



Introduction to Global Entrepreneurship

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Global Entrepreneurship

- Global Entrepreneurship has flourished over the last 50 years. Major changes in world governments, economic systems, and cultural interactions have created an environment in which entrepreneurship has become a significant factor in regional economic development, global geo-politics, and even cultural change.
- There have been three significant issues that have enabled much of this innovation.
 - The incredible advances in technology –particularly in computing and the internet, but also in the life and medical sciences.
 - The dismantling of barriers to trade and the movement of goods and ideas across borders that has found expression in world trade organizations like the WTO and in multi-national trade agreements like the European Union (EU), North American Free Trade Agreement (NAFTA) and many others.
 - The opening of borders to a much freer movement of people who emigrate and immigrate to find better opportunities in education and employment.

Technological Advances

- It is hard to over state the importance of the rise of computing, communication, and internet technologies to the creation of the world we live in today.
- Tom Friedman in his book “The World is Flat” gives one of the best expositions of how technology and globalization have changed the world. In chapter 7, “[Types of Opportunities for Global Entrepreneurship](#),” we will take another look at his work and some of the criticisms it has received.
- The internet has been an enabler of the global supply chain as we shall see later in this chapter.
- As social media has spread around the world, it has enabled like minded individuals to communicate without regard to borders and has enabled the good, the bad, and the ugly. It facilitates global business, global political movements, internet dating, and even terrorism.
- Medicine has become a global issue with both disease propagation and enabling collaborative efforts to use advances in the life sciences to fight disease.

Eliminating Restrictions on Trade and Investment

- For most of the past half century, the trend has been to remove barriers to trade and the movement of goods and ideas across borders.
- Toward that end the world has created global organizations like the World Trade Organizations (WTO) which creates a framework for rules for trade amongst nations that adhere to the WTO.
- The General Agreement on Tariffs and Trade (GATT) set out rules for tariffs and trade and eventually merged into the WTO.
- The World Bank was created to provide capital to developing countries to enable them to join the groups of trading nations.
- [Chapter 9 on Global Finance](#) will consider some of the methods that can be used to finance global ventures.
- Multi-national trade agreements like the European Union (EU), North American Free Trade Agreement (NAFTA) and many others created trade openings among the signatories.
- The Southern Common Market (Mercosur) was formed in 1961 to enable trade among South American nations.
- By 2016 this movement toward free trade was beginning to encounter some resistance from populist movements in many countries. In the US, it became an issue in the Presidential campaigns. It was a factor in leading the United Kingdom (UK) to vote to leave the European Union (EU). Populist movements in many of the EU countries are threatening to derail many of the changes we have seen over the past half century.
- In [Chapter 6 on Free Trade](#) we will consider the economic theories underlying free trade and also some of the critiques that threaten to former global consensus.

Freer Movement of People Across Borders

- The ability of people to move across borders to find opportunities in education, employment, and entrepreneurship has enabled entrepreneurship in ways that did not exist in the past.
- Later in this chapter, we will look at the role that emigration and immigration has had on the development of entrepreneurship and how it has affected both the home country and the host country.
- In [Chapter 2](#) we will consider the effects of global changes like:
 - The opening of China to the west after President Nixon’s visit in 1972.
 - Educational exchanges like the Chinese US Physics Education Agreement (CUSPEA) brought thousands of Chinese students to US universities. Trade and foreign direct investment began soon thereafter.
 - The end of the cold war and the dissolution of the former Soviet Union.
 - This allowed freer movement of people and ideas across borders and re-created nations in eastern Europe that embraced capitalism and entrepreneurship as a potential path toward catching up with the economic development of the west.
 - The formation of the European Union with a common market and borders that were opened under the [Schengen Agreement](#).
 - A movement toward democratic capitalism and away from socialist oligarchies.

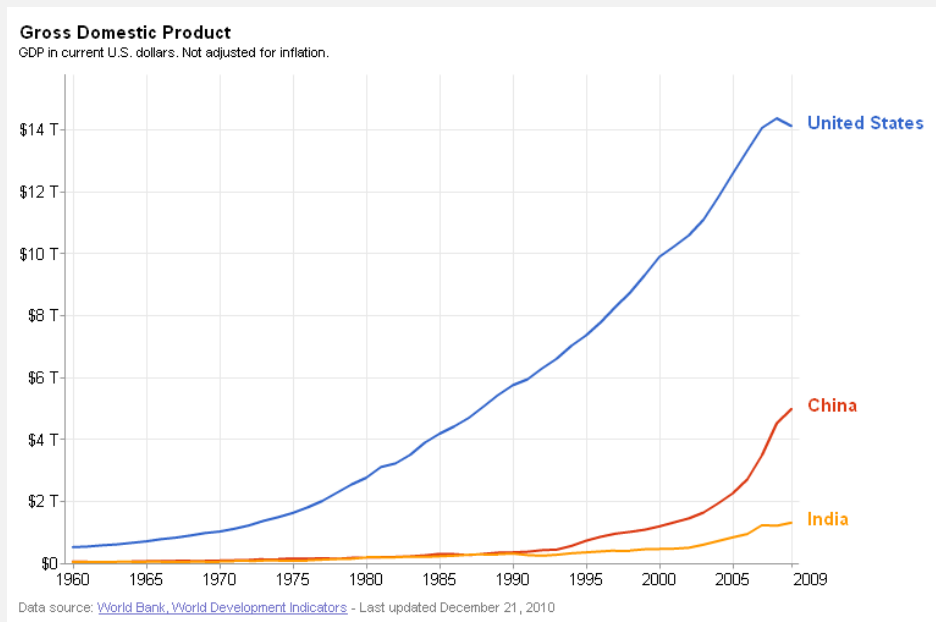
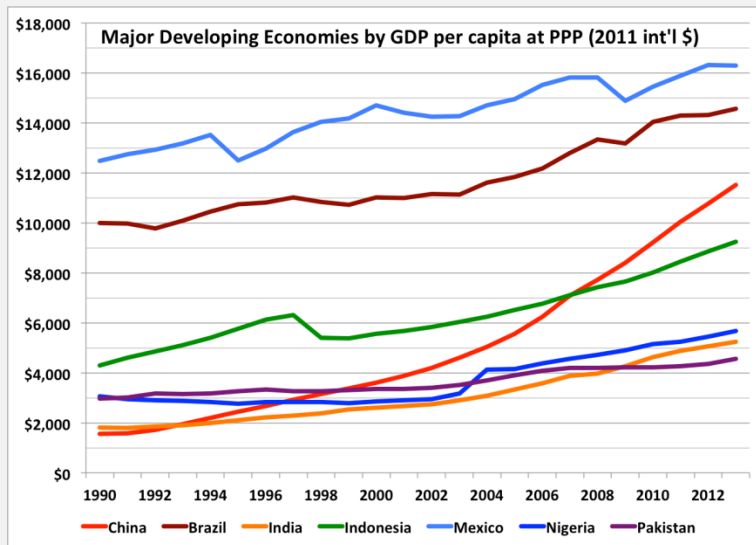
What is Entrepreneurship?

