
Innovation and entrepreneurial activities of SMEs in Fiji

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Abstract: Small businesses may benefit from innovations in terms of structure, supply or markets, as producers of complementary products or in serving specialist niches. In addition, small firms may enjoy comparative advantage in industries that serve smaller, fragmented markets, where consumers value variety and where manufacturing flexibility carries a premium. This research highlights the present status of small and medium enterprises (SMEs) in Fiji and attempts to identify the strategies that help enhancing their competitiveness through innovation. Results of this study reveal that there is positive relationship between customer orientation and entrepreneurial activity and the correlation results are significant in explaining the linear association. The interesting result of this research shows that entrepreneurial growth in Fiji is not dependent on technological innovation.

Keywords: innovation; entrepreneurship; small and medium enterprises; SMEs; Fiji.

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1 Introduction

Entrepreneurship has become a topical research issue in recent years. In particular, the role of the entrepreneur in innovation processes has received much attention, as it is witnessed in the seminal review of Malecki (1997). Innovation and entrepreneurship deals with policies and decisions; opportunities and risks, structures and strategies; staffing, compensation and rewards (Ducker, 2007). Governments in different countries

are always in position to introduce policies, and therefore influence environment which may directly or indirectly enhance or repress entrepreneurial activity (Dana, 1987, 1993). But the focus here is on productive entrepreneurial activity. This consists of the creation, recognition and utilisation of positive opportunities in such a way that involves 'innovation' or the provision of 'new combinations' of products and/or processes (Naude et al., 2011).

It is often assumed that with innovation is what matters in winning the race to be first-to-market (Smith, 2010). This is after all why innovation is often portrayed as a heroic endeavour, where the innovator struggles against seemingly overwhelming obstacles to get the product in the market before anyone else. Innovations are means by which entrepreneurs can enhance their competitive advantage, through its ability to secure business that otherwise, can go to another competitor or supplier. Innovation is shaped by what the targeted customer's need, what contribution to value creation entrepreneurs can provide, and what innovation has to offer that will help the entrepreneurs to secure customers' business and deliver the promised value.

The small business sector has given the economies of the Pacific Island countries (PICs) much of its recent vitality through the creation of new jobs and the development of new products and services. In all highly industrialised nations the long-term growth of business and thus regions stems from their ability to continually develop and produce innovative products. According to Freel (2005) "that not to innovate is to die".

In order to retain the customers' small firms in developing countries should be encouraged to engage in product diversification and supply new products to the current market. Fiji is home to indigenous Fijians and also industrious Indians. Both have excellent ideas and there are many success stories of developing new innovative products based on traditional knowledge, consumer choice and modern technology. But there is need to do more in this area. Entrepreneurs in Fiji should be made aware that innovation is basically exploitation of idea and which is worth risking.

New products/services have the highest degree of innovation, thus small and medium enterprises (SMEs) in Fiji should be provided with sufficient finances for them to engage in such innovation. A good example is that in Fiji huge range of new products being introduced by Organic Earth Fiji. The advantage of the incremental products is that, because they are based on existing products, they can usually be designed and manufactured quite rapidly, and the marketing costs are less because customers are already familiar with the core product (Allen, 2009). In other words if an entrepreneur creates a business environment that encourages creative 'off-the-wall' thinking, the chances are greater that his/her company will eventually come up with breakthrough products (Allen, 2009).

Moreover, product or services that can also be identified as line extensions. Line extensions are based on existing products, however the product is altered in some way to give new attributes and these new attributes makes the product an innovation. The rationale behind the addition of new attributes is to enable the product to appeal to a new group of consumers. For example, Friends Fiji Limited continuously add new products to its current product lines, therefore this strategy of product innovation helps to acquire a lot more share in the market. Another field where the extensions are common in Fiji is pharmaceuticals selling wide range of painkillers for many years.

The reason that entrepreneur can succeed with an innovation strategy is that new concepts are not generally attractive to establish companies in the early stages because:

- 1 they break the mould, which would mean significant change for the large company and possibly pull the company from its core competency
- 2 the early markets are generally small with low margins
- 3 large companies typically wait to see how the new model fares in the market and then they either change their model or attempt to acquire the entrepreneurs company.

2 Literature review

According to Aydogan (2009), policies of innovation and entrepreneurship differ across group of developing countries, for example there are small group of countries such as China and Mexico who has achieved certain stage of capitalist development while on the other hand there are large group of countries which lack critical level of capital accumulation even for sustainable development. Small island states such as Fiji when compared to its western and other counterparts lack the investment capital that can be permeated in the development of SMEs (Baldacchino, 1995, 1999).

