



**Enhancement in Entrepreneurial Succession:
Trivial Focuses On Knowledge Base Enterprises (KBE)**

Sameer Paul

Assistant Manager
Standard Chartered Bank (pvt) Ltd, Karachi

Shariq Ahmed

Lecturer
College of banking and Finance, Karachi

The material presented by the authors does not necessarily represent the viewpoint of editor(s) and the management of the Khadim Ali Shah Bukhari Institute of Technology (KASBIT) as well as authors' institute.

© KBJ is published by the Khadim Ali Shah Bukhari Institute of Technology (KASBIT)
84-B, S.M.C.H.S, Off.Sharah-e-Faisal, Karachi-74400, Pakistan.

Abstract

The rational principals provide the cognitive support for developing countries at utmost level through awareness towards practical approach and impracticable ideas. The aim is to present the consequences of a rigorous evaluation of a novel model of Knowledge Base Enterprises (KBE). The study restrain towards empirical and panoramic analysis of known and unknown variables which comprehensibly highlight the significance of knowledge base enterprises, by having entrepreneurial intentions, attitudes and motivation. Further the questionnaire is design to calculate the statistical data. The role model of the knowledge base enterprises (KBE) has been thoroughly investigated and tested. The study presents the modes to train students and fresh personal's which devise the entrepreneurship and innovative concepts for the beginning entrepreneurs. Further study focuses on the student mind growth towards enterprises and economic development. The basal study provides cognitive information which opens new horizons to polish the mental capability that used to looked quality as intangible parameter which highly depends on training and awareness sessions of entrepreneur knowledge contributor. The key role of this research paper is to re-evaluate the task of the knowledge base enterprises (KBE) as a device for knowledge management.

Keywords: Entrepreneurship, Enterprises management, Entrepreneurial training & simulations, Knowledge economy, knowledge enterprises.

JEL Classification: L26

Introduction

In the recent time entrepreneurship is attaining a sustainable growth of economy in the developing countries. The incompetence of the modest companies to raises serious inquiries about the level and the causes of effectiveness in the small industries. While some of the small business may be effective because the divisibility of expertise and the methods directly specialized in the sub-processes at the small scale, yet the effectiveness in a number of industries may be more clear-cut than real; the ineffective enterprises may have endured just by passing levies or exploiting labor. Obviously, such companies would find it tough to elaborate to the dimensions where levy and work guidelines would apply. On the other hand the flops of even the effective companies to graduate intermediate or large companies show that the development of little enterprise may have been guarded by some extraneous components as well.

Although, the concern of scholars over the entrepreneurial undertaking for financial system of mutually industrialized and evolving nations to be well recognized, (Aidis, 2005) where the wide varieties of institutional backdrop have conventionally been affiliated with both the alternative of persons to discovered projects and diverse conclusions are affiliated with project origin (Aidis, 2005). The variable obtained important vigilance is learning founded over basic postulation that is an affirmative connection among learning and the entity choice to turn into an capitalist and the promise affirmative results of such actions. In early times some analysis has identifies this postulation into issue. The writers from the past study on the theme (van der Sluis et al., 2005) resolve that connection among common learning & plan pattern is unverified whereas they manage resolves an affirmative connection among common learning & entrepreneurial takings.

Further the study features the entrepreneurial aims of scholars having substantial concerns amidst investigators (Veciana et al., 2005). Although, the investigations sustain that

entrepreneurs are cultured all over their life & learning is having key significant that construct entrepreneurship among individuals brain (Lee et al., 2006). As knowledge backdrop is a core variable, it is habitually encompassed the investigation by investigators (Davidsson, 1995). According to the preceding works entrepreneurial aims were concentrated on broader components than informative backdrop; they will not display the connection between informative backdrops, academia applicants' entrepreneurial insights; during their, entrepreneurial purpose. Moreover, the entrepreneurial aim is affirm of brain that persons desire to conceive a new business or a novel worth person going by car interior living organizations. It is an ongoing by strength of the entrepreneurial actions. Investigators in entrepreneurial aim create an investigation keen on why various persons select to be temporary or establish their personal enterprises although other ones favor customary income base jobs. Investigators trial to interpret the occurrence from perspective of entrepreneur's behavior, proficiency of discovery and chance to develop over variety of finance, or, the entrepreneurial aim viewpoint presents a novel study aim and boasts entails to superior interpret and forecast entrepreneurship, thus shattering behind the margins among discipline. To sustain the key implication of knowledge management over entrepreneurship amidst scholars to help them or force to inspire scholars to accumulate all their knowledge in a lone basket to conceive a knowledge base enterprise (KBE)

