COMPREHENSIVE POLICIES TOWARDS ENTREPRENEURIAL DYNAMISM: AN UPDATE MODEL FOR THE ASIA PACIFIC REGION AND THE LESS AND LEAST DEVELOPED COUNTRIES (LLeDCs)

JOHN M. BAGCAL, MIT, MBA
Faculty, Institute of Computing and Engineering, Davao Oriental State College of Science and Technology, Dahican, Mati City, Philippines

Abstract

Purposely, this study will create a Comprehensive Entrepreneurial Policy (CEP) to enhance MSME programs of the Asia Pacific Region member states and the rest of the LLeDCs. Literatures asserted that, other than industrialization, an economy can be sustainable through government support of its own entrepreneurial programs. The CEP as a framework of a legislated MSME Promotion Law (MPL), is a support literature collectively assembled using conceptual policy models. The following are the research problems (RPs): first, what are the entrepreneurial policy models from literatures that underpin current economic status of some countries?; second, what are the inclusions of the CEP collectively assembled out the models presented? Qualitative metasynthesis and Pearl Growing Strategy using peer-reviewed journals from Proquest, JStore, and selected PDF files were used throughout this study. To answer RP1, thematic analysis were used to group researched items into critical factors (CFs). Each CFs are described according to their expected state of findings and conflicts, study recommendations and reference models per author. Thematic analysis were again applied to the findings, establishing four major policy recommendations. The identified CFs are: developing intentions; innovations as an opportunity; women, social and agricultural entrepreneurships; country level policies; models suggesting policy formulation; and supporting entrepreneurs and small business enterprises. The Policy recommendations of RP2 are: MSME Promotion Law (MPL) and its underlying tenets in: laying the foundation and opportunities of the law; entrepreneurial support systems; and regulatory and review. This study asserts that MPL be legislated into law, managed by a separate branch of government.

Key Words: Comprehensive Entrepreneurial Policies, MSME Promotion Law, MSME Law for the APR and LLeDCs
1. Introduction

During the conduct of 2017 APEC-CEO Summit in Vietnam, the leaders of the Asia Pacific Region (APR) agreed that the areas of cooperation by all member states are as follows: sustainable, innovative and inclusive growth; regional economic integration and connectivity; dynamism of micro, small and medium Enterprises (MSMEs) - a key driver on the region's growth; and food security and achieving sustainable agriculture (Sharma, 2017). This paper is anchored in the third area, focused on energizing MSMEs as a significant contributor to the development and growth of an economy through a comprehensive entrepreneurial policy (CEP).

According Dato Hafsah Hashim, chief executive of SME Corporation Malaysia, “in our country, small is the new big which will create employment providers and not employment seekers”. Ninety-seven percent of business establishments in Malaysia are small and medium enterprises (SMEs) responsible for nearly 36% of the country's GDP, 65% of the country's employment, and nearly 18% of their exports (Hashim, 2016). Moreover, SMEs accounted as a major player in the economic development. It ranges from 97%-99.5% of the businesses to some countries, having Malaysia at 97%, UK and Singapore at 99%, Philippines at 99.5% including microenterprises, with an overall of 90% worldwide (Hashim, 2016; Matthew & Rhodes, 2014; MECC[SG], 2017; DTI, 2015; IFC, 2012). With employment, SMEs contributed 65% in Malaysia, two-third in Singapore, and 50% worldwide (Hashim, 2016; MECC[SG], 2017; IFC, 2012). With GDP, SMEs account 50% in Singapore, 45% in India, and 36% in Malaysia (MECC[SG], 2017; Business Insider India, 2016; Hashim, 2016).

Albeit the fact that some countries have entrepreneurial initiatives, others remain passive. Government plays a significant role in their own economic activity. This was earlier theorized by Jackson (1937) saying that, “the only agency with the power to condition capitalism and industrialism to survive is the government”. There were less support of some governments to their entrepreneurial environment. This was validated by an author saying that “private-sector has grown without emergence of a purposive infrastructure or direct-state-support” (Atherton & Smallbone, 2010). To this extent, entrepreneurs exist, operate, produce, market, sell and survive in their own ways and means. To alleviate these financial and marketing wearisome in starting and surviving an entrepreneurship, government assistance in any form possible shall be extended. This is how this study was conceptualized as an update to entrepreneurial literatures that the APR and LLeDCs and their policy makers must consider - the design of a CEP that will serve as a “controller” of an entrepreneurial support system (ESS). This is in consonant with what scholars said that, government can enhance the entrepreneurial intention of rural individuals by the synergy of the three factors namely, updating entrepreneurial policies, training and education in their activities that target the masses, and by promoting a successful entrepreneurial model (Lin & Si, 2014; Stephen, Urbano, & Hemmen, 2005). These factors must work together to trigger entrepreneurial dynamism primarily in the outskirts leading to the development of an economy. CEP as a component of a major economic program is a tool that will synchronize compelling moves between the local government, entrepreneurs and its entrepreneurial ecosystem.

Along this line, there are policy models that can be utilized as a guiding principle. In Malaysia, albeit inadequacy of financial support, bureaucracy, inconsistency of government policies, and lack of entrepreneurial education and training, they have promising infrastructures, service access and financial environment (Syed & Siri, 2012). We can also be guided by the policy models in the United States supporting dynamically their entrepreneurships and small
businesses. We have the National League of Cities Center for Research and Innovation (NLCCRI) - toolkit for local leaders. NLCCRI offers handful of projects aligned with entrepreneurship driven by their local policies. These policy models are: *greening project for business in Austin, Texas*; *innovation district of Boston*; *economic gardening in Littleton, Colorado*; *immigrant entrepreneurial support of New York*; *partnership with university in Scottsdale, Arizona*; *improved communication and business interaction in Seattle*; and *export assistance in Winchita, Kansas* (McConnell, McFarland, & Common, 2011). Thus, for an orderly and efficient financial control, it is recommended that *local policy decision-makers should strengthen optimally the entrepreneurial environment before deployment of resources* (Syed & Siri, 2012).

