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PROCESS OF ECOPRENEURS CREATION FOR BUSINESS SUSTAINABILITY:
A CASE STUDY IN MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY
(MITI)

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APPROVAL

“I declare this thesis entitled ‘Process of Ecopreneurs Creation for Business Sustainability: A Case Study in Ministry of International Trade and Industry (MITI)’ is my own work except the summary and excerpts of each of which I have mentioned the source”

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DEDICATION

I would like to dedicate the appreciation for my beloved families, lecturers and friends.

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ABSTRACT

Entrepreneurship is an important sector contributing to the economic development of the country. Several of effort and encouragement made by the government and private sectors such as Ministry of International Trade and Industry (MITI) has encouraged youth to become entrepreneur. Due to environmental challenges can be addressed through the development of environmental friendly products and services that provide both business opportunity and environmentally sustainable options. The study of production process in entrepreneurship will develop EcoPreneurs. EcoPreneurs is an entrepreneur who creates and sells environmentally friendly products and services including organic food, recycling efforts or green construction. With this, EcoPreneurs has become the latest trend needs to be established in Malaysia to create entrepreneurs who not only look after profits, but are also able to produce products that are environmentally friendly. EcoPreneurs are able to utilize green issues as a competitive advantage for their enterprise through energy and resource maximization, waste reduction, utilization, respect of ecosystem services, and an understanding of the Natural Step Principles. This study will be conducted by using qualitative method which is researcher collects data in entrepreneurship development agencies such as MITI. A variety of important information should be gathered to improve entrepreneurship in Malaysia. This study prove that the production process of EcoPreneurs in Malaysia. The process is of fundamental importance to know for everyone who wants to become entrepreneurs. If the process is successful in form, then it'll be easier for us to create this EcoPreneurs.

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CHAPTER 1

INTRODUCTION

1.1 Introduction

According to Torey (2013), ecopreneurs is an entrepreneur who creates and sells environmentally friendly products and services including organic food, recycling efforts, or green construction. Ecopreneurs work for a return on the environment, enhancing or restoring natural resources. Besides, ecopreneurs voluntarily set standards above and beyond regulations, recognizing responsibility, taking innovative action.

According to Van Praag and Versloot (2007), nowadays the field of entrepreneurship is one of the important areas in country economy growth including job creation. Although environmental issues influence all human activities; it has gained importance in business as well as in public life throughout the world. As society is now becoming more aware about the natural environment and because of which businesses has also begin to be interested in producing eco-friendly products and has imbibed this

concept in the systems of the organization. Ecopreneurs realized that business is a people-to-people exchange of goods and services and that there was a growing niche for products they symbolized loyalty to the principle of sustaining the planet, its resources and its biodiversity for future generations.

According to World Resources Institute (WRI2002), it estimates that less than 20% of North American and European companies can be described as proactive in their commitment to improve environmental performance in alignment with sustainable development objectives to ensure that today is wealth and lifestyles are not achieved at the expense of future generations.

1.2 Problem Definition

Due to the exposure depletion process of ecopreneurs creation in Malaysia, this research has come out with some research questions in order to have a clear understanding regarding the content and effectiveness of the research.

Research will be performed to identify the factors that encourage ecopreneurs creation in Malaysia. Researcher will be considering all aspects like the self discovery, identifying opportunities, generating and evaluating ideas, planning and others. These factors are important to strengthen the formation ecopreneurs in Malaysia in order to produce successful entrepreneurs who are environmentally concerned.

Furthermore, most of the company does some form of planning for their ventures. However it often tends to be informal and unsystematic. The actual need for systematic planning will vary with the nature, size, and structure of the business. Strategy is the formulation of ways for the effective management of environmental opportunities and threats in light of a venture is strengths and weakness.

In the other hand, this research will study about the suitable innovation that should be done to create a successful ecopreneurs. Innovative solution will be provided to improve the existing strategy that been implemented. The research question can be list as follows:

- a) What are the factors that encourage ecopreneurs creation in Malaysia?
- b) How does the company strategies ecopreneurs creation in order to sustain its business area in Malaysia?
- c) What are the innovative solutions in order to further create successful ecopreneurs?