2.1 Innovative operations management

Moreover the ability to innovate in the operations of the business can be a superior competitive advantage for any entrepreneurial company, this basically means finding new ways to fill customer order, create new products and services and deal with customer service. Efficiency in operations in the way that management helps the entrepreneurs produce competitively along the line of new product development, purchasing, inventory, productions, manufacturing, distribution and logistics that are necessary to produce and distribute good and services (Allen, 2009). Thus an operation innovation basically is how the above work gets accomplished. According to Allen (2009) entrepreneurs with start-up ventures have an advantage in this regard, because they can more easily implement process innovations without having to overcome the challenge of existing structures.

2.2 Technological innovation

Technological innovation also plays a vital role in entrepreneurial growth by creating an enormous difference in the ability of manufactures to be more productive and flexible, so that they are better able to manage their supply chains, and achieve the highest levels of quality at basically lower cost (Becheikh et al., 2006).

Technological innovation is a key factor in an entrepreneur's competitiveness. According to the research done by Becheikh et al. (2006) technological innovation is unavoidable for firms which want to develop and maintain a competitive advantage and/or gain entry in to new markets. The flexibility of entrepreneurs their simple organisational structure, their low risk and receptivity are the essential features facilitating them to be innovative (Harrison and Watson, 1998). Therefore it can be said, entrepreneurs across industries have the unrealised technological innovation potential (Chaminade and Vang, 2006). In Fiji the saturation of innovation and the use of ICTs is very low among SMEs and this is one of the main reasons why the Fijian businesses are still facing hindrances to innovate (Singh et al., 2010). Another study by MacDonald

(1997) shows that the island states of the South Pacific (example Fiji, Papua New Guinea and Solomon Islands) being very small, lack necessary state of resources and skilled workers. This is also one contributing factor for lack of technological innovation in the region. According to Singh et al. (2009), SMEs in Fiji, face many challenges including the lack of investments into technologies, know-how and shortage of skilled labour that hampers their potential to achieve success. Hence, SMEs in the South Pacific countries including Fiji have to go a long way in adapting to innovations and eliminating barriers.

2.3 Product innovation

Product innovation looms large in the public imagination (Smith, 2010). According to Smith products, are probably the most obvious innovation application. Product development is one of the entrepreneurial growth strategies put forward by Ansof (1988) for future development, since new product development is directly linked with enhancing the customer's satisfaction level. The introduction of a new product or service on the market incorporates a high risk for the firm concerned. Since 'forewarned is forearmed', an important key success condition is the execution of feasibility studies in the form of pre-development research, in terms of assessment of client wishes and demands, analysis of the competition, and technical and financial feasibility in an early stage.

In Fiji SMEs face many financial obstacles and due to this there are not many successful product innovation stories. According to Naidu and Chand (2012), various financial obstacles include; inability to obtain external financing; inability to obtain internal financing; insufficient capital, start-up costs; expensive raw materials; high wholesale price; large losses due to scrap rate, sabotage, breakage and crime; decline in sales volume; bad debts and write offs; heavy equipment and maintenance costs; government tax, VAT and customs duty; payroll, rent and utilities; transportation and petrol costs; high interest rates on loans; ability to meet financial obligation; insurance costs and delay in account receivables payment.

2.4 Competitive advantage innovation

Entrepreneurship in the SME sector is normally characterised by many potential competitors. The development of a competitive course requires insight into the motives and actions of other competitors, so as to position a new product properly, in terms of degree of market appeal, novelty of the new product and the possibility for patents. Calantone et al. (1996), for instance, mentioned the strategic importance of collecting and assessing information on the competition in the market. As researched by Song and Parry (1997), "competitive product advantage is also as a key determinant for new product success".

In Fiji marketing practices of SMEs are affected by limited marketing information, huge advertising cost, political and economic instability (Prasad and Singh, 2013). This is further hampered as the entrepreneurs in the region in general and Fiji in particular lack marketing skills, knowledge and are not well equipped with strategies to tackle battles. Prasad and Singh (2013) in their research on SMEs have indicated that it is very vital that SMEs in Fiji realise their competencies in order to deal with opportunities and challenges and to maintain competitive edge over its competitors.

