

ICSB Gazette

The Global Leader Supporting Micro-, Small and Medium Enterprises

Monday, August 31, 2020. Issue 80

Healing A Hurt Generation with Humane Entrepreneurship

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How can we harness the power of a generation to create quality employment opportunities?

The first months of 2020 have brought us an incredible sense of clarity in regards to our personal, communal, and global lives. We are all individuals who, consciously and unconsciously, exist in multiple markets throughout the world. The experiences that compile from our multiplicity of existence

are then used to divide us into specific categories, based on comprehensive similarities amongst different groups. Time is often used as one of these categories of similar differences in the way that it striates generations from one another. Common differences between youth, women, minorities seem to shape the economic systems of the world. Interestingly enough, it is, however, “the trajectory of the overall employment effects [that are] driven by young workers” (Rinz 2019). The most captivating generation, given their great generational differences with their predecessors, seems to be those born between 1977 and 1998, often referred to as the Millennial Generation. Millennials are “often distinctively described by their particular fashion of existing within society” (Tapscott 1998). Their defining trends show up most clearly throughout their interactions, or lack thereof, within the workforce.

Characterized by their racial and ethnic diversity, the term “minority” no longer holds the same importance for Millennials. Additionally, Millennials tend to be quite “sensitive to issues of diversity and how their society deals with differences” (Millennials 2006; Espinoza 2012). The group also demonstrates their values for work-life balance, independence, learning rapidity, affinity towards multi-tasking, skill orientation, and technological ease (Espinoza 2012). Largely differentiating from their Gen X and baby boomer counterparts, Millennials have global distrust in their employers. They generally do not see the value in upward mobility and often change companies after a couple of years. However, this distrust is founded in “having watched their parents downsized or right-sized by companies they had spent their lives working for, Millennials are not concerned about the stigma that may accompany changing jobs frequently” (Keller 2006). Seeming as potentially unimportant generational character traits, Millennial’s struggles and opportunities are relevant as they were “the largest generation in the U.S.’ full-time workforce, surpassing Gen X.” Yet given this COVID-19 chaos has hurt “millennials so disproportionately that they’re on the precipice of giving the top generational spot back to Gen Xers” (Van Dam 2020).

Currently, acknowledging the past and present crisis, the average millennial has now experienced the slowest economic growth in the workforce in U.S. history. This could be a reason for Millennial distrust of society and its workforce. Millennial trends are not anomalous, but rather consequences to the specific lived experiences and observed results of a population of people. Interestingly enough, Millennials have experienced quite an array of disaster and disorder throughout their short to average lives, yet coupled with being “raised by indulgent parents, they have a sense of security not shared by Gen X,” and their surprising “optimism about the future...[sees] an opportunity where others see problems” (Millennials 2006).

Having lived through “the 9/11 terrorist attacks and then spending their beginning [mature] years struggling to find work during a job recovery, only to be hit by the Great Recession and another recovery,” followed by a global pandemic and another recession, Millennials have still somehow established themselves throughout the nation (Espinoza 2012). However, this visibility often displayed as “autonomous, entitled, imaginative, self-absorbed, defensive, abrasive, myopic, unfocused, and indifferent” has not always been backed or supported by the expected results. Moreover, the considerable changes that have affected the workforce seem “less because of Millennial character trends, and rather in response to the subsequent personas that Millennials feel with which they must engage to self-protect for future changes and uncertainty” (Espinoza 2012).

It seems necessary to note that the Great Recession truly pushed young workers, Millennials, “down the wage ladder...[demonstrating that] they never recovered, even as their older colleagues regained all the ground that they had lost” (Rinz 2019). With the recent onset of the coronavirus and another economic recession, many of the workers being negatively affected are those same young workers whose earnings have still yet to recover from the Great Recession. In fact, the Great Recession spawned “the average millennial to lose about 13% of their earnings between 2005 and 2017,” which constitute greater losses than the 9% for Gen X and 7% for baby boomers (Rinz 2019). Census Bureau economist Kevin Rinz describes this “recession exposure” as creating the conditions so that Millennials are “persistently less likely to work for high-paying employers even as their overall employment recovers more quickly than older workers” (Rinz 2019).

The Millennial generation has a difficult path ahead if they wish to catch up to the wealth experiences set by previous generations, however with additional troubles involving student loans, auto loans, and credit card debt; their journey is unlike their predecessors. Additionally, as the assets financed by these debts have not appreciated as quickly, like stocks and housing, debt recovery and wealth advancement seem distant and untouchable for many Millennials (Kent 2019). Yet despite the hostile work environment for Millennials, they continue to wildly change the workforce. Millennials forced the shift in “the paradigm of management from focusing solely on the work by calling for an attending to the worker(s) and human relation” (Corace 2007). Charles Corace of Johnson and Johnson observed that “over the years, the human relations factor has been clocked in various Organizational Development (OD) frameworks,” however, “the emerging common component is treating people with respect and dignity” (Corace 2007). In a system in which Millennials have struggled to succeed, we might reflect on Peter Drucker’s idea of corporations as truly a human community (Drucker 1993).

Millennials demand humaneness to be incorporated into their work experience while the economic culture continues to remove any and all human-centered work from the workforce. They have challenged the system is pushing for a particular style of leadership. Despite Gen X and baby boomers’ disinterest in working with Millennials, it is of utmost importance that Millennials and managers learn to understand each other. Therefore, as this new wave of Millennials continues to establish themselves within the workforce, it seems important researchers and practitioners alike, engage with these topics.

Millennials have certainly struggled to find their footing within the workforce. Often settling for low paying jobs and seriously falling short of creating the same wealth as their predecessor generations, we need to engage with a new theory and practice of understanding that helps Millennials reach their full potential while overcoming their generational trends of short-term and underpaid contracts. Established Leadership Preference meets their needs from leaders (Dulin 2005). Generally, Millennials have expected their managers to take on an array of roles, including working as a feedback provider, sounding board, point of comparison, feedback interpreter, dialogue partner, assignment broker, accountant, role model, counselor, cheerleader, reinforcer, and cohort.

Leadership is a necessary part of successful and sustainable businesses. It is also often recognized “as a necessary shortcut to business propensity and perpetuation in the constantly changing environment of business” (Wobodo 2019). Even though “causal research involving real-world organization data is limited, prominent leadership scholars generally agree that top-level leadership is related to organizational performance outcomes” in its ability to increase worker participation and advance the goals of entrepreneurial orientation (EO) (Kim et al. 2018). A leader’s effectiveness is said to be “dependent upon their ability to “diagnose the readiness level of the follower, show flexibility by using a variety of leadership styles, and a willingness to partner with the follower for performance. Managerial leaders and followers work together to identify the leadership style that is best for the situation” (Hersey & Blanchard, 1988). Therefore, we must consider the factors that affect these internal structures and processes, which most likely involve a company’s culture and their culture creators, also known as top-managers.



Included in most leadership theories and strategies, “effective leadership refers to the ability of a firm’s top managers to select and apply the “correct” strategic approach, or effectively implement an appropriate strategy” (Kim et al. 2018).

In building upon an Entrepreneurial Orientation, Leadership within an organization is of the utmost importance in creating workplace culture, thus determining the state of the HumEnt awarded to the enterprise. Performance is often considered to result from environmental characteristics and an organization’s internal structure and systems. Effective leadership most often refers to the “ability of a firm’s top managers to select and apply the “correct” strategic approach or effectively implement an appropriate strategy.” In motivating employees, or “followers,” to carry out activities determined by leaders, such leadership must provide “desirable rewards for effective performance or undesirable consequences for poor performance” (Hollander 1992). Termed “transactional leadership,” this is typically categorized into “social exchange.” (Graen and Uhl-Bien 1995) Conversely, “transformational leadership” works on the basis of inspiring individuals to “perform at exceptional levels” (Bass 1985). In this case, a leader inspires their followers by creating an ecosystem of similar values, beliefs, and goals so that followers feel a sense of ownership and commitment to their work.

