

THE BUSINESS MODEL, A RELEVANT CONCEPT IN ENTREPRENEURSHIP TRAINING

Verstraete Thierry, Professor

University of Montesquieu – Bordeaux IV
Associate Professor at Bordeaux Management School
thierry.verstraete@u-bordeaux4.fr

Estèle Jouison-Laffitte, Doctor (Presenter)

Research and teaching assistant at IUT Bordeaux Montesquieu, Commerce Techniques Department
estele.jouison@u-bordeaux4.fr

University Pole of Management Science (PUSG)
Research team in Entrepreneurship of the IRGO
35 avenue Abadie, 33100 Bordeaux, France
Tel : +33 5 56 00 96 64 ; Fax : +33 5 56 00 96 00

ABSTRACT

The Business Model concept, born during the New Economy era, is now largely used by both academics and practitioners. The main efforts to conceptualize the Business Model are done by researchers in entrepreneurship. Invented in entrepreneurial context, it seems interesting to make it a useful concept for entrepreneurs.

In the University of Bordeaux (France), the Business Model has been introduced as a key concept in entrepreneurship teaching courses. We will first remind the conceptualization of the Business Model we defend (a business convention or institution relative to the generation, the remuneration and the share of value – the GRD Model) and then explain how the Business Model is used with and by students and with what results. The Business Model has also been used with entrepreneurs in a research protocol founded on the action research method.

The concept of Business Model (BM) comes from practitioners. The expression is a matter of common sense since it concerns, for a business, its stakeholders' search of intelligibility. Thus, in the start-up era, on Internet, financiers required from entrepreneurs an extra effort to help them to understand the proposed business. When the human mind does not understand an object, or a situation, or a phenomenon, it implements artifices to make it understandable. This intelligibility passes by visualization, i.e. a representation of the object/situation/phenomenon, as if human being necessarily wanted to see what cannot be seen directly. This representation can be a more or less diagrammatic drawing, a mathematical formula, or a text, etc. It is what is called a model. A model mentally reveals an image or a diagram of representation offering intelligibility to the person who tries to understand. The model must be formulated so as it can be understood by the one to which it is proposed. For example, the investor understands a mathematical modelling of the markets while this kind of model is inaccessible to others stakeholders.

If an entrepreneur wants to make his business understandable by those he wants to embark in his adventure, the language which he uses must be, on the one hand, accessible and, on the other hand, synthesized in a model allowing, to some extent, "to see" his project, "to see" where this adventure can lead the collective, "to see" the impelled organization whereas the entity does not yet exist, in a juridical sense. With the opportunities offered by Internet, modelling became a step explicitly required because few actors understood how to make business on the Net. Business had to be made understandable. They had to be modelled. The BM expression is thus coming from *common sense*. And since practitioners gave birth to the concept, this introduction will, as simply as possible, underline the problems posed by the concept to the practitioners which bring knowledge to the entrepreneurs. Our text is part of the field of research in entrepreneurship teaching. It is based upon practical considerations exposed in this introduction, then intellectualized in the following sections in order to provide tools to the pedagogues, i.e. teachers or advisers.

There are various ways to bring knowledge to entrepreneurs aiming at founding a new firm (even, more largely, to any entrepreneur): initiation, formation, advising, guidance (Senicourt, Verstraete, 2000). The frontiers between these various levels are vague and they all face a requirement imposed by many actors with whom the entrepreneur is in contact: writing a business plan (BP). The BP describes: the activities (elaboration of an idea, study of a market, formalization of a strategy...) undertaken upstream of its presentation in front of the potential stakeholders; the way in which, concretely, things will be held during the next three or five years; and the results which the entrepreneur envisages to obtain. Consequently, trainers/pedagogues, i.e. either teachers or advisors, help the entrepreneur in the realization of the BP. Pedagogies in entrepreneurship often adopt an engineering pursuing this goal. Our matter is not to criticize or question those trainings. We rather want to emphasize a relatively new concept (the BM), which we place in the core of the process of development of a new business and which makes it possible to gain in relevance in the development of a project of firm foundation. But the BM represents several difficulties for the teacher.

One of these problems is that the beginner does not perceive the difference between BM and BP. If he has some idea of what is a BP, he more rarely knows the BM even if, sometimes, he has already met the expression. As the BM is a buzzword, the teacher risk to be increasingly confronted to it.

For the first time in 2002, in the most elaborated formation we are responsible of (Master in entrepreneurship), some students were explicitly questioned on their BM by the members of the jury in charge of the evaluation of their BP (the jury was compound of three members: an advisor in creation, a private investor and a public investor). Beforehand, in 1998, a colleague specialist in the NTIC (new technologies of information and communication) had been surprised by the absence of courses on the BM in entrepreneurship training.

These elements induced the following question: which place can be given to the BM in a pedagogy related with the process of firm foundation?

The first section of this paper brings an answer to this question.

Another problem precisely concerns this statute of *buzzword*. By definition, a buzzword is a concept whose contours are vague, whose contents are not understood and of which expectancy life cycle is unknown. If the discourse of practitioners can be told to the students, and not to remain in the anecdote, either the university teacher or his colleague intervening in earlier scholar programmes needs a model which can be declined in pedagogy. It is a question, to some extent, of modelling the model. If the BM helps the actors that the entrepreneur tries to make adhere to his project to understand the future business, the model of the BM is an effort of conceptualization making understandable the concept. In other words, this concept had to be theorized in order to become more than a buzzword and, thus, to answer the question: which theoretical bases can give the BM the academic base authorizing teachers to teach it?

The second section summarizes a theorization of the BM resulting from a research program and presents the practical grids rising from this effort of conceptualization.

From this effort, year by year, the BM was given an increasingly place in our pedagogy, in particular in the initiation programs in entrepreneurship. In these programs, the students often do not have basic knowledge allowing them to realize BP. The BM appeared very relevant to make students understand the sense of business. To date, more than 5000 students of the campus of Bordeaux were formed with the method. For the students taking a more complete course in entrepreneurship (license or master), conceiving a BM constitutes, on the one hand, a step in the development of their business and, on the other hand, a contribution in the exercise of conviction deployed with the potential stakeholders. This contribution appears without ambiguity when the jury evaluate, at the end of the year, the BP of the students.

The third section of this paper presents some elements about the initiations or the formations which we implemented.

1. The Business model, core of the entrepreneurial process

In a pedagogical perspective, entrepreneurship can be first regarded as a process composed of different phases that succeed around a temporal axis. This axis must not be considered as a time unrelentingly passing but as a variable with which it is necessary to compose or like a contingency both relative and singular to each project which, inevitably, the development of a BM must take into account. Moreover, sometimes, it is as if time passes more quickly for certain projects.

There are various theorizations of the entrepreneurial process but our goal here is less making a review of the literature than presenting the model we use in our teaching practices. This model was initially represented in a book written by Verstraete and Saporta (2006). These authors place the BM at the core of the process and our matter will consolidate their statements. The model comprises five phases. Four of them are concepts largely used by the pedagogues of entrepreneurship. We do not develop them to summarize here the frame of our teaching practice.

1.1. From the idea to the Business Plan: a route to control

The four phases that can be worked in entrepreneurship pedagogy are: the idea (1.1.1.), the business opportunity (1.1.2), the strategic vision (1.1.3.) and the business plan (1.1.4.). Without reviewing the literature on each one of these phases, we will just pointing out what they contain.

1.1.1. Building an idea, developing it, protecting it if possible

Rather than believing in the spontaneous generation of brilliant ideas, appearing instantaneously in the spirit of their inventors, it is worth to consider more reasonably that an idea of firm foundation must be conceptualized, i.e. to be constructed. Beginning with a vague concept, it must be intellectualized to become a more precise object. But at the same time, it has to remain sufficiently simple in order to be quickly communicated and quickly understood by the resources holders that the entrepreneur wants to convince. The communication of the idea makes it possible "to see it", i.e. to generate an image within the interlocutor's mind. A work on the business idea requires leaning on, at least, the three following points: sources of the business idea, the development of this idea and its protection.

The sources of business are multiple (former professional experience, passion, resolution of a problem; voyage abroad, etc).

The development of an idea must lead the entrepreneur to become the specialist of this idea. To achieve this goal, one can only advise him to mobilize the techniques allowing developing the idea. The "methods of creativity" are then useful.

The protection of an idea is not as easy as it seems. It can be indeed complicated and expensive. An idea can be more or less protectable. Protection requires a specific treatment, and the inventor will approach specialists that will be able to help him in this task. When an idea cannot be protected, it will be advisable to protect, as much as possible, its market by deploying suitable strategies or developing customer loyalty.

1.1.2. Business opportunity: when an idea meets a market

So as there is an opportunity, the idea needs to meet a market. During the stage aiming at estimating the market, marketing techniques and tools – if they are adapted to the context of firm foundation – are of great help. The confrontation with the market is progressive, and is specified throughout the entrepreneurial process, since the simple presumption of an opportunity until the realization of the final turnover. In other words, at the beginning, an opportunity is generally revealed roughly, and then it is progressively confirmed thanks to the methods implemented for, in particular, specifying the market. It will be checked by the

effective launching of the business, therefore always subsequently, unfortunately for the amateurs of certainty...

1.1.3. Elaborating a strategic vision to imagine the present and the future of his business

Whatever the contingencies influencing the success of the project, the entrepreneur's representation of this project is a constant variable of major importance. The entrepreneur must imagine the future of his business and elaborate his strategic vision.

On a practical level, the challenge is then to identify the generic components of a good vision that will be operational in a concrete project. Those components must take into account the dimensions serving the entrepreneurial act.

Thus, one can consider the position of the company in the multiple environments of which the entrepreneur and the organization are part of. One can take up again the traditional distinction between, on the one hand, the macro-environment (composed of the socio-economic, institutional, technological, ecological and cultural dimensions), and, on the other hand, the micro-environment concerned by the company's purchase-manufacture-sale cycle. This micro-environment is composed of activities and markets, competitors and stakeholders.

It is also necessary to work on the organisational configuration to set up in order to reach the desired future. This configuration corresponds to the structure of the company, i.e. the manufacture of the products or the offer of services and the necessary processes of coordination, in which one will arrange the functional policies allowing to optimize the relations of value exchange with the stakeholders (for example a policy of purchase to optimize the relations with the suppliers).

It is also necessary to translate the strategy into both financial performance and "partnership" performance. Indeed, each stakeholder evaluates, according to its own criteria, the performance of the company. The entrepreneur wishing to control the organization which he impels will take care to be informed on these criteria by the use of an instrument panel, without forgetting to include there the follow-up of the key success factors. The entrepreneur must also appreciate his competences and build those of the organization (cf the RBV approach in strategy), on the one hand, by optimizing the fitting of the resources he gathered and, on the other hand, by supporting the trainings. Lastly, these resources are obtained from potential stakeholders becoming the business which is essential in the success of a project.

1.1.4. Writing the strategic vision in a business plan

The strategic vision is formalized in a business plan (BP). The writing of this last should not be considered like a constraint, but like an occasion to specify his strategic vision. For this reason, the development of BP has a formative characteristic, by obliging the entrepreneur to prepare the launching and to anticipate the evolution which he will have to manage. The entrepreneur must be the writer of the document, even if an expert helps him (a certified public accountant or an adviser of a specialized institution in the guidance of entrepreneurs). The written statement of a strategic vision is both obligatory and necessary. The obligation is posed by stakeholders wishing to measure the degree of reflection on the project, supporting on details given within the BP. The BP shows that a strategy "exists" and that the entrepreneur has a vision both clear – because it is easily communicable – and elaborate. The BP also explains the appreciation of the financing needs (assets, financing needs of these assets, self-financing capacity, all that inserted in financing plan), the results anticipated, the patrimonial evolution (balance sheets), etc the activity expressed in terms of expenses compensated by products (profit and loss accounts), the state of the cash flows (budgets). One three years period makes it possible to estimate the capacity of the company to take part in its development. Beyond the accounting obligations, an analytical calculation provides the estimate of the selling prices, the cost prices and the break-even point.

