

Entrepreneurship as a silver bullet

Is it about being or doing?

Swellendam: - If someone gave you a business card that said simply “Joe Blogs: Entrepreneur”, you would most likely either be impressed or a bit skeptical – a bit like a card that read “Joe Blogs: Leader”.

Like leadership, entrepreneurship has many contexts and is subject to a wide variety of different and personal interpretations. To many it implies status, power and wealth – an unreachable star for the masses and achievable by, or the privilege of, only the 1%. Even the definition of entrepreneurship makes of it something special.

[Investopedia says](#): “An individual who, rather than working as an employee, runs a small business and assumes all the risk and reward of a given business venture, idea, or good or service offered for sale. The entrepreneur is commonly seen as a business leader and innovator of new ideas and business processes”.

A recent World Economic Forum [paper defined](#) it more broadly as “the pursuit of opportunities beyond the resources you currently control.” This fits in with my own understanding of an entrepreneur being one who has the ability to look beyond impediments and immediate guaranteed or even assured self-gain. That is what risk is about.

Clearly, as long as we have a narrow status definition, we will confine entrepreneurship to only a few. It also becomes unlikely that we can recruit large numbers to those highly intimidating positions. At the same time we broadly create a concept of a small number of “givers” (risk-takers and innovators) versus a large number of “takers” (wage earners and social grant recipients).

In the light of recent Moneyweb articles on the issue ([see here](#)) it may be of value to rethink our conventional understanding of entrepreneurship. The development of entrepreneurs can undoubtedly play a huge role in our economic well-being although one cannot ignore the systemic and structural impediments to such a project. But the impediments are still not the real issue. On the one hand entrepreneurship won't necessarily be fostered by their removal, while on the other hand an appropriate psyche will not simply knuckle down to them.

The title “entrepreneur” can be very misleading and is often applied to a number of people who may not deserve it – from the overpaid corporate executive to the beneficiary of inherited wealth. Even the term “risk” is misleading. Risk is always relative and many so-called risk takers can either afford to lose what they risk without denting their personal wealth, or have so hedged, spread or leveraged their positions that in the end someone else pays for their folly. We have seen this particularly in the financial industry where the costs of cavalier behaviour have been paid for by bail-outs and ultimately taxpayers.

I have argued on [many occasions](#) that we all have within us the potential for adopting a key entrepreneurial behaviour – the ability to look beyond immediate and assured self-gain and focus on making a meaningful difference to other's lives. This is the behaviour that should be encouraged, nurtured, recognised and rewarded.

It can be done in the workplace by involving employees more in the decision making process – especially in those areas that directly affect them or where they can make a difference to productive processes. A Cape Town study on [early childhood development](#) has shown that advancement is strongly promoted when children are given more autonomy and are involved in decision making.

The nurturing and promotion of this kind of behaviour can form the bedrock of enterprise and entrepreneurship. It will expand the pool of potential entrepreneurs that can progress to bigger things and with greater fortitude tackle the many impediments that undoubtedly are there. But above all, it will automatically underpin prosperity on the self-evident equation that when people by and large are giving more than they are taking they create surpluses and prosperity. When people by and large are taking more than they are giving, they create deficits and poverty.

A broader understanding of entrepreneurial behaviour is the basis from which markets get identified and explored. From there the hurdle of conversion to commercial viability is considerably reduced. In this regard, I believe the profit motive can be an impediment rather than a catalyst. Because a key trait of the entrepreneur is the identification of opportunities, it is better driven by a service motive, which means identifying the needs and wants of others and is the first step from which other considerations can follow.

At the risk of sounding unbearably clichéd again, the ideal initial target is the value-added or wealth created measurement, rather than profit. It is the only one that reconciles accurately contribution to others with wealth generated for oneself or the company. As long as value is being created one is already assured of basic viability, from which one can examine other requirements of sensible wealth distribution such as wages and profits. The initial value-added measurement and the requirements to meet expectations in wealth distribution will inform the kind of venture needed – from a full commercial venture to an NGO, NPO or social enterprise. Conversion to commercial viability is the desired ultimate outcome because only then is full recognition given to legitimate transaction and allocation of resources through supply, demand and price.

A psyche that constantly explores making a meaningful difference to other's lives is a natural stepping stone to developing enterprises that give concrete expression to individual aspirations. Without it, entrepreneurship will always be confined to the exceptional, the fortunate and those with a golden spoon. Others will vainly try to discover it in a plethora of books, biographies and motivational paraphernalia.

Even where it fails to create an Elon Musk or Richard Branson, the shift in behaviour alone will make a huge difference to society as a whole. Then indeed it can be a silver bullet that changes the country for the better.

With apologies to [JFK](#), it means simply: “ask not what you can expect out of life, ask rather what life can expect out of you.”

(TAGS: *Entrepreneur; entrepreneurship; entrepreneurial behaviour; WEF; Musk; Branson; early childhood development*)