

INNOPRENEUR above SEE Level

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There has been a transformation in the concept of entrepreneurship from its inception in the 1800s when the concept was plainly a description of a set of personal character. French economist Jean Baptiste Say (1800) first coined the concept by describing the *entrepreneur as person who shifts economic resources from the area of lower to an area of higher productivity and greater yield*. The entrepreneurs and entrepreneurship flourished when the demand for local employment declined secondary to economic crises. From the french *entre* which means *between* and *prendre* which means *to take* (Barringer & Ireland, 2006) the entrepreneur, as a person, and entrepreneurship, as a human activity, have since then been well lived, researched, taught and theorized.

Entrepreneurship is about creating a new business where one did not exist before (Aulet, 2013). It is a process by which individuals pursue opportunities without regard to resources they currently control. The essence of entrepreneurial behavior is identifying opportunities and putting useful ideas into practice (Barringer & Ireland (2006). It is a process of creating something new with value by devoting the necessary time and effort, assuming the accompanying financial, psychic, and social risks, and receiving the resulting rewards of monetary and personal satisfaction and independence. (Hisrich, Peters & Shepherd, 2005). It is the result of a disciplined, systematic process of applying creativity and innovation to needs and opportunities in the marketplace (Zimmerer & Scarborough, 2007). Peter Drucker (1985) simply characterized the entrepreneur to always search for change, respond to it, and exploit it as an opportunity."

The latest (2010) GEM report, covering 59 countries, defines an entrepreneur as someone who started a new business during the year or who ran a business that was less than 3 ½ years old and was still economically viable. The survey identified approximately 110 million people who started businesses in the countries surveyed during 2010 and another 140 million people between the ages of 18 and 64 who were continuing to operate businesses they had started less than 3 ½ years earlier.

The entrepreneurial traits are also well researched and scientifically understood. Timmons and Olin (2007) conducted a meta-analysis of the entrepreneurial character and concluded that there are six themes of desirable and acquirable attitudes and behaviors for entrepreneurial success. These are commitment and determination; leadership; opportunity obsession; tolerance to risk, ambiguity and uncertainty, creativity, self reliance and ability to adapt; and motivation to excel. This finding asserts that entrepreneurs are not only born as they can be made.

Entrepreneurial Oxymoron

Risk taking has been established to be more of gambling than entrepreneurship. But *calculating risk* may make more entrepreneurs less entrepreneurial and less tolerant of uncertainty and ambiguity. The entrepreneurial theories may *box* the thinking of the entrepreneur who is better off outside the box. The art of entrepreneurship has made available the systems and processes, structures and tools that may make entrepreneurs less spontaneous and intuitive and more of a manager than a leader. The evidence-based entrepreneurship has prescribed templates and models that may *rein* creativity and may *tame* innovation.

Education to Fail

The requirements of educating for entrepreneurship call into question the usefulness of traditional education practices, implying a need for a mindset shift from mainstream education routines (WEF, 2009). Sorgman and Parkinson (2008) state that many school teachers are unprepared for these new challenges. As the WEF Global Education Initiative report (WEF, 2009) indicates, changing existing school systems will take time.

While business schools offered a broad range of management tools for companies, they weren't really providing the concepts and tools specifically needed by a start-up (Chung and Ip, 2009, citing Vesper and Gartner study of 128 business schools).

Non-entrepreneur educators dominate many Entrepreneurship Education Programs. The educators cannot teach what they do not have; nor can they motivate students to choose the entrepreneurial path if they are known by the students as not in the same victorious path.

The rubrics of students' experiential learning are mainly rated on how much sales they make and the financial bottomline of their project. Even as it is a known fact that most successful entrepreneurs have a couple of failures to be able to get to where they are, the students are not given such privilege to fail. This is under the presumption that their education could have prevented such *failure*.

