

Chapter 2

Humility in Social Entrepreneurship: A Virtuous Circle

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Abstract In this chapter we explore the link between humility and social entrepreneurship. We define and contextualize these remarkably interrelated constructs, justify their importance to entrepreneurial thought and action, and develop an integrated framework to guide future scholarly work in this area. Finally, through the profile of a well-known social entrepreneur, we illustrate these concepts and relationships.

Keywords Humility · Organizations · Virtue

2.1 Introduction

Social entrepreneurship is emerging as a force for both social change and business model innovation. While social ventures still make up a small part of the global economy, their impact is growing. Communities are benefiting from responsive and innovative new ventures. Other businesses are learning from social ventures how to effectively implement a triple-bottom line model. But we don't know much about the individuals who run these organizations, the social entrepreneurs. Are they different from other business leaders and entrepreneurs? If so, what do they do and how do they behave differently? Can these social entrepreneurs be cultivated from

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existing entrepreneurs? Is it possible to teach someone to be a social entrepreneur or is it dependent upon their past experiences and innate attributes? Along with these important questions, we ask, Why do individuals engage in social entrepreneurship?

In seeking an answer to this question, we position the chapter within work that explores the role of individuals in the success of social ventures (Hemingway 2005). To extend our understanding of personal characteristics of social entrepreneurs and their likely impact on the venture, we propose an examination of humility in conjunction with social entrepreneurship. In entrepreneurship research, humility has rested on the fringes and has not been explored at a sufficient depth. For instance, humility has previously been linked to religion-based entrepreneurial groups (i.e., the resourceful and self-sufficient Amish communities of America, in Dana 2010) and is briefly mentioned as a characteristic of an effective entrepreneur (i.e., one of many demands placed on the entrepreneur who desires to exhibit authentic leadership, in Jensen and Luthans 2006). A positive relationship between humility and social entrepreneurship is not clear-cut, nor has it been empirically verified. In fact, some have posited that humility may be an obstruction to successful entrepreneurship (Kraybill et al. 2010). For example, it can be argued that if humility is narrowly defined as meekness, an entrepreneur would have greater difficulty inspiring potential investors to provide needed resources to the early stages of the venture. We intend to reconcile these diverse thoughts and extend the topic to a broader entrepreneurship audience by proposing that humility among entrepreneurs is specifically and clearly evidenced in the behaviors of many social entrepreneurs.

Interest in social entrepreneurship is certainly not waning. Much has been written about the topic in the popular press and in academic research journals. In a recent review of social entrepreneurship education, Lawrence, Phillips, and Tracey conclude that “it is clear that social entrepreneurship and social innovation are no longer peripheral activities confined to the margins of economies. They are part of a growing and concerted movement seeking to find alternative solutions to some of the world’s most intractable social problems” (2012, p. 320).

Despite the growing interest in social entrepreneurship, the literature thus far is still in early stages of development when it comes to addressing questions about the individuals who start and manage social ventures (Zahra et al. 2009). Roper and Cheney (2005) describe social entrepreneurs as value driven and charismatic individuals with an interest to address a social change. However, Dey (2006) challenges the notion that social entrepreneurs are individuals “characterized by supernatural talents” and that this “image of the heroic individual makes us believe that social entrepreneurs are ‘sovereign and self-determining beings’” (Alvesson and Willmott 1996)” (2006, pp. 134–135). Some scholars have sought to explore whether social entrepreneurship is different (Shaw and Carter 2007) or mostly similar (Dacin et al. 2010) to conventional for-profit entrepreneurship. In partial answer to this question, other scholars point to personal characteristics as distinguishing factors between social and for-profit entrepreneurs, be they general personal values (Hemingway 2005), altruism (Tan et al. 2005), integrity (Achleitner et al. 2012), or optimism (James and Gudmundsson 2011). It is not our intention to contribute to this rhetoric by adding one more individualistic notion to the construction of a

social entrepreneur, but instead, we seek to bring further light to the topic and to a characteristic that is absent from the discussion, one which may help explain non-individualistic motives of individuals involved in social ventures.

