

An Examination of How Entrepreneurs in Hong Kong Perceive Personal Success Through Business Activities

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Hong Kong is a world leader in developing its economy and entrepreneurs have a unique status. This research evaluates various components of the perception of success of these entrepreneurs and draws conclusions that will benefit the educators, the legislators as well as the new entrants wishing to become entrepreneurs. Leadership in the East has connotations of deep respect for all sections of the society and based on Confucian principles of kindness and contributions quite different from that of the West. The Hong Kong entrepreneur succeeds when they are able to blend the best qualities of the East and the West.

BACKGROUND

No scholarly definition is available for an entrepreneur except by way of the description of personal traits or characteristics of an individual (Schaper et al 2011). The academics have, therefore, resorted to explaining the traits as a state of mind (Bird 1988, 1992), mindset that has a strategic orientation for decision making in a specific style, method and practice (Wiklund & Shepherd 2003) and risk takers who are also fiercely independent (McGrath & MacMillan 2000). According to Bandura (1991), an entrepreneur is capable of making difficult choices towards his goals, with exceptional determination even in hardships. However, one of the most comprehensive explanations was provided by Littunen (2000) who stated that an entrepreneur is a person whose chief and distinctive abilities are to take risks, to have knowledge of market functions and manufacturing know-how, to have marketing and management skills, and finally, to possess the ability to co-operate with others.

It is worthwhile to explore the various definitions of entrepreneurship found in literature. Authors such as Miller and Collier (2010) have attempted to give a comprehensive picture of the meaning of entrepreneurship in the modern world. One of the most insightful definitions has been that by Bhidé who viewed it as “recognizing an opportunity to create something new” (2000). However, we must remind ourselves of the warning given by Drucker: “not every new business is entrepreneurial or represents entrepreneurship” (1985). He goes on to distinguish between small business management and entrepreneurship and between entrepreneurship as a personality trait and as a behavior. In their book *Bringing Your Business to Life*, Cornwall and Naughton apply the virtues of prudence, justice, courage and temperance to entrepreneurship highlighting the significance of values in entrepreneurship (2008). In general, an entrepreneur may be viewed as a person who is willing to take risk while responding to opportunities and thereby boosting the economy in his own way.

THE ENTREPRENEURIAL ENVIRONMENT IN HONG KONG

Hong Kong's economic and political history has been primarily determined by its geographical location (Schenk 2001) and it forms a natural geographic port for the Guangdong province in Southeast China. Hong Kong's commercial origins were as an entry port for China's regional and global trade; a role that it still continues to play. In over a hundred and fifty years its importance has also grown as a financial centre in the East. The per capita of Hong Kong has a Gross Domestic Product (GDP) that is higher than the economies of four large European nations, namely the UK, France, Germany and Italy (CIA 2010). According to the Companies Registry (2010), there are over 800,000 companies registered in Hong Kong. Of these, small and medium enterprises (SMEs) account for over 98 per cent, providing 60 per cent of total private employment (Schenk 2001). This speaks volumes for the special status of Hong Kong as a world class financial hub, a centre for entrepot trading, a cost effective manufacturing centre and, currently, as a leading service centre in South East Asia. These facts are significant in making Hong Kong the obvious choice as a study in entrepreneurship.

PERSONAL SUCCESS

Entrepreneurship normally connects with personal traits; consequently, personal success is often looked upon as the hallmark of successful entrepreneurship. Although it is largely true that personal attributes determine one's success as an entrepreneur, it is difficult to define success. This is what constitutes the research problem in the present study.

The concept of success is subjective. People perceive success in many different ways and it is difficult to capture all its meanings. The Oxford Dictionary defines success as the "achievement of a desired end, or of fame, wealth or social position" (1994:1526). Another dictionary defines success as the "achievement of something that you have been trying to do . . . of a high position in a particular field," (Collins 1999:1100). While there are many ways of looking at success, this study of successful entrepreneurs will focus on one aspect of it: personal success in business. In particular, it is important to know the individual objectives behind personal success and how entrepreneurs achieve it in the management of their own businesses.

