

The New Entrepreneurial Leader

DEVELOPING LEADERS WHO SHAPE
SOCIAL & ECONOMIC OPPORTUNITY

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An Excerpt From

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Developing Leaders Who Shape Social & Economic Opportunity***

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INTRODUCTION

Entrepreneurial Leadership: Shaping Social and Economic Opportunity

WE BELIEVE IN THE POTENTIAL OF GLOBAL INNOVATIONS THAT can yield both social and economic opportunity, and we believe that management education can, and should, play a transformational role in this movement. Management educators can do this by developing a generation of *entrepreneurial leaders* who engage a different *logic* of business decision-making based on a fundamentally different *rationale* for the existence of business. Profit maximization and shareholder value creation, long considered an adequate basis for businesses, are no longer sufficient (Porter and Kramer 2011). Maximizing the common good and minimizing social injustice and environmental impact is the order of the day.

We don't come to this position lightly. Over the past two years, we have conducted extensive research in collaboration with a

The ideas presented in this introduction are based on a white paper that was developed at Babson on the next generation of management education reform (Greenberg, D., K. McKone-Sweet, J. DeCastro, S. Deets, M. Gentile, L. Krigman, D. Pachamanova, A. Roggeveen, J. Yellin, D. Chase, and E. Crosina. 2009. *Themes for Educating the Next Generation of Babson Students: Self and Contextual Awareness, SEERS, and Complementary Analytical Approaches to Thought and Action*. Babson working paper).

cross-disciplinary team of faculty. During this process we have investigated our own approach to management education as well as that of other schools in the United States and around the world. We have conducted an extensive literature review that has taken us across diverse fields such as management education, cognitive psychology, and financial valuation. Finally, we have conducted two global studies involving more than 1,500 companies to understand the practical relevance of the concepts we were developing to real decisions that leaders make. This effort has led us to this viewpoint of how and why society needs entrepreneurial leaders today more than ever.

Entrepreneurial leaders are individuals who, through an understanding of themselves and the contexts in which they work, act on and shape opportunities that create value for their organizations, their stakeholders, and the wider society. Entrepreneurial leaders are driven by their desire to consider how to simultaneously create social, environmental, and economic opportunities. They are also undiscouraged by a lack of resources or by high levels of uncertainty. Rather they tackle these situations by taking action and experimenting with new solutions to old problems, as our industry research shows (Wilson and Eisenman 2010). Entrepreneurial leaders refuse to cynically or lethargically resign themselves to the problems of the world. Rather through a combination of self-reflection, analysis, resourcefulness, and creative thinking and action, they find ways to inspire and lead others to tackle seemingly intractable problems.

It is important to note that *entrepreneurial leadership* is not synonymous with *entrepreneurship*. It is a new model of leadership. Entrepreneurs, and the specific discipline of entrepreneurship, are often focused on new venture creation. Entrepreneurial leaders, on the other hand, also pursue opportunities outside of startup ventures.

- Entrepreneurial leaders work in established organizations, introducing new products and processes and leading expansion opportunities.

- Entrepreneurial leaders work in social ventures, tackling societal problems that others have ignored.
- Entrepreneurial leaders build engagement in social and political movements, and they change existing services and policies in non-governmental organizations (NGOs) and in governments.

These leaders are ready to challenge, change, and create new ways to address social, environmental, and economic problems through these different organizations. Entrepreneurial leaders are united by their ability to think and act differently to improve their organizations and the world.

As management educators, we have the opportunity and the responsibility to be a force for change as we redesign—and even reinvent—management education and development programs to foster entrepreneurial leadership. In this book we introduce the three principles that form the basis of entrepreneurial leadership, and we provide examples of how faculty members from different disciplines are modifying their pedagogy to develop entrepreneurial leaders. Before we discuss further entrepreneurial leadership and how we suggest reshaping management education toward entrepreneurial leadership, we bring this concept to life through the case of Clorox and the launch of Green Works.

