A CONCEPTUAL APPROACH OF ENTERPRENEURSHIP AND INNOVATIVE ENTERPRENEUR’S ROLES TO CONTINUAL DEVELOPMENT

(A Literary Study)

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ABSTRACT
Principally, if an enterprise is growing and keeps making innovations with a well structured pattern, the strategies to be done will be more focused and surely reduce the expenses. It means that innovation as a competitive source can give a positive response to customers and certainly to continual entrepreneurship. This framework is based on a continual entrepreneurship typology, and is included in developing a social and institutional entrepreneurship. It means that the implementation of the entrepreneurship approach to reach the social goal and to gain changes connected to markets as well as continuing innovation. This framework gives references to managers to introduce continual innovation and to reach continual entrepreneurship in the continual development.

1. Introduction
The literature review elaborates the conceptual approach of entrepreneurship and innovative entrepreneur’s roles to continual development. Based on the relevant literature review, the first part of this review is describing a conceptual approach of entrepreneurship in the context to the continual development. The perspective in the implementation of continual development is the success in managing the innovation, explaining the model as well as the entrepreneur’s roles in implementing the continual development and the entrepreneur’s roles in the success in managing innovation.

It is concluded that the concept of continual entrepreneurship should consider innovative environmental factors, so it will lead to the existence of innovative entrepreneur and entrepreneur’s behavior, too.

In the paper entitled, “Firm growth and its determinants”, a study at Small-Medium Businesses (Priya Dharmija Gupta et.al, 2013) explains that to build an economy is to criticize Small-Medium Business for being creative, introduce innovation and implement them (Curran and Blarkburn, 1994). In the previous century, there were 60 % innovations gained from Small-Medium Businesses and most of failure is cause by professional incompetency and collaboration with another enterprise (Rotwell 1986, Noteboom 1991: Bougrain and Haudeville, 2002), while Schumpeter (1934) elaborates that entrepreneurs have to possess innovation, creativity, and risk taking attitude. Pajarinen, et.al (2006) says that entrepreneurs with high academic background use the most updated model and technique should be more innovative in running their business.
Furthermore, in the paper, “Peran inovasi : Pengembangan Kualitas produk dan Kinerja Bisnis”, Sri Hartini (Jurnal Manajemen dan Kewirausahaan, Vol 14, No.1, Maret 2012: 63-90), says that the research is aimed at explaining impacts of innovation on product quality and business performance of Small-Medium business in East Java. The result of the research indicates there is an effect of innovation on product quality and an effect of product quality on business performance. It indicated the importance of Small-Medium Business to be innovative and to produce high quality products to succeed in the global competition.

By doing innovation, an enterprise expects to be able to create new or distinctive products different from the previous ones or to make make-up or modified products as the improvement of the previous products or to make products as betterment for the previous products. In consuming a product, a consumer not only looks at the value or function of a product needed but he also needs to pay attention to additional value and advantages of the product compared to another similar product.

In consuming a product, a consumer not only looks at the value or function of the product needed, but he also pays attention to additional value or advantages compared to another similar product. Keinginan inilah yang harus dimengerti oleh produsen sebagai landasan untuk melakukan proses inovasi. The development of innovation which is successful will be the correct strategies to keep the product in the market, because most of competitor products appear static from year to year (Steve Kensinger, 1997, p.60). In addition, Hurley dan Hult (1998, p. 42) in the previous study concludes that an enterprise with a high innovation competence will be successful in responding to its environment and developing new competence which causes a competitive keunggulan and superior performance.

In this conceptual review, some researchers explain innovative competence to the enterprise and gives an impact on continual development and competitive superiority. Each researcher gives different insights, but mainly every enterprise has its own characteristics, has priorities superior from vision and mission of the enterprise and at last, approaches that will be done through the products, management even strategies in the enterprise itself.

2. Literature Review

Some literature reviews can be described as follows: Conceptual Approach of ecopreneurship, socialpreneurship and Continual Entrepreneurship.

