

## The expedition for succeeding Entrepreneurs - The Need for Intrapreneurship a study of Yemen

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### Introduction

Yemen is a country in transition. Characterized as a fragile state, it is conflict-afflicted, impoverished, and in a critical post-revolutionary stage. Almost half of the country's population of 25 million lives without access to clear water and sanitation, and over ten million suffer from scarcity, poverty and hunger. High rate of unemployment and poverty leads to political tensions that are compounded by conflict with separate secessionist movements in the north and south, and disruptive extremist operations of Al Qaeda in the Arabian Peninsula (AQAP). Yemen is strategically important for stability in the region as well as for security of key oil and commercial maritime routes. Sincere support and global efforts to stabilize Yemen, with good governance for sustainable economic development, and social security is the need of the house. The Country Development Cooperation Strategy it has main point about support SMEs in the country. Small and Medium Enterprises (SMEs) sector development is one of the key issues worldwide (Davidsson, 2004; Gibb, 1982). The role of small business in promoting the economic development of a nation has been recognized by both academics and policy makers' alike (Storey, 1994; McPherson, 1996; Mead and Liedholm, 1998; Rogerson, 2001). As a developing country, the development of SMEs sector in Yemen is important. The assistance of SMEs as a support industry helps to strengthen the large industries. SMEs development is the precursor of large industry because every large enterprise has started its business primarily as SMEs. The future of the large industries is dependent on the development of SMEs. Hence, SMEs development is also an important issue for employment generation because it provides jobs and offers wages to millions (Kirchhoff, 1994).

Moreover, SMEs are increasingly becoming more important for poor and developing countries (Chico, 1983; Khan, 2002). Perhaps this role has been reached to a consensus by all parties involved. According to the President of the World Bank Group, James D. Wolfensohn: "SMEs are the private sectors for employment generation and sustainable growth" (World Bank Group, 2001).

Entrepreneurs can be of different types. The main categories are:

- Solo operators-who works alone or have a few employees.
- Active partners-who is basically solo operators and has partners to contribute money to the business without actively participating in it.
- Partners-who are those entrepreneurs who carry on the enterprise as a joint activity, all of them actively participating in the business of the firm.
- Investors-are those who are creative and inventive, like to invent new products and may need to setup a business to make them commercial and market them.
- Challengers-are those entrepreneurs who get into business because of the challenge it represents.
- Buyers-who tends to purchase business rather than start one itself, as it appears to be less risky.
- Life timers-who sees their business as integral to their life.

Characteristics of an entrepreneur include spontaneous creativity, the ability and willingness to make decisions in the absence of solid data, and a generally risk-taking personality. An entrepreneur may be driven by a need to create something new or build something tangible. As new enterprises have low success rates, an entrepreneur must also have considerable persistence. Entrepreneurs are generally highly independent, which can cause problems when their ventures succeed. In a small company the entrepreneur is able to personally manage most aspects of the business, but this is not possible once the company has grown beyond a certain size. Management conflicts often arise when the entrepreneur does not recognize that running a large stable company is different from running a small growing company. That gives rise to the need for someone who doesn't have to go by the dictums of the organizational structure and the needed procedural formalities in establishing business for the organization. A person in a large organisation empowered to create new products without been constrained by standard procedure. Intrapreneuring is the process of allowing--and encouraging--your employees to initiate and oversee new ideas or improvements within the framework of your organization. It means developing the kind of corporate culture that will allow employees to find all the opportunities for innovation and ownership they're craving--without their having to leave your organization to do it. Employers are slowly beginning to recognize these drives, and some are finding innovative ways to meet these needs, so that their best employees will have reasons to stay. They realize that they must provide challenges for their rising stars. They must provide opportunities for autonomy and for leadership. They must find a way, within the framework of the existing company, to allow their star employees some room to create, to maneuver, and, therefore, to thrive.

Intrapreneurs bridge the gap between inventors and managers; they take new ideas and turn them into profitable realities. Without them there is an innovation gap. They have vision and the courage to realize it. They can imagine what business and organizational realities will follow from the way customers respond to their innovations; they can plot the necessary steps from idea to actualization. To make things work, intrapreneurs cross organizational boundaries to do other people's jobs. They have a need to act, and they don't wait for permission to begin. Their dedication frequently shuts out other concerns, including family life.