1.3 Objectives

The objective of the study is to investigate the factors that encourage ecopreneurs creation in Malaysia. Besides that the research are also aimed to find out what are the strategies to create the ecopreneurs in order to sustain its niche area in Malaysia. Furthermore, the study will investigate the ability of Ministry of International Trade and Industry (MITI) to propose the innovative solutions in order to create successful ecopreneurs. The objective of the study simplified as below:

- a) To identify the factors that encourages ecopreneurs creation in Malaysia.
- b) To examine the strategies of the ecopreneurs creation in order to sustain its business area in Malaysia.
- c) To propose the innovative solutions in order to further create successful ecopreneurs.

1.4 Scope

The scope of this project is to investigate the ability of MITI to create ecopreneurs. The study includes the factors encourage ecopreneurs creation in Malaysia. It is important to know the extent to which ecopreneurs can contribute to social and the environment. In addition, the study will also identify the strategies of ecopreneurs creation in order to sustain its business area and to propose the innovative solutions in order to further create successful ecopreneurs in Malaysia.

The study is conducted at MITI to gain adequate and comprehensive information. Respondents are mainly divided into two groups. First category is the top management of MITI, which is the group that facilitates Malaysia goal through policy formulation and policy execution. Second category is the ecopreneurs who run their business around the Malacca city. This second category is important to investigate their environmental friendly business and the sustainability of the business.

1.5 Limitation

Two limitations are identified in this study. First, the study is to investigate the ability of MITI to create ecopreneurs including the factors strategies of ecopreneurs creation in order to sustain their niche business areas in Malaysia. Therefore the result and outcome of the study is only applicable for ecopreneurs (on businesses which are eco friendly from the entrepreneurs). Second, researcher assumed that all respondents have provided honest and correct answers.

1.6 Summary

Ecopreneur is an entrepreneur who focuses on ecologically-friendly issues and causes, attempting to do business in a way which benefits the environment. Green businesses are models that can help show the way to increase productivity while reducing resource use in a manner that is harmonious on human health and the sustainability of ecology as well. This study will focus mainly on the process of Ecopreneurs creation for business sustainability.

The business case for sustainable development and the greening of industry is based on many different arguments, but one area that has been frequently over looked is the entrepreneurial perspective. The shift to more sustainable, 'green' business practices poses not only challenges, but also many potential opportunities for the business operators and firms that are prepared to be innovative, adopt different business models, take some risks, and approach this area as a viable commercial prospect.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

The literature is a review of critical analysis literature that is of 'specialized' relevance to the particular area and topic of the research problem in statistics. The researchers obtain literature review from several sources such as books, journals, articles, as well as internet sources. In this chapter, the researcher will discuss about the overview of ecopreneurs. After the overview about basic concept of ecopreneurs, section 2.2 and 2.3 will discuss about the factors encourage ecopreneurs creation in Malaysia and company strategies the ecopreneurs creation in order to sustain its business area. Lastly theoretical framework will be conducted at the end of the chapter.

2.2 Factors Encourage Ecopreneurs Creation

2.2.1 Self Discovery

According to Schlegel et.al (2011), indicate (unsurprisingly) that people who more closely identify with a ‘self discovery’ metaphor have a stronger belief in the idea of a consistent ‘true self’. As a result, for these people, meaning in life is linked more strongly with knowledge of the true self and use of that knowledge to inform judgments.

2.2.1.1 Passion for the Business

According to Lambing and Kuehl (2007), entrepreneurs must have more than a common interest towards business because there will be a lot of obstacles that they have to overcome in that field. If they did not have the passion in it, the business that they are involved in will not succeed.

Without a passionate connection to the business, it will be hard to maintain the enthusiasm for it. And that is palpable when you are talking to other people, whether they are customers, employees, investors or suppliers. So it is worth taking the time to identify what you are passionate about (Khoo, 2012).

2.2.1.2 Confidence

According to Lambing and Kuehl (2007), entrepreneurs are the one who is confident in their abilities and the business concept. They believe that they have the ability to accomplish their target in whatever they set out to do. This confidence is not unfounded, however. Often they have an in-depth knowledge of the market and the industry, and they have conducted months (and sometimes years) of investigation. It is a normal thing for entrepreneurs to learn an industry while working for someone else. This allows them to gain knowledge and make mistakes before they set up for their own business.

