

A Contextual Innovation and Process Investigation of an International Student Entrepreneurial Organization

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INTRODUCTION

Student humanitarian organizations are common across college campuses and perform projects with the objective of addressing a client or community's material needs. The Contextual Innovation Process (CIP) is a process developed to understand sociological deficits within these projects. CIP acknowledges that practitioners often lack a complete understanding of the context within which they work and aims to improve both performance efficiency and outcomes by encouraging careful consideration of political, cultural, economic, and other non-technical factors that reside within the project population [1]. In this CIP case study, the authors will examine Enactus-USA, whose clients populations are identified as the communities with which project teams seek to address material needs.

Enactus-USA is a large entrepreneurial organization with the mission of "building a better world while developing the next generation of entrepreneurial leaders" from among college students across the United States. Founded in the U.S. in 1975, Enactus has since established similar networks in an additional 35 countries, and Enactus-USA now operates as a division of Enactus Global. With 317 universities and 5,900+ student participants in the U.S. alone, Enactus-USA remains the largest country operation in the global organization [3]. The Enactus United States National Exposition, a national competition, allows project teams to showcase the collective impact of their community outreach efforts. The winners of these national competitions are then invited to compete at the Enactus World Cup [4].

This research looks at the organization comprehensively from top to bottom. It was hypothesized that the context in which each project resides may influence adoption of practices and guidelines provided from the upper levels of the organization, creating a disconnect in expectation and outcome. This research in progress focuses on the dynamics of the observed motivations, both stated and implicit, that appear to govern project development within the organization, confirming the CIP principle that it is essential to evaluate the multiplicity of drivers resident among organizational stakeholders before an organization can determine whether it successfully meets the needs of the participants and the organization as a whole.

METHODOLOGY

Following the CIP methodology shown in Fig. 1, this research analyzed the four quadrants of contextual identity: "global" conditions, "local" values and identities, stakeholder "people" motivations and objectives, and "process" implications, the findings of this investigation are presented here. A total of 25 people associated with Enactus were interviewed, including 6 Enactus project leads from 5 projects within an Enactus chapter in a large Midwestern public university. Those in-person interviews lasted between 30 minutes and one hour each. Additionally, formal interviews lasting more than one hour each were conducted with a regional Enactus-USA staff member and a national-level administrator. As part of this process, researchers also reviewed organizational documents provided by Enactus-USA as well procedural documents on the Enactus website. The objective of this initial phase was to evaluate how the national organization influenced student behavior regarding project design. In a second phase, 11 project leads, chapter presidents, and faculty advisers from representative chapters at universities across the U.S. were interviewed virtually using a video-chat platform or telephone.

Interviews typically ranged from 30 minutes to one hour and explored the progress of projects and engagement with Enactus-USA.

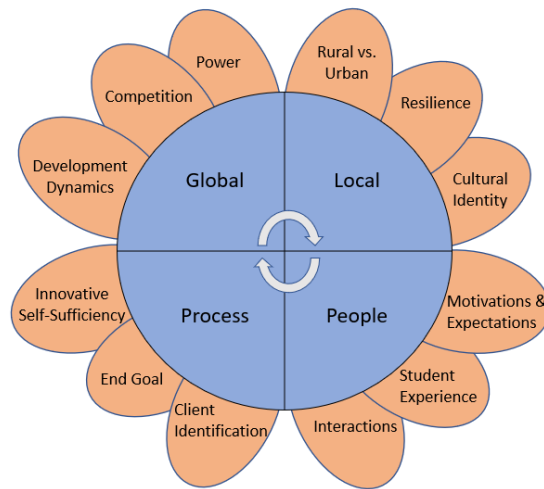


Figure 1: CIP Evaluation Model, adapted from Witmer 2020 [2]

When looking at the organization from a participant perspective, researchers focused on a specific project at a Midwestern public university that sought to develop an algae-based bioplastic. Research activity included attending weekly meetings over a period of 10 months, including transition meetings as new project members and leads were introduced, and work sessions when project development was undertaken. In addition, researchers conducted a series of three interviews with each of 6 project members to explore their perceptions of project progress, team dynamics, and organizational influence.