1.2. The position of the Business Model in the entrepreneurial process

The BM is forgotten within the process presented in section 1.1. Practice quickly revealed the need for integrating it into this process. The BM answered the resources holders' search of intelligibility of the type of business in which they set up themselves (section 1.2.1). Initially, the revenue model was claimed (section 1.2.2.) because, in particular on Internet, financiers did not understand how it was possible to earn money. But the participation in entrepreneurial projects showed that the BM was not reduced to the revenue model because the interrogations to understand the project implied an explanation of the reasons encouraging the partners to adhere to it (1.2.3). Finally, it had to be noted that the BM was at the core of a whole of relations of exchanges which it had sometimes to be created long before a business plan (BP) is finalized. Moreover, the raise of funds could take place upstream the BP.

1.2.1. The sources of revenue, the volume of this one and the potential profit

In the context of the advent of Internet, the partners of a project pained to understand how these ideas were exploitable in this new environment. The principle of dissociation of the markets did not help comprehension since, for example, it was necessary to imagine new sources of revenue when the user did not want to pay the service which was offered to him. For the entrepreneur, it is a question of making so that revenues are associated with the effort done to go on bringing a service or a product of value. About the way in which a company manages to generate these revenues, Shafer et al. (2005) speak about capturing value. In other words, the entrepreneur had to communicate his idea as clearly as possible, and then he had to show that a market could receive this idea, but he had also to make understandable the way in which this opportunity was a source of revenue. At the time of the advent of Internet, it didn't go without saying that, the investors were inevitably dubitative taking into consideration the disappointment of certain.

The BM of a company is then compared to a method whose objective is to obtain revenues (Linder and Cantrell, 2001; Morris and al. 2005; Maitre and Aladjidi, 1999; Chesbrough, 2003; Kumar and al., 2003; Petrovic and al., 2001; Magretta, 2002; Morris and al., 2005; Rédis, 2007; Rappa, 2000). Osterwalder attaches this question to the purchase-sale cycle of the company, the BM being a "representation of how a company sells and buys goods and services and earns money" (2004, p.14). Warnier and al. (2004) formulate the same idea differently: "how is remunerated the sale or the use of the resources?".

The BM also testifies to the ambition of the project (Morris and al., 2005). For example, it is advisable to know to provide the volume of the turnover because, for the same idea, two ambitions in these terms are modelled differently. To this volume, the authors associate the concept of performance which, in the duration, appears to be a competitive advantage (Afuah and Tucci, 2001, p.4). On the basis of a description of the revenues, the structure of the costs engaged to generate the promised value, i.e. that of which, precisely, it is necessary to be remunerated, can be integrated to the BM (Chesbrough, 2003; Osterwalder and al., 2005; Morris and al., 2005; Lecocq and al., 2006). Indeed, it is preferable that the project leaves some profits to be shared rather than some debts to be covered...

In synthesis, concerning the revenue, the BM integrates three dimensions: the sources by which the revenue reaches the entity, the volume of revenues (turnover) and the potential profit. Corresponding calculations are refined by the development of the project.

But, as we are inspired by the concept of value chain, it is perhaps initially necessary to understand the value of the offer, therefore the proposal formulated by the entrepreneur.

1.2.2. Understanding the value proposition and its manufacture

So that a remuneration can be drawn from what is proposed to the market, it is necessary that this last perceives the value of the offer and is consequently laid out to offer a remuneration (qualitative or quantitative, financial or not,...) in exchange for the service or product. The preceding section specified the importance to understand the volume, the channels of this remuneration as well as the potential profitability of the project. But upstream of this remuneration, it is necessary to understand, on the one hand, the promise made to the market and, on the other hand, the capacity of the future organization to manufacture it. Timmers (1998) employs the vocabulary "structures" of the offer to emphasize the importance of the design of the company's offer. Maitre and Aladjidi (1999) take again the expression "value proposition" from American authors to recognize, from the point of view of the offer, the need for finding a customer exchanging a cost against a practical value exceeding this cost. Osterwalder (2005) chooses the same expression.

Initially, it is concretely a question of understanding the promise made by an entrepreneur. The corresponding questions are a matter of the marketing field, since it is a question of understanding the value which will be recognized by the markets (inter alia, but mainly, by the customers). We invite the reader to consult specialized handbooks on this subject and we prefer, here, to synthesized what the authors working on the BM say.

While working concretely with company founders, for whom the strategy remains at the beginning a vague "big" word even if it will be necessary for them to become strategist, we initially remain close to the customer value. Within the process that goes from the idea to the BP, the value proposition seems to be before the strategic vision, but it is difficult to understand it without identifying an opportunity. The BM must answer basic questions like: who is the customer? (Magretta, 2002); to which consumers (demographic and geographical) the company does offer this value? (Afuah and Tucci, 2001); for whom the company creates value? (Morris and al., 2005); which is the market segment and to whom the service, the product or technology will be useful? (Chesbrough, 2003); which is the nature and the extent of the market on which the company will enter in competition? (Morris and al., 2005). The BM explains then why the customers find interesting the value proposition and why the company, on this basis, is likely to take a competitive advantage.

But it is necessary for the future organization to be able to manufacture the promised offer (thus the value). The term "manufacture" is chosen intentionally. To manufacture the offer, the entrepreneur must not only identify the resources which he needs but also conceive the way of using them, which is related to the organizational configuration allowing to buy well, to manufacture well and to sell well. These resources are material or immaterial, tangible or intangible (it can be a room, a vehicle, a competence, money, a relation, a network, a user license...). In other words, the entrepreneur knows his resources needs and can collect them to arrange them in an organization producing the value which he will be able to put on the markets. On this point, the BM, once again, does not invent anything but puts this fundamental cycle ahead, cycle that many concepts sometimes sophisticated too much.

According to Linder and Cantrell (2001), the activities explained by the BM concern the operations implemented to respect the promise and to obtain in exchange what the entrepreneur needs for that. In other words, this capacity is not independent of the other actors of the offer system since the promise cannot be held without their participation in the design of the offer.

1.2.3. Taking position in a network of value exchange

Although Porter does not appreciate the new concepts, and because within his concepts there are fundamental ones, and assuming the risk to denature partially his matter, to understand the relations with the partners which the entrepreneur needs to build his offer is not without pointing out the concept of system of value. With this one, Porter (1996) integrates the value chain of a company in a system, i.e. in a broader flow of activities. For example, suppliers of raw material produce themselves some value, upstream what the entrepreneur adds to these materials. The distribution networks add value downstream the entrepreneur's activity. The customer perceives finally a value in which a whole of actors took part, each one of them drawing revenues from its contribution. The arbitration suggested by Viscio and Pasternack (1996) between what must be in and out of the company results in evoking the place of the company in the value network (Lecocq and al., 2006), i.e. within a whole of actors (often of other companies) who contribute to the construction of the value proposition. In other words, understanding a BM implies to locate the company in a network of partners (Dubosson-Torbay and al., 2001; Osterwalder and al., 2005). These partners can be considered as a unit "which includes the relations with the suppliers, the partnerships, the interactions between several markets" (Benavent and Verstraete, 2000, p.89). This network allows to create and bring value to the market as well as to generate revenues for the company. Once the actors of the value network are identified, it is the place of the company in its network (Rappa, 2000; Mahadevan, 2000; Shafer and al., 2005) and the relations with its stakeholders (Warnier and al., 2004; Shafer and al., 2005) which are studied as they allow to understand the creation of value related to its activity.

Gordijn's research presents a reflection on the value network through questions which accompany the company in the representation of its BM. These questions are voluntarily large ones and link the actors of the network with the relations between the actors, in particular by the identification of the resources (or offers) exchanged. For example: who are the implied actors and who add value? In an entrepreneurial perspective, Verstraete and Jouison (2007) consider that the BM is thought, since its design, in connection with the stakeholders of the company. The partners receive a share of the value created by the company in exchange of the resources they provide to the company. But the stakeholders are also brought to take part in the value proposition of the company, even by the nature of the resources which they bring, or by their level of participation in the delivery of this proposition to the ultimate consumers, i.e. by their place in the value network.

In this perspective, the BM includes the exchanges of value between actors awaiting something in compensation of what they bring. According to Applegate (1999), each stakeholder must draw a benefit from its participation in the value network. A BM "includes the proposals for a value which you negotiate with all your important staholders" (Linder and Cantrell, 2001 p.13). The BM explains thus, on the one hand, the creation and the addition of value in a network of multiple partners and, on the other hand, the exchange of value between the actors of this network. According to Gordijn and Ackermans (2001), the role of the BM is to answer the following question: "who offers what to whom and who expects what in return?" (p.8). We also proposed a practical question including, in a broad way, the revenue model and the value creation: "How, starting from your offer of products or services, your company generates value for itself and its stakeholders?" (Jouison and Verstraete, 2006, p.11).

1.2.4. Integrating the BM in an entrepreneurial process consequently comprising five phases

After the synthesis of the literature to which we have just proceeded, it appears obvious to place the concept of BM after the business idea and the opportunity. Without the demonstration of the existence of a potential market, a BM cannot be convincing and, to some extent, would not be yet a BM since the concept comprises the idea of a value network of which the project is part. That means that this network has already been

approached and that its members adopted the BM. Moreover, this concept of value network allow, to separate the BM concept from the filiation of Porter's approach because, there, the authors emphasize the importance of the value creation and remuneration rather than the competitive positioning usually discussed by the strategists. In the process of development of a business, the BM would be thus upstream of the strategic vision. This last insist on certain aspects not integrated into the BM or, at least, less crucial when this one is exposed. The BM is not a "total" concept integrating all the aspects of firm foundation. It proposes a synthesis of the relations of value exchange by questioning their nature, their methods and their remuneration. The singular statute of the BM compared to strategy can be reinforced by its mobilization from the entrepreneurial point of view, in particular in the context of firm foundation. Our conviction rests in particular on a narrow correspondence between the uses of the BM described in the literature on the concept and the problems faced by any firm founder. For example, if a company tries, throughout its existence, to convince resources holders, this difficulty appears particularly critical during the firm foundation. Without these resources, the organization cannot be born. The BM (even if its formulation is unfinished) can be mobilized within the framework of these exercises of conviction whereas speaking about strategy is premature. A reflection in terms of BM thus makes it possible for an entrepreneur to articulate various components of his project such as his promise of value creation, the manufacture and the remuneration of this one, these elements implying exchanges within a value network. On this point, the BM facilitates the alignment of the actors of the value network around a shared vision of the proposition and the value exchanges between the organization and its stakeholders (including its customers). The founder gathers step by step around him the actors who will give life to the future organization. For example, if recruiting an employee proves to be a complex stage and fraught with consequences for any firm, this problem might be accentuated during the founding phase. A bad choice could endanger the launch of the activity.

The BM considered as an abstraction of strategy, as suggested by Seddon and al. (2004) finds here an additional interest. The BM being, to some extent, a simplified and partial version of strategy, it is more accessible than the latter for the entrepreneurs which, consequently, are able to communicate it more easily. The concept of "clearness" about the presentation of the BM is recurrent. It is undoubtedly all the more important in context of firm foundation where the entity does not exist yet and where only words give life to the organisation.

Placing the BM after opportunity but before strategy, the following design of the process of development of a business can be proposed:

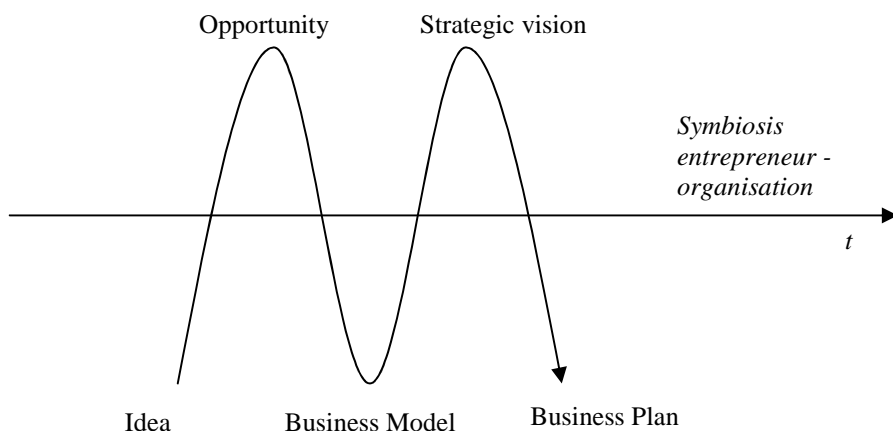


Figure 1. From the Idea to the Business Plan: a new version of the entrepreneurial process (Verstraete, Saporta, 2006)

This processual reading of the development of a project of firm foundation is not total. For example, certain administrative aspects about the deposit of the juridical statutes of a company are not included there. The entrepreneur will approach the competent services (for example the Chambers of Commerce). About the five identified phases, the previous paragraphs synthesized them and the singularity of a project can comprise elements not evoked here. The concrete development of a project requires effects of zoom, sometimes on the opportunity phase –using then the marketing tools -, sometimes on the business plan, in particular for the financial and juridical aspects. Our message is finally a modest one: to show method in the construction of a firm foundation project, one can identify some inevitable phases that it seems reasonable to place on a temporal axis in the order indicated. We do not consider the reading of this diagram must be linear, because the process is iterative and we do not pretend that the entrepreneurial process is marked out, for its starting, by the idea and, for its end, by the BP.