Confidence is the expectation of success. Those who expect to be successful generally are willing to exert the effort, spend the time, and expend the money to achieve it. Confidence is comprised of three elements: accountability, collaboration and initiative. Accountability is personal responsibility for actions taken and is a component of a person's integrity. Collaboration means working with others and being able to count on each other. Initiative believes that the actions taken will make a difference (Kanter, 2005).

2.2.1.3 Perception of Passing Time

Entrepreneurs are aware that time is passing quickly and therefore they often appear to be impatient. Because of this time orientation, nothing is ever done soon enough and everything is a crisis. As with the tendency for perfectionism, this hurry-up attitude may irritate employees who do not see the same urgency in all situations (Lambing and Kuehl, 2007).

Time passing slowly or fast seems to be two different phenomena. When we are in a slow situation we really feel it whereas when we are in a quick situation we do not really feel it, we just infer afterwards that time went quickly (Wearden, 2012).

2.2.2 Identifying Opportunities

An opportunity has the qualities of being attractive, durable, and timely and is anchored in a product or service which creates or adds value for its buyer or end user (Timmons, 2008).

2.2.2.1 Innovation

According to Miller (2012), innovation is one of the most important aspects of most business opportunities. Innovation means that doing something new and different; something that will set apart from the competition and give an edge. An innovation is the implementation of a new or significantly improved product (good or service), or process, a new marketing method, or a new organizational method in business practices, workplace organization or external relations. (OECD, 2005).

According to Allen (2007), study illustrated that the one key characteristic of successful innovators is that they had a rigorous process for managing innovation including a disciplined, stage-by-stage approval process combined with regular measurements of every critical factor, from time and money spent to the success of new products and services in the market. According to Carpenter (2010), innovation is a change in a product offering, service, business model or operations which meaningfully improves the experience of a large number of stakeholders.

2.2.2.2 Differentiation of Price, Quality, Service

According to Miller (2012), innovation does not have to come in the form of a brand new product or process. Sometimes identifying a business opportunity is as simple as selling the same thing with a different focus.

Different consumers typically derive different value from the same product. Firms often respond to this heterogeneity in valuations by trying to determine what customers will pay. This is done in a variety of ways: by understanding the nature of a customer's business and how the product will be used, by asking about their budget during a negotiation, or via market research using different collaborative and content-filtering techniques. The information about willingness to pay is then used to provide a personalized price for the customer (Choudary et.al, 2005).

2.2.2.3 Location and Convenience

While the Internet has fundamentally changed the ability of customers and businesses to interact from afar, the physical location and accessibility of business remain critical. Gaps in the market can often exist on the basis of the ease with which customers can access products (Miller, 2012). According to Allen (2009), location determines who will see the business, how easily customers can find it and access it, and whether or not they will want to access it. Locating a site for a new business normally begins with identifying the area of the country that seems best suited to the type of business being started.

2.2.3 Generating and Evaluating Ideas

According to Sloane (2010), evaluating idea is for brainstorm and creative thinking sessions the evaluation phase of the process is critical and typically needs as much time and attention as the idea generation stage. In evaluation researcher switch from suspending judgment to exercising critical judgment in order to whittle down the ideas to a short-list of actionable items.

2.2.3.1 Generate Idea by Own Self

According to Williams (2008), trying to sell a product or service that has not been available in the previous time is like climbing a hill as in very challenging. Being first is not always best. The first to offer such a product has to educate a market and possibly establish a distribution structure. The second or third into a market can capitalize on all the effort and investment made by their predecessors. There are two possible ways of choosing an idea, using a skill, product or knowledge that have been used by someone successful; in general, this gives the greatest chance of success and identifying a market that looks new for development by the business and acquiring the technique and knowledge that are needed. We have been taught that once we have got a good idea, and we are convinced it's a good idea, then it is just a matter of presenting it in a clear and logical way, and a reasonable group of people will see it. That takes care of that. The reality is that we are presenting it to human beings, who have anxieties, contrary opinions, and a constant fear of what any interaction might do to their standing in the group. And then stack on top of that a basic skepticism about new ideas (Kotter, 2010).