Humane Entrepreneurship

Background

As countries and organizations move towards holistic growth, enterprises should extend their priorities beyond the profit margin. These companies should shift this focus onto its people, the environment, and society. Great entrepreneurs with strong humane mindsets fuel the concept of Humane Entrepreneurship. Human oriented businesses are deemed to perform better and come up with better products and services, ultimately satisfying their customers. The researchers posit Humane Entrepreneurship as a key to sustainable development not only of enterprises but of society as a whole.

With this in mind, the research at hand aims to examine the current status and future direction of small and medium enterprises in terms of globalization, innovation and humane entrepreneurship. This study seeks to identify the importance of various characteristics, the 10 Es of Humane Entrepreneurship. As the focus of entrepreneurship shifts from culture to culture, this study seeks to identify which characteristics are important for different countries and organizations. The development of this concept is an attempt to incorporate the humane factor into any entrepreneurial behavior. In practice, this new type of entrepreneurship will show several important traits that might not be usual in the traditional sense.

The Humane Entrepreneurship Model

An Entrepreneur is a Person who creates something new, something different, something more valuable than before. Entrepreneurs always search for change, respond to it, and exploit it as an opportunity (Drucker, 1964). Most entrepreneurs have a hard-working spirit, are highly motivated, and are passionate, but not all of them conduct their entrepreneurial moves based on

good ethics. Not all of them really pay attention on how to minimize negative impacts to the environment. Many of these individuals sometimes lose their sense about the future which leads to poor envisioning capability. This lack of foresight has led many organizations to ruin, and it could be said that their downfall has been brought about by the lack of holistic growth. Because of this, this study proposes a synergy between the Human Cycle and the Enterprise Cycle.

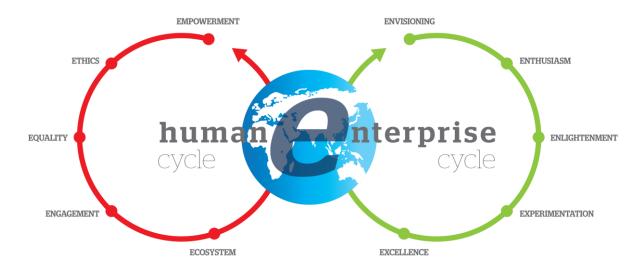


Figure 1. The Humane Entrepreneurship Model

The Human Cycle

The ideologies from which the Human Cycle has been founded upon take into consideration factors which foster a well-rounded business ecosystem. These elements focus on the workforce, the shareholders, and the environment where the organization belongs. These principles include:

Empowerment

Enthusiasm with a big dream. Entrepreneurs should provide the organizational mission and vision, share it with employees, and encourage them to dream. They should pursue the spirit of openness and collaboration by transferring works and empowering employees to increase work scope and autonomy in doing their jobs.

Ethics

Ethical leadership. Entrepreneurs which serve as stewards taking social responsibility should have a high level of ethics, accountability, responsibility, and should foster holistic growth to make the enterprise reliable and admired.

Equality

Ecological thinking. Entrepreneurs should keep the mindset of opening, sharing, and cooperating with employees. They also should maintain a spirit of fairness and equality through unimpeded human relations, while pursuing external stimulus and viability focusing on the workforce.

Engagement

Motivational leadership. Entrepreneurs should recognize crisis driven by environment changes promptly, and should be able to overcome those crisis, changing threats into opportunities through crisis construction and engagement by encouraging and motivating employees.

Nurturing skills and talents of employees are needed.

Ecosystem

Development and collabo-nomics. Entrepreneurs should cultivate a healthy business ecosystem as well as have an ecosystem friendly mind, thereby creating collaboration and trust among ecosystem participants through altruistic oriented relationship management.

The Enterprise Cycle

The second group of factors which comprise the Enterprise Cycle are founded on more traditional doctrines of entrepreneurship. These characteristics focus more on elements which

companies must incorporate into their culture and environment in order to achieve organizational growth. These principles are as follows:

Envisioning

Inspiration and proactive investment. Entrepreneurs should be able to predict future environment changes, capture new opportunities, provide vision, and thereby proactively pursue and push for innovation with initiative.

