

The Entrepreneurship Bandwagon Descends a Slippery Slope

Entrepreneurship and Governments

Entrepreneurship is an important term for all the right and, unfortunately sometimes, for the wrong reasons. Taking stock of how governments take advantage of this ‘entrepreneurship will save all’ bandwagon is quite interesting, it seems that having a ‘corridor’ or building a ‘park’ will promote entrepreneurship.

The more scientific the name the better! The words *bio* and *tech* are avidly bandied about; sometimes together!

The formulaic creations of super corridors or technology parks are examples. In reality the clustering of these entrepreneurship centres occur in a natural embryonic fashion. It does not occur anywhere a government wants. It’s often a ‘natural’ clustering that a government can foster and encourage. In this regard, amongst the staples that needs to be provided are an effective broadband coverage and conducive regulations that allow the flow of knowledge and expertise from outside the country. As an example the successful Silicon Valley and Manchester Science Park and other such groupings have come about as a result of many parties’ involvement. It seems that local and foreign participation is critical to such endeavours. Clever collaboration can provide a major competitive advantage.

There is a need for better research and a sounder contextual basis before we fling ourselves, grass skirts and all, across the dance floor. Let’s not get caught up in what’s the craze of the current times or the sexy industries that gets all the attention from the media. Unfortunately we are mostly seduced by such trappings and this sentiment is also well articulated by Josh Lerner, a professor at Harvard Business School (*“Boulevard of Broken Dreams: Why public efforts to boost entrepreneurship and venture capital have failed-and what to do about it”*, 2009).

Not doing so will only follow in the failed steps of Entertainment Village a la Hollywood and our Bio Valley complex (*Schumpeter-Fish out of water, Economist, Nov, 2009*). Thus the imperative to take corrective action in deploying resources, for both the government and corporate sector, is now.

A Comparative Advantage

We need to appreciate Malaysia’s comparative advantage *vis a vis* its geographical location, its weather, its indigenous population and its multiethnic makeup if we are to make any real headway and before we commit to action. Malaysia should be able to compete effectively in the fields of eco-tourism, develop the sciences within the commodities of palm oil, oil and gas, and bio medicine.

We should, for example, take advantage of our weather to exploit the bio diversity in fruit farming. Build our expertise in pomdogy: the science and practice of fruit growing.

Developed nations will always have a need for better quality and variety of fruits and all kinds of foods too.

Malaysia also has the opportunity to become a natural health complex. Our natural terrain should allow us to exploit bio medicine via traditional or herbal approaches. We need to advocate traditional or alternative medicines as a comprehensive health care system based on our Malay, Chinese and Indian and myriad other indigenous ethnicities. We have a diversity of races and languages and as such we could be great service providers especially in hospitality and communication services.

Sustaining a Competitive Advantage

An understanding of entrepreneurship in the context of adding value allows us to create a competitive advantage. The sustaining of this competitive advantage may be had via our constant customer value improvement, effective branding, intellectual property registration, cultural and values embedment and effective leadership. In addition our geographical location, our weather, our indigenous population and its multiethnic makeup also go a long way to sustaining a competitive advantage. As much as we may hope for it, all of these factors may not always provide us with first mover advantage but our willingness to discern that these are our strengths, and to exploit them, will allow us to garner an edge that is specific to us.

An important proviso is that research and development efforts need to be closely coupled with innovation. To do all of this we need to invest in the *right* training for the *right* people; and incentives, if any, are given only *after* target results are met.

The Role of Government, Corporate Sector and Universities

The role of government is crucial in setting the tone for investments in areas that are less than lucrative in the short term and which do not grab the public's attention outright; but these areas provide a comparative advantage that will give us the edge, both in the medium and long term.

No doubt there will be other areas that may provide us with a national advantage and this we need to gather from experts within their fields. This knowledge comes as a result of their particular expertise and experience within their specialized scope. This is where the universities and corporate sector need to provide timely and precise feedback to the government to allow for the deployment of resources.

In Malaysia's case, the 12th Malaysia Plan (2021-2025) and the New Economic Model (NEM) can be more effective if experts with applied research experience from the universities and corporate research and development centres provide their input or ask for resources to be allocated accordingly. It can hardly ever be a one dimensional approach when seeking a competitive advantage for a nation in new value adding areas of focus.

The Corporate Sector

So what does that hold for the individual and the corporate sector? The individual and the corporate sector need to be appraised of their challenges ahead. Where the individual is concerned a good idea and some initial gusto alone is not enough, contrary to what some hand-me-down stories and readings suggest. And for the corporate sector, corporate research and development initiatives include market analysis and product and services development. These should, essentially, identify solutions to overcome specific company problems and challenges.

Today, a proper grounding in entrepreneurial skills that allow the idea or concept to be tested is crucial. Such tests, measures and benchmarking provide the bottom-line threshold before an idea is shipped out onto choppy waters. It may not always result in an extraordinarily successful venture but it allows the individual and corporations a fair opportunity for the risks and chances they have taken.

A government too, albeit at the national level, needs such grounding. Looking inward and understanding our makeup is crucial. Our history, our resources and the competition will all at once frame our place within the earth's economic pie. Our challenge will be to grow that pie via innovative offerings that also strike up partnerships with other nations and their citizens. As such leaders of any enterprise must strive to lead in the right direction and in an inspiring way.

Entrepreneurial by-products

In entrepreneurship it cannot be doing business, for business sake. It cannot just be the outright clamour for colossal profits. Being entrepreneurial is about looking to add value, and a business or enterprise, and its profits and/or contribution to community, are positive by-products that happen. It is indeed a slippery slope that beckons but by knowing where we want to go and why, and keeping a firm focus on our ultimate destination, we can both as individuals and as a nation mitigate if not avoid any mishaps.

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