The facilitation of creativity and innovation is rooted mostly on a curricular model, which in itself is traditional. The classroom and bookish methodologies still dominate the learning experience. Several studies carried out in innovation-driven countries, including Singapore (Tan & Ng, 2006), Sweden (Rasmussen & Sorheim, 2005), and the United Kingdom (Raffo et.al., 2005) show that entrepreneurs learn best with an experiential learning approach.

The schools can hardly sell the program to parents and youngster who are well aware of the fact that the richest men and women on the planet are entrepreneurs not educated for business or entrepreneurship, with the top celebrated icons even as college drop outs.

In the end, the most frustrating part of the educational outcome is that many the graduates of entrepreneurship or business programs end up meshed up in the corporate jungle. And there are more necessity-driven than opportunity-driven entrepreneurs (GEM).

Many entrepreneurs are academically average individuals who were forced by necessity to take the road less travelled by. They are the C-students (Kiyosaki). As they grow the enterprise, they may feel the need to hire consultants from among the academically-gifted intellectuals. Many of these consultants are *people who borrow your watch and tell you what time it is, and then walk off with the watch* (Townsend, 1985).

Rethinking Entrepreneurship

Entrepreneurship should innovate itself for change. The *transformation* of the lives of the entrepreneurs, the enterprise they build to deliver the product and services, and the environment which benefits from their value has led to the *evolution* of the art and the science of entrepreneurship that have called for a *revolution* not only in personal paradigm but also in societal dynamics.

The entrepreneur and entrepreneurship have been behind the transformations, evolutions and revolutions for *change*, and both concepts cannot afford not to be subject and not to benefit from change. The entrepreneur should be able to walk the talk of change. Entrepreneurship cannot be left insulated from what it is known to advocate for – creativity, innovation towards change. It should, as a concept, be subjected to change towards a more responsive purpose and more relevant essence for the achievement of its most meaningful value to our society and time.

It was noted in history that the surge of entrepreneurs results from crisis. But as everything change, entrepreneurship should also change. *You cannot do today's job with yesterday's methods and still be in business tomorrow* (Chandler). In the same way entrepreneurship must not rely on yesterday's (or even today's) method to have meaningful value tomorrow. The *future shock* is real as *what happens to society when too much change happens in too short period of time, when the ensuing confusion causes normal decision-making processes to break down* (Toffler). Entrepreneurial shock is what happens to entrepreneur when too much change happens in too short period of time and when ensuing confusion causes normal decision-making processes to break down.

As early as 1500s, Sir Francis Bacon warns that *he that will not apply new remedies must expect new evils; for time is the greatest innovator*. At the time of its inception in the 1800s, the entrepreneur was simply one who undertakes an enterprise, especially a contractor acting as an intermediary between the capital and labor. The original *go-between* role of entrepreneurs is not appropriate anymore. Currently, the only way to make a business survive is *not* to dispose off the product entrepreneurs make; but *to create genuine customer value*, which in the modern time and for the millenials and the emerging market is volatile like never before. Furthermore, the entrepreneurial challenge has moved from the *goodness* of meeting the needs of the market to the *greatness* of creating markets. Hence demanding innovation. Entrepreneur should take a new value as **INNOPRENEUR**.

The Birth of the INNOPRENEUR

The semantical proposition has no intention to replace the maturing two-century old concept of entrepreneurship, which undeniably has contributed to human and national (even regional and global) developments. It is simply to over-emphasize the integral value of innovation in the modern essence of entrepreneurship. It is also a challenge to level up beyond the *go-between* nature of the original concept.

The **INNOPRENEUR** concept integrates the entrepreneurial core competency, which is **innovation** with the entrepreneurial character, which is primarily **propensity to take risk on opportunity**. It retains the personal attributes presumed and confirmed of the entrepreneur but indispensably connect the value of innovation. The application of the concept of innopreneurship extends beyond the smallness and the enterprise as it may now be pertaining to other larger corporate enterprises and organizations confronted with change.

