

New Entrepreneurs- Chameleons of the 21st Century

“The Entrepreneur always searches for change, responds to it, and exploits it as an opportunity.”

-Peter F. Drucker

Introduction

On a typically unforgiving day in sweltering Singapore, I step outside onto the street in a hurry. Just like countless others all around the globe, I'm in a hurry to get somewhere and I turn to the taxi service for help. Minutes pass and I realise that I'm not going to be getting or even seeing a cab anytime soon, and the journey could very well have taken several times as long as it needed to be - except it was 2016. Now, I have the power to summon a cab (quite literally) in the palm of my hand.

Phone applications like Uber are testament to how far our world has come in embracing technology in order to rethink and immensely enhance our ways of life. Traditional methods of transportation and accommodation have been taken by storm by the latest entrepreneurial breakthroughs such as Uber and AirBnb, while other aspects of our life such as retail, education and even household services have a completely new look thanks to recent trends in business and society.

The New Entrepreneur is thus someone who is able to move and shake the economy and society in our current time frame, because he/ she has the foresight to identify the best way to satisfy the people, by leveraging on the strengths of the latest social and technological trends. While our usage of smart phones and online networks have seen vast improvements themselves, it is even more admirable that individuals today have realized that these can be used to redefine our methods of commerce and lifestyle, and in so doing reach standards of living which have never been imagined.

For the purposes of this essay, “Moved” and “Shaken” can be taken to mean “improved” and “redefined”, and assessing the New Entrepreneurs' impacts would therefore require us to look out for progress in terms of the scale and efficiency of business and economic growth, as well as for the introduction of novel ideas and systems, that allow us to redefine traditional modes of operation.

New Entrepreneurs and their unique contribution to the Economy

What exactly makes the “New” Entrepreneur so different? Society has catered to our needs and changed its ways for the better across history, so how is it that today's entrepreneur is able to establish such an intimate connection with the way we live and do business? The reason lies in Drucker's philosophy about putting the **customer** first. It is the people that we want to make a difference to, that dictate our actions more than ever. By observing what our needs are and then catering specifically to them by sourcing for the most adaptable resources, we are able to use them to our advantage and allow our circumstances to be of aid instead of a hindrance. The New

Entrepreneurs, therefore, aren't here to thrust their ideas onto the world. Rather, it is by understanding our changing needs and the availability of resources, that they are able to propose new systems which challenge preexisting modes of activity.

This also has to do with a people centered business model. The New Entrepreneur understands that customization and the usability of a product is key to our increasingly dynamic world and its demands. Gone are the days of a "one size fits all" product that can be used regardless of one's specific needs and desires. Today's Entrepreneurs are so successful because their business models, apart from leveraging on trends, place people at its epicenter and mold their products around them. They have reached millions of people not because their products are so novel or attractive on their own, but because they are what people have wanted all along.

Let's use the example we read about earlier. Uber hasn't created a drastically new method of transportation. It hasn't employed scientists to create a bizarre new vehicle, or even suggest that we adapt ourselves to perhaps inconvenient methods that shorten our travel time. Rather, it simply listened. It listened to the needs of not just the people who desperately needed convenient and timely transportation, but also to vehicle owners who were willing and available to offer their services to these customers, and benefit themselves by making a quick buck or two. There existed two groups of people who had needs revolving around the same mode of transportation, and a technological platform that allowed them to seamlessly communicate. Uber was therefore the amalgamation of our needs and existing technology, and not some unthinkable invention. It can therefore be said that success in business and improvements in standards of living aren't premised on scientific advancement or incredible personal change, but the simple yet elusive task of understanding today's vibrant people and resources. Indeed, Uber truly is "where lifestyle meets logistics", just as promised in their slogan.

