

Stefan Kwiatkowski
Nawaz M. Sharif

INTELLECTUAL ENTREPRENEURSHIP DIALOGUE IN TEN YEARS PERSPECTIVE, AND WITH A VIEW FOR FUTURE

As unbelievable as it might seem, research and transnational debate on intellectual entrepreneurship started exactly 10 years ago. The empirical framework of „intellectual entrepreneurship” was first studied and the concept formulated by Thomas Dandridge, Bengt Johannisson and Stefan Kwiatkowski in 1995 (and later on presented in a volume entitled *Knowledge café for Intellectual Entrepreneurship*, edited by Stefan Kwiatkowski and Leif Edvinsson, and published in March of 1999 by the Leon Koźmiński Academy of Entrepreneurship and Management in Warsaw).

It was postulated to understand intellectual entrepreneurship as:

- business venturing undertaken by „intellectuals”, and/or
- intellectual features of any successful venturing undertaken within knowledge dense environment.

After Amitai Etzioni, Intellectuals were defined as people with following characteristics:

- broad and diversified knowledge base,
- critical, and
- unattached¹.

¹ Etzioni, A. (1968), *The Active Society*; Kwiatkowski, S. (2000), *Spółeczeństwo Innowacyjne [The Innovative Society]*, Warsaw.

Although traditionally considered to be oriented more towards reflection than towards action, literally hundreds of intellectuals were found directly engaged in creating material wealth (which constitutes the very essence of entrepreneurship) from capitalized knowledge. They do it through creating new business organizations in the segments of social life, long considered immune to commercialization (e.g. various kinds of schools, theatres, museums), or through enlarging knowledge base of the existing enterprises, and thus greatly increasing their intellectual capital.

The following features were found to be the most important characteristics of intellectual entrepreneurs (see: Knowledge café for Intellectual Entrepreneurship, 1995):

- drawing on different constituencies, which forms the base for social influence
(a rich and diverse personal network, and social exposure of yesterday's intellectual allows today's entrepreneur to exert influence over partners, employees, customers, and other stakeholders);
- combining information screening and absorption capacities, which leads towards particular learning mode that transgresses double loop (the person is conversant with and knowledgeable about more than one professional area. S/he is capable of acquiring and utilizing different information at practically same time. Access to diverse information invites unexpected associations, ideas and solutions, which are not expected from a more traditionally seasoned entrepreneur);
- behavior epitomizing „glocality“ concept
(combining global and local outlook into a glocal one practically translates into global awareness and rich international contacts while conducting own business locally);
- serendipity replacing luck as environment becomes shaped anew
(serendipity is the faculty of making fortunate discoveries by incident. It differs from luck, which is equivalent to good fortune. The very nature of entrepreneurship is in making things happen, not in relying on something that might happen by itself. Since intellectual is more curious, more knowledgeable, and more rebellious than traditional entrepreneur, s/he is less risk averse, and more ambiguity friendly. Hence, many new dis-

coveries and many instances of unexpected success [...] which might be attributed to good fortune but result from purposeful behavior based on a solid knowledge base);

- experiencing entrepreneurial challenges as intellectually rewarding
(entrepreneurship constantly calls for solutions to newly emerging problems. A traditional entrepreneur is solution centered. S/he draws satisfaction from being able to solve whatever problems emerge. Intellectual entrepreneur also looks for solutions. Not rarely, however, s/he might not resist a temptation to concentrate on a problem and its possibly new formulation, rather than on immediate solutions. Although driven by purely intellectual curiosity, such an orientation quite often results in new discoveries which are perceived as intellectually rewarding and might lead towards financial rewards); and
- concern for ethical and humanitarian issues.

The phenomenon of „intellectual entrepreneurship“ is closely linked to „intellectual capital“ and „intellectual product“. The intellectual capital can be considered as capitalized knowledge; not just idle knowledge-based assets, nor much too often ignored tacit knowledge imbedded in employees and/or clients, but these very assets capitalized and put into productive use. The same knowledge might be also placed on the market as a product or service of purely intellectual character. Consider as example, consultancy services, information retrieval systems, foreign language courses, etc. This important link with intellectual capital and intellectual products had been analyzed and presented in the second volume entitled *Knowledge café for Intellectual Product and Intellectual Capital* (edited by Stefan Kwiatkowski and Charles Stowe, LKAEM Publishing House, Warsaw, 2001).

Among first studied intellectual entrepreneurs all had completed higher education. This probably resulted from a miniscule size of the first group of people under investigation. In fact, it is not difficult to find people without formally completed higher education who possess all three characteristics of an intellectual proposed by Etzioni. Even with ever growing scholarization rates, there will always be other avenues to obtain broad and diversified knowledge

base than through higher education institutions. And probably, for those too critical and too highly valuing independence (the very characteristics of an intellectual) to tolerate some formalities imposed by any institution of higher learning, alternative ways to acquire (if not to produce) new knowledge will always be available. The Internet, libraries, learned and professional societies, museums, trade shows, and above all – the informal education institutions, all seem to present an attractive and viable alternative to acquire new knowledge.

Intellectual entrepreneurship, while thriving on academic research, goes well beyond this important activity, which distinguishes university from other types of educational organizations, even if not all institutions of higher education undertake research. It should also be kept in mind that there are other research institutions than those located at universities, or other higher education establishments, which might be better financed, better staffed, better managed, and in which research work is not less intensive while commercialization is better organized.

Even the best combination and orchestration of the two traditional functions of university, even their perfect combination with a service towards community, still does not justify a proposition that universities, and in fact all institutions of higher learning, will eventually become the most important institutions facilitating intellectual entrepreneurship. They might at most constitute „fountains of intellectual capital“ but certainly not its orchard in which the fountain would be just one element. Yet, the orchard metaphor is quite relevant and useful in explaining why and how institutions of higher learning are already becoming the pivotal institutions facilitating future intellectual entrepreneurship.