After the establishment of a CEP, adoption and legislation process follows. Once CEP is adopted as a law, strengthening of an ecosystem shall follows. According to Liu & He (2011), “a person, social or government are the entrepreneurs and they function uniquely forming an ecosystem. *Personal entrepreneurship* creates wealth, *social entrepreneurs* support the individual abilities and practices to create wealth, while the *government’s role* is to organize and guide the building of an entrepreneurial support systems (ESS)”. This research paper although utilizes models from the literatures of some of the less developed countries, it does not excuse them of its application since there are models presented herein that are absent in their current entrepreneurial practices.

1.1 Statement of the problems

The primary purpose of this research is to establish a CEP to be utilized by the governments as the lead agency to increase dynamism in their respective entrepreneurial activities. This will lead to an inclusive and sustainable economy - a move towards globalization and development. The research problems are as follows:

1. What are the successful entrepreneurial policy models of the World from reputable references that propel their respective economic state as to what they are today?
2. What are the inclusions of the CEP collectively designed out of the presented models which can be utilized by the member states of the APR and the rest of the LLeDCs?

2. Materials and methods

This study used qualitative metasynthesis (QMS) or “meta-narrative” synthesis (MNS) which was commonly employed in addressing health care and childhood related issues. QMS is an intensional, innovative and coherent approach that enables researchers to identify a specific research question and then search, select, appraise, summarize and combine qualitative evidences. This process rigorously synthesize existing studies to construct greater meaning (Erwin, Brotherson, & Summers, 2011; Barnett-Page & Thomas, 2009). Majority of the literature cited were from Proquest and JStore peer-reviewed journals, chosen using pearl-growing strategy (PGS) and hand-searching key. Although some of the literatures were sourced out of Proquest and JStore, selected PDF files were retrieved from high sensitive Google searches were included in this study (Barnett-Page & Thomas, 2009).

PGS on the other hand is an information literacy technique gathered from the methaporic process of collecting small bits of learnings and construct it to make a “beautiful pearl”. They are categorized into two, traditional and comprehensive. These methods does not only provide database guidance in selecting effective keywords and quality filters, but also give appropriate databases (Schlosser et al., 2006). The use of PGS in this study was to organize thematically the
models according to critical factors (CFs). The highlights of individual CFs were explained in terms of the enumerated expected state of findings and conflicts, its recommendations and reference model per authors in a tabular form (Table 1). This table served as a collection of the entrepreneurial policy models – an answer to the first problem statement. To answer the second problem statement, the critical factors in Table 1 were again thematically analyzed to come up with four major policy recommendations. Each policy recommendations were discussed in terms of individual statement, alternative courses of action and/or recommendations, implementations, and monitoring and evaluation. Individual statements were derived from expected state of findings and conflicts while the alternative courses of action, monitoring and evaluation were from the recommendations and the available country models.

The critical aspect of PGS is the starting point. One relevant document shall initiate the research topic. More similar and relevant documents related to the starting document shall be examined to include the following: authors, title, abstract, picture captions, descriptors used, reference list of the core document, and the terms that best describe the contents are chosen as search keys for further searches. As mentioned earlier, the concept of the study was pinned down using the third agenda of the 2017 APEC-CEO Summit in Vietnam. The member states agreed that dynamism of (MSMEs) in the APR is a key that will drive the region’s economic growth (Sharma, 2017).

3. Results and discussions

The results and discussions are divided into two, first, a tabulated summary (Table 1) to answer the first research problem, and second, to present CEP recommendations as an answer to the second research problem.

3.1 Policy models from literature

Presentation of the policy models from literature will be in terms of critical factors, expected state in terms of findings and conflicts, recommendations and the reference models. For factors that has no reference models, the remark will be “no institutional or country model” (NICM). The policy models will answer the first problem statement.

Table 1 – Entrepreneurial Models from Literatures

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Developing entrepreneurial intentions</td>
<td>Self-efficacy (SE), environmental concern (EC) and perceived support (PS) have significant positive effect on entrepreneurial intention (EI)</td>
<td>Experience and entrepreneurial education do not have significant impact on entrepreneurship intention</td>
<td>Government shall organize entrepreneurial improvement programs on self-efficacy, environmental sustainability and infrastructural development</td>
<td>NICM</td>
</tr>
</tbody>
</table>

- Abina et al. (2015)
<table>
<thead>
<tr>
<th>Exposure to fictional role models such as identification of the role, favorable attitude towards message and experience of positive emotions has an impact to SE and EI.</th>
<th>- None</th>
<th>Conduct of more research in message framing for both gender but prioritizing men</th>
<th>NICM</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SE assessment using entrepreneurial competencies and actual entrepreneurship were complements</strong></td>
<td><strong>SE assessment using entrepreneurial competencies discriminates strong entrepreneurial intentions</strong></td>
<td>Another study will be conducted to validate the results</td>
<td>NICM</td>
</tr>
<tr>
<td>Innovations as an entrepreneurial opportunities</td>
<td>Innovations raises competition, lower prices, create jobs and wealth for individuals. Small firms has the tendency to out-innovate established corporations (Judo style).</td>
<td>None</td>
<td>Government shall prescribe a specific policy inspiring innovation</td>
</tr>
<tr>
<td>Women entrepreneurship</td>
<td>Successful women entrepreneurship is directly related</td>
<td>None</td>
<td>Effective plans for each business type be activated</td>
</tr>
<tr>
<td>Social entrepreneurship</td>
<td>Improvement of governmental support system on social entrepreneurship shall be investigated</td>
<td>None</td>
<td>City support matters since cities providing the governmental support for social entrepreneurship appear to have enhanced levels of social entrepreneurship within their communities</td>
</tr>
<tr>
<td>-------------------------</td>
<td>---------------------------------------------------------------------------------------</td>
<td>------</td>
<td>---------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Agricultural entrepreneurship</td>
<td>Household's risk-bearing ability through asset endowment, access to government support services, institutional and infrastructural support is positively associated with agricultural entrepreneurship</td>
<td>Dependency on social grants was negatively associated with agricultural entrepreneurship</td>
<td>Policy-makers shall prioritize increasing the risk-bearing abilities of households as well as access to government support services to increase participation in agricultural entrepreneurship</td>
</tr>
</tbody>
</table>

For a country with young population of women, their participation as change agents and innovators are identified.