Now that we have identified some of the forces that are operating on the world's economy and political systems, we should take a moment to define what we mean by entrepreneurship when we use the term. We shall look at the definition given by three key thinkers on the subject.

- Joseph Schumpeter: Entrepreneurship is seen as new combinations, which include the introduction of new goods, new methods of production, opening of new markets, new sources of supply, or a new organization.
 - Joseph Schumpeter -Austrian Economist who became a Harvard Professor
 - http://en.wikipedia.org/wiki/Joseph_Schumpeter
- Peter Drucker: Entrepreneurship is an act of innovation that involves endowing existing resources with new wealth producing capacity. –
 - Peter Drucker, Professor and Management Consultant
 - Called “Founder of modern management” by Forbes Magazine
 - <http://www.forbes.com/sites/stevedenning/2014/07/29/the-best-of-peter-drucker/>
 - Aside: start thinking about how you and others might define “wealth.”
- Jeff Timmons: Entrepreneurship is a way of thinking, reasoning and acting that is opportunity obsessed, holistic in approach and leadership based. –
 - Jeff Timmons late Professor at Harvard and Babson
 - Author: “New Venture Creation,” “The Entrepreneurial Mind,” and others.
 - http://www.inc.com/mike-hofman/2008/04/remembering_an_entrepreneurial.html
 - <http://uir.unisa.ac.za/bitstream/handle/10500/2050/01dissertation.pdf?sequence=2>
- These three definitions help fill out an evolving perspective on who entrepreneurs are how they operate. Schumpeter and Drucker focus on the process while Timmons focuses on the characteristics of the entrepreneur herself or himself.

Growth in Economies varies by country

Entrepreneurial activities take place within an ecosystem of the countries involved. As we can see below, that ecosystem varies by country and is always changing.



In 1974, China's GDP was about 280 B CNY
In 2014, China's GDP was 63,646 B CNY or \$ 10,361 B US.
This is a growth of 22,700 %

- "Graph of Major Developing Economies by Real GDP per capita at PPP 1990-2013" by CircleAdrian - Created on Excel from World Bank World Development Indicators 2014 data. Licensed under CC BY-SA 3.0 via Wikimedia Commons - http://commons.wikimedia.org/wiki/File:Graph_of_Major_Developing_Economies_by_Real_GDP_per_capita_at_PPP_1990-2013.png#/media/File:Graph_of_Major_Developing_Economies_by_Real_GDP_per_capita_at_PPP_1990-2013.png
- <http://www.theamericanconservative.com/articles/how-social-darwinism-made-modern-china-248/>

The Rise and Fall of the BRICS

- BRICS: Brazil, Russia, India, China, and South Africa
- The term was introduced by Goldman Sachs in 2001 as “BRIC”
 - South Africa was added in 2010 after petitioning to join what had become a formal group.
- In 2006 the heads of state met formally while attending a meeting at the United Nations.
- Their first formal meeting occurred on June 16, 2009 in Yekaterinburg Russia at the invitation of Dimitri Medvedev.
- These emerging economies were seen by many as the engines of global growth. With that recognition came increased influence.
- The group has called for the replacement of the dollar as the main reserve currency and has entered a variety of political frays.
- By 2015, we were seeing Russia suffering from world economic sanctions, Brazil mired in a corruption and constitutional crisis, China experiencing slow growth, and South Africa struggling politically and economically.
- The story continues to unfold.
 - <http://www.bloomberg.com/news/articles/2016-03-18/zuma-and-rousseff-united-in-misery-as-corruption-threaten-gains>

Why study international entrepreneurship?

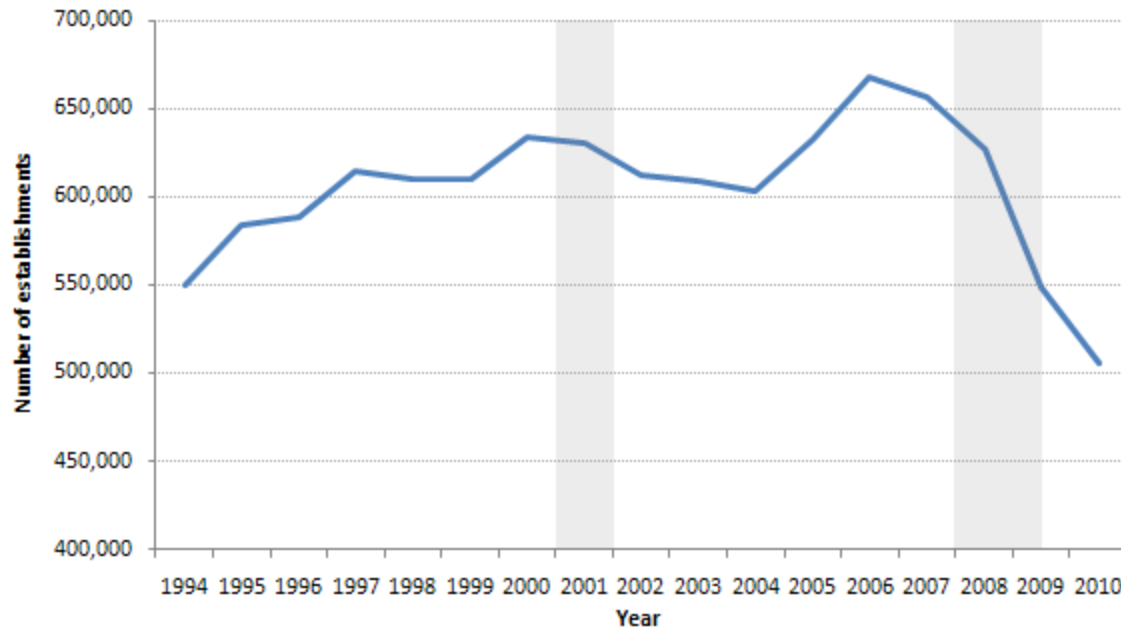
- World markets are **larger and faster growing** than domestic ones.
- **Changes in technology, transportation, and trade** liberalization have made international trade more accessible to companies, especially new entrepreneurial firms.
- In a global economy, **consumers worldwide** choose from a wide variety of goods and services.
- Collectively, the movement of goods, labor and capital across national borders is part of a growing trend toward globalization—the creation of an **integrated interdependent** world economy.
- Entrepreneurs are on the cutting edge in creating international businesses; they are often the first movers into new markets, new products, and new services.
- Firms that choose to remain domestic miss great opportunities and often face increased risks.
 - For example, a company that has achieved the enviable position of having one-third of the US consumer market for its products has only a 1.5% share of the global market, 98.5% of the market is still available.
 - <http://data.worldbank.org/indicator/IC.BUS.NREG/countries>

Explosion of growth in the field

- Over the last 10 years, new business incorporations have averaged 600,000 businesses per year in the U.S. alone. At any point in time, about 16% of US firms will have been in existence less than one year.
- Since 1980, Fortune 500 companies have lost more than 5 million jobs, at the same time that 34 million new jobs were created by small entrepreneurial firms.
- The fastest growing of these start-ups are referred to as *gazelles*. Gazelles represent only 15% of new firms but accounted for an astounding 94% of job creation in the U.S.
- Entrepreneurs are the primary source of innovation; 67% of all new inventions are created by smaller firms. These innovations play an integral role in the renewal process, creating jobs as mature industries decline, while birthing entire new industries.
- Just as the practice of entrepreneurship has grown, so has entrepreneurship as a field of study.
 - As of 2005, there are more than 2200 entrepreneurship courses offered at over 1600 schools. In addition, organizations like the Entrepreneurship Division of the Academy of Management, Small Business Institute (SBI), International Council of Small Business (ICSB) and its American counterpart, and USASBE, the Association of Business and Entrepreneurship help develop a strong and rapidly emerging knowledge base for the field.