Yet, despite all kinds of difficulties, higher education and its institutions have developed at unprecedented rate. It is not unusual to see new schools and remodeled universities as vehicles for local and regional development. They are also perceived as places where new employment possibilities are created now, and where otherwise unemployed youngsters study with hope of better opportunities offered by future they are expected to create. The most striking phenomenon is that the growth of higher education continues despite quite often constricting government funds.

In Central and Eastern Europe, and in other parts of the developing world where the growth of the number of students and of the scholarization rate has been breathtaking, the question can be asked „what is the money used for?“ And the answer is simple – it is used as the best investment in human capital. With such social attitudes prevailing, it is understandable that this sector witnesses tremendous growth and can probably be claimed to offer the best entrepreneurial opportunities. Will the trend continue, however? For how long can rates of scholarization grow? And from where some new money will be coming, once the university age cohorts of potential students tumble?

While attempting to answer the above questions, it is probably justified to claim that only a handful of universities can be considered „entrepreneurial universities“. Only few of them realize the real value of knowledge produced, and learn how to capitalize it and use it in a structured way. This situation is in a striking contrast with the corporate sector and its research institutions. They all seem to strive to transform tacit knowledge into explicit one, and to make human capital more effective. They aim at better management of available know how – patents, recipes, non-codified knowledge.

Institutions of higher learning stand out as organizations best positioned to gain from assuming an active role in human resource brokerage. This represents enormous opportunity for job creation and material wealth creation. Needless to say, it also introduces a threat of non-ethical if not overtly corrupt behavior.

Whatever aspect of higher education is addressed, one immediately comes up with several questions immediately bringing entrepreneurship in mind. Higher education provides knowledge intensive environment, and – on its own – this environment necessitates one particular kind of entrepreneurship – intellectual entrepreneurship. This observation formed a departure point for the third volume in the *Knowledge café* series. In March of 2003, four years after the first volume was published, the third volume, titled *Knowledge café for Intellectual Entrepreneurship through Higher Education*, and edited by Stefan Kwiatkowski and Jan Sadlak, had been presented for the reader.

Of factors determining (or rather influencing) development of entrepreneurial ventures only few seem to be obvious, and still

fewer easy to understand. Those few obvious observations can be summarized in the following way:

- entrepreneurship is very seldom a one way street, no turns, no stopovers, no pedestrian crossing, full tank of gas, no interfering phone calls, and dinner with ever smiling and always forgiving family at exactly seven o'clock, to allow easy reading and relaxing before sweet-dreams sleep;
- quite contrary to the above, entrepreneurship is full of conflicts, controversies, unexpected events, dangerous turns, and strenuous choices which demand time, attention, and ability to observe not only two-way heavy traffic along one lane curly road, but also the traffic signs which happen to change each week, if not every day.

The most important mechanisms facilitating survival – if not success – of entrepreneur are institutions offering trust, networks, orientation, expertise, conciliation, in short – broadly understood social capital. Among these institutions, two seem to be most pervading – family and the firm. They quite often permeate each other with differing effects on both. Needless to elaborate, they also quite often compete with each other for entrepreneur's time, attention, money, etc.

Not only social, but also legal institutional environment should be kept in mind when analyzing facilitating or hampering role of institutions in stimulating or blocking intellectual entrepreneurship. What should be expected? Intellectual entrepreneurship THROUGH or AGAINST institutions? On a general plane we could expect both this and that. These expectations were confirmed by papers presented in the fourth volume, published in May of 2004, titled *Knowledge café for Intellectual Entrepreneurship through and against institutions*, and edited by Stefan Kwiatkowski and Patrice Houdayer.

In this, fifth volume, titled *Knowledge café for Intellectual Entrepreneurship and Courage to Act*, and published exactly ten years after initiation of the cross-national and cross-cultural dialogue on intellectual entrepreneurship, the emphasis is on the basis of courage, be it knowledge, social encouragement and support, adventurism, excitement, cultural pattern, or simply a need to excel. The prelimina-

ry assumption is that learning is the prime basis of courage. When experience is in limited context (within a given box), learning is partial. In order to broaden the experience and provide for learning modes corresponding with double loop, and beyond double loop, not only social institutions, but also culture must change, and such social institutions as schools should reshape their missions, and ways and means of their achievement.

The second assumption is that a thorough understanding of the enormous role of intellectual capital (which manifests itself as technologies in different embodiment forms) can help more courageous actions, particularly in the developing countries. To be courageous is not a matter of chance. Entrepreneurs need good foresight, and the best foresight is derived from a solid insight. We are well familiar with one of the most common predicaments of developing countries: their failure to recognize the centrality of intellectual capital, which is dependent on science and technology (S&T), and research and development (R&D) activities. Courageous intellectual entrepreneurs seem to have a good insight of the role of S&T and R&D for „technological innovation driven“ wealth generation. This volume draws attention to many lessons learned from the experiences of many Asian developing countries.

This book is very special not only because of its problem-subject, i.e. relationships between intensity of intellectual entrepreneurship and presence of courage to act. It is also special for composition of the authors who joined us from many corners of the world, especially from Asia, and by the same token recognized importance of our research, and of our debate concerning the role of intellectual entrepreneurship in societal, economic and cultural development of nations, regions, cities, and the whole world even.

In the second volume, published in 2001, we pleaded to be joined by those who consider intellectual entrepreneurship important facet of sustainable development. The plea must have been noticed. Many new perspectives of research of and debate on the intellectual entrepreneurship have been identified. Thus, the debate may continue!