GLOBAL

Global conditions for this research consist of the actions taken by Enactus-USA and how those actions affect projects. It was observed that, as expected, most authority at the chapter level flows from Enactus-USA to the chapter leadership. Enactus USA's authority establishes organizational goals and manages communication with and connections between chapters to guide students towards those goals. This is exemplified by the resources Enactus provides and the events it hosts [5]. Interviews with chapter affiliates indicate, though, that variability in communications from Enactus USA drives power dynamics that exist among the chapters.

Several interviewees described Enactus events such as regional competitions as a valuable opportunity to network with other teams and to engage professionals who are willing to contribute expertise to a team's project. This attention is beneficial to Enactus-USA as well, organizational leaders said, because it draws new students and sponsors to the organization. Though not stated explicitly, many interviewees indicated that while the populations who are intended to benefit from chapter projects may see some positive outcome from an Enactus teams' success, it is actually the project performers -- the Enactus student participants themselves -- who are the target beneficiaries of organizational activities. By providing students with opportunities to network, innovate, and connect, Enactus-USA implicitly identifies participant students as the primary client, which creates a mismatch of objectives for those students who participate for the purpose of addressing the material needs of an identified population.

As the executive authority of a broad network of domestic student chapters, Enactus-USA uses its executive authority to establish standards that chapters are expected to follow. Those standards are stated as promoting the UN Sustainable Development Goals (SDG) via student-led entrepreneurial projects [4]. The qualitative research, however, suggests that even at the national level, more weight is placed upon the project structure and quality of exhibition than on the project outcomes themselves. Because of this emphasis on presentation, at least one small, comparatively new chapter expressed discouragement that it has not received the advisory support being provided to larger, more established Enactus chapters. Enactus staff state that no school receives preferential treatment, yet a perception lingers among student chapters that the “showy” chapters curry more favor with the organization than the “poor” or “inexperienced” chapters. One chapter even reported that it had been counseled by Enactus USA staff to undertake a project that was more likely to win awards while another reported that it was encouraged to take on a larger international project because they have a larger “wow factor.” These statements indicate that Enactus-USA’s stated mission of helping communities is secondary to a primary mission of winning competitions.

With respect to competitions, interviews and Enactus guidance documents display a strong focus on winning and securing corporate connections and sponsorships, rather than on making an impact for populations in need of assistance [5]. Preparing for the competition represents a significant time and monetary outlay for a team, with a focus on making a project appeal to the judges, whether or not it has addressed an SDG effectively. One chapter’s faculty adviser mentioned that some chapters pay professionals to make their competition-entry videos, which gives an enormous advantage to those teams with institutional support for their chapters. For most project teams whose representatives were interviewed, though, students created their own presentation materials to address the judging criteria, which centers on project quality but implicitly values presentation quality. As one faculty adviser noted, “it is only human nature to prefer a project that is presented in a better manner.” With no limitations or regulations on how chapters prepare for a competition, the advisor observed, larger teams with more money and connections have a natural advantage in competition.

Interviews also revealed some notable differences in the way Enactus chapters develop and implement their projects, which may indicate variability in the level of interaction between chapters and the national organization. Many student chapter leaders said they considered the resources given by Enactus to be comprehensive if not easily identified. An exploration of the Enactus website leads the observer through a maze of layers and links to find guidance [4], and many chapters reported that their interactions with Enactus staff were necessary to find their way to needed project resources. This means that chapters at schools less closely involved with Enactus may find itself more limited in guidance than the chapters whose more frequent communication with Enactus staff allows them more opportunities to identify resources and organizational support. As a result, a bifurcation of chapters emerges among those with resources, money, and competition success versus those who lack the needed organizational and economic tools to be successful in the Enactus program.

