

# Expanded abstract

## Servant leadership and basic values in the labor as characteristics of social entrepreneurship: an exploration with trainees and business students in the State of Mexico

### Objetