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Centre for Management Practice

7-2024

Nurturing entrepreneurship and growing entrepreneurs

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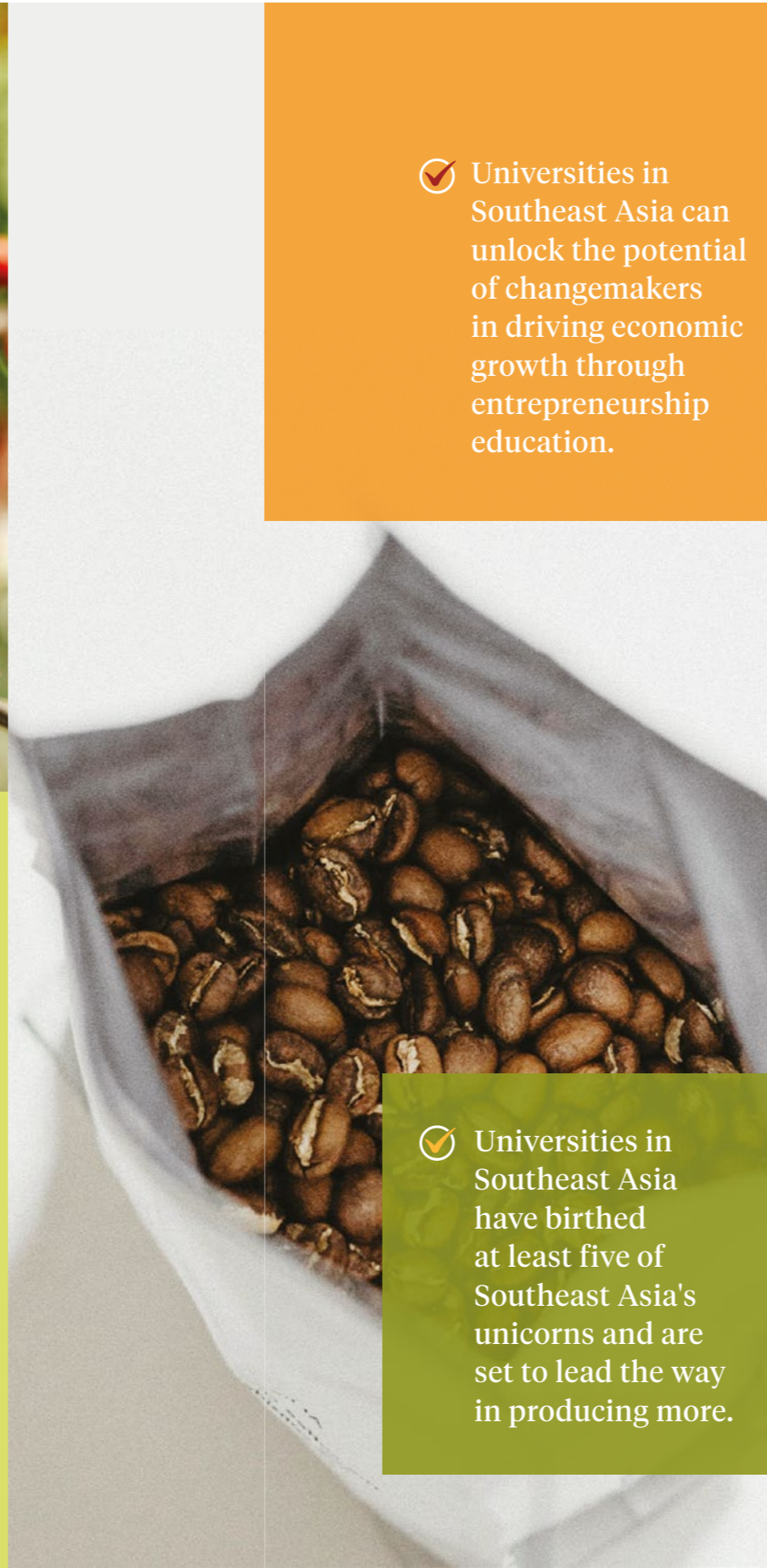
Nurturing Entrepreneurship *and* Growing Entrepreneurs

How Southeast Asia's
universities can pave the way.

