

2. Employees as Co-Entrepreneurs

The Philosophical Foundations of Socially Responsible Leadership

2.1 The Entertainment Industry blueprint

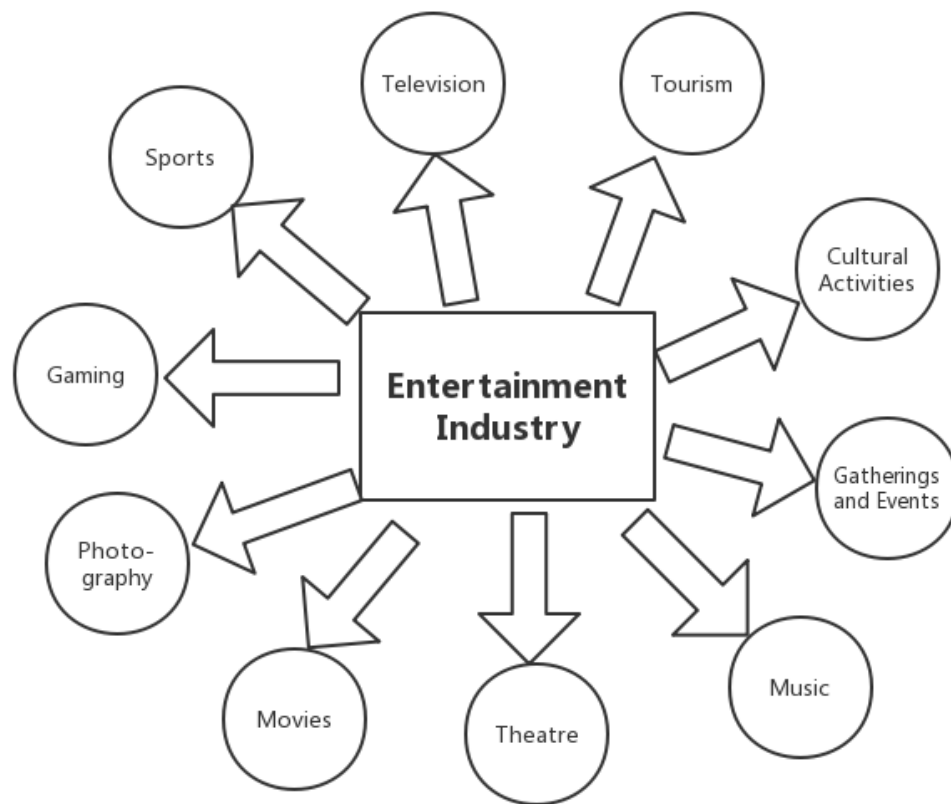
In this module we will focus on the Entrepreneurship aspect of Leading Social Change. And when we need to start thinking about the industries of Sports and Entertainment, there's no doubt that, even though most athletes and celebrities could count as employees on big corporations (Clubs, Associations, Teams, Studios, Record Labels, etcetera), they are, at the same time entrepreneurs that need to establish their own path in terms of their image, branding, mission and vision.

That is why we will focus on this module in the aspects of Employees as Co – Entrepreneurs, in the sense of being both an intrapreneur and an entrepreneur. In the introductory part of the module we will discuss the industry, and then dive into the syllabus topics, that are applicable in general.

When we say that the Entertainment Industry has this particularity, it is important to take a look at what comprises the Entertainment Industry as a whole, and then start discussing in more depth, Sports specifically as a different ecosystem within it.

In the graphic below you can see an overall view of the biggest industries within the main industry of Entertainment, and we must take into consideration that the compartments are not stale, as they can also get intertwined, and the lines may become blurry whether it's part of one or the other. (i.e. a TV showing of a soccer match: Is it sports, is it television, or is it both?)

Figura 1: The Entertainment Industry aspects



Source: Own Production.

- Sports: As our main industry of interest, we need to realize that in itself is going to be surrounded with other actors and industries within entertainment to reach broader audiences.
- Television: Television is both an entertainment industry in itself, as well as one of the biggest channels for the other industries to reach audiences, for example when airing a basketball game, a tennis match or a soccer championship, to name only a few.
- Tourism: A big entertainment industry, with the particularity that we could call tourists as “alone together”, as every person, couple or family, even if sharing the space with other tourists, will have a very different experience, and that is mostly based on the details, rather than the “big things”.
- Cultural Activities: In this segment we could place most activities that are not comprised in the rest of the areas, such as museums, happenings, arts, and etcetera.

- Gatherings and Events: Another blurry industry; as the gatherings and events can be about music, sports, arts, and many other things. But in itself, it's a logistics and geolocation heavy industry.
- Music: Probably alongside Sports, the entertainment industry with the most common and lasting pop culture effect.
- Theatre: The origin of storytelling as an industry.
- Movies: Another mainstream industry capable of having a global impact on popular culture.
- Photography: With the advent of new mobile technologies, it evolved to an everyday activity that is embedded in our lives.
- Gaming: Same as with sports, even casual practitioners could turn competitive, making it different than other industries where the masses are more passive.
- A large etcetera: Of course it was not our intention to have an exhaustive list of everything included in the Entertainment Industry, but rather paint the big picture.

2.2 The Sports Industry Ecosystem

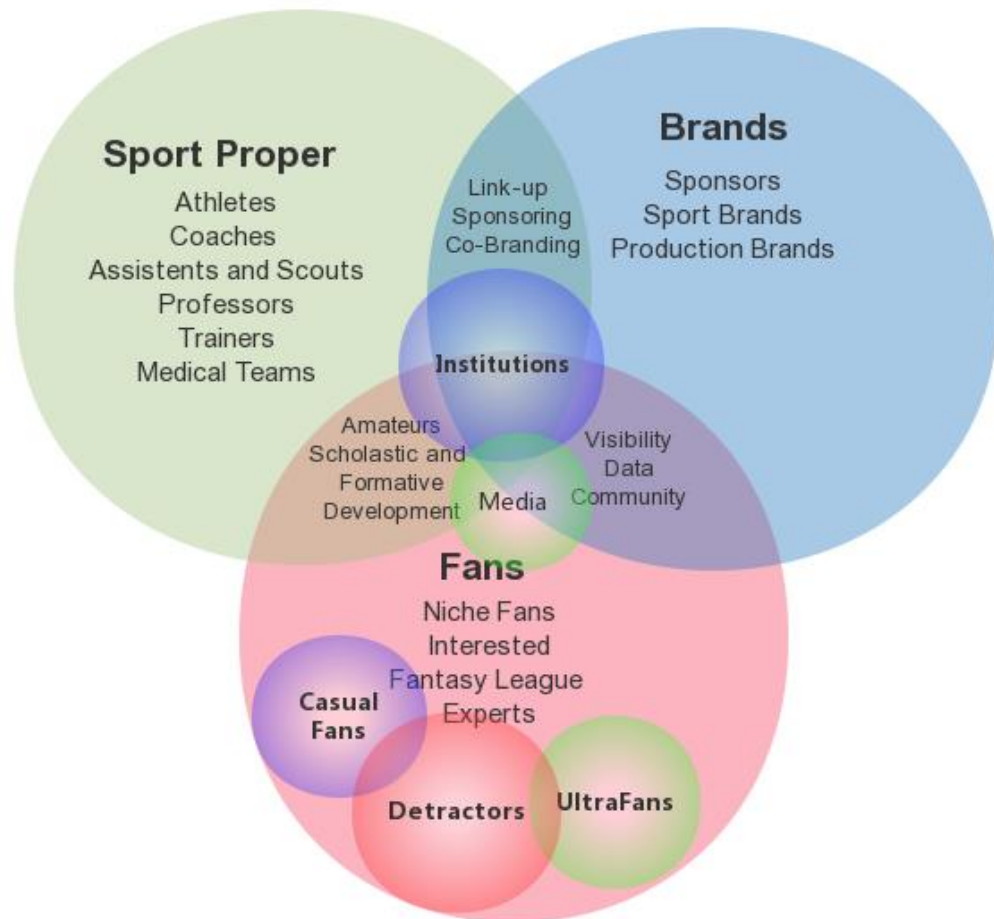
Now we can delve more into the Sports Industry to try and understand it further, by taking a look at the Sports Ecosystem and what everything means.

