Entrepreneurial Leadership (EL): An Investigation of Entrepreneurial Competition on EL’s Competencies Development

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Conference Track
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Abstract

Entrepreneurial leadership (EL) as an emerging research enquiry, has been explored in various contexts (Cogliser & Brigham, 2004; Fernald et al., 2005; Harrison et al., 2018, Bagheri, 2013). Despite the increased scholarship, the research on EL’s competencies has received little attention (Gupta et al., 2004), particularly, the issue of EL competencies’ development at team level in business schools, remained unexplored. Given the critical roles of entrepreneurial programmes in developing EL competencies (Bagheri, 2014; Roomi and Harrison, 2011), it is prudent to explore how entrepreneurial competitions enhance the competencies of nascent entrepreneurial leaders in business schools at a group level. Exploring EL from a team perspective add new insights into EL literature.

Words Count: 2000
Introduction

Entrepreneurial leadership (EL) as an emerging field of enquiry has received substantial attention among researchers and practitioners in recent times (Bagheri and Harrison, 2020; Cogliser & Brigham, 2004; Fernald et al., 2005; Harrison et al., 2016; 2018; Omeihe et al., 2020; Lippitt, 1987). This type of leadership is recognised as an accelerator of competitiveness, success and growth of all types of businesses (Bagheri and Harrison, 2020). The research on entrepreneurship and leadership highlights that the role of leadership competencies are critical in undertaking an entrepreneurial process from initiating a venture, to start up, to performance and the success of the new venture (Baron and Ensley, 2006; Sambasivan et al., 2009). EL has significant influence on the competencies of leaders in recognising and exploiting business opportunities to improve organisation’s performance (Gupta et al., 2004; Okudan and Rzas, 2006; Chen, 2007). Extant literature on organisational leadership emphasise on the imperative roles of entrepreneurial competencies in coping with the challenges of uncertain and competitive business environment (Cogliser & Brigham, 2004; Fernald et al., 2005). To date, various researchers have highlighted the critical role of EL competencies and their development in new venture creation process, growth, and success (Baron, 2006; Frey, 2009). As a result, EL competencies’ development has gained substantial attention among researchers, particularly focusing on the competencies of nascent entrepreneurial leaders (Bagheri, 2013, Harrison et al., 2020). In this regard, scholars have proposed EL competency development models (Okudan and Rzas, 2004, 2006; Hentschke and Caldwell, 2005; Mattare, 2008; Bagheri and Pihie, 2010; Kempster and Cope, 2010; Roomi and Harrison, 2011; Bagheri and Pihie, 2013; Churchill et al., 2013). Despite a growing body of literature, there is a paucity of discussion in the literature about the specific competencies required for entrepreneurial leaders in leading various entrepreneurial activities successfully (Swiercz and Lydon, 2002; Gupta et al., 2004). Similarly, there is limited empirical studies available that discuss the role of entrepreneurial competitions on nascent entrepreneurial leaders’ competencies development. Particularly, there is a lack of empirical evidence from a leader-follower and group perspective (Harrison et al., 2018). In response, this study aims to explore the role of business school’s entrepreneurial competition in developing EL competencies in a group perspective. Entrepreneurial competitions are business activities’ events held at business schools across various universities in Pakistan. These activities are aimed to encourage students to produce innovative business ideas, sell products and services to the public, thus helping them to apply their theoretical business knowledge practically.
Entrepreneurial Leadership: Definition and Competencies