The term ecopreneurship and environmental entrepreneurship is similar to a superior role or an innovative behavior or organization in business sector which looks at the environmental aspect as the main goal and competitive superiority.

Ecopreneurs proves that environmental innovation, market oppurtunity, and implementation of innovations will produce new service and products (Lober 1998, 26; Pustakia 1998, 157; Petersen & Schallegger 2002 a, 13)

Most writers do not define ecopreneurship for the environment-oriented organization or intrapreneur environment in an existing organization. On the contrary, most definitions consider ecopreneurial organization, a organizational behavior, ecopreneurs ecopreneural. Besides, most of the writers agree that ecopreneurship is a matter of implementing those innovations.

The ecopreneurial activities give a contribution to the competitive superiority. Some of the contribution in the category looks into the main characteristics of ecopreneurship and ecopreneurs by seeing the environmental issues as one of their main business goal (Azzone & Noci 1998.99; Isaak 1999, 89; Schaltegger & Petersen,2000)

Schaltegger & Petersen (2000,12) proves that ecopreneurship as the actor who introduces, create, and make use of the market which appear from ecological innovation.


The third category was made by two writers, approaching to the topic and perspective sociohistoris (Anderson 1998,Kyro 220).


Both categories determine the entrepreneurship to be used as a medium to change the society. (Anderson 1998, 142; Kyro 2001,24)

In table 1 ecopreneurship conceptual approach can be elaborated below:

<table>
<thead>
<tr>
<th>Perspective</th>
<th>Strategic</th>
<th>Cognitive</th>
<th>Socio-historic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research question</td>
<td>Which features characterise an ecopreneural strategies are in use? Why and how should they be fostered?</td>
<td>How can identifying environmental opportunities be fostered? Why and how should they be fostered?</td>
<td>Which role plays ecopreneurs in society?</td>
</tr>
<tr>
<td>Addressing innovation</td>
<td>Environmental innovation is viewed as a competitive advantage</td>
<td>Concentrating on the first stage of innovation: opportunity recognition;</td>
<td>Ecopreneurship as instrumen t for social change (social innovation)</td>
</tr>
</tbody>
</table>
The above finding describes that the social entrepreneurship means innovative behavior or organization engaged in business and social aspects as the main goal.

It is true that a social entrepreneur is defined as business doer who combine social mission and business competence as innovation source, identifying and benefiting resources and also creating services. (Leadbeater 1997,8;Dees 1998,6; Thompson et al.2000;328,Bent Goodley 2002,291)

However, there are two obvious differences between social concept of entrepreneurship and *ecopreneursip*. First, the term "social" is used broadly with the word “society”, including environmental issues. In some approaches social entrepreneurship includes *ecopreneurship* as sub-category (Dees,1998a,56)

Second, it is different from *ecopreneursip* approach which discusses business organization and environment.

Most social enterpreship approaches are handling different groups of business doers up to non-profit. The main characteristics to identify social enterpreneurs are that their main goal is non-profit goal ( Drucker 1989,89;Leadbeater 1997,19;Brinckerhoff 2000 pp.1)

The discussion of social entrepreneurship approaches in business sector can be seen in the following table.

<table>
<thead>
<tr>
<th>Focus</th>
<th>Non-profit organization</th>
<th>Business organization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research question</td>
<td>What are the differences between businesses and non-profits and what can they learn from each other? Which are the skills and characteristics of social entrepreneurs? How can social entrepreneurship in the voluntary sector be fostered?</td>
<td>How can the business social entrepreneur profile be described? Which criteria characterise business social entrepreneurs? What examples of business social entrepreneurship be fostered?</td>
</tr>
<tr>
<td>Addressing innovation</td>
<td>Innovation as means to respond to unmet social needs</td>
<td>Innovation as means to make profit in order to pursue social objectives; profit as tool for social change</td>
</tr>
</tbody>
</table>

**Table 2 Existing conceptual approaches of social entrepreneurship**

The second category, there are 3 social entrepreneurship contribution in business sector, that are by creating a business social entrepreneurship frame, by integrating three concepts: continual development of society, social responsibility, and social entrepreneurship (Hodgkin, 2002, pp. 35).