When we say that an industry is an ecosystem, we need to understand that it means that not every aspect of the industry is discombobulated or isolated. They are intertwined and work in an equilibrium that can tend to be more or less harmonious. That brings us back to module one when we discussed that change (as in bringing harmony in this case) depends on a plan to do so, thus Leading Social Change.

It is always a good exercise to model the ecosystem of an industry to understand it deeper, and to realize the tensions within as well as the objectives each of the actors have.

In the graphic below we are looking at the actors involved in the Sports Ecosystem, as well as how they interact and their main motivations to be a part of such ecosystem.

Figura 2: The Sports Ecosystem



Source: Own Production.

The three main actors in the Sports Ecosystem are Sport Proper, Brands and Fans; and only then other important actors such as sport institutions, governing bodies, mainstream and sport media.

- **Sport Proper:** It is integrated by those actors that are directly linked to the sport activity per se. We could say that they are the ones that impact directly or indirectly but closely in the outcome of the sport results. That's why we could list as central Athletes of course, but also coaches, scouts, assistants, professors, medical teams, trainers and managers.
- **Brands:** They are the main economic motor behind sports, and brands related to sports can either be sponsors, brands devoted to create sport

products and services, and brands devoted to produce sport events, activities and transmissions.

- **Fans:** Fans are the emotional motor of sports, they are the ones who root for athletes to perform better (or worse if they are fans of the other team). They are the ones that get inspired by athletes, the ones who look up to them, who cheer for them, who play to be them; and for that emotional bonding, they make for the most loyal customers. Fans can also be:
 - Casual Fans: They like to watch sports, or a particular sport, but they do not do it constantly; they are somewhat interested but the emotional bonding is not that strong.
 - Detractors: They like the other team, the other player in the matchup, or they are fans of a classic rival. No matter how well our team is playing, how successful the athlete is, they will probably never root for us, and we need to take them into consideration too.
 - Ultra-Fans: They are the ones who love the team, who follow every single piece of news, every match, and every activity.
- **Institutions:** They are the organizations that work and lead what happens in the world of sports, whether being the governing body of local, regional, national or international sport; a team, a club, or a federation.
- **Media:** They are the space where messages about sports flow and connect the different actors of the ecosystem. They can be mainstream media, niche media about sports and social media.

Of course, when we visually analyze this ecosystem, we realize that these actors are related among them, and they are not isolated. Leading Social Change can be done in the fields of sports and entertainment because of these relationships. Because the different actors can work together towards a greater goal. As we presented in the example on the first module when an athlete like Messi (from Sport Proper), a nonprofit like UNICEF (from brands) collaborated to make a little kid happy (from Fans).

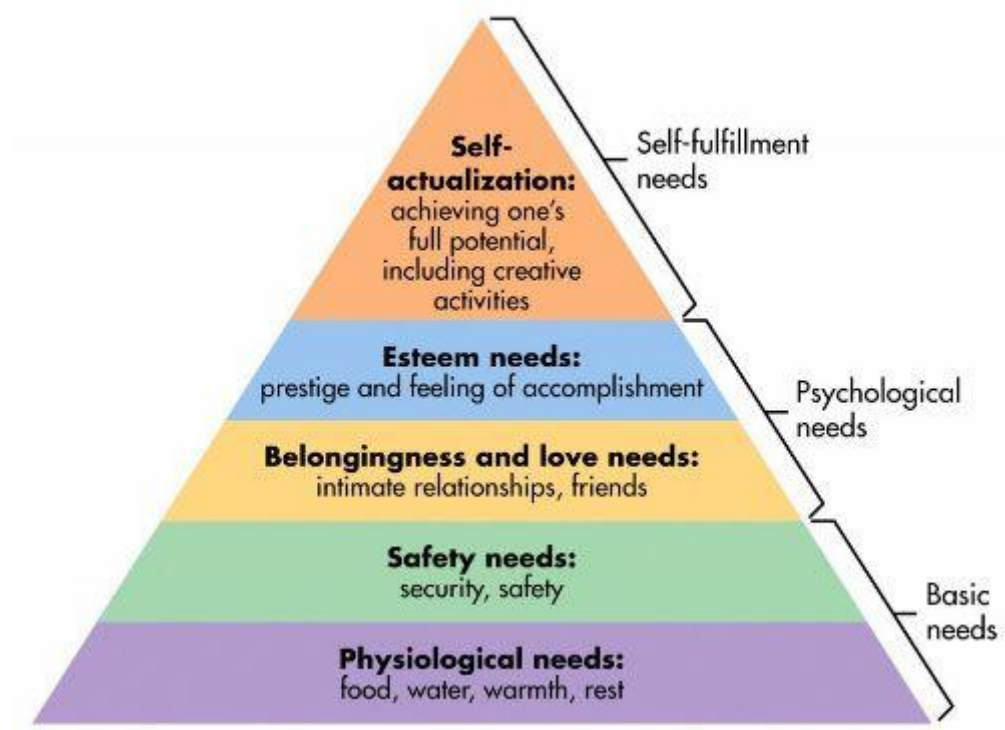
It is a good exercise to think about other moments and situations in which different actors of the ecosystem get together for social change.