Entrepreneurial leadership is still at the embryonic stage of conceptual and theoretical development (Bagheri, 2013; Harrison et al., 2018) and there are three main approaches through which researchers define EL. First approach emphasises on inherent traits and qualities that differentiate entrepreneurial leaders from others. Second approach focuses on environmental and contextual factors whereby organisational leaders adopt EL principles and strategies in accomplishing organisational tasks and roles. Third approach explains EL as a process in which entrepreneurial leaders influence a group of people to enact organisational vision (Kempster & Cope, 2010; Gupta et al., 2004). In essence, there are multiple definitions to the construct of entrepreneurial leadership (Roomi & Harrison, 2011). Some researchers define EL as a distinct form of leadership that is effective in dealing with the challenges and complexities of a highly turbulent business environment (Swiercz and Lydon, 2002; Cogliser and Brigham, 2004; Gupta et al., 2004; Harrison, 2018; Clark et al., 2019). Some scholars drawing on the similarities of entrepreneurship and leadership, define entrepreneurship as a type of leadership practised in complex and challenging business environment (Fernald et al., 2005; Cogliser & Brigham, 2004). Gupta et al. (2004, p. 242) define EL as "leadership that creates visionary scenarios that are used to assemble and mobilise a 'supporting cast' of participants who become committed by the vision to the discovery and exploitation of strategic value creation". EL’s initial definition mainly focused on entrepreneurial leaders' attributes and characteristics. At the same time, recent conceptualisation views entrepreneurial leadership as a process in which leaders use an interpersonal and a systematic approach to mobilise a group of followers to achieve organisational vision. Based on Gupta et al.'s definition, entrepreneurial leaders need to perform two different tasks; scenario enactment and cast enactment. In scenario enactment, entrepreneurial leaders build new ideas and identify ongoing future opportunities to sustain their venture. While in cast enactment, entrepreneurial leaders inspire and influence their followers to ensure their commitment to achieving the objectives of scenario enactment (e.g.Bagheri and Pihie, 2011).

Despite the considerable discourse on EL’s definitions, researchers seem to agree on the role of distinctive competencies required for entrepreneurial leaders to lead an organisation effectively (Bagheri and Pihie, 2009).

Entrepreneurial leadership: a team-based competency model

Considerable entrepreneurial leadership research has focused on EL education and development (Okudan and Rzasa, 2004, 2006, Hentschke and Caldwell, 2005; Mattare, 2008;
Bagheri and Pihie, 2010; Kempster and Cope, 2010, Roomi and Harrison, 2011; Bagheri and Pihie, 2013; Churchill et al., 2013). The literature of entrepreneurship education underscores the importance of experiential learning which enables students to learn entrepreneurial skills out of class rooms through effective utilisation of technologies and integrating other methods into entrepreneurial curricula (Roomi and Harrison, 2011). Similarly, EL courses are essential for moulding and improving entrepreneurial behaviour of students (Okudan and Rzas, 2004; 2006). In this regard, various researchers have explored how entrepreneurial leadership skills and competencies can be learned and developed. For instance, Okudan and Rzas (2006) argue that a project-based approach is critical for EL teaching. Bagheri and Pihie (2012) argue that students can develop their entrepreneurial leadership competencies by participating in student related and program related roles. Student related roles entails personal and intrapersonal leadership learning and development. While program related roles offer learning opportunities in the form of experiential, social interactive, observational, and reflective learning that enable students to gain practical experience of entrepreneurial venturing. Kempster and Cope (2010) emphasised on social interactive and reflective learning essential for the development of entrepreneurial leadership competencies. They maintained that social interactive learning provides self-awareness and communication skills, enhanced creativity, problem solving skills and transmitting individual and collective knowledge. Reflective learning support individuals in reframing and reconceptualising events and facts thus resulting to changes in their self-awareness and competencies.

Despite the great emphasis on entrepreneurial leadership learning and development by several researchers, existing research on entrepreneurship education is dominated by traditional entrepreneurship teaching methods (Bagheri, 2010). Current literature on entrepreneurial leadership learning failed to draw insights into specific recommendation for teaching and learning practices (Roomi and Harrison, 2011) and existing literature neglects the role of context, culture and demographics (Harrison et al., 2018). The research on entrepreneurial leadership development also lacks empirical evidence to show how entrepreneurial leadership can be learnt in dynamic group context in business schools, and large and small organisations.

Investigating entrepreneurial leadership competencies at the group level is of vital importance; because most of the new ventures are founded by entrepreneurial teams rather than individuals (West, 2007, Schjoedt et al., 2013). The evidence suggests that 40 per cent of new ventures fail within the first year of their formation and more than half the reasons for these failures are caused due to underlying problems in entrepreneurial teams (Kaplan and Strömberg, 2004,
Schjoedt et al., 2013). The evidence from the literature suggests that coordination among members of entrepreneurial teams is a determining factor of new venture success (Chowdhury, 2005, de Mol, Khapova and Elfring, 2015, Gundry et al., 2016). Launching a new business as a team carries different issues as an individually managed one. The success of the individually managed business depends on individual capacities and competencies to meet with contingencies. However, the worker in the team depends on the capacities of team members, shared direction, and synchronised efforts (Santos et al., 2019). The process of working in a team entails; coordinating work, collective efforts, sharing knowledge, information and resources, developing mutual competencies, thus forming a collective entity (e.g., Santos et al., 2019).

**Developing entrepreneurial leadership competencies among nascent entrepreneurial leaders**

The research on entrepreneurial leadership in context of developing economies is scarce. Though some researchers focused on entrepreneurial leadership in a developing economy context; by large, these studies focused on experienced entrepreneurial leaders such as SMEs’ owners and pharmacists. (Chen, 2007; Mapunda, 2007; Van Zyl and Mathur-Helm, 2007; Bagheri and Pihie, 2011a; Bagheri and Lope Pihie, 2013; Harrison et al., 2018). A limited number of studies examine nascent entrepreneurial leaders (Bagheri, 2009) which are deemed to be prospective entrepreneurial leaders. Therefore, developing the skills and competencies of nascent entrepreneurial leaders is essential.

Existing literature predominately conceptualise EL from western countries’ perspective (Grint, 2011; Harrison et al., 2018); exploring EL with western conceptualisation in context of developing economies is inappropriate as developing economies have different contextual, social factors, and challenges. Given the prevalent challenges of developing economies such as unemployment, corruption, and poor infrastructure, developing the skills and competencies of entrepreneurial leaders are critically important for creating economic opportunities.

This study is conducted in context of Pakistan which is the world’s 6th largest populated country (Qureshi and Mian, 2020). Besides other challenges such as corruption, poor infrastructure, political and economic instability, unemployment is one of the major challenges confronting Pakistan. The unemployment rate in the country is 4.5 per cent with a growing trend and unemployment ratio among the youth age group 15-24 is 36% of the total labour force, which is second highest in Asia (population pyramid, 2021).
Given the significant share of youth in the population’s workforce, there is a dire need of employment opportunities in the country which can be fulfilled through the growth of private sector SMEs. For the growth of SMEs and new ventures, injecting entrepreneurial knowledge among young entrepreneurial leaders is essential. A large portion of existing business graduates lack practical entrepreneurial knowledge, as a result, after graduation they join the cohort of unemployed youths. To address this issue, the role of entrepreneurial competition is crucial in immersing business graduates with practical entrepreneurial knowledge prior to starting their new ventures. However, how entrepreneurial competition enhance the competencies of nascent entrepreneurial leaders, is unknown empirically. In response, this study aims to investigate the role of entrepreneurial competitions on EL competencies’ development.

Further Development

This research is under development. Before the British Academy of Management Conference in September, this study will collect qualitative data by using semi-structured interviews from nascent entrepreneurial leaders engaged in entrepreneurial competitions as a group at business schools. This research adds new dimensions to EL’s research by proposing a team-based competency model of entrepreneurial leadership that remains an untapped research area. Since the study adopts a qualitative method, a purposive sampling strategy will be used to address the research questions (Harrison et al., 2016, Bagheri, 2011). Shaw (1999, p. 63) maintains that the power of purposive sampling “...lies in the selection of cases rich in information about the substantive research problem”. Purposive sampling enables the researcher to choose potentially rich sample in answering research questions and achieving research objectives (Marshall, 1996). Since the study aims to investigate the lived experience of entrepreneurial leaders engaged in entrepreneurial competitions, an interpretivist philosophy is adopted as an underpinning research philosophy to capture rich insights from the participants. Qualitative data collected through semi-structured interviews will be analysed through thematic analysis by using NVivo.
References