RESEARCH OBJECTIVE AND QUESTIONS

It is a fact that SMEs contribute handsomely to the GDP of a country and also provide substantial employment. This is true even in developed countries. It has been seen that in UK almost 99% of the total enterprises comprise of SMEs (BIS 2010) and employing well over 50% of the labor force (Luetkenhorst 2004). In the US too it has been documented that small business constitutes 99% of all business and employs just over 50% of the non-farm sector workforce (Office of Advocacy of the U.S. Small Business Administration 2005). Even Hong Kong has 98% of all businesses registered as SME (ACCA 2010). The situation is more or less the same all over the world. This then leads us the research question:

Research Question: How do Hong Kong entrepreneurs perceive personal success in their business activities?

RESEARCH METHODOLOGY

This study aims to discover how Hong Kong entrepreneurs perceive personal success in business and how they achieved success based on their individual experiences. It fits well into the interpretive paradigm and a case study research method is most suitable for this effort (Lincoln & Guba 2000; Gephart 1999). As the research problem is mainly about "how" and "why", a qualitative case study methodology can yield richer details of data not available through other research methodologies such as a survey (Eisenhardt 1989; Yin 1992). Moreover, a case study is especially appropriate for studying the

trends or conditions in a rapidly changing real-life situation where the place, period, people and process affect the trend or condition and vice versa and when multiple sources of data are used (Yin 1993) as is the case in the current study.

This study investigates entrepreneurs' perceptions of personal success and how they achieve it. Consequently, the research focuses on seven entrepreneurs operating businesses for 10 years or more and that employ fewer than 100 employees. This is the definition of an SME in Hong Kong. In order to answer the research question of "How do Hong Kong entrepreneurs perceive personal success in their business activities?" seven questions were asked.

TABLE 1
INTERVIEW QUESTIONS

<i>RQ1</i>	<i>How do Hong Kong entrepreneurs perceive personal success in their business activities?</i>
Q1	"Why are you in the business field that you are in now (e.g. finance, trading, training, etc)?"
Q2	How do you measure success and can you share with me an example?
Q3	In what ways do you consider yourself successful and what motivates you to achieve the results you now enjoy?
Q4	Can you give a one-sentence definition of personal success in business?
Q5	What is your mission in life?
Q6	What do you value most in your journey towards personal success through business activities?
Q7	Can you describe in greater detail one experience you feel most rewarding?

RESEARCH FINDINGS

Of the seven people interviewed, five were men and two were women. The following table summarizes the seven interviewees' industries and gender:

TABLE 2
SUMMARY OF INTERVIEWEES SHOWING INDUSTRIES AND GENDER

Entrepreneur	Industry	Male/Female
A	Insurance	Male
B	Brain Based Training	Female
C	Dental group practice	Male
D	Venture Capital Investment	Male
E	Travel Agency	Female
F	Garment Export	Male
G	Construction Company	Male

ENTREPRENEUR “A”

TABLE 3
RESEARCH QUESTION ONE INTERVIEW QUESTIONS ENTREPRENEUR “A”

Q1	I met a mentor in my industry.
Q2	By how many people become successful with me.
Q3	I am proud of what I do and I do not like to be bossed around.
Q4	Achieving my desire and dream by improving myself daily.
Q5	I am financially independent. I create successful leaders by doing things I enjoy most. I want others' approval, respect and admiration.
Q6	I value the respect I gain from others and my ability to help others to succeed.
Q7	I was able to mentor a struggling individual and help her become a successful leader in my industry.

ENTREPRENEUR “B”

TABLE 4
RESEARCH QUESTION ONE INTERVIEW QUESTIONS ENTREPRENEUR “B”

Q1	I followed my instinct.
Q2	I am recognized in my field and have repeating customers willing to pay premium price for my service. I feel accomplished and fulfilling about my life.
Q3	I have a very healthy mindset and intellectual. I make good judgment and do what I am capable of doing in helping others.
Q4	You become successful when you fulfill your calling or mission in life.
Q5	The mission of my business is to help and to teach people to broaden their minds to think not only for themselves, to know about themselves and their ability and to make this world a better place.
Q6	I value learning as I get real happiness by increasing my knowledge and it motivates me. I also value the power to receive, trust and follow inspiration.
Q7	My whole journey of discovering how the whole brain works and solves problem and bringing out the best in other people by helping them to learn about themselves, their own ability and potential.

