

Standard Chartered Private Bank – The Journey

Entrepreneurs – The New Gold?

While history doesn't necessarily predict the future, what we're seeing from entrepreneurs in the Entrepreneur Organisation (EO) and Standard Chartered Global Entrepreneur Indicator is that they are acting almost independently of what's going on in the economy. We have seen entrepreneurs' profits and headcount steadily rise over the past two years despite the global financial crisis, with the majority either increasing or maintaining profits and headcount.

What we have also however seen is that entrepreneurs' appetite to start a business has waned dramatically over that same two year period. Yet surprisingly from that finding, in the main profits and headcount have increased or remained the same. Interestingly, this may be explained through corporate entrepreneurship (intrapreneurship); if an entrepreneur has created a going concern - in this case US\$1m+ turnover (average US\$18.9m) - they are now sustaining or growing their business' through innovation leveraging the assets of the business rather than 'from scratch'. This process of creating new things within an existing business relates more closely to corporate entrepreneurship than purely independent entrepreneurship.

If we accept, that even an independent entrepreneur becomes a corporate entrepreneur if they continue to innovate within a business after they have already taken that business from an idea to a profitable reality, we could conclude that corporate entrepreneurs and corporate entrepreneurship (intrapreneurs/intrapreneurship) are growing in importance in these unstable times.

So, how then can entrepreneurs, both corporate and independent, be helped?

It can be reasonably interpreted from the EO/Standard Chartered Indicator that entrepreneurs appear to be self-funding. Many have been steadily reducing debt over the past two years and are maintaining it. Few are increasing debt and if they are increasing debt, they are not doing so significantly. There clearly needs to be cash coming into economies somehow – yet governments and consumers are reducing spend. It follows then that we need to ensure encouragement of investment in entrepreneurial businesses. Corporate ventures are a key part of the mix of tactics being employed to pull economies out of the cornucopia of crises.

Making investments into entrepreneurial businesses and corporate venturing more attractive to investors would clearly be helpful. This will drive jobs, which will push up consumer confidence and spending and therefore create healthier businesses.



However, external sources of capital under the indicator have mostly been difficult to access over the past two years. Flipping this on its head, we have seen that traditionally 'safe' investments are wobbling. Perhaps great entrepreneurs and entrepreneurial ventures – both independent and corporate - may start looking more attractive in context.

To my mind, the comparatively positive longitudinal results in Entrepreneurs' performance that we're seeing from the EO/Standard Chartered Indicator begs the question – are Entrepreneurs the new gold?

Dr Sally Ernst is a rare combination of music artist, entrepreneur and academic.

Sally has invested and worked with partners in numerous start-up businesses including technology, music, life sciences and luxury accommodation, seeing successful exits from a number of these, and learning a great deal from others. These experiences span Australia, China, the Philippines, and the UK and US.

Currently, Sally is the co-founder and CEO of CloudStaff, (www.CloudStaff.com), which provides offshore virtual assistant and technical services into the UK and Australia, from the Philippines and China. Also a singer/songwriter, Sally has more recently re-launched her music career, including dance act (CherryByte) and, as an individual, writing to briefs from major publishing houses.

Holding an MBA and a Doctorate, both degrees specialising in entrepreneurship, Sally regularly speaks at events and has further lectured in, and developed curriculum for, University College London and Queensland University of Technology. Sally also developed and leads the Global Entrepreneur Indicator (www.globalentrepreneurindicator.com) with Entrepreneurs' Organisation and Standard Chartered and has been regularly quoted in the international press (www.entinno.com/press).

Sally has held a number of industry board positions including Entrepreneurs' Organisation (www.eonetwork.org), Institute of Management Consultants (www.imc.org.au) and the Advisory Board of the London Entrepreneurial Exchange.

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