Enthusiasm

Perseverant challenge. Entrepreneurs should keep a challenging spirit, risk taking despite uncertainty, and exploit new opportunities.

Enlightenment

Creative thinking. Entrepreneurs should ceaselessly pursue changes, improvements for processes, development of new technology, thereby creating and producing higher added value.

Experimentation

Chance seeking for new market. Entrepreneurs should keep creative thinking for developing new products, through which they could exploit new market, and develop new business.

Excellence

Capability building against competition. Entrepreneurs should pursue and exploit excellence in execution to achieve goals and better performance in terms of cost, quality, technology development, and operations.

Table 1. The 10 Es of Humane Entrepreneurship

1.	Empowerment: Encourage employees to dream while being guided by your mission and vision	6.	Envisioning: Have initiative, foresight and sensitivity towards decision-making and crisis construction
2.	Ethics: Be a responsible steward who could be held accountable and lead towards holistic growth	7.	Enthusiasm: Have a challenging spirit, take risks and pursue opportunities despite uncertainty
3.	Equality: Be open, share, and collaborate with the workforce	8.	Enlightenment: Be change-oriented and push for innovation of products and processes
4.	Engagement: Build and nurture the workforce's skills and talents, whilst exciting, encouraging, and motivating employees	9.	Experimentation: Follow an outside-in approach in finding and exploiting new opportunities
5.	Ecosystem: Collaborate with business partners including suppliers, employees, and society to achieve a well-cultivated business ecosystem	10.	Excellence: Pursue excellence in executing actions toward achieving corporate goals

Methodology and Data

In order to gather information about entrepreneurship from various countries and organizations, a questionnaire has been prepared. This questionnaire has been disseminated both through hard-copy surveys and as an online form. In the questionnaire, presented in Appendix A, the respondent is asked to rate each item in terms of (1) Importance, a personal assessment of the characteristic mentioned, and (2) Actual State in their country, how they think their country fares in relation to the characteristic mentioned.

There are a total of 10 different characteristics, classified into groups of five. The first five pertain to the Enterprise Cycle. These characteristics are scored using a five-point Likert scale (Very low, Low, Neutral, High, Very High). After rating each characteristic separately, the respondent would be asked to rank them in terms of Importance and Actual State (1st to 5th, the former being the highest). The next five characteristics pertain to those in the Human Cycle.

Similarly, after rating the characteristics, the respondent is asked to rank the five characteristics in terms of Importance and Actual State.

The questionnaire has been translated into various languages in order to accommodate respondents from all around the globe. The questionnaire follows the format of the English version (Appendix A), with its parts, including the rankings translated. The links are as follows:

English version: http://goo.gl/forms/istQjo9Hli

Spanish version: http://goo.gl/forms/PSDgmtLX1s

Italian version: http://goo.gl/forms/X0LHVt1iPSL2th9y2

Japanese version: http://goo.gl/forms/gyd79whzrM

Korean version: http://goo.gl/forms/3lTHr0tilu

Bahasa version: http://goo.gl/forms/bFrdgcFBZE

Chinese versions: http://goo.gl/forms/7PR5mcyRFD

https://www.surveymonkey.com/r/humanentrepreneurship

11. South Korea

12. Turkey13. Vietnam

For more information visit www.humaneentrepreneurship.org

The aim is to include as many countries as possible, but to provide a preliminary demonstration of how the measures work, 13 countries whose responses to date have exceeded 30 have been included for comparison. The countries are as follows:

Argentina
 Austria
 Japan

Bulgaria
 China
 Indonesia
 Mexico
 Myanmar
 Serbia

2016 White Paper Summary

Following the proposition that different countries view different characteristics of Humane Entrepreneurship differently, the scores gathered from different countries have been tallied analyzed. Valid cases, those whose responses followed the directions, are the only ones which were included. Although responses gathered online are seen to follow the instructions (the form cannot be submitted unless it was properly answered), it is not always the case for those given out as hard-copy questionnaires. For this reason, some answers have been excluded from the dataset. It should be noted that having a wrong portion for one survey does not render the other parts of the questionnaire (those properly answered) invalid. The sections which are answered wrong are simply disregarded, with the other parts included in the analysis.

