

CQU - Raffles Design Institute

Business Administration

Work in the 21st Century

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Assessment 2 – Entrepreneur Report

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EXECUTIVE SUMMARY

This report is aimed at gaining an insight on an entrepreneur, Mr. Enock Mundia, who is the owner and CEO of Lilume Textile Limited, and the General Manager of Shanghai Liberty Apparel Co. Ltd, Shanghai and Changzhou, China. The main aim is to analyze Mr. Mundia's profile as well as follow up on his career path. Furthermore, a SWOT analysis has been made to compare Mr. Mundia's SWOT with my own.

Mr. Enock Mundia has shown entrepreneurial characteristics by identifying an opportunity in China, preparing himself on how best to undertake it and finally taking advantage of this opportunity and acting on the opportunity to establish a successful business. The opportunity refers to the entrance of China into the WTO, the low cost of labor in China as well as identification of attractive markets.

Mr. Mundia risked leaving his successful career at the time as Regional Textile Manager of Liz Claiborne, Shanghai, to start up his venture. He also faced financial risks, which were not only his own but also that collected from investors who were seeking a return. However, he overcame the speculation of failure by persisting through obstacles and overcoming challenges.

1. INTRODUCTION

1.1 Objective

The main purpose of this report is to analyze the profile of a chosen entrepreneur, fully comprehending what makes this individual an entrepreneur and how the entrepreneur demonstrates characteristics of working in the 21st century. Also, to further investigate the career path taken by an entrepreneur of my choice while additionally assessing their characteristics and to further look at opportunities and challenges faced by the entrepreneur. Lastly, a SWOT analysis is to be made comparing and contrasting the entrepreneur to myself.

1.2 Background

“An entrepreneur is a person who in some way habitually creates and innovates to build something of recognized value around perceived opportunities” (Bolton, p 16, 2004).

My choice of entrepreneur is Enock Mundia, who is the founder and CEO Lilume Textile Limited in Shanghai and Changzhou, China. Since China became a member of the WTO, it has been seen that many entrepreneurs have identified great opportunities and many have indeed succeeded to become millionaires by pursuing in different businesses in this very attractive Chinese market. Enock Mundia is indeed one of them. Through seeing an opportunity, to exploiting this opportunity and in turn building something of value, Mundia managed to successfully set up a textile company in China in 2002.

2. PROFILE OF THE ENTREPRENEUR

Education: Enock Mundia obtained his Master Degree in Textile and Fashion Design in 1994 (Donghua University, Shanghai, China) and later undertook an MBA course with Rushmore University, USA, from where he graduated in 2004.

Companies Worked for: Mulungushi Textiles Ltd (Zambia) as Textile Technologist, Eddie Bauer (Hong Kong) as Technical Manager, Escada (Hong Kong) as Laboratory Manager, Liz Claiborne International (Shanghai) as Textile Manager, later promote to Regional Textile Manager – Asia/Pacific Region, Chen Feng Textile Group (Shanghai), as Senior Textile Manager.

Current Occupation: Enock Mundia is currently the owner and CEO of Lilume Textile Limited, and the General Manager of Shanghai Liberty Apparel Co. Ltd, where he is one of the major holders.

Most male entrepreneurs are motivated to be entrepreneurs mainly because they seek achievement, job satisfaction as a result of being their own boss hence in total control (Hisrich 1995). Mundia as such did not want to work for another person or company and wanted to possess his own company which he later achieved in 2005.

Talents and Skills: Mundia's skills are fashion design and textile development. He further has excellent interpersonal skills, networking skills, and as emphasized by him during an interview (September 15, 2006) that networking skills are vital for any entrepreneur and has played a big part in making him as successful as he is today.

Personality Characteristics: Enock Mundia is known by others to be exceedingly optimistic, incredibly enthusiastic, has a high level of self confidence and is very energetic. He described himself during an interview (September 15, 2006) as focused, opportunistic and a risk-taker.

Mr. Enock Mundia further revealed that he shared his vision with employees and thus his employees worked harmoniously to achieve a common goal.

3. CHARACTERISTICS OF BEING A 21ST CENTURY ENTREPRENEUR

It has been suggested that entrepreneurs in the 21st century are opportunistic, innovative, proactive and restless (Chell et al., 2001). This is true for Enock Mundia who saw an opportunity which he later acted upon to set up his own firm. An entrepreneur may be able to spot opportunities but the real challenge lies within acting upon that opportunity.

3.1 Future Oriented

As pointed out by Edvinsson (2002), an entrepreneur in this century should act keeping in mind long term objectives. As such, Mundia explained during the interview (September 15, 2006) that he will emphasize on innovation and high quality products because China is likely to lose its low cost advantage in the long run particularly in the textile industry as the cost of living continues to rise. Even though in the short run his products will be more expensive than those relying purely on low cost, Mr. Mundia still persists on looking out for the long term objectives. This may cause drawbacks for his business in the short term but this is done in order to achieve long term objectives therefore showing how Mr. Mundia is a future oriented entrepreneur in the 21st century.