2.5 Entrepreneur

According to Nijkamp (2000), entrepreneur is characterised by a series of creative qualifications. It is striking that the entrepreneur as such is hardly mentioned as a success factor in the innovation process. Heunks (1998) shows that a certain combination of order, flexibility and creativity fosters innovation; these are typical entrepreneurial aspects. Moreover it is also noteworthy that Quinn (1985) talks about that large firm stay innovative by behaving like small entrepreneurial ventures. The entrepreneurial style may be interpreted in terms of commitment and determination, persistence in problem solving, creativity and team spirit, and motivational capacities. Different research studies conducted in South Pacific region by Croulet and Sio (1986), Ritterbush (1986), Finney (1987, 1988), Fairbairn (1988), Hailey (1988), Mamman (1993), Yusuf (1998), Baldacchino (1999), Schaper (2002) and Singh et al. (2010) have found that entrepreneurs in the south pacific region portray different characteristics from their counterparts in the West. Fiji is one such island country of the South Pacific region where culture and wisdom of indigenous people is quite visible in the practice of entrepreneurship (Dana and Anderson, 2007).

2.6 Unique product innovation advantages

For innovation and entrepreneurial growth, the outstanding position is understood by exclusive product advantages, in terms of product quality, product features, product price, product packaging and product design. Thus specificity of a product is not only related to its internal features, but also to its position in the market. Customers should be provided with real value that is superior to competitive products, so that their needs are optimally satisfied. Refer inter alia to Song and Parry (1997), Atuahene-Gima (1996), Montoya-Weiss and Calantone (1994), Edgett et al. (1992), Zirgerand and Maidique (1990), Cooper (1990), Cooper and Kleinschmidt (1987) and Rothwell et al. (1974) for a further exposition on the importance of this factor for innovative entrepreneurial attitudes. According to Singh et al. (2010), even though SMEs in Fiji have the desire to upgrade their operations to provide a better service to customers but they are unable to do so due to the high cost of operations involved. In recent times various costs have gone up and the SMEs seem to feel the pinch more than their 'big brothers' in the business world. Take for example the telephone charges are said to be the invariably the highest in the region.

3 Methodology

The paper is based on first hand primary research fieldwork conducted by authors in between 2010 and 2011. In Fiji data was collected from two main Islands namely; Viti Levu and Vanua Levu. The Registrar of Companies was the only possible place from where a list of SME business was obtained. Having the adopted estimated SME population of Fiji as 4,000 respectively, it was identified as the sampling framework for this research. The questionnaires used for this research were pre-tested in Fiji on a sample of 15 respondents, after which minor changes were made. The entrepreneurs were selected by using random sampling technique. Researchers also reviewed the literature of

primary companies, government documents and secondary articles written on SME industry of Fiji.

A case study approach was also adopted to make a detailed study of the small and medium entrepreneurs in Fiji. The case study undertaken for this research is just snapshots how innovation is linked to entrepreneurial growth in Fiji. The case study portrays a range of initiatives and innovative strategies employed by entrepreneurs for their firm's growth. The case study is further able to portray that entrepreneurship is a mindset or a way of thinking that is opportunity focused, innovative and growth oriented.

4 Findings and discussions

Fast changing global economic scenario has thrown up various opportunities and challenges to the entrepreneurs in Fiji. While on the one hand, many opportunities are opened up for this sector to enhance productivity and look for new markets at national and international level, it has also, on the other hand, put an obligation to upgrade their competencies to meet the competition as new products are launched at an astonishing pace and are available worldwide in short time. Innovation requires not only extreme knowledgeable, and skilled entrepreneurs, but they also need also highly-skilled labour. Thus, educational policies and capability-building are important public policies. Most research attempted to explain how these 'special' qualities endowed entrepreneurs with a unique ability or driving force to create and nurture new businesses (Park, 2005). For entrepreneurial firms, technology innovation may manifest itself in many forms.

