

# Four Reasons Why Your Next Hire Should Have a Side Hustle

Steve Blank (Stanford University)  
Nancy Forster-Holt (University of Rhode Island)

**KEYWORDS:** Diverse Entrepreneurial Teams, human resources, Intrapreneurship.

Like so much else today, the hiring process has radically changed. While it remains important for prospective hires, especially those fresh out of school, to demonstrate concrete evidence of job proficiency, applicants also must show innovative thinking, complex problem-solving, and active learning skills.

Employers deem these so-called soft skills must-have competencies for employees by 2025, according to a [recent future of jobs report](https://www.weforum.org/reports/the-future-of-jobs-report-2020/) (<https://www.weforum.org/reports/the-future-of-jobs-report-2020/>) by the World Economic Forum.

It's no wonder. Soft skills are foundational to the kind of innovative work that can give a company a [competitive advantage](https://www.forbes.com/sites/smartsheet/2021/09/17/the-new-competitive-advantage-and-it-isnt-what-you-think/?sh=313f25ba62cb). (<https://www.forbes.com/sites/smartsheet/2021/09/17/the-new-competitive-advantage-and-it-isnt-what-you-think/?sh=313f25ba62cb>)

But how to find the standouts that will help your company stand out?

Intrapreneurial thinkers can be hard to spot before the interview, especially if they are new to the workforce. Moreover, identifying them can be costly and time-consuming. A 2022 report by the global employment platform Monster.com said hiring managers report a lack of soft skills is usually why a new hire fails. Finding the right fit can add up, averaging \$4,100 and 42 days to hire a new employee, the payroll company ADP says.

Many employers continue to rely on a college degree as a proxy for skills such as critical thinking, communication, and innovation (Fuller & Raman, 2022). Casting for more effective ways to measure applicants' acumen, some hiring managers augment their resume review and use job auditions to de-risk recruiting and hiring (Johnson, 2018). Others use case studies, coding

challenges, and gamification of job functions to add rigor early to the interview process.

Instead they might consider this: Look for applicants with a side hustle on their resume.

A side hustle, particularly one done during college, creates a desirable skill set that employers can leverage, because student side hustlers develop the kinds of entrepreneurial skills and characteristics that today's employers are looking for. And, rather than an end game of working for themselves, student side hustlers often want to become intrapreneurs -- adding value, innovating, and creating something better, *as part of something bigger*. As intrapreneurs, they're looking for more than a paycheck (Krippendorff, Fortune 9-2-2021). Here at the University of Rhode Island, we have seen the impact that student side hustles can have on students and on the businesses that hire them. Like all valuable pursuits, innovation and entrepreneurship require practical experience (Neck & Greene, 2011).

As part of our Introduction to Innovation and Entrepreneurship class, students start and run a side hustle business on KANU, a peer-to-peer campus marketplace platform. They solve real problems for real people. We call it a stimulation, not a simulation (Forster-Holt, 2021), and it was chosen by an international audience of our peers for the top prize in experiential learning at USASBE. This long-running project has produced hundreds of side hustles, and as we have seen, it develops four critical skills, discussed below.

## Student side hustlers have grit

Grit is a combination of passion and perseverance, and employees with grit are resilient (Lee and Duckworth, 2018). We see lots of grit in our student side hustlers. Within their passions, they find ideas for their 'hustle'-- as tutors, ride-sharers, photographers, woodworkers,

DJs, organizers, peer mentors – you name it. They solve problems all over campus and earn money while gaining experience. Not every idea equals a business, and the path forward takes perseverance. Peer and market feedback, continuous improvement, and the student's coachability are essential to good outcomes.

One student offered smoothies on a pre-order basis to students in 8 a.m. classes who often skipped breakfast. He had encouraging early market feedback yet it seemed that campus rules on food handling and distribution were insurmountable. Instead of abandoning the idea, he turned barriers into on-ramps. He was coachable, learned from and cooperated with the directors of Housing and Dining. In a final self-reflection, his grit shined through, as the student noted: "My idea actually worked. I had recurring customers and it went better than I expected. I'm sure I can make this idea better by refining certain strategies. I want to see how far I can take this idea."