LOCAL

The local aspect of Enactus includes the behavior of individual chapters and how it affects project performance. Interviews indicate most projects encounter challenges, but responses differ widely. By evaluating chapter dynamics, it is possible to assess resilience and ability to persist

through periods of struggle. One pattern noted from interviews is that teams often fail to recognize when a problem arises and what the problem is. One team that is developing an algae-based plastic also needed to identify a consumer product for which the plastic would be beneficial. Initial focus was on developing the plastic recipe, without regard for how it would be used. As a result, when it came to brainstorming uses for the “environmentally friendly material,” the team struggled with ideation as well as feasibility of production and distribution. This was a common theme among project leads interviewed, indicating that teams lacked the insight to identify the problem that is holding them back, instead persisting in pursuing a concept without an end result in mind.

Several teams examined continued to work on projects until reaching either a dead end or a project pivot. A dead end occurs when a team realizes there is nothing left that they can do to surmount the difficulties that they are facing. When confronted with this realization, teams typically decide to conclude their work on that project. A project pivot is characterized by a team deciding to change or add to their original goals and intentions. While both these alternatives may be avoided with effective identification of a project end goal and product/process research, many of the project team members observed appeared to lack the motivation to see a project through to its fullest extent. Observations and interviews have indicated that motivation lags when students feel they don't have a personal stake in their project, but competition-oriented students appear to remain interested in participating in the project, even if they don't intend to see it to completion. Enactus is a business organization that exists in an extremely competitive cultural space, a college campus, and so must still appeal to professionally oriented, competitive students; hence, both projects and central organizational activities are affected by this cultural element. This is best exemplified through the competitions, which have virtually no effect on the societal impact a project may achieve but still occupy a principal role in project activities. This cultural lens provides a necessary means of justifying how a primarily service-based organization can become subsumed within profit-making business logic, while still operating as a service organization and adhering strongly to that identity.

PEOPLE

The people aspect of an organization can be viewed from the perspective of myriad motivations held by various organizational stakeholders and their interactions. The primary capital of Enactus is its active student base who propagate Enactus' brand and realize its vision of a “more sustainable world” [4]; hence, student motivations within the organization affect its essential character. Enactus' goal of fostering a community-centered business environment presumes a community-centered motive; however, the drive to gain resume-building experience concurrently arises. This career oriented motive has been articulated by both students and the organization to be a principal factor in choosing to join Enactus.

Enactus' organizational structure prioritizes student exposure to a wide range of positions. The potency of Enactus' allure as an opportunity for practical application and resume strengthening nearly overtakes the function of advancing projects towards completion. The primary orientation of each project can transform from being community oriented to student oriented, with the organization existing primarily as a fruitful student experience. As the scope of student involvement in a project is reduced from a sustained contribution to a short period of participation, the strength of concern with the project's primary stated client can be compromised through alienation from an “end-goal.”

Observations also indicate a conflict in experience among members of the same team or chapter. While some students come into Enactus with a strong desire to focus on the end product and a passion for entrepreneurship, others are more inclined to focus on benefits such as networking and professional skills. The unrecognized conflict of interest for desired experience can result in a lack of productivity within the same project. The conflict can also hinder the potential of a student who is passionate about reaching the project's intended end goal: a sustainable product or service that can help better the world. Overall, the conflict of students' desired experiences can impact work of other members of a team and the organization's ability to meet their stated goals.

This research examined both interactions within the project teams and external interactions to develop solid conclusions about how organizational relationships conform to or ignore context. Focusing on the project that is developing the algae-based bioplastic, this examination explored the transition process among new members to the project with the hypothesis that the observed frequent transition of project members would make it hard for the project to keep track of its original goals. When chapter operations encourage students to shift among projects, lack of continuity would be expected to lead to a decreased valuation of the work that preceded their involvement (for the new project) or will follow them (for the old project). Contrary to expectations, though, projects actually appeared to benefit from frequent transitions in that new members were able to notice certain attributes that could use improvements and were otherwise hard for older team members to recognize.