To some extent, the process evokes a multi-stage device where each stage is part of the following one (the idea is in the opportunity, which is found in the BM, etc).

Thus, in addition to the study of the couple entrepreneur/project – which can be described as symbiosis – the process, comprising five phases with porous border lines, is just summarized here.

The entrepreneur must find a business idea which he develops and, if possible, he protects (ex: patent). He evaluates the capacity of this idea to meet a market and, thus, to become an opportunity. He works out his BM, then his strategic vision which he formalizes in a BP. The BM takes place in the middle of the process because it is difficult to conceive it without having approached the market, which is not limited to the potential of customers but includes all the system of offer. It is strongly related to the strategic vision of which it is the main component but it evacuates some aspects that the strategy cannot elude. The BP is the written version of this vision. It is not only words laid down on paper because it establishes all the activity undertaken before the entrepreneur upholds it, i.e. all the work carried out on each phase, and the BP presents why and how, concretely, the events will be consistent with the forecasts, partly quantified. But to understand these forecasts, it is necessary beforehand to seize the heart of the business, the BM. Upstream of this one, the work on the idea and that on opportunity are the subject of well-trying methodologies, even if sometimes, especially within the framework of a new activity, the estimate of the turnover remains speculative.

The sinusoid symbolise the contours of one screws turning around the axis of time. When it turns in a direction, it seals the object which it formalizes by engaging the founder and his partners in the project. In opposite direction, it releases the object to offer the play necessary and to better go ahead or to completely release it (renunciation to the project).

With this first section of the paper, the role of the BM was encircled and its place in the development of a project was identified. This place proves to be central at the point the researcher in entrepreneurship is asked to give theoretical contents to this object and, thus, to appreciate its capacity to exceed its statute of buzzword. The next section carries out a more conceptual examination of the BM and leads to propose the GRD model and the grids ensuing from it and making it possible to work out a BM concretely.

2. Theorization (model GRD) and grids of development of the Business Model

In a first section (2.1.), we restore the theoretical bases of the BM in the most concise way possible. Thus, whereas we mobilize three theories to conceptualize the BM (Vertraete and Jouison, 2008; Jouison, 2008), namely the stakeholders theory, the resources based view (RBV), the conventions theory, we stress on the last one since we end at a model where the BM is defined as a convention regarding the value generation, to its remuneration and the division of this remuneration (the GRD model). In the second section (2.2.), we present the grids build thanks to our effort of theorization, crossed with the literature about the BM. These grids are used in the pedagogy of entrepreneurship, in its part devoted to the development of the project, and in the guidance of company founders.

2.1. From theoretical bases to the definition of the model

For the stakeholders theory, the reader can refer to the publications of Preston and Sapienza (1990), Freeman and Reed (1983), Clarkson (1995). For the RBV, those of Prahalad and Hamel (1990), Teece and al. (1997), Wernerfelt (1984), Grant (1991), Barney (1995) can be quoted. We don't forget that the RBV is crossed by various currents whose nuances make the search of homogeneity illusory.

Whatever, for this text, the reader will take the stakeholders theory and the RBV in their common sense. On the other hand, the conventions theory is reminded because it is less known in the Anglo-Saxon literature in entrepreneurship.

2.1.1. Stakeholders and resources used in their common sense

To explain the common sense joining together the stakeholders theory and the RBV, one can raise that the entrepreneur must identify the stakeholders being able to adhere to his project, because it needs customers, financiers, employees, suppliers, etc Each one of them has precious resources for the foundation and the durability of the organization. For this reason, the resources necessary to the foundation (and their holders) and the resources necessary to the operation of the company (and their holders) can be distinguished.

So that the stakeholders offer these resources in compensation of the value that brings to them, or will bring, the impelled organization, the entrepreneur must convince them and obtain their confidence, which comes to the same thing as minimizing the risks that they perceive or offering to them interesting return on investment. This exercise of conviction is part of the concrete actions which the entrepreneur must carry out in particular to gather the resources he needs for his project. The company evolves in an environment made up with individuals or groups of individuals with whom it maintains relations to make them true partner, i.e. stakeholders for its evolution. These stakeholders are not only the shareholders and comprise the customers, the employees, the suppliers, etc., i.e. all the parts to whom the firm has responsibilities. The terminology "stakeholders" is dedicated to the whole of these partners. Researchers speak about the *stakeholders theory*. This approach takes part in a theoretical construction of the firm, which is the resultant

of the structuring and the establishment of a “corporation” by which various parts, continuing each one their goal, reach this one by their relations with the firm (Donaldson and Preston, 1995). The latter is described like a constellation of co-operations and shared and/or competitive interests, which raises problems of governance, even, sometimes, moral and philosophical questions concerning the way of behaving in the multiple relationships with the parts concerned with the business.

Force is to note that the literature mobilizing the stakeholders theory is devoted primarily to the established firm, whereas it can also be used for the nascent company. Dynamics inherent in the impulse supposes some energy subscribed near resources holders (initially the entrepreneur himself) which it will be necessary to satisfy durably to maintain them in relation as a whole built around the business convention proposed. The durability and the governance of the organization depend on the durable adhesion of these stakeholders, therefore of the value which is also durably brought to them. For that, the entrepreneur must show to the resources holders he wishes “to embark” in his business, what constitutes the heart of his business, i.e. the model with which he intends to bring value that the value will remunerate. This model must be clear enough so that each one agrees to recognize that, indeed, it is a good way of generating value that a turnover will reward. The same stakeholders will know better, at the conclusion of this demonstration, clarifying what is the true business of the company (even if the entrepreneur’s representation is still the most complete one). In exchange of the resources brought to the entrepreneur, their holders, then become *stakeholders*, await remuneration. The BM is seen here like a conceptualization of the business, a whole showing, at the same time, in a concrete way how the money will return and, in a more abstracted way, how will be held the exchanges/relations with the stakeholders (Verstraete and Saporta, 2006). These relations refer to another theory, the RBV, since they relate to the exchange of resources.

About the resources, the efforts of theorization in this field reveal nuances, even ambiguities. For example, a resource is a capacity controlled by the firm. However, to build this one, it is necessary that it could collect what constitutes its essence and that it seems reasonable to describe as resources. An ambiguity emerges in the use of the term “resource”: is it the input, arranged with other inputs, on which the organisational capacities add a value or is this the result of this know-how? Concerning the input, is this a basic element necessary to the construction or, in oneself, already the fruit of a construction of the one which delivers it to us? The concept of value network can be complementary to the value chain.

In the field of entrepreneurship, it is easy to compromise with ambiguity of the concept of resources. Using Barney’s terminology, a company founder must collect the best resources (*resource-picking*) in order to build the best offer (*capability-building*) constituting itself a resource for those which acquire it. The stakeholders initially bet on this offer. They were convinced by the promised value and the capacity of the couple entrepreneur-organization to “manufacture” it. In other words, the stakeholders, at the same time, understood and adhered to the value generation.

With the BM, the entrepreneur gives an account of it also by financially translating the strategy considered. By its BM, he both imagines and conceives this future value as. For this reason, his cognitive capacities are an essential input of the project and it should not be astonished that the potential partners judge the entrepreneur (and not only on his cognitive capacities...). The durability of the company depends then on the optimization of the resources, therefore on the optimization of their coordination and the exchanges/relations with the stakeholders.

2.1.2. Contribution of the conventions theory to the BM

As well as the RBV, the conventions theory is not homogeneous and reveals filiations whose theoretical bases can certainly be connected, but of which positions and objectives partly differ. Among the mutual points, the theory rests on the idea that the actors within a defined space time share a base of common knowledge to which they tend to conform. Thus, within chronicle/recurrent situations, the coordination of the actors is controlled by beliefs, in particular concerning the behaviour of the others (Orléan, 1994). The coordination rests on collective cognitive devices (Munier and Orléan, 1993) and a convention constitutes a way to adjust the inter-subjective behaviours (Gomez, 1994). Convention results from the combination between individual actions (because of which it evolves) and a framework constraining subjects (Dupuy and al., 1989). According to Gomez, “a convention appears in a situation of radical uncertainty (...) it is a regularity which solves in an identical way identical problems of coordination. Then, it replaces individual calculation.” (Gomez, 1994, p.95) and “a convention is a social construction, because it exists concretely only by the accumulation of mimetic behaviours, to which it gives, like a social mirror, their meaning.” (Gomez, 1996: 145).

In the context of firm foundation, any potential stakeholder is more easily convinced when other parts already adhered to the project. If one agrees to recognize that a business opportunity is the sign of customers’ interest to buy (even to use) the proposed offer, a financier will be then more inclined to bring the awaited resources. The imitation can be compared to a domino effect likely to receive the adhesion of other

categories of stakeholders (capital angels, banks ...) while the business is modelled. Thus, one can imagine an iterative and progressive process of adhesion to a conventional register suggested by the entrepreneur (or the entrepreneurial team). This one starts from an idea for which it evaluates a potential of business. This opportunity can, in reference to the RBV, correspond to an offer only if the latter expresses a whole of capacities of making things well, in which competencies might emerge (i.e. valuable, rare, non-substitutable and not easy to imitate capacities as described in Barney's "Vrio" model). To collect the resources, the entrepreneur must thus convince their holders they will be used for the foundation of an organization (which corresponds to Barney's "Vrio" model). But the stakeholders require something in exchange of what they bring and appreciate also the potential of the business.

The BM composes with these requirements. Not taking these into account isolates the non-convincing entrepreneur and the convention becomes an illusion. If, in addition to the design of the offer which he carries, the entrepreneur integrates and combines the stakeholders' expectations, the collective takes part in the effort of foundation. In this vein, conventionalists consider a company as a "convention of effort". In the literature, paying attention to these efforts is not new. For example Leibenstein (1982) proposes to see this effort like a choice of adhesion to a collective behaviour resulting from peers' kind of social pressure. The convention then translates the employee's participation in this collective effort. His behaviour can result from a combination between coercion and imitation (see Véran, 2006). Seen under this angle, the conventionalist perspective finds its filiations in the games theory. In addition to the possibility of proposing a convention of effort by which the value can be promised because its manufacture is thought on the basis of related capacity, the manufacture is possible only if the future partners allow it while bringing the resources they own. Thus, the convention of effort rests on the market of the various relations between categories of actors engaged in this space of exchanges and having normal, known and shared behaviours, to which each one refers to act, awaiting other actors of the market to do the same. Thus, beside conventions of effort, "conventions of qualification" define the nature of the relations between qualified actors (Gomez, 1997), which allow the promised service. In our design of the BM, these partners adhere if they seize how the value is generated (comprehension of a promise of value carried out by the capture and the good use of the resources in an organization conceived for this purpose), is remunerated (volume, channel or channels and potential profit) and is shared/divided (it is the exchange of value within the value network).

Thus, any nascent organization develops a conventional register gradually (Verstraete, 1999,2003). It shares this one with the whole of its stakeholders, the organization emerging or being impelled by the establishment of exchanges between qualified actors (convention of qualification) allowing the realization of the project (convention of effort). For that purpose, the one who impels the organization (the entrepreneur or the entrepreneurial team) is inevitably confronted with other conventional registers.

The first are those of the companies of the sector, including the most direct competitors. These confrontations generate themselves representations of the way of behaving in a branch of industry. The companies working in a sector conceive in a certain way what business is and, therefore, what are the corresponding conventions. Not only following the conventions theory, literature, rather largely, revealed the representations, the designs or the values guiding the leaders of certain sectors (for a synthesis, see Desreumaux, 1995).