Literature Review

Entrepreneurial Activities for Economic Building

Conversely, in the knowledge base enterprise the smart worker provides the bases for building the knowledge. By educating and training the realistic situation faced by an individual that can handle the challenging situation earnestly. Business school graduates pass through these practices helps to build an ability to start their own small business units. If the governmental institutions provide one window operation to serve the graduate entrepreneur

via providing valued source of information will make appreciate able contribution to build knowledge societies. These operations include the knowledge training sessions and experience sharing secession of successful entrepreneur generates the awesome result. Bruyat and Julien (2000); explain the basic importance for the economy being founded is known as entrepreneurship which considerable as macro- and micro-level effect (Henry et al., 2003). Whereas Hisrich and O’Cinneide (1985); advise that entrepreneur maintain to give the novel thoughts, building novel enterprise and employment, and assist to grow the wealth as entire where the entrepreneurship is becoming additional familiar attitude for enhanced skills and capabilities to deal the dispute and tentative upcoming in the prospect. Creativity, risk taking, self-confidence, high readiness and the innovative approach for problem solving related to the entrepreneurship and feasible stage for financial development in the culture. Henry et al (2003) exploit that to maintain the learning it’s not so far greater and opportunities for that are not so abundant. For the education of the entrepreneur it refers to the activities of developing the enterprises or the people enhance their understanding and knowledge about entrepreneurship and enterprises. The ability of learning enhances the basic abilities of the entrepreneurial competencies (Rae and Carswell, 2000). The thriving learning of knowledge and expertise are the factors that requisite in dissimilar phase of business development. This is considered as the central procedure of entrepreneurial development (Deakins et al., 2000). Corbett (2005) these concepts are about empirical erudition of entrepreneur should competition with the culture style. Rae &Carswell (2000) procedure of construction intelligence away of occurrence is much supportive in learning, for serious indication on meticulous event (Cope 2003), as the advanced level learning take place.

Entrepreneurial Aptitude Awareness

Talent is the essential lineage for any entrepreneur to run enterprise effectually and expertly. Guthridg& el. (2006) illustrates how to debate across talent administration has

developed in recent years the demographics adjustments, deregulation and economics motions towards growing markets have intensified. Half of the interviewees conveyed consideration that the senior leadership of their organization does not align talent management strategies with enterprise strategies. Doman & el. (2000) describes business leaders increasingly acknowledge that talent really matters. But the problem occurs is to manage talent for which Bryan (2007) dispute that financial endeavor in endowment vague are expensed relatively to capitalized, executive might try to boost short-term income by slicing non-compulsory expenditure on people development. Bryan (2004) find out that knowledge workers are the highest emergent talent pool in several business and have their demands and oddities. Martin and Moldoveanu (2003) explain this time over the profits from the knowledge economy. And the nature of the economy develops and they require to increase intellectual capital grows, industry (Galagan; 2003). As the time for the managing talent to utilize it as a smart worker for their own business set up, Axelrod & el. (2001) describe about time is bigger recognition of the scarcity of talent and advanced struggle for it, the imperative to supervise it effectually is more imperative than ever. Leaders ought make talent a main concern at all stages of their administration, bring ahead justifications for apex ability to decide their financial gatherings, rebuild their enlisting approaches, bring ahead abundance of chances for development, and study to acknowledge their performers and invest in them appropriately.

Enterprise Learning & Education

Effectual enterprise growth might be perceived as a originator of both service and economic wealth (Hisrich and Drnovsek 2002). According to Bird (1988) Behavioral purpose it is an essential practice before initiating any action. However, the judgment is to begin activities. As an emotional procedure, objective has been observed by several theorists and academicians. Although, the individual phases are classified that develop them into trainee,