Importance

Of the 13 countries included, only Myanmar considered the Ecosystem Principle as the most important factor. Given the political and economic environment in the country, it can be said that this outcome would be expected. For the rest of the countries, Empowerment is deemed to be the most important principle in the Human Cycle (Table 2). This is followed in average by Ethics, Ecosystem, and Engagement, with Equality placing last. This follows the premise that there are general values which transcend culture in relation to the Human Cycle.

On the other hand, the importance of elements in Enterprise Cycle (Table 3) prove to be less cohesive, as they generally differ per country. While Argentina and Spain find Enthusiasm very important, the same cannot be said for Bulgaria who finds it unimportant. While Bulgaria thinks Enlightenment is very important, South Korea seems to think otherwise. As a whole

however, it was found that Envisioning is the most valuable principle, followed by Enthusiasm and Enlightenment, and closely trailed by Excellence, with Experimentation being the last.

Table 2. Human Cycle Importance Ranking

	Empowerment	Ethics	Equality	Engagement	Ecosystem	Valid Cases
Argentina	44%	27%	6%	14%	9%	78
Austria	46%	8%	8%	19%	19%	37
Bulgaria	47%	18%	6%	16%	14%	101
China	41%	9%	13%	9%	27%	159
Indonesia	36%	31%	8%	10%	16%	199
Italy	29%	23%	3%	23%	23%	31
Japan	31%	20%	20%	16%	12%	122
Mexico	51%	30%	4%	11%	4%	53
Serbia	44%	25%	8%	11%	13%	152
South Korea	30%	27%	9%	17%	17%	189
Turkey	30%	27%	9%	18%	15%	33
Vietnam	44%	20%	8%	15%	14%	96
Total	36%	23%	9%	13%	19%	1488

Table 3. Enterprise Cycle Importance Ranking

	Envisioning	Enthusiasm	Enlightenment	Experimentation	Excellence	Valid Cases
Argentina	31%	45%	13%	8%	4%	78
Austria	27%	24%	22%	27%	0%	37
Bulgaria	27%	8%	39%	12%	15%	101
China	39%	20%	16%	12%	13%	182
Indonesia	34%	20%	21%	12%	13%	199
Italy	45%	16%	13%	10%	16%	31
Japan	36%	20%	15%	11%	18%	120
Mexico	43%	38%	11%	4%	4%	53
Serbia	28%	20%	23%	9%	20%	152
South Korea	56%	16%	9%	9%	9%	193
Turkey	55%	6%	33%	3%	3%	33
Vietnam	28%	16%	29%	8%	19%	96
Total	34%	19%	19%	11%	17%	1513

Actual State

While importance reflects the personal values of the respondents, Actual State should show the perceived status of each element in the respondents' respective countries. For this section, there are relatively less valid cases (Mexico having only four and Spain having none). This could explain the relative disparity between the rankings.

It can be observed that in terms of the Humane Cycle (Table 4), the Engagement is perceived to have the highest state in South Korea, while it is deemed basically nonexistent in Mexico. However, this should be taken with a grain of salt, as Mexico only has 4 responses, three of which considered Empowerment the most important. Austria on the other hand, deems the state of Equality being the highest in the country. All in all, Empowerment has the highest perceived actual status, followed by Engagement, Ecosystem, Ethics, and lastly Equality.

