

**FROM EMPLOYEE TO ENTREPRENEUR: HOW TO  
RECOGNIZE AN OPPORTUNITY**



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RECOGNIZE AN OPPORTUNITY**

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**FROM EMPLOYEE TO ENTREPRENEUR: HOW TO RECOGNIZE AN OPPORTUNITY**

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**ABSTRACT**

Nowadays, the cost of living constantly increases which makes it extremely challenging for employees with regular incomes to build their own wealth. For this obvious reason, many employees want to become entrepreneurs. This paper aims to support employees with entrepreneurial mindset on the ways to recognize business opportunities. The paper covers a case study from real successful entrepreneurs on how they actually recognized their own opportunity. Opportunities are all around us; many times they come in form of information. Successful entrepreneurs are likely to have better access to certain kind of information than others. They also have acquired skills to integrate information based on previous knowledge, and are able to transform the acquired information into effective business execution.

**KEY WORDS:** Opportunity Recognition/ Employee to Entrepreneur/ Entrepreneur/ Success/ Wealth

21 pages

## CONTENTS

	<b>Page</b>
<b>ACKNOWLEDGEMENTS</b>	<b>ii</b>
<b>ABSTRACT</b>	<b>iii</b>
<b>LIST OF TABLES</b>	<b>v</b>
<b>LIST OF FIGURES</b>	<b>vi</b>
<b>CHAPTER I INTRODUCTION</b>	<b>1</b>
<b>CHAPTER II LITERATURE REVIEW</b>	<b>4</b>
2.1 Definition of Entrepreneurship & Opportunity	4
2.2 Access to Information & Utilization of Information in Opportunity Recognition	5
2.3 Other Aspects of Opportunities Recognition	6
<b>CHAPTER III RESEARCH METHODOLOGY</b>	<b>9</b>
3.1 Selected Entrepreneurs	9
3.2 Interview Questions	11
<b>CHAPTER IV FINDINGS ANALYSIS</b>	<b>12</b>
4.1 Greater Access to Information	12
4.2 Greater Ability to Utilize Opportunity-Related Information	13
4.3 Actively Search for Opportunities	14
4.4 Alertness	14
4.5 Prior Knowledge/ Experience	15
4.6 Social Network	16
4.7 Most influential factors	16
<b>CHAPTER V CONCLUSIONS &amp; RECOMMENDATIONS</b>	<b>17</b>
5.1 Conclusions	17
5.2 Limitation in the Scope of Study	18
5.3 Recommendation	19
<b>REFERENCES</b>	<b>20</b>
<b>BIOGRAPHY</b>	<b>21</b>

## LIST OF TABLES

Table	Page
3.1 Interview Questions for Entrepreneurs	11



## LIST OF FIGURES

Figure	Page
2.1 Opportunity Recognition: The Central Role of Information	6
2.2 Important Factors in Opportunity Recognition	8





## CHAPTER I

### INTRODUCTION

In our current society, children are taught to walk in the paths set-up by parents. According to Woods (2015), many parents encourage their children to be good and attain good grades in school. For many families, especially in Asian societies, children are even encouraged to take tutorial sessions outside school to ensure that they can get admitted to a reputable universities in their fields of their choices. This path would generally help the children to land secured jobs after graduation. On the very first day of the job, they were taught to work hard and save up money- to start families and/ or build up fund to be financially independent. Also, they are taught to work up the corporate ladder to make it in the business world. Not surprisingly, this is the exact career path for a lot of professional people.

Obviously, the full-time employment comes with several upsides: recognizable employers, regular pay-checks, fringe benefits, co-workers, to name a few. One gets paid every month as long as one is employed, regardless of the employers' financial status. That is what an employee does. He or she puts in work hours, produces acceptable work and does not have worry to the company's bottom line or cash flow- no risk involved. The downsides of being an employee is the low return. One gets paid at an agreed salary and has to burden all the personal expenses. The income is fixed, and can be adjusted yearly, at best, at a very small, predictable rate. The expenses, on the other hand, continue to climb with cost of living. For this reason, there is hardly any opportunity for employees, mostly known as salaried-people, to develop and build their own wealth.