However, conservative culture for women such as in KSA hinders the program.

Government shall inspire women to engage in social entrepreneurship, training, financing, regulatory and technical support. They will also be provided with access to funding, training and coordinated support.

- Lee et al. (2011)

Social entrepreneurship

Agricultural entrepreneurship
<p>| Country level policies on entrepreneurship | Direct state support to entrepreneurship and its systematic development focused on underdeveloped market, budgetary facility, and sending experts to local government | Private sector growth may be constrained if local government do not develop mechanisms to engage with the private sector to enable its continued growth and development until it becomes an emergent | Improve implementations of the program in the municipal until country level | 2003 SME Promotion Law at municipal and country level of China |
| Evolving systems fostering entrepreneurship for regional development and identifying emerging forms of enterprise policy and priorities | None | Public policy and governance influencing nature of markets, innovation system and place-based culture shall be in-place | UK Regional Enterprise Policies and Associated Governance |
| Compelling government, NGOs and policy makers to seek sustainable models for MEs reinforced with IT primarily to solve access issues. | None | Management of MEs training program (MMTP) | Personal Entrepreneurial Training (PET) for multicultural Malaysian groups |
| Conduct of a study that will globalize SMEs in terms of international entrepreneurial capability (IEC) | Most studies were focused on globalizing MNCs | Local government support, legal rules, government transparencies and efficiencies of the IEC and IEP of the export-focused |Benchmarked with the leading Asian economies like China and South Korea |</p>
<table>
<thead>
<tr>
<th>and performance (IEP)</th>
<th>SMEs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Entrepreneurial models suggesting policy formulation</strong></td>
<td><strong>Zhang et al. (2017)</strong></td>
</tr>
<tr>
<td>Establishing relationship between entrepreneurial activities and regional policies beyond gender and role models.</td>
<td>None</td>
</tr>
</tbody>
</table>

| **Policies on Entrepreneurial Support System** | **Sternberg (2012)** |
| Policies on Entrepreneurial Support System | None | Formulate right policies on entrepreneurial ecosystem by establishing a governing body say National Entrepreneurial Mission in Africa (NEMA) | 21st Century Economic Development Agenda (CEDA) of Africa |

| **More positively oriented the local government is towards entrepreneurship and in its policy making, the better the adaptability and collaboration** | **Sheriff & Muffatto (2015)** |
| More positively oriented the local government is towards entrepreneurship and in its policy making, the better the adaptability and collaboration | None | It shall be organizationally, strategically and structurally supported by the local government | ESS in Denmark |

| **Government shall directly influence private-owned enterprises (POE) in terms of enacting long term educational, institutional and financial support. It can be in the form of** | **Neilsen (2016)** |
| Government shall directly influence private-owned enterprises (POE) in terms of enacting long term educational, institutional and financial support. It can be in the form of | None | Reduce restrictive policies for startups and small businesses from registration, reporting, difficult process with government officials, aggressive tax administration and structures, and | Society Entrepreneurship in Kazakhstan |
promotions and initiation of startup and small business, reform in educational system, and creation of a business friendly environment. It can be done through transparency, building institutional capacity to support new business

- Kenzhegaranova et al. (2016); Bruce & Deskins (2012)

| Government financial assistance (GFA) and business development services (GBDS) | Overlapping, less coordinated and with scarce resources (more support to SMEs and less in MEs) | Rectify GFA and GBDS to MEs by recommending a National Entrepreneurship Development Program (NEDP) | NEP (1971) & NEM (2010) for MEs in Malaysia |

- Tuyon et al (2012)

| Streamline regulatory requirements, revamp tax policies, improve infrastructures that will reduce overhead costs for MSMEs | Misalignment of domains between policies promotion of MSMEs and other domains causing negation of profit motive, stifle business innovation and expansion, and promoting of survivalist mode | Align conflict of domains | Nigerian Entrepreneurial Model |

- Edoho (2015)

<p>| University run enterprises, government-pulled triple helix program and government | None | Choosing transformational path and future directions | Entrepreneurial University of China |</p>
<table>
<thead>
<tr>
<th>Supporting Entrepreneurs and small business</th>
<th>Identifying entrepreneurship developmental stage through a uniform level of management, technical and financial challenges</th>
<th>If small business development (SBM) is not understood by the local government, also, they can not understand the challenges facing them</th>
<th>Understanding small business development</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local leaders shall revisit their tools internally, their leadership, communication and regulations</td>
<td>Political leaders are not committed to improve processes and response system</td>
<td>Review and provide clear regulations and process steps such as permitting and communications</td>
<td>National League of Cities - Center for Research and Innovation (NLC-CRI) - USA</td>
</tr>
<tr>
<td>Outside organizations with technical experience, resources and relationships are essential</td>
<td>No partnership with external organizations will rise the gap of uncollaborated and decentralized processes</td>
<td>Government shall offer a more targeted, communicated and direct services to entrepreneurs to have a clear goals and realistic expectations</td>
<td></td>
</tr>
<tr>
<td>Leveraging higher education institutions (HEIs) to support entrepreneurship</td>
<td>None</td>
<td>Universities and community colleges can be an asset for cultivating entrepreneurs and launching new companies, particularly those that try to harness new technologies</td>
<td></td>
</tr>
<tr>
<td>Supporting entrepreneurs and small business</td>
<td>None</td>
<td>Provide assistance to anyone interested in starting a small business or improving or expanding an existing small business</td>
<td>U.S. Small Business Administration</td>
</tr>
</tbody>
</table>

- Liu et al. (2014)
| Partnering with community-based organizations such as immigrants to build relationships and provide services | None | Support for immigrant’s entrepreneurship | Department of Small Business, the Economic Development Corporation and Office of Immigration Affairs - New York |
| Consultation and research, education and training, translation and interpretation and global credit reports | None | Provide services to businesses at no charge or at a reduced rate to help smaller businesses achieve export success | Kansas World Trade Center - City of Winchita |
| Bring together regional financing institutions, (credit unions, national banks, microloan organizations, CDFIs, venture or angel investors) with the business community | Lack of capital within a region | Local leaders shall bring together service providers and business groups to help identify gaps, encourage collaboration and be a centralized information source | Valley Economic Development Center – Los Angeles, California |
| Startup Accelerators, Mass Challenge and Idea Village | Brain drain | Establish NPOs that will hold startup competition to prevent brain drain | Boston Mass Challenge and New Orleans Idea Village |

### 3.2 The Comprehensive Entrepreneurial Policy (CEP) recommendations

The discussion of the CEP recommendations will lay the policies for adoption of the APR member states and the rest of the LLeDCs derived from the presented models in the introduction, literatures and the summary of Table 1. Specifically, this will provide an answer to the second problem statement. Discussion is important since it is the part of the study that interprets the results in larger context established in the research questions or problems (University of the Western Cape, 2013). Individual policy recommendations are included in every policy model discussed. The presentation of the policy models are in the following order: individual policy
statement, the alternative courses of action and/or recommendations, implementations, and monitoring and evaluation.

3.2.1 Establishment of MSME Promotion Law as a national entrepreneurial policy

 **Policy Statement.** Heads of the member states of the APR and the rest of the LLeDCs shall consider a national MSME Promotion Law (MPL) as an expression of direct support to their own national entrepreneurial development. Some of the models for this law are: 21st Century Economic Development Agenda (CEDA) of Africa (Sheriff & Muffatto, 2015); 2003 SME Promotion Law of China (Atherton & Smallbone, 2010); National Entrepreneurship Development Program (NEDP) – Malaysia (Tuyon et al, 2012); U.S Small Business Administration and National League of Cities – USA (McConnell et. al, 2011); Nigerian Entrepreneurial Model (Edoho, 2015); and the European Council Regional and National Policy (Sternberg, 2012). There are two guiding principle of MPL. First, like of Malaysia wherein “small is the new big that will build employment providers and not employment seekers”. Second, like of Ukraine’s “serving as an alternate route to develop and globalize an economy, other than industrialization, by targeting a large ratio of MSMEs of at least 70% of the population” (Hashim, 2016; Komeina & Chaikina, 2015).

 **Alternative courses of Action.** For an effective and direct control of a national entrepreneurial policy model, an agency in-charge of the MPL shall be a separate branch in the government such as the NEMA of Africa and SME Corporation of Malaysia. It shall not be an attached function of any government agency such as the Philippine’s GoNegosyo Act of 2014 under the umbrella of the Department of Trade and Industry (DTI). The mandate of MPL is the growth of the MSMEs in both areas primarily in the outskirts. To obtain a national scale of MPL’s implementations, all municipal, city and regional government units are compelled to comply with the law of developing their private sectors respectively. It is also the concern of the MPL to build an entrepreneurial ecosystem actively participated by the NGOs, NPOs, financial institutions, HEIs, and experts in management and entrepreneurship (Atherton & Smallbone, 2010; DTI, 2017; Sheriff & Muffatto, 2015).

 **Recommendations.** MPL shall be legislated into law governed by a separate branch of government whose programs are implemented primarily in the rural areas wherein municipal government and its ESS shall be compelled to comply with the law. For countries that do not have yet a national entrepreneurial law, MPL shall be proposed to legislation by any legal sponsor for debate, ratification until implementation.

 **Implementations.** Public policies affecting MPL shall be designed to establish the tenets of direct state support model focused on three facets, namely, the foundation and opportunities of MPL, entrepreneurial support system, and, regulatory and review. Laying the foundation and opportunities of MPL include: understanding startups and small business; developing entrepreneurial intentions; identifying underdeveloped but emerging markets; identifying innovative startup systems that create new culture, produce wealth and lower the prices; agricultural, social and women entrepreneurship; university run enterprises; government pulled triple helix program; and, globalizing SMEs. Entrepreneurial Support System include: budgetary facility; establishing relationship, adaptability and collaboration between activities and policies; business development services and training; partnership with external and community-based organizations; leveraging HEIs. Regulatory and review include: review of startup and small business regulatory requirements; review of emerging entrepreneurs; process steps and communications; establishment of an economic development office; building of an IT
infrastructure to store, analyze and provide significant information to stakeholders (McConnel et al., 2011; Atherton & Smallbone, 2010; Huggins et al., 2015; Michael & Pearce, 2009; Lee et al., 2011; Nieva, 2015; Sullivan, 2007; Sinyolo et al., 2017; Zhang et al. 2017; Sternberg, 2012; Neilsen, 2016; Tuyon et al., 2012; Edoho, 2015; Liu et al., 2014; Munoz et al., 2015).

**Monitoring and Evaluation.** With the construction of an IT infrastructure, a web-based system shall be designed to collect, store, analyze and transform data into significant figures and statistical data for the consumption of all identified stakeholders. Data gathering tools shall be designed logically, critically and significantly in order to arrive at the desired information. This information will be for the utilization of the government, entrepreneurs and other components of the ESS. The metadata will be similar or customized, if not more than what is generated by the Global Entrepreneurship Monitor (GEM).

The tenets of the proposed legislated MPL’s direct state support are as follows:

### 3.2.2 Foundation and opportunities of the MPL

**3.2.2.1 Understanding startups and small businesses** (McConnell et al., 2011)

**Policy Statement.** Small businesses and entrepreneurs (SBEs) are very diversified, therefore, it is necessary to categorized them according to stages at high level of uniformity in terms of management, technical, financial and challenges. This is necessary to identify emergent MSMEs that will be subjected to new dimensions of regulations and control.

**Alternative courses of action.** To understand SBEs, government shall look into tools from their entrepreneurial ecosystem, such as researches from HEIs that will identify their stages of development. Further, the municipal government within their wheelhouse shall identify local leaders to pilot the program and establish a “friendly” communication and regulation models for utilization.

**Recommendations.** Strong and committed local elected leaders capable of prioritizing issues that SBEs are important in their community will be identified for the program. Other factors such as communication between entrepreneurial community and the municipal government is needed to improve processes and better response to needs. Also, review and elimination of unclear regulations and confusing steps shall be conducted to improve permitting and regulatory functions hinged on communication with internal and external stakeholders.

**Monitoring and Evaluation.** A system of communication and feedbacking will be designed to monitor and evaluate the processes, the personnel handling the processes, and the steps in regulations and permitting. This system can be establish with the aid of the ESS, such as the researches from HEIs, to strategically study significant inputs from the stakeholders that will provide the necessary information.