It is also a good exercise to try and understand the dynamics behind this ecosystem, or the ecosystem of the industry we are most interested in, as shown on Figure 1.

2.3 Maslow's "Hierarchy of Needs"

Abraham Maslow proposed a theory called Maslow's hierarchy of needs. His theory is about how humans are motivated to achieve certain needs, and how people decide what to do. (Maslow, 1943)

Figura 3: Maslow's Pyramid



Source: (Simply Psychology, 2016)

In Maslow's theory, people's motivation comes from needs, and the desire to fulfill them; and the stratification of the pyramid is because a person cannot get motivated to fulfill higher needs if more basic needs are not met.

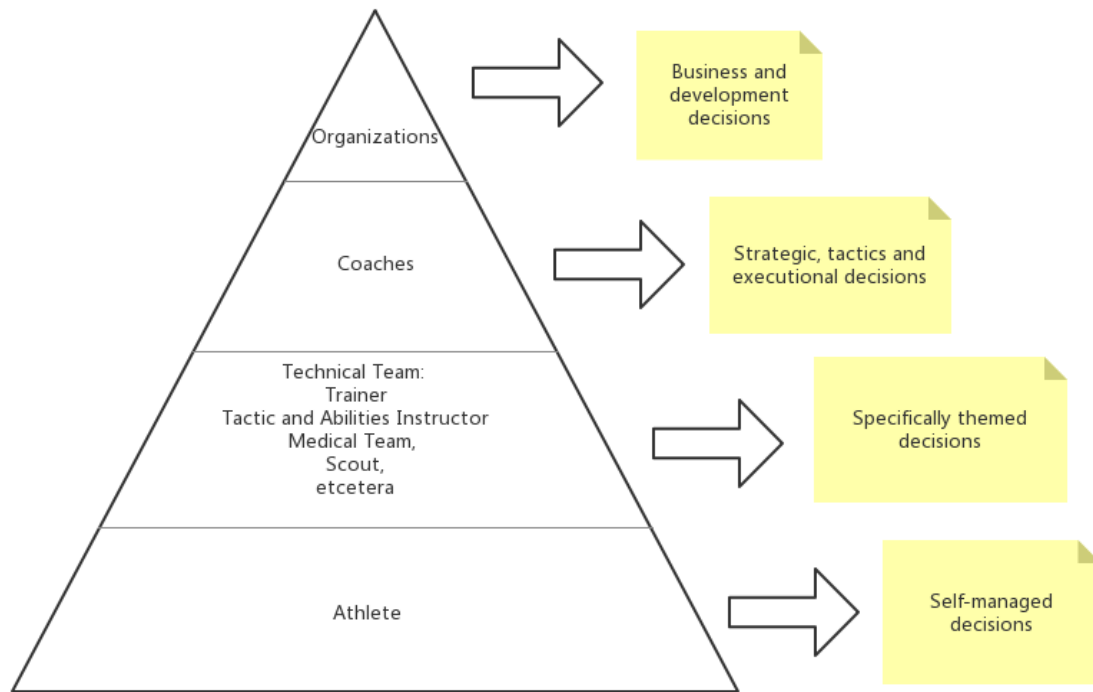
That way, there are five tiers of needs that any person can experience, and we could divide them in three main areas:

