

## TOPIC 1 – ENTREPRENEURS & INNOVATION

### ENTREPRENEURS

#### Asia-Pacific Perspective

Very diverse economies, including:

- Economic dynamism
- Advanced technology
- Natural resources
- Manufacturing locations

#### Entrepreneurship

- Critical role in technological change and innovation
- Joseph Schumpeter: Creative Destruction
- Provides an opportunity for prosperity
  - a successful, flourishing, or thriving condition, especially in financial respects; good fortune.

#### The role of entrepreneurs

Entrepreneurs: a person who organizes and manages any enterprise, especially a business, usually with considerable initiative and risk. They:

- Recognise opportunities
- Are aggressive catalysts for change in the marketplace
- Generate economic growth and job creation
- Challenge the unknown and continuously create our future

#### Who are entrepreneurs?

'A person who continuously creates and innovates to build something of recognised value around perceived opportunities.' Bolton & Thompson, 2000

- Intense commitment
- Optimistic
- Failure = a tool for learning
- Determined perseverance
- Burning with competitive desire

#### Why be an entrepreneur?

- Desire for independence
- Desire for wealth

#### Enterprising mind set

- Entrepreneurs have a special enterprising mind set
- Enterprising: 'marked by imagination, initiative and readiness to undertake new projects'
- Entrepreneurial: 'willing to take risks in order to create value'

#### Characteristics of entrepreneurs

- Commitment, determination and perseverance
- Realism and humour
- Drive to achieve and grow
- Seeking feedback
- Opportunity orientation and goal orientation
- Internal locus of control
- Initiative and personal responsibility
- Low need for status and power
- Persistent problem solving
- Integrity and reliability

#### Entrepreneurs and small businesses... are also different!

Small business owners often:

- Prefer a more stable and less aggressive approach
- Would rather exploit existing opportunities
- Operate in existing markets

### SOCIAL ENTREPRENEURS

#### Business and social entrepreneurs... are different!

- Business entrepreneurs: Are driven by a profit motive – constantly innovating for market share
- Social entrepreneurs: Are driven by a mission to fill gaps left by the market and public sector

#### The dark side

- Are entrepreneurs mad?
- Bolton & Thompson examine 'Entrepreneurs in the shadows' including:
  - Inventors who become failed entrepreneurs
  - Entrepreneurs who attract controversy
  - Dishonest entrepreneurs
    - In the current economic climate, many previously successful finance companies are now 'failed ventures' – sometimes at great individual expense.

#### The dark side - Entrepreneurial stress!

Sources include: • Loneliness • People problems • Need to achieve

## TOPIC 2 – ASSESSMENT & COMMERCIALISATION OF ENTREPRENEURIAL OPPORTUNITIES

### Opportunity Identification

- The identification of an idea that may be the foundation of a good opportunity.
- The first step for any entrepreneur.

## CREATIVITY

### The role of creativity

Creativity is the ability to create meaningful new forms

### The creative process

- Phase 1: Background or knowledge accumulation
  - Seeking out a wide variety of perspectives on a situation
  - Enhanced by reading widely, interacting with others, travelling to new places, recording what is learnt and taking the time to research
- Phase 2: The mind incubation process
  - Allowing the subconscious to work through the information collected in Phase 1
  - Enhanced by engaging in routine activities, regular exercise, play (e.g. board games and puzzles), meditation and reflection
- Phase 3: The idea experience
  - The 'eureka factor' or when the light bulb comes on in cartoons, which can occur at any time
  - Enhanced by daydreaming about the project, practicing hobbies, working in a relaxed environment, setting aside the problem, and keeping a notebook
- Phase 4: Evaluation and implementation
  - Requires courage, self-discipline and perseverance
  - Enhanced by increasing energy levels, knowing the business planning process, testing the idea with smart people and viewing problems as challenges

### Developing creativity

- Lateral thinking – purposefully generate new ideas
- Vertical thinking – following logical steps
- Think outside the box – challenge assumptions
- Recognise relationships
- Go with the flow
- Use your brains

### Left-Brained or Right-Brained?

Entrepreneurship requires both left-and right-brained thinking.

- Right-brained is responsible for the emotional, intuitive and spatial functions (e.g. colours).
- Left-brained handles language, logic and symbols and processes information on a step-by-step basis

## INNOVATION

- The process by which entrepreneurs convert opportunities (ideas) into marketable solutions.
- The means by which entrepreneurs become catalysts for change.

A combination of:

- The vision to create a good idea
- The perseverance and dedication to implement

### Successful innovators

- Undertake a conscious, purposeful search for new opportunities
- Go out and look, ask and listen
- Use the left and right sides of their brain
- Look at figures and look at people
- Analytically work out what the innovation has to be to satisfy the opportunity

### Four basic types of innovation

- Invention: Totally new product, service or process
- Extension: New use or different application of existing product, service or process
- Duplication: Creative replication of an existing concept
- Synthesis: Combination of existing concepts and factors into a new formulation or use