3.2 Building Intangible Network Value

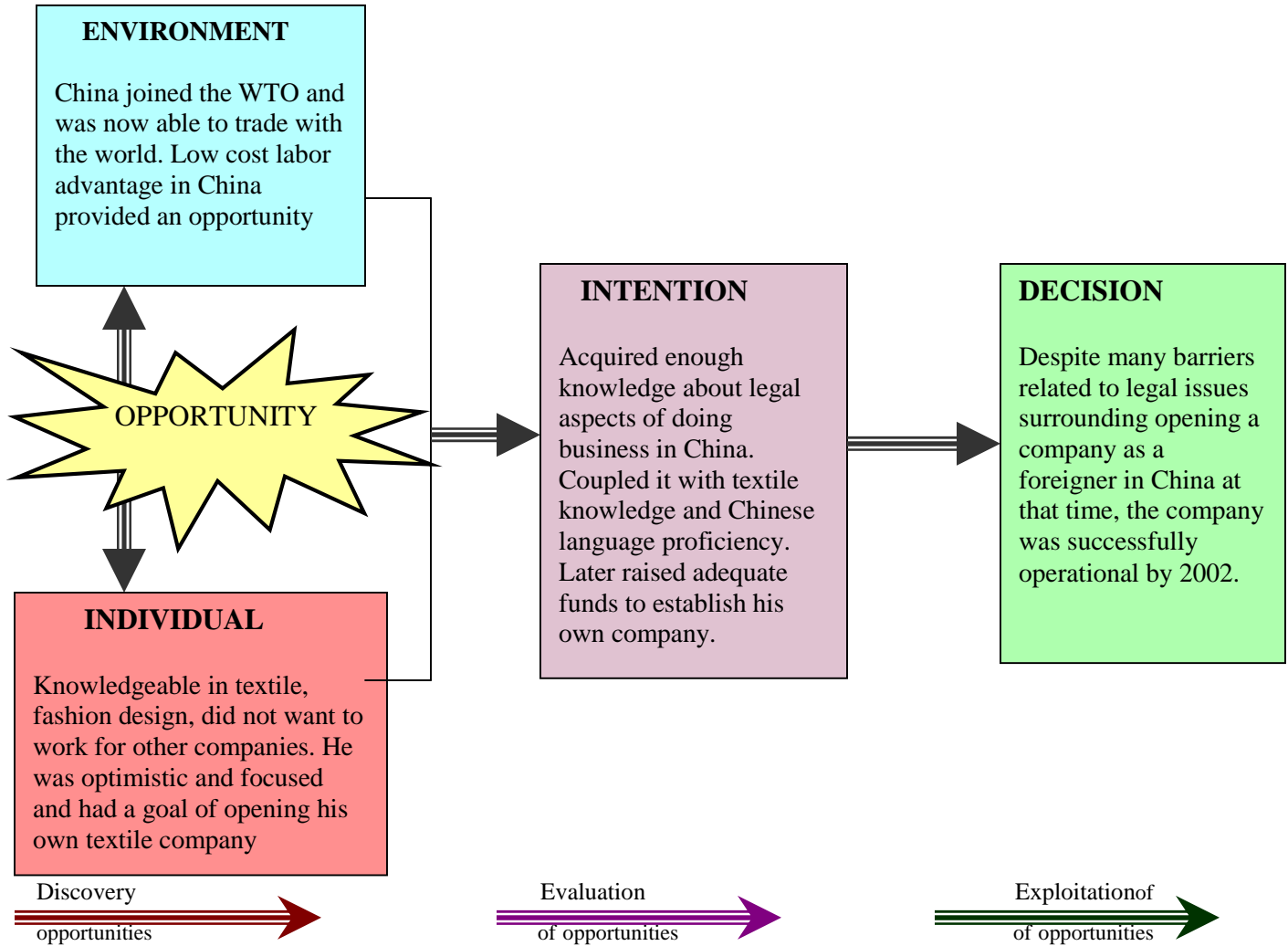
It is crucial for entrepreneurs who are leaders to create intangible network value as shown by Taylor (2004). Accordingly, Enock Mundia stressed during the interview (September 15, 2006) how networking skills were important in the success of his business. One example illustrated by Mundia is when he was looking for funds and resources to start up his business. It was through his networks that he got some investors to finance the start up. Without these investors, perhaps it would have not been possible for Mundia to launch the business at all.