**3.2.2.2 Development of entrepreneurial intentions** (Abina et al., 2015; Laviolette et al., 2012; Barnir et al., 2011; Brice & Spencer, 2007)

**Policy Statement.** Entrepreneurial intentions are grounded on self-efficacy (SE), environmental concern and perceived support. Exposure to fictional role, favorable attitude towards message and experience of positive emotions has an impact on self-efficacy. SE when assessed were complements of entrepreneurial competencies and actual competencies.
Alternative courses of action. Organization of entrepreneurial improvement programs on self efficacy, environmental sustainability and infrastructure development through research from HEIs and research groups shall be conducted.

Recommendations. Government shall be the lead agency to organize improvement programs on self efficacy, environmental sustainability and infrastructural development with the active participation of the research arm, the HEIs.

Implementations. Research and training on entrepreneurship can be integrated in the curriculum of HEIs for public enthusiasts. It can also be done by creating an entrepreneurial university or a center in the pilot HEIs of a region.

Monitoring and Evaluation. The success of this project can be gauged by establishing a statistics of the growth of entrepreneurship in the municipal level as well as the behaviors it will project until the national level. Success factors will be indicated with the increase of small businesses and entrepreneurs in the locale.

3.2.2.3 Identify underdeveloped but emerging markets (Atherton & Smallbone, 2010)

Policy statement. Underdeveloped yet emerging markets are entrepreneurship that are practiced in other places, either local or foreign which has the potential to be applied in a specific place. These are opportunities which has a proven investment record of profit generation in other places.

Alternative courses of action. Government shall be in the lead in the scouting of these entrepreneurial practices (EP) through a research team. They shall find connect using tools as to where and how to find a fit of these EP to local entrepreneurship. Bulletins containing updates of these new EPs shall be in public to keep them informed and to entice new entrepreneurial participants.

Recommendations. A study of the identified underdeveloped emerging markets by the community HEIs will be conducted to determine its feasibility in the locale.

Implementations. For underdeveloped markets that has no private participants, HEIs and the government are invited to convert the opportunities into entrepreneurship. This will be in the form of an extension program for HEIs and will serve as their income generating projects (IGPs). This initiative will lead to the development of a university run or a government pulled triple-helix program.

Monitoring and Evaluation. Recording of all intents and successful applicants for this project shall be kept and analyze. The system of recording shall extend beyond application to determine sustainability with the different aspects of ESS. Also, the system shall establish the underdeveloped markets that emerged in a specific locale.

3.2.2.4 Identify innovative startup systems (Michael and Pearce, 2009; McConnel et al., 2011)

Policy Statement. Innovations is an entrepreneurial opportunities by creating new ideas and methods of doing things and thus creating of new form of products or services. One of the key drivers of innovations are HEIs through their research outputs. Innovations raises competition, lower prices, create jobs and wealth for individuals. It is also an opportunity for small firm to out-innovate established corporations. Innovation district of Boston, USA is a good model of innovation.

Alternative courses of action. Strong entrepreneurial spirit shall be ignited in all HEIs in order to develop innovative technologies and processes which has a potential to be incubated,
implemented and emerge. Each HEI shall be required to provide innovative ideas as a product of their research initiatives. Potential technology, process or services developed in HEIs will be included in Startup Challenges to scout for potential investors (McConnel et al, 2011). Focus will also be on technopreneurship that has the potential to produce a multi-million or billion startups.

**Recommendations.** Government shall prescribe a specific policy that will inspire innovation through research from HEIs through the conduct of Mass Startup Challenges. Local officials shall organize forums, attend showcase events of opening of new business, co-working spaces and accelerators.

**Implementations.** Conducted Startup Mass Challenges shall generate innovation in any form. Startup entries and winners shall be visible in the municipal, provincial and city bulletins as a reference for the investors in the local level. An innovation website will be created, facebook and twitter feeds shall be organize especially when launching and celebrating successes of space-seekers and incubators.

**Monitoring and evaluation.** Government shall maintain a system that will store research, innovation and incubation (RII) outputs of all HEIs and the ESS regionally and nationally. These RII outputs will be classified accordingly, identifying those that has the potential to deliver innovative products, processes or services. In case incentives will be given to active innovators, the system will be used to filter the recepients.

### 3.2.2.5 Enhancing women, social and agricultural entrepreneurship (Nieva, 2015; Sullivan, 2007; Sinyolo et al., 2017)

**Policy Statement.** Women entrepreneurship is directly related to marital satisfaction, family, education and type of business engaged. For a country with a young population of women, their economic participation through entrepreneurship shall be tapped. Agricultural entrepreneurship (AE) in the other side can be in a form of developing process in fruits, vegetables, and other agri-produce to generate innovative products with an entrepreneurial value. In order to increase household’s risk bearing ability to endow their assets at the start, government support shall be accessible. Study shows that AE is positively associated with government’s institutional and infrastructural support. Lastly, social entrepreneurship (SE) can be capitalized for countries who are conservative in their women. SE can be in the form of a system or processes that solve social issues such as nannies, bills payment or purchasing groceries for busy people.

**Alternative courses of action.** Government shall promote projects that strengthen family ties and inspire opportunities for women to finish their vocational or undergraduate studies. This initiative will increase women’s qualification to engage in social entrepreneurship. However, social entrepreneurship is not only limited to women since this area is strongly dominated by men. With AE, government agencies together with the HEIs shall conduct a research on the processes of putting value added ingredients to agri-produce to create products with an entrepreneurial value.

**Recommendations.** Government shall inspire women to engage in social entrepreneurship, through training, financing, regulatory and technical support. They will also be provided with access to funding and other coordinated support (Nieva, 2015; Sullivan, 2007). AE on the other side shall also be given attention for it will create an entrepreneurial opportunities not only for women but for the entire community.

**Implementations.** Municipal and city aid matters since they are the necessary governmental support to strengthen social entrepreneurship. The initiative according to studies
enhanced the levels of social entrepreneurship within their localities (Sullivan, 2007). The AE shall also be included in the governmental support as well as from the ESS.

