PAN-PACIFIC CONFERENCE XXVII

Managing and Competing in the New World Economic Order

May 31 – June 2, 2010 Bali, Indonesia

Edited by

Sang M. Lee Jann Hidajat Tjakraatmadja

Publication of the Pan-Pacific Business Association in cooperation with The University of Nebraska – Lincoln, USA Bandung Institute of Technology, Indonesia

©PPBA, 2010

ISBN 1-931649-26-X

2010 PAN-PACIFIC PROGRAM COMMITTEE

Sang M. Lee, University of Nebraska-Lincoln, USA, Chairman Leopoldo Arias Bolzmann, Universidad Adolfo Ibáñez, Chile Daesung Chang, Kyonggi University, Korea Lester A. Digman, University of Nebraska-Lincoln, USA André Everett, University of Otago, New Zealand Den Huan Hooi, Nanyang Technological University, Singapore Jaejung Lee, Pukyong National University, Korea Weixing Li, University of Nebraska-Lincoln, USA Fred Luthans, University of Nebraska-Lincoln, USA Motofusa Murayama, Seattle University, USA Ram Narasimhan, Michigan State University, USA Atsuto Nishio, Takushoku University, Japan Jang Ra, University of Alaska-Anchorage, USA Narendra Reddy, University of the South Pacific, Fijl Guillermo Selva, INCAE, Costa Rica Norio Takemura, Senshu University, Japan Jann Hidajat Tjakraatmadja, Institut Teknologi Bandung, Indonesia Mary Ann Von Glinow, Florida International University, USA Chew-Yoong Wan, Nanyang Technological University, Singapore Charles Wang, Shanghai Yonglong Co., Ltd., China D. Clay Whybark, University of North Carolina, USA

LOCAL ORGANIZING COMMITTEE

Hermawan Kartajaya, MarkPlus, Inc., Committee Chair
Jann Hidajat Tjakraatmadja, Bandung Institute of Technology, Indonesian Universities Coordinator
Augusty Ferdinand, Universitas Diponegoro
I Wayan Ramantha, Universitas Udayana
Yulina Trihadiningrum, Institut Teknologi Surabaya
Firmanzah, Universitas Indonesia
Ruslan Priyadi, Universitas Indonesia
Hargo Utomo, Universitas Gadjah Mada

TP 12 TOPICS IN ENTREPRENEURSHIP

Badung 2

CHAIR: André Everett, University of Otago, New Zealand

Phronesis-Based Research Paradigm – For a Study Dealing with Social Complexity and Unpredictability Lenny Sunaryo, Prasetiya Mulya Business School, Indonesia André Everett, University of Otago, New Zealand Malcolm H. Cone, University of Otago, New Zealand

Determinants of Entrepreneurs' Decision Making: Moderating Effects of Risk Propensity and Cognitive Categorization

Liang Wang, University of Nebraska-Lincoln, USA Terrence Sebora, University of Nebraska-Lincoln, USA



Establishing Biopreneurship: A New Challenge Gembong Baskoro, Widya Kartika University, Indonesia

TP 13 RESEARCH IN INTERNATIONAL ECONOMICS

Singaraja 1

CHAIR: Benjamin Kim, University of Nebraska-Lincoln, USA

Are Asian-Pacific Real Exchange Rates (Trend) Stationary?

Benjamin Kim, University of Nebraska-Lincoln, USA
Andrew Perumal, University of Nebraska-Lincoln, USA

What Will South American Countries Learn from Chile's Success?
Walt MacMillan, Oral Roberts University, USA
Rebecca Gunn, Oral Roberts University, USA
Lorena Soto, Oral Roberts University, USA
Stephen Gunn, Oral Roberts University, USA

Does Wealth and Wealth Proxies Matters in Consumption Spending: A Case Study of Pakistan Mohammed Nishat, Institute of Business Administration, Pakistan

TP 14 ISSUES IN INTERNATIONAL TRADE AND MARKETING

Singaraja 2

CHAIR: Roberto Bergami, Victoria University, Australia

The Rotterdam Rules and Incoterms 2000 Roberto Bergami, Victoria University, Australia

Andean Trade Preference Act: Issues and Opportunities Alejandra Cross, Roger Williams University, USA Marian Hadley Avery, Roger Williams University, USA

Export Performance of Bangladesh Muhammad Mahmood, Victoria University, Australia

Establishing Biopreneurship: A new Challenge

Baskoro, Gembong
Widya Kartika University
Jl. Sutorejo Prima Utara II-1
Surabaya-60113
Indonesia
Phone: +62 31 5922 6359
gembong_baskoro@yahoo.com

