogy to heutagogy



Source: Canning, 2010

Canning (2010) argues that more mature learners require fewer instructions and need more autonomy. If this condition is fulfilled, their learning can become more self-directed and more effective.

It is obvious that the level 3 requires more mature approach to learning from students in order to gain autonomy and become more independent learner.

Generally in heutagogy, students play more active role in setting the learning process, they are designing and developing the map of learning, from curriculum to assessment (Hase, 2009). According to Hase (2009) heutagogy emphasizes development of capabilities in

addition to competencies (andragogy). Table 2 brings a summary of comparing andragogy and heutagogy.

Table 2: Comparing andragogy and heutagogy

Andragogy (Self-directed)	▶	Heutagogy (Self-determined)
Single-loop learning	▶	Double-loop learning
Competencies development	▶	Capabilities development
Linear design and learning approach	▶	Non-linear design and learning approach
Instructor-learner directed	▶	Learner-directed
Getting students to learn (content)	▶	Getting students to understand how they learn (process)

Source: Hase (2009)

3.1.3. Benefits of using heutagogy in developing entrepreneurs

Based on existing researches it is believed that heutagogical approach can increase student motivation in learning and develop good habits for lifelong learning. This is especially important for entrepreneurs who are working in constantly changing environment – motivation to learn new things is vital to their business sustainability.

Many discoveries about motivation to learn were made by Rogers (1969). He suggests that people want to learn and have a natural inclination to do so throughout their life. He based his student-centered approach on five key hypotheses:

- We cannot teach another person directly: we can only facilitate learning;
- People learn significantly only those things that they perceive as being involved in the maintenance or enhancement of the structure of self;
- Experience which if assimilated would involve a change in the organization of self tends to be resisted through denial or distortion of symbolization, and the structure and organization of self appear to become more rigid under threat;
- Experience which is perceived as inconsistent with the self can only be assimilated if the current organization of self is relaxed and expanded to include it; and
- The educational system, which most effectively promotes significant learning, is one in which threat to the self, as learner, is reduced to a minimum.

Being able to learn according to heutagogical principles would have also an impact on corporations, HR work in management and employee development area specifically. The self-determined approach would have a positive effect on training effectiveness that would result in cost savings in training and development budget.

3.2. APPLICATION OF HEUTAGOGY IN TERTIARY EDUCATION

Research on motivation combined with heutagogical theory would suggest that there is a need to develop an understanding of how to use and develop existing potential of employees through self-determined learning (Graves, 1993, Hase 2002). According to Hase (2002) today's world is no place for the inflexible, the unprepared, and the ostrich with head in sand, and this applies to organizations as well as individuals. He believes that capable people are more likely to be able to deal effectively with the turbulent environment in which they live by possessing a capacity centered on self-efficacy, knowing how to learn, creativity, the ability to use competencies in novel as well as familiar situations and working with others. Therefore, heutagogy should be applied soon in your people's life and it seems that tertiary education could take the role of it.

3.2.1. Experience from Australasia

Hase (2009) argues that web 2.0 and social media play a significant role in generating new discussions about heutagogy within higher education. He believes that web 2.0 design supports a

heutagogical approach, one that allows learners to direct and determine their learning path and enables them to take an active rather than passive role in their learning experience. Current students were raised in the environments where they have experienced dealing with new technologies from their very young age. Most of them are already capable using social media and web or mobile applications while entering tertiary education institutions. Kuit and Fells (2010) point out that this could help learners to personalize their learning paths in the way they desire.

Australian experience confirms that heutagogy develops capabilities and competencies at the same time. While competencies are usually described as proven abilities in the area of knowledge or skills, capability can be defined according to Cairns (2000) as the ability to take appropriate and effective action to formulate and solve problems in both familiar and unfamiliar and changing settings.

Hase and Kenyon (2000) defined from their research three key characteristics for developing competent and capable learners:

- self-efficacy, in knowing how to learn and continuously reflect on the learning process
- communication and teamwork skills, working well with others and being openly communicative
- creativity, particularly in applying competencies to new and unfamiliar situations and by being adaptable and flexible in approach

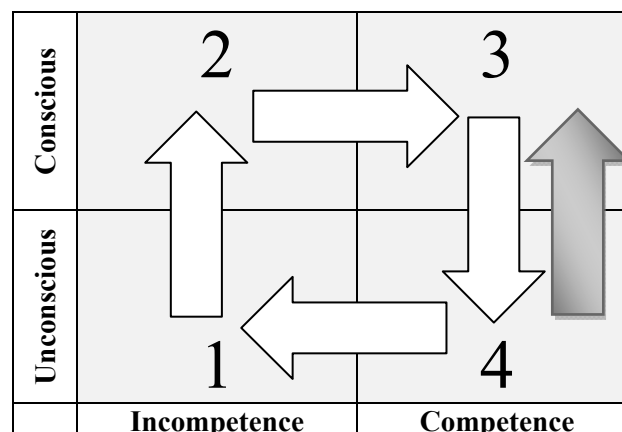
They stress the point when learners are capable, skills and knowledge can be reproduced also in new and completely unfamiliar situations. This is the fundamental of another phenomenon recently used in many organizations for people development and it is personal or business coaching.

However, Hase reminds that when capability can be an extension of one's own competence, without competency there cannot be capability. This is confirmed by practice when coaching cannot be successfully applied when people are not competent – coaching can only use existing potential (set of knowledge and skills) to make it more effective.

