



HUMANE ENTREPRENEURSHIP: SOME STEPS IN THE DEVELOPMENT OF THE MEASUREMENT SCALE

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Humane Entrepreneurship

- A Model of entrepreneurship based on the idea that entrepreneurship is based on the attention not only to the classical entrepreneurial mind-set in in the identification of new businesses but also to the society, the environment, the people, and the humane resource involved in the firm.
- An enlarged model“... in which the traditional attention that firm pay to business, normally measured by the Entrepreneurial Orientation construct (EO, Covin and Slevin, 1989, 1991), is integrated with the care for the society, the planet, and the people involved in the firm (Parente et al., 2018).
- An enlarged form of Entrepreneurial Orientation: Humane Entrepreneurial Orientation

Aim of the study

- To better clarify the components of HumEnt model exploring the concept of Human Entrepreneurial Orientation
- Main research questions:
 - 1) How we can define HEO?
↳
 - 2) What is the nature of its components?
 - 3) At which organizational level HEO must be measured?

Main issues from EO Theory

➤ DEFINITION



Strategic Posture

➤ DIMENSION TYPOLOGY



Behavioural and Attitudinal

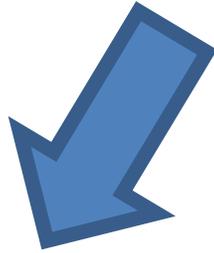
➤ MEASUREMENT LEVEL



Firm

Entrepreneurial Orientation Theory

EO represents a firm's strategic posture (Covin and Lumpkin, 2011) that can be broadly defined as a firm's overall competitive orientation" (Covin & Slevin, 1989)



the notion of **posture** denotes an *attitude* that you have towards something putting at the center the concept of a position



the concept of **orientation** "introduces a dynamic dimension, by referring to *actions or activities*, while incorporating a psychological dimension, that of inclination or preference" (Basso et al., 2010, p. 316)



HEO: Definition

Humane Entrepreneurial Orientation (HEO) is an enlarged strategic posture of firm, both attitudinal and behavioral

Humane Entrepreneurial Orientation is measured by three dimensions: Entrepreneurial Orientation (EO), Sustainable Orientation (SO), and Humane Resource Orientation (HRO).

The three dimensions, not necessarily are present in a firm at the same time. But HEO requires the contemporary presence of the three constructs to some extent



Entrepreneurial Orientation

In the vast majority of EO studies, the concept is defined in terms **overall strategy of a firm** (Covin and Slevin, 1989; Dess et al. 1997; Wiklund and Shepherd, 2003) and at **a firm-level** (Rauch et al., 2009; Saeed et al., 2014) . Only few studies have measured EO at the individual level (De Clercq and Rius, 2007; Monsen and Boss, 2009)

Most of the empirical articles on EO, adopted a **unidimensional construct** of EO based on the Miller's conceptualization (1983) of innovativeness, risk-taking and proactiveness.

Scale: Miller/Covin and Slevin (1989): a semantic differentials scale, composed of 9 – items measured with a 7-point Likert type of scale. Of these 9 items the first three are used to assess innovativeness, the middle three are used to evaluate proactiveness and the last three items are used for risk-taking dimension.

Sustainability orientation

The concept has been developed in the field of sustainable entrepreneurship which is a realm still ambiguous. As a consequence, sustainability orientation domain is still vague

There isn't any agreement on the **definition of SO**: some authors that focus only on environmental issues and others that focus both environmental and social issues.

Some studies proposed Sustainable Orientation as a **firm level concept** (Labenz, Karampournioti, Schmidt, Wiedmann, & Hennigs, 2017; Roxas & Coetzer, 2012; Branzei & Vertinsky, 2002) recognizing it in some cases as a strategic choice or a strategic action. On the other hand, Kuckertz & Wagner (2010) in very impactful study, built sustainability orientation at **individual level**

Not even clear if SO is a strategic posture, an attitude, or a motivation to action, having scholars adopted in their study alternatively all these categorizations

Scales: Roxas & Coetzer (2012) developed a set of items that capture the strategic orientation of small firms toward the adoption of sustainable natural environment management practices. Environmental Sustainability Orientation measured with 18 items. Kuckertz & Wagner (2010) operationalize their own idea of sustainability orientation with by means of six items referring to environmental protection and social responsibility.



