

# Chapter 22

## Critical Review of Entrepreneurship Development in Namibia

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### **ABSTRACT**

*With the appearance of entrepreneurship as a major economic force, the field of entrepreneurship education and training had gained legitimacy and had grown substantially. In Namibia, however, the trial of complete academic legitimacy for entrepreneurship development remains. Entrepreneurs and SMEs are considered as change agents in altering economies, and the implication of entrepreneurship and SME development is not often realized and normally ignored. Despite heightened awareness and interest by both scholars and practitioners, entrepreneurship development for entrepreneurs is still an emerging field of inquiry. Furthermore, limited research has so far been conducted on entrepreneurship development for entrepreneurs in the Namibian context. A review of the literature on entrepreneurship development revealed a critical review gap. Therefore, the chapter intends to review critically entrepreneurship development in Namibia and to suggest the way forward regarding entrepreneurship, youth, and entrepreneurs in order to fight poverty and unemployment.*

### **INTRODUCTION**

The prevailing perception in societies is that entrepreneurship is a fundamental skill that is acquired through lifelong learning to enhance human capital development in the form of competence and manpower, which is Namibia's most vital asset.

Entrepreneurship is learned and developed. Its core activities are innovation and creativity. Therefore, it is not limited to special individuals with certain personality traits rather, it is a combined effect of personality, environment, experience, acquired attitude and learning on the competitive behaviours required by the entrepreneur to drive the market process and create value (Stokes & Wilson, 2006).

DOI: 10.4018/978-1-7998-5116-5.ch022

Hult et al. (2002) claimed that there are four culture-based factors of entrepreneurship; innovativeness; market orientation, and organisational learning collectively increase to an organisation's "cultural competitiveness." Cultural competitiveness is the degree to which an organisation is disposed to sense and fill gaps between what the market desires and what is currently unfilled (Hult et al., 2002).

Entrepreneurship, as originally conceived by Schumpeter (1934), is very important to economic development. Schumpeter made a difference between entrepreneurship as a function and the entrepreneur as a person. An entrepreneur can be anyone who creates an innovation—an independent businessperson, an employee or manager of a firm, and so on. Moreover, the range of innovations created by entrepreneurs is virtually unlimited, including the development of a new product or service, a new channel of distribution, or the reorganisation of an entire industry (Birkinshaw, 2000).

Entrepreneurship refers to the interruption of equilibrium in a firm (or economy) caused by the creation and application of new combinations of resources. As a function, entrepreneurship can happen both within and across organisations. Also, the degree of entrepreneurship varies across organisations. For example, an organisation that pursues a "prospector" strategy creates, on average, more resource combinations than a firm pursuing a "defender" strategy (Miles & Snow, 1978). Over time, an organisation cultivates an orientation towards entrepreneurship that changes embedded in its culture. Some organisations hold entrepreneurship more than others, and this affects their orientations toward other competitiveness factors such as innovativeness, customers and markets, and learning.

Innovativeness Innovation, the invention or adoption of something new or different, is conceptually quite close to entrepreneurship (the creation of a new combination of resources).the focus in our study is on "innovativeness," which is the organisation's cultural orientation (values and beliefs) towards innovation. Innovativeness can be famed from the capacity to innovate, which is the ability of the organisation to successfully develop or adopt new products and processes (Cohen & Levinthal, 1990). Innovativeness, when shared with other cultural competitiveness factors, can create a greater capacity to innovate that, in turn, leads to superior organisational performance.

Market Orientation a market-driven organisation is one that places a high implication on creating value for existing and prospective customers (Day, 1994). Firms with a market-oriented culture advance skills in market intelligence, and their strategies are receptive to information gleaned from customers and other external stakeholders. Those firms also improve the ability to coordinate internal processes so that they can act quickly and effectively (Day, 1994; Narver & Slater, 1990). A strong market orientation, when coupled with a culture that highlights entrepreneurship and innovativeness, promotes organisational learning (Slater & Narver, 1995). Even though numerous feasible market orientation frameworks exist (e.g., Deshpandé, Farley & Webster, 1993; Kohli & Jaworski, 1990), we embrace the conceptualisation of Narver and Slater (1990) because of its focus on organisational culture. Of particular importance in their framework is the influence on culture of customer orientation, competitor orientation, and inter-functional coordination.

These dimensions of a market orientation thus become part of an organisation's cultural competitiveness. Organisational Learning Knowledge, derived from learning, is potentially the most productive resource of an organisation and can be a key source of competitive advantage (Barney, 1991; Grant, 1996). An organisation's stock of knowledge is generated and extended through a learning process (Daft & Huber, 1987; Daft & Weick, 1984). A dynamic learning process in an organisation involves several major phases, each of which must be carefully designed and managed: information acquisition, interpretation, focused experimentation, diffusion of experience, and knowledge restructuring (Hanssen-Bauer & Snow, 1996).

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