Therefore, just a simple match or shift in managerial style could captivate Millennials in an entirely different way. However, this theory and practice are missing a key piece, meaning that if it was only leadership techniques and methods which determined the inclusion of Millennials within the company and national growth, the reality of our economy, and certainly of Millennials’ relationship to this economy, would look quite different. Therefore we must engage more than just leadership. The theory and practice of Humane Entrepreneurship (HumEnt) put forth the idea that, in adding Human Resource Management to the Leadership and Entrepreneurship mix, we might be able to initiate a fully human-centered approach that uplifts Millennials, and employees at large, in ways that they have not been previously. This practice moves beyond the idea of a company “doing well” for others, be it their customers or surrounding environment, as seen in social entrepreneurship and ensures that the company itself is an example of the human-based practice focused on in HumEnt.

Forcing the tactics of entrepreneurial orientation can lead us to results. However, it does not include those created or focused humanistically. Therefore adding a humane component to the entrepreneurial orientation makes the same tactics of innovation, risk-taking, and proactivity much more successful in terms of rapidity and durability. Going further than leadership and EO to involve Humane centered Human Resource Management creating a Humane Entrepreneurial Orientation (H-EO) to generate quality employment opportunities for Millennials and to create long-term wealth generation for Millennials and the national and global economies. Humane Entrepreneurship (HumEnt) is the orientation necessary to grow a nation’s wealth and to create an enhanced system of job creation.

This last piece to the HumEnt puzzle is Human Resource Management (HRM). Many nations and firms, but certainly not all, recognize that “employee [and citizen] engagement is a powerful strategy for driving organizational improvement and business results” (Carmeli, Schaubroeck, and Tishler 2011). When looking at the multidimensional nature of HRM, we can see how there are management practices that “increase profitability through people, including participation and empowerment, employee ownership, training and skills development, cross-utilization and cross- training, employment security, selective recruiting, high wages, and information sharing” (Pfeffer 1998). Understanding that high-

performance HRM can also mean high-commitment HRM, humanistic management is at the centerfold of Humane Entrepreneurship, in its focus on mutual gains for the employee and employer.

Humanistic management further describes a style of management that “emphasizes the human condition and is oriented to the development of human virtue, in all its forms, to its fullest extent” (Melé 2003). Within this theory, top managers must enter into human needs to properly and fully motivate employees or citizens. These actions, then, create a culture that “considers the ethical impact of actions and motivates people around them to acquire virtues in order to build a strong community” (Melé 2003). In all societies, including business, respect for human dignity demands respect for human freedom. The notion of HumEnt seeks to uplift and expand on this respect within the workplace, specifically.

An organization of any size or stature has the opportunity to enhance their structure and strategy with empathy, equity, enablement, and empowerment. By harnessing these four domains, organizations can create very powerful synergies for their internal and external relations and activities (Kim et al. 2018). An empathetic orientation acts as the key driving factor for employee engagement and communicative business culture, which will result in better relations between both organizational members and stakeholders (Choi 2006). As empathy can be greatly utilized to gain insights into other people's understandings and beliefs, it can also be “considered the starting point of design thinking and is essential to understanding the needs of customers” (Ickes and Simpson 1997; Brown 2008).

In considering specific theories and greater principles that can be expanded upon when reflecting on best practices to promote both economic growth and support national well-being, humane entrepreneurship offers the nation, and in this review, Millennials specifically, a strong, human-centered foundation from which the nation, at large, and the companies and individuals that constitute it, may find prosperity in a sustainable, circular economy.

HumEnt is a new theory in entrepreneurship research best described by a successful implementation that opens the opportunity to create more of the desired result, which would then generate additional desired results or successes in a chain that becomes continuous (Kim et al. 2018). In understanding the four ‘states’ or components of HumEnt, we can more greatly dive into the ways that HumEnt can be used to judge a firm’s ability to create an ecosystem that includes and amplifies the Millennial generation.