Table 1 Critical success factors for innovation in Fiji

<i>Descriptive statistics</i>	<i>Mean</i>	<i>Std. deviation</i>	<i>N</i>
Treat new problems as opportunities for innovation	6.72	0.549	1
Organising distribution in restrictive markets	1.81	1.532	2
Motivate and empowering employees	6.40	1.027	3
Look at old problems in new ways to promote business products	6.65	0.870	4
Learn from a variety of means	6.81	0.450	5
Apply learned skills and knowledge to actual practices	6.12	1.892	6
Innovate and do things differently	6.65	0.720	7
Interact with others	6.84	0.531	8
Invest in R&D	3.16	2.058	9
Produce competitively	1.35	0.613	10
Product is matched to the standards	1.72	0.984	11
Meet customer expectations by upgrading product packaging, design and quality	1.42	1.006	12

Table 1 Critical success factors for innovation in Fiji (continued)

<i>Descriptive statistics</i>	<i>Mean</i>	<i>Std. deviation</i>	<i>N</i>
Promoting product in different newspapers and magazines	2.40	1.814	13
Reaching to new customer through radio advertisement	2.77	2.022	14
Attracts large customers	1.47	0.702	15
Creating awareness to customers	3.00	1.528	16
Entering new market segments	5.72	1.980	17
Product/service obsolescence rate is very high	3.30	1.355	18
Prior planning for things for interaction with target market	4.30	1.145	19
Explore new ideas	6.79	0.514	20
Product is superior in the market	1.51	0.736	21
Promoting products to new customers through television	6.60	2.025	22
Exploring new marketing opportunities	4.05	0.899	23
Product and service development is based on good market and customer information	4.33	0.969	24
Plan for changes taking place in the market	3.93	1.203	25
Marketing initiative to promote products	4.23	1.231	26
Rich investment in new markets and products	4.30	0.773	27
Presence of unique features in the product	3.93	1.261	28

Table 1 provides an overall representation of the critical success factors for innovation as perceived by most entrepreneurs. In Fiji statements are made regarding the critical factors for innovation and entrepreneurial growth. Issues raised in the survey include innovative factors with that are highly related to entrepreneurs business. This part of the questionnaire presented 28 major innovative factors which entrepreneurs apply it in their operation, and thus referred to as critical success factors. Respondents evaluated each of 28 potential innovative on a scale of ‘1 to 7’. The higher mean represents factors which are paramount innovative factors for entrepreneurial growth and lower means indicate otherwise. As per findings these include:

Treat new problems as opportunities for innovation; motivate and empowering employees; look at old problems in new ways to promote business products; learn from a variety of means.

Apply learned skills and knowledge to actual practices; innovate and do things differently; interact with others; explore new ideas; promoting products to new customers through television.

Moreover factors shown in Table 1 are critical factors which are directly or indirectly related to innovation and entrepreneurial growth. These are the factors in which entrepreneurs invest in to get new products and services in the market in an innovative manner.

Table 2 Entrepreneurial activity affects customer retention

		<i>Entrepreneurial activity</i>	<i>Customer orientation</i>
Entrepreneurial activity	Pearson correlation	1	0.526**
	Sig. (two-tailed)		.000
	N	43	43
Customers orientation	Pearson correlation	0.526**	1
	Sig. (two-tailed)	0.000	
	N	43	43

Note: **Correlation is significant at the 0.01 level (two-tailed).

Results in Table 2 reveal that there is positive relationship between customer orientation and entrepreneurial activity and this is significant in explaining the linear association. As entrepreneurial innovation increases, customer orientation also increases.

In today's era retaining and maintaining current customers is more important than spending money to find new customers. Entrepreneurs pursue with entrepreneurial innovation whereby entrepreneurs match demographic information about current customer with demographic data in the geographic area of interest to find prospects more effectively. It was also found out that through entrepreneurial innovation customer loyalty is actually strengthened when a problem solving session with the company results in satisfying.

Experienced entrepreneurs such as Organic Earth Fiji and Suva Handicraft in Fiji engage themselves in different marketing campaigns to promote their product. They also plan for things prior to actual interaction with the target market so that they are better able to uncover the complexities which may arise during the interaction process

Table 3 exhibits relationship between entrepreneurial activity and competency with chi square value of 177.67, this is significant as $0.008 < 0.05$, this means that entrepreneurial activity is dependent on competency. Entrepreneurs in Fiji ensure that in order to bring about innovation and firms growth they engage in continues learning which helps them to explore new idea for product improvement, treat competitors problems as opportunities by serving the markets which were underserved. NCSMED plays a very crucial role in training entrepreneurs in Fiji and suggesting them business growth idea. Entrepreneurs see consumer needs as the source of new ideas that lead to innovation. New to market implies that this is a product or service not previously offered in the market. Innovation requires not only extreme knowledgeable and skilled entrepreneurs; nevertheless they also need also highly-skilled labour. Thus, educational policies and capability-building are important public policies. Therefore in order to be innovative entrepreneurs in Fiji are encouraged by the training institutions (NCSMED, University of the South Pacific, and Fiji National University) to take reasonable job related skills which further helps them to apply new strategies to become competent and to promote business products.