The main goal of social entrepreneurship is not earnings, but more than the power of values (Hodgkin, 2002, 79)

**Innovation Role in Continual Development**

Innovation according to a narrow perspective is defining the meaning of innovation for commercial exploitation (Hauschildt 1997, 6), while in a broad meaning it means to find out and disseminate ideas (Brockhoff 1994, 28).

Innovation is defined as adoption and diffusion of an ideal product, intended to reach the continual market success. Innovation success happens when an entrepreneur reaches a competitive superiority in innovation, such as level of renewal or fits the innovation goal itself.

Mersch (1977, 56) differentiate between *fundamental* and *incremental*. According to Merch, fundamental innovation causes a radical change such as technology or socioculture which will be different in searching the existing alternatives, while *incremental* innovation causes changes gradually based on the next development.

The classification of innovation includes product innovation (product and service), process innovation and social innovation (Thom 1992:8); the last refers to social changes in the organization (Thom 1992) or in the society (Zapf, 1989).

**Figure 1. Categories and examples of innovations concerning mobility passenger cars**

The continual development discussion is initiated with the report WCED (World Commission on Environment and Development, 1987, 8). Varied interpretations that exist are considered valid (Hardtke & Prehn 2001, 58).

There are three aspects that are broadly accepted (Brand & Jochum 2000, 175). Intergration aspect focuses on ecological dimension, economic and social development (Boersema & Bertels 2000, 85, 92, MCNeill, 2000, 17), demanding to consider the three inter-related dimensions. This perspective on the assumption base is current global problems that cannot be solved separately, but it needs to be treated as inter-related elements of complex problems (Siebenthuner, 2001, 61; Dryzek, 1997, 7-8).
The keadilan aspect among generation from the continual development concept emphasizes on responsibilities to the next generation. It demands a long-term protection over natural resources (Brand 2002, 19). The aspect of intra-generational equity focuses on distribution of questions (either in a country or between countries) and is responsible for reserving natural resource access, nutrition, health and education.

Strategies needed in establishing the continual development and innovation. Huber (1995) explains three main strategies to reach the continual development, i.e.: sufficiency, efficiency and consistency.

Strategic sufficiency is the limitation of natural resources which implicitly means limitation of economic growth (Sachs 1999, 39). The question “How many have been sufficient?” is an sufficiency of order, either consumption or production. Then, the change of today’s life style is based on preventive principles, humble and economical, and it is the welfare key (Sachs 1999 pp 209, Huber 1995, 123). It is clear that sufficiency focuses on social innovation to do the continual development (Huber 1995, 125).

Efficiency strategies are based on the concept of resource productivity (Sachs 1999, 175). Economic principles are determined in ecological and social contexts (Huber 1995, 131).

The effect of continual development efficiency is criticized because of lack of resources usage in "micro" or "macro" and the increase of resource consumption caused by the effect of volume and growth increases (Huber 1995, 134, Sachs 1999, 183).

Consistent strategies are different from other two strategies. It concentrates more on material quality and consumption pattern of quantitative growth procedure. In other words, consistency means compatibility or correspondence. In the continual development, consistency refers to a compatible material flow with natural resource cycle (Huber 1995, 138). Efficiency Strategy is aimed at reducing the number of materials, while consistency strategy is aimed at changing the quality of material flow (Huber, 1995, 139). Therefore, the aim of innovation is substituting compatible material flow to material flow. It is based on fundamental innovation (Huber, 1995: 156).

These three strategies cannot be separated. On the contrary, the success of strategic implementation is due to combining the three strategies.

Innovation Process Actor – Promotor Model
One of continual development success factors is innovation (Huber, 1995, 156), and it indicates that the existence of promoter refers to promoter model proposed by Eberhard Witte (1973). The basic idea of this model is that an innovation is obstructed by obstacles that exist during the innovation process and...
two or more promoters work together to overcome those obstacles (Witte, 1973). This promoter model assumes that this finding has existed at the level of adoption innovation.