They pursue only goals that they set, that have personal meaning. Successful intrapreneurs learn to overcome mistakes and to manage risk. The typical intrapreneurial personality lies somewhere between that of the traditional manager and that of the traditional entrepreneur. Successful intrapreneurs choose the right idea from several they might be developing simultaneously in their minds. The idea must be good for the market, good for the company, and good for the intrapreneur. The idea will fit the market if there is a real customer need and the product can be delivered in a cost effective manner at a price that gives adequate margins. It should also be appropriate for the company culture and lead to growth and profits.

In the organizations, the idea should fit the intrapreneur's skills and experience. It should inspire belief, enjoyment, and dedication. Ideas can come from brainstorming, talking with co-workers in diverse departments, individual curiosity, market research, and current company projects and technology. Intrapreneuring can also involve improving a process within the corporation. Intrapreneurial leaders face a basic paradox: the new venture team needs decisive centralized direction-setting but, at the same time, it requires participatory management to do its best work. Successful leaders breed a hybrid organization. They set the direction, give team members freedom and respect, and listen to colleagues-but they make the final decision. They build commitment by focusing on the goal of the intraprise and by sharing the visionary task.

Building an intraprise includes four phases. This has to be taken care of by the organization. The first is the solo phase in which the intrapreneur works alone. The second is the network phase in which ideas is shared with a few close friends and trusted customers. This evolves into the bootleg phase where the emerging team works unofficially during spare hours. Finally, there is the formal team phase, which requires delicate management of people and the mainline corporate structure. The most fundamental measure of progress for an intrapreneur is the increasing freedom to use corporate resources to build new businesses for the corporation. This reward can be given (earned, actually) in the form of "intracapital." Intracapital is a permanent discretionary budget; like a bank account, it is there until used. It is a powerful motivator because it conveys a sense of ownership and guarantees freedom. It is advantageous to the company because it encourages frugality and allows the firm to bet on proven winners.

Intrapreneurs earn intracapital when their new ventures succeed for the corporation. In a formal system, intrapreneurs also take some risks, such as foregone salary increases and extra, unpaid labor; there is an agreed-upon method of measuring success; profits are allocated to sponsors and team members, as well, in an agreed-upon manner; and earned rewards and autonomy can not be taken away. To survive, corporations of the future must change. They must balance necessary structures and freedom of action to increase productivity. The first step is an "interactive decentralization" that relies on voluntary customer-vendor relationships. Executives can create an internal marketplace that pushes intrapreneurs and employees toward the objectives of the corporation. Intracapital is the key ingredient in making decentralization work because it generates free intraprise. Intrapreneurship is a way of organizing business so that work again becomes joyful. The wealth of corporations-like that of nations-is dependent on the freedom of their people.

Intrapreneurs are enough like entrepreneurs to make top management nervous, because of the unsettling myths about the entrepreneurial personality. Contrary to prevailing opinion,

1. Entrepreneurs are driven by a need to realize their vision, not a desire for wealth
- 2.They work to minimize risk in order to realize their goals
- 3.They follow both intuition and hard analysis
- 4.They are honest with themselves and others and
5. They do not have a need for power. They are, in short, worthy of freedom and responsibility.

Big companies can make the development of a new idea far easier for an intrapreneur than the same task would be for an entrepreneur. They offer marketing clout, a technology base, trusted co-workers, and information resources. They can provide financial support for projects that would not be attractive to venture capitalists. On the other hand, entrepreneurs escape the indecisiveness of the corporation, tap the experience of sophisticated venture capitalists, and enjoy the satisfactions of ownership.

The possible ways of identifying intrapreneurs is by:

- Identify the best and brightest employees.
- Identify the strengths and weaknesses of the star employees.
- Ask the at-risk employees--those most likely to leave--to come up with ideas that might allow them to stay.
- Give them the chance to sell on their plans.
- Support these ideas in any ways the organisation can. Find ways to make employees even more excited about their own ideas, and they'll want to stay.

In the context of developments in Indian corporate world, the above deliberations warrant a space for Intrapreneurs. In fact, Intrapreneuring is really a win-win idea—where the very best

employees become more energized and motivated, and want to stay, and, if and when they're successful the company's bottom line improves.

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