Clorox and the Launch of Green Works

Clorox's product line dates back to 1913 with the introduction of bleach. Over time the company built its reputation by creating products that effectively cleaned and disinfected, thanks to its synthetic, chemical-based formulas (Cate et al. 2009). Clorox's hallmark brands include Pine-Sol and Formula 409—some of the most toxic, though effective, cleaning products on the market. By 2005 the company had grown to more than \$5 billion in revenue; and except for minor improvements to established products, Clorox had not released a new brand

in 20 years. While other industries might have been moving toward environmentally friendly products, the cleaning products industry remained primarily a chemical industry. Of the \$12 billion spent each year on cleaning products, the “natural” category accounted for only 1 percent of the industry at the time. Furthermore there were considerable consumer barriers to green cleaning products, including perceptions of efficacy, availability in stores, and price.

If we were to end the case here and ask most managers and management students to evaluate whether Clorox should enter the “natural” cleaning products market, we believe that most would argue against the decision. In a case discussion, participants might cite as reasons against the new product line the small size of the natural-products segment relative to the whole industry, Clorox’s lack of product innovation, the brand reputation of Clorox, and the consumer barriers to entry. A conventional business analysis approach would accurately result in the conclusion that entering the natural-products market segment would be a high-risk decision without a substantial financial reward for Clorox. As Jessica Buttimer, the marketing manager for Green Works, said, the market was “too small, too emerging, and the size of those barriers were too large” (O’Leary 2009).

Yet Clorox and its leadership team did not use a traditional management decision-making approach. Green Works began as a product line when a team of entrepreneurial leaders at Clorox, who had a different worldview of business, used an alternative decision-making approach in which they started by taking action, rather than just analysis, to build the new brand. Although this work was undertaken by many entrepreneurial leaders at Clorox, we focus primarily on the actions of Suzanne Sengelmann and Mary Jo Cooke, who lead the transformation of the Green Works product line.

In 2005 Sengelmann and Cooke had a unique job-share arrangement as the vice president of new business for Clorox’s laundry home care division. The two oversaw a small team that was isolated from the

rest of the division, and they were charged with being entrepreneurial and innovative as they imagined new opportunities for laundry home care.

Sengelmann and Cooke began by engaging in discovery work with consumers in the area of cleaning products. They knew that many consumers were raising concerns that the chemicals they used to clean their houses were worse than the germs and the dirt they were cleaning. Labeled “chemical-avoiding naturalists,” this market segment wanted to get toxic chemicals out of their homes but also wanted a product that worked. Their interest in natural cleaners was based in their concern about the health and the well-being of their families and less in their interest in preserving the natural environment (Cate et al. 2009).

Beyond their professional interest in this growing market segment, Sengelmann and Cooke had personal passion for moving forward with natural cleaners. Both women were mothers of young children and heard frequently from concerned friends and community members about the impact of chemicals on children’s development and the possible links between chemicals and autism and attention-deficit hyperactivity disorder (ADHD). Cooke had been involved in recycling initiatives long before they became fashionable, and both women had a personal interest in the environment. The personal passion the women brought to the project was essential for invigorating their energy to tackle the challenges they would face over the next three years as they brought Green Works to market. As Sengelmann stated, “For any good idea, you need personal passion” (Sengelmann 2010).

While Sengelmann and Cooke believed in natural cleaning products, they also knew that the business opportunity for Clorox depended on creating a natural product that worked as well as if not better than the chemical products. Sengelmann and Cooke connected with an internal group of chemists who had been experimenting with biodegradable plant- and mineral-derived cleaning formulas. Under

the leadership of Sumi Cate, research and development (R&D) manager of “Project Kermit,” this skunkworks group had been testing alternative ways to perfect a natural cleaning product that worked. Partnering with this team, Sengelmann and Cooke continued forward, shaping this social and economic opportunity for Clorox.