ABSTRACT

Entrepreneurship is nowadnys becoming a new spirit for many Indonesian universities perhaps in other countries as well. Although there are many definitions related to entrepreneurship, it is not easy to get understanding of the real meaning. In a simple practical meaning, entrepreneurship is a "business" Therefore, educating and action. entrepreneurship is actually developing mindset and action of business to students. There are many terms from entrepreneurship such derived Tecnopreneurship, Sociopreneurship, etc. Regardless what is the meaning and the differences of those terms they both have similarity because they adopt the spirit of entrepreneurship. Therefore, this paper intends to discuss the same spirit of entrepreneurship with a difference focus. This paper elaborates a new term of "Biopreneurship" that is perhaps not familiar yet to most Indonesian universities. Biopreneurship is generally, but not always, an entrepreneurship of for instance biotechnology. The objective of establishing "Biopreneurship" is to exploit any knowledge related to "Bio-" into a business mindset. The case study of "Biopreneurship" is taken from author experience in establishing it at the university recently. The case study is taken from the university because the university vision is related to entrepreneurship spirit. However, as it is a new startup of center of "Biopreneurship" therefore the knowledge on this subject is also limited

INTRODUCTION

Nowadays term of entrepreneurship getting more familiar to our life, moreover universities are also moving toward entrepreneurial universities concept. One reason is that universities trying to move out from the old paradigm of teaching, or research only. Universities are trying to move to other progressive concept that can drive the improvement further. There are derivative terms of entrepreneurship that familiar to us such as Technopreneurship, and Sociopreneurship. These terms indicate specific aim of the area of entrepreneurship to be focused. For example Technopreneurship is a technology based of entrepreneurship. That is why this concept mostly adopted by university/institute of technology. Among those terms of entrepreneuship this paper will introduce an

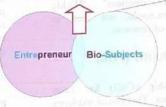
unfamiliar term of Biopreneurship. The next chapter will elaborates further on this term.

WHY BIOPRENEURSHIP?

The author years of experience in innovation and technology management field inspire that innovation should be a sustainable process of creating a new ideas, realize, and introduce them to market. However, theoretically, generating (new) ideas can be sourced from many ways. In fact, it is actually a difficult task especially for fresh new idea of innovation.

Inspiring from innovation, we realize that nowadays people are trying to come back and preserve nature. That is why we are now familiar with products that nature/environment friendly. Among other some example that we can notice are bio-fertilizer, bio-food, bio-pharma etc. These products are actually "bio-" related products that specifically developed for reasons of nature friendly. Considering the above idea of "bio-" related field, author develops a center that is called "Biopreneurship" (Figure 1.).

Biopreneurship



Bio-Pharma
Bio-Informatics
Bio-Fertilizer
Bio-Energy
Bio-Food
Bio-Agriculture
Bio-Engineering/Tech.
Bio-etc.

FIGURE 1. Concept of Biopreneurship

INNOVATION in BIO RELATED FIELD

Baskoro (2006) stated that Innovation is widely known because we believe that innovation can make our life better. There are also some reasons of innovation from the view point of manufacturer that Innovation is done to sustain the profit. Innovation is also done to increase product superiority with the criteria of unique feature(s), more functionality, meeting customer requirements, and acceptable price/performance [9]. The simple illustration of

innovation is about making things differently (different product or different technology). Example of this illustration can be named "bio-fertilizer" that replaced chemical into bio with the same goal but different impact especially for environment.

Even though innovation commonly requires high spending in R&D, innovation also gives promising rewards to the manufacturers. For this reasoning, the potential rewards, therefore Biopharma manufacturers

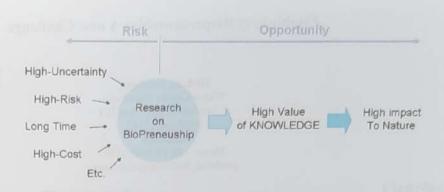
invest resources and knowledge to study and research in this direction although the spending and time-tomarket is very long.

Many researchers argued on the terminology of innovation that leads to several ways to say the similar thing. Often innovation is defined as "radical", "really-new", and "discontinuous", also innovation is defined as "breakthrough", "revolutionary", "game changing", and "boundary expanding" [6]. Therefore, Garcia and Calantone (2002) defined innovation as an iterative process initiated by the perception of a new market and/or new service opportunity for a technology-based invention, which leads to development, manufacturing, and marketing tasks striving for the commercial success of the invention [6]. McDermott and O'Connor in Baskoro (2006) defined innovation as a new technology or combination of technologies that offer worthwhile benefits. Commonly, the word 'innovativeness' represents the degree of 'newness'. innovative' products, for example, are seen as products having a high degree of newness.