3.3 Embrace Uncertainty and Complexity

Edvinsson (2002) points out how an entrepreneurial leader embraces uncertainty and complexity. Mundia is engaged in a business which is uncertain due to its threat as an export particularly to the US and Europe where tariffs are being imposed on different textile from China. Mundia has not run away from these uncertainties and complexities but has instead continued to seek for more attractive markets.

4. SUMMARY OF MUNDIA’S ENTREPRENEURIAL JOURNEY

(Schaper, M & Volery T, 2004 pp 9, Figure 1.2)



5. OPPORTUNITIES AND CHALLENGES

Mr. Mundia had accumulated eight years of experience in the textile industry mainly working as a textile manager in Shanghai before setting up his business. His vast experience and knowledge about textile gave him the right tools he needed to open his own business. He also took steps to educate himself on the legal issues surrounding the textile industry in China in order for him to decide the right strategy to open his business. At the same time, China had become a very attractive place for businesses ventures in terms of gaining low cost advantage due to low labor costs, attractive market and numerous emerging opportunities following the WTO entry.

However, there were many challenges, risks and obstacles that Enock Mundia had to face through his entrepreneurial journey. As pointed out by Mr. Mundia during an interview (September 15, 2006), he came from a humble background in Zambia and raising funds and resources for his business initiation was a very difficult task for him at the time.

Even after finding a very good job, Mundia risked quitting his comfortable and well-paid job as regional textile manager at Liz Claiborne to pursue his ambition. This is a typical trait among entrepreneurs of willing to go out of their comfort zone (Longenecker et. al 2000).

One challenge that Mundia faced in his journey as an entrepreneur was to find a suitable Chinese partner who he could partner up with in setting up his business venture. He later decided to buy an already existing company so that he wouldn't have to start from scratch. Another challenge was finding the funds needed to start up his business, which he then managed to solicit from investors. Although his company was not an instant success, he persisted and changed the organization culture from one that had more or less passive employees, to one where employees were more involved in all levels of decision making and took up a more proactive role in the company.

6. SWOT COMPARISON OF ENTREPRENEUR AND MYSELF

STRENGTHS	
MR. ENOCK MUNDIA	MYSELF
<ul style="list-style-type: none"> ▪ Highly educated – Bachelor Degree in Textile and fashion design, MBA & PHD achieved. ▪ Over 12 years working experience ▪ Ambitious and risk taking ▪ Financial stability ▪ Excellent interpersonal skills ▪ Highly innovative and creative 	<ul style="list-style-type: none"> ▪ Diploma in Business Administration ▪ 5 months working experience ▪ Ambitious too but not as risk taking ▪ Good interpersonal skills ▪ Moderately creative
WEAKNESSES	
<ul style="list-style-type: none"> ▪ His business is relatively easy to copy hence must innovate constantly to keep ahead of competitors ▪ Increasing imposed tariffs on textile imports from China continue to rise, making textile more expensive in export countries, hence generating less profits 	<ul style="list-style-type: none"> ▪ Lack adequate working experience ▪ Lack higher level of education ▪ Lack good leadership qualities ▪ Financial instability

OPPORTUNITIES	
Mr. Enock Mundia	Myself
<ul style="list-style-type: none"> ▪ With the current purchase of another textile company, Mundia has an opportunity to increase production and export textile overseas. ▪ By expanding the business, it may open up other business opportunities such as new product lines and tapping into new markets 	<ul style="list-style-type: none"> ▪ Have a good opportunity to learn from such a business dynamic city (Shanghai) which will facilitate the start up of my own business
THREATS	
<ul style="list-style-type: none"> ▪ Increasing of living standards in Shanghai may lead to loss of low cost advantage of labor ▪ Taking high risks may result in loss of the business ▪ Numerous textile companies being set up in China. 	<ul style="list-style-type: none"> ▪ Too many Business Administration graduates in China which will make job hunting a very difficult and challenging task

7. CONCLUSION

This report has covered details about an entrepreneur, Enock Mundia, focusing on his role as an entrepreneur in the 21st century while also addressing his profile and his career path.

Findings obtained mainly from a personal interview conducted on the 15th of September, 2006, show us that Mr. Enock Mundia is one who came from a humble background in Zambia, and is seen by many as somewhat stubborn, focused, open minded , exceedingly optimistic, enthusiastic and has a high level of self confidence.

Having studied in China in the early 90's, Mr. Mundia acquired the necessary skills he needed to get him ahead in achieving his goal of fulfilling his entrepreneurial spirit. Although he worked for eight years, his sole purpose was to gain understanding of the textile industry in China which later assisted him in achieving his business goals.

As an entrepreneur in the 21st Century, Mr. Mundia has proved to be future oriented by focusing on future trends in the textile industry which may somewhat hurt his business in the short run. Mr. Mundia attaches great significance to building intangible network value in today's businesses, which as pointed out in his interview (15th September 2006), has played a fundamental role in achievement as an entrepreneur.

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