Obstacles in innovation are due to lack of individual willingness and individual competence to innovate and overcome these obstacles connected with the individual himself (Witte, 1973, 15).

Promotor adalah an actor atau doer that actively and intensively supports the process of innovation (Witte, 1973, 15-16). There are two kinds of promoter, authority promoters who are hierarchically ensuring, supporting and motivating others involved in the innovation process and giving a material contribution and non-material supports and also tolerate mistakes(Witte, 1973, 17-18).

Technological promotors support the innovation process with their specific knowledge and give arguments that support the innovation (Witte, 1973, 18, 19). In addition, Hauschild dan Chakrabarti (1988, 384) adds that process promotors are promotors that construct the relationship between promotor’s competency and promotor’s skill. The main responsibility of process promotor is to accomplish the process of communication, motivation and coordination.

By adding these promotors, it has expanded perspectives among organizations (Gemunden & Walter 1995, 972; Gemunden & Walter 1999, 114). It is meant that process promotor has a relationship between organizations via social networks to provide access between the resources (Gemunden & Walter 1995, 976). The process promotor helps overcome the obstacles in cooperation among the organizations.

**Entrepreneurs – Promotors in the innovation process for a continual development**

The role of entrepreneurs and promotors is as innovative actors in the continual development; therefore, to apply those innovations, there are two promoter models to be considered; they are first, technological innovation promoter model prepared for explaining technology-based innovations, and the second is promotor models that explain the innovation process in an organization, so it is needed a cooperation between the organizational types.

Promotor models for entrepreneurship specifically plays a role in business organization, while broadly it plays a role in considering a cooperation between organizational types including governmental organizations and non-profit organizations.

From governmental perspectives, it can be seen that the fight role is authority promotors, because they have the power to determine specific regulatory framework, while the business organization tends to appoint technological promotors, because of being addicted to networks and communication.

3. Discussion

Several experts elaborate the relationship between entrepreneurship and continual development and also connected with continual socialpreneurship and indirectly foundational entrepreneurship. The environment-oriented continual entrepreneurship is often ecopreneurship (Blue, 1990; Bennett, 1991; Berle, 1991; Anderson dan Leal, 1997; Staber, 1997; Keogh dan Polonsky, 1998; Lober, 1998; Pastakia, 1998; Isaak, 1999; Schaltegger, 2002; Lehmann et al, 2005.; Cohen, 2006).
However, the existing changes in business environment have insisted enterprises being able to create new insights, new opinions, and offering innovative products. Therefore, innovation has more important meaning, it is not only a medium to maintain the existence of the enterprise life, but it is also superior in the competition.

This paper is relevant to the following literature studies, first, “Sustainable Entrepreneurship and Sustainability Innovations : Categories and Interactions” By Stefan Schaltegger & Marcus Wagner proposing a framework of continual enterpreneurship in accordance with continual innovations. This framework is based on the entrepreneurship typology by developing social entrepreneurship and institution by implementing an entrepreneurship approach to reach the social goal and its context to market changes connected with continual innovations. Besides, the second is the paper, “Product innovation in Small Firms : An Empirical Assesment by John C.Palmer & Robert E.Wright (Journal of Applied Business and Economics Vol11(3). It is stated that innovations in great enterprises tend to be structured processes where adaptation to the product or the processes are based on formal mechanism such as research initiatives and development or market analysis. On the other side, innovations in small enterprises have tendency to be less formal processes and they are based on inspiration and preference of the owners and managers.

Seeing the explanations stated by some experts previously, the most important thing of entrepreneurship and continual innovation is how to place the position of the enterprise, either according to size or the framework of the enterprise. Principally, if the enterprise evolves and keeps making innovations and the framework is well structured, the strategies done will be more focused and it will reduce the expenses. It means that innovation as a competitive source can give a positive response to customers and surely to continual entrepreneurship.

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