US New Business formation.

Chart 1. Number of establishments less than 1 year old, March 1994–March 2010



Source: U.S. Bureau of Labor Statistics

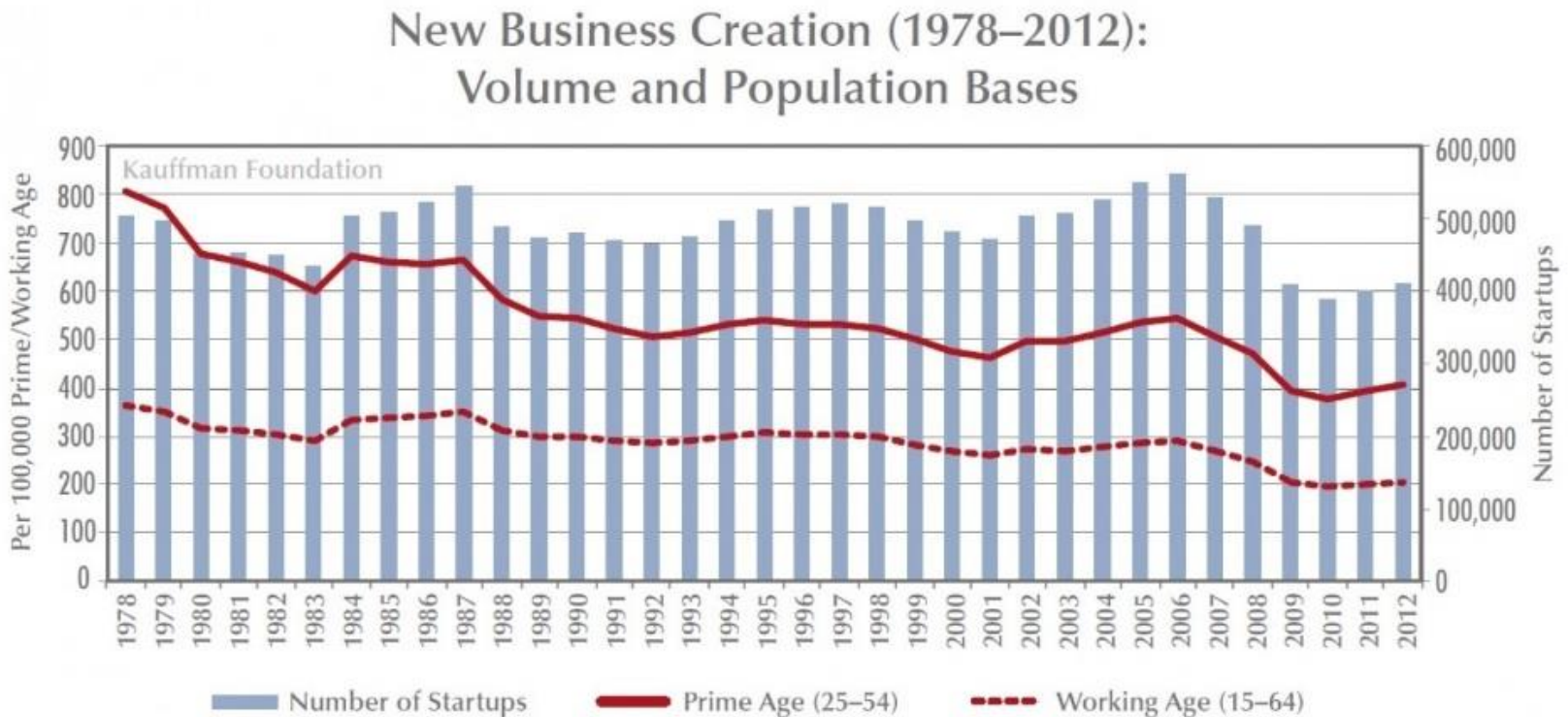
New venture starts tend to rise and fall with business cycles, but remain over half a million each year. The effect of the dotcom bust (2001-2002) and the subprime bust (2008-2009) are very apparent.

--<http://www.bls.gov/bdm/entrepreneurship/entrepreneurship.htm>

Concern over a decline in the rate of new venture formation.

The Kaufman Foundation is one of the premier foundations both studying and supporting entrepreneurship in the US. In 2015, they hosted a conference in which they expressed concern that new venture formation was decreasing in the US. Their data ended in 2012 but did show some upturn which has likely continued.

- <https://www.washingtonpost.com/news/on-small-business/wp/2015/02/12/the-decline-of-american-entrepreneurship-in-five-charts/>

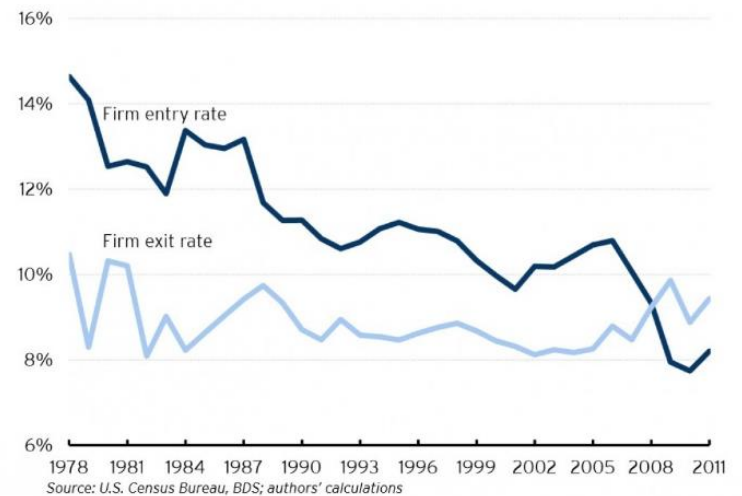
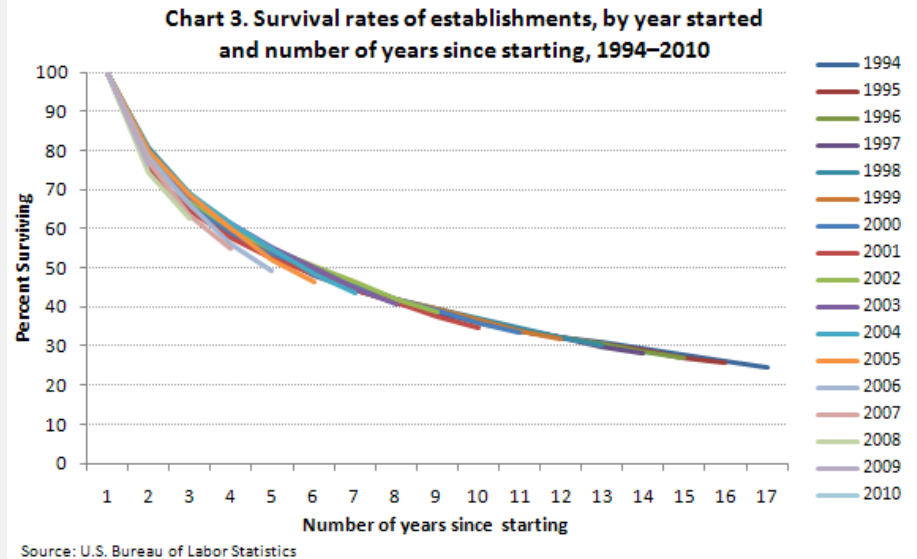