The entrepreneur must also compose with conventions of the "world" of firm foundation. For example, the intensity and the quality of provided work are formalized in a BP. As we specified in the first chapter, it is a written document describing the activities undertaken upstream to develop the project (work on the business idea, the opportunity, the BM) and presenting the activities which will be led downstream to launch the business and to reach the results anticipated through a financial translation of the foundation strategy (strategic vision). Many actors, essential with the starting of the business, in particular the investors and the lenders of capital, but not only, require this document which obliges, also, the entrepreneur to formalize his project (Dondi, 2008).

Lastly, a third identifiable register relates to the resources holders solicited, which can be categorized to help the analysis. The resources holders share conventions about their trades that the entrepreneur must know in order to be heard by them. For example, it is useful to know what guides a capital-angel's decisions to negotiate with him.

These three levels – perhaps are there others -, are included in the bottom of figure 2, showing that the BM, considered like a convention, is embedded in other conventional registers which it is advisable to take into account since the actors sharing those register are likely to take part in the business considered. The BM is comparable to an original convention to which the entrepreneur must make adhere partners (organizations, institutions or individuals) owning the various essential or useful resources for the project. This convention will constitute the stable basis, but evolutionary, of the nascent organization. In other words, the entrepreneur must give birth, create, initiate or conceive a convention, potential at the beginning, around which resources holders will agree to see a good way of doing business and will bet that the project will control in an optimal way the value exchanges (in other words of resources) between all the categories of stakeholders. A network is created around the proposed BM, now considered as a convention, the

entrepreneur being the one who impels the corresponding organization, which becomes the tangible demonstration of the nascent company.

2.1.3. *The Business Model: a convention regarding the value generation, its remuneration and the division of this remuneration*

Figure 2 constitutes a conceptual representation of the BM. In its high part, the RBV and the stakeholders theory make it possible to identify the stakes linked with the constitution of the BM. The RBV results in identifying and then joining together the resources essential for the project (the “best” resources). Obtaining these resources implies to canvass their holders. But the *resource-picking* obliges the entrepreneur to demonstrate his ability to build capabilities (*capability-building*) upon the resources he intend to gather and, better, to set up these resources in competences making it possible to take an competitive advantage. This advantage will be sustainable only if the stakeholders are durably satisfied. The convention is collective by nature. If the actors of its construction do not participate to it anymore, then the danger is close. At the origin, stakeholders will be interested to participate only they are convinced of the value of the offer. This value results from an organisational capacity to generate enough value to exceed the costs induced by its “manufacture”. But it also results from the meeting between this generation and its perception. In other words, it is necessary to create supply and demand through a business opportunity. In addition to the explanation of the value generation (promise + manufacture), the stakeholders must understand how this value will be remunerated by the market. The *start-up* phenomenon can be there reminded. Remuneration directly refers to the revenue model, i.e. to the volume of this one (turnover), to the channel (or the channels) by which this remuneration will forward and what the organization anticipates to keep (profit). But the stakeholders await a division of this remuneration which corresponds to the exchanges of value. It is in the interest of any company founder to anticipate the relation of exchange and, better, to make it conspicuous to incite the resources holder (some resources being rare) to give the best of what he can bring. Thus a convention emerges, impelled by a entrepreneur composing with a collective of stakeholders.

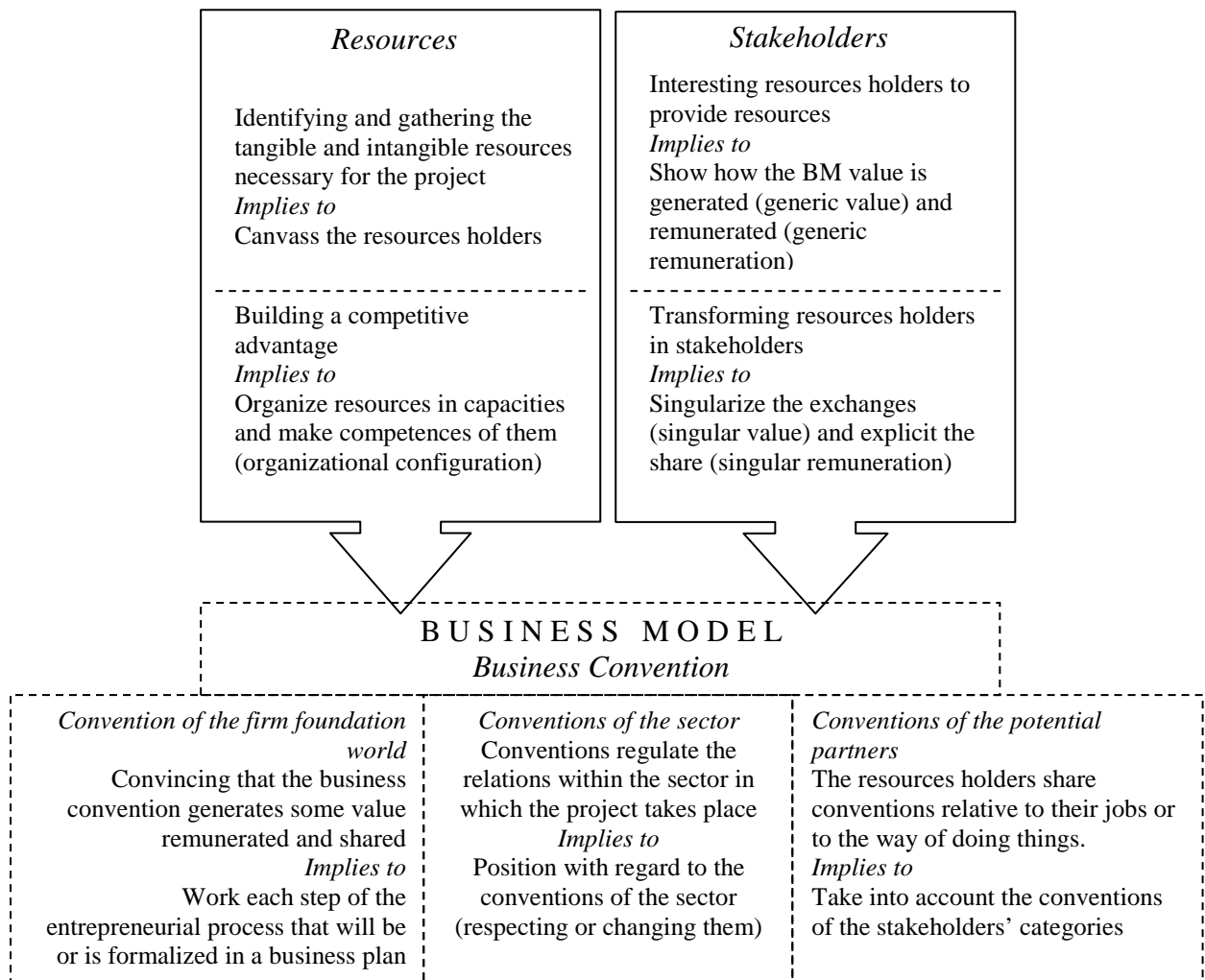


Figure 2: The BM, a business convention (Jouison, Verstraete, 2008)

The high part of the diagram is a specification of the contents of the BM. It refers, to some extent, with the nature of this business convention. The development of the project raises some questions among which the possibility of producing rules and/or conventions specific to the impelled organization *versus the* compliance with rules and/or conventions already in use which is specific to the foundation of a new entity, and what is accentuated when this new organization exploits an innovation.

The low part of figure 2 expresses the embedding of the BM convention in the three conventional registers, namely that of the world of firm foundation, that of the branch of industry where the business is projected, that specific to the partners related to their trade or their way of doing things. The BM considered is one of the artefacts making it possible to build the cognitive framework shared by actors, institutionally supported, which the foundation of a new company supposes. The conventions theory puts in perspective the BM in its role of social artefact.

2.2. Articulation of the GRD model with the literature on the BM and design of the grids helping to conceive a BM

The present section shows the grids of topics to tackle and decline in questions to be posed in the development of a BM. Those grids are about the value generation (2.2.1.), the remuneration of this one (2.2.2.) and the division of this remuneration (2.2.3.).

2.2.1. Value proposition + manufacture = value generation

We previously emphasized some elements corresponding to the search of intelligibility of a business. In particular, it is advisable to understand the proposed offer, therefore the promise made by the entrepreneur at the market. On the one hand, the entrepreneur must be personally qualified to hold his promise (the value proposition) and, on the other hand, the organization which he impels must also be qualified to realize the promise (the manufacture of the offer).

The value proposition is a promise made at the market, since the offer is not carried out yet. During the foundation of a company *ex-nihilo*, the exercise consisting in convincing the resources holders requires to be particularly clear on the idea and the business opportunity. This clearness makes it possible for the holder "to see" the idea and its market, i.e. to have a mental representation of the offer which required him a minimum cognitive effort. This clarification is not independent of the one who formulates it. In addition to his intrinsic capacity to communicate, an investor needs to believe in the competence of the founder to hold the promise and to conceive an organization able to manufacture it. Obtaining a confidence on this point often implies to know the history of the entrepreneur and of his project (and thus of the BM).

About the manufacture of value, the resources holders, whose adhesion is hoped by the entrepreneurs, are all the more convinced that they perceive the capacity of the company to deliver the value proposition to the market, but also to themselves (the division). The entrepreneur must show his capacity to identify the resources, to collect them if he does not have them and to pertinently exploit them in a controlled organization. The identification of the resources is one of the first needs to understand the manufacture of the value. The majority of the entrepreneurs have a relatively clear vision of the resources they need but this assertion is to be moderated by two aspects. First is about the progress of the project. The second relates to those who hold the resources.

Cross the literature with our guidance experiments with entrepreneurs, we finally conceived the following grid, which synthesizes the topics to tackle concerning the value generation.

G E N E R A T I O N	Entrepreneur (who proposes the offer?) Experiment Motivations Entourage
	Value Proposition (what is the promise? the customer value?) What (idea: source, development, protection) For who (general environment, market, target) Ambition, position (competitive position, Strategic Factors of Success, Strategic Factors of Risk)
	Value Fabrication (how will he do?) Identification of the resources Capacity to collect (to gather) the resources Use of the resources (organization of the resources in capacities then in competences) Competitive analysis (competitive advantage) Participation of the value network

Table 1. Synthesis of the topics to tackle concerning the value generation

As the project progresses, the adviser in firm foundation will detail progressively each item, by a kind of zoom effect, and will be able to help the entrepreneur to control the concepts and the associated vocabulary.

2.2.2. Volume + channel + profit = value remuneration of the value

The value remuneration requires from the entrepreneurs to identify or estimate the volume of their revenues, the channels by which this volume is in transit and what they think they will draw some profit or benefit. This dimension is complementary to the value generation because the convention must also be established on the capacity of the company to live thanks to this activity, therefore to draw some incomes from it ensuring its durability. For some theoretical currents (in particular the Austrian school of economy), the concept of opportunity cannot be thought without the profit (taken in a broad meaning) which is associated to it. In the context of firm foundation, the customers are hypothetical, whereas for an established company the income statements confirm the realization of turnovers validating the assumption that customers exist.

Concerning the channels of remuneration, it is necessary to show how the remuneration reaches the company. The sources or channels of revenues are variable from one project to another, in particular by their nature (cf the case of the associations). Their description is very important for the entrepreneurs themselves but also for the stakeholders interested by the durability of the organization. Admittedly in most of cases, the customer pays the service or the product, directly against invoice, but sometimes the forms of this payment can be carried out via a discount card awarding the regular customer. His loyalty makes it possible to protect the market in order to preserve the sources of remuneration, for example by causing the perception of a too important cost at the exit of the relation (financial costs, learning cost, etc). It is a question of "locking" the customer or of practicing the "versioning" of Shapiro and Varian (1998) to personalize the offer by practicing discrimination. For example, the occasional customer pays a full price whereas the owner of a discount card pays a less price and/or profits from personalized services.

In order to convince, estimating the turnover and explaining the source of it is not enough. It is also necessary to demonstrate a durability by showing the capacity of the company to cover the costs engaged to promise, manufacture, be remunerated, etc. It is *a priori* the role of accountancy to help the entrepreneur to estimate the possibilities of benefit, which guarantee to all the stakeholders that the relation of exchange is durable.