Table 4. Human Cycle Status Ranking

	Empowerment	Ethics	Equality	Engagement	Ecosystem	Valid Cases
Argentina	48%	7%	7%	14%	24%	29
Austria	17%	14%	25%	19%	25%	36
Bulgaria	48%	3%	8%	27%	13%	89
China	25%	10%	13%	11%	42%	159
Indonesia	43%	14%	8%	19%	16%	195
Italy	47%	0%	3%	27%	23%	30
Japan	41%	18%	12%	19%	10%	83
Mexico	75%	0%	0%	0%	25%	4
Serbia	45%	12%	6%	24%	13%	139
South Korea	33%	11%	5%	38%	13%	132
Turkey	42%	3%	12%	30%	12%	33
Vietnam	32%	14%	14%	29%	11%	56
Total	39%	13%	9%	21%	18%	1222

Figure 2. Human Cycle Status Score

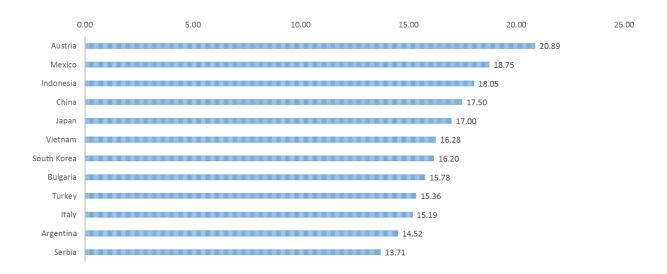


Table 5. Enterprise Cycle Status Ranking

	Envisioning	Enthusiasm	Enlightenment	Experimentation	Excellence	Valid Cases
Argentina	38%	31%	14%	10%	7%	29
Austria	24%	12%	15%	18%	32%	34
Bulgaria	18%	26%	23%	14%	20%	96
China	31%	19%	10%	22%	17%	176
Indonesia	33%	18%	18%	16%	15%	197
Italy	17%	17%	21%	21%	24%	29
Japan	33%	11%	19%	16%	21%	90
Mexico	50%	0%	25%	0%	25%	4
Serbia	20%	25%	22%	12%	21%	141
South Korea	32%	23%	12%	15%	18%	142
Turkey	24%	12%	12%	42%	9%	33
Vietnam	30%	20%	17%	20%	13%	54
Total	31%	18%	15%	16%	20%	1260

Figure 3. Enterprise Cycle Status Score

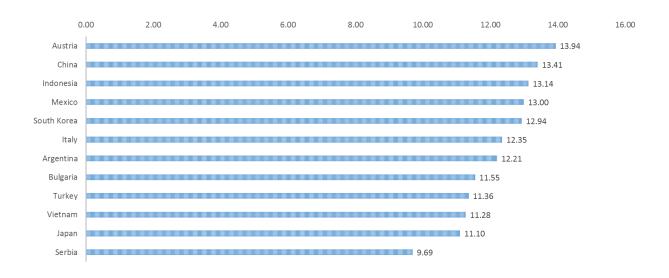
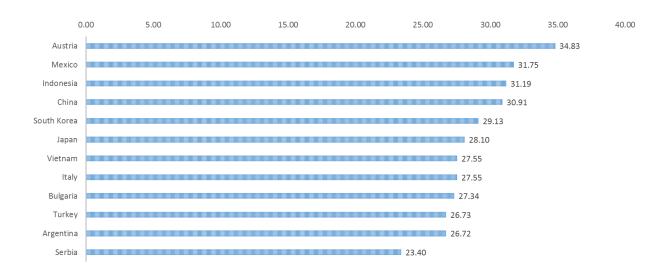


Figure 4. Total Score by Country



Elements of the Enterprise Cycle are perceived just as disparately as the former. While Experimentation is deemed high in Turkey, it is generally rated as the low everywhere else. For countries like Bulgaria and Serbia, Enthusiasm are perceived as the highest while opposite results are observed for the other countries. Considering the entire dataset, Envisioning is

deemed to be regarded as having the highest actual state, followed by Excellence, and Enthusiasm, with Enlightenment and Experimentation tied at last place.

