



*To Inspire a passion for
Entrepreneurship*

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Who are entrepreneurs?

- To pursue opportunity without regard to resources currently controlled
- Entrepreneurs vs Managers
 - opportunity vs resources
 - Revolutionary/multi-stage vs evolutionary/long duration
 - Multi-staged with minimum exposure in each stage vs single stage with complete commitment
 - “Rent” resources vs own resources
 - Flat/ network vs hierarchy

3 types of entrepreneurs

- Life style entrepreneurs
 - 1 to 2 times of growth in 10 years
- Foundation entrepreneurs
 - 5 times in 5 years; 10-30 times in 10 years
 - Build a team beyond oneself
- Hi-growth entrepreneurs
 - 10 times in 5 years; 100-300 times in 10 years
 - Recognize real opportunity; able to attract risk capital for rapid growth

3 kinds of Entrepreneurs

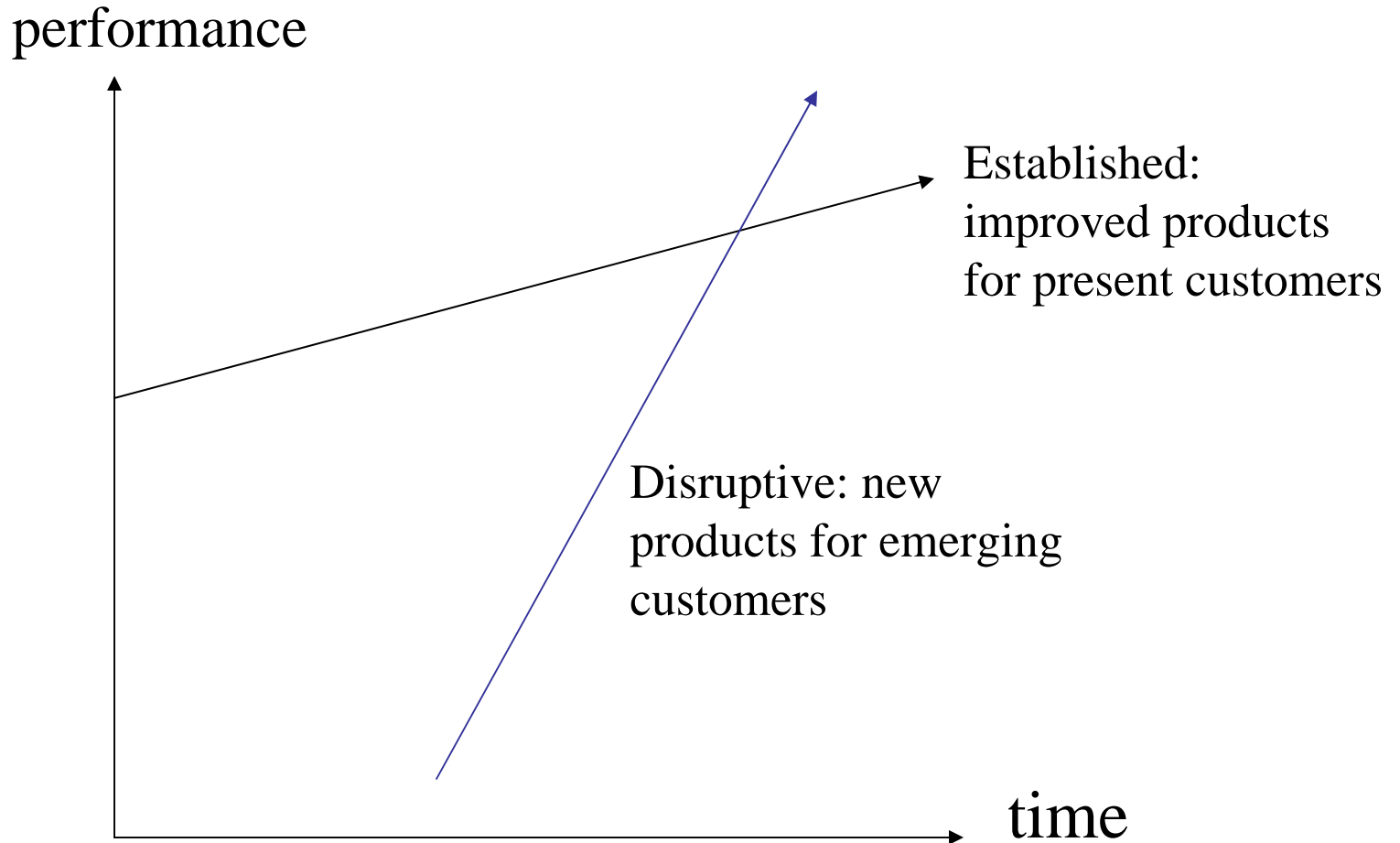
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Disruptive Technology

