International Entrepreneurship Research Group
Annual Report 2007

The University of Sydney
Faculty of Economics and Business
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Introduction from the Directors

The positive effect of entrepreneurial activities on economic growth is increasingly being recognised by governments, industry and society. Due to the progress in manufacturing, transportation, information technologies, removal of trade barriers, and advances in process manufacturing, entrepreneurs are increasingly able to access and exploit lucrative global and international markets.

The International Entrepreneurship Research Group (IERG) recognises that the process of identifying and exploiting new opportunities requires a number of participants. The relevant participants include entrepreneurs, investors, and government bodies, supported by educators and researchers who provide new insights and training. By acting as a conduit, IERG hopes to engage these members of the entrepreneurial community on a local and international level.

The IERG objectives are pursued through research, teaching and outreach. Research-led teaching and outreach activities encourage and facilitate the practical engagement with the wider entrepreneurial communities. This structure complements the priorities of cross-disciplinary research, internationalisation, as well as ‘impact’ and collaboration with external bodies.

Specifically, the objectives of the IERG include:

- Research - facilitating research on international entrepreneurship through the creation and support of a network of scholars and institutions
- Resources - assisting secure research grants and funding
- Outreach - disseminating research amongst scholars, students and the wider community
- Teaching and Learning - supporting the teaching and outreach activities of the University across the region.

How these objectives were met over the 2007 year will be presented in this report.

On behalf of the IERG, we would like to thank all those people involved with the group, whether through teaching, research or outreach projects. 2007 was a solid and successful year for the IERG.

Professor Sid Gray,
Associate Dean, International Business,
University of Sydney

Richard Seymour,
Programme Director Innovation & Enterprise

January 2008
Members

The IERG members during 2007 were:

- Sid Gray (Co-Director, IERG) – Discipline of International Business
- Richard Seymour (Co-Director, IERG) – Discipline of International Business
- Chris Styles – Discipline of Marketing
- Ranjit Voola – Discipline of Marketing
- Nick Wailes – Discipline of Work and Organisational Studies
Research

The IERG is concentrating on developing the following key areas of knowledge:

- Defining, measuring and understanding entrepreneurial activity.
- Exploring the value created by entrepreneurial activity, including technology-driven innovation, design/creativity-led innovation, and social entrepreneurship.

Under the ‘umbrella’ of these two key areas, current research projects include:

- The implications of value creation and exchange in the creative industries (publishing, film, and public art).
- How entrepreneurial activity can be identified and measured. This project includes the OECD.
- The geographical, cultural and structural issues confronting business in remote and indigenous Australia.
- Alternative business models for high-value Australian agricultural exports.
- How entrepreneurial activity manifests in developing economies (specifically India and China).
- How corporate entrepreneurial activity is managed/encouraged in mature Australian corporations, particularly in the context of seeking new international markets.

Publications

The following articles and presentations were accepted in the year.


Fee A and Gray SJ 2007 ‘Fast-tracking Creative Capital through an International Assignment, 21st Australia and New Zealand Academy of Management (ANZAM) Conference, Sydney, 3-7 December.'


Seymour RG 2007 'Social & Indigenous Entrepreneurship', Koori Centre Lectures, University of Sydney, Sydney.


Voola A and Voola R 2007 'Informing social entrepreneurship through social capital: An Indian Illustration', International Nonprofit and Social Marketing Conference - Social entrepreneurship, social change and sustainability, Griffith University, Brisbane QLD.
Research Students

Research students completing in the year included:


- Catherine Federspiel, supervised by Richard Seymour – “Agency Theory vs. Game Theory: Reconceptualising Theory in the Context of Entrepreneur-Venture Capitalist Relationships”. Catherine was awarded 1st Class Honours in 2007, was the inaugural winner of The CVC Scholarship for International Entrepreneurship Research and was also awarded The University Medal.


Research students commencing and continuing in 2007 include:

- Susan Wong, supervised by Sid Gray – “Development & Utilisation of International Networks for Knowledge Transfer and Value Creation”.

- Shanie Atkinson, supervised by Richard Dunford and Richard Seymour.

Special thanks to Sandy Beard of CVC Ltd who has generously provided a $10,000 honours year scholarship for undergraduate students. Catherine Federspiel was the inaugural winner of The CVC Scholarship for International Entrepreneurship Research.

Visitors

Professor Axel Haller, Head Chair of Financial Accounting and Auditing, School of Business, University of Regensburg, “Conceptual and Normative Challenges of the IASB’s IFRS for SMEs - A European Perspective”.

## Resources

Additional funding received by Members of the IERG for international entrepreneurship research included:

<table>
<thead>
<tr>
<th>Initiator</th>
<th>Source</th>
<th>Project/Activity</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ranjit Voola, Catherine Sutton-Brady and Ulku Yuksel</td>
<td>Faculty of Economics &amp; Business</td>
<td>Ethnic International Entrepreneurship</td>
<td>$11,000</td>
</tr>
<tr>
<td>Richard Seymour</td>
<td>International Programme Development Fund (IPDF)* and the Discipline of International Business</td>
<td>Teaching Innovation &amp; Enterprise in the Creative Industries</td>
<td>$20,000</td>
</tr>
<tr>
<td>Richard Seymour</td>
<td>Discipline of International Business</td>
<td>Student-Led Entrepreneurship Workshops</td>
<td>$8,000</td>
</tr>
<tr>
<td>Richard Seymour</td>
<td>Faculty of Economics &amp; Business</td>
<td>Entrepreneurship in Developing Economies</td>
<td>$7,500</td>
</tr>
<tr>
<td>Chris Styles and Ranjit Voola</td>
<td>Discipline of Marketing</td>
<td>The influence of international entrepreneurial culture on the extent of eBusiness adoption and international competitive advantage: An exploratory investigation</td>
<td>$10,000</td>
</tr>
<tr>
<td>Chris Styles and US Studies Centre</td>
<td>NSW Department of State and Regional Development</td>
<td>Understanding the behaviours, intentions and perceptions of businesses in the Australia - USA trade relationship</td>
<td>$210,000</td>
</tr>
<tr>
<td>Richard Seymour and Masud Behia</td>
<td>Department of Education, Science and Training (DEST)</td>
<td>Commercialisation Training Scheme Scholarships</td>
<td>$500,000</td>
</tr>
</tbody>
</table>