Drucker (1985) emphasized that innovation is the specific *tool* of entrepreneurship. Innovation is capable of being presented as a discipline, capable to being learned, capable of being practiced. Entrepreneurs need to search purposefully for the sources of innovation, the changes and their symptoms that indicate opportunities for successful innovation. And they need to know and to apply the principles of successful innovation.

Innovating Innovation

Innovation takes the center stage as the means to what we know as entrepreneurship but not an end to it as it requires the passionate propensity of the entrepreneur to take the risks to commercialize it. Creativity gives birth to the idea - initially as an invention - towards an innovation that will make it work through commercialization. This results to the creation of a rewarding economic value to the entrepreneurial *purpose or bottomline*, which in some emerging concept is not necessarily profit.

Innovation is the *product* of invention and commercialization (Aulet), where the entrepreneur is the primary commercialization agent. As in a mathematical formula of multiplication, in the absence of invention (derived from creativity), there is no innovation. In the absence of commercialization, innovation is useless.

Innovation-driven Enterprises (IDE) Entrepreneurship (Aulet and Murray) is the more ambitious and more risky than the SME Entrepreneurship. They work in teams where they build their business of some technology, process, business model or other innovation that will give them a significant competitive advantage as compared with existing companies. They are interested in creating wealth more than they are interested in control. The company starts by losing money, but if successful will have exponential growth.

In a study by Praag and Versloot, they concluded that entrepreneurs do not spend more on R&D than their counterparts. They produce fewer patents, new products and technologies. Moreover, the percentage of radical innovations is lower among the entrepreneurial firms. The efficiency with which innovations are produced seems to be higher and so is the quality of innovations. Entrepreneurs commercialize innovations to a larger extent, but score lower on the adoption of innovations than their counterparts (Praag and Versloot, 2007). They adapted the measures of Innovation in Quantitative terms as Research and development expenditures; patents; and introduction of new products or technologies. In Qualitative terms they measure innovation through patent citations; importance of innovations. Innovation's contribution to economic value through innovation is measured by commercialization of innovations; adoption of innovations.

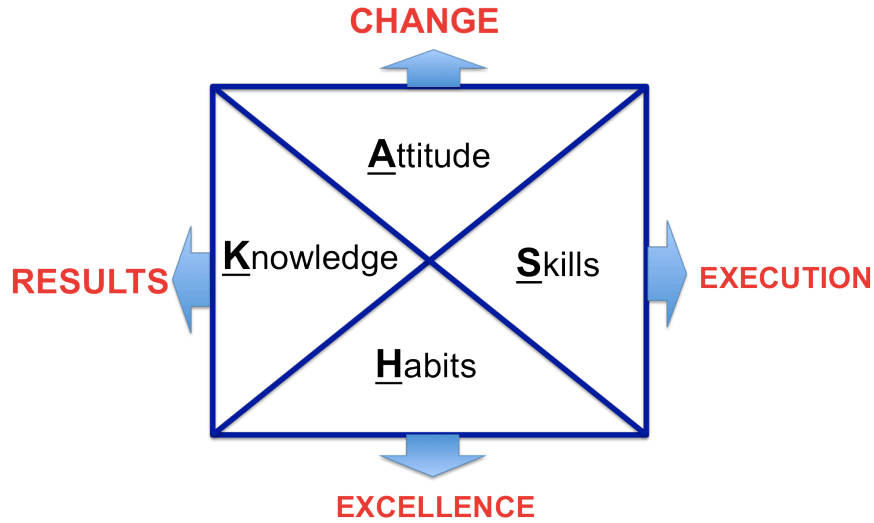
In a highly commercialized economy, we live in a world characterized by a surplus of similar companies, employing similar people, with similar educational background, working in similar jobs coming up with similar ideas, producing similar things with similar prices and similar quality (Nordstrom and Riddlestrale) . This why innovation becomes an essential component of survival.