In early 2006, less than a year after Sengelmann and Cooke had begun their discovery work, the corporate new ventures team came to them to discuss the potential market for natural cleaning products. The corporate team was responsible for identifying the next big idea across divisions and had recently discovered a European natural cleaning product that they believed worked. The corporate team brought this shell of an idea to Sengelmann and Cooke. When they saw the passion and the knowledge that the women brought to the concept, they asked them to run with it. Here again we see the importance of passion, as a tenet of the corporate new ventures team was to hand off new ideas only to team leaders who had personal passion for a concept. Thanks to this practice, Sengelmann and Cooke caught the idea from new ventures and began to move forward to create the new value proposition.

Yet even with their shared passion, Sengelmann and Cooke continued to face challenges. First and foremost, as their R&D partners tested the European natural cleaning products, they found that they weren’t as effective as the corporate team had suggested, but another break arose a few months later. In the summer of 2006, there was a “shift in the supply and quality of technologies available,” and Sumi Cate and the “Project Kermit” team were able to develop a natural cleaning product that could compete with the effectiveness of established chemical brands. The team would eventually create five products that were 99 percent petrochemical-free and matched or beat standard cleaners in consumer tests (Kamenetz 2008).

Sengelmann and Cooke sought the help of Jessica Buttimer, a marketing manager in their group, to lead the effort to bring the

project to market. Sengelmann and Cooke were strategic in choosing Buttimer, as they knew she also had a personal connection to the product line. Buttimer was a mother of young children, an active hiker, and a supporter of local organic markets. She too had been hearing from neighbors about the desire for Clorox to produce more environmentally friendly cleaners (Neff 2009). Buttimer's personal passion fueled the effort and the innovative thinking she brought to the project.

As the R&D group made progress on creating a full product line of high-quality natural cleaners, these entrepreneurial leaders had to tackle two marketing challenges that at first glance seemed in direct opposition: On the one hand, they could use the Clorox brand name to build consumer confidence in the products' effectiveness. On the other hand, the brand name also introduced a new market challenge: convincing consumers that Clorox was introducing a product that was, in fact, natural. "There were a lot of greenwashing reports starting to surface and the consumers were skeptical," said Buttimer (Kamenetz 2008).

Again these three women acted their way into an innovative solution. Using their networks, they built a partnership with an environmental group that might have been seen as an adversary—the Sierra Club. Although the Sierra Club did not typically endorse products, especially ones from big companies, these entrepreneurial leaders were able to create a unique opportunity for both Clorox and the Sierra Club (Makower 2008). Values and passion again played into the success of the partnership. Carl Pope, the executive director of the Sierra Club, stated, "I think this [partnership] has worked well because in the Bay Area there is a kind of common set of attitudes . . . Because of their [Clorox's] common Bay Area roots, the communication has really been a pleasure. There really is an ability to just talk like when I was talking with one of my fellow environmentalists" (Michels 2008). The result of these shared values and eased communications was an agreement whereby the Sierra Club logo would appear on the

Green Works label and the Sierra Club would receive undisclosed financial compensation.

This team of entrepreneurial leaders finally had a natural cleaning line that worked and that consumers could trust. Through their established marketing channels, they tackled the other challenges related to cost (most green cleaners were twice the cost of Clorox's current products) and inconvenience (most natural cleaners were available primarily in specialty stores). Because of Clorox's power with suppliers and retailers, the women were able to place their products in mainstream stores at a price that was just a 20 to 25 percent premium over traditional cleaning products. They also created innovative grass-roots marketing campaigns to connect with the values and the passions of the "chemical-avoiding naturalist" market segment through a reverse graffiti initiative and the use of social media sites such as Facebook and YouTube.

In December 2007 Clorox launched Green Works, its first new product line in 20 years. Within the first six months of 2008, Green Works became the market share leader, with an estimated 42 percent market share. Currently, Green Works has 10 products, and the brand is a significant reason why sales of natural cleaning products doubled over the past two years. The Sierra Club also benefits from its partnership with Clorox; based on 2009 revenues, Clorox gave \$645,000 to support its conservation efforts (Duxbury 2010).