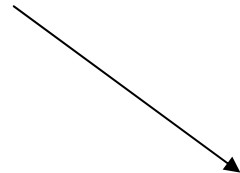
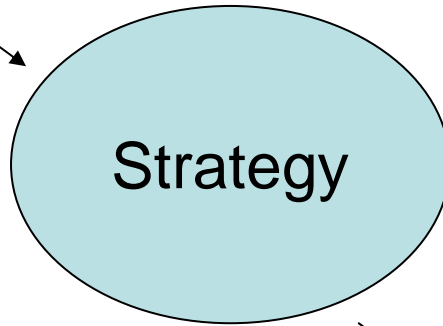
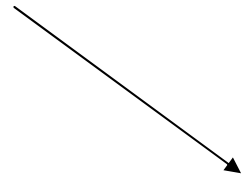
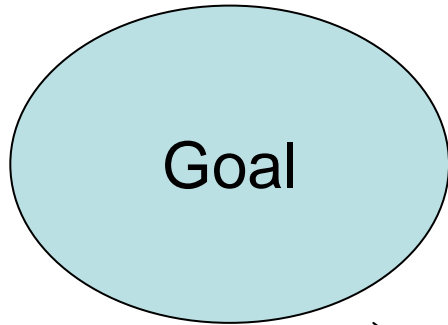
- Large corporations with resources, brand, customers fail to bring out new products
- In the 80's, other than good management, large corporations were required to be market-oriented and customer-oriented
- Overly focused led them fail to capture new technology
 - Canon replaced Xerox
 - Bucyrus-Eris vs Caterpillar & Deere
 - Sears vs Wal-Mart
 - Apple vs Digital; Dell beat HP & IBM

Established technology vs Disruptive technology



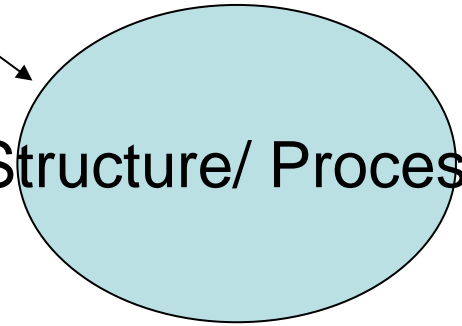
Create, not Manage

- How to price when a product does not yet exist?
- How to hire when an organization does not yet exist?
- How do we value firms that do not exist in the industry three years ago and are barely formed in the present?

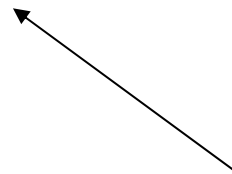
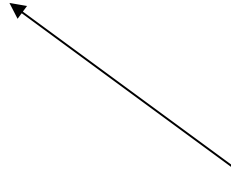
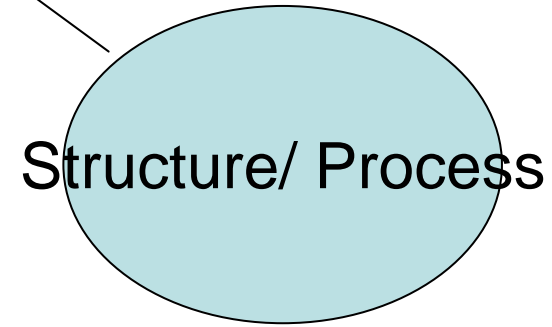
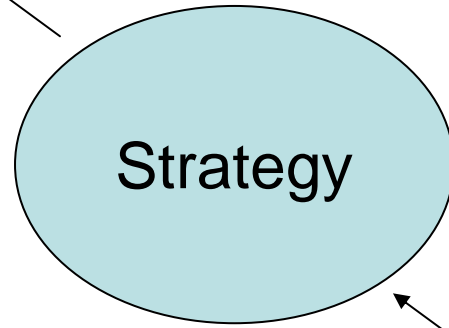
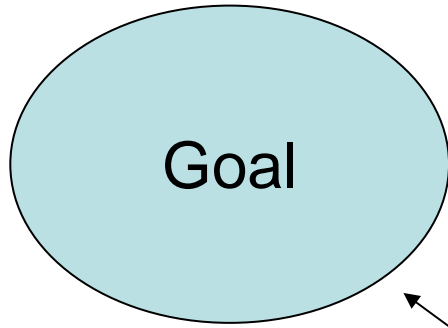