A regular and stable income may not always sufficient for every family as there is always unlimited wants and needs. Therefore, there are many people in the job market dreaming of becoming entrepreneurs who are willing to take more risk to compensate with additional income. According to Mitchell (2015), 74.8% of people have the aspiration to build wealth as an important factor for becoming an entrepreneur.



Not surprisingly, there is a rapid growth in the size of entrepreneur out there in the market. In the US alone, Mitchell (2015) claimed that there are more than 530,000 businesses created each month. This is especially true with the emerging of new technology which makes it even more convenient to start such business as e-commerce. It has opened a lot of opportunities to use this channel to become an entrepreneur even faster.

Many people decide to become an entrepreneur as they believe it offers them more flexibility and great freedom to their work life. What many fail to realize is that it also comes with hard work, risk and full accountability. Unfortunately, not everyone can successfully shift from an employee to an entrepreneur. One of the reasons that entrepreneur fails is because their business opportunities are limited. Great ideas do not always lead to successful business due to many factors (Harvard Entrepreneur 2015). Great ideas need to be explored carefully through research and testing. For these reasons, many people still think they are not ready to cross that barrier yet as there are many challenges ahead. They prefer to work as employees and wait for the 'right moment'. Unfortunately, for some that 'right moment' never comes as they fear of losing their regular income and the secured job, especially when they are trying to start a family.

Clearly, entrepreneurship does not guarantee either regular income or success. There are always risks involved in any investment/ decision. That is probably why many people with great passion in becoming an entrepreneur are still kept in the job market, and keep their day jobs. Mitchell (2015) claimed that the average age of successful entrepreneur is 40 years old with at least 10 years of experience working for other companies. This means many young people with great business ideas, many time fail to implement and execute their business ideas. They just do not have either the confidence and/or funding to pursue their plan. In fact, implementing a business plan requires a lot more than confidence and funding. It requires hard work and a full commitment to the business. This requires a lot of time, self-discipline and sacrifice from the entrepreneur themselves as well as their families (Whitmore 2016). Zwilling (2011) mentioned that an entrepreneur would generally need a set of attributes to be hard-driving, result-oriented and highly focused on specific goals, these would help them achieve their business goals.

This aims to explore in-depth ways an employee can recognize business opportunities to become a successful entrepreneur in the first attempt. It aims to help employees with entrepreneurial mind to build solid foundation and guide them in the right direction to succeed in their first venture. It is important to do things right the first time as the funds are usually limited.



## CHAPTER II

### LITERATURE REVIEW

#### 2.1 Definition of Entrepreneurship & Opportunity

Before we explore in-depth on ‘recognizing opportunities’, it is practical to start-off by understanding more on the entrepreneurship. Baron and Shane (2008) described an entrepreneurship as a process which involves a chain of event and activities that place over a period of time. This process normally starts-off with a creation of ideas for a new product and services that can be transformed into reality. In fact, the process would be carried out by individual that has taken key actions from fresh ideas to business execution. Although, many authors have provided definition of entrepreneurship in various sources, but definition provided by Frederick, Kuratko and Hodgetts (2007) is clear and easy to understand as follow:

*“Entrepreneurship is a dynamic process of vision, change, and creation. It requires an energy and passion toward the creation and implementation of new ideas and creative solution. Essential ingredients include the willingness to take calculated risk – in terms of time, equity, or career; the ability to formulate an effective venture team; the creative skill to marshal need resources; the fundamental skill of building a solid business plan; and, finally, the vision to recognize opportunity where the others see chaos, contradiction and confusion.”*

From this definition, it is certain that *recognizing an opportunity* is extremely important to any entrepreneur. It can help people to become a successful entrepreneur by allowing them to develop their opportunity to create new product or services to serve the market. In fact, it does not always have to be new products or services. Instead, it can simply be recognizing an opportunity to enter the new market, or just different ways to obtain revenue from existing resources and/or business operations.

For this reason, let’s examine more on the term opportunity. The word opportunity is commonly described as the potential to create something new. This opportunity would arise from the emerging of various condition that is happening around

us such as economic, social, political technological. These opportunities have the possibility to create new economic value. Clearly, the start of opportunity identification requires a combination of human cognition, which is a mental process acquiring information, to store and to process information into meaningful actions (Baron and Shane 2008).