The rate of new business creation dropped like a rock during the recession and has been slow to recover. (Chart by Kauffman Foundation)

<https://www.washingtonpost.com/news/on-small-business/wp/2015/02/12/the-decline-of-american-entrepreneurship-in-five-charts/>

Survival Rates

- Keeping them alive is also a challenge.
- As the entry rate of firms has declined the exit rate has been fairly flat with a slight upturn since 2002.



For the first time on record, business deaths now outpace business. (Chart by Brookings Institute)

<https://www.washingtonpost.com/news/on-small-business/wp/2015/02/12/the-decline-of-american-entrepreneurship-in-five-charts/>

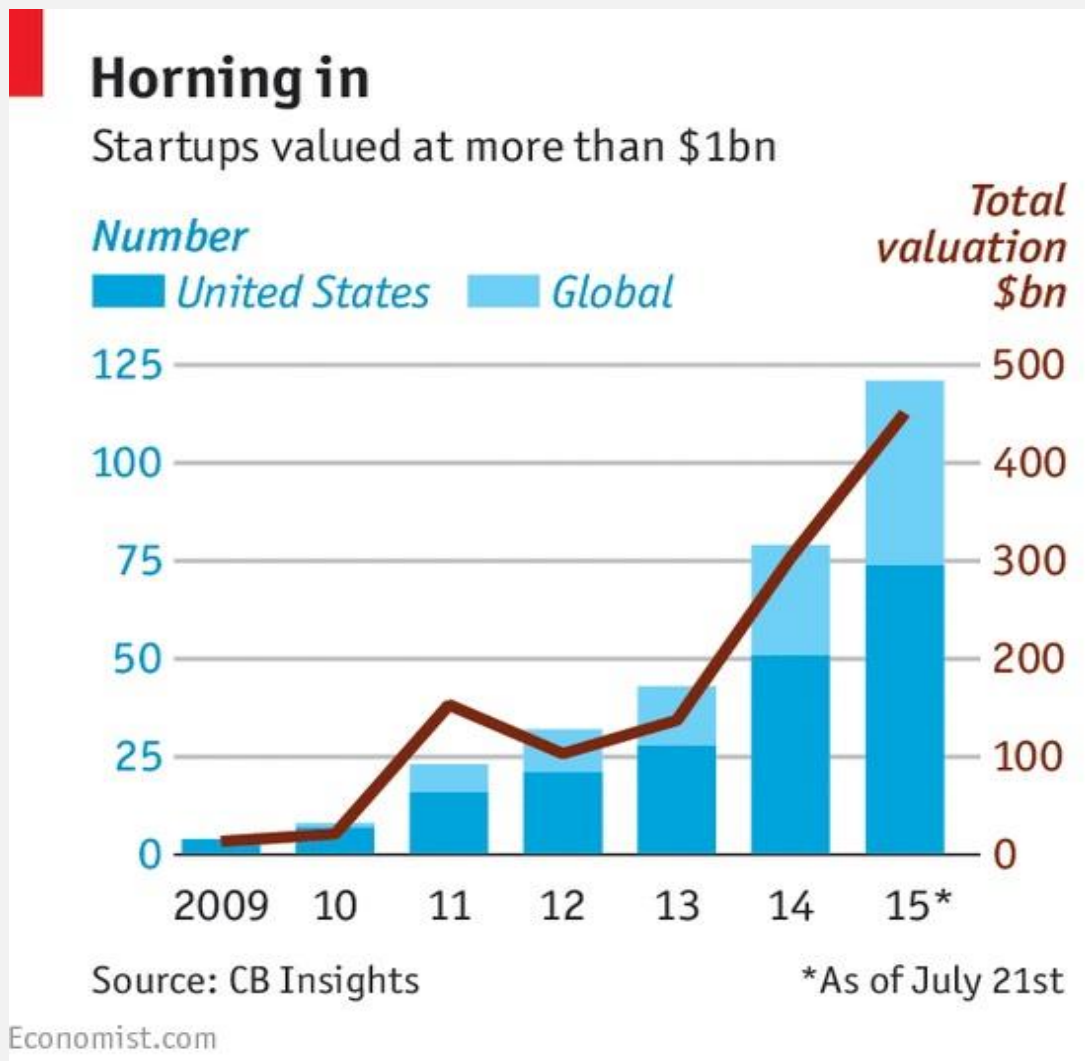
Trade Liberalization

- As we have seen, there is a high level of interconnection and integration among national economies. This new interconnected economy, facilitated by air travel, communications, computers and the internet, is one in which informed citizens and successful executives monitor events not only in their own community or nation but also worldwide.
- Trade liberalization of national economies has been driving the increase in world trade. Liberalization has been characterized by the decreased role of government in the economy. In [Chapter 6](#) we will consider these effects in more detail.
- The liberalization process usually includes a variety of steps including
 - the privatization of government owned enterprises,
 - the deregulation of industries
 - the removal of trade barriers.
- While all three of these policies have had an effect on economic growth, they also have had a substantial positive effect on trade.
- *Trade liberalization* refers to policies that directly enhance trade, such as the removal of tariffs of other trade barriers. Simply stated, when other economic factors such as education or level of natural resources are equal, countries with liberal trade regimes experience higher levels of trade.
- The most common form of trade liberalization is the reduction of trade barriers like tariffs. Tariffs are a tax the host government places on imports to make them more expensive than locally produced goods. This of course favors local businesses at the expense of international entrepreneurs.
- Trade liberalization increases competition, improving the quality and value of goods and services in local markets.
- As we will see, there is also a counter trend toward protectionism and greater government control of trade that threatens some of the progress made in past years.