On the average, the countries perceive Envisioning and Empowerment as the most important elements of Humane Entrepreneurship with 33 and 37 percent of the total respondents choosing these. The rest of the elements have received scores close to 19 percent except for Experimentation and Equality which are the lowest. The perceived status of Humane Entrepreneurship falls mostly around 3 out of 5, the lowest being Ethics and Equality at 2.81 and 2.82. There is also a general gap between the perceived importance and the actual state with Empowerment and Ethics having the largest gap, and Experimentation and Excellence having the lowest.

In this manner, the study at hand aims to provide a way to show how each country views each element of the Humane Entrepreneurship model. Further analysis could be done using this dataset, and with more responses from more countries, results would prove to better represent each country. Analysis of this dataset stratified through organization types, and geographical regions could subsequently be done as well through collaboration with other global researchers.

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Questionnaire for White Book 2015 on Humane Entrepreneurship

The research at hand aims to publish a White Book on humane entrepreneurship. As the focus of entrepreneurship shifts from culture to culture, this questionnaire seeks to identify which characteristics are important for your country or organization. This examines the current status and future direction of small and medium enterprises in terms of globalization, innovation and humane entrepreneurship. In relation to this, this collaborative effort is proposed to be undertaken.

For this questionnaire, the respondent is asked to rate each item in terms of (1) Importance, a personal assessment of the characteristic mentioned, and (2) Actual State in your country, how you think your country fares in relation to the characteristic mentioned.

There are a total of 10 different characteristics, classified into groups of five. The first five pertain to the Enterprise Cycle. After rating each characteristic separately, you would be asked to rank them in terms of Importance and Actual State as well. The next five characteristics pertain to those in the Human Cycle. Similarly, after rating the characteristics, the respondent is asked to rank the five characteristics in terms of Importance and Actual State.

Feel free to contact us should you encounter any issues in answering this survey. Thank you and best regards, Ki-Chan Kim President, International Council for Small Business kckim@catholic.ac.kr Personal Information Country ____ Organization

Enterprise

Education or research institute

Policy making

Other: Name Email address* * For receiving a digital copy of the White Book on Humane Entrepreneurship Entreprise Cycle 1. Envisioning (Inspiration and Proactive Investment) Principle 1. Entrepreneurs should be able to predict future environment changes, capture new

opportunities, provide vision, and thereby proactively pursue and push for innovation with initiative.

	Very Low	Low	Neutral	High	Very High
Importance					
Actual State					

2. Enthusiasm (Perseverant challenge)

Principle 2: Entrepreneurs should keep a challenging spirit, risk taking despite uncertainty, and exploit new opportunities.

	Very Low	Low	Neutral	High	Very High
Importance					

	Actual State					
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Human Cycle

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	Importance Actual State						
7.				taking social responding taking social responding to the social respond			
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	Importance						
	Actual State						
	Principle 8: Entrepreneurs should keep the mindset of opening, sharing, and cooperating toward employees. They also should maintain the spirit of fairness and equality through unconstrained human relations, while pursuing external stimulus and viability focusing on the workforce.						
	Importance	Very Low	Low	Neutral	High	Very High	
	Actual State						
9.	should be able to o	overcome those cr ngagement by en	risis, changing t	driven by environm threats into opportu notivating employe	nities through c	erisis	
		Very Low	Low	Neutral	High	Very High	
	Importance						
	Actual State						
10.	0. Ecosystem (Development and collabo-nomics) Principle 10: Entrepreneurs should cultivate a healthy business ecosystem as well as have an ecosystem friendly mind, thereby creating collaboration and trust among ecosystem participants through altruistic oriented relationship management.						
		Very Low	Low	Neutral	High	Very High	
	Importance						
	Actual State						

Human Cycle: Importance Rank the importance among the five

	1 st in	2^{nd} in	3 rd in	4 th in	5 th in
	importance	importance	importance	importance	importance
6. Empowerment					
7. Ethics					
8. Equality					
9. Engagement					
10. Ecosystem					
Rank the level (actual	1 st in actual	2 nd in actual	3 rd in actual	4 th in actual	5 th in actual
6. Empowerment	state	state	state	state	state
7. Ethics					
8. Equality					
9. Engagement					
10. Ecosystem					