How Drucker plays a part

This is largely based on Drucker's philosophy of knowing your values, and using your strengths in order to make the best contribution possible. In "*Managing Oneself*" he says "**One cannot build performance on weaknesses, let alone something one cannot do at all**", and this probably explains why successful entrepreneurs today are surprisingly not particularly great inventors. The traditional approach of enhancing the way we do things and leveraging on new technology can only bring us so far, if the systems themselves are inefficient by nature. This means that in order to improve our businesses and standards of living, a fundamental change in our modes of business is required. We cannot afford to waste our resources in finding the best way to do things the current way, but must instead set our sights on reorganizing ourselves and shifting our focus to tailoring our systems according to society's prompts. Online retailers like *Alibaba* and *Ebay* are so successful because they were able to abandon traditional concepts of retailing, in order to leverage the 21st century's obsession with the internet and cashless transactions. Jack Ma, the founder of *Alibaba*, even remarked that while traditional retailers like *Walmart* had gained customers by expanding vastly and using millions of dollars on infrastructure and training, "all [he] needs is two servers". Therefore, the New Entrepreneur is someone who acts according to Drucker's theories, by first observing what society needs, and then tailoring our systems in order to meet that need in the best possible way.

These ideas have profound impacts on the way our economy functions, because it allows for a less biased use of the *Laissez Faire* economics, by allowing consumers and firms to exchange goods more specific to the wants and availability of resources in society. One of the most largely cited problems with free market economics is that the buyers' votes may be skewed due to unequal preferences of the consumers, and the ignorance of the producer in catering to them. The New Entrepreneurs have vastly improved our economy because of one very powerful idea that is increasingly shaping our world today- **customization**. Now, our products are tailored exactly the way we want them and are delivered to us almost seamlessly.

What this means is that our economy is able to function more efficiently and meet the needs of both customer and producer. Drucker states that our customers are people **“who want what you offer, who feel it's important to them”**, and cites the existence of a group of people called secondary consumers. These are often producers of goods and services, who are victim to the same imperfection of information as the consumers who are unable to attain their specific wants. When the New Entrepreneur is able to recognize these groups, they can bring people together in order to allow for a better allocation of skills and wants that will benefit **both** the primary and secondary customer. In other words, the top entrepreneurs today aren't charging into markets and attempting to cater to everyone's needs on their own. Rather, they are shrewdly bringing together the right groups of people in order to promote commerce, and benefit themselves from the more efficient economic system that they have created. They are successful today because they have aligned themselves to Drucker's management philosophy that **“customers constantly change. The organization that is devoted to results [...] will adapt and change as they do”**.

Interestingly, this more efficient use of free market economics would be as Drucker postulated, since he was influenced by the Austrian school of economics all along. This school of thought, championed by none less than Friedrich Hayek himself, opposed the common view that people were merely small cogs in a large economic machine. This lack of importance to the individual and their power was first pointed out by Hayek, but a solution was fiercely argued by Drucker in the years since. So while most view Drucker's philosophies as just management centered and highly personal, it is in fact also a novel improvement to the fundamentals of our economy as well. The New Entrepreneur, in recognizing the power of his customers and the importance of listening to the masses, has managed to move and shake our economy because he/she has vastly improved the way it functions.

Not just about Economics, but Society too

The New Entrepreneurs' ideas have also sparked remarkable social change. The changes made include not only the want for personalized service and products, but also a more efficient use of the resources we have, and the appreciation for diversity that would have come as a result. This is because the latest start-ups and social trends rely on utilizing existing capital as their mode of business instead of depleting raw materials for the production of new goods and hence the use of resources that is not detrimental to the environment, and bringing groups of people together to engage in commerce. Ultimately, this means that today's entrepreneurs are paving the way for a world that promotes sustainability and cohesion.