Liberalization of world markets creates new opportunities

- Governments often try to help their local businesses by negotiating favorable bilateral trade agreements with other countries.
- Trading countries have chosen to enter multilateral agreements--trade agreements between large groups of countries. The largest such multilateral agreement is administered by the *World Trade Organization* (WTO). The WTO, established by the nations involved in a predecessor arrangement, the *General Agreement on Tariffs and Trade* (GATT), was created to monitor and control the international trading system.
 - WTO members include the developed countries as well as 110 of the 152 developing countries.
- Membership in the WTO requires adherence to a generally liberal set of trade arrangements that facilitate the expansion of orderly world trade.
- Concurrent with trade liberalization has been an outbreak of democracy. Countries with high levels of control over the political lives of their citizens are often the same countries with high government control over the economy. It is not surprising then that as countries become more democratic, they also develop more liberal trade policies.
 - This trend has been threatened by some governments reasserting control over the internet and what their citizens can view and who they can communicate with.

Increasingly we are seeing major new start up companies being done globally.



Global Supply Chains often allow smaller firms to find a spot.

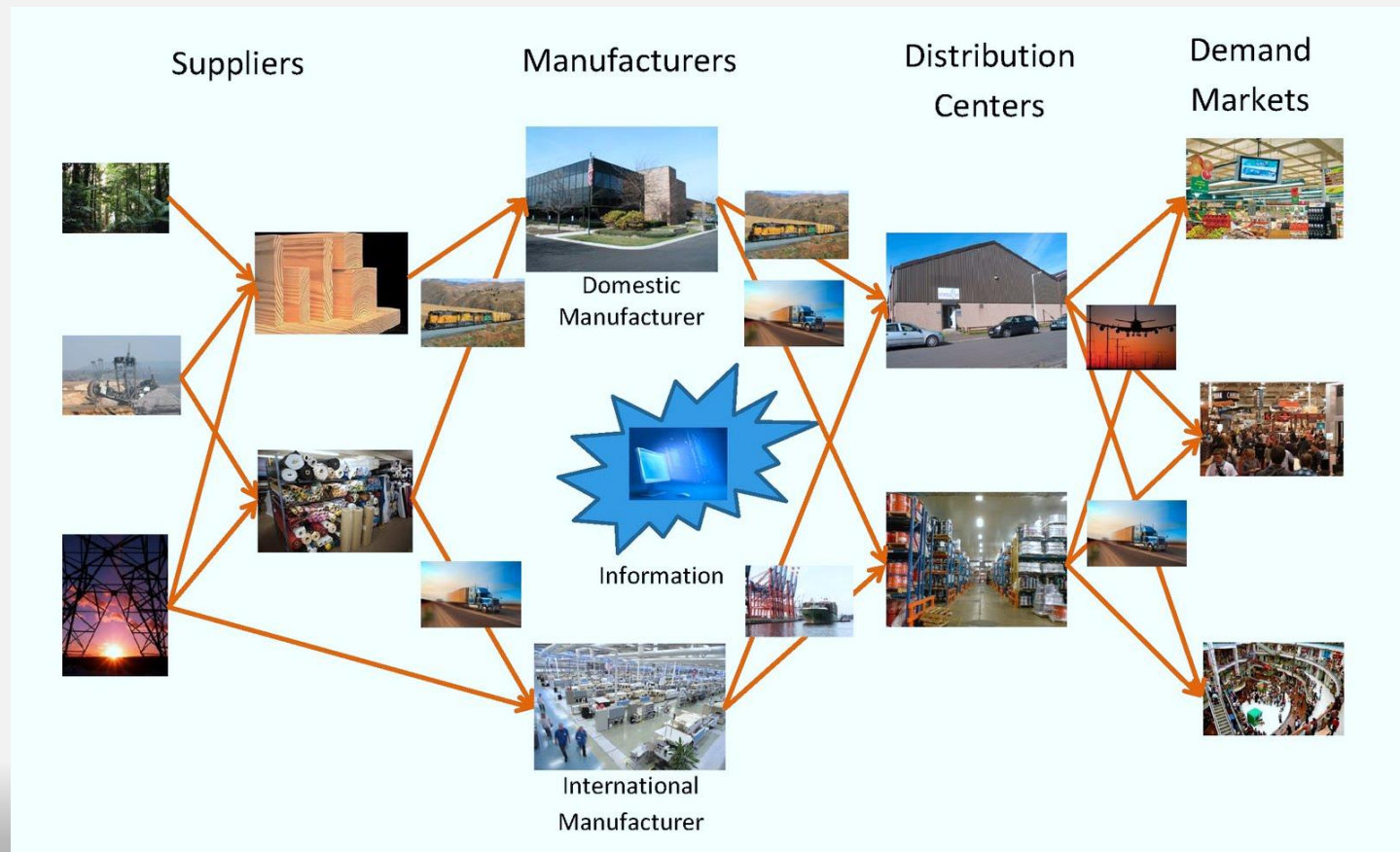
- Companies produce goods and services in a value-chain, a sequence of value added steps.
- Example: An auto manufacturer. They would purchase raw materials, manufacture sub-assemblies, assemble complete cars, transport them to markets, sell, and service them. Traditionally, these steps were conducted in a single location, but no longer is that the case.
- As trade barriers were reduced, communication and transportation expenses began to fall. This made it easier to have an interconnected (or “Flat”) world.
- In an interconnected world with free trade, firms could begin to move parts of their value chain to different locations -locations where entrepreneurs could offer more innovative or cost effective solutions than local suppliers.

The rise of small-firm supply chain networks

- *Global sourcing* is the process of partnering with world's best suppliers to provide customers with the best quality product or service at the best possible cost.
 - Global sourcing is a critical tool for firms in developed countries as it allows them to lower the average labor cost by mixing high paying knowledge jobs in the developed economy with lower paying lower-skilled jobs in the lesser developed country.
- Global supply chain management is more comprehensive than global sourcing.
 - In global supply chain management, firms integrate their entire supply chain globally -- from raw materials to finished delivered goods -- to provide high levels of customer satisfaction and higher profits. Firms increasingly rely on supplier networks around the globe to improve their quality and efficiency.

Supply Chain Management

- Anna Nagurney, UMass Amherst Professor, has provided an excellent analysis of the role that networks and information flow can play in creating a global supply chain.
 - <http://annanagurney.blogspot.com/2012/01/how-us-can-compete-and-win-in-global.html>
- Role of Networks and Information in the Supply Chain
 - <http://supernet.isenberg.umass.edu/dart.html>