One last notable interaction was how the project team placed great emphasis on contacting campus and industry professionals who possessed experience with similar products. During interviews, project team members were asked why they hadn't contacted environmental organizations or homeowners associations that often address the algae problem upon which their was based, which may have helped them locate a source of algae, which had posed a problem for them. Team members indicated they hadn't thought in terms of approaching such resources because they were focusing more on their business plan. This failure to identify resources demonstrates narrowness of perception regarding stakeholder engagement that is guided by student experience rather than project purpose. The primacy given to successfully ensuring professional advantages for project members, then, appears to cause demonstrable shifts in perception, organization, and planning that can undermine the efficacy of community-oriented work. In this manner, projects can find themselves transformed from being a means of organization set to achieve a community-oriented goal, to being an active form of project-based learning that derives major advantages to satisfy student needs. It appears that Enactus succeeds in fulfilling the unstated function of satisfying student need -- potentially at the expense of its stated primary function of providing direct solutions to problems within surrounding communities.

PROCESS

When analyzing the Enactus project process under the lens of CIP principles, it appears that the needs of the targeted end user is not deeply considered either at the chapter level or within the organization as a whole. One of the most foundational considerations of CIP is User Need Identification. Within Enactus, some teams observed had successfully identified and addressed a consumer need while other teams failed to do so but continued to thrive within the chapter. Interviews suggest that a project is more likely to successfully launch a product or service in a timely manner when it clearly identifies a user need from the start.

Two case studies from Enactus chapters in the Midwest and West Coast provide a strong demonstration of this contrast. Project 1 is the team that has been ethnographically observed as part of this study that is working to develop an algae based bioplastic. Its team had significant difficulty defining a product for the material and struggled to agree upon what ideas may be feasible and worthy of additional consideration. Project 2, whose leadership was interviewed for this study, created a system of small communal food pantries that were installed in various locations around its community, using feedback from the local mayor about what need was greatest.

Although Project 2 was a small, community-based effort that covered a comparatively small geographical area, it aligned with the stated objectives of Enactus USA by providing positive impact at an appropriate scale to sustainably help their community, addressing an SDG related to hunger, and actively improved living conditions for a marginalized population. However, instead of receiving encouragement to bring their project to an Enactus competition, project leaders reported that they were discouraged to learn that their effort was considered too mundane and they were counseled by Enactus staff to look for something with more “wow.” Project 1, meanwhile, has not yet identified a product that they may produce out of their algae material, yet they demonstrate a great deal of confidence in their project, diligently applying for grants and other entrepreneurial competitions within their university and beyond.

This contrast in perceptions of what defines a high-quality Enactus project leave unanswered two critical questions: 1) why would a sustainable and successful project feel more discouraged when thinking about competing than a project that has yet to identify and fulfill a consumer need?, and 2) can this be attributed to underlying motivations that prioritize competitiveness and large scale impact within the organization as a whole?

CONCLUSION

The preliminary results of this investigation have been provided to Enactus-USA for consideration in addressing organizational improvements at the national, chapter, and project levels. These results center around a preliminary demonstration that a CIP assessment of organizational dynamics, incorporating the analyses of global, local, people and process conditions, have provided significant insight into both the explicit operation of the organization and the implicit motivations and objectives that may or may not align among those engaged in its activities. Additional research is necessary to verify that the CIP process provides sufficient understanding of an organization or process to make adjustments that will optimize its performance. Next steps with this inquiry will be to further confirm observations through the collection of additional data with Enactus, and explore with the organization whether CIP-generated feedback can lead to a positive and noticeable difference in Enactus project performance in the future.

It is hoped that this research process may be useful for other organizations seeking to optimize performance as well. A CIP investigation of Enactus highlighted the difference between explicit and unstated objectives and how they may generate friction among stakeholders. Organizations may therefore recognize the importance of paying closer attention to either motivating their members toward stated goals or align themselves better to acknowledge and address implicit goals among their membership. CIP provides a method to recognize bias and disconnects in any setting that engages people of differing backgrounds and experiences. The recognition of these disconnects and biases is a critical first step to improving outcomes.

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