✓ Universities in Southeast Asia can unlock the potential of changemakers in driving economic growth through entrepreneurship education.

✓ Universities in Southeast Asia accelerate the growth of the ASEAN start-up ecosystem by facilitating technology commercialisation, leveraging regional networks for mentorship and funding, and fostering cross-border collaborations.

✓ Universities in Southeast Asia have birthed at least five of Southeast Asia's unicorns and are set to lead the way in producing more.



Whereas one could certainly attribute entrepreneurial success to the element of chance and the positive qualities of a company's founders, it is worthwhile to ponder how institutions such as universities can help promote entrepreneurship and, historically, what notable contributions they have made in fostering innovation and entrepreneurship (I&E). This article reflects on the role of universities in driving I&E by shining the light on Southeast Asia. It first sets the stage by painting a broad overview of the region's dynamic economy and high-growth areas before unpacking the position of I&E. It then discusses how universities can marshal distinctive resources and strengths to nurture entrepreneurship and grow entrepreneurs. Finally, it highlights how Southeast Asia's universities have supported I&E through individual and collective efforts, and what more they can do in the fast-changing technologically-disrupted landscape.

But first, let us take a step back to reflect on the experiences of some young Southeast Asian entrepreneurs and their paths to success.

SOUTHEAST ASIA'S ENTREPRENEURSHIP SUCCESS STORIES

ShopBack, founded in 2014 by Henry Chan and Joel Leong, disrupted the e-commerce landscape by offering cashback rewards to online shoppers. Inspired by the success of similar platforms in the US, Chan and Leong recognised the untapped potential of the

Southeast Asian market. Despite investors' initial scepticism and the challenges in building partnerships with e-commerce merchants, the ShopBack founders persevered. Over time, their innovative business model, coupled with strategic expansion into multiple markets, propelled ShopBack to become Southeast Asia's leading cashback platform. Today, ShopBack boasts millions of users and partnerships with thousands of merchants, solidifying its position as a trailblazer in the region's vibrant e-commerce ecosystem.

Gojek, founded in 2010 by Nadiem Makarim (now Indonesia's Minister of Education, Culture, Research, and Technology) and Michaelangelo Moran, revolutionised Indonesia's transportation and delivery services landscape. Nadiem, inspired by Jakarta's motorcycle taxi culture, envisioned a platform that could offer urban dwellers affordable and convenient transportation options. The founders faced strong headwinds in the form of regulatory challenges and fierce competition from traditional transportation providers but pressed ahead, nevertheless. Through hard work and perseverance, they expanded into food delivery, payments, and other services which further solidified Gojek's position as Indonesia's leading super-app. Today, Gojek serves millions of users across Southeast Asia, offering a wide range of services that is virtually indispensable in daily life.

Carro, an online car marketplace founded in 2015 by Aaron Tan and his college friends Aditya Lesmana

and Kelvin Chng, achieved the coveted US\$1 billion unicorn status in 2021. The company's name is a portmanteau coined by combining 'car' and 'hero'. Carro swiftly disrupted the car-buying process with its Artificial Intelligence (AI)-driven platform by providing consumers with a transparent, hassle-free experience. Through Carro's innovative online marketplace, users can browse a wide selection of pre-owned vehicles, replete with detailed information and transparent pricing. Moreover, Carro introduced services such as financing,

insurance, and warranty options, thus simplifying and streamlining the entire car-buying journey. Building trust and credibility was the cornerstone of Carro's success. By prioritising customer satisfaction and transparency, Carro quickly gained traction and garnered a loyal following to become a leader in the automotive marketplace, expanding its reach across Southeast Asia and beyond.

A REGION RIPE FOR INNOVATION

These individual success stories, distinctive as they are, also reflect

broad trends in the region from which they emerged. Indeed, over the past few years, Southeast Asia has captured global attention with its remarkable economic growth. This trajectory is bolstered by international agreements positioning the region at the heart of global trade and connectivity.¹ As the world's third most populous region, its economy has flourished due to its young demographic, rising incomes, and urbanisation, resulting in a thriving middle class.