sequential and even assortment entrepreneurs, and persons must 1st turn into emerging entrepreneurs (Westhead and Wright 1998). Further, individual approach embraces disturbing aspects and to evaluate them (Robinson et al. 1991). Person's skewed psychosomatic position as the later judgment by "expectancy-value model". Approaches are open to alter; entrepreneurial thoughts that might be predisposed by mentor and practitioners. By refining an approach of novelty, attainment, confidence, mentor can alter students' insight and emotion of entrepreneurship. Ewert and Baker (2001) advice advanced learning differentially organize populace humanistic and technological. Then person in diverse educational fields who grip diverse information which might perform as a arbitrate position for entrepreneurship capability. Richardson's (1993) discovered the significance of diverse apparent assistance of teaching to graduates with diverse intellectual majors. The outcome illustrates several educational major such as communication, individual ecosystem ease development and maturity in delicate/social dexterity, whilst some educational majors as engineering & science assist augmentation and maturity in quantitative ability. When the each individual highly educated and highly trained and perform their technical skills in an efficient manner, impact full on the development of the own business setup and his/her thoughts very attract full to catch the surroundings and build a self-employment culture. Moreover the entrepreneurship roughly assume as a parallel advance but added the base of inspiration and job-choice, significant entrepreneurship as the attitude and procedure to innovate and widen economic movement by amalgamation, originality, adventuresome and novelty with resonance organization,

Entrepreneurial Thoughts and Ideas:

The base provided to developed countries which leads towards the economic stability is actively participation of the knowledge dimension i.e. creation and innovation. No-doubt it is secret sensitive process for the developed organization for getting longer results and

benefits. These practices mostly did under one roof by the active bodies of an organization. Schumpeter (1934) emphasized that to engage the economic development the knowledge innovation is a supplementary part. It is reported OECD (1996) that knowledge economy is the financial actions and networks that were immediately deployed in invention, distribution, and entry of the knowledge and information. Romer (1990); the new-growth idea, namely, the endogenous development idea, focusing on the knowledge and technological advancement, emphasizing that the knowledge and technological advancement should not be assisted as an exogenous variable. Lundvall (1998) demonstrated that effectively applying innovation was more significant than competently assigning resources. However these innovative knowledge skills facilitate the inventions, circulation, and application of the knowledge and information. Hence, the invention of effectual knowledge infrastructure is the asset in making communication and propagation. Marshall (1890) knowledge contribution helps that the innovation and diffusion of experiences can activate the entry of new procedure and new machine, in command to renew the productivity of the funds and labors. According to Von Hippel (2005) worker who foretells a world where user-centered innovation will go beyond manufacturer-centric innovation webs because such users can create what they want, after they want it. In supplement, this innovator can take gain of innovation freely uncovered by others. While these dimensions assists the entrepreneurs to evolve his abilities and know-how to overwhelm his enterprise and the competitors who were declining his market worth and constructing the obstacles in the way to accomplish the visionary success. The skillful work force are evolving the information in the association therefore the enhancing knowledge in the firm make smart workers to use their knowledge skills in dynamic way and distinct features evolve the independent and self-generated approach in the mind of worker to act wisely and take effective decisions for the businesses, as well as economic stability and growth.

Research Methodology

For the purpose of diagnosing, devising and comprehension the relationship between knowledge management, entrepreneur T&L (training and learning) and enterprise management of a young individual work for the self-employment initially noticed for this research are science documents, printed papers in charts & conventions, white papers etc. of earlier research studies and conduct the empirical and analogical analysis of unlike studies and give panoramic scene among the variables. Basal study for understanding the concept of entrepreneurial learning and practical approach towards innovate knowledge base enterprise for the industrial development and economic development growth by effective utilization of the intangible source in a respective domain.

Data Collection Instrument

This research study used a structured questionnaire, observation, judgments and interview of human intellects and youngster as the tool of data assortment. Quota sampling method is used to gather the data in this study. We received 88 out of 100 questionnaires. Out of which we rejected 8 partially filled questionnaires and get the analysis of 80 questionnaires. About 65% of respondents were youngster studying in universities, 35% belong to the expert entrepreneurs. Further the secondary source of study is from relevant material which published in research papers, journals, case study as well as white papers of successful entrepreneurs. This study complete through qualitative techniques and descriptive method and exploratory research study and become an effective way for its completion.

Hypothesis

H_A: There is a significant effect of knowledge entrepreneur towards economic development.

H₀: There isn't a significant effect of knowledge entrepreneur towards economic development.

Data Analysis and Interpretation

The study assesses the influence of endeavor learning on a scholar legion to boost entrepreneurial vocation ambitions. As influence of enterprise learning on vocation aspiration was considered by assessing student's entrepreneurial attitude. However, in the communal standpoint, equally entrepreneurship and the educational method are significant the financial development, although the significance of learning for entrepreneurship has been established lately. Education is the large-scale and the most significant ongoing investment a person's make. During the access towards the learning, persons can't only achieve information and evolve proficiency, but furthermore have several possibilities to advance their value of life.