## **2.2 Access to Information & Utilization of Information in Opportunity Recognition**

Apparently, an opportunity can only exist when entrepreneurs have the ability to recognize what most people do not notice yet. Baron and Shane (2008) suggested that big chunk of this secret involves in central of information, so they claimed that people could better recognize opportunity than others because:

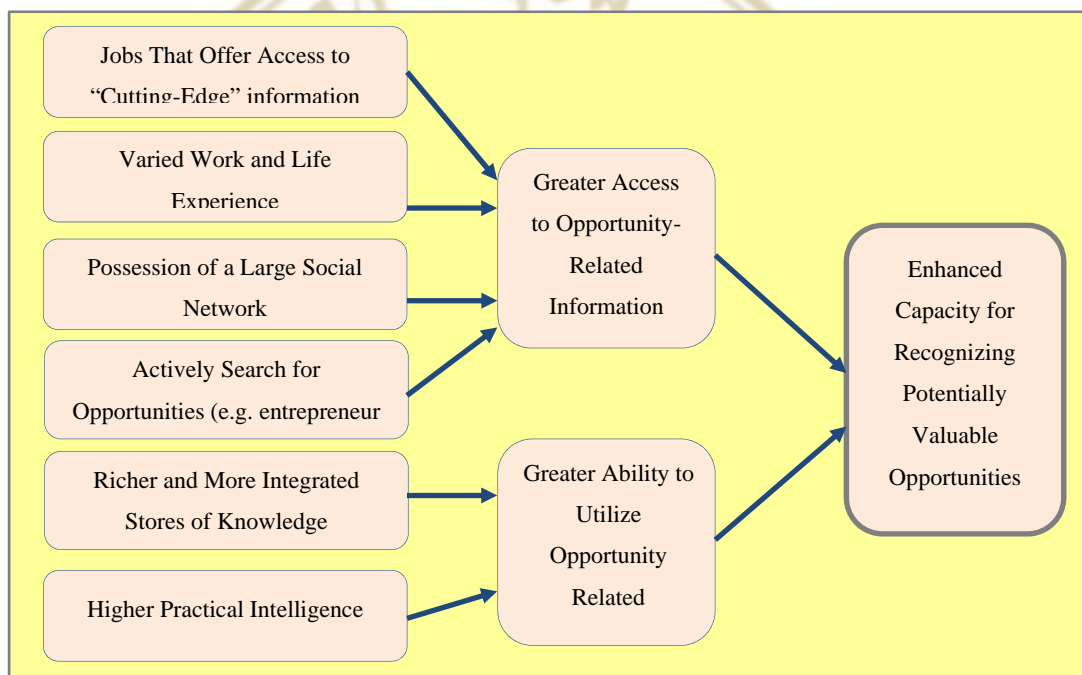
1. They have better access to certain kind of information,
2. They are able to better utilize this information once they have it.

***Greater access to information:*** Some individuals have more ability to access to information and insight than others in many different ways. This can come from individuals who have opportunity to work in the cutting-edge products that public are not aware yet, such as technology industry. While, others may have access through their daily work such as R&D. They may have information from their previous working experience in many different sectors and/ or roles, which would be considered as advantages as compared to others. In fact, Baron and Shane (2008) mentioned that many entrepreneurs gain information from social network by simply talking to people who have more experience/ information.

***Superior Utilization of Information:*** Greater access to good source of information alone doesn't guarantee success. Baron and Shane (2008) suggested that entrepreneur must be able to have access to information AND be able to use it well to meet their own objectives. Therefore, this is where human cognitive would play an important role. The ability of an individual, who has better access to information, that forms insights from previous knowledge/ information better than others, and ultimately integrates into the right context to become a meaningful opportunity. This is the ability to store information in a very organized manner, and to interpret at their disposal.

Therefore, it is obvious that people who can perceive opportunities often demonstrate richer and better storage of information than others who often miss (Baron and Shane 2008). In addition, Baron and Shane (2008) declared that there are evidences suggesting that entrepreneurs tend to be higher than others in practical intelligence to solve problems in daily life as well as being more creative than others. As a result, they are able to better integrate previous knowledge and information in a new context.