These entrepreneurial leaders were successful because they pursued this project in an unconventional way. Starting from their passion and values and a unique action-oriented, network-based approach to pursuing opportunities, Sengelmann, Cooke, and Buttimer led the Green Works transformation. The uniqueness of their approach is echoed by Buttimer, who considered herself "part of a small, social brand in Clorox that doesn't have all the data of established brands but continues to try to connect with consumers in new and different ways" (Neff 2009).

Entrepreneurial Leadership in the Clorox Case

These leaders' actions at Clorox epitomize our conceptualization of entrepreneurial leadership. As entrepreneurial leaders, Sengelmann, Cooke, and Buttimer combined a different way of acting predicated on a different worldview.

The first unique element of being entrepreneurial leaders is that these women's actions were rooted in their understanding of themselves and the communities in which they lived. Sengelmann and Cooke's actions began out of their own value systems, founded in their personal histories. Rather than leaving at home their interest in the environment and their families, they carried their values to their corporate job. These women then tapped their personal social networks to pursue opportunity. Through their understanding of their community and the local perspective, they were able to consider how Clorox could tailor natural cleaning products to meet the needs of these consumers.

While these women were passionate about the social and environmental need for natural cleaning products, they were also passionate in their pursuit of economic value. They recognized that Clorox would require a business case for the brand, and they worked to develop it. As entrepreneurial leaders, they understood the importance of connecting social and environmental sustainability with economic sustainability.

Starting from their passion and this unique view of business, these entrepreneurial leaders relied on an action-oriented decision-making approach to bring the Green Works product line to market. Rather than start with traditional analysis, Sengelmann and Cooke took steps to solve critical problems that could put an end to the natural-product line. For example, a key challenge for Green Works was gaining consumers' trust that it was an authentically green product line. Clorox looked to a broad array of external partners and built an innovative relationship with an organization that might have been

seen as an adversary to the product, the Sierra Club. Traditional analytical techniques would not have led to the creation of such a partnership. Through their action orientation and value-based approach, this team has been credited not just with changing the industry but with changing how Clorox does business (Neff 2009).

As this example shows, even large, established companies that lack a history of innovation can pursue breakthrough ideas that create social, environmental, and economic value simultaneously. To do this they need entrepreneurial leaders who begin the process of value creation by engaging a different method of making decisions and taking action that is rooted in a different worldview of business.

The Principles of Entrepreneurial Leadership

Entrepreneurial leadership involves a new model of thought and action, which begins with a fundamentally different worldview of business and applies a different decision-making logic. The good news is entrepreneurial leadership is not based on an innate set of personality characteristics. Rather, entrepreneurial leaders have developed unique mental models that support the power of human action to create and build a better world. Exhibit 1.1 depicts the three principles that underlie this mental model, all of which are discussed in more detail in this section.*

*The identification of these three principles as the basis of the mental model underlying entrepreneurial leadership came out of extensive work of a Babson task force. The goal of this task force was to identify what the next generation of management students needs to know. Engaging a grounded research approach that included interviewing faculty, survey research with alumnae and students, and reading pedagogy and theory across diverse management and liberal arts disciplines, this task force arrived at this model of entrepreneurial leadership.