Another vital component of this growth is the digital economy, which has expanded more than

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hat does

it take to be an entrepreneur and what conditions are ideal for allowing entrepreneurial ideas to take flight? In a fast-changing region like Southeast Asia, we are seeing bursts of entrepreneurial drive that are transforming cities, livelihoods, and lifestyles in positive and significant ways. Just think about the likes of ShopBack changing the face of digital payment, enabling consumers to earn cash rebates or 'cashback' on their everyday purchases. Or how Gojek has made commuting, food delivery, and digital payments a breeze while online automotive marketplace Carro has taken the grief out of purchasing big-ticket items like cars.

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eightfold since 2016 and is expected to outpace broader economic growth.² The e-commerce sector in particular has become integral to the daily lifestyle of the region. Regional businesses are adapting to the needs of digital consumers,³ improving country standings on the Global Innovation Index.⁴

Significantly, the digital economy drives inclusive growth, providing income-generating opportunities for informal workers and enabling the scaling of small businesses. Major platforms like Lazada, Shopee, and Tokopedia are key pillars by connecting businesses to serve the growing middle class with a wide array of products, tailored to suit regional tastes and meet logistical needs. Such platforms not only facilitate consumer access to goods but also significantly impact the development of fulfilment logistics, as the demand for efficient, timely deliveries escalates.

Relatedly, the financial technology (fintech) sector is an ever-growing vertical driven by rising consumer demand for cashless payments, technological advancements, the growing needs of the underbanked, and robust government support. The market is projected to reach US\$30 billion by 2025,⁵ bolstered by a youthful, digital-savvy population, and friendly policies such as regulatory sandboxes and digital banking licences. Key players in the region include fintech start-ups like Grab Financial Group, SeaMoney, Ajaib, Endowus, and GoPay, which are diversifying their offerings beyond basic payment solutions to

encompass lending, insurance, and wealth management. With this growing suite of players, the previously underbanked population now benefits from novel and viable financial solutions.

Clearly, technological innovation has been a critical engine of the region's striking economic growth trajectory and start-ups have been the key drivers. To be sure, local governments have recognised the value of the start-up ecosystem, investing in various long-term initiatives, while the venture capital community has invested in promising founders and entrepreneurs who have proved their mettle. The region's youth, inspired by successful entrepreneurs, represent a key resource for further advancements in I&E.

UNIVERSITIES AS CRADLES OF I&E

Universities contribute in a significant way to I&E. They play a pivotal role in championing I&E, nurturing entrepreneurial talent during their formative years with unique institutional resources and networks. They offer academic programmes, student-led initiatives, research facilities, technology commercialisation capabilities, venture support programmes, and international exposure. Universities also foster collaboration with industry, government, and private sector partners, facilitating investments, knowledge sharing, and strategic partnerships. Successful university-led ventures also demonstrate the potential of leveraging academic assets to drive I&E.

University Resources	How They Help Nurture Entrepreneurs and Entrepreneurship
Academic Programmes	Foundational education and knowledge about entrepreneurship to enable students to take the first steps in starting a business
Student-Led Initiatives	Peer-to-peer communal and social support, knowledge transfer between seniors and juniors, and expanding networks
Incubators	Business development programmes that help entrepreneurs test proofs-of-concept, build market-ready products, and secure funding
Network Expansions	Access to investors, mentors, corporates, partners, and faculty that would be extremely challenging if they were to source it themselves
Technology Transfer	Commercialisation of research initiatives of faculty members by supporting them in both administrative matters and business development
Research Facilities	Access to equipment and resources to experiment in cutting-edge fields, especially in DeepTech. Some research facilities are also in collaboration with corporate partners that leverage their proprietary assets and knowledge
Wide-Reaching Platforms	Conferences, competitions, and market expansion programmes which provide great exposure and coverage

Nevertheless, we should ask ourselves this question: Can entrepreneurship be taught and if so, how best to do so? After all, there is a distinction between traditional education, which often focuses on imparting technical skills and knowledge, and the multifaceted nature of entrepreneurship, which demands a diverse array of qualities including creativity, resilience, adaptability, and the ability to take calculated risks in the face of uncertainty. Can these qualities truly be cultivated in a classroom setting?

