

How successful Chinese entrepreneurs really think

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(PhysOrg.com) -- Can you really learn to be an entrepreneur? A new in-depth study offers fresh insights into how successful business players teach themselves to become better and better at making money.

Research by the University of Nottingham Ningbo China's [business](#) school focused on developing a model of entrepreneurial [learning](#) – based on a dozen Hong Kong entrepreneurs who have built up highly profitable companies.

Most had built businesses from scratch into organisations with at least 500 employees. At least one-third had more than 1,500 people working for them and one individual had as many as 5,000 employees. One [entrepreneur](#) is head of a company that recently listed on Hong Kong's stock exchange.

Three entrepreneurs who participated in the research were in the catering industry, one in book retailing and one in management

consulting, while all the others ran successful companies in the manufacturing sector, producing a range of items from clothes to electrical motors.

The perennial question

The research, conducted by entrepreneurship and business education specialist Dr. Thomas Wing Yan Man, cuts to the heart of that perennial question about whether you can really learn to be a successful entrepreneur.

His findings lend weight to theories that entrepreneurs do indeed learn to become entrepreneurs and are continually working on improving their entrepreneurial prowess through an active process of learning and reflection.

“Learning is a key characteristic of a successful entrepreneur. They are highly motivated in seeking learning opportunities. They learn selectively and purposely and they learn in depth,” said Dr. Man.

Many believe that successful entrepreneurship is largely a combination of growing up in an environment that provides opportunities to observe [successful business](#) operators, street-smart intelligence and luck.

But, it seems that some of China’s best business players look to textbooks for advice.

“Successful entrepreneurs involved in our research actively participate in training courses and look for management practices and ideas from others and from text books. They analyse how to apply certain management theories in their own businesses,” he said.

First-hand experience

Unsurprisingly, the work environment is a central element in the learning style of Chinese entrepreneurs.

“First-hand experience is critical in the learning process. Learning is selective, based on actual experience,” said Dr. Man, who is Associate Professor of Entrepreneurship and Innovation.

All entrepreneurs involved in the study spent much time carefully evaluating their own successes and failures in order to reinforce successful practices and avoid repeating mistakes. In addition, they put much effort into understanding every aspect of their business and its environment.

“They participate in daily management and acquire hands-on experience about the business operations, rather than taking an investor’s perspective. They learn the technical details about the business,” said Dr. Man.

“In a nutshell, Chinese entrepreneurs in our study were continuously improving their business activities by actively learning from their past actions as well as competitors’,” said the head of the Master of Science in Entrepreneurship programme at Nottingham University Business School China.

Listen and learn

Top Chinese entrepreneurs also spend much time listening to other people: to their customers and staff – including those who have left the business. This is so that they can continually improve their business activities.

The average age of entrepreneurs included in the study was 45, about a third were women and most were university graduates.

Hong Kong was chosen as the field work location because entrepreneurs there are seen as better educated with higher expectations for growth. The researcher is originally from Hong Kong and was able to better access top entrepreneurs there through his network of personal connections.

Dr. Man said his research objective was to develop an empirically based model of entrepreneurial learning focusing on learning behaviours.

He has identified six main patterns of learning common to Chinese entrepreneurs: they actively seek learning opportunities; they learn selectively and purposely; they learn in depth; they learn continuously; they improve and reflect on their experiences; and they transfer their learning outcomes to current practices.

The practical implications of Dr Man's findings include that education and training for entrepreneurs should be situated at work or within simulated contexts that provide them with opportunities to apply their new knowledge.

Provided by University of Nottingham

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