Table 3 Entrepreneurial activity and competency

	<i>Value</i>	<i>df</i>	<i>Asymp. sig. (two-sided)</i>
Pearson chi-square	177.673 ^a	135	0.008
Likelihood ratio	80.058	135	1.000
Linear-by-linear association	4.457	1	0.035
N of valid cases	43		

Notes: ^a159 cells (99.4%) have expected count less than five. The minimum expected count is .02.

Table 4 explains relationship between product innovation and entrepreneurial activity. With chi square value of 157.57, this is significant as $0.001 < 0.05$, this means that Product innovation is dependent on how competent entrepreneurs are. Products that are superior in quality compared to others in the market will help entrepreneurs to get new customers for the current product. According to the findings entrepreneurs in Fiji are trying hard to reposition the product for new customers in the market segment however the big players in the market make it very difficult. Repositioning the product leads to entrepreneurial growth as it has a direct effect on improving the firms’ profitability. These days in Fiji entrepreneurs are investing in research and development which further helps entrepreneurs to bring about line extensions where by product is altered in some way to give new attributes and it is basically the addition of these new attributed that makes the product innovation.

Reason why entrepreneurs in Fiji sometimes go for product line extensions is to enable the product to appeal to a new group of consumers. As long as product superiority and product line extensions are matched to standards entrepreneurs are best able to organise marketing efforts to further promote their products. Most entrepreneurs in Fiji are also able to regularly change the design and packaging of their product to capture increasing customer attraction.

Table 4 Product innovation dependent on entrepreneurial activity

	<i>Value</i>	<i>Asymp. sig. (two-sided)</i>
Pearson chi-square	157.567 ^a	.001
Likelihood ratio	74.301	.994
Linear-by-linear association	1.565	.211
N of valid cases	43	

Notes: ^a130 cells (100.0%) have expected count less than five. The minimum expected count is .02.

Table 5 explains the relationship between entrepreneurial growth and innovative technology. The results reveal that chi square value of 87.86, this is not significant as $0.09 < 0.05$, so this means that entrepreneurial growth in Fiji is not dependent on technological innovation.

Table 5 Entrepreneurial growth and innovative technology

	<i>Value</i>	<i>df</i>	<i>Asymp. sig. (two-sided)</i>
Pearson chi-square	87.862 ^a	72	.098
Likelihood ratio	59.047	72	.863
Linear-by-linear association	10.689	1	.001
N of valid cases	43		

Notes: ^a90 cells (100.0%) have expected count less than five. The minimum expected count is .02.

Today's entrepreneurs face a rapidly changing environment brought about in large part by the speed of technology change. In the developing countries it can be seen that technology plays a vital role in bring about innovation. However in Fiji due to the various challenges faced by the entrepreneurs, they are not able to acquire the best technology for the product and the reasons for this response were:

- technological innovation are very costly
- freight cost, duty and value added tax (VAT) is to high in Fiji
- faced with capital problems and interest rate on small loans increases every year
- imported raw material are expensive
- limited knowledge on advanced technological innovation.

Table 6 explains the relationship innovation and opportunity. Figures in Table 6 reveal that there is a positive relationship between innovation and opportunity and this is significant in explaining the linear association. As innovation increases, opportunity to hold a greater market share also increases.

Table 6 Innovation dependent on opportunity

		<i>Innovation</i>	<i>Opportunity</i>
Innovation	Pearson correlation	1	0.392**
	Sig. (two-tailed)		0.009
	N	43	43
Opportunity	Pearson correlation	.392**	1
	Sig. (two-tailed)	.009	
	N	43	43

Note: **Correlation is significant at the 0.01 level (two-tailed).

Creativity is a critical skill for recognising or creating opportunity in a dynamic environment and for problem solving, which is necessary to satisfy customer needs. Every year NCSMED organised entrepreneurs expo where by entrepreneurs displays their talents and attracts the eyes of potential business customers, cruise ship tourists and exporters.

It was also found out during the research that in Fiji its entrepreneur's creativity enables them to differentiate their businesses from competitors. As such entrepreneurs try respond immediately to their competitors launch so that customers notice them. Most

interviewed entrepreneurs outlined that in order to be successful the idea must create new value for customer in order to make money from the opportunity. Entrepreneurs in Fiji hone their natural creativity and problem solving skills to put themselves in a better position to innovate and recognise or create a business opportunity.