Although social entrepreneurs have previously been defined as social change agents (Light 2006), social wealth creators (Zahra et al. 2009), value-driven (for a summary see Dacin et al. 2010), and charismatic individuals (Roper and Cheney 2005), we have yet to see a treatment of humility in the context of the social entrepreneur. In this chapter, we summarize the extant literature on the broader topic of humility, contextualize and illustrate how these constructs interact, identify linkages between humility and the characteristics of the entrepreneur, and explore the utility of humility in the social venture. Specifically, we consider humility as a value-enabling concept. Within the context of business, we propose that a humble entrepreneur is more likely to recognize social and environmental needs, identify new and innovative entrepreneurial opportunities to address those needs, and to more effectively implement a triple-bottom line venture. To illustrate these concepts and relationships, the case of well-known social entrepreneur, Blake Mycoskie, is discussed towards the end of the chapter.

2.2 Humility in the Organizational Context

Associating humility with effective business or social ventures would not be particularly novel, if we lived centuries ago. Humility has been considered an essential human virtue from which other virtues flourish (Peterson and Seligman 2004; Grenberg 2005, p. 133), and can be traced back to Buddhism, Taoism, Greek, and Judeo-Christian teachings (Peterson and Seligman 2004; Sandage and Wiess 2001). Despite these lengthy roots, it is only recently that organizational researchers have begun to explore the impact of humility on leaders and followers (Morris et al. 2005; Owens and Hekman 2012; Vera and Rodriguez-Lopez 2004). Business research on effective management and leadership has largely been concerned with ways to achieve wealth maximization, not with solving societal problems. The personal characteristics and ethics of managers or business owners were relevant to the extent that they had a measurable impact on profitability. Humility in organizational contexts has experienced a resurgence in the past decade, due in large part to the role of humility in effective corporate leaders described by Jim Collins in his best-selling book, *Good to Great* (Collins 2001). Around that same time, numerous corporate scandals demonstrated the significant consequences caused, at least in part, by the lack of humility in the leaders of those companies. Collins's summary of this high level of leadership prompted some researchers to conclude that he went "overboard in stressing the trait of humility" (Locke and Baum 2007, p. 109).

Prior to 2001, the management literature offered only scant research that even touched upon the variable of personal humility (see Owens 2009, for a detailed review). This is not the case in other social sciences, where humility has been proposed as a "classical source of strength" (Tangney 2000), a "universal spiritual

value” (Fry 2003), and a foundational virtue (Grenberg 2005) that tempers other virtues (Park and Peterson 2003). Yet, when searching for empirical studies in the social sciences, we encountered the following summative statement:

Scientific study of humility is still in its infancy. A review of the empirical literature from the last 20 years yields only a handful of research studies with any consideration of this long-revered construct. Furthermore, in virtually every case where humility is addressed, it has been tangential to the main research focus. (Tangney 2002, p. 411).

Owing in part to a broader movement called Positive Organizational Scholarship (POS), initiated by scholars at the University of Michigan, management scholars have recently refined the construct of humility (Owens 2009; Owens and Hekman 2012; Owens et al. 2011). Studies have examined humility as a critical factor in organizational success (Vera and Rodriguez-Lopez 2004), and as a set of behaviors that leaders may enact that result in more effective leader-follower relationships (Owens and Hekman 2012; Reave 2005). Humility has also been discussed in the context of authentic leadership (Jensen and Luthans 2006) and charismatic leadership (Nielson et al. 2010).

In his book, Collins (2001) never explicitly defined humility, but recent scholarly treatments of humility have offered more explicit definitions. Vera and Rodriguez-Lopez cited a definition from Solomon (1999) as the basis for their treatment of this virtue, stating that humility is “a realistic assessment of one’s own contribution and the recognition of the contributions of others, along with luck and good fortune that made one’s own success possible” (2004, pp. 394–395). Morris and colleagues defined humility “as a personal orientation founded on a willingness to see the self accurately and a propensity to put oneself in perspective” (2005, p. 1331). They further suggested three distinct dimensions of humility: self-awareness, openness, and transcendence, which they argued “can best be thought of as an acceptance of something greater than the self.” (2005, p. 1331).