To this point, it is clear that the core component to opportunity recognition is information. The ability to have a greater access to the information as well as ability to utilize it appropriately would lead to the starting point of entrepreneurship process.



**Figure 2.1 Opportunity Recognition: The Central Role of Information**

Source: Baron and Shane (2008)

### 2.3 Other Aspects of Opportunities Recognition

Baron and Shane (2008) revealed that apart from information alone, there are also 3 other factors that would be as important as information. In fact, these three factors come in form of information as well. These include:



***Actively engage in hunting for opportunities:*** This would be the key activity for many people before they become a successful entrepreneur. A previous studies indicated that entrepreneurs are likely to recognize opportunities better than a typical manager or employee – merely because they are more exposed to sources of information. Surprisingly, a good source of information also indicates that there is higher tendency to have become success from recognized opportunities. For instance, a successful entrepreneur tend to search for opportunities from unique contacts rather than public information such as magazine, newspaper, etc. Therefore, this is an important factor in recognizing many opportunities by. In fact, a previous study indicates that good opportunities may come automatically rather than from those consciously and carefully focused on (Baron and Shane 2008).

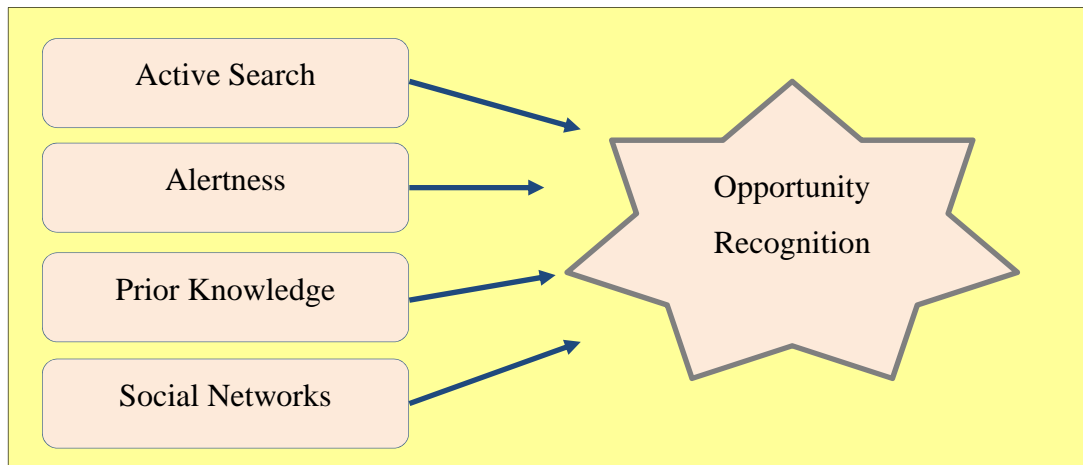
***Alertness to opportunities (the ability to recognize them as they arise):*** The opportunity may arise when individuals may not be actively be hunting for it. Instead, it can be referred to who are well prepared to recognize them. Baron and Shane (2008) described it as “alertness to change conditions or to overlooked possibilities”. This preparedness normally comes with individuals who have strong caliber of highly intelligence and creativity who are able to adapt into the new context. This capability allow entrepreneurs to visualize the market needs and identifying products or services that would fulfilled that needs .

***Prior knowledge in customer, market, or industry:*** This is another factor that may help many individuals to recognize opportunities. This factor is fairly straight forward as it heavily based on the life experience of each individuals, especially true for individuals with extensive business experience. Obviously, individuals with extensive business experience would have major advantage as compared to the younger individuals, especially in terms of recognizing money making opportunities. For this reason, the more experience each individuals have in each sector generally leads to higher chances that they would be in a better position to spot good opportunities.

In addition, Baron and Shane (2008) discovered another type of factor which is totally different from the other factors discussed in the above section. This factor is ‘social network’ which is referred to as the entrepreneur’s social network coverage. It plays an important role in recognizing opportunities, as the more social network each individual has – the higher chance that he would have higher exposure to



the insights. For instance, he would need to attend various social gathering events such as meeting or social networking events. This would allow the entrepreneur to have more exposure to many people from diverse backgrounds. As a result, this may lead to discussion that may ultimately lead to many good opportunities.