Table 2 synthesizes the topics essential to approach (and to translate into a whole of relevant questions for a specific project) concerning the value remuneration.

R E M U N E R A T I O N	Sources of revenues Opportunity Revenue streams Who pays for the value?
	Volume of revenues Turnover Market share (today and/or tomorrow)
	Profits/Gains Financial performance (margin, break-even point.) Non-Financial Performance (nature, ...)

Table 2. Synthesis of the topics to tackle concerning the value remuneration

As for the table concerning the value generation, it is possible to carry out a “zoom” on a topic while the project progresses. For example, concerning the financial performance, the estimation of the break-even point and the margin induces questions on the structure of the costs like “To date, what are your fixed charges?”.

2.2.3. Network + exchange = division of the remuneration

The BM, as a convention, composes with a collective sharing the representation of the proposed business. If the entrepreneur integrates the BM in a more complete way than the others *stakeholders*, each stakeholder takes part in the convention while being particularly interested by the exchanges induced by this convention. The company is at the core of the business network, at least by taking the point of view of its BM, whose actors can have different expectations, even divergent interests.

Sometimes, the network pre-exists. The actors of the network already know each other; they can work together, and sometimes even around a BM close or seemingly identical to that proposed by the new entrant. This last must then make conspicuous the exchanges, i.e. to convince the stakeholders that they will gain more working with him than with the others. It is not a question to reconfigure the network, but to attract the most interesting flows of exchange towards the company. In other cases, the network pre-exists partly. A BM creates a new node and becomes an interesting point of passage, for example for actors who didn't have the occasion to truly divide value. Lastly, but perhaps other situations exist, the BM creates the network by its innovating characteristic. In all the cases, from a managerial point of view, the network requires to keep in mind two permanent concerns. The first relates to the identification of the best partners. Those answer three criteria: they own a resource essential for the project, they are accessible, they can be interested by the exchange. The second meets an aim of durability and conducts to set up policies making it possible to optimize the relations with the stakeholders (wages policy for the exchanges with the employees, purchases policy for the exchanges with the suppliers, etc; Verstraete, 2003), these policies become effective in a growth perspective of the impelled organization.

While the project progresses, it becomes possible to pass from a reflection on the relationships with a general category of stakeholders to the development of optimal relationships with identified stakeholders. For this purpose, in addition to the answers to the questions presented in the table 4 (and in resonance with them), the guided/advised entrepreneurs must fill a matrix about their stakeholders comprising 7 columns (table 3). Two columns were added on the left of the matrix proposed by Verstraete and Saporta (2006) in order to explicitly connect the network to the generation of value.

Resource necessary for the project	Use of the resource	Stakeholder	Value expected by the stakeholder	Value to be drawn from the stakeholder	Stakeholder's power	Stakeholder's attitude

Table 3: The matrix of the stakeholders (adapted of Verstraete, Saporta, 2006)

This exercise is first perceived as constraining (it is as constraining as the drafting of a business plan that it will supply). But guided/advised entrepreneurs quickly apprehend that they summarize and understand thus their business network.

This table explicitly connects the division (columns 4 and 5) to the generation of the value (columns 1 and 2) via the stakeholders (the value network takes part in the generation of value).

It is also a way of finding a balance because the entrepreneur will visualize the divergences between the expectations of the ones and those of the others (ex: the customer wishes to pay late while the supplier expects to be paid early). Satisfying permanently everyone is the ideal, but the everyday life of a company is more like a balance, even sometimes like juggling, between the wishes of each part involved in the business than their strict respect. The entrepreneur will then appreciate the stakeholders' potential power (6th column) with the aim of grading them on the basis of this criterion. The concept of power is related to the importance of the owned resource (in particular when this one is rare) but also to the stakeholder's role or prestige in the network. It is sometimes regarding a punctual need when, for example, a stakeholder has the power to allot a subsidy finally granted. Its capacity is more important before obtaining the subsidy than afterwards.

Lastly, the division of value prepares to the exercise of conviction that the entrepreneur orally carries out when he meets the stakeholders. If the contents of the BM sustain obviously this exercise, the division leads to take a certain distance, to integrate each dimension of the model (GRD) in a speech intended for the stakeholder met. It is a question of making the whole understandable while stressing the aspects to which this stakeholder seems sensitive. While he presents the same BM, the entrepreneur adapts his discourse. The one intended for a supplier will not be strictly identical to that intended for a banker.

If the entrepreneurs are unequal regarding their capacity to communicate, we clearly noticed that the concept of BM helped the most hesitant while enabling them to distinguish what is essential from what is accessory when they have little time to defend their project. Consequently, the BM gives them a confidence inevitably felt by the potential partner. In all the cases, including the entrepreneurs owning qualities of speaker, the BM provides a framework structuring the discourse with which the guided/advised entrepreneurs are, unanimously, comfortable with, therefore even more convincing.

To carry out a good performance, trainings through the simulation of meeting with potential stakeholders are essential. Any entrepreneurship formation or any guidance should not neglect the benefits for entrepreneurs to defend their projects orally. Drafting can be added, because the oral exercise profits largely from the writing one (see exhibit 2 in the third section).

Table 4 synthesizes the topics relating to the division of value.

D I V I S I O N	The value network Identification of the stakeholders Natural exchanges and exceptional exchanges
	Conviction to share Oral training Writing

Table 4. Synthesis of the topics to tackle concerning the value division

3. Teaching variation of the GRD model to learn entrepreneurship

The title is partly borrowed from a former text (Senicourt, Verstraete, 2000) aiming at explaining why both very young people and elderly ones can learn how to undertake. Here, our matter about initiation and formation in entrepreneurship is appropriate for the programs of higher education, without drawing aside the idea, that upstream, actions are desirable and completely possible.

The practical use of the GRD model appears in two ways: in entrepreneurship pedagogy and in the guidance of company founders. Both manifestations meet when, from the pedagogy point of view, students intend to found firms and, from the guidance point of view, structures like incubators ask us to train entrepreneurs. Here, we remain within the framework of the teaching exercise (for the presentation of the practical experiments, see Verstraete, Jouison-Laffitte, to be published – april 2009).

As well for pedagogy than for guidance, the GRD model leads to a method of development of a project rooted in the process presented in figure 1 (first section).

About the initiations (section 3.1.), in addition to those led in a first year of Master and in IUT, we will present mainly the seminars dispensed in the Bordeaux Business School (ESC, SUP' TG and EBP), and within the the Institute of Cognitique of the University Victor Segalen - Bordeaux 2.

In the training area (section 3.2), we will be interested mainly in the specialized formations delivering a diploma. The question is to explain the pedagogy of the master in entrepreneurship of the University Pole of Management sciences of the University Montesquieu - Bordeaux 4 (namely the master "Création, Reprise d'entreprise et Entrepreneurship") and that of the Entrepreneurship License of department of Commerce Techniques of the Academic Institute of Technologies (IUT) Bordeaux Montesquieu. Our matter is not complete. On the one hand, all the actions carried out are not developed and the contents of those which are it are incompletely delivered.

3.1. Making students sensitive to entrepreneurship

In 2002, in the most elaborate formation (creation, resumption of company and entrepreneurship), for the first time, some students were explicitly questioned on their BM. The concept was evoked in class, but had not been the subject of a specific teaching yet. It appeared advisable to decline in pedagogy the elements making it possible to the students to understand the concept and to practically make use of it in the development of their project.

The problem of designing pedagogy of the BM was posed, without dropping the points of the programme that functioned well, but including there the modern conception of projects evaluation as well as this new vocabulary employed by practitioners¹. In other words, it was advisable to insert the BM in a more complete pedagogy of entrepreneurship of which it cannot be disconnected.

To date, in context of Bordeaux, in six years by including the present academic year, it is more than 5000 students who were sensitized or trained to entrepreneurship.

3.1.1. Importance to sensitize to entrepreneurship at the university level

In the field of entrepreneurship, it is obviously not necessary to go to University to found a company. It is not unreasonable to imagine the opposite, i.e. to think that the longer the studies are, the less the idea of undertaking comes to students' mind who will occupy the specialized functions for which they were, most of the time, trained.

For example, how many students having a PhD or Doctorate imagine creating a company whereas the scientific formation prepares them to valorise their work by publications in the best academic journals rather than to transfer technologically the results of their research or that of their laboratory? But, whereas the University cannot engage all the doctors, for lack of available places, the companies can prove increasingly interested by the entrepreneurial potential which could appear in young doctors. For example, many companies are, or will be, sold in the near future, why these graduates wouldn't be able to take up again a company, after a first managerial experience? But more largely, why not, during their studies, sensitize these students to entrepreneurship in order to show them that their knowledge opens professional ways which they had perhaps not imagined, mainly the foundation, the taking up again of a company or what can be called "intrapreneurship" (where an individual or a team undertakes not for an organization created for the occasion, but for an existing organization employing them).

Enough naturally, one thinks that it is useless to await the last diploma to carry out this sensitizing/initiation. Most of firm foundations are not innovative and the students do not go until a PhD preparing above all to the academic career. In other words, why not sensitize to entrepreneurship earlier? In the device being set up on the campus of Bordeaux, the idea is to act when students first enter at the University, i.e. in first year of License (L1 level in reform LMD, initials for License, Master, Doctorate), which makes it possible to touch a more consequent number of students (even on the basis of students following voluntarily a seminar). As nobody can predict until where such student can go, earlier he is sensitized, earlier he integrates the idea that entrepreneurship is a possible way, whatever the level and the type of study he will do. In other words, in the University of Bordeaux, two levels are particularly targeted to sensitize students to entrepreneurship: the License and the Doctorate. The schools of engineers are obviously very interested by sensitizing to entrepreneurship (see projects like: Telecom Lille 1, Institute of Cognitique, ENSCPB, ENSEIRB...), as well as business schools and masters of any specialities.

Sensitize students to entrepreneurship rests on a simple idea: if the idea is accepted that our companies (in particular our SMEs) must undertake, they need candidates ready to take initiatives, even able to carry

¹ What is surprising is that the entrepreneurs intending to raise funds (in particular) were questioned about a concept they were not trained about. Sometimes, even their advisors didn't know what the BM is. This remark remains topical and a very interesting research could help understanding how the notion spreads and how it is learned through confrontations and practices.

projects for them and, *minimum*, sensitized to the company, i.e. with the action to undertake and its results. Any sensitizing action takes part thus, indirectly and to a certain extent, with the professional insertion of the students. It aims also to identify the entrepreneurial potentials to show to the concerned students that entrepreneurship is a possible career, even for them or for the organization which employs them. Earlier those actions are carried out, the more the individual will be led to remain on the territory having facilitated his company.

The request also exists from students upstream of the doctoral studies, which take entrepreneurship options in their courses (IUT, Master 1, and obviously dedicated Master 2). But beside the students explicitly interested, various work or reports on the teaching of entrepreneurship and the entrepreneurial intention of students show the utility of seminars of initiation/sensitizing. Those seminars very often exceed the strict perimeter of the entrepreneurship to, more largely, evoke the company spirit. The transverse nature of the course makes it possible to the students to apprehend the whole organization and not only some of its functions (ex: production, marketing, R & D...).

3.1.2. *BM and sensitizing to firm foundation*

The insertion of the BM in the seminars of sensitizing to entrepreneurship was, chronologically, posterior with its use within the framework of the specialized trainings which the next section will discuss. We present nevertheless the things in this order because it proves that for certain programs this sensitizing becomes, sometimes, pre-necessary to follow training modules focusing on some aspects of entrepreneurship. The seminars of sensitizing can take a 6 hours day. It is a little short, but enough to transmit some important messages to the public. When the BM is mobilized to help the students to feel what is the launching of a business, a dozen hours becomes necessary.

Our pedagogy is based on two complementary readings of entrepreneurship.

The first consists in understanding the entrepreneurial phenomenon, in particular the stakes and the problems which it poses, its genesis and its levels of analysis (to know the entrepreneur, to understand his acts and the contexts in which one undertakes). It shows to the student that entrepreneurship constitutes a way that he can completely consider. This reading is mainly theoretical but the exposé includes practical examples, as well as concrete entrepreneurs' narratives. The entrepreneurs chosen to give an account of their experience are often young people not having reached thirty years: students can identify themselves to them. We try, successfully until now, to obtain the participation of entrepreneurs whose organization already do business, of others in earlier stages of the entrepreneurial process, and always one or two entrepreneurs having failed.