## They hone soft skills

Critical thinking is ranked among the top skills of tomorrow's labor market. According to NACE, critical thinking is the ability to "identify and respond to needs based upon an understanding of situational context and logical analysis of relevant information." A global consortium of hiring managers at the Center for Advanced Human Resource Studies at Cornell University added "the ability to handle ambiguity." The softer skills that underpin critical thinking -- initiative, communication, time management, judgment, and accountability -- are not easy to glean from a resume. However, running a side hustle requires increasing mastery of all these skills. Our alums tell us that their side hustles are, without fail, discussed in interviews, and their employers confirm that it makes our students great candidates. At A.B. Corp in Boston, the human resources manager who hired one of our students said: "The side hustle definitely made her stand out from other candidates because it shows design thinking, problem-solving, pitch ability, leadership skills, and more."

## They demonstrate business literacy

A side hustle develops a student's business literacy, teaching them to see the bigger picture. Students with a side hustle experience begin to look at business through a new lens. They understand the interaction of functional areas of a business: marketing and pricing,

payments, taxes, talent, and branding. Engineering students, in particular, come to understand that just because something is cool to build does not mean there is a customer for it.

Conor Sweeney, a former student who is now the Senior Director, Global Head of People Strategy & Operations at the recruiting company Fountain, finds that side hustlers think like owners, and "when you can think like an owner, the accountability being driven around the work you're doing shifts dramatically."

## And they develop entrepreneurial acumen

A side hustle helps students develop *entrepreneurial acumen* such as problem-solving skills, opportunity recognition, and strategic market orientation (Morris et al, 2013). The side hustle provides exposure to some of the value proposition and customer discovery practices found in the Lean Startup -- for example, assuming that we only have a series of guesses about the problem, the solution, and the competitive landscape (Blank, 2013). Based on peer and market feedback from the campus marketplace, the student side hustler quickly learns how to separate crucial information from the irrelevant, synthesize the output, evaluate the value proposition and business model, and adapt their course of action -- the very skills companies need for innovation.

## The takeaway: Add "side hustle" to your list of preferred qualifications

Many of the best and most useful innovations can come from the lowest levels of an organization (Tyler, 2019). Employers would do well to harness and nurture the student side hustlers' energies because they bring the skills that businesses need to remain innovative.

While many undergraduate courses teach *about* venture creation, far fewer courses give students the chance to *create* ventures. Employers should look for students who've created a real business, through their course work or through their own initiative. Students who want to be stronger candidates should look for courses that help them have this experience, or pursue opportunities on their own, tapping into their school's many resources and contacts before they graduate.

*Steve Blank is an Adjunct Professor at Stanford and co-founder of the Gordian Knot Center for National Security Innovation. He has been described as the*

*Father of Modern Entrepreneurship. Credited with launching the Lean Startup movement and the curricula for the National Science Foundation Innovation Corps and Hacking for Defense and Diplomacy, he's the author of The Four Steps to the Epiphany and The Startup Owner's Manual, which revolutionized how startups are built.*

*A "pracademic," Nancy Forster-Holt is an assistant professor who has built interdisciplinary academic programs for entrepreneurship and innovation at the University of Rhode Island's College of Business and at Husson University. She also co-owns a manufacturing company.*

## References

Blank, S. 2013. Why the lean startup changes everything. *Harvard Business Review*.

Forster-Holt, N., 2021. Stimulation versus simulation: The student side hustle as a learning innovation. *Entrepreneurship Education and Pedagogy*, 4(4), pp.808-829.

Fuller, J., Raman, M., (January 2022). Building From the Bottom Up, Published by Harvard Business School.

Neck, H.M. and Greene, P.G., 2011. Entrepreneurship education: known worlds and new frontiers. *Journal of Small Business Management*, 49(1), pp.55-70.

Lee, T.H. and Duckworth, A.L., 2018. Organizational grit. *Harvard Business Review*, 96(5), pp.98-105.

Morris, M.H., Webb, J.W., Fu, J. and Singhal, S., 2013. A competency-based perspective on entrepreneurship education: conceptual and empirical insights. *Journal of Small Business Management*, 51(3), pp.352-369.

Krippendorff, Kaihan, 2019. 6 qualities that will make you a more innovative employee.

Tyler, Kathryn, 2019. 10 Steps to Unlocking Innovation at Your Organization. *HR Magazine*.

Johnson, Whitney, 2018. What to Do If an Employer Asks You to Do a "Job Audition." *Harvard Business Review*.