Let's start with how the New Entrepreneur has "moved and shaken" the approach to sustainable living in society. The New Entrepreneur has made great strides in relying on environmentally friendly platforms for business, and in so doing has prompted society to consider less wasteful ways to go about life. The emphasis on online platforms and relying on existing capital has made society question its approach to expanding businesses and increasing our potential for economic growth. The traditional perception was that greater amounts of raw materials and newly produced infrastructure were essential for firms and industries to grow and cater to expanding consumer bases. However, recent start-ups have shown that **our use of these resources**, and not their capacity alone, is responsible for securing potential growth in our economies. For example, Airbnb has been so successful because it allowed existing homes to be used for accommodation, instead of pouring immense amounts of funds and time into constructing new hotels globally. Online retailers have promoted countless transactions without building a single retail store, and have therefore gone about the "greenest" possible way of increasing sales worldwide. This shows that the New Entrepreneur's approach of using available resources and leveraging on the most viable systems is capable of producing significant positive externalities for society as well.

Environmental destruction has been synonymous with industries and commerce. World leaders have convened frequently to address environmentally friendly growth policies and have attempted to enforce greener alternatives for typical modes of business. Our environment, however, had not been showing much progress in spite of these bold claims. Now, the new wave of entrepreneurs has given us hope, as they have challenged the very notion that production promotes commerce. Now privately owned cars can carry our taxi services, private homes can provide accommodation for tourists, and mere computers can combine the accessibility of catalogues and the convenience of a retail store. Environmental change is finally happening, and it is all thanks to the redefined methods of commerce that have been introduced by our New Entrepreneurs.

The actions of New Entrepreneurs have also allowed society to appreciate a greater amount of diversity among us, through the transactions of more specific goods and the ability for people to share what they have more publicly and easily. When consumers and producers alike are able to share information more readily through social media or online business platforms, our skills and unique backgrounds are more accessible to the rest of the world. For example, people who need cabs late at night are aware of a group in society who work extremely late hours, and tourists are now able to stay at a local's house instead of a less authentic hotel, via Uber and Airbnb respectively. Phone applications like Carousel also allow us to openly share our personal goods for sale, and advertise personally made crafts online. Therefore, we are now moving into an age where society is able to know more about what we all have to offer, and acknowledge that there are in fact needs and wants for all sorts of goods and services. We are exposed to ways of life or skills that we may never have heard of before, and can even use this knowledge to aid us in our own businesses and way of life. The New Entrepreneur has therefore exposed us to the diversity that was hidden in society all along, and allowed us to actively incorporate it into our own lives. In so doing, they have indeed moved and shaken society.

How this has proven the New Entrepreneurs' impacts

“Like so many brilliant people, he believes that ideas move mountains. But bulldozers move mountains; ideas show where the bulldozers should go to work.” – Peter Drucker

Perhaps the most significant quality of today's successful Entrepreneurs, compared to that of those in the past, is their ability to understand and adapt to situations. Drucker was a firm believer in changing one's ways in order to suit the circumstances while keeping our principles constant and the ingenuity of this approach has been made obvious throughout this essay.

The New Entrepreneur has proved to be someone who is a resourceful, intuitive and innovative individual, who is able to adapt and cater effectively to the diverse and ever- changing needs of society. These qualities are all illustrated by the impact that they have on our economy and society, and in tandem these qualities have created a more efficient and vibrant way of life.

The examples provided throughout this essay and the large relevance of Drucker's management philosophies to the way these Entrepreneurs approach business today, prove the claim that they are indeed movers and shakers of economy and society. Their ideals set in stone, adaptable methods and keen understanding of the people and contexts they live in, allow them to found incredible and novel start-ups, which go on to shape various industries, and culture. It is true that social media and technological platforms have been instrumental in their reaching to the masses, but the true genius of their methods lies in their effective use of these platforms, and not simply in their very existence. Countless applications and websites exist, but not all of them function at the same level as those possessing the characteristics preached by Drucker and highlighted in this essay.

Ultimately, the New Entrepreneurs of today have managed to use concepts such as customization, to create businesses which cater more effectively to both producers and consumers and hence enhance the way our economy grows and functions. These trends have also had profound impacts on our ways of life, because it encourages environmental sustainability through a more efficient use of resources, and promotes tolerance because of the exposure to diversity that new business models inherently have to offer. The New Entrepreneurs are most certainly movers and shakers of today's economy, in accordance to Drucker's philosophy and by the merits of their invaluable creations.