Innovation begins on how the innopreneur thinks and learn. The learning is about, for and through entrepreneurship. The innopreneur learn about the self, enterprise and environment (SEE). They learn the SEE level. But an innopreneur goes beyond the SEE level by learning for opportunity recognition, opportunity preparation and opportunity optimization. And finally, the innopreneur engage in start-up, leadership (not only management) and upgrading (where the enterprise is levelled up from micro to small, from small to medium, and from medium to large).



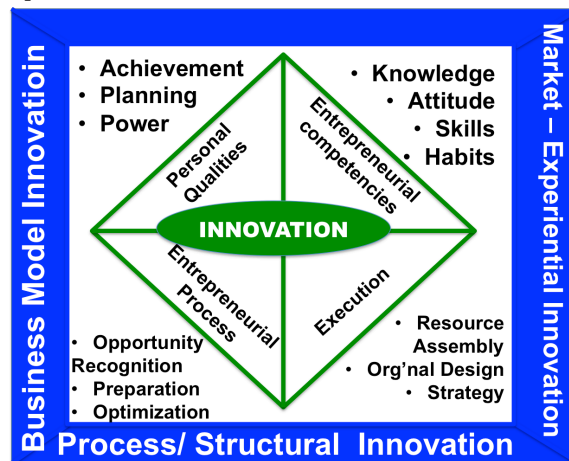
Innovation above SEE Level © by Dr Carl Balita

The SEE is anchored in a purpose and extends farther by engaging the Knowledge, Attitude, Skills and Habits (KASH) at work. The knowledge is for the tangible **results**, the attitude is for **change**, the skill is for **execution**, and the habit is for **excellence**. These are the innopreneur outcomes.



Innopreneurship Outcome by Dr Carl Balita ©

Innovation comes from the innopreneur's personal and entrepreneurial qualities as he engages in the execution along the entrepreneurial process. The personal qualities are clustered as achievement, planning and power clusters (McClelland and McBer, 1985), while the entrepreneurial qualities are the KASH towards the outcome earlier identified. The entrepreneurial processes are the opportunity recognition, opportunity preparation and opportunity optimization. The innopreneur execute the process through resource assembly, organizational design and strategies. There are types of innovations achieved by the innopreneurs which include product innovation, market and experiential innovation, process and structural innovation and business model innovation.



Innopreneur Model by Dr Carl E. Balita ©

Here are some of the tips on effective and efficient innopreneurship:

- Instill the entrepreneurial qualities**
- Nurture the dream with passion**
- Network with prospective allies**
- Open self to creative experiences**
- Prepare for war**
- Remember the lessons**
- Engage people in development**
- Navigate with customer needs**
- Examine Operations**
- Unlock the Code of Finances**
- Reinvent for Quality Improvement**

The concept of innopreneurship does not intend to replace the concept of entrepreneurship, which took centuries to nurture and undertand. It is a challenge and a reminder that there is more into entrepreneurship that a person can apply, teach, research about and theorize. It brings into the concept the most intangible element of entrpreneurship, which some neglect and forget – that is innovation.

Dr Carl E. Balita is a multi-awarded entrepreneur and advocate. He is an entrepreneur behind brand leader in professional review. He is a multi-awarded host of the multi-awarded television – radio program “Radyo Negosyo” (Business Radio) in the Philippines’ biggest media network, ABS-CBN, for the past fifteen years. Here is where he is dubbed as the entrepinoy guru (entrepreneur and “Pinoy” a slang reference to Filipino). He has interviewed thousands as host and has addressed millions as trainor and motivational speaker not only in the Philippines but all over the world. He is a bestselling author, and president of Philippine Chamber of Commerce and Industries in Quezon City, which is Philippines’ biggest local chamber of businesspeople. He holds three professional licenses, a Masters degree and two doctoral degree, Doctor of Humanities and Doctor of Education.