# Chapter 37 Leadership in Social Entrepreneurship: Is It Ability or Skill?

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## ABSTRACT

The social entrepreneur has been analyzed from many perspectives, either from its social impact, its proposed social value, or its direct or indirect action. This chapter attempts to analyze the entrepreneur from a new approach: the perspective of the leader. Therefore, the question arises: is leadership in social entrepreneurs an evolutionary process or not? Is it a natural ability or a learned technique? Is the social entrepreneur a leader born or made? To answer this, [1] we will analyze the main contemporary theories of leadership from two different paradigms (Colvin, 2013), [2] we will define new concepts in the world of social entrepreneurship, [3] we will establish a life cycle of strategic leadership promoted by the social entrepreneur focused on his or her organization in order to serve as a seed for the intended social impact.

#### INTRODUCTION

The nascent field of social entrepreneurship is growing rapidly and attracting increased attention from many sectors. There's something inherently interesting and appealing about social entrepreneurs and the stories of why and how they do what they do. These extraordinary people, like the Nobel Peace Prize laureate Muhammad Yunus, come up with brilliant ideas and against all the odds succeed at creating new products and services that dramatically improve people's lives.

The social entrepreneur has been analyzed from many perspectives, such as from its social impact, proposed social value or from direct or indirect action. There are three concepts that define it: His goal,

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which is to create a social financial benefit. His or her means: direct action. His or her impact: a transformational benefit of large-scale change focused on both a social segment or in society.

Undoubtedly, behind these concepts there is a leader whose action process is simple: an environment of unfair but stable equilibrium (e.g., social marginalization), a leader who identifies this unjust opportunity, developing a social value proposal which is implemented, exploited and developed, setting a new stable equilibrium where the social suffering is released and relieved. Then and only then, the imitation will come (that is, the legion of Schumpeterian "imitators"), creating a new ecosystem.

During this process of action, social entrepreneur, as a leader, develops attitudes and skills in his or her organization, which is what makes generate the desired social impact.

This chapter attempts to analyze the entrepreneur from this new approach, from the perspective of the leader. Therefore, the question arises easily: is leadership of social entrepreneur an evolutionary process or not? Is it a natural ability or a learned technique? Is the social entrepreneur a leader born or made?

The aim of this chapter will serve to propose a new model of behavior of strategic leadership in those organizations based on social entrepreneurship. For this reason, we will

- 1. Discuss the main contemporary theories of leadership from two different paradigms (Colvin, 2013), the paradigm of the qualities and the behavior paradigm of the leader, in order to identify whether the leadership of entrepreneur is an ability or skill.
- 2. Define new concepts in the world of social entrepreneurship, as the proposed social value (hereafter called "ethical and strategic value creation") or the analysis of the figure of the social entrepreneur as an "organizational transitioner" or "social transformer".
- 3. Establish an evolutionary cycle of strategic leadership promoted by the social entrepreneur in his or her organization in order to serve as a seed for the intended social impact.

Therefore, our focus will be on analyzing the impact of social entrepreneurship, as leader of impact, on his or her organization as it will be the post-seed for the imitation of followers and / or new leaders, inside and outside the organization, in order to generate the aforementioned social impact.

In the end, we will leave the door open to future research of social entrepreneurship as a transcendent ethical leader whose motives are altruistic motivations aside financial or economic nature.

## COMPENDIUM OF CONTEMPORARY THEORIES OF LEADERSHIP

As background of this chapter, we briefly summarize the main contemporary theories of leadership based on the matter of whether the leadership of the social entrepreneur is an ability (paradigm of leadership qualities) or a skill (paradigm of leadership behavior).

## Paradigm of Leadership Qualities

The paradigm of leadership qualities is possibly the oldest theory of leadership. From ancient, China, Greece, Persia and Rome tried to capture the essence of the great leaders, and in particular, those characteristics or qualities that differentiated them from their followers. In fact, practically all leadership theories before S. XX (for instance, throughout Antiquity) were focused from this perspective. Personal qualities such as intelligence, values, charisma... That is, the theory of "superior" man.

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