



[Why Entrepreneurship Thrives During a Recession](#)

Video interview with Larry Cox, PhD, Associate Professor of Entrepreneurship

Danielle L. Scott

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Danielle L. Scott: Hello. This is Danielle L. Scott, Managing Editor of the Graziadio Business Report Blog. Today, we have Dr. Larry Cox, Associate Professor and Director of the new Entrepreneurship Program at the Graziadio School of Business and Management. Dr. Cox previously served as director of the top ten ranked Entrepreneurship Center at Ball State University and director of the nationally recognized Weinert Center of Entrepreneurship at the University of Wisconsin-Madison. He was also director of research at the Kauffman Foundation, a private, non-partisan foundation that works to harness the power of entrepreneurship and innovation to grow economies and improve human welfare. Dr. Cox, thank you so much for taking the time to talk with us today.

Dr. Larry Cox: It's great to be here, Danielle. Thank you.

Danielle L. Scott: So my first question; clearly at this point, it's been established we're in a recession. So, what should entrepreneurs be doing differently, if anything?

Dr. Larry Cox: Actually, it's a great time to be an entrepreneur. The resources are less expensive right now. You can find people. You can find places to house your business. Everything is cheaper now than



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it was before. And so, really they shouldn't be doing anything differently. They should be doing what they've always done, which is find problems that are interesting to solve for which there are for-profit solutions.

Danielle L. Scott: So, why are you such a big advocate of creativity in entrepreneurship?

Dr. Larry Cox: Well, I've spent a lot of time around entrepreneurship and around teaching entrepreneurship and the thing that we've discovered is that basically entrepreneurship is a creative problem solving process. If you boil it down to what's it about; it's about finding a problem that you care about, that you're compassionate or passionate about, and finding a for-profit solution for that problem. It's a creative process. And so, you have to start with creativity or else you're missing the boat. It has to be creativity.

Danielle L. Scott: So, do you have any tips on how to start this process on generating business ideas?

Dr. Larry Cox: The first thing we start with the students, and this is really interesting, is we begin with a process of examining problems that they're facing and personal problems are best - things that they care about, are passionate about to start with. That's where we begin. So, we'll ask students, "What are you passionate about," and they'll tell us surfing; they'll tell us whatever it is and we'll say, "Okay. What's a problem there? What do you find a problem in that area?" and we begin to explore and we think and pretty soon, they find that the things that they encounter in their day to day life are great opportunities for businesses.

Danielle L. Scott: So, start with yourself and your own problems.

Dr. Larry Cox: Absolutely, and start with problems you care about. Maybe you care about the environment. We try and break that down, and what does that really mean to you? Where does that impact you? What is the piece that you really care about in here that you could have a part of solving? And so, we help our students learn those pieces.

Danielle L. Scott: So, what are the other important factors to entrepreneurship?

Dr. Larry Cox: I think creativity is the key because you have to start with the idea. So, if you don't have a good idea, it's a moot point. So, we help our students find the idea and then we help them find the resources that they need to implement that idea. We have to form the structure for the company, put the plan together, find obviously the funding that they're going to need to launch the venture. So, we do a lot



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of things in there to move them along the process, but we feel like the thing that differentiates our program from other programs in the country is that we begin at the beginning, which is “What’s your idea? How can I help you with your idea?”

Danielle L. Scott: So, what would you say is the optimal balance between creative out of the box thinking and solid research and financials that will actually establish your business?

Dr. Larry Cox: It’s an interesting question because you need both. You need to be great at analysis and sort of sorting through the information and the data on the market research side, but entrepreneurs, the more successful ones, the more innovative ones are the ones that are able to also switch on to the other side of their brain and be creative and come up with the ideas to solve difficult problems. So, it’s kind of going back and forth between the two. I don’t know if there’s an optimal blend of creativity and critical thinking, but what we feel is that by the time you’re an adult, you’re using about 10% of your creative capacity. And so, when students come in, I don’t have to teach them to be more critical in their thinking because they’re already critical. What I have to teach them is to let go and to be more creative and to be free to say things that may not be the smartest thing to say, may not be the most interesting thing to say, but it’s just something that’s out there and creative and to let their imaginations go and use their imaginations. And so, that’s really the challenge for teaching entrepreneurship.

Danielle L. Scott: Dr. Cox, thanks so much for your time and best of luck with the new program.

Dr. Larry Cox: Thanks, Danielle.

Danielle L. Scott: This is Danielle Scott for the GBR Blog. Find us online at gbr.pepperdine.edu/blog.

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