**Figure 2.2 Important Factors in Opportunity Recognition**

Source: Baron and Shane (2008)

## **CHAPTER III**

### **RESEARCH METHODOLOGY**

This paper will focus on the qualitative research as a means to draw our findings. The aim of this research is to determine ways an employee could recognize promising opportunities that would enable him to move forward to become an entrepreneur with confidence—with lowest possible risk of failure.

For this reason, the qualitative research will enable us to understand of ways that real entrepreneurs recognize opportunities. Qualitative research is the appropriate tool to use as it is a realistic and interpretative approach in understanding the meaning that individual attaches to decision and actions. In an essence, it is best to guide researchers to understand more of the subject or setting.

In this qualitative research, an interview option has been selected to gain insight on how real entrepreneurs actually recognize the opportunities which eventually enable them to start the business. Two entrepreneurs were selected for interview, with a set of standard questions. The questions were created based on the framework that Baron and Shane (2008) described on the recognition of opportunities. The focused questions show whether they have access to information and whether they are able to utilize it well, or they tend to follow their other resources, which including active search, alertness, prior experience and social networks. This outcome will give us a better picture on ways actually taken by them to recognize opportunities in these two cases.

#### **3.1 Selected Entrepreneurs**

In the research, the main objective is to gain insights on ways to recognize the opportunity. We focus on two entrepreneurs in the same industry for better comparison. Both entrepreneurs need to offer either product or services to their customers.

It is decided to focus on the hospitality industry, a purely service business. Two entrepreneurs volunteered to provide input toward this research. Both quit from their full-time jobs at multinational companies to pursue their own dreams. One started up a bar and restaurant business, while the other established a boutique hotel in the heart of Bangkok.

For confidentiality purposes, pseudonyms will be used in describing the cases from these two entrepreneurs. Below are brief profiles of the two.

**Case A:** Paul is one of the young and most successful entrepreneurs who quit a full-time, high-pay and secured employment at Toyota Motor Asia Pacific to start-up his business. Paul founded ABC Bar & Restaurant, a rooftop bar in heart of Thonglor which is on Bangkok's most lively spots for high-end night life. Paul and three of his close friends started up ABC business in Thonglor area in late 2012. ABC is one of the most reputable spots in the area, well known for its creative design and an affordable eating place to chill-out with friends and colleagues. The team envisioned it to be the most well-known bar for its coziness and affordable place in the area.

ABC has inspired its customers with unique experience and signature food and drink. The key strategy to differentiate themselves from competitors is offering unique atmosphere, decoration, signature food and drink, and friendly service while maintaining affordable price to their customers. Not surprisingly, ABC attract many regular customers over their 3 years of the business.

**Case B:** In 2010, Alan left a promising career at the Standard Chartered Bank to pursue a good business opportunity. Alan and his brother recognized an opportunity to develop their family-owned riverside property in the heart of Bangkok into a chic boutique hotel. The brothers founded XYZ Hotel in 2010 and decorated the four-story hotel under the stylish concept. The hotel has a spectacular view of Bangkok, and situated in the best spot in the river bank and Bangkok's most famous tourist attraction. Besides, XYZ Hotel offers a very friendly and warm services to its guests and put a lot of attention to every detail of guest's requests. Not surprisingly, there were a lot of fantastic reviews on various websites, attracting many more guests. The hotel almost fully booked every night during the peak seasons.

### 3.2 Interview Questions

The interview questions were developed to probe questions to obtain specific answers toward framework discussed in the literature review. At the same time, most of the questions were designed as open-ended questions whereby they allow entrepreneurs to freely express his/ her opinions on the questions.

The questions are divided into two groups: main aspect of opportunity recognition and the four other aspects of opportunity recognition. We will examine how and whether real entrepreneurs are using this framework in their opportunity recognition.