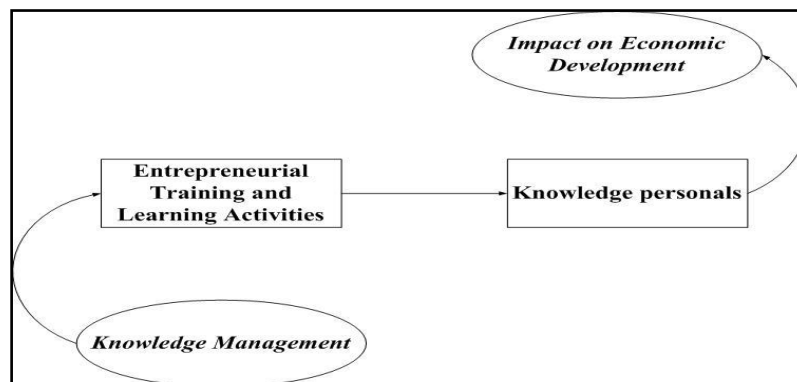


Figure 01: Theoretical framework

However, the flow diagram shows that the impact of knowledge management among youth can create a vast impact on the development in the economy, where the relationship among knowledge management, entrepreneurial training and learning create knowledge personals that change the economic factors of the developing countries.

Correlation among Knowledge Management, Entrepreneurial T&L Knowledge Personal and Economic Development

The correlation among the following variables shows the positive relationship, especially relationship among the knowledge management and economic development, which is independent and dependent variable respectively.

Table 01: Correlation among Knowledge Management, Entrepreneurial T&L Knowledge Personal and Economic Development

		<i>Knowledge Management</i>	<i>Entrepreneurial T&L</i>	<i>Economic Development</i>	<i>Knowledge Personal</i>
<i>Knowledge Management</i>	Pearson Correlation	1	.801**	.744**	.715**
	N	80	80	80	80
<i>Entrepreneurial T&L</i>	Pearson Correlation	.801**	1	.827**	.709**
	N	80	80	80	80
<i>Economic Development</i>	Pearson Correlation	.744**	.827**	1	.785**
	N	80	80	80	80
<i>Knowledge Personal</i>	Pearson Correlation	.715**	.709**	.785**	1
	N	80	80	80	80

According to the calculation shows in the table indicates that there is a highly positive relationship among the economic development and entrepreneurial training and learning (82.7%). Further the highly positive relationship among knowledge management and entrepreneurial training and learning (80.1%). finally the knowledge personal has the moderate relationship with economic development, knowledge management and entrepreneurial training and learning.

Regression Analysis among Knowledge Management, Entrepreneurial T&L Knowledge Personal and Economic Development

The multiple regression equation among the selected dependent and independent variables indicated their relationship.

Where α highlight the slop and β is the intercept of Economic development and x is the predictor value i.e. Knowledge Management, Entrepreneurial T&L and Knowledge Personal. The regression results elaborated in the below table

Table 02: Analysis among Knowledge Management, Entrepreneurial T&L Knowledge Personal and Economic Development

<i>Model</i>	<i>R</i>	<i>R Square</i>	<i>Adjusted R Square</i>	<i>Std. Error of the Estimate</i>
1	.874 ^a	.765	.755	.21192

ANOVA

<i>Model</i>	<i>Sum of Squares</i>	<i>df</i>	<i>Mean Square</i>	<i>F</i>	<i>Sig.</i>
1 <i>Regression</i>	11.084	3	3.695	82.267	.000 ^a
<i>Residual</i>	3.413	76	.045		
<i>Total</i>	14.497	79			

Coefficients

<i>Model</i>	<i>Unstandardized Coefficients</i>		<i>Standardized Coefficients</i>	<i>t</i>	<i>Sig.</i>
	<i>B</i>	<i>Std. Error</i>	<i>Beta</i>		
1 <i>(Economic Development)</i>	.185	.068		2.735	.008
<i>Knowledge Management</i>	.067	.091	.073	.738	.463
<i>Entrepreneurial T&L</i>	.485	.095	.500	5.086	.000
<i>Knowledge Personal</i>	.354	.079	.378	4.491	.000

The overall outcome have illustrate that there is a strong linkage between Knowledge Management, Entrepreneurial T&L Knowledge Personal and Economic Development there is 87.4% relationship among these variables. Whereas the R2 (76.5%) shows relation among the variables. Furthermore the f value is greater than f tabulated which define the model fitness.