ENTREPRENEUR “C”

TABLE 5
RESEARCH QUESTION ONE INTERVIEW QUESTIONS ENTREPRENEUR “C”

Q1	It is a professional field that helps many people and makes good money.
Q2	How well I do in my business, marriage, children, friendship, contributing to the society, financial stability and reputation.
Q3	Desire to be among the champions, to make a difference, to be recognition pull me. Fear of financial insecurity pushes me.
Q4	Personal business success means financial security with a reservoir of USD 2 million.
Q5	Make a difference by innovation, discovery and research within ten years. Enjoy the next thirty or forty years of life and have fun with people I really like and feel close to.
Q6	A sense of pride by maintaining a very high quality of work. I have made mistakes but not serious ones that have damaged people.
Q7	I invented a new useful technique and I was recognized by my peers.

ENTREPRENEUR “D”

TABLE 6
RESEARCH QUESTION ONE INTERVIEW QUESTIONS ENTREPRENEUR “D”

Q1	I am a natural risk taker who enjoys doing business in large scale.
Q2	By measuring how well the mission was accomplished. I have a sense of achievement for being a key player in my industry.
Q3	My sense of responsibility, trustworthiness, a sense of pride rather than money, the satisfaction from achieving and completing a project successfully motivates me. Work is relaxing; doing nothing is very boring.
Q4	It is a continuing process of upgrading myself in terms of knowledge, achievement and accomplishment, and be a forerunner in my chosen area.
Q5	Honor my parents, be a good friend and a responsible parent to raise my children to make contribution to the society.
Q6	I value the process of achieving my mission the most.
Q7	It was when I made a swift move to restructure a business venture and turn losses into profit by taking calculated risk.

ENTREPRENEUR “E”

TABLE 7
RESEARCH QUESTION ONE INTERVIEW QUESTIONS ENTREPRENEUR “E”

Q1	It is part of a family business I inherited from my parents.
Q2	My sense of satisfaction in helping others. When I see the development and growth of my staff, I feel very satisfied. I feel rewarded when my staff show their gratitude.
Q3	I rely only on word of mouth and return business. My business survives in very difficult economic times; I own my own office; my apartment and my business is an established and respected operation in my industry and I can to help people.
Q4	I am the best that I can be and I help others with my best effort.
Q5	I enjoy helping others and I like to learn continuously in life through studies, experiences and dealing with other people.
Q6	Being able to help other people, to gain personal experiences and to have confidence in my ability.
Q7	I helped a client to escape from a political crisis without any reward. I used my connection and company resources to help and saved the family from danger.

ENTREPRENEUR “F”

TABLE 8
RESEARCH QUESTION ONE INTERVIEW QUESTIONS ENTREPRENEUR “F”

Q1	When I changed career and joined the family business.
Q2	I measure success by seeing how far I am with the goals I want to achieve and the level of satisfaction of my customers.
Q3	Results and satisfaction of achieving fast annual sales grew from 10 million to 120 million in 15 years. My persistence in achieving the expectation of my customer through problem solving motivates me.
Q4	Success is a journey and it is an ongoing process that has no end.
Q5	I value family life and want my children to be happy and well taught. Being in business gives me personal satisfaction and it is also a means to provide for my family.
Q6	I am satisfied when I see the business grows, the customers are happy and my staff enjoy their work.
Q7	A major US client was disappointed by our competitor who could not deliver a big and complicated order and gave the order to us. I worked closely with my staff, suppliers and client to overcome many obstacles The result turned out great and it was a very satisfying experience.