- **Basic Needs:** These needs are the ones we should fulfill in order to survive. They are constant, and once we fulfill them they start to be created once again.
 - **Physiological needs:** We all need to eat, drink, stay warm, rest and restore our strength, in order to be able to live. We cannot start thinking about upper echelons if these needs are not met. Think about any time you are hungry, thirsty, cold, tired or you need to relieve yourself; you cannot think of anything else until you meet that need.
 - **Safety needs:** The second echelon, still among basic needs are safety needs; our needs for security and safety. When everything started, and mankind was still pretty uncivilized, the safety needs were the ones responsible for making humans gregarious. You wouldn't be able to fulfill your basic needs on a consistent basis if we were completely alone, as you couldn't find a safe place to rest properly. That way by becoming social and starting flocking, people could start feeling more safe and then start thinking about upper echelons.
- **Psychological Needs:** Once our basic needs are met, and are met on a recurring basis, we are trying to meet our other needs, social and psychological needs; needs that are not just about living, but about living well and enjoying life.
 - **Belongingness and love needs:** In order to feel better with ourselves, we need to know we belong somewhere, with someone, we need friends, loved ones, family, intimacy, relationships, tribes, groups, closeness with others.
 - **Esteem needs:** After we found some people to love and feel close with, then we move to social needs of accomplishment, the sense of prestige, external validation.
- **Self-fulfillment Needs:** Finally, once we have met all of our basic needs and our psychological needs we can move onto the upper echelon, which is comprised of the self-fulfillment needs, in which we reach self-actualization and we achieve our full potential.

As we analyze Maslow's Pyramid and what drives or motivation to succeed, we can try and understand how this concept merges with the Sports ecosystem in an equivalent way, as we can realize how the organization of

sports can be seen in echelons that need to be fulfilled in order to have a real chance of moving up in the pyramid, as show in the graphic below.

Figura 4: Sports Ecosystem Pyramid



Source: Own Production.

The athletes are the base of the pyramid as there wouldn't be any sport decisions to make if they weren't around. They are the basic element to keep the ecosystem possible. That is why there are no teams without athletes, but there can be athletes without teams, as we can see with millions of amateur players in the globe. All of their decisions when no one else is involved must be self-managed.

Once we move up in the pyramid one echelon, we start to see other particular needs, whether training needs, medical needs, discovering needs, scouting needs, learning needs that will be tackled by the technical experts who will focus on niche decisions depending on who each expert is.

As niche needs are taken care of, we can start thinking about strategic processes, and how to apply such strategies to tactical plans and then to execute said tactics. Normally those are taken by managerial and coaching staff level decision makers.

Finally, when everything else is a met need, we can start focusing on the upper echelon for the business, branding and social change aspects.

Normally they are possible when organizations are in place and willing to make decisions on the business side, as well as on the development of the discipline.

2.4 Entrepreneurial Traits and Factors

We already discussed in this module about the Entertainment industry and then delved into the Sports Ecosystem, and how everything works together in order to reach change. Then we moved onto Maslow's Pyramid to understand how motivation is developed through our needs; so now it's time to get into the personal characteristics and traits of those who will be more easily motivated to produce change, and most importantly, how to recognize those who will be a force for social change for good, whether they are entrepreneurs, intrapreneurs, employees in sports organizations, because after all, as we saw already, change needs to be led as well as it needs to be led by people motivated for such change, with a purpose, or an ideal / desired state in mind.

According to Doctors Ramananda Singh and Ratvi from Assam University (Ramananda Singh & Ratvi, 2013) there is a way to understand what makes for a good entrepreneur, and what traits we can find in them in order to understand why they are the motor of change.

They list five main factors and fourteen traits to define an entrepreneur; but since this is a course on leading social change for good, we can add a sixth factor based upon the ethics analysis we did in the past module.

At this point, we can start putting the pieces together from module 1 and 2, when we described what the process of Leading Social Change meant, and now by defining what personality traits that those who will be leading the changes need to have. The first step is to be conscious of what it takes, so we can then start training ourselves where we are lacking, and to start using as pillars those we are already strong at.