Those organizations qualifying for an IDEAL Humane Entrepreneurial state, or status, include those adhering to a people-centered entrepreneurial orientation, resulting in cyclical growth that benefits all stakeholders. MODERATE HumEnt includes a social and financial capital clash amongst their EO and H-EO practices, which ultimately leads to mixed results that inhibit continuous cyclical growth. NEGATIVE HumEnt is founded in the absence of a people-centered model from entrepreneurial orientation, then causing disadvantageous trends and broken growth cycles. Lastly, HARMFUL HumEnt portrays an organization that directly or indirectly causes active harm to some of their stakeholders, commonly their employees (Millennials) and their surrounding communities, which certainly results in a destructive cycle of growth. It is important to note that in a changing world, such as that of today, the collective conscience seems to be shifting more towards the leveraging of social capital in and for

organizational success, which will greatly benefit the commencement of Millennials into the workforce (Kim et al. 2018).

In captivating this population of Millennials, which often receive a lot of visibility but not the proper opportunities nor access, we can establish a culture of HumEnt to both attract and capture Millennials. Recognizing that this population has endured great feats already throughout their lifetimes, they come ready to innovate in alternative ways. Born out of systemic oppression, this group is proactive in searching for solutions that have yet been discovered. Millennials represent a unique generation that has completely revolutionized the way that we, as a society, interact with communication and technology. Exhibited quite well in observing the unique ways that Millennials began challenging our preconstructed systems and ideas, Tischelle George describes:

“Where most knowledge workers today use two forms of communication—written and spoken—the employees of tomorrow [(Millennials)] see endless variations and protocols. Far from being awed by current technology, kids will find the tools they need to do what they want, or they’ll remake software and hardware to get the job done. In short, who needs the IT guy? They will either ‘hack’ it or ‘huck’ it. Another advantage of growing up digital has manifested in the fact that they can do a lot of things at once. Millennials feel powerful” (George 2002; Espinoza 2012).

The necessity is to capture that power in creating quality employment opportunities, so as to create long-term wealth for the Millennial generation and the national and global economy.

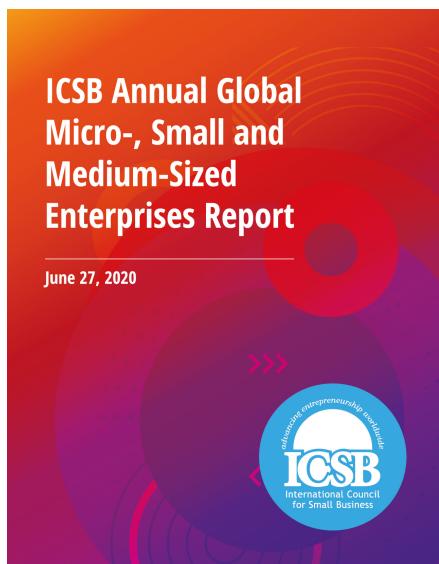
About the Author



Dr. Ayman El Tarabishy is the deputy chair and teaching professor of the Department of Management at the George Washington University School of Business. He is also the President and CEO of the International Council of Small Business.

Recognized by the United Nations and the Permanent Mission of Argentina to the United Nations, Dr. El Tarabishy worked to create a United Nations International Name Day to be dedicated to Micro-, Small and Medium-sized Enterprises (MSMEs).

These Name Days are designated on specific dates, to mark particular events or topics, in order to consciously and actively promote the objectives of the organization. With his novel idea, Dr. El Tarabishy managed to work closely with the Permanent Mission of Argentina to propose a resolution to dedicate a United Nations International Name Day to MSMEs. Approved by the United Nations General Assembly, the proposal was presented by the Permanent Mission of Argentina and 54 countries; thus, 5.5 billion people acted as co-signers of this resolution.



This article was featured in the 2020 ICSB Global MSMEs Report.

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