*The International Programme Development Fund is part of the International Portfolio at the University of Sydney and provides funding to staff and researchers to support initiatives in internationalisation. The International Portfolio was established as a full portfolio led by the Deputy Vice Chancellor in April 2006. Its vision is to firmly establish the University as a world centre in scholarship, research, education and service in the front rank of world research universities.*

The mission is to take a quantum leap in internationalisation throughout the University’s activities and in international engagement and leadership. This means innovative and focussed partnership with leading Universities, government, industry and international organisations, where these lead to a sustained rise in the University’s international rankings based on excellence of research, teaching and community service.
The outreach activities allow the wider community to benefit and share in the value created from research and teaching activities. For example, in the last year alone staff associated with the IERG have matched student projects with ten businesses.

These outreach activities can be grouped by those led by the Faculty, and those led by students but facilitated by the Faculty (Student Ventures).
Faculty-led Activities

Faculty staff have been focussed on developing a programme of activities for students including competition judging, guest speaking and panel discussions.

Faculty is also engaging with remote and local indigenous communities (through education, business advice and student exchanges) ensuring the University’s entrepreneurial activity benefits some of our more disadvantaged communities. We have benefited from strong support from a number of indigenous institutions, organisations and leaders. The two-way learning is highly regarded by both students and communities.

We are pulling together a motivated and powerful advisory board for the IERG. We currently have 5 enthusiastic participants and are seeking 3 more business leaders to help develop and direct the teaching, research and outreach programmes at Sydney.

Student Ventures

The IERG supports and encourages student entrepreneurship through organisations such as:

⇒ SIFE (Students in Free Enterprise) – The Sydney University SIFE team finished 3rd in the Australian Championships in 2006 and reached the semi-finals in 2007, a great result for the students!
⇒ YES (Young Entrepreneurs Society) has a strong membership base of over 400 students at the University. The organisation encourages students to participate in entrepreneurial learning and activity across The University. The club is organising speakers and entrepreneurship events annually.
⇒ AIESEC - the world’s largest student organisation, is the international platform for young people interested in world issues, leadership and management to discover and develop their ability to have a positive effect on society.
Entrepreneurial units of study are offered to both undergraduate and postgraduate students. The IERG believes that the key to effective learning is practical engagement, ‘learn by doing’. Students are given the opportunity to participate in a number of live business projects, and engage in business planning and problem solving.

Complementing the launch in 2006 of the Master of Commerce major in Entrepreneurship, a Graduate Certificate in Innovation and Enterprise was launched in 2007. The Graduate Certificate aims to equip entrepreneurs in business and social enterprises with the skills, knowledge and experience to successfully start and grow their own business. The course ensures participants gain an understanding of:

- Commercialisation processes and activities
- Intellectual property management
- Business and marketing strategy
- Financial and capital management
- Project management.

In addition to the new course offering, additional units of study were also developed. Students can now undertake the following units:

- IBUS 3103 – Global Entrepreneurship & Enterprise (undergraduate, new for 2007)
- IBUS 6011 – Foundations of Entrepreneurship
- IBUS 6012 – International Entrepreneurship
- IBUS 6014 – Intellectual Property Management (new for 2007)
- IBUS 6015 – Innovation & Enterprise Special Project (new for 2007)

**Prizes and Scholarships**

The following entrepreneurship prizes were awarded during the year:

- CVC Limited Prize for Foundations of Entrepreneurship, $2,000
- As part of the Commercialisation Training Scheme funded by the Department of Education, Science and Training (DEST), scholarships were secured to allow over 20 research students each year to undertake the Graduate Certificate.
## Financial Summary

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Opening Balance</strong></td>
<td>-</td>
<td>5,082</td>
</tr>
<tr>
<td><strong>Income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internal Income</td>
<td>11,500</td>
<td>20,580</td>
</tr>
<tr>
<td>Other Income</td>
<td>4,039</td>
<td>51,003</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td>15,539</td>
<td>71,584</td>
</tr>
<tr>
<td><strong>Expenditure</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Casual Salary Costs</td>
<td>2,209</td>
<td>6,246</td>
</tr>
<tr>
<td>Employee-related Costs</td>
<td>5,506</td>
<td>4,541</td>
</tr>
<tr>
<td>Other</td>
<td>2,742</td>
<td>1,443</td>
</tr>
<tr>
<td><strong>Total Expenditure</strong></td>
<td>10,457</td>
<td>12,230</td>
</tr>
<tr>
<td><strong>Closing Balance</strong></td>
<td>5,082</td>
<td>64,436*</td>
</tr>
</tbody>
</table>

* Note that the income in each year may include ‘project funding’ that will be utilised over a number of years (hence a growing closing balance). In the year ending 2007, $30,000 funding was received that will relate to a project with costs commencing in 2008 (The Asia Pacific Symposium on International Entrepreneurship)