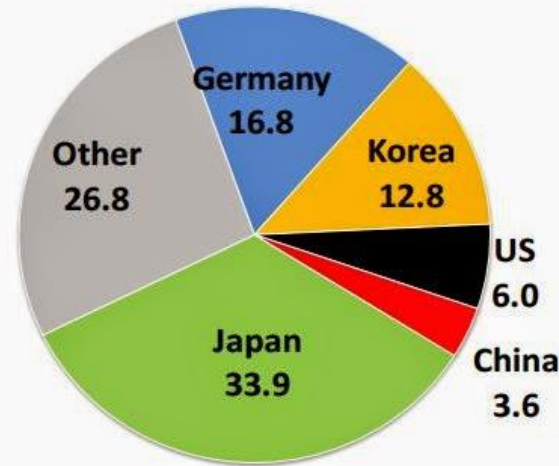
Apple Global Supply Chain -iPhone

Table 1 . Apple iPhone 3G's Major Components and Cost Drivers

Manufacturer	Component	Cost (USD)
Toshiba (Japan)	Flash Memory	\$24.00
	Display Module	\$19.25
	Touch Screen	\$16.00
Samsung (Korea)	Application Processor	\$14.46
	SDRAM-Mobile DDR	\$8.50
Infineon (Germany)	Baseband	\$13.00
	Camera Module	\$9.55
	RF Transceiver	\$2.80
	GPS Receiver	\$2.25
	Power IC RF Function	\$1.25
Broadcom (USA)	Bluetooth/FM/WLAN	\$5.95
Numonyx (USA)	Memory MCP	\$3.65
Murata (Japan)	FEM	\$1.35
Dialog Semiconductor (Germany)	Power IC Application Processor Function	\$1.30
Cirrus Logic (USA)	Audio Codec	\$1.15
Rest of Bill of Materials		\$48.00
Total Bill of Materials		\$172.46
Manufacturing costs		\$6.50
Grand Total		\$178.96

http://tomjconley.blogspot.com/2014_10_01_archive.html

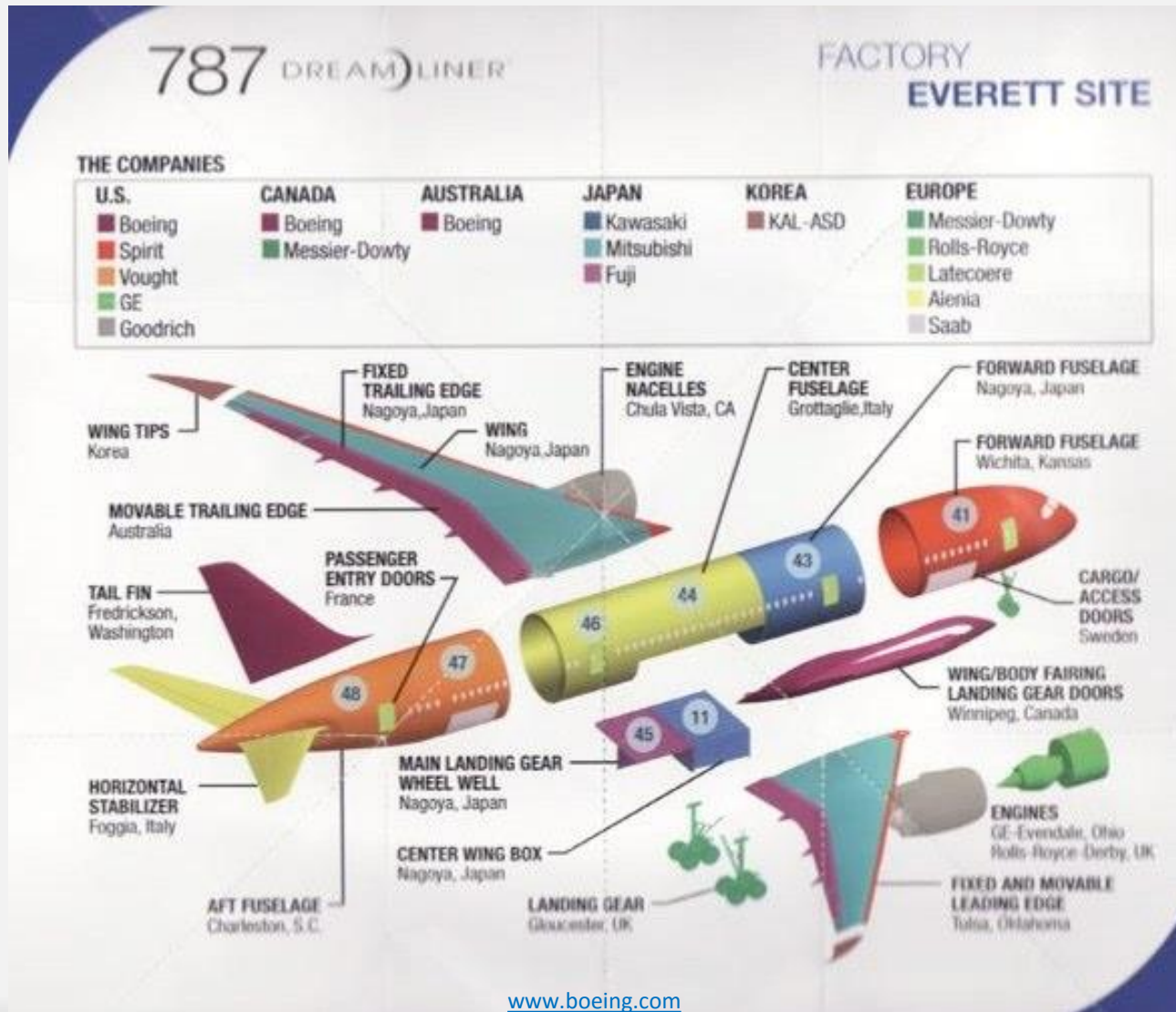
iPhone Manufacturing Cost Distribution by County (%)



Source: Xing and Detert (2010)



The Boeing 787 is another great supply chain example



Global supply chain management

- For small entrepreneurs to succeed in a global supply chain environment, they need to be interconnected with their dominant buyers and suppliers across the globe. They also need to cost effectively transport their goods and services to distant markets.
- A few decades ago commercial airfreight was not an option, but today, air cargo is the most reliable and cost effective means of shipping. Many modern production management practices, including the just-in-time inventory techniques so important to multinational corporations, rely heavily on global air cargo.
- Ocean shipping costs have fallen by as much as 80% over the last fifty years. Sea freight has become seamlessly integrated with domestic rail and truck transportation; firms can now ship goods as easily across the globe as they once did across town.
- Because of deregulation and new technologies, telecommunication costs have dropped significantly in the post WWII era. New communications technologies have made it cost efficient to separate value-adding steps of production and use --the value chain--in ways that were not previously feasible.

Global supply chain management

- The global economy has also become interconnected along the Internet. Recent data shows over 800 million people use the Internet worldwide, and that number will top 1 billion users in 2006.
- The Internet has become a dynamic force in both business-to-consumer (B2C) and business-to-business (B2B) markets.
- B2B e-commerce now generates in excess of \$1.5 billion in revenues.
 - E-commerce is not just for large business; Evertek Computer Corporation, which sells new and refurbished computers and parts, has business in more than 80 countries, booked through internet portals.
 - MacNeill Engineering Company, headquartered in Marlboro MA discovered that the golf shoe companies to which they had sold spikes and other components had moved their manufacturing to China. Rather than close their doors, they created a global company with some of the manufacturing being done closer to the customers and also created a retail line of goods for the US and international markets. [[Case Study](#)]

The cross border movement of intellectual property

- Intellectual property—patents, trademarks, copyrights, and other proprietary process—represent the top of the economic food chain.
- Intellectual property can move across borders without transportation costs, giving it high profit potential.
- By every measure, the transfer of intellectual property across borders is increasing at record rates.
- Many countries, and China is an example, require that companies entering their markets do so with joint ventures that require some formal technology transfer.
- Informal, or even illegal, technology transfer is an increasing challenge to firms who are globalizing.
- Theft of intellectual property through cyber methods, both criminally and state sponsored, is an increasing challenge for companies and for the world's law enforcement agencies –including the FBI in the US.
- Balancing these risks against reward is one of the great challenges of global entrepreneurship.