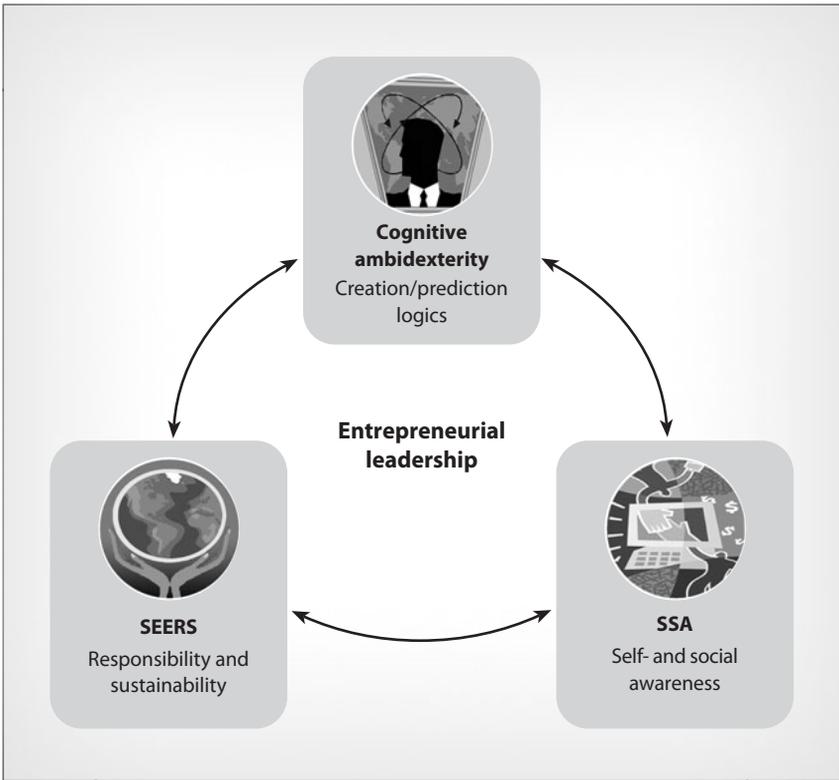


Exhibit I.1 The three principles of entrepreneurial leadership

We call the first principle, which introduces this different way of thinking and taking action, *cognitive ambidexterity*. Entrepreneurial leaders need to learn to be cognitively ambidextrous, engaging both prediction logic and creation logic in their decision-making approach. When an organization's future goals and environment reflect the past, entrepreneurial leaders can apply traditional analytical models to predict and manage the situation. When the future is unknowable and bears little resemblance to the past, however, entrepreneurial leaders must learn how to create the future through action and experimentation. Through cognitive ambidexterity, entrepreneurial leaders learn to balance and engage both of these decision-making approaches.

Guiding this different way of thinking and acting is a fundamentally different worldview of business and society. This different worldview starts from understanding a different value base for business that we refer to as *social, environmental, and economic responsibility and sustainability (SEERS)*. Entrepreneurial leaders must know how to navigate social, environmental, and economic value creation and the inherent tensions and potential synergies therein. Moreover they must learn to engage social, environmental, and economic value creation simultaneously rather than sequentially.

Beyond SEERS, entrepreneurial leaders also leverage their understanding of themselves and the social context to guide effective action. This third principle of entrepreneurial leadership we refer to as *self- and social awareness (SSA)*. Through an authentic and insightful understanding of their own sense of purpose and identity and of how they are affected by the context around them, entrepreneurial leaders make more-effective decisions in uncertain and unknowable circumstances.

While each of these three principles is rooted in existing theory, we go beyond existing ideas as we show the inherent connections among the three principles. Hence we redefine each principle using terminology that reflects these relationships. Furthermore, while other management educators have talked about the importance of each of these principles individually, what is also unique about our concept of entrepreneurial leadership is the integration of the three principles.

If entrepreneurial leadership is the key to unlocking social and economic opportunity, as management educators we needed to consider how to alter existing pedagogy to further develop the mindset of an entrepreneurial leader. To begin creating this pedagogy, we asked a series of questions, including: How do we develop entrepreneurial leaders who engage this unique way of decision-making that combines analysis and action? How do we develop entrepreneurial leaders who consider social, environmental, and economic opportunity in all

that they do? How do we develop entrepreneurial leaders who lead from their passion? In our research we recognized quickly that current models of management education fall short in teaching the principles of entrepreneurial leadership.