Management/

Causation

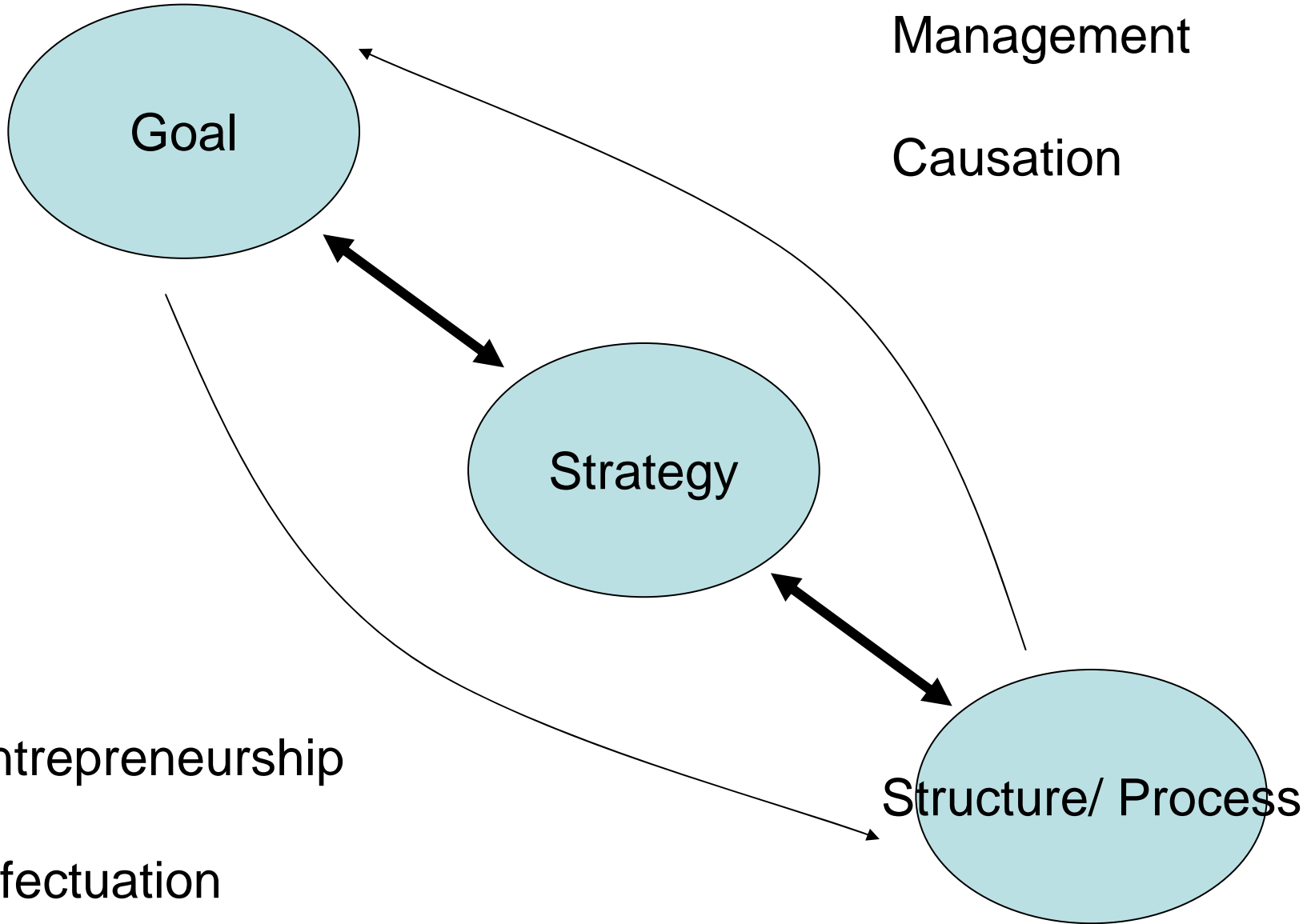


Structure/ Process



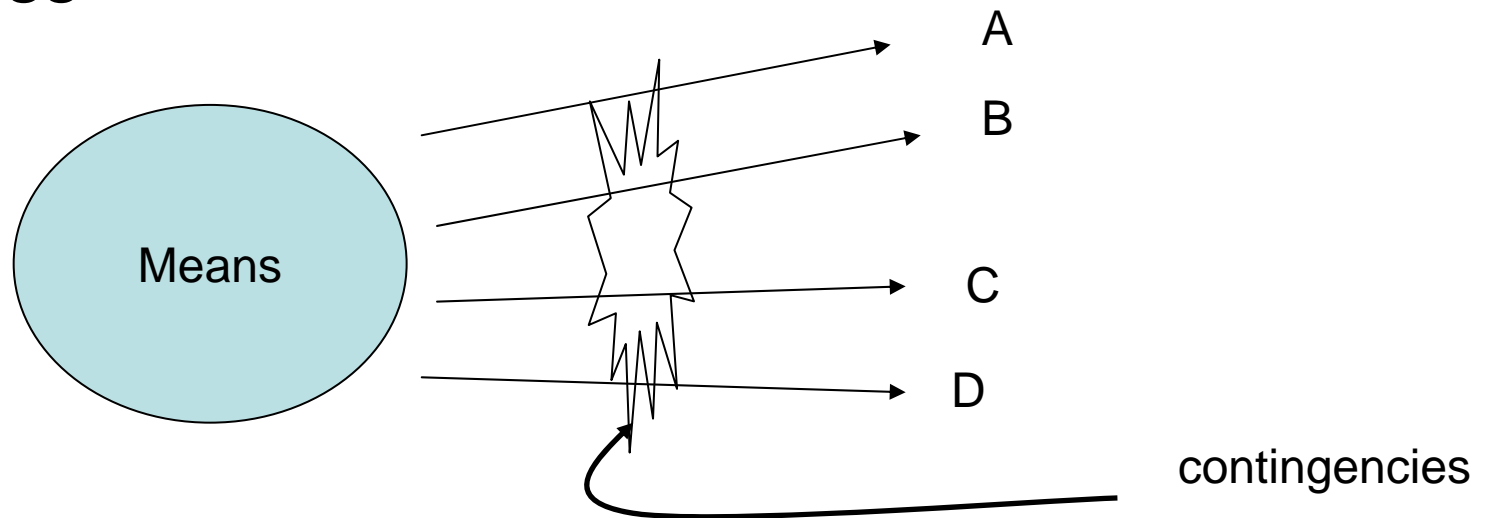
Entrepreneurship/

Effectuation



- Management process: take a particular effect (goal) as given and focus on selecting between means to create that effect
- Effectuation process: take a set of means as given and focus on selecting between possible effects (goals) that can be created with that set of means

- Who you are, what you know, and whom you know
- combine with contingencies to create an effect (goal/end) that is not pre-selected
- but that get constructed as an integral part of the effectuation process
- Opportunity is not always identified and pursued but created as part of the entrepreneurial process



What needs to take to create a profitable venture ?

- Anybody can do it
- Know what you are doing
 - Experience in business organization and competition
- Do it
 - Form team, assemble resources, set up production, establish a presence in customers and suppliers
- Do it quickly
- Do it flexibly
 - Doing too much planning and following the plan is a ticket to failure
- Expect to use your own money
 - Only limited amount from friends, family and angels; don't count on banks at this stage