The answer, it seems, lies in a nuanced understanding of the role of entrepreneurship education in shaping the entrepreneurial mindset, and providing aspiring business owners with the tools, frameworks, and resources to navigate the complexities of the modern business landscape. While some individuals may indeed possess a natural inclination towards entrepreneurship, entrepreneurship education can play a crucial role in unlocking the latent potential within individuals who may not have previously considered themselves entrepreneurial.

By exposing students to real-world case studies, interactive simulations, and hands-on projects, educators can help individuals develop the critical thinking, problem-solving, and decision-making skills essential for entrepreneurial success.

University-run incubators also provide a safe space for students with entrepreneurship aspirations to test their ideas, work with



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like-minded collaborators, develop prototypes, and seek expert advice. Through experiential learning opportunities, these students can gain valuable insights into the entrepreneurial process, from ideation and market analysis to business model development and venture scaling.

Moreover, entrepreneurship education can foster an environment of innovation and creativity, providing students with the tools and frameworks to identify opportunities, develop innovative solutions, and bring their ideas to market. By encouraging

experimentation, risk-taking, and interdisciplinary collaboration, entrepreneurship programmes can inspire students to think outside the box and challenge the status quo, driving improvements and innovation in various industries.

However, it is essential to acknowledge the limitations of entrepreneurship education. While it can provide valuable knowledge and skills, it cannot guarantee real-world success. The entrepreneurial journey is inherently risky, marked by challenges, setbacks, and failures, and no amount of education



can eliminate these inherent risks. Furthermore, entrepreneurship is not solely about profit-making ventures; it is also about creating value and making a positive impact on society. Therefore, entrepreneurship education must go beyond traditional business models, and also emphasise the importance of social impact, sustainable business practices, and ethical leadership.

Ultimately, the question of whether entrepreneurship can be taught is not a simple dichotomy of yes or no. Rather, it is a complex interplay among a person's innate drive, education received, and experiential learning. While some aspects of

entrepreneurship may be inherent, there is undeniable value in providing aspiring entrepreneurs with the knowledge, skills, and mindset necessary to thrive in today's competitive business environment. As educators, policymakers, and business leaders, we must continue to invest in entrepreneurship education, creating inclusive and accessible opportunities for individuals from all backgrounds to pursue their entrepreneurial ambitions. By doing so, we can unlock the potential of the next generation of innovators and change-makers, driving economic growth, social progress, and meaningful change in the process.



Implementing a regional mentoring platform, inspired by proven models, would be a wide-reaching and impactful way to address disparities across universities in Southeast Asia.

competencies and innovative thinking. Comprising 15 member universities including the two co-chairs Chulalongkorn University in Thailand and Singapore Management University (SMU), the network has come together to forge a community actively sharing knowledge of activities, challenges, and best practices relevant to developing I&E ecosystems.

Looking ahead, we believe that greater collaboration can yet be realised in the areas of data management, technology commercialisation, funding, internationalisation, and mentorship. For data management, one possible initiative is a Centralised ASEAN Repository for Start-up Data, which could be set up in collaboration with AUN-UIE universities. The repository can seek to unify the regional start-up ecosystem, enhancing data-driven strategic planning and collaboration. It can also spur engagement with the private and public sectors to spotlight innovation opportunities in the region. This includes collaborations between corporate innovation labs and start-ups, joint Intellectual Property (IP) development with global research institutes, and data utilisation for policymaking by government agencies. Such a database would also increase the visibility of ASEAN start-ups, attracting venture capital and fostering an interconnected ecosystem.

To boost commercialisation, another potential initiative to put forward is the establishment of a regional knowledge platform for technology commercialisation

I&E SUPPORT IN SOUTHEAST ASIAN UNIVERSITIES

Southeast Asia's start-up ecosystem holds immense potential, and universities are crucial in realising this potential. The rise in tertiary education enrolment, fuelled by the region's economic development, sets the stage for a growing pipeline of potential entrepreneurial talent. Notably, at least five Southeast Asian start-up unicorns⁶, including Patsnap, Carro, and shopping platform Carousell, were nurtured within an academic environment. Furthermore, research reveals the distinct value of formal education in cultivating successful entrepreneurs⁷, and that start-ups with founders holding at least a bachelor's degree are more likely to achieve unicorn status.⁸ Additionally, universities serve as neutral platforms for facilitating

public-private partnerships, making them ideal settings for fostering and meeting the needs of the start-up ecosystem.