In the most comprehensive review of humility in organizations, Owens (2009) defined humility as “a developmental orientation which is associated with: (a) a willingness to view oneself accurately, (b) an appreciation of others’ strengths and contributions, (c) teachability, and (d) a low self-focus.” Based on our own review of the humility literature, and limited empirical evidence to validate this multidimensional construct (Owens 2009), we subscribe to this definition. We will discuss briefly each of the four dimensions of this definition as they are pertinent to subsequent theoretical connections with social entrepreneurs.

2.2.1 Accurate Self-Assessment

The traditionally held view of humility as low self-esteem was discussed by Richards (1992) at length in his philosophical treatment of humility. Richards argued against the traditional view, which consisted of “having a low opinion of oneself” (1992, p. 3). He then offered a more comprehensive definition that formed the basis of his subsequent treatment of humility, which was “having an accurate sense of

oneself, sufficiently firm to resist pressures...to think too much of oneself” (Richards 1992, p. 5). Emmons (2000, p. 165) added that humility “is to have an opinion of oneself that is no better or worse than the opinion one holds of others.” Consistent with arguments made by other humility scholars (Exline et al. 2004; Owens 2009), we argue that humility helps individuals more accurately appraise their own strengths and limitations. Furthermore, we assert that such self-assessment becomes more accurate over time and with experience.

2.2.2 Appreciation of Others’ Strengths and Contributions

The virtue of humility enables individuals to recognize that they are not to be the center of attention, and to appreciate the strengths and contributions that others make. Those possessing humility are more likely to appreciate the contributions of others without feeling threatened by them (Exline et al. 2004). As individuals gain more accurate assessment of their own limitations, increased recognition occurs related to how others’ strengths mitigate the potential negative consequences of those limitations.

For instance, Sam Goldman and Ned Tozun (founders of d.light) in their letter to announce the appointment of the new CEO explain:

Our results are growing exponentially. It took us just over two years to reach our first one million lives impacted, eight months to hit the next, and in the last four months we hit another million. We are looking forward to growing substantially this year... All of you deserve to be recognized for making this happen. I hope you will find the time to congratulate and thank your families, partners, suppliers, distributors, and the entire extended d.light family, who have all worked so hard for this result. (Goldman 2011 in Mar 30 posting)

and earlier in their new venture, they relayed:

We would not be here today without the help of many family members, friends, mentors, partners and supporters. (Goldman 2011 in Dec 16, 2010 posting)

2.2.3 Teachability

Inherent in the construct of humility is the notion that we do not know everything, and therefore, we are open and receptive to learning (Tangney 2002). As greater recognition comes about personal gaps in knowledge, humility fosters an attitude of seeking advice and learning from others. Additionally, as Karl Weick has observed about leaders who can admit they don’t know the answer to every question, “that admission forces the leader to drop pretense, drop omniscience, drop expert authority, drop a macho posture, and drop monologues... listening and exploring is the consequence” (2001, p. 110). Individuals with humility are willing to be taught by others, by life experiences, or inspired by spiritual leaders (God, Buddha, or so forth).

To illustrate the concept of teachability and willingness to learn from mistakes, note how Martin Fisher and Nick Moon, founders of KickStart introduce the reader of their website to the company:

It would have been easy to be discouraged, but instead, they took a look at their projects (and the sector as a whole) with dispassionate, scholarly eyes. They knew that you can learn more from failure than success. By understanding what went wrong, they were able to build a new model to correct the failures of the past and create a successful way to help people escape poverty. (KickStart 2012)

2.2.4 *Low Self-Focus*

While humility in our view of the construct does not imply thinking less *of* ourselves (low self-worth), it does demand thinking less *about* ourselves. Compared with the narcissistic tendencies in successful organizational leaders and entrepreneurs, humility involves a “forgetting of the self” (Tangney 2002, p. 74). Individuals with humility are prone to consider more accurately their place in the universe and avoid excessive self-absorption. The greater tendency toward being others-focused instead of self-focused enables a more pronounced attention on social problems that require resources and complex solutions. Humility directs energy more towards fulfilling the needs of others instead of the needs of self.