The outcome acquire from above computations explain that variable Knowledge Management is interlinked with Entrepreneurial T&L Knowledge Personal which is intervening variables and shows their significance in the respect to improve the economy of the developing countries.

Conclusion

The study emphasizes the significance of knowledge management to improve the economic factors. By educating the fresh graduates and transferring the knowledge of

entrepreneurs to develop the new youth of knowledge personals. Where these knowledge personal build different small knowledge base enterprises. However the statistics justify the relationship of the following variables with the help of which we propose a model.

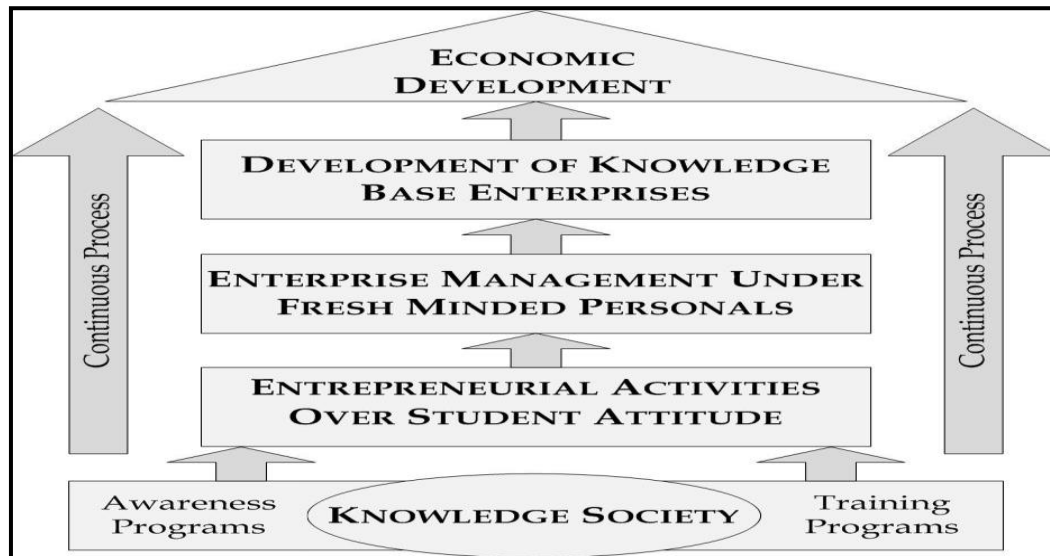


Figure 02: Conceptual Framework

Further, the proposed model facilitate the universities and other academic sector as well as the government of Pakistan to motivate the youngster toward maintaining their own self-employment by using their entrepreneurial attitude that not only helps the economy but also generate the personal satisfaction among youngster attitude. However, according to the proposed model the knowledge society of students, teachers and researchers as well as knowledge entrepreneurs have to build their own set of awareness and training programs and setup of education that innovate the ideas of entrepreneurial activities among students attitude. It assists the students to use their knowledge and innovative ideas to create their own setup of enterprise management inside their fresh mind and with the help of knowledge entrepreneurs the fresh minded personal make a way to create the knowledge base enterprises. Finally the creation of knowledge base enterprises helps in the development and growth of economy.

Recommendations

On the basis of our analysis, the conceptual model which we have presented in discussion sessions suggested that for entrepreneurial activities to be executed in more effective manner, it's required for organization/ individual to incorporate their existing efforts in context of knowledge environment which leads to successful execution of entrepreneurial activities. Furthermore, it's also recommends that organizational environment should create in such a manner that knowledge culture can be promoted to generate, share and codify that knowledge which promulgate the Knowledge base organization. In future, such organization may be able to contribute progressively for managing organizational wisdom and talent as well in individual or corporate level equally.