**Table 3.1 Interview Questions for Entrepreneurs**

Topic	Question
<b>1. Main Aspect of Opportunity Recognition</b>	1.1) In recognizing the successful opportunity, what access information did you have to gain insight?
	1.2) In what way, did you integrate everything to a superior use of information?
<b>2. Four Other Aspect of Opportunity Recognition</b>	2.1) How did you actively search for the opportunity?
	2.2) Would you say that alertness is applicable to your opportunities recognition?
	2.3) Do you have any prior knowledge/ experience that support you in this business?
	2.4) What social networks did you have that influence you into this opportunity recognition?
	2.5) Among 4 factors (actively searching, alertness, prior knowledge/ experience, social network), were there any combination of factors that supported you in this opportunities recognition?
	2.6) In your view, what was the most influential factor that led you to this opportunity?

## **CHAPTER IV**

### **FINDINGS ANALYSIS**

The interview sessions were held on 20 February 2016 in two different locations. Paul's interview was done at CMMU Campus, which took just over 45 minutes to complete. The interview was arranged in an informal setting, which allowed Paul to relax. Alan's interview, on the other hand, was done at the lobby of XYZ Hotel. Alan's interview session took over an hour to complete, followed by 15 minutes of hotel tour.

After constructive interview sessions, there were many fascinating facts about these two successful entrepreneurs. Both Paul and Alan seem to have several things in common. Below are the full analysis of the findings:

#### **4.1 Greater Access to Information**

For the first question of the interview, the question was to examine whether there is any relationship on how the entrepreneur opportunity and greater access to information.

**Case A:** Paul admitted that ABC Bar & Restaurant opportunity came to him when one of his close friends, who is presently one of the partners, has rented out the entire 5-story building in Thonglor for his own family business. However, the rooftop of the building was left empty and was not utilized. Therefore, the group gathered to explore on how they could fully utilize the rooftop as the building is situated in the prime location; the space had never been advertised to external parties for rent. Paul and his partners were able to get an attractive rental rate where they could potentially start the business here.

**Case B:** Alan also confessed that he had a greater access to information through his family (social network). His family owns a 4-story building on the riverside in the heart of Bangkok. For a long period of time, the building was used for family business.



Eventually, the family business need to expand, so they decided to move the entire operation out to other facility outside Bangkok. For this reason, the four-story building was left unused. Like Paul, the building had never been advertised to an external party to rent out or buy.

*Analysis:* The answer of both entrepreneurs seem quite obvious that there were some common insights about the prospect of using the space/ land for something that could create more value. However, based on Baron & Shane (2008)'s framework, it can be that both Paul and Alan are having greater access information through procession of social network. Paul's opportunity came from his friend, while Alan's opportunity came from family. However, Baron & Shane's framework shown that there are 4 stems toward greater access to opportunity-related information (as shown in Figure 1), which include:

1. Jobs that offer access to "cutting-edge" information
2. Varied Work and Life Experience
3. Possession of Large Social Network
4. Actively Search for Opportunities

For both Paul and Alan, there is no connection for stem 1, 2 and 4.

## 4.2 Greater Ability to Utilize Opportunity-Related Information

*Case A:* Paul mentioned that after realizing that there is a potential space that could be converted into a more value-creation. Paul and his team started to explore on how they could convert an empty and unoccupied rooftop space into money. Paul mentioned that his team explored many possibilities and eventually came up with an idea to open the bar and restaurant. Paul was inspired by his experience at one of the bars abroad that was decorated by artistic cozy loft concept. At the time, there wasn't many bars and restaurants in Thailand that offer this kind of unique experience. Therefore, the team concluded to implement this concept at this facility. It is clear that Paul and his colleagues were able to use their previous knowledge, integrated knowledge and adopting them to create a successful bar and restaurant business.



**Case B:** As for Alan, the 4-story building was a good site to make good money from. Alan and his older brother were exploring what kind of activity that would be the best business to fit with the property, considering that the building situated in the strategic location. The brothers had identified that it would be a good spot for start-up a boutique hotel targeting at tourists. Alan initiated a plan to build a place with a unique concept without having doing major construction that would impact the structure of the building.

**Analysis:** This is clearly shown that Alan and his brother had definitely gathered knowledge from their own experience to develop further into their own business. At the same time, there is a clear sense of practical intelligence as they were able to solve problems that they encountered from ideas to execution. The hotel had been operating for several years and it had proven to be very successful.