To illustrate this dimension, notice how David Green (credited with the development of sustainable, affordable, and accessible health care services to the world’s poorest individuals through Aurolab and Aravind Eye Hospital in India) discusses why he devotes his attention to the Bottom of Pyramid problems and markets:

I could apply my talents to making lots of money, but where would I be at the end of my lifetime? I would much rather be remembered for having made a significant contribution to improving the world into which I came than for having made millions. (Elkington and Hartigan 2008 footnote 3 in Introduction).

In this section, we have discussed the role of humility in the organizational context. We review and organize that literature, discuss the four dimensions of humility that are pertinent to the discussion on social entrepreneurship, and illustrate these dimensions with examples of social entrepreneurs. The next section focuses on contextualizing this discussion within the social entrepreneurship literature with a focus on individuals.

2.3 Social Entrepreneurship and the Social Entrepreneur

Descriptions of social entrepreneurship and social entrepreneurs abound. Since there is not yet an agreed upon definition for each of these terms, various researchers and organizations have added their perspectives to this growing area of entrepreneurship research. As one of the leading organizations involved in the social

entrepreneurship space, leaders at the Skoll Foundation have defined social entrepreneurship as being composed of three dimensions: (i) the identification of a “stable but inherently unjust equilibrium that causes the exclusion, marginalization, or suffering of a segment of humanity”, (ii) the identification of an “opportunity in this unjust equilibrium, developing a social value proposition, and bringing to bear inspiration, creativity, direct action, courage, and fortitude” to challenge the status quo, and (iii) the development of a “new, stable equilibrium that releases trapped potential or alleviates the suffering of the target group” to ensure a different, and better, future (Martin and Osberg 2007, p. 35). This broad definition allows for many kinds of activities to be defined as social entrepreneurship, under the conditions that (a) direct entrepreneurial activity changes the *status quo*, and (b) societal needs are the driving force of this change.

While there are other means to achieve social goals, such as through nongovernmental organizations, social entrepreneurship as a form of organizing has caught our attention because it builds on the promises of achieving economic prosperity along with social benefits. Social ventures are built on the basis of efficiency and effectiveness, the optimization of resource allocation and utilization, along with a focus on creating opportunities for growth and economic sustainability, the latter of which is missing from other forms of organizing.

Past efforts at defining social entrepreneurship have included a focus on the individual-level characteristics of the social entrepreneur, the sector the entrepreneur operates in, the strategies and resources employed by the social entrepreneur, and the motivation and outcomes associated with the social entrepreneur (for an excellent summary of previous approaches used to describe social entrepreneurship, see Dacin et al. 2010). We further recognize Short, Moss, and Lumpkin’s (2009) recommendation to endorse Mair and Marti’s conceptualization:

First, we view social entrepreneurship as a process of creating value by combining resources in new ways. Second, these resource combinations are intended primarily to explore and exploit opportunities to create social value by stimulating social change or meeting social needs. And third, when viewed as a process, social entrepreneurship involves the offering of services and products but can also refer to the creation of new organizations. (2006, p. 37)

In one of the earliest writings on the topic, Dees (1998) characterizes the behaviors of social entrepreneurs as change agents in the social sector who: (i) adopt a mission to create or sustain social value; (ii) recognize and act on opportunities that match that mission; (iii) engage in continuous innovation and organizational learning; (iv) take bold actions despite resource limitations; and (v) maintain accountability to those benefiting from the social service and for the outcomes the social entrepreneur is creating. More recently, Dacin et al. have recommended that future research define the social entrepreneur by the extent to which the social entrepreneur demonstrates a mission focus to “create social value by providing solutions to social problems” (Dacin et al. 2011, p. 1204).