ENTREPRENEUR “G”

TABLE 9
RESEARCH QUESTION ONE INTERVIEW QUESTIONS ENTREPRENEUR “G”

Q1	I am continuing my family business. My father has a great influence on me in choosing this field.
Q2	I do self-evaluation on a regular basis and measure performance against my personal mission statement.
Q3	I am humble, passionate and dedicated, respect others, enjoy my work, learn continuously and know how to handle adversity. My mission statement motivates me.
Q4	Achieve the intended with enjoyment and treat life as a learning experience.
Q5	Personal – outstanding speaker, Tai Chi master, author Family – respectable father, wife’s soul mate, honor my parents, good brother Career – a respectable company, change the industry, develop an unique business management philosophy Spiritual – person of integrity, follow the will of God, establish a charity to rescue forgotten Chinese children
Q6	I enjoy my work and learn in the process.
Q7	Experience the growth of the company in the past two decades in many folds. When I am able to identify the objective, define the problem and lead others to achieve the results together.

CONCLUSIONS

Research Question: How do Hong Kong entrepreneurs perceive personal success in their business activities? The survey revealed that personal success is generally perceived as high acceptance of service or product, personal gratification and the sense of pride in helpful and considerate leadership. These factors are overwhelmingly demonstrated in the findings of the interviews. Each of these characteristics will be examined in light of recent literature.

HIGH ACCEPTANCE OF SERVICE OR PRODUCT

There is a complex interaction between opportunities and group resources that determines entrepreneurial activity. There are two dimensions which the entrepreneur needs to negotiate in order to establish a viable business and the opportunity structures including market conditions, access to ownership, job market condition, and legal frameworks on the one side, and social networks and cultural traditions on the other side. The Hong Kong entrepreneurs use opportunities but within the ambit of their resource as well as capability. They are usually willing to take up challenges but are not doing so blindly. High product or service acceptance in terms of sales/revenue and the ultimate impact on the bottom line are a good measure of success of an entrepreneur.

PERSONAL GRATIFICATION

This is an important benchmark as a leader often becomes arrogant. It must be remembered at all times that success is a result of organizational effort, even in the case of individual professions. The greatest importance is having the right infrastructure. This means that even the lowliest of staff like janitors and drivers have to perform their tasks well in order that the entire machinery of the organization works smoothly and provides optimum performance. Arrogance has no role in success and it is the

humility of the leader that builds great teams. Humility is vital for success in Hong Kong for another reason too. This society is based on Confucian teachings that are based on deep respect for others especially if they are weak or in subordination. Humility will, therefore, make the entrepreneur liked and respected in society.

SENSE OF PRIDE AND LEADERSHIP

The decision to become an entrepreneur means to take the road of uncertainty, ambiguity, innovation and real risk. Entrepreneurship is an activity that includes the discovery, evaluation and exploitation of opportunity to create future goods and services.

Entrepreneurial success is different for the entrepreneur himself, his immediate family, the social and ethnic network, local administration, the legislators and administrators of immigration policy, society at different levels (global, national, state and local) or for a specific industry or economic sector. The measures for evaluating entrepreneurial success and providing industrial benchmarks are different depending on the perspective taken.

In answering the first research questions then of “How do Hong Kong entrepreneurs perceive personal success in their business activities” – this research concludes that personal success is generally perceived as high acceptance of service or product, personal gratification and the sense of pride in helpful and considerate leadership.

Perception of success (RQ1)

- High acceptance of service or product
- Personal Gratification
- Sense of Pride and Leadership

RECOMMENDATIONS

The concept of leadership immediately invokes individual traits and their influence upon followers and subordinates. But organizations have usually been seen as a pyramid where the control of its destiny is in a few hands that naturally reside at the top. In this top-down hierarchy the leader plays the vital role in setting the pace and order of work and decisions are delegated from top to bottom.

Entrepreneurship is leader-driven; hence the institutional theory of leadership could be examined in this context for formulating a more organized approach to building organizations. It is, therefore, recommended that in the interest of making their work easier and more productive, a larger in-depth survey that is well funded should be carried out with the specific intention to explore how entrepreneurship can be institutionalized. There is merit in these recommendations as in other countries companies like Swatch [Switzerland] and Semco [Brazil] have literally become huge companies from pretty humble beginnings, riding on new method of institutionalizing leadership. Such a study will offer Hong Kong entrepreneurs a new way of thinking and possibly open new doorways for them to achieve new heights in leadership. The Hong Kong entrepreneur is unique in the world and has a few vital lessons for all potential entrepreneurs all around the world.

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