Humane Resource Orientation

Studies highlight the necessity to invest in HRM in a strategic perspective (Ridder et al., 2012), adopting a strategic decision-making approach (Wright and McMahan, 1992) according to which HR practices fit the organizational goals (Kepes and Delery, 2007; Vekeman et al. 2016; Vekeman et al. 2018).

Most of the studies on HRM focus on the relationship between HRM and firm performance (Huselid's 1995; Collins and Clark 2017; Pfeffer 1998) and make a categorization of HR practices (Punia and Garg 2012; Pfeffer 1998; Guest 1997; Guest et al. 2000).

Scale: Kim et al. (2018) identify and define four main HRM dimensions that qualify HRO: empathy, equity, enablement, and empowerment and define a set of items to measure HRO



HEO: toward a development of a measurement scale

- EO: the Miller/Covin and Slevin (1989) could be employed in a manner consistent with our conceptualization of EO in the context of HEO
- SO: measurement scale has not been well developed in the literature for the purpose of the HEO. In this sense the starting point toward the generation of items to measure SO as framed in HEO seems to be the scale proposed by Jahanshahi et al., (2017) as it covers both environmental and social firm behavior. This items' selection should be integrated by the Muñoz & Dimov (2015) proposal to take into account the entrepreneurs' attitudes and convictions about sustainability;
- HRO: measurement scale has not been well developed in the literature for the purpose of the HEO. The items for the measurement of HRO derive from Kim et al. (2018) that identify and define four main HRM dimensions that qualify HRO (empathy, equity, enablement, and empowerment)



EO ITEMS

In general, the top managers of my business unit favor...

INN1 (EO1)	A strong emphasis on the marketing of tried and true products or services	1 2 3 4 5 6 7	A strong emphasis on R&D, technological leadership, and innovations
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How many new lines of products or services has your business unit marketed during the past three years?

INN2 (EO2)	No new lines of products or services	1 2 3 4 5 6 7	Very many new lines of products or services
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INN3 (EO3)	Changes in product or service lines have been mostly of a minor nature	1 2 3 4 5 6 7	Changes in product or service lines have usually been quite dramatic
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In dealing with its competitors, my business unit...

PRO1 (EO4)	Typically responds to actions which competitors initiate	1 2 3 4 5 6 7	Typically initiates actions to which competitors respond
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PRO2 (EO5)	Is very seldom the first business to introduce new products/services, administrative techniques, operating technologies, etc.	1 2 3 4 5 6 7	Is very often the first business to introduce new products/services, administrative techniques, operating technologies, etc.
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PRO3 (EO6)	Typically seeks to avoid competitive clashes, preferring a "live-and-let-live" posture	1 2 3 4 5 6 7	Typically adopts a very competitive "undo-the-competitors" posture
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In general, top managers of my business unit have...

RISK 1 (EO7)	A strong proclivity for low risk projects (with normal and certain rates of return)	1 2 3 4 5 6 7	A strong proclivity for high risk projects (with chances for very high returns)
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In general, the top managers of my business unit have...

RISK 2 (EO8)	Owing to the nature of the environment, it is best to explore it gradually via cautious, incremental behavior	1 2 3 4 5 6 7	Owing to the nature of the environment, bold, wide-ranging acts are necessary to achieve the firm's objectives
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When confronted with decision making situations involving uncertainty, my business unit...