In their broad review of the extant literature and definitions of the construct, Dacin et al. defined a social entrepreneur as the “actor who applies business principles to solving social problems” (2010, p. 44). This brief definition highlights the importance of business skills upon which social ventures are built. It is often

regarded that entrepreneurial success is derived in large part from the entrepreneur's own knowledge, skills, and abilities (Dacin et al. 2010). This individualistic approach has been challenged by Dey et al. (Dey 2006; Dey and Steyaert 2010), shedding light on the increased interest in describing entrepreneurs and their behaviors among researchers and conventional entrepreneurs alike. These individual characteristics have included creativity (e.g., Drucker 1993; Schumpeter 1934), opportunity recognition (Baron 2006), and specific personality traits, such as, need for achievement, propensity for risk, innovativeness, autonomy, locus of control, and self-efficacy, among others (see Rauch and Frese 2007).

Based on drive (or motives), time horizon, scope of issues addressed, and inspiration, we synthesize below four characteristics of prototypical social entrepreneurs that are relevant to the topic of humility and present vignettes to illustrate these characteristics:

2.3.1 Driven by a Sense of Mission

According to Elkington and Hartigan, social entrepreneurs are propelled by emotion due to a “life-transforming experience, some sort of epiphany that launched them on their current mission” (2008, p. 12). Further, social entrepreneurs believe that their role is to fulfill a greater purpose than to simply build economic value within an organization. As a result, they formulate bold visions for their organizations that point to a desire to solve important societal problems. Often the sense of mission is derived from past experiences interacting with others in a depressed or distanced encounter, which provide a vantage point for seeing the world in a different way that would benefit others. For example, Better World Books was founded by Notre Dame students after exploring the online market for used books. The students had volunteered at a community center in the past, which allowed them to gain knowledge of the need of others. This experience prompted them to combine economic opportunity with a solution toward a social need—literacy. Started by three individuals in 2002, the company now has over 400 employees.

In another example, Sam Goldman, co-founder of d.light design served in the Peace Corps in Benin where he lived without electricity for 4 years. His experience showcases the willingness to solve a problem that the entrepreneur experienced for a time, yet others in the world experience on an ongoing basis. As he recalls, the experience “catalyzed my passion to bring affordable, and safe light to all” (Goldman 2011).

Long time horizon Social entrepreneurs are tackling the problems that have plagued and will likely continue to plague the world in the coming decades. “These entrepreneurs are doing early market research on some of the biggest opportunities of the coming decades... they address the critical challenges where traditional markets fail” (Elkington and Hartigan 2008, p. 2). This acts as an important distinction from conventional entrepreneurs, which seek opportunities within traditional markets. Furthermore, they are not interested in providing handouts or donations to

people in need. They truly believe that change only comes at the hands of individuals who have a stake in the present and the future. The founders of KickStart, an organization that sells low-cost human-powered pumps for irrigation, are clear in their message that they are not giving a handout to the poor, but rather they are providing a viable solution to help them out of poverty. Their “Money Maker” pumps provide a source of income for those in need which allows the person in need to see a way out of poverty. Entrepreneurs that have a longer time horizon tend to use the term *invest* rather than *giveaway* or *donate* since investment conveys a sense of expected return, along with measures of success.

The idea of long time horizon addresses issues of effectiveness and efficiency. An expression that often comes up in social entrepreneurship is ‘in it for the long haul.’ Elkington and Hartigan explain that “what motivates many of these people is not doing the ‘deal’ but achieving the ‘ideal’. And because the ideal takes a lot longer to realize, these entrepreneurs tend to be in the game for the long haul, not just until they can sell their venture to the highest bidder” (2008, p. 3).