Figura 5: Entrepreneurial Factors and Traits

Factors	Traits
Innovative	Individual smartness
	Innovativeness
	Sincerity and commitment
	Creativity
Futuristic Mindset	Good planning
	Ability to make decisions
	Goal oriented
Risk Taking Ability	Internal locus of control
	Attitude towards risk
	Tolerance of uncertainty
Adaptability	Dedication and hard-work
	Flexibility
Commitment	Endurance
	Self efficacy
Ethics	Motivation
	Emotional Bonding

Source: Own Production.

Innovative: Changing means developing a new status quo, by breaking the current status quo in order to get to a desired state. In that sense, being innovative means the ability of realizing not only what such desired state is, but also what's the road to get there.

- **Individual smartness:** It means that the person who will think about this desired state must apply his or her intelligence, in all of its forms.

Figura 6: Types of Intelligence



Source: (Paiva, 2013)

- **Innovativeness:** Innovativeness is the tendency to innovate, meaning how often, when facing with a status quo or current state undesirable or unfulfilling, the entrepreneur searches for a way to exert change.
- **Sincerity and commitment:** There is a big difference between saying "I would love if things were different" than to actually commit and advocate for change. An entrepreneur does not stop in dreaming change, an entrepreneur commits to change and sincerely wants a new road to go down through.

- **Creativity:** Could be thought as an original thought process to solve problems. Unless the mind is put to work on solving a problem, creativity is misused and lost.
- **Futuristic mindset:** This is the ability to place oneself in the future and start deconstructing the way to get there. Once we've been able to "see" the future we want, we can develop the road to success... in this case, the road to social change.
 - **Good planning:** As we discussed in the first module, the only way to generate social change for good towards a goal, we need to have a plan, and the plan needs to consider strategy, tactics and execution.
 - **Ability to make decisions:** Not even the best plan is going to go as smooth as not to need decisions on the fly. The ability to make said decisions under pressure is what defines a good entrepreneur.
 - **Goal oriented:** As the old saying goes: *"If we don't know where we are going, every wind is unfavorable"*, we need to have a clear goal, and work towards it. The objectives and the willingness to stick to the goal can make or break a plan for change.
- **Risk Taking Ability:** As goals need to be challenging, whenever we launch ourselves on a plan, we cannot have the complete certainty of success. Of course, we can have confidence in our plan and our work-ethic, but we still need to be able to deal with the risks involved without getting paralyzed.
 - **Internal locus of control:** We need to think that we can control the majority of our fate or destiny, and not that only external forces working for or against us are the only ones responsible for reaching our goals.
 - **Attitude towards risk:** As Aristotle stated and we discussed in the first module, we need to find a healthy middle ground between not taking any risk and being reckless: it is what an entrepreneur should call a "calculated risk".
 - **Tolerance of uncertainty:** The road to change is hard, often times we are in the unknown, and even more often we find ourselves at a clear distance from the path we planned to go

through. We need to be able to tolerate uncertainty and the ambiguities we find on our way.

- **Adaptability:** It is an ability we must have to accept change so we can fit better to a new situation or purpose. As much as we do a status quo diagnostic at the start of the process; we need to be alert to changes in the context and what those changes may imply to our plan.
 - **Dedication and hard-work:** It is probably self-explanatory. We need to devote ourselves to fulfill our plan.
 - **Flexibility:** Whenever we find an obstacle we can do different things; we can stop and regroup, we can push through, we can climb, or we can take a detour. We need to be able to decide which course of action is best for each situation.
- **Commitment:** Change, and social change especially, won't just happen per se. We need to commit fully to make change happen, and we need to convince others to join in our commitment.
 - **Endurance:** The bigger the objective, the tougher the path, and the longer the "game" will be. Are we prepared physically, psychologically and emotionally to power through?
 - **Self-efficacy:** It is our belief that we can accomplish a task or to manage to perform successfully in certain specific situations. If we don't believe we can make it, we probably won't, as is normally the case of the self-fulfilled prophecies.
- **Ethics:** As we discussed in module 1. We need to take notice is the morality behind this entrepreneur is a change for good.
 - **Motivation:** Why are we doing this for?
 - **Emotional bonding:** Empathy and connection with our own emotions. Working well with others, be able to lead, to work together, to communicate.

As we can conclude from this analysis, clearly athletes and actors involved in the Sports Ecosystem share many of the entrepreneurial traits and factors. The next logical step is to put such traits and factors in service of social change for good.

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