**Monitoring and evaluation.** A system of recording social and women entrepreneurship (SWE) and its sustainability shall be in-place. Also included in the recording will be the support extended to the SWE and AE from the government and the ESS.

### 3.2.2.6 Initiate university run enterprises and the government pulled triple-helix program (Liu et al., 2014)

**Policy Statement.** University run enterprises are IGP initiatives for the HEIs to utilized its laboratory facilities (LCs) as services for public consumptions. Say for example, the hotel laboratory wherein HRM students used to expose themselves to actual front office, housekeeping and culinary lessons will be open for public consumptions at an affordable price. An example of an entrepreneurial university is the Huazhong University of Science and Technology (HUST), a Chinese miniature of higher education displaying entrepreneurial practice (Liu, 2012). Another IGP opportunity is the government pulled triple-helix program (THP), which is a tripartite effort of the HEI, entrepreneur and the government to engage into business. An example will be a payment software produced from an HEI. The incubator (student or faculty) can be the prospective technopreneur that has no fund to launch the project. The HEI and the local government upon determining the feasibility of the software will fund accelerations of the project and promote its public consumption. HEI and the government will earn as an IGP while wealth for the technopreneur.

**Alternative courses of action.** The HEIs shall identify feasible IGP opportunity from within their wheelhouse, such as utilization of LCs and research outputs (ROs) as previously mentioned. Researches that has an entrepreneurial value but needs budget for implementations will be introduced to the ESS or to the triple helix program.

**Recommendations.** Both the HEIs and the local governments will create their own technical team. HEIs will identify their respective feasible IGP program and the local government for the triple-helix applicants.

**Implementations.** Tools in identifying feasible projects shall be designed from researches. Experts shall also be employed to initiate implementations of the program.

**Monitoring and Evaluation.** HEIs shall establish a research monitoring system that will store their researches from undergraduate, graduate and post-graduate studies. Also, a system will be designed to monitor the progress of the IGPs included under this program.

### 3.2.2.7 Globalization of SMEs (Zhang et al., 2017; McConnel et al., 2011)

**Policy concept.** The policy is an aid in the globalization of SMEs in its capability towards international entrepreneurship and performance through government support in terms of legal, transparent and efficient export-focused models.

**Alternative course of actions.** Conduct of a study that will globalize SMEs in terms of international entrepreneurial capability and performance, benchmarked with the leading Asian economies like China and South Korea.

**Recommendations.** Emerging entrepreneurship that has the capability for export shall be identified using a tool. Research team shall be also be created to scout for possible foreign destinations of emerging local products or services.

**Implementations.** Consultation and research, education and training, translation and interpretation and global credit reports shall be provided to businesses at no charge or at a
reduced rate to help SMEs achieve export success. Also, to establish a venue for SMEs to globalize and export their flagship product or services, a website (like Alibaba and other e-commerce sites) shall be launched. This site can be hyperlinked to the website of the APR and LLeDC councils, and will be promoted during their respective meetings.

**Monitoring and Evaluation.** A system will be designed to monitor SMEs that are doing export activities most especially the result of their venture.

### 3.2.3 Entrepreneurial support system

#### 3.2.3.1 Provisions of budgetary facilities

(Atherton & Smallbone, 2010; Kenzhegaranova et al., 2016; Bruce & Deskins, 2012)

**Policy statement.** Private sector, specially MEs growth may be constrained if local government do not institute mechanisms to enable its continued development until they become emergent.

**Alternative courses of action.** Direct state support to entrepreneurship and its systematic development focused on improving implementations of the budgetary facility and instutional financial program in the municipal level shall be instituted.

**Recommendations.** Government financial assistance (GFA) and business development services (GBDS) shall be designed.

**Implementations.** Integrate GFA and GBDS specifically for MEs in the MPL.

**Monitoring and Evaluation.** A system of monitoring shall be in-place to evaluate financial development plan of the MPL to MSMEs.

#### 3.2.3.2 Establish relationship, adaptability and collaboration between activities and policies

(McConnel et al., 2011; Neilsen, 2016; Sternberg, 2012)

**Policy Statement.** Outside organizations with technical experience and resources are essential for a collaborative and centralized control processes. Conflict of different domains shall be address in order for MEs to have a clear understanding of the processes in complying government regulations. This can be done by leveraging HEIs in terms of research initiatives.

**Alternative courses of action.** Government shall offer a more targeted, communicated and direct services to entrepreneurs to have a clear goals and realistic expectations. Partnering with community-based organizations such as immigrants and native residents, build relationships and provide services. Improved communication and business interaction in Seattle, USA is a sound example. With communication, they were able to gather inputs to examine how local regulations and policies help or hinder growth, identify small businesses that are expanding, promote community resources that provide support, permitting and zoning information, and to celebrate success.

**Recommendations.** Establishing relationship between entrepreneurial activities and regional policies as support model shall be in-place. Local leaders shall bring together service providers and business groups to help identify gaps, encourage collaboration and organize a centralized information source.

**Implementations.** The MPL shall be serious to extend support to SMEs because the more positively oriented the local government is towards entrepreneurship and in its policy making, the better the adaptability and collaboration.
Monitoring and evaluation. A system be organized to monitor processes capitalizing on smooth flows for adaptability and addressing major and minor complaints as a corrective measure.

3.2.3.3 Establishment of support for immigrants and overseas contract workers (McConnell et al., 2011)

Policy Statement. Immigrants and overseas contract workers (OCWs) are sources of huge remittances. This money when managed properly can create an impact to their individual advantage and to the economy through utilization with SME projects and investment profiles. The MPL through this study will take into consideration what are the models to be established along this ground. Immigrant and OCW business owners can stabilize neighborhood and commercial corridors and synergize with local investments.

Alternative courses of action. Investment policy that is friendly for immigrants and overseas contract workers for them to engaged in entrepreneurship, individually or collectively must be in-place. Entrepreneurship can be in a form of strategic investment, such as, identified viable projects, quasi-securities or an investment profile.

Recommendations. Community of immigrants and OCWs (IOCWs) shall be organized locally to pool their resources into an investment fund. However, one big challenge along this line is the building of trust between and among the members of IOCWs, investment group and the government. Also, culture difference and language barrier are hurdles. Local governments shall intervene to overcome these hurdles and open the gateway of trust.