Global scope of issues addressed Social entrepreneurs are motivated to address problems that have global implications. We acknowledge that in today’s world, even small conventional ventures have the ability to think globally but their focus often remains local or regional. Also, for social entrepreneurs, global focus is not just a source of economic opportunity, but the target of market-based solutions to social needs. In the process of solving these problems, social entrepreneurs question and tackle the myriad problems and unsatisfactory equilibriums embedded in the status quos in many parts of the world. In so doing, they are required to be “both creative problem solvers and skilled politicians—overcoming resistance from residential communities, government agencies, political factions, and corporate actors” (Lawrence et al. 2012, p. 321). This is not to say that social entrepreneurs always compete in global marketplaces or that conventional entrepreneurship is less global, in terms of product or service markets. The emphasis is on the issues addressed. It is now understood that one of the key dynamics of environmental and social problems is that they are global. For instance, air, ground, or water pollution in one country will affect other countries as well. Similarly, poverty or social unrest in one country will have implications across the world. As such, we argue that, as a result of being driven by a sense of mission, the social entrepreneur is not confined by any particular border in addressing a social or environmental need, therefore, the scope of *issues* addressed is global.

Inspired by a social need and market opportunity Finally, the source of ideas for social entrepreneurs is not represented just by market opportunities, but also by social needs. Dacin et al. (2011) mention that social entrepreneurs “balance” the dual priorities of social and economic value creation. Elkington and Hartigan (2008) explain that social entrepreneurs are highly ambitious, however unlike traditional or conventional entrepreneurs, their ambition is motivated not by self interest, but by the need to achieve a benefit for a larger group and society. Also, they are “driven by a passion to expand business thinking to reach people in need” (Elkington and Hartigan 2008, p. 6). Moreover, they operate from a different understanding

of what constitutes value and wealth creation. This effort is not directed at themselves or their family and friends, but the value they desire to create is for a larger group or society, in general. The wealth they wish to build can be shared among those impacted and contributes back to the growth of the social venture. At a minimum, the social entrepreneur considers a double bottom line to measuring societal outcomes and commercial performance, recognizing that this approach can easily lead to tension in balancing the two (Lawrence et al. 2012). Additionally, some social entrepreneurs employ triple and quadruple bottom lines to measure success.

Furthermore, social entrepreneurs are willing to share their knowledge and experiences with others, all in an effort to create social value. Sam Goldman, co-founder of d.light design, remarked on a personal statement that he welcomes competition, enjoys relationships with many of his competitors, and discusses shared goals and challenges with them. It is clear in his remarks that his focus is on achieving the social value and not just his personal or entrepreneurial value:

Not only do I respect and appreciate our competitors, but I think they're necessary. As we always say, there are about 1.6 billion people in the world without access to electricity. Even under the best of scenarios, d.light isn't going to be reaching all of them anytime soon. There is plenty of space for others to participate in our shared vision of improving the quality of life for off-grid families. The more partners we have in developing cool products and getting them out there to rural areas, the sooner we can achieve that vision. (Goldman 2011)

Entrepreneurship researchers and instructors are beginning to believe that social entrepreneurship can not only be taught, but that social entrepreneurs can be developed through exposure and education. Smith and Woodworth (2012) describe a course at Brigham Young University that has as its core objective to “empower students with a vision of how they can take initiative to address real societal problems.” They frame this course by using social identity theory (Tajfel and Turner 1979) and defining social entrepreneurship as a social category (i.e., a desire to help battle the world's social ills) that students can begin to identify with. They further augment the social entrepreneurship identity by exposing the students to prototypical members of the social category.

In this section, we reviewed the literature on social entrepreneurship with specific application to the individuals who start and manage these organizations. We highlighted four dimensions that set the social entrepreneurs apart, based on what drives them, the time horizon of their vision, the scope of issues addressed, and the source of their inspiration. Recall that we started by asking what might determine individuals to engage in social ventures. Note also that the four attributes of social entrepreneurs presented in this section point to a marked difference from conventional entrepreneurs. Similarly, we should expect that what drives individuals to engage in social entrepreneurial ventures will be different as well. Seeing that the scope of attributes of social entrepreneurs is generally broader and more socially involved than that of conventional entrepreneurs, we propose that elements of virtue would play a significant part in understanding social entrepreneurship behavior. While we do not propose a new definition or a new delineation of what constitutes social entrepreneurship or a social entrepreneur, we shed light on a virtue-based

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