References

- Aidis, R. (2005), "Institutional barriers to small- to medium-sized enterprise operations in transition countries", *Small Business Economics*, Vol. 25, pp. 305-18.
- Axelrod, E. L., Handfield-Jones, H. and Welsh, T. A. (2001). 'War for talent, part two', *The Mckinsey Quarterly*, Number 2, p.9.
- Bird, B. (1988), "Implementing entrepreneurial ideas: the case for intention", *Academy of Management Review*, Vol. 13 No. 3, pp. 442-53.
- Bruyat, C., Julien, P.-A. (2000), "Defining the field of research in entrepreneurship", *Journal of Business Venturing*, Vol. 16 No.2, pp.165-80
- Bryan, L. L. (2004). 'Making a market in knowledge', *The Mckinsey Quarterly*, Number 3, p.100-11.
- Bryan, L. L. (2007). 'New metrics of corporate performances: profit per employee', *The Mckinsey Quarterly*, Number 3.
- Cope, J. (2003), "Entrepreneurial learning and the critical reflection: discontinuous events as triggers for 'higher-level' learning", *Management Learning*, Vol. 34 No.4, pp.429-50.
- Davidsson, P. (1995), "Determinants of entrepreneurial intentions", Paper presented at the annual meeting of the Rent IX Workshop, Piacenza, November.
- Deakins, D., O'Neill, E., Mileham, P. (2000), "Executive learning in entrepreneurial firms and the role of external directors", *Education and Training*, Vol. 42 No.4/5, pp.317-25.
- Doman, A., Glucksman, M. A., Tu, N-L. And Warren, K. (2000), 'The talent-growth dynamic', *The Mckinsey Quarterly*, Number 1, p.106.
- Ewert, A. and Baker, D. (2001), "Standing for where you sit: an exploratory analysis of the relationship between academic major and environment beliefs", *Environment & Behavior*, Vol. 33 No. 5, pp. 687-707

- Galagan, P. (2003). 'The future of the profession formerly known as training, T+D Magazine, pp. 27-38.
- Guthridg, M., Komm, A. B. and Lawson, E. (2006). 'The people problem in talent management', The Mckinsey Quarterly, Number 2, pp.6-8.
- Henry, C., Hill, F., Leitch, C. (2003), Entrepreneurship Education and Training, Ashgate, Aldershot,
- Hisrich, R.D. and Drnovsek, M. (2002), "Entrepreneurship and small business research – a European perspective", Journal of Small Business and Enterprise Development, Vol. 9 No. 2, pp. 172-222.
- Hisrich, R.D., O'Conneide, B. (1985), The Irish Entrepreneur: Characteristics, Problems and Future Success, University of Limerick, Limerick,
- Lundvall, B.-A. (1998), "Why study national systems and national styles of innovation?" Technovation, Vol. 11 No.8, pp.457-73.
- Marshall, A. (1890), Principles of Economics, Macmillan, London,
- Martin, R. L. and Moldoveanu, M. C. (2003). 'Capital versus talent: the battle that's reshaping businesses, Harvard Business Review, July, pp.36-40.
- OECD (1996), The Knowledge-based Economy, OECD, Paris,
- Rae, D., Carswell, M. (2000), "Using a life-story approach in researching entrepreneurial learning: the development of a conceptual model and its implications in the design of learning experiences", Education and Training, Vol. 42 No.4/5, pp.220-7.
- Reynolds P, Bygrave W and Autio E. (2004) GEM 2003 Global Report. Babson College/London Business School. Wellesley MA and London.
- Richardson, W.E. (1993), "Academic major and alumni perception of growth and development", paper presented at the 33rd Annual Forum of the Association for

- Institutional Research, Chicago, IL, and May. European Commission. (2003) Green Paper: Entrepreneurship in Europe. COM (2003) 27 final. Brussels
- Robinson, P.B., Stimpson, D.V., Huefner, J.C. and Hunt, H.K. (1991), "An attitude approach to the prediction of entrepreneurship", *Entrepreneurship: Theory & Practice*, Vol. 15 No. 4, pp. 13-31.
- Romer, P.M. (1990), "Endogenous technological change", *Journal of Political Economy*, Vol. 98 No. 5, Part 2, pp. 71-102, .
- Schumpeter, J.A. (1934), *The Theory of Economic Development* (trans. Opie, R.), Harvard University Press, Cambridge, MA,
- Stanworth J and Curran J. (1973). *Management Motivation in the Smaller Business*. Gower Publishing. Aldershot
- Van der Sluis, J., van Praag, M. and Vijverberg, W. (2005), "Entrepreneurship selection and performance: a meta-analysis of the impact of education in developing economies", *The World Bank Economic Review*, Vol. 19 No. 2, pp. 225-61.
- Veciana, J.M., Aponte, M. and Urbano, D. (2005), "University students' attitudes towards entrepreneurship: a two countries comparison", *International Entrepreneurship and Management Journal*, Vol. 1, pp. 165-82.
- Von Hippel, E. (2005), *Democratizing Innovation*, the MIT Press, Cambridge, MA.