Implementations. There are two possible modes a member of IOCWs will engage, to be an individual entrepreneur, an investor in a project or in an investment profile. The government together with the finance experts locally and in HEIs, shall create a entrepreneurial development and investment plan for IOCWs to participate individually or collectively.

Monitoring and Evaluation. An Index of Entrepreneurship (IOE) be created to monitor and evaluate participant’s activity in the ESS particularly the HEIs and local government units (LGUs). An example to this is the Kaufmann Index of Entrepreneurial Activity in New York responsible of reporting that there is a smaller proportion of immigrant owned businesses operating more than 42 months compared with that of non-immigrants.

3.2.3.4 Leveraging higher educational institutions (MConnell et al., 2011)

Policy Statement. Universities can be assets for cultivating entrepreneurs and launching new companies, particularly those that try to harness new technologies. According to a 2010 survey by the Association of University Technology Managers (AUTM), within the 183 responding institutions, 651 new startup companies had been created. In Scottsdale, Arizona, 498 new startups had their primary place of business in their home state in constant partnership with the University of Scottsdale.

Alternative course of actions. HEIs shall naturally partner with local governments and offer services and courses to support entrepreneurs and small business. Additionally, building connections with HEIs allows LGUs to connect small businesses with workforce training resources as necessary.

Recommendations. Partnership with the state, local governments, private sectors and HEI can be established by having a business development centers (BDC) administered by the MPL. An example is in the 50 states of Columbia, wherein 1,000 SBDCs are assisting, improving or expanding small businesses.
Implementations. National policy shall be passed into law empowering HEIs to engaged into an innovative research that will lead to the creation of emerging startups. Incubation and acceleration policies shall also be designed after identifying feasible startups. Other HEI support services in terms of any underlying research connected to startups shall also be conducted as necessary.

Monitoring and Evaluation. Two monitoring tools will be created, first a system that will index all researches of the HEIs and identify if the researches conducted has an entrepreneurial opportunity as a startup. Second, a system that will monitor incubation-acceleration-implementation processes be created to tract emerging startups.

3.2.4 Regulatory and Review

3.2.4.1 Review of startup and small business regulatory requirements (Kenzhegarkanova et al., 2016; Bruce & Deskins, 2012; McConnell et al., 2011)

Policy Statement. The impact of public policies on engendering entrepreneurship development are determined by identifying the gaps between policies and factors that impede entrepreneurship and MSME development. An example is the domain misalignment which will tend to negate profit motive, stifle business innovation and expansion, and discourage survivalist mode. Another author also mention that navigating a regulatory process can be difficult for any business especially on SBEs that do not have the time, resources, and experience needed to engage bureaucratic steps.

Alternative courses of action. Government shall revisit current regulatory requirements and infrastructures in order to reduce overhead costs for entrepreneurs and help MSMEs grow. The purpose of regulatory review are as follows: to provide access or interface with government to informations needed, declare transparent timelines, accelerate reaction for requests or approvals, prevent multiple uncoordinated agencies and escape from outdated laws that no longer serve a purpose. At any rate, government restrictive policies (RPs) shall be limited for startups and small businesses. It ranges from registration, reporting, difficult process with government officials, aggressive tax administration and structures, and underground economy.

Recommendations. Government shall realign public policies and programs with other domains. An example is the regulatory application requirements for new MEs that is treated similar as processing with emerging businesses. Considering that ME applicant as neophyte in the industry, he is very vulnerable to stifling against tedious entry and minor expansion requirements.

Implementations. The government shall organize a body that will study and implement policy realignment. Realignment can be in the form of elimination of restrictive policies for startups and small businesses such as registration, reporting, difficult process with government officials, aggressive tax administration and structures, and underground economy. Other than realignment of public policies, infrastructure shall be improved in order to reduce overhead costs for the MSMEs. These are road networks, highways, power supply and telecommunications.

Monitoring and evaluation. A system shall be created to determine the degree in which the local government provided the required infrastructure projects necessary together with the feedback mechanism of the limited regulatory implementations with the MSMEs.
3.2.4.2 Establishment of clear regulations, process steps in permitting and communications (McConnell et al., 2011)

Policy Statement. Communication between the entrepreneurs and small business community and the municipal government is needed to improve processes and better respond to needs, while unclear regulations with confusing steps are especially burdensome on new and small business. Other benefits of good communications are: getting inputs to examine how local regulations and policies help or hinder growth, identify small businesses that are expanding, promote community resources that provide support, provide permitting and zoning information and celebrate success.

Alternative courses of action. Successful review and improvement of permitting and regulatory functions hinges on communication between internal and external stakeholders and committed political leadership.

Recommendations. Local leaders need to provide an accessible way for businesses to interface with regulations and permitting.

Implementations. To support entrepreneurs and small businesses, outside organizations with technical experience, resources and relationships are essential. They will help build clear goals and realistic expectations. Nevertheless, local leaders can bring together service providers and business groups to help identify gaps, encourage collaboration and be the central information source. Also, local government shall embark on programs that offers more targeted, direct services to entrepreneurs.

Implementation and monitoring. A system shall be created showing uniform processes across all LGUs of similar functions. The system further allows friendly interaction, if possible, between and among the members of the ESS locally and collectively. An example is the Office of Economic Development (EOD) in the City of Seattle, USA. The EOD effectively help businesses navigate government processes and connect to applicable resources.

3.2.4.3 Establishment of a system that will identify emergent entrepreneurship (Huggins, et al., 2015; McConnell et al., 2011)

Policy Statement. The regional enterprise policies and associated governance mechanisms shall be examined in terms of the impact of its evolving systems to foster entrepreneurship. This move will form a key part of the overall economic development strategy, its policy and priority to identify emerging forms of enterprises. It will include the identification of an entrepreneurship developmental stage through a uniform level of management, technical and financial challenges.

Alternative courses of action. Research shall be conducted to discover tools that will track the progress of enterprises. The system will be intelligent enough to highlight emerging entrepreneurship (EEs) and its strategies. Also, the system will produce diagnostics of the problems influencing non-emergents in order for management together with the ESS to introduce applicable interventions.