CENTER OF BIOPRENEURSHIP (COB)

The Center of Biopreneurship (CoB) has been developed in 2009 by the author. This center explores and exploits the "Bio-" related field. The idea is to marriage between entrepreneurship and "Bio-" related disciplines. In CoB, entrepreneurial activities as well as research activities related to "Bio-" will be explored.

In the beginning there is no reference related to CoB, nobody knows what this center will form next. The reason of center establishment is that there is some products of bio already in the market, there is also (high technology) research going on in the field of bio. However, there is no center established to organize these "Bio-" related disciplines. This gap is therefore filled by establishing Center of Biopreneurship.



There is neither Success nor Fail on the research. Research is a starting point of the innovation

FIGURE 2. Biopreneurship Research

Center of Biopreneurship established a concept related to "bio" research. In this concept (Figure 2), as in general research, there is risk and opportunities involved in. There are always many considerations for a research to be commenced. Not always a research is commenced only with one or two considerations. It is not surprisingly that the considerations usually multifactors. In research, there is no full (hundreds percent) guarantee of success. Author experience in this research is that there is always struggle. However, research on this direction always gives hope for a better life in the future.

CASE STUDY

Case studies of Biopreneurship research was done for two cases. The cases were related to bio-research¹ taken in 2009 and 2010. Each case requires approximately two weeks of research. During the period of research, researchers perform activities as in normal research. There are always logbook, note, picture, film, and other methods to record data and evidences. This research follows three simple phases of (1) Pre-, (2) Action, and (3) Post research activities. Activities in these phases are as follows:

Pre-Research

In this phase, normally researcher prepares for activities for action research. The activities in this phase including but not limited to prepare administrative, planning, security, finance, logistic, and etc.

Action-Research

In this phase, the activities merely on technical as planned earlier. Focus of activities in this phase is data mining. This phase is critical to the success of the research because data taken rarely difficult to replicate

Although the information is available by the author, the complete information is disclosed in this paper.

at the same time and location. Usually data taken is one spot only.

Post-Research

In this phase there are activities regarding settlement of the research. Activities include preparing report, presentation, draw conclusion and give prediction, etc. based on data from previous activities.

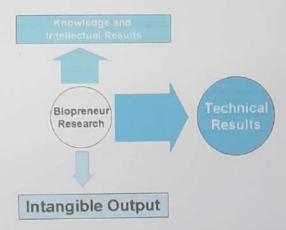


FIGURE 3 Biopreneurship Research Output

DISCUSSION

As stated in the title of this paper, this research is actually new challenge for the author. Research on this direction is considered in early phases, so that no such conclusion can be drawn. The cases gathered from this research are only two cases, as a result no pattern can be seen so far. However, as this is a new research stream the enthusiasm of the research team is very high. Moreover, the team (mostly young lecturers) learns so many things during the research process that they never experienced before. From the author viewpoint, the experience by the team is the ultimate outcome from this research. Having this experience enables them to have courage to face a new challenge of innovative research in the future.

Finally, in addition to bundles of data, this research has given intangible output at the moment to the team who joint in this research stream (Figure 3).

REFERENCE

- [1] Baskoro, G. The Design of an Accelerated Test
 Method to Indentify Reliability Problems
 During Early Phases of Product Development,
 PhD Thesis, Technische Universiteit Eindhoven,
 ISBN 90-386-0635-4, ISBN 978-90-386-0635-4, Eindhoven, Nederland, 2006
- Baskoro G. <u>Preliminary Progress Report</u>, Ministry Research and Technology, 2010
- [3] Chesbrough, H., Open Innovation: the new imperative for creating and profiting from

- technology, Harvard Business School Press, 2003
- [4] Chesbrough, H.; Vanhaverbeke, W., Open Innovation: Researching a New Paradigm, Oxford University Press, 2006
- [5] Conde, J.C.., Academia versus Industry as a Wellspring of New Ideas in Drug Discovery; the Case of Oncology, MIT, 2006
- [6] Garcia, R.; Calantone, R., "A critical look at technological innovation typology and innovativeness terminology: a literature review", J. Prod. Innov. Mgmt. 19, 110-132, 2002
- [7] McDermott, C.M.; O'Connor, G.C., Managing radical innovation: an overview of emergent strategy issues, J. Prod. Innov. Mgmt. 19, 424-438, 2002
- [8] Spalding, D.M., Marine Ecoregions of the World: A Bioregionalization of Coastal and Shelf Area, <u>Bioscience</u>, vol 7 no. 57, 2007
- [9] von Stamm, B., <u>Managing Innovation Design</u> and <u>Creativity</u>, London Business School, 2003