The second reading of entrepreneurship presented to the students takes again the process synthesized by figure 1. This iterative process is presented in all the programs. Let us remind that it comprises five generic phases (idea, opportunity, BM, strategic vision and business plan), while the previous reading emphasized the importance of the couple entrepreneur-project. Each identified stage is the object, initially, of a presentation in class (or in amphitheatre). For the idea, it is a question of finding it, of developing it and of thinking to its protection. About the opportunity, while referring to the marketing studies, it is advisable to show that today the idea can meet a market, i.e. the general environment seems favourable and that a study undertaken singularly to confront the business idea with "reality" consolidates the possibility of launching out. If that remains a bet, the BM makes it possible to make understandable the business virtual at its very beginning. The strategic vision supports the BM in particular by planning the launching of the company over one period (1-3 years) by working six poles, the teacher insist on positioning and on the organisational configuration. All that is written in a document awaited by some partners, the business plan being thus a written version of this vision and more exactly of all the work undertaken upstream of its final version.

In initiation as in dedicated trainings, the students are placed in concrete situations where they have to defend a firm foundation project in front of a jury. For a sensitizing to entrepreneurship, the students work in groups. The number of individuals constituting the groups depends of the total size of the class and to the time available to the teacher (it is necessary to get enough time to listen the oral performances to the students). If the complete process is presented to the students (from the idea to the business plan + symbiosis entrepreneur-organization), within the framework of a sensitizing/initiation to entrepreneurship, it seems us relevant to ask them to conceive a BM rather than a BP. It is not rare that their knowledge of the legal and financial aspects is not sufficient to allow them to write a business plan (even if the latter is not reduced to those aspects). That does not mean that the development of a BM is independent from countable realities resulting in estimating a turnover or a break-even point. With the BM, the teacher shows some flexibility on these aspects. Firstly, he will consider that the BM is a convention "in construction" and that the day when it is presented, it does not reflect a completely formalized project. It is rather the illustration of a business in progress, but already convincing. Thus, the group of students does not have to establish forecast

balance sheets, income statements, tables for which he would spend generally much time for an often naive result and a marginal teaching benefit, if not absent. According to us, the initiation must be realized as soon as possible, i.e. in first year (of license, of engineering schools, business schools, of Doctorate,...) because the entrepreneurship enables them to understand the importance, then, to control the great functions of the company by connecting this one to the policies making it possible to optimize the exchanges with the stakeholders. They understand that a non-satisfied stakeholder ceases the relations. The student is then informed of some criteria to be followed (instrument panel). He quickly understands that a stakeholder is a resources holder which was necessary to convince to bring these last, therefore that the BM cannot be conceived in an isolated way and that its development is not only one endogenous process of reflection but especially an exogenous step of conviction. It is by meeting the resources holders and by understanding their expectations which the BM sets up. Some hermeneutics can be seen in this step (see Noel and Senicourt, 2003). In other words, to understand a business, the student must leave the class... Thus, after a seminar of at least 9 hours, the students have to carry out a BM.

3.1.3. Teaching organization of the sensitizing/initiation to entrepreneurship

The exhibit 1 presents two examples of seminars. The first is on 15 hours, the second 27. The institutions where these seminars take place are BBS (Bordeaux Business School), schools of engineers (ex IDC, institute of cognitic), Masters, etc. The sensitizing carried out in I.U.T. (Academic Technological Institute), those proposed to the future doctors of the University of Bordeaux and to the students of License of the campus of Bordeaux are adapted, even if the framework remains the same. For example, for the future doctors, the seminars lasts one week (of the Monday to Monday) and involves actors of techno-poles or regional incubators.

Exhibit 1. Examples of sensitizing/initiation programs

15 hours seminar (+ about 3 hours for oral performances).

First half-day: explanation of the seminar (form, objective, evaluation, speakers...); the entrepreneurial phenomenon: to know the entrepreneur, to understand his acts and the contexts; narratives/testimonies of entrepreneurs.

Second half-day: the process of development of an entrepreneurial project (from the idea to the business plan)

Third half-day: the idea (source, development and protection)

Fourth half-day: the market (how to find information, to estimate a turnover, to inquire into the general environment and the target...) + narratives/testimonies

Fifth half-day: development of the BM (tools) + narrative/testimonies.

Sixth half-day: oral presentation (approximately six weeks after the seminar).

27 hours seminar

Five half-days of the programme of 15 hours

(4 X 3 hours) of guidance for the development of BM

oral presentation (approximately six weeks after the seminar)

Part of the slides of the seminar is downloadable on: <http://www.entrepreneurship.org> or <http://www.adreg.net>

In the 15 hours program, the five half-days are held one after another over 2,5 days. The first speaker plays a key function because he gives the "tone" of the seminar. The reader will notice the importance of the experiment which this speaker must have when there are many students. In addition to narratives/testimonies, 4 or 5 complementary experts adhering to the general model step in the seminar. Each one knows what the other does and thus establishes footbridges between his course and that of his/her colleagues.

When the seminar comprises 27 hours, the 12 hours (4 X 3 hours) which follow are carried out with smaller groups of approximately 50 students (to BEM, 6000 students follow the seminar). The 4 half-days are spaced with one week. Some courses are dedicated to work on the BM, others to case studies and some reminds always appreciated by the students. Oral presentations of a small group proceed in a half-day, each group presents only in front of the jury.

Between the end of the seminar and the oral presentation, each group of students can request a rendezvous with a member of the teaching staff to discuss the development of the BM.

The students become completely conscious of the importance of the BM and the most interested register to the complementary modules proposed in the second year of their training (business plan, pick up again a company...). But this part of the program interests the dedicated trainings, studied in the next section.

3.1.4. Defending/backing up the BM

As in a role game, the students are entrepreneurs supporting their BM, in 10 minutes, in front of a jury which plays the role of private or public investor, of a potential shareholder... The time of the oral performance is not randomly selected. It results from conversations with investors confessing that, at first met with an entrepreneur, they sometimes hardly devote more time to him. The entrepreneur can meet a potential stakeholder which they must be able to interest. The synthesis and clearness are the first criteria to obtain a second longer appointment. From a teaching point of view, the respect of the time obliges students to distinguish what is essential from what is accessory. They remain then on the heart of the business, on the elements of conviction, the BM! Lastly, to announce with an interlocutor that in 10 minutes the project will be summarized, it is to keep the hand because he will be able to be patient during this amount of time before asking the entrepreneur questions outside his exposé. In the contrary case, the entrepreneur risks to be stopped, by a question for example. He will have then the feeling not to have been able to develop his argumentation.

The step is like a game and the students have fun to undertake. The evaluation (notation) is registered in the program to involve them in this play where the appraiser himself endorses a role (ex: a banker, a potential shareholder, etc). The students-entrepreneurs play sometimes of their statute. They can imagine, for example, that a member of the group is an engineer and another is an architect, all two just graduate ones, if this competences appear essential in the entrepreneurial team to convince. That does not obstruct absolutely the teaching objective concerning the comprehension of what is a BM. The teacher will arbitrate when the play becomes unreasonable.

All the members of the group are present at the time of the oral presentation. But everyone is not expected to talk during the first ten minutes. For example, if it proves that the project can be carried by 4 people, and that the group is composed of 8 students, then 4 students must seat and assist to the performance without talking.

Following the 10 minutes, the jury intervenes for some questions during 5-15 minutes. The students deliver the 9 pages document that is presented in exhibit 2.

Each year, we impose a generic topic. For the year 2008-2009, the projects were to fall under sustainable development or renewable energies. The BM started from very different ideas: vertical wind mills placed on buildings and used like advertising media, the tanks with methane, the Canadian wells, the installation of photovoltaic panels, the board game on renewable energies, the consultancies in the restoration of buildings or the realization of energy assessments, the creation of "eco-touristic" sites, the design and the installation of ecological standard lamps,...

3.2. Training to entrepreneurship

About the formation, it is of at least three types (3.2.1.), to which one will be added the need for training trainers.

3.2.1. Types of training to entrepreneurship in the context of Bordeaux

The first type delivers a diploma and is dedicated to entrepreneurship. It trains students in the progression of their project. In the context of Bordeaux, a Professional License in Entrepreneurship aims at receiving two public: first of all students of level Bac + 2 (licence 2), whatever the speciality followed beforehand by them; then trainees of permanent training who are employees recommencing studies.

The second type, also dedicated to entrepreneurship and delivering a diploma, trains experts in the field of entrepreneurship. It is for example the case of the Master CREE (company foundation, company recovering and entrepreneurship) of the PUSG of the University Montesquieu Bordeaux IV. It is a master 2 (Bac+5) intended to the students already graduate of M1 (master first year) or having profited, for certain trainees of permanent formation, of the VAP (professional experience validation). The students, for a third, entered the formation with a project of firm foundation or recovering. Another third has a more or less precise professional project in relation to the entrepreneurship. For example, a young woman, major of her year, entered the Master CREE with the project to work in the venture capital field, where she was engaged just

after her diploma. The third remaining has an undeniable will to undertake, without precisely knowing the form that it will take, generally after a first experiment in a company or in an institution of the entrepreneurship field (advisor in creation, etc).

The third type is an option in a general training or specialized in another field than entrepreneurship. It is a question of bringing a whole of knowledge to interested students without them wishing to leave the formation in which they are committed. They can be also freely selected modules, but taking part in obtaining the diploma, for example a module on the business plan than can be followed after the pre-necessary initiation (thus, in BBS, four modules dedicated to entrepreneurship, each one of 45 hours, can be selected by the students of second or third year², whereas sensitizing/initiation proceeds in first year).

Lastly, to take part in the diffusion of an entrepreneurial culture, the experts of the training area must find actors-relays and train the latter. In other words, it is advisable to conceive seminars adapted to the teachers (professor of college, professor in business school or engineers, personnel of the service of the valorisation of research...) wishing to relay the sensitizing/initiation in their institutions. The teacher training, lasting sometimes only one day, consists of talks, discussions and case sometimes placing the teachers in situation of students, of participation in the animation of a seminar. In this last case, the interested people follow a whole seminar exempted by the experienced pedagogical team to the students of their establishment, this observation generally being very appreciated.

3.2.2. BM and training to entrepreneurship

In this section, we will pass quickly on the contents of Master CREE, our main training program, without delivering the details of the articulations between the theory and the practice, for, rather, showing how the BM became central in the progression of the training of the students, even if the latter must carry out a BP which constitutes the result of their practical learning. The BM is not only a stage of this BP because it constitutes its sense. The BM gives direction to the relation linking the entrepreneur to the organization impelled by him (within the vaster organization surrounding it), and indicates even another meaning, namely that of the course that the strategy formalizes. For this reason, the BM is also specified with the maturation of the project. If one could mark out the beginning and the end of the project development, the BM of semi-course is less precise than that of end of course. On the other hand, it is not necessarily less convincing to make stakeholders adhere when the entrepreneur meets his potential partners. We spoke about the phenomenon of imitation inherent in a convention. Thus, a stakeholder can adhere, convinced that others did it or will do it, if he personally finds a value in the exchange suggested. The teaching program must make feel this progression to the student.

Thus, while following the process of figure 1, the teaching program of Master CREE, just like that of the Professional License in Entrepreneurship, the students make various presentations concerning the idea, the market, the BM, the strategy, the BP. If the borders are porous between the stages, the students need deadlines for, at the same time, advancing and taking confidence in their project (even sometimes to re-examine it). It reduced the place for intuition which, although it is originally beneficial, can prove to be pernicious.

Thus, for a re-opening carried out at the beginning of October, the deadlines are that of table 5.

² The four modules are, namely : Strategy and firm foundation, Business Plan, Company recovering, Guidance of entrepreneurs.