First, as Mintzberg (2004, 464) points out, management education is too analytical and focused on concepts and quantitative modeling. While these approaches may be useful for teaching leaders to manage uncertain situations, they are not applicable to solving the complexities of today's *unknowable* world. The only way to lead in an unknowable environment is through action. To develop these skills, we need to teach students how to use creativity, experimentation, and action to harvest opportunities (Datar, Garvin, and Cullen 2010). Management education has also been criticized for the lack of emphasis on ethics and social responsibility (Holland, 2009). Our overemphasis on shareholder value creation has come at the expense of social and environmental needs (Ghoshal 2005; Khurana 2007). To develop entrepreneurial leaders who lead with a different worldview, we need a new basis for understanding value creation beyond profit maximization.

Finally, to develop entrepreneurial leaders we need to be teaching our students how to use self-awareness and social awareness in their management approach. To date, we have not paid enough attention to developing leaders who are reflective of themselves and of the world around them (Mintzberg 2004). Entrepreneurial leaders need to connect to their values and passions if they are to inspire and create social and economic opportunity (Fleischmann 2009).

If we don't consider new paradigms for educating management students in new ways of thinking, in new worldviews, and in the importance of self-awareness, we are unlikely to meet the challenge of educating a generation of leaders who will be a positive force for change. As highlighted above, we are not the only ones who see these challenges in management education. Other authors have laid out in great depth the weaknesses of management education models

(i.e., Datar, Garvin, and Cullen 2010; Mintzberg 2004; Moldoveanu and Martin 2008). Actions such as the introduction of an MBA oath; increased emphasis on ethics, leadership, and corporate social responsibility; and the use of design thinking are all important steps in the right direction—but they are just that: steps. None of these steps provides management educators with a comprehensive new way of educating leaders who will be able to generate social and economic opportunity in today’s unknowable environment.

Management Education That Fosters Entrepreneurial Leadership

In this book we lay out a comprehensive paradigm for how to revise, and perhaps even reinvent, management education and development to mold entrepreneurial leaders who will shape social and economic opportunity. In each section we explore in depth the three principles behind this mental model of entrepreneurial leadership. More importantly, we provide concrete examples of how management educators across all disciplines can integrate these ideas into their courses—and even their entire curriculum—to develop tomorrow’s entrepreneurial leaders.

Many of our colleagues who are shaping entrepreneurial leaders developed the ideas and examples herein. We recognize these important contributions with a byline at the start of specific chapters. Chapters without assigned authorship were written by the principal authors of this book.

The following is an overview of the chapters to come.

Part I. A New Way of Thinking and Acting: Developing Cognitive Ambidexterity

In part I we explain the concepts behind cognitive ambidexterity and describe how to develop this mindset in entrepreneurial leaders. The principle behind cognitive ambidexterity is that entrepreneurial

leaders must rely on varied yet complementary analytical approaches to thought and action to create and implement solutions that are socially, environmentally, and economically sustainable.

On the one hand, entrepreneurial leaders must understand how and when to use the analytical approaches that have always been central to management education. *Prediction logic*, our phrase to describe the use of a traditional analytical approach, is an extension of the scientific method in which students learn to think, evaluate, and then act to move an organization toward predefined goals. The premise underlying prediction logic is that one can protect against or control the future through detailed analysis. Students learn how to practice data mining, market research, and traditional statistical tools to identify and develop opportunities. A prediction approach is most applicable for situations in which the goals are predetermined, the issues are clear, the causes and the effects are understood, and the data are reliable and available. A prediction approach assumes that an uncertain future can be predicted and that decisions can be made based on those predictions.

Yet entrepreneurial leaders also find themselves in situations where novelty or complexity limits their predictive capabilities. In fundamentally new or complex circumstances in which traditional cause-and-effect relationships are unknown, it is not always possible to gather the appropriate data or to use historical trends to engage a prediction analytical approach. In these situations of unknowability, entrepreneurial leaders must learn to apply a different logic that is based in action, discovery, and creation. We label this complementary decision approach *creation logic*.