### 4.3 Actively Search for Opportunities

**Case A:** Prior to ABC Bar & Restaurant, Paul admitted that he was not actively searching for opportunities. In fact, he wasn't searching for any opportunity at all. Paul was just concentrating on his role as an Project Engineer at Toyota Motor Asia Pacific. Paul claimed that he wasn't thinking about starting his own business.

**Case B:** At the same time, Alan also mentioned that he did not search for any opportunities at all. Just like Paul, he did not plan to start his own business until his family business moved to another location, and the building was left unoccupied.

**Analysis:** From these answers, it is fair to say that both entrepreneurs did not actively searching for opportunities. Therefore, there is no relationship for actively searching for opportunity for both of their business.

### 4.4 Alertness

**Case A:** For Paul, the ABC Bar & Restaurant was established from an opportunity offered by one of his partners that the rooftop space could be better utilized. Besides, Paul was not actively searching for opportunity at the time. *“Back then, I was just jokingly talking to my friend that this spot would be an ideal drinking*

*spot with a group of our friends every Friday night. Then, I thought about it again carefully as this idea could be really commercialized. We have the best spot in this area. So, that's the story how this bar was established.”*, Paul said.

**Case B:** As for Alan, he encountered a very similar experience. He never thought about starting a hotel business until the opportunity actually came along, and he decided to grab it. *“The building was empty for a few months, and we were thinking how we could make money from this place.”*, Alan said.

**Analysis:** Obviously, the answers from both entrepreneurs had proven to have a unique preparedness to recognize the opportunities as they arise. They had the ability to convert their existing conditions into promising business opportunities that eventually turned out to be really good ventures. Both entrepreneurs had creativity and courage that transformed these properties into successful business execution.

#### **4.5 Prior Knowledge/ Experience**

Based on the information from the interview, both Paul and Alan had no prior knowledge and experience in the hospitality sector.

**Case A:** Paul had basic cooking skill and was able to mix some alcoholic drinks, he had no experience in managing a restaurant. Paul revealed that experience wasn't his main concern at the time. *“We only had a good concept of the restaurant that we were quite confident about. The cooking and managing part come later and we can learn as we implement our idea –* Paul said. In fact, Paul mentioned that he just select a good chef that is able to cook delicious dishes based on our restaurant concept.

**Case B:** Alan did not have hotel management knowledge and background. However, Alan earned his university degree in business management. According to Alan, there are many aspect that need to be learned the hotel industry. However, the most crucial thing for hospitality industry would be the service-mind.

## 4.6 Social Network

*Case A:* For ABC Bar and Restaurant, Paul said that social network was the main reasons on how he could started his first business. As discussed in the above section, the business started when his close friends approached with the request to help them to fully utilized the space. Paul strongly believed that either business people or an entrepreneurs should have a good network of friends and contacts as this would help them to gather and exchange ideas and information.

*Case B:* For XZY Hotel, Alan also confirmed that it was one of the reasons how the business got started. This opportunity raised when Alan's family moved the business out, and his brother was talking to him on how this property could generate money.

## 4.7 Most influential factors

*Case A&B:* Paul revealed that among the 4 aspects of opportunity recognition, a combination of two factors impacted on this opportunity: alertness and social network. This combination actually came together in one time, which is social network before alertness. At the same time, Alan also had the same combination as Paul, which is alertness and social network.

*Analysis:* Both Paul and Alan strongly believe that social network are the most influential factor that led them into this entrepreneurial life. Paul mentioned that constructive discussion with various people allow them to develop knowledge and learn new things. Paul said he would recommend any employee who wants to pursue entrepreneurial life to attend various conferences and networking events – just listening and talking to people.

## CHAPTER V

### CONCLUSIONS & RECOMMENDATIONS

#### 5.1 Conclusions

The framework provided by Baron and Shane (2008) is clear that opportunity recognition comes in many different ways, but it will only come in form of information. Successful entrepreneurs are likely to have better access to certain kind of information than others. However, they also have strong ability to integrate the information with previous knowledge. This means they could fully utilize the information and transform it to meet their own objectives – this is the case for both Paul and Alan.

