Academies and ecosystems: exercising the opportunity muscle

In our first guest post, entrepreneur Joshua Mora argues for more interaction between universities and local business ecosystems to help students learn to identify business opportunities

In 2007, there were at least eight different way to store and share files online.

Companies offering cloud storage asked users to upload and download files in a web browser window. The cloud, they reasoned, was online.

However, Drew Hudson knew a secret. He understood that when users save files, they save them in folders. They did not save them in web browsers.

This insight was Hudson's opportunity. He's combined it with a lot of hard work, a great team and clever marketing, to produce Dropbox.

What's Taught in School

LinkedIn recently ranked the London School of Economics number 1 for career outcomes across finance, investment banking and marketing.

And it's understandable: university does an excellent job teaching skills, preparing students to understand expectations and how to fulfil those expectations as efficiently possible.

Without a doubt, Hudson possessed skills and knowledge in abundance. He had been programming since childhood and studied computer science at MIT. He was an expert in operating systems.

However, there are tens of thousands of graduates every year with exceptional skills.

School and university are designed to transfer and test knowledge and skills. They assign work; teach lessons; and set and grade exams. In short, success at school requires understanding the expectations and meeting or exceeding them in as little time as possible.

What's Not Taught

For every entrepreneurial success story comes another definition of entrepreneurship. Peter Thiel's definition revolves around knowing a 'secret', which he defines as an "important truth" that "very few people agree with you on."

What Thiel is talking is about opportunity, and he lays out the criteria pretty clearly. A secret must be:

- Important — is must be meaningful to enough people
- True — you must have evidence that what you think you know is empirical
- Mostly Disagree — finally, few people agree with you

The last is, arguable, the subtlest. But the fact is that most important, true ideas are already being exploited. Oil is lucrative — but you'd be hard-pressed to start a new oil company. Burritos are

yummy, popular and easy to prepare. However, with six competing chains in London, the chance to differential has passed.

In short, the art of identifying, validating and exploiting opportunities is very difficult to teach in the classroom.

Bridge the Gap: Ecosystems

There's really only one way to learn how to identify and pursue business opportunities, and it lies outside the classroom.

The boom in the Lean Startup movement is effectively an attempt to formalise some rules around exploring and validating business ideas to ensure that these ideas are, in fact, opportunities.

However, to truly provide an 'education' in entrepreneurship requires exercising the 'opportunity muscle': students need opportunities to practice starting, and growing, initiatives.

One solution lies in connecting the academic curricula at schools like LSE with the rich and vibrant startup ecosystem that has matured in London over the past four years. A range of early stage incubators, TechCity initiatives, coworking spaces and government grant programmes provide a better opportunity than ever to help validate opportunities with minimal resources.

Meanwhile, student and school programs provide opportunities for existing students to compete and pitch business ideas.

The solution, I believe, lies in better connecting the existing startup ecosystem with academic programs that encourage entrepreneurship. In this way, students might come to see entrepreneurship as a post-graduation alternative to the ready-made option of pursuing a career in finance or consulting.

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Joshua Mora is the CEO of Handpick (www.hand.pk), a shopping app for clothes that is making returns obsolete. Handpick has been awarded over £350k in grants from the Innovate UK and DARPA to develop non-historical personalization algorithms. Joshua completed an MSc in Decision Science at the LSE.

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