Period	Object of the meeting	Awaited work
At the beginning of October	Re-opening	None
At the beginning of December	Presentation of the idea	In 10 minutes, oral presentation of the idea, of the entrepreneur, way in which he has find the idea, developed it, studied its protection. Delivering of a document of 4 pages: 1 page with the name of the student and the summary of the idea in approximately 100 words, 1 page on the source of the idea, 1 page on the development of the idea, 1 page on the protection of the idea.
At the end of January	Presentation of opportunity	In 15 minutes, presentation to a marketing specialist of the progress of the analysis of the environment, of the market study in order to determine the target and the way of hitting it.
At the end of February	Presentation of the BM	In 10 minutes, be convincing! Presentation of the BM to the person in charge of the training. Delivering of a document of 9 pages (cf exhibit 2).
From the end of April to the end of May	Presentation of the strategy and the Business Plan	Discussions with a support-teacher about the strategy, the launching of the business, the business plan being written.
At the end of June	Back up of the Business Plan	In 15 minutes, to convince the jury. Deposit of the plan of businesses 10 days before.

Table 5: presentations of the advance of the development of the creation project of company

This table cannot completely give an account of the instructions exposed orally to the students. For example, concerning the idea, the students must orally already show an attitude of entrepreneur and a motivation to undertake. They should neither be faint by the stress, nor contrary pouring in the euphoria of an exalted salesman. Moreover, it is not a question to behave like a sales representative selling a product or a service, but like an entrepreneur wishing to interest resources holder. This stage, the resource is cognitive. For the teacher, during this individual rendezvous, it is to formulate with the student a whole of remarks on the idea and the person, without kindness. If the return remains courteous, it is sometimes brutal for the failing student on one or more dimensions; the mirror effect places him in front of his mistake, which must be positively exploited. A new appointment is proposed to this student.

Between each stage, the students proceed to repetitions, in particular to learn how to manage time and not to miss what is essential. When the exercise becomes convincing, the student is reassured and takes already more confidence in him and his project. Members of the pedagogical team worked the idea with the students-entrepreneurs beforehand, in group and individually. But the teacher receiving at the end of February the students hears the idea for the first time (in fact since the recruiting period, the previous year, for the entry in the training, but the idea has often changed during the period). A course (4 X 3h) is dedicated to the oral communication.

To succeed in a suitable exercise, the students have obviously "left" the classroom and, sometimes, passed over their excessive prudence not to want to meet the actors likely to help them to develop their idea (a supplier, one or more potential customers, an adviser in firm foundation, etc.). In a course dedicated to the protection of the idea (4 X 3h), the problems of confidentiality are, in particular, tackled.

Obviously, the borders between the steps being largely porous, at the beginning of December, the courses about the business idea, the opportunity (specific marketing) and the BM were dispensed (incorporating case studies, exposés of entrepreneurs, actors of the world of firm foundation, etc). Beside the lessons, the students profit from appointments with the support-teachers (in particular students of license) and from at least a free day in the week in order to be able to develop the project.

About the presentation of the BM, it is a very important moment of the training. During this presentation, the candidates must convince the person in charge of the training. This moment is finally lived with as much

intensity as the first professional meeting for raising funds and, in certain case, the symbolic system playing its part, perhaps more. Just as a stakeholder, the teacher will be also influenced by the preliminary meetings with the student. If this one succeeds in showing pertinently that resources holders follow him, then the convention materializes and the adhesion is facilitated. Again, if the exercise is not successful, a new rendezvous is taken, later, this one having to be lived as being determinant in the granting of funds (fictitious for this time...).

3.2.3. Writing the BM for conceiving it better

The “emancipator” capacity of writing is caused until the idea since the students have to deliver a document the day when the orally expose their idea. It is the same for the opportunity and obviously for the BM. For this last, the contents are that proposed in the following exhibit. The oral exercise benefits largely from the writing one. The entrepreneur can visualize what he thinks and adjusts the representation of his BM.

Exhibit 2. Writing the Business Model

The BM is a convention which the entrepreneur gains to formalize by writing it in order to adjust the representation he has of it. The trained or accompanied entrepreneurs then have to produce a document of 8 or 9 pages including:

- 1 page for the title (name of the project, of the team, date, etc.)
- 1 page synthesizing the BM in writing³:
 - 1 paragraph on the idea
 - 2 paragraphs on the opportunity
 - 3 paragraphs on the BM (generation, remuneration, division)
- 2 pages on the value generation
- 2 pages on the value remuneration
- 2 pages on the division of value
- 1 page for the matrix of the stakeholders

Sometimes the last page is integrated into the 2 pages on the division of value; sometimes the entrepreneurs print the integral table/matrix which takes then several pages.

Entrepreneurs are invited to schematize, the figures are then integrated into the written pages.

The instructions about the form of these 9 pages are: Times New Roman, Corps 12, single space, margins of 2 cm (high, low, left, right-hand side).

Without confusing BM and BP, it will appear obvious for the advisers that the exhibit 1 constitutes a kind of premise of the business plan. The multi-stage device previously presented induces the inscription of the BM in the business plan.

This written document is also required in the guidance context.

About the other stages of table 5, the presentation of the strategy takes the form of individual rendezvous with a tutor (generally a teacher but sometimes an adviser in creation or an entrepreneur agree to partly guide students through a certain form by sponsorship). The student projects his business over three years. These rendezvous help the students to finalize their BP. The BP is sent to the twelve professional actors who participate to the final jury in front of which, at the end of June, the students will back up their businesses⁴. These members are gathered by three, and each jury is always composed of a private investor (several bankers, including business angels), of an adviser in entrepreneurship and a member of a public institution (ex: director of the Incubator of the Aquitaine Region). Each jury receives, by session, 3 to 4 students. The four juries operate in parallel over one morning. It is this jury which allots a note to the students. The students have 15 minutes to expose their project, using visual supports⁵. After the exposé of the project by the candidate, the jury interacts with him for 15 to 20 minutes such as it would do it with an entrepreneur met outside the teaching context.

³ Each paragraph is of about 100 words.

⁴ Since the 2000's, nearly the same actors participate to the jury. We sincerely thank them for their contribution in the entrepreneurship training of our young and less young entrepreneurs.

⁵ The use of a video-projector can be discussed. A computer, during the presentation, appears practical, for example, to show photography of the room that the entrepreneur intends to buy or to rent, the design of the future website, a drawing representing the manufacturing process or the graphical representation of the value network, etc. The slides sustain the discourse but the auditory (the jury) must go on listening the entrepreneur and not reading the slides. The visual support has to be composed of few slides.

After the jury, during a convivial meeting with the person in charge and the teaching staff, the members of the jury deliver their impressions on the documents and the oral performances. They then provide invaluable information integrated in the training of the following year. For example, they should have noticed that the financial montages required to be reinforced by an increased training of the students on this point.

An anecdote must be told here to explain the increasing place of the BM within our pedagogy. It comprises two important facts.

The first, evoked in a preceding section, relates to the appearance of the expression BM in some questions asked to the students during the jury, in 2002. Resonating with our colleague's (namely Benavent) remark, the BM was introduced in the training the following year.

The second fact is the following. In 2003, it was remarkable to note that, without being informed about the change in pedagogy and the place newly attached to the development of a BM, the members unanimously evaluated very positively and spontaneously the clearness with which the students presented their project. This feeling was confirmed the following year when engineering around the BM was specified and that the first tools were set up. Certain members of the jury were obviously intrigued and asked to know the method around the BM. A second reaction concerns the pedagogical team which teachers explicitly express themselves about this subject. They apprehend better their implication and the impact of their performance in the teaching project by the anchoring of this one in a process offering links in what was, until this moment, nothing more than a juxtaposition of interventions. To some extent, they better take part in the convention and are its stakeholders. The consequence is expressed by an increased availability of the teachers near the students. It is not unreasonable to consider that the BM plays already its part of crystallization between stakeholders, here the students and their teachers (holders of cognitive resources become stakeholders-advisers). A third whole of reactions is obviously that of the students who, undoubtedly, gained in comprehension in how to conceive a business, in particular on what constitutes his heart while understanding that a business can't be sold like a product. Their creativity is directed by the reactions of the practitioners and becomes more reasoned and less naive. The given trainings are evaluated by students, using anonymous grids. The results are very positive. The students concretely measure the guidance in the development and the presentation of the BM. The first version of the BM (since it has to evolve) being validated, the student is more confident and the training can then focus on other elements of the process, in particular the strategic vision and the writing of this one in a BP. Sometimes, the BP is compared a "selling document", but we think what is to sold is the BM, the BP being only its support. The strategy integrates this convention. Or rather it must compose with it to conceive the means, by planning their use, to take a competitive advantage. During the exercise of conviction, it is the most elaborated version of the BM that the entrepreneur communicates firstly while keeping, when time is offered to him, the leisure to provide the details on the project through the questions-answers game with his listener.

The BM is also implemented in several formations where students have to describe the BM of an activity or an existing company. The cases are then very diverse, Google ©, Facebook ©, iTunes ©, Nespresso ©, etc but also more traditional activities of local companies whose leaders are then interviewed by students. The models presented are then discussed within the group or in front of the entire year. The grids presented in section 2.2. are used to analyse the BM and sometimes serve as a guide during the interviews. The students must deliver the document of 9 pages. The discussions are then very rich. For example, the presentation of the model iTunes results in comparing the BM with other BM related to the listening of music (for example Deezer.com ©). The model iTunes and the Nespresso model are interesting cases to discuss the division of the value (why the resources holders adhered). When more traditional companies are studied, the discussion is widened, for example, to discuss the model of the automobile sector. By establishing the link between operations and strategy, the students then establish the link between the BM seen as a diagnostic tools or a prospective tool⁶. Many cases of firm foundation are studied in class and the grids presented previously are used to understand the heart of the project⁷.

⁶ A book will be published until the end of 2009 comprising some of these cases.

⁷ The « More or Less Interesting » method is used to make the « + » and the « - » appear, and also themissing elements (the « it would be interesting ») about the value generation, its remuneration and the division of the remuneration.

Conclusion

The matter of this communication was to share our experience with colleagues interested in the questions raised by entrepreneurship training.

The central place given, in our pedagogy, to the concept of BM implied to present, even rapidly, our theoretical conception of it because the tools we use with students are strongly anchored in this theorization.

The programs previously described arise from about 10 years of reflection and experiment, not only in pedagogical contexts. We are not going here to resume our previous discourse but we just want, as a conclusion, to present a part of our work that has not been described here while it is partly linked to the pedagogy.

In the framework of a doctoral work, the ability of the BM to be operational for entrepreneurs has been questioned. Through action research, 7 entrepreneurs have been guided in the development of their BM. The research addressed questions like: is the BM understandable for entrepreneur? Is it useful for them? How (with a perspective centered on tools) can this concept be used with (as an advisor) and by (in a nearly pedagogical view) entrepreneurs? What can entrepreneurs gain at conceiving consciously the BM of their organization? etc.

The thesis contributed to the pedagogy presented in this paper in two ways. First, the results of the action research confirmed the relevance of the BM seen as a business convention concerning the Generation, the Remuneration and the Division of Value (which we call GRD Model). It is now the theoretical content we teach to the students. Second, in particular with the work done with the entrepreneurs, the tools used in the training programs (grids, matrix, oral trainings...) have become richer both in their content (questions to ask, columns to add to the matrix...) and in the way of using it (face to face rendezvous, composition of the nine pages document...).

It is important to notice that some entrepreneurs with whom we have been doing research during few months are now part of the entrepreneurs which come to testify in front of our students. Some cases from the thesis have been used to illustrate our book (to be edit in april 2009) and are now given to our students as examples, not of business, but of BM presentation... We could find many other situations to underline that our pedagogical practices are strongly (and voluntarily) connected to the reality of entrepreneurs' route. They are also anchored in theoretical reflections and in scientific research protocols.

Finally, this reminds the three dimensions (theoretical, practical and pedagogical) of our academic carrier and is congruent with the praxeologic conception of research that we defend.