Entrepreneurship is an Emigrant thing too.

- **Migrant Brainpower**

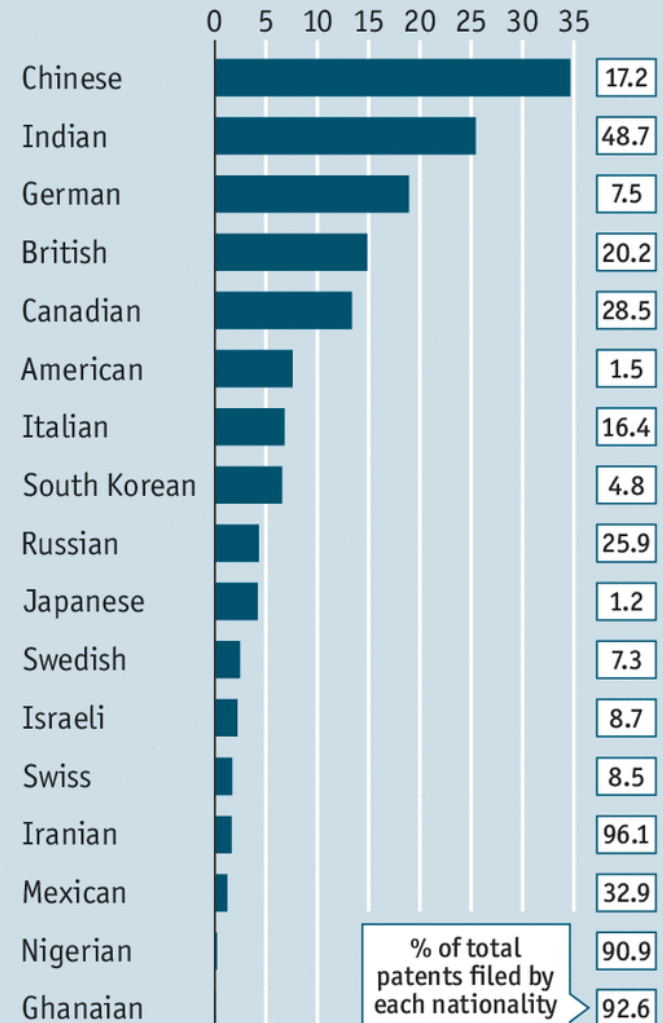
<http://www.economist.com/news/international/21656175-migrant-brainpower>

<http://www.economist.com/news/international/21656176-governments-believe-their-diasporas-can-solve-all-sorts-problems-they-are-picky>

- It is interesting that Indian inventors seem to need to leave home to file a patent (48.7%) while the German inventor usually does so at home -only 7.5% are done abroad.
- Technically this only shows patents and not entrepreneurship, but it indicates how influential immigration is upon innovation.
- This **diaspora** of innovation often becomes a source for new ventures as well as a built in support structure.

Patents filed by emigrants

2007-12*, '000



Source: WIPO

*To September

How Diaspora Networks Help Start-Ups Go Global

- “Many entrepreneurs have taken advantage of ethnic networks to formulate and execute a global strategy. The culture, values, and social norms members hold in common forge understanding and trust, making it easier to establish and enforce contracts.”
- “Through diaspora networks, global entrepreneurs can quickly gain access to information, funding, talent, technology—and, of course, contacts. In the late 1990s, for instance, “
- “Boston-based **Desh Deshpande**, who had set up several high-tech ventures in the United States, was keen to start something in his native India. In April 2000, he met an optical communications expert, Kumar Sivarajan, who had worked at IBM’s Watson Research Center before returning to India to take up a teaching position at the Indian Institute of Science in Bangalore. Deshpande introduced Sivarajan to two other Indians, Sanjay Nayak and Arnob Roy, who had both worked in the Indian subsidiaries of American high-tech companies. The trust among the four enabled the creation of the start-up Tejas Networks in two months’ time. Deshpande and Sycamore Networks, the major investors, wired the initial capital of \$5 million, attaching few of the usual conditions to the investment. Tejas Networks has become a leading telecommunications equipment manufacturer, generating revenues of around \$100 million over the past year.”
 - From: Harvard Business Review; Daniel Isenberg; Dec.2008

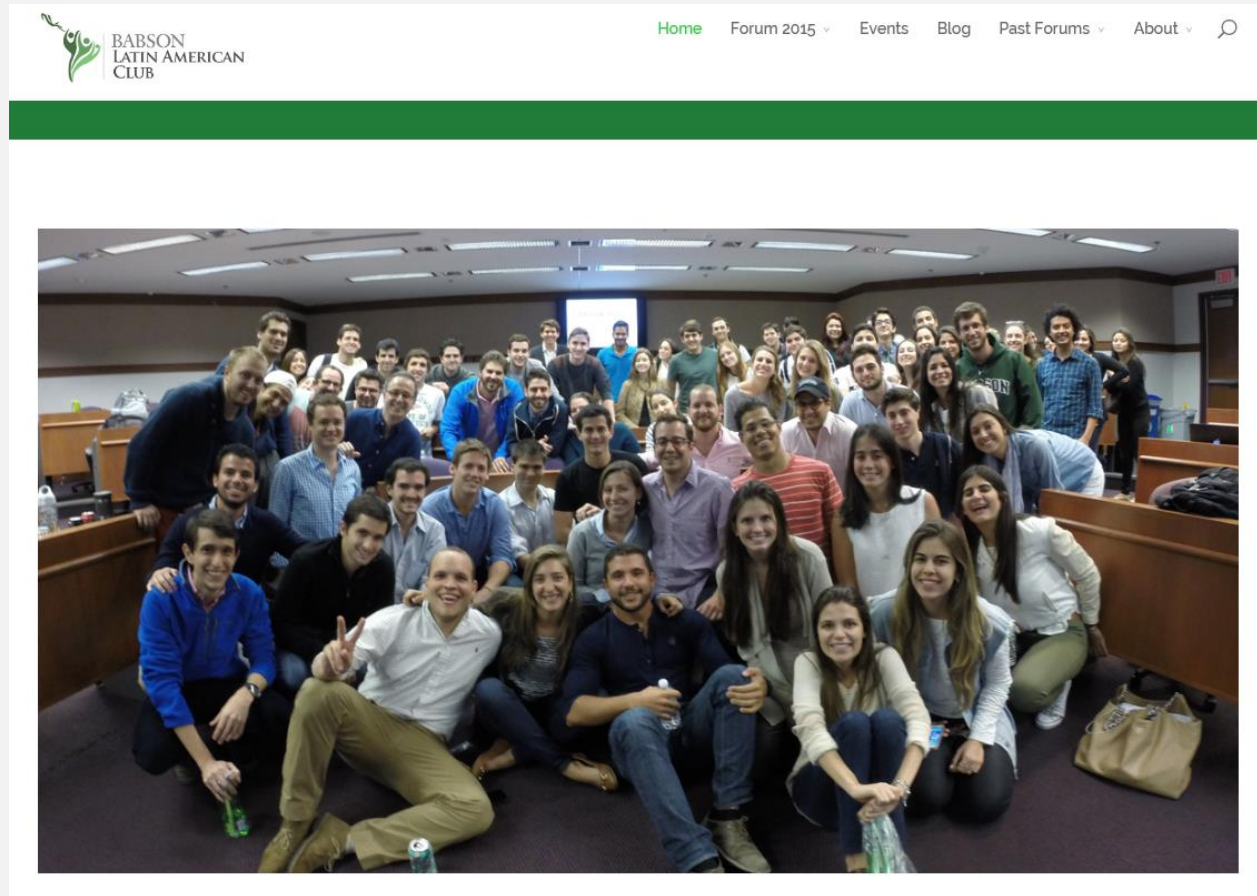
TiE – Boston -The Indus Entrepreneurs (<http://boston.tie.org/>)