As Baron and Shane (2008) suggested, there are other important ways that could help entrepreneurs lead to recognizing opportunity. These include:

1. *Actively engage in hunting for opportunities,*
2. *Alertness to opportunities (the ability to recognize them as they arise),*
3. *Prior knowledge in customer, market, or industry, and*
4. *Social Network.*

Based on the interview with Paul and Alan, it was found that entrepreneurs may not necessarily have to actively search for opportunity. Instead, both entrepreneurs waited for the opportunity to come up, but they had the alertness to recognize as the opportunity comes up. It is believed that this is the case for many entrepreneurs. However, the information normally comes from the social network where it involves to-be entrepreneurs to actively talking to others to exchange ideas and take-in information from others to form concept ideas.

In fact, both Paul and Alan did not have prior experience or knowledge in the service business that they are doing today, but they still become very successful. It is all about social network and finding the information that can be applied to their knowledge in the right situation and at the right moment.



In conclusion, employees who want to become entrepreneurs need to have the ability to recognize a good opportunity when it arrives. There are many ways that allow them to recognize the opportunity. However, the best ways that these two successful entrepreneurs found include social network and alertness to opportunity.

An employee who wants to pursue an entrepreneurial path needs to consistently gather information, keep exploring and testing his own knowledge. For instance, a person might need to pick a few good opportunities and perform feasibility study on the idea. Despite the fact that testing process can be time consuming, but in return the knowledge and experience will gradually build up. This would allow them to have the ability to use these knowledge and skills at will when the 'right project' comes along. It only takes 'one' right opportunity to become successful.

## **5.2 Limitation in the Scope of Study**

In this paper, the objective was only to understand the ways to recognize opportunities which would allow employees to be able to adapt and one-day would inspire them to become an entrepreneur. However, after recognizing such an opportunity, there are still other factors about entrepreneurs that could be explored further in-depth.

If I were to explore this topic at a thesis level, I would include motivational factors, entrepreneurial mindset and fund sourcing strategies in the study as well. It should be very interesting to gain insights and will provide useful tips to people who may want to become an entrepreneur one day.

In addition, this paper did not discuss on the correlation between successful entrepreneur and their family background. I believe there must be a strong connection in many cases. Therefore, it would be interesting to proof whether there is some linkage to the success of the entrepreneur or not. For instance, both Paul and Alan are special cases, they are business owner's offsprings. They are not first generation entrepreneurs. In fact, they both grew up in the business families, gone to schools with friends of similar backgrounds. This means, business family background can be very beneficial – in that it affects other aspects such as information, social network, fund sourcing, etc.

### 5.3 Recommendation

In the current workforce, there would be a large number of employees who are fed up with their work and think about becoming entrepreneurs to be their own boss. Many authors recommended that the best way for employees to become entrepreneurs is to quit their job, then start their own business. For instance, Patel (2015) stated that “*the first step is to quit your job, and the next step is to start a company*”.

However, this may neither be practical nor the best transition phase in terms of the risk involved. Why? Imagine, you already quit your job, and you already invest your life-saving into a business. A few months later, you realize that the business doesn't generate enough revenue to cover the expenses. So, it would require either the business to shut-down, and you'd need to seek more funding. Or, you may need to go back to find another job – which may take months. Besides, most new businesses may take up to 3-6 months before you see any revenues and the products known in the market –which is most critical period of any business.

For this reason, a to-be entrepreneur should recognize the opportunity, and talk to many different people about the idea, then come up with the strategy that attract customers to pay for the products/ service. In the execution part (i.e. start the business), they could ask their friends or family members who do not have full-time jobs and/ or hire a staff to help them set up the company. At the same time, this entrepreneur would continue to work full-time, and start their own business as a side job. This way, there is still a regular income as the new business is in its early stage. By the time that business grows to a certain level generating adequate income, then the owner can quit the job to take up the business. After all, quitting a job is easy, but finding a new job is a lot harder (when things turned out to be bad)! Therefore, a young entrepreneur need to be cautious during the transition phase because the real world may be tougher than what we'd like it to be.



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