References

- AFUAH A., TUCCI C.L., *Internet Business Model and Strategies : text and cases*, Boston : McGrawHill, 2000
- APPLGATE L.M., « EMERGING NETWORKED BUSINESS MODELS : LESSONS FROM THE FIELD », *HARVARD BUSINESS SCHOOL NOTE*, 1999
- BARNEY J.B., « LOOKING INSIDE FOR COMPETITIVE ADVANTAGE », *ACADEMY OF MANAGEMENT EXECUTIVE*, VOL.9, N°4, 1995
- Benavent C., Verstraete T., « Entrepreneuriat et NTIC - construction et régénération du Business-model », in Verstraete T. (dir), *Histoire d'entreprendre - les réalités de l'entrepreneuriat*, Caen : Editions Management et Société, 2000
- CHESBROUGH H.W., *OPEN INNOVATION: THE NEW IMPERATIVE FOR CREATING AND PROFITING FROM TECHNOLOGY*, BOSTON : HARVARD BUSINESS SCHOOL PRESS BOOKS, 2003
- CLARKSON M.B.E., « A STAKEHOLDER FRAMEWORK FOR ANALYSING CORPORATE SOCIAL PERFORMANCE », *ACADEMY OF MANAGEMENT REVIEW*, VOL.20, N°1, 1995
- DESREUMAUX A. (DIR), « LES STRATEGIES DES ENTREPRISES EN TANT QU'ACTEURS DE L'EMPLOI », *RAPPORT CLAREE POUR LE MINISTERE DU TRAVAIL DE L'EMPLOI ET DE LA FORMATION PROFESSIONNELLE*, JANUARY 1995
- DONALDSON T., PRESTON L.E., « THE STAKEHOLDER THEORY OF THE CORPORATION : CONCEPTS, EVIDENCE AND IMPLICATIONS », *ACADEMY OF MANAGEMENT REVIEW*, VOL.19, N°1, 1995
- DONDI J., « LE PLAN D'AFFAIRES D'UN PROJET DE CREATION D'ENTREPRISE : QUELQUES RAPPELS ISSUS DE LA LITTERATURE ET PROBLEMES POSES PAR SON EMPLOI », *REVUE DU FINANCIER*, MARCH-APRIL 2008
- DUBOSSON-TORBAY M., OSTERWALDER A., PIGNEUR Y., « EBUSINESS MODEL DESIGN, CLASSIFICATION AND MEASUREMENTS », *THUNDERBIRD INTERNATIONAL BUSINESS REVIEW*, VOL.44, N°1, 2002
- DUPUY J.P., EYMARD-DUVERNAY F., FAVEREAU O., ET AL., « INTRODUCTION DU DOSSIER SUR LES CONVENTIONS », *REVUE ECONOMIQUE*, VOL.40, N°2, 1989
- FREEMAN R.E., REED D., « STOCKHOLDERS AND STAKEHOLDERS : A NEW PERSPECTIVE ON CORPORATE GOVERNANCE », *CALIFORNIA MANAGEMENT REVIEW*, VOL.25, N°3, 1983
- GOMEZ P.-Y., *QUALITE ET THEORIE DES CONVENTIONS*. PARIS : ECONOMICA, 1994
- GOMEZ P.-Y., *LE GOUVERNEMENT DE L'ENTREPRISE*. PARIS : INTEREDITIONS, 1996
- GORDIJN J., AKKERMANS H., « A CONCEPTUAL VALUE MODELING APPROACH FOR E-BUSINESS DEVELOPMENT », *PROCEEDINGS OF THE WORKSHOP KNOWLEDGE IN E-BUSINESS*, 2001
- GRANT R.M., « THE RESSOURCES-BASED THEORY IF COMPETITIVE ADVANTAGE : IMPLICATIONS FOR STRATEGY FORMULATION », *CALIFORNIA MANAGEMENT REVIEW*, VOL.33, N°3, 1991
- JOUISON E., *LE BUSINESS MODEL EN CONTEXTE DE CREATION D'ENTREPRISE: RECHERCHE ACTION SUR LE TERRAIN DES PORTEURS DE PROJET DE CREATION D'ENTREPRISE*, THESE POUR LE DOCTORAT DE SCIENCES DE GESTION, IRGO - UNIVERSITE DE BORDEAUX, 2008
- JOUISON E., VERSTRAETE T., « CADRAGE THEORIQUE DU BUSINESS MODEL ET APPLICATION A LA CREATION D'ENTREPRISE DANS LE CADRE D'UNE EXPERIENCE PEDAGOGIQUE », *8^{EME} CIFEPME*, FRIBOURG, 2006
- JOUISON E., VERSTRAETE T., « BUSINESS MODEL ET CREATION D'ENTREPRISE », *REVUE FRANÇAISE DE GESTION*, N°181, 2008
- KUMAR K., MAHADEVAN B., « EVOLUTION OF BUSINESS MODELS IN B2C E-COMMERCE THE CASE OF FABMALL », *IIMB MANAGEMENT REVIEW*, VOL.15, N°4, 2003
- LECOCQ X., DEMIL B., WARNIER V., « LE BUSINESS MODEL, UN OUTIL D'ANALYSE STRATEGIQUE », *L'EXPANSION MANAGEMENT REVIEW*, N°123, 2006
- LIEBENSTEIN H., « THE PRISONERS' DILEMMA IN THE INVISIBLE HAND : AN ANALYSIS OF INTRA FIRM PRODUCTIVITY », *AMERICAN ECONOMIC REVIEW*, VOL.72, N°2, 1982
- LINDER J.C., CANTRELL S., « FIVE BUSINESS-MODEL MYTHS THAT HOLD COMPANIES BACK », *STRATEGY & LEADERSHIP*, VOL.29, N°6, 2001
- MAGRETTA J., « WHY BUSINESS MODELS MATTER », *HARVARD BUSINESS REVIEW*, VOL.80, N°5, 2002
- MAHADEVAN B., « BUSINESS MODELS FOR INTERNET-BASED E-COMMERCE : AN ANATOMY », *CALIFORNIA MANAGEMENT REVIEW*, VOL.42, N°4, 2000
- MAITRE B., ALADJIDI G., *LES BUSINESS MODELS DE LA NOUVELLE ECONOMIE*, PARIS: DUNOD, 1999
- MORRIS M., SCHINDEHUTTE M., ALLEN J., « THE ENTREPRENEUR'S BUSINESS MODEL: TOWARD A UNIFIED PERSPECTIVE », *JOURNAL OF BUSINESS RESEARCH*, VOL.58, N°6, 2005
- MUNIER B., ORLEAN A., « SCIENCES COGNITIVES & SCIENCES ECONOMIQUES ET DE GESTION », *GRID CREA*, 1993

NOËL X., SENICOURT P., « ENTREPRENEURIAT : A LA RECHERCHE D'UNE INSTRUMENTATION », IN MARION S., NOEL X., SAMMUT S. ET AL. (DIR), *REFLEXIONS SUR LES OUTILS ET LES METHODES A L'USAGE DU CREATEUR D'ENTREPRISE*, EDITIONS DE L'ADREG, FORMAT PDF. DISPONIBLE SUR : [HTTP://WWW.ADREG.NET](http://www.adreg.net), 2003

ORLEAN A., *ANALYSE ECONOMIQUE DES CONVENTIONS*, PARIS : PRESSES UNIVERSITAIRES DE FRANCE, 1994

OSTERWALDER A., *THE BUSINESS MODEL ONTOLOGY - A PROPOSITION IN A DESIGN SCIENCE APPROACH*, PHD, UNIVERSITÉ DE LAUSANNE, 2004

OSTERWALDER A., PIGNEUR Y., TUCCI C.L., « CLARIFYING BUSINESS MODELS: ORIGINS, PRESENT, AND FUTURE OF THE CONCEPT », *COMMUNICATIONS OF THE ASSOCIATION FOR INFORMATION SYSTEMS*, VOL.2005, N°16, 2005

PETROVIC O., KITTL C., TEKSTEN R.D., « DEVELOPING BUSINESS MODELS FOR EBUSINESS », *INTERNATIONAL CONFERENCE ON ELECTRONIC COMMERCE*, 3^{ÈME} ÉDITION, VIENNE, 2001

PORTER M., « WHAT IS STRATEGY », *HARVARD BUSINESS REVIEW*, NOV/DEC 1996

PRAHALAD C. K., HAMEL G., « THE CORE COMPETENCE OF THE CORPORATION », *HARVARD BUSINESS REVIEW*, VOL.68, N°3, 1990

PRESTON L., SAPIENZA H., « STAKEHOLDER MANAGEMENT AND CORPORATE PERFORMANCE », *THE JOURNAL OF BEHAVIORAL ECONOMICS*, VOL.19, N°4, 1990

RAPPA M., « BUSINESS MODELS ON THE WEB », FORMAT HTML. DISPONIBLE SUR [HTTP://DIGITALENTERPRISE.ORG/MODELS/MODELS.HTML](http://DIGITALENTERPRISE.ORG/MODELS/MODELS.HTML) (DERNIER ACCES AVRIL 2008), 2000

REDIS J., « LE BUSINESS MODEL : NOTION POLYMORPHE OU CONCEPT GIGOGNE ? », 5E CONGRES DE L'ACADEMIE DE L'ENTREPRENEURIAT, 2007

SEDDON P.B., LEWIS G.P., FREEMAN P. ET AL., « THE CASE FOR VIEWING BUSINESS MODELS AS ABSTRACTIONS OF STRATEGY », *COMMUNICATIONS OF THE ASSOCIATION FOR INFORMATION SYSTEMS*, VOL.2004, N°13, 2004

SENICOURT T., VERSTRAETE T., « APPRENDRE A ENTREPRENDRE : TYPOLOGIE A QUATRE NIVEAUX POUR LA DIFFUSION D'UNE CULTURE ENTREPRENEURIALE AU SEIN DU SYSTEME EDUCATIF FRANÇAIS », IN *REFLETS ET PERSPECTIVES DE LA VIE ECONOMIQUE*, PARIS : DEBOECK UNIVERSITE, TOME XXXIX, N°4, 2000

SHAFFER S.M., SMITH H.J., LINDER J.C., « THE POWER OF BUSINESS MODELS », *BUSINESS HORIZONS*, VOL.48, N°3, 2005

SHAPIRO C., VARIAN H., *INFORMATION RULES : A STRATEGIC GUIDE TO THE NETWORK ECONOMY*, CAMBRIDGE : HARVARD BUSINESS SCHOOL PRESS, 1998

TEECE D.J., PISANO G., SHUEN A., « DYNAMIC CAPABILITIES AND STRATEGIC MANAGEMENT », *STRATEGIC MANAGEMENT JOURNAL*, VOL.18, N°7, 1997

TIMMERS P., « BUSINESS MODELS FOR ELECTRONIC MARKETS », *JOURNAL ON ELECTRONIC MARKETS*, VOL.8, N°2, 1998

VERAN L., « CONTROLE DE LA PERFORMANCE, PRESSION DES PAIRS ET REGULATION DE LA COOPERATION, DE L'INTERACTION A L'INSTITUTION », *ACTES DU CONGRES DE L'AFC*, TUNIS, 2006

VERSTRAETE T., *ENTREPRENEURIAT – CONNAITRE L'ENTREPRENEUR, COMPRENDRE SES ACTES*, PARIS : L'HARMATTAN, COLLECTION ECONOMIE ET INNOVATION, 1999A

VERSTRAETE T., *PROPOSITION D'UN CADRE THEORIQUE POUR LA RECHERCHE EN ENTREPRENEURIAT : $PHE = f[(C \times S \times P) C (E \times O)]$* , EDITIONS DE L'ADREG, FORMAT PDF. AVAILABLE IN ENGLISH ON : [HTTP://WWW.ADREG.NET](http://www.adreg.net), 2003

VERSTRAETE T., JOUISON E., « TROIS THEORIES POUR CONCEPTUALISER LA NOTION DE BUSINESS MODEL EN CONTEXTE DE CREATION D'ENTREPRISE », *XVIIÈME CONFERENCE DE L'AIMS*, MONTREAL, 2007

VERSTRAETE T., SAPORTA B., *CREATION D'ENTREPRISE ET ENTREPRENEURIAT*, EDITIONS DE L'ADREG, FORMAT PDF. DISPONIBLE SUR : [HTTP://WWW.ADREG.NET](http://www.adreg.net), 2006

Verstraete T., Jouison-Laffitte E., *Business Model pour entreprendre, le modèle GRP*, Editions De Boeck, to be published, april 2009

VISCIO A.J., PASTERNAK A., « TOWARD A NEW BUSINESS MODEL », FORMAT HTML. DISPONIBLE SUR : [HTTP://WWW.STRATEGY-BUSINESS.COM/PRESS/16635507/14974](http://www.strategy-business.com/press/16635507/14974) (DERNIER ACCES AVRIL 2008), 1996

WERNERFELT B., « A RESOURCE-BASED VIEW OF THE FIRM », *STRATEGIC MANAGEMENT JOURNAL*, VOL.5, N°2, 1984