3.2.2. Coaching as key heutagogical tool

Heutagogy was first introduced in 1999 (Hase and Kenyon). Established well in Australia and New Zealand, heutagogy is still relatively unknown in Central and Eastern Europe, in the Czech Republic respectively. Based on this fact its implementation can be considered as relatively difficult in institutions providing official tertiary education when most of the classes are still being taught in the form of giving lectures. Also Czech students generally are showing less proactivity and engagement in additional work comparing to my experience from teaching in New Zealand. On the other hand one element of heutagogy is recently booming in the Czech republic and is in high demand both from companies and individuals, students included. This is coaching, a specific way of development dealing with human potential and motivation as it defined by J. Whitmore. The development process can happen via two ways as shown in Figure 5.

Figure 5 – Coaching as a part of heutagogical system



The first traditional way comes in clock-wise direction and can be described as traditional training no matter what the learning style of the individual is. When learning happens, the skill appears in the third quadrant of conscious competence. After some practicing it becomes automatic and moves to fourth quadrant of unconscious competence. In the world of constant changes individuals must adapt to the changing environment more frequently and repeat the training process more often. Or they can use a different method of applying existing knowledge and skills potential to changed conditions. This is surprisingly powerful way of learning and development which is appealing to large group of people all around the world. Open questions are used to support this process of learning, which is known as coaching. Coaching has been recently in high demand in the business world because besides solving a particular problem it develops also many core competencies non-directly. Those can be:

- goal setting
- time and priority management
- self-management
- self-motivation
- effective usage of resources
- creative thinking
- planning and progress monitoring
- positive approach to changes
- networking
- etc.

Learners are developing those skills when they need them as training and coaching can be provided simultaneously. Most of those competencies could be described as typical entrepreneurial competencies, which confirms coaching to be a potential way of developing entrepreneurs. Therefore coaching could also become a useful heutagogical tool and entry initiative for implementing heutagogical principles in tertiary education programs. In the Czech Republic coaching has become very popular way of management development especially after 2005. Most of the large corporations are currently using external coaches for their executives with the average length of coaching programs consisting of 6-12 months (Barton, 2012). Based on its common measurable successful outcomes many of those corporations are lately investing into their internal coaches development to be able to introduce coaching to wider target group. Coaching culture is becoming a desired target.

Researches confirm (Hay, 2002) that using coaching techniques in adult development brings behavioural changes and changes in individual motivation. Based on Hay research in corporations coaching is mainly used for:

- | | |
|--|-----|
| ▪ Enhancing interpersonal skills | 35% |
| ▪ Enhancing management skills | 18% |
| ▪ Enhancing business agility/credibility | 15% |
| ▪ Enhancing leadership skills | 14% |
| ▪ Fostering personal growth | 12% |

From the data above it can be indicated that coaching in corporations is mainly used for skills development but it deals with motivation and attitudes as well. In tertiary institutions in Czech Republic coaching has been recently introduced as a teaching method and it has been gaining high level of attention from students. The results of its implementation into first programs are suggesting that using coaching brings the following benefits:

- Students say they are able to focus better on the discussed topics and gain more knowledge out of their learning
- Students evaluate themselves being more motivated and disciplined with time management
- Students improve soft skills while learning (especially interpersonal skills)

- Learning happens through many resources and students are actively involved in their search, it is not just limited to knowledge transfer from educator to students
- Sharing is a key component of learning process so team or group coaching can be applied successfully

3.2.3. Challenges in application

Heutagogy can be great approach in educating entrepreneurs when they are motivated and mature – when they can work independently and share information and collaborate at the same time. This can be a challenge for existing tertiary education systems. The motivation of students to study entrepreneurship can be different and this can have an effect on their acceptance of heutagogical principles. For example in University of Economics in Prague there is no specific selection system in place for participating in classes of entrepreneurship, it work on “first comes” bases. According to Canning and Callan (2010) less mature learners require more instructor guidance and course scaffolding so for them heutagogical approach is not suitable.

As Peters describes (2004), a more self-directed and self-determined approach to learning is needed to ensure a positive approach to so much needed lifelong learning. It gets obvious that pedagogical and even andragogical educational methods are no longer fully sufficient to prepare students for entering today’s ever changing job market. Young people – both entrepreneurs and employees – are going to need much more broader set of competencies to succeed on market where competition is becoming more global every day.

There are recently many discussions around using social media in education. Some of the latest researches prove that social media have a positive effect on self-determined learning. It was also confirmed in our classes that being connected via social networking website students share more information and are able to collaborate more effectively. Students who were actively using the social networking website were generally more engaged in learning process and their results were usually above the average score in a class. Blaschke, Porto and Kurtz (2010) argue that using social media in learning process helps establish so called learner-generated content and improve some of the important cognitive skills. They propose that this active way of participating in learning process brings more effective and long-lasting results than passive way of learning. This was proved in our classes as well during the final testing – students remembered examples and stories, which were presented by their classmates and also were able to research similar examples on their own outside of classes. This supports their understanding and enables the application of learning into different environments.

4. CONCLUSIONS AND FURTHER RESEARCH

According to Hase, heutagogy is seen primarily applicable to vocational education and tailor-made in-company training. Universities might find some challenges in applying heutagogy, especially in terms of learning outcomes assessment. The principles of heutagogy seek to democratize the assessment process by allowing it to be driven by the realities of the “real world”. But even then heutagogy represents unique and modern approach to adult education and could bring some revolutionary principles into tertiary education. This would also increase the connection between official education of students and the application of gained competencies in practice later on which is in high demand today.

Heutagogy seems to be relevant especially for educating young entrepreneurs as it can influence and develops many entrepreneurial competencies like proactivity, opportunity identification and evaluation, finding and keeping inner motivation, dealing with resources effectively, setting up priorities etc.

The further research is planned especially in applying heutagogical principles (like coaching and using social media) in our entrepreneurship education courses. So far, we have measured the immediate outcomes (after semester) but it would also be interesting to research the long lasting effect (2 years after completing the course). For this purpose an alumni group has been formed in LinkedIn where we will start to collect our data in 2013.

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