

Creative entrepreneurship: a strategy for growth

Entrepreneurship is a driving force in national productivity and competitiveness. The key for long-term value creation is for enterprises to continue being entrepreneurial. The persistent creation of added value is what distinguishes great companies from mediocre ones. This requires an organizational culture that provides opportunities for innovation in an environment hospitable to venture financing.

The APO organized a study meeting on “Creative Entrepreneurship: Value Creation” in Taipei, the Republic of China, 20-22 July, to explore methods to use innovation in entrepreneurial organizations as a strategy for business growth, particularly for SMEs. Typhoon Haitang delayed the flights of the 16 participants from 11 member countries and two international resource persons, but the study meeting contents were successfully packed into two days instead of the originally scheduled three.

The main conclusions of the group discussions after hearing the resource and country presentations were that entrepreneurial SMEs should: 1) collaborate with each other and with larger partners; 2) take advantage to the extent possible of available assistance and incubator schemes; 3) learn and innovate continuously to stay abreast of changing market demand; and 4) build up their capabilities, not only in technology but also in improving their financial management to allow for sustained growth. The role of government, on the

other hand, should be restricted to policymaking, eliminating unnecessary red tape hindering start-ups, and providing funding, with no direct participation in everyday operations.



Participants in the study meeting at IAC

Inventec Appliances Corporation (IAC), a manufacturer focusing on smart handheld products and network appliances, hosted a visit by participants. Spun off from Inventec Electronics in 2000, IAC had revenues of US\$2.5 billion in 2004, representing growth of more than 100% over the previous year. IAC Chairman Jackson Chang, the holder of more than 80 IT-related patents, likens the organizational structure of a successful entrepreneurial enterprise to the evolution of the human brain: the physical layer (enterprise itself, business, and core competence); spiritual layer (mission, vision, values); and dynamic layer (internal management and external competition/cooperation).