Table 7 explains the relationship between innovation and motivation of employees and capacity building. Innovation largely depends on how motivated the employees are. Results in Table 7 reveal that there is positive relationship between innovation and motivation of employees and capacity building. Innovation is certainly not possible if the employees are not motivated. However the entrepreneurial growth is dependent on how information is disseminated and product is distributed to the customer. Motivated employees try to get new product ideas from the customer who which then helps the entrepreneurs to get modified product to the market This help the entrepreneurs to grab a larger market share. Entrepreneurs portrayed that motivated employees persuade customers to make sales and also offer them after sales service which also increase customer retention.

Table 7 Innovation is dependent on motivated employees and capacity building

		<i>Product</i>	<i>Innovation</i>
Motivated employees	Pearson correlation	1	.326*
	Sig. (two-tailed)		.033
	N	43	43
Innovation	Pearson correlation	.326*	1
	Sig. (two-tailed)	.033	
	N	43	43

Note: *Correlation is significant at the 0.05 level (two-tailed).

Most of the entrepreneurs offer employees with relevant incentives and encouragement which thus helps entrepreneurs for new business development idea.

In Fiji entrepreneurship is regarded as a mindset or way of thinking that is opportunity focused, innovative, and growth oriented. Entrepreneurs have the desire to differentiate themselves from crowd and apply their passion and drive to executing business opportunity. In order to be innovative they gather resources required to act on the opportunity. They try at a very optimal level to make a novel entry into new or established markets and exploit new or existing products and services.

4.1 Competitive advantage creates opportunity for innovation and firms' growth

Entrepreneurs in Fiji try to make full potential of the competitive advantage which they have gained over their competitors. This competitive strategy speaks to how a business model is different or unique from the business models of competitors. They try to gain as much as knowledge about their customer and there product and service development is based on good market and customer information. Some of the sources of opportunity for entrepreneurs in Fiji are as follows:

- repositioning the company on the value chain and look for market which are not being pursued or served by the competitor and doing exclusive distribution in the most restrictive type of market
- reinventing the value chain where by the entrepreneurs try to ignore what currently system currently exists to reach to the customer and develop a whole new value chain
- redefining value added is where entrepreneurs try learning what customers want in advance, investing in research and development and then approaching the customer with a solution
- redefining distribution by going where customers are. Most of the entrepreneurs in Fiji engage in house to house sales especially in rural areas.

5 Summary and conclusions

Therefore, it can be said that entrepreneurs find inspiration for new ideas that could become new businesses in a variety of places. It can be said that opportunity is everywhere, and much of it goes unnoticed. Thus entrepreneurs should make effort to become more creative and opportunistic that will give them a competitive advantage and an unending supply of new ideas.

The concept of innovation refers to the putting into practice of inventions. As it can be seen in the discussion above that innovation is dependent on opportunity, technology, entrepreneurial activity, capacity building and motivated staff. It was also found out through research that innovation is increasingly knowledge-and skill intensive. Positive externalities inherent in investment in knowledge, technological advance and human capital, public policy has an important complementary role to play in fostering entrepreneurial innovation. Innovation requires above mentioned factors or only highly knowledgeable, experienced and skilled entrepreneurs, but also highly-skilled and motivated labour.

The findings also showed that entrepreneurs portrayed that motivated employees persuade customers to make sales and also offer them after sales service which also increase customer retention. Once the small firms have actually hired each new employee, they need to retain those motivated employees that that perform innovatively well. Entrepreneurs need to retain those employees that add value. The motivation factors for employees here are the compensation and benefits offered as well as the method and means of reviewing performance.

The findings of this study will be useful to the policymakers, entrepreneurs, businesses, researches, and financial organisations supporting organisations of small and medium firms in Fiji. Many entrepreneurs also suggested that the climate for research and development would be improved if regulatory and administrative burdens were reduced. The availability to enterprises of relevant information (technical, commercial, etc.) is essential to successful innovation, thus NCSMED, Microfinance unit and other organisation supporting the move for innovation and entrepreneurship should provide the entrepreneurs with relevant and timely information.

More over entrepreneurs need user-friendly patent offices with lower cost, streamlined procedures for patent protection in spurring innovation. In addition to that

training and education is equally important for innovation and entrepreneurship thus the stakeholders should encourage the entrepreneurs to engage in in-house training which is being provided by NCSMED occasionally and also fostering links between entrepreneurs and universities.

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