- **TiECON East** - TiECON East is the largest startup conference on the East Coast that brings together established and startup entrepreneurs in Technology, Life Sciences, Education, and Cleantech. Entrepreneurs attend the two-day conference to learn about the latest trends in innovation, get advice from experienced entrepreneurs, and network to find their next big opportunity.
 - www.tieconeast.org
- TiE-Boston's **Monthly Dinner** features entrepreneurs who have demonstrated extraordinary success and created exceptional value for society and attracts over 150 guests to a networking reception and dinner. Past speakers include:
 - Nitin Nohria, Dean of Harvard Business School
 - Murali Aravamudan, Founder & CEO of Veveo, Inc.
 - Rama Ramakrishnan, Founder and CEO of CQuotient Inc.
 - Purnanand Sarma, President & CEO of TARIS Biomedical
 - Amar Sawhney, Chairman, President, and CEO of Ocular Therapeutix, Inc.
 - Dr. Una Ryan, President & CEO of AVANT Immunotherapeutics
 - Padmasree Warrior, Global CTO of Motorola
 - Promod Haque, a Managing Partner at Norwest Venture Partners
 - Krish Prabhu, President & CEO of Tellabs
 - Dr. Stuart Schreiber, a leading Biotech Entrepreneur



Latin America also has support groups –often college based

- <http://www.babsonlatinamerica.com/forum2015/>



From International Business (IB) to Global Entrepreneurship (GlobalE)

- How does global entrepreneurship differ from international business? In many ways it is a question of degree rather than difference.
- For example GlobalE often deals with smaller firms and new ventures. Some of the entrepreneurial firms are “born global” while others are firms that began regionally and then expanded to other countries. International business is generally focused on the role of larger and better established firms. Many of these are multi-national companies. The recent vote by the UK to leave the EU, Brexit, represented a major challenge to multinational companies like Ford, GM, Caterpillar, and others that had made major investments in the UK with an intention to sell throughout the EU. That strategy is now in question. Smaller new ventures tend to be more agile, but can also be more vulnerable.

Global Entrepreneurship (GlobalE) vs International Business (IB)

- GlobalE differs from IB in financing strategies as well. The GE may focus more on exchange rates, purchasing power parity, and competitiveness while IB focuses on the capital markets, international balance of payments, and the role of international financial institutions.
- The way they conduct operations can also be different. GE firms often focus on exporting or sourcing. They try to fit into the larger global supply chains operated by the multinational (IB) companies who created global sourcing and operate huge supply chains and make substantial foreign direct investments.

Global Entrepreneurship (GlobalE) vs International Business (IB)

- The way GlobalE ventures approach intellectual property may be different with more of an emphasis on the creation of IP and the exploitation of specific proprietary knowledge or IP. IB often looks more at technology transfer and foreign sourcing of research and development. Microsoft, for example, made a huge investment in China with 500 engineers on the edge of the Tsinghua University Campus and did this at a time when they were not able to sell much in China at all. They wanted to be close to what they saw as a significant source of intellectual capital and intellectual property.
- Many countries, especially including China, demand that any foreign direct investments in their country be accompanied by opportunities for technology transfer in the other direction. They want access to outside intellectual property.



Internationalization models

- Internationalization is a business response to globalization that occurs when a domestic firm begins to sell or operate across national borders.
- It can also describe the activities a company undertakes to expand its limited international activities to more countries.
- With internationalization, firms are confronted with new business practices, laws, regulations, and cultures. A firm can internationalize without operating off-shore; many international firms are importers—firms that acquire their products or services abroad.
- Frequently, internationalization describes a company's first attempts at exporting or licensing.

Culture and Entrepreneurship

- *Culture* is the shared set of beliefs, values, and norms passed from one generation to another that structure a member's perceptions of the world. It is the acquired knowledge that people use to experience, and interpret their own behavior and the behavior of others. If our minds are the *hardware* of intelligence, then culture is the software of the mind. Culture is the programming architecture that organizes our thoughts.
- In a cultural context, members express culture through the behaviors they exhibit, the artifacts they craft, and the political-economic philosophies they embrace. These expressions are based on the values and beliefs they hold about the world around them.
- Social structures like family, religion, language, and education transmit these values and beliefs from generation to generation. In turn, culture influences a country's customs and business practices.
- We will give close attention to the cultural issues in [Chapter 14](#) and in the chapters on area studies (chapters 15-19).

Cultural Considerations in Operations

- The basic management tasks of planning, leading, organizing, and controlling are difficult enough when a company operates only in its home country.
- Undertaking these task across national borders with different laws and cultures can be especially complex.
- Planning is less likely to be done in some countries, but in others it is rigorously expected. There are often differences in which stakeholders are expected to be consulted. In Europe, employee groups must be carefully consulted, but in Asia that is less often done. On the other hand, consultation with government is mandatory in Asia. In some countries planning can be done expeditiously and in others it must be carried out without haste.
- Leadership is quite different in different countries. In some cases it is quite hierarchical and in others it requires more grass roots work. How, to whom, and how much one communicates may vary. How employees are motivated can be different.

Cultural Considerations in Operations

- Organizing a company for success requires that one select the right structure for the organization and that employees abilities and tasks be matched to the jobs. It also means that one must think carefully about what kinds of partnerships and alliances, local or global, can be helpful in the operation of the business.
- Control can influence the corporate governance system and which stakeholders must have a formal role. Even the ability to exert control can vary.

Conclusion

- We have seen how changes in the world have created opportunities for global entrepreneurship and have identified challenges in the legal, political and cultural realms for anyone who is considering a global opportunity for entrepreneurship.
- We have looked at the characteristics of Global Entrepreneurs and also at the support structures that have enabled their work.
- In subsequent chapters, we will look at each of these issues in much more detail, and we will meet some global entrepreneurs, study their characteristics and their ventures, and see how they have been successful –and, perhaps, how they have failed.