RISK 3 (EO9)	Typically adopts a cautious "wait and see" posture in order to minimize the probability of making costly decisions	1 2 3 4 5 6 7	Typically adopts a bold, aggressive posture in order to maximize the probability of exploiting potential opportunities
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HRO ITEMS

Dimensions	Items
Empathy	<p>In my company, management and employees care about each other.</p> <p>My company empathizes with the difficulty employees experience or needs they have.</p> <p>In my company, employees share ideas and work in a collaborative manner.</p> <p>My company actively share information about the operation of the company with employees.</p> <p>My company actively share its vision and goals with employees.</p> <p>My company actively reflects desires and opinions of individual employees.</p> <p>My company always recognizes the contribution of each individual to provide a positive feedback.</p>
Equity	<p>My company carries organizational culture that emphasizes fairness.</p> <p>My company does not discriminate any of employee at any condition.</p> <p>My company applies objective and clear criteria to evaluation and promotion.</p> <p>My company offers the opportunity to use one's ability to everybody.</p> <p>My company provides opportunity to develop one's capability regardless of rank.</p> <p>My company offers reward to employees in accord with one's contribution.</p> <p>My company actively recognizes the contribution of individual employees.</p>
Enablement	<p>My company supports employees to develop one's own knowledge and skills.</p> <p>My company actively offers opportunities to develop the capability of each and every individual employee.</p> <p>My company allocates tasks to individuals who fit them.</p> <p>My company offers training opportunity needed for new position when the employee is promoted to the new management position.</p> <p>My company actively improves practices and systems to allow employees to do their best.</p> <p>My company reviews and improves the working environment to work better.</p>
Empowerment	<p>My company allows employees to make their decision on the tasks they are in charge with relevant responsibility and power.</p> <p>My company offers relevant power to perform the task at hand.</p> <p>My company guarantees the autonomy to employee in the terms of work method used, effort, speed and period.</p> <p>My company allows employees to move according to their own judgement when they think it is the best for the company.</p> <p>My company encourages employees to commit to their job with ownership.</p> <p>My company encourages employees to voluntarily suggest good ideas for better work.</p> <p>My company frequently listens to employees' ideas regarding the company operation.</p>

SO ITEMS

Dimension	Items
<p data-bbox="282 189 703 287">Sustainability oriented entrepreneurial values</p> <p data-bbox="257 351 728 394">(Munoz and Dimov, 2015)</p>	<p data-bbox="797 189 2474 287">I strongly believe in the power of my business in contributing to solve many of the problems we have as a society</p> <p data-bbox="797 301 2033 344">My firm has an obligation to society that extends beyond making money</p> <p data-bbox="797 408 2074 451">Our firm has to give back to society since it derives its profits from society</p> <p data-bbox="797 515 2339 558">Regardless of the nature of my business, it has to trade fairly with customers and suppliers</p> <p data-bbox="797 622 2384 665">Regardless of the nature of my business, it has to make a responsible use of natural resources</p> <p data-bbox="797 729 2474 829">When I was choosing between the business ideas I had in mind, I always chose the one that contributed to building a better society</p>
<p data-bbox="282 871 703 968">Sustainability Oriented entrepreneurial actions</p> <p data-bbox="270 1032 715 1075">(Jahanshahi et al., 2017)</p>	<p data-bbox="797 871 1803 913">Improving health and well-being of people around the firm</p> <p data-bbox="797 928 1933 971">Creating and distributing economic value amongst all stakeholders</p> <p data-bbox="797 1006 1735 1049">Improving the quality of life in a particular community</p> <p data-bbox="797 1071 1403 1113">Creating employment opportunities</p> <p data-bbox="797 1128 1600 1170">Protecting or restoring the natural environment</p> <p data-bbox="797 1192 1370 1235">Creating ethical and fair products</p> <p data-bbox="797 1249 1462 1292">Establishing fair trading with suppliers</p> <p data-bbox="797 1299 1467 1342">Promoting democratic business models</p>

Future research

- the validation of a measurement scale
- Identify antecedents and consequents of the construct.



THANK YOU!

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