

Entrepreneurship and Small Business

2nd Pacific Rim Edition



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10 9 8 7 6 5 4 3 2 1

To Finlay

— MS

To Robin, Chloé and Annabelle

— TV



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PREFACE

Although there are many different career options in business, few offer as much potential for personal achievement and independent wealth creation as starting or running your own business.

Entrepreneurs are people who conceive of new business opportunities, take the risks, and then turn their ideas into successfully functioning enterprises. Small business owner–managers are the people who are responsible for the day-to-day organisation and operation of small firms. Both groups are at the forefront of many of the new ideas, new markets, new jobs and new wealth-generating activities taking place all over the world.

Like any area of potentially high reward, there are many risks involved in new projects. Failure rates are often much higher than for established firms, and operating systems, human resources and financing options are often much more limited than in larger organisations. For these reasons, intending entrepreneurs and small business owner–managers need to carefully prepare themselves before starting out on their venture.

There are many textbooks available on these subjects, but most continue to focus solely on a particular country. Even today, the majority of the English-language books available are British, Australian or American, and often ignore or downplay the important legal, marketing and operational variations that occur between different countries in the region.

For this reason, we have written *Entrepreneurship and Small Business: 2nd Pacific Rim Edition*, a comprehensive, multinational textbook that focuses on a number of different jurisdictions and countries in the region: Australia, New Zealand, Singapore, Malaysia and Hong Kong. New business ventures and established small businesses are key driving elements in each of these economies and, because of their shared British colonial heritage, many of these nations also share a common legal and governmental framework.

The book also incorporates many useful teaching aids and practical information for effective learning:

- **Learning objectives:** A set of clear outcomes is provided at the beginning of each chapter, explaining what students should know by the end of their reading and study.
- **Key words:** Major terms and concepts are highlighted and defined as they occur.
- **Profiles:** Contemporary entrepreneurs and small business owner–managers from the Pacific Rim region are profiled in each chapter.
- **Web addresses:** Useful websites point students in the right direction for further details about particular issues.
- **What would you do?:** Short cases allow students to solve an ethical issue or problem relevant to the chapter.
- **Chapter summary:** A brief review of the major learning points and issues is provided at the end of each chapter.

- **Review and discussion questions:** These are designed to help students become familiar with the learning objectives and major concepts introduced in each chapter.
- **Case studies:** At the end of each chapter, an applied problem requiring the use of both analytical and technical skills is provided for students.
- **End-of-book case studies:** Four comprehensive cases feature at the end of this second edition. These profile entrepreneurs from Malaysia, Singapore, Australia and New Zealand, and offer real-world success stories for students to draw inspiration from.

In addition to these textbook teaching aids, *Entrepreneurship and Small Business: 2nd Pacific Rim Edition* has an accompanying website that includes:

- an Instructor's Resource Guide containing teaching notes and solutions
- PowerPoint presentations for each chapter
- an additional textbook chapter, Information Systems and Technology, for lecturers wanting to cover this area in more depth.

Finally, a word about terminology. As we explain in chapter 4, we recognise that the terms *small business* and *entrepreneurship* are not synonymous. Entrepreneurship is mainly about the creation and growth of a business venture, whereas small business management covers the daily control of a small firm. However, there is often considerable overlap between the two sets of activities (many entrepreneurs start off by creating a small firm that subsequently grows into a larger enterprise). Both entrepreneurs and small business owner-managers are required to be familiar with many of the same technical skills and business concepts. Therefore, in the parts of this book that apply to both entrepreneurs and small business operators, we have used the terms *entrepreneur* and *small business owner-manager* interchangeably.

Whether you want to build an entrepreneurial success story or just a profitable small local enterprise, or are simply seeking to better understand these types of businesses, this book will provide the information you need. We hope you find it useful.

Michael Schaper
Thierry Volery



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