Recommendations. As an initial input for studying EEs, factors to be considered can be nature of markets and innovation system, nature of place-based cultures, nature of the institution they established, and the communities.

Implementations. The study of EEs must be included in the research agenda of the Regional Council for dissemination to HEIs and other research oriented groups or agencies. A team shall also be created to oversee the project implementation.
Monitoring and evaluation. A system shall be created to logically analyze the progress towards emergence or decline of an entrepreneurship using variables such as challenges encountered in every stages of operation.

3.2.4.4 Establishment of an Economic or Entrepreneurial Development Office to monitor and evaluate policy implementations (McConnel et al, 2011)

Policy Statement. The Economic or Entrepreneurial Development Office (EDO) shall focus in the monitoring and evaluation (MoE) of the policy implementations included in this study. MoE shall be anchored in the recommended processes or systems of every policy.

Alternative course of action/recommendations. The MoE Team will be composed of experts and researchers from multidisciplinary sectors carefully selected from HEIs and research groups.

Implementation. Strategically, EDO shall be established regionally, meaning, one EDO in every province and cities.

Monitoring and Evaluation. Performance of the EDO will be gauged according to the entrepreneurial development of their own area of responsibility.

3.2.4.5 Building of an IT infrastructure that will store, analyze and provide significant data for all the stakeholders and solve access issues (Munoz et al., 2015)

Policy Statement. The IT infrastructure (ITI) necessary for the implementation of the policies herein is a very complex system. The MPL must employ experts or technopreneurs in systems development to design and implement an efficient infrastructure both in hardware and software.

Alternative course of action/recommendations. For fast implementation of the ITI, the MPL shall allow techno-startups to build systems that will solve related issues. However, the ownership of the metadata generated must be laid down prior to operations.

Implementation. Strategically, ITI shall be build in every region and shall be mirrored nationally to a central server. This allows collective gathering of data locally and nationally. Data collated can now be converted into a country monitoring such as that of the GEM.

Monitoring and Evaluation. If the government take an active part in the implementation of the ESS, it can have access to their daily activities and collect data through ITI. Collected data can be used to monitor and evaluate the performance of the system itself. Continuous systems development shall be established to polish deficiencies of the processes.

4. Conclusions

In order for the APR member states and the rest of the LLeDCs to improve and globalize their economy, this study assert that they must adopt and legislate MPL in support of their country’s entrepreneurship program. It must be managed by a separate branch of their government primarily designed to developed MSMEs in the rural areas. Although MPL is a national law, it will dwell in the municipal and city level, focusing in development of private
sectors primarily MEs. The government under the MPL must build a support system actively participated by the government itself, NGOs, POs, financial institutions, HEIs and experts in grey-hair level. The tenets of government’s direct support will focus in laying the foundation and opportunities of MPL, ESS, and regulatory and review.

Laying the Foundations and Opportunities of MPL

When understanding startups and small businesses, they must be uniformly categorized according to stages of challenges. Entrepreneurial intention is also considered an important aspect of study and its marriage to actual competencies. Another co-equal considerations are the following. First, tapping of underdeveloped emerging markets, say, proven investments from other places that has entrepreneurial potential as an “in-place”. Second, incubation of innovative techno-products and services. Third, is the enhancement of agricultural entrepreneurship alongside with social, home-base and cottage entrepreneurship for women. Fourth, is to initiate university and government involvement in the generation of wealth for entrepreneurs. Fifth, is the globalization of products or services from emerging SMEs through government support of an efficient export-focus modelling.

Entrepreneurial support system

The primary considerations with ESS is to provide financial program and business development services (BDS). BDS can be a continuing entrepreneurial education and training. Second, is to relate-adapt-collaborate activities and policies by addressing domain conflicts, improved communications and business interactions. Third, is a “scheme” for overseas contract workers - source of huge remittances. The government and the ESS must design an investment profile for them. Fourth, is the leveraging of HEIs in terms of research related to innovations as well as processes of initiating and cultivating startups and SBEs. HEIs shall naturally connect with the LGUs to determine projects that are helpful in the dynamism of their local entrepreneurs.

Regulatory and Review

First to consider is the analysis of regulatory requirements by identifying gaps between policies and its impeding factors, say, navigating difficult bureaucratic steps for SBEs against time, resources and experience. Second, is the “in-place” of clear regulations, process steps in permitting and communications. This policy allows better response to needs and promote support services for new and SBEs in terms of permitting, zoning and celebration of success. Third, is to put up a system that will identify emergent entrepreneurship through a tool that strategically tract its positive or negative development. This can be done using standard developmental stages in managing technical and financial challenges. Fourth, will be the establishment of a municipal, provincial, city Entrepreneurial Development Office purposely to monitor and evaluate entrepreneurial policy implementations.

Information Technology Infrastructure (ITI) to monitor and evaluate policy implementations

To automate monitoring and evaluations of the CEP model, an ITI must be in-place. This can be state-sponsored or through startup projects. However, issues of the ownership of the
metadata collectively generated from the intertwined system must first be resolved to avoid conflicts in case private sector will develop it.

Acknowledgements

The author wanted to extend my greatest thank to Dr. Cherrylyn F. de Leon Cabrera, my university professor, for an inspiration to have a research version of my course requirement in Administrative Policy submitted last second semester of academic year 2017-2018. Also, my gratitude to all my classmates who in one way pushes me to do this paper despite the difficulty of writing it alongside with other academic requirements.

To Prof. Afren Awayan, Dean of the Business School - Mindanao State University, General Santos City, for his free critiquing of the structures of this paper. To the Graduate School of Business and Governance – Ateneo de Davao University for a program well taught paving the composition of this paper. Most especially, to my greatest inspiration, my wife, Dr. Edna B. Bagcal for her unwavering support, and to my sons Florence John and John Bryan.

Above all, THE GOD ALMIGHTY, who bestowed me the prowess to write this paper, My Greatest Thank!

5. References


MECC [SG]. (2017, February 20). SMEs are at the heart of our economy. Retrieved from Ministry of Education and Communications [SG]:


University of the Western Cape. (2013). Guide to academic writing. University of the Western Cape, 44.