Beyond individual universities, networks and groupings can amplify discrete efforts for collective impact. This is where the ASEAN University Network-University Innovation and Enterprise (AUN-UIE) group of universities is uniquely positioned to catalyse the region's I&E development. Established in 2018, the AUN-UIE is one of the 17 thematic networks of the AUN. Principally, it is tasked with strengthening and leveraging the innovative capacity of universities in ASEAN, providing a space for research and academic cooperation, and equipping current and future generations of ASEAN students with technological

within the broader AUN. The knowledge platform aims to leverage the collective knowledge, experience, and resources of AUN members through workshops and seminars, both in physical and digital formats to enable peer-based learning. These would not only serve the academic community, but also allow the public and private sectors to understand the perspectives of the universities and facilitate tripartite dialogue. In the long run, these collective best practices and experiences can be synthesised to develop comprehensive frameworks and methodologies applicable to technology commercialisation. Such synthesis could lead to the establishment of a standardised programme or a professional certification programme, aimed at equipping university staff across the region with the necessary skills for effective technology

transfer activities to fully exploit university-based research and development assets.

With regard to the critical issue of funding, another interesting proposition is to establish a regional funding platform that democratises connections among start-ups, investors, and other funding opportunities at both local and regional levels. This platform could serve as a central hub, not tied to any single university, but rather a collective effort across institutions to leverage local and regional networks effectively. University incubators should also seek to proactively cultivate relationships with a diverse array of investors (venture capitalists, angel investors, and corporate venture arms). By establishing stronger connections with the investor community, incubators can ensure that their start-ups have broader access to potential

funding sources. This could be achieved through hosting thought leadership dialogues and industry networking events, or inviting potential investors to share their perspectives in closed-door sessions.

International exposure is another important area where universities can foster a global perspective among start-ups and future founders. By facilitating meaningful international experiences and cross-border partnerships, I&E activities among university communities and start-ups will benefit from the diversity of ideas they encounter and the networks they forge. Useful initiatives include running short-term immersion programmes that capitalise on the strength of bilateral partnerships within the AUN where each university's innovation and incubation centre could act as a focal point for

market immersion and knowledge exchange. Another compelling possibility is the setting up of a common job platform to promote entrepreneurship amongst students and enhance international exposure by offering overseas internships at incubated start-ups. This streamlines the process of connecting students with internship opportunities across the network and facilitates talent acquisition for start-ups. This unified platform would list diverse internship opportunities, spanning different regions and sectors, to ensure broad access to international experiences.

Finally, mentorship is known to be a key ingredient in a start-up's success. Establishing a regional mentorship platform would be a viable solution for democratising access to experienced mentors, ensuring that all university-incubated start-ups can benefit from a wealth of domain expertise, market knowledge, and operational insights, regardless of their home base. The concept of a mentorship platform is well-established within the global start-up ecosystem, with several successful examples demonstrating the model's viability and effectiveness. One such example is GrowthMentor, which offers start-ups the opportunity to book one-on-one meetings with over 600 marketing mentors to obtain tailored guidance and advice. Implementing a regional mentoring platform, inspired by proven models, would be a wide-reaching and impactful way to address disparities across universities in Southeast Asia.

WHAT'S NEXT FOR I&E IN SOUTHEAST ASIA

The I&E ecosystem in Southeast Asia is brimming with possibilities – demographically-driven growth, rising digital consumption, and vast potential for economic development. At the same time, the region's youth are increasingly technologically-native with strong competencies, and are therefore becoming key players in the region's bustling entrepreneurship scene. Against such a backdrop, the region's universities have exciting opportunities to pave the way for nurturing entrepreneurship and growing entrepreneurs. However, resource limitations and varying levels of I&E maturity across regional universities present challenges. Addressing these through the afore-discussed recommendations can boost collaboration within the AUN-UIE network and lead to mutually beneficial outcomes. ^{AMU}



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