With creation logic students learn that the future is created, not predicted. In unknowable situations action is needed to generate data and insight, to further assess the problems and the opportunities, and to select the next course of action. With creation logic students learn to examine who they are, what resources they have access to, and

which context they are operating in as they identify a course of action (see also Keifer, Schlesinger, and Brown 2010). Students also learn that as they begin this course of action they will work with a network of stakeholders, including both allies and adversaries, with whom they will co-create their goals. As surprises arise—and they will be in an unknowable environment—students learn how to adapt to or overcome them. Thus creation logic teaches students how to make decisions by beginning with thoughtful action that gives rise to new data and information, which can then be analyzed to guide future action.

All entrepreneurial leaders need to employ both creation and prediction logics and become adept at cycling between the two as they introduce new ideas and initiatives. Continuously alternating between creation and prediction approaches enables individuals and organizations to effectively innovate and manage change. Teaching entrepreneurial leaders cognitive ambidexterity involves not only showing them the underlying theories and methods but also giving them opportunities to apply and alternate between them.

Chapter 1 outlines the two logics in more detail and provides innovative exercises for how to introduce entrepreneurial leaders to the frame of cognitive ambidexterity. The next two chapters highlight each of the approaches that make up cognitive ambidexterity. Chapter 2 focuses on creation logic and introduces a number of courses that have been developed to teach undergraduates and experienced managers how to be cognitively ambidextrous in their approach to innovation and entrepreneurial leadership. Chapter 3 highlights the importance of analytics (a mode of prediction logic) and the role it plays as a complement to creation logic for entrepreneurial leaders of startups and small firms. Through a number of examples of prediction logic courses, we illustrate how management educators can frame courses that enable entrepreneurial leaders to develop cognitive ambidexterity.

Part II. A New Worldview: Social, Environmental, and Economic Responsibility and Sustainability

As mentioned, one of the principles that makes entrepreneurial leaders unique is that this new way of decision-making is based on a fundamentally different worldview. In part II we explore how to develop entrepreneurial leaders who have this unique worldview, by focusing specifically on the concept of social, environmental, and economic responsibility and sustainability and innovative ways to help entrepreneurial leaders understand the importance of this unique view of business and society.

Emerging global, social, environmental, and economic realities oblige us to teach leaders to consider issues beyond profit creation and shareholder value maximization. Entrepreneurial leaders need to develop a more complex understanding of the relationships among social, environmental, and economic value creation. The traditional business paradigm that focuses exclusively on economic value creation, or that depicts social and environmental value creation as secondary to economic value creation, is no longer valid. Individuals and organizations are increasingly being held accountable for the social, environmental, and economic outcomes of their actions.

Entrepreneurial leaders must operate out of a different worldview of business in which they understand the inherent tensions and the potential synergies that exist among social, environmental, and economic value creation. To do this they must also learn how to assess the interests, rights, and powers of a widely diverse group of stakeholders. Rather than ask whether a sustainable solution to a particular challenge is possible, entrepreneurial leaders need to learn how to develop, implement, and measure the effects of responsible and sustainable solutions. In teaching SEERS we develop entrepreneurial leaders with a worldview focused on simultaneously managing social, environmental, and economic value creation rather than the traditional sequential model.

Chapters 4 and 5 emphasize social and environmental value creation. In chapter 4 we discuss the SEERS worldview and introduce a number of ways that management educators are teaching students to consider social and environmental issues as they connect to complex business decisions. Chapter 5 focuses on environmental sustainability and responsibility and offers suggestions on how to develop materials on environmental issues that integrate information from a broad array of disciplines and that engage students in thinking about the scientific, legal, ethical, and cultural implications of their actions.

The next two chapters turn our attention to the complex economic aspect of SEERS. As we introduce entrepreneurial leaders to social and environmental value creation, we also have to teach them how to consider these issues in light of established financial models and theories of wealth creation. Chapter 6 focuses specifically on the accounting and financial perspectives and some of the challenges and the opportunities that these perspectives provide for students as they pursue social and economic opportunities. We discuss some of the unique ways in which we can educate external decision-makers and entrepreneurial leaders to consider accounting standards and begin the process of developing standards to support a SEERS perspective.

In chapter 7 we further examine the financial challenges of adopting a trifold view of value creation and some of the struggles that entrepreneurial leaders may face as they adopt this unique worldview. The chapter provides a framework for evaluating SEERS investments with financial analytical rigor and for preparing entrepreneurial leaders to engage in SEERS practices that are aligned with shareholder value.

Part III. Self- and Social Awareness to Guide Action

Part III focuses on how to develop entrepreneurial leaders' self-awareness and social awareness and teach them to lead from their passions. The third principle of entrepreneurial leadership involves developing a critical understanding of themselves and the societal

context of business opportunities. This understanding provides the basis for engaging *a new way of knowing* based on a more expansive view of business. By starting with a critical understanding of their own perspectives and of the world around them, entrepreneurial leaders are better prepared to apply diverse perspectives as they respond to situations that are uncertain and unknown. They are also better prepared to effectively co-create an ongoing course of action and to negotiate the uncertain and ambiguous results that can arise from their decision-making.

Finally, entrepreneurial leaders who have developed this richer understanding of perspective are able to engage a more sophisticated understanding of the world—one that enables them to see the social, environmental, and economic implications of action. To develop this sense of being, entrepreneurial leaders must be able to explore these critical questions: *Who am I? What is the context in which I am situated? Whom do I know, and to what does that give me access?* Understanding these questions enables entrepreneurial leaders to make responsible choices as they choose a path of action in both unknowable and uncertain situations.

Chapter 8 focuses on teaching entrepreneurial leaders to understand the question *Who am I?* and using this understanding to choose an appropriate course of action. Entrepreneurial leaders must understand their own identity, in terms of their values, drives, and background, and be honest and open about their capabilities and limitations. An introduction of self-assessment and professional development work is essential to changing how entrepreneurial leaders understand themselves and take action toward their career aspirations as well as how they develop and coach others to do the same. Such personal growth enables entrepreneurial leaders to develop the skills and the insight to involve their organizations—and the individuals within the organizations—in a new approach to generating social and economic opportunity that is connected to their personal passions and abilities.

Chapter 9 focuses on the question *What is the social context in which one is operating, and how does this affect action?* This chapter considers how entrepreneurial leaders must understand the influence of context on action. Action is governed by the rules of one's context. If entrepreneurial leaders don't understand the cultural and ethical environment, they are more likely to disengage stakeholders and create unfavorable outcomes. A clear understanding of historical, cultural, and societal background enriches entrepreneurial leaders' understanding of the opportunities that lie before them, as well as the implications their actions can have on the world around them.

Finally, chapter 10 considers the question *Whom do I know?* and explores how entrepreneurial leaders build and leverage relationships to co-create opportunities. The discussion begins with the importance of social networks to entrepreneurial leaders and goes on to consider the use of social media to build rich networks. We then highlight some of the ways we have been teaching entrepreneurial leaders to leverage the opportunities that social media affords them. For entrepreneurial leaders to develop these networks for co-creation, they must begin by understanding themselves and their context so that they have the knowledge base from which to effectively build the networks that will underlie their future partnerships.

Part IV. Management Educators as Entrepreneurial Leaders

In part IV we look at specific approaches to implementation. Chapter 11 looks at innovating the case method to teach the underlying principles of entrepreneurial leadership. By reorienting case discussions using the Giving Voice to Values curriculum, educators can move students toward action, self- and social awareness, and SEERS.

In Chapter 12, the final chapter of the book, we introduce specific actions for faculty and administrators to reorient an entire curriculum around these three principles. The core question in this chapter is

How can management educators introduce systemwide changes to reorient student learning toward educating entrepreneurial leaders? Drawing from our own experience, we offer emerging approaches that address this question.

In sum, we invite you to read further and explore this model of entrepreneurial leadership and the various ways to alter your course and curriculum. We are excited and optimistic, as we believe that entrepreneurial leadership provides the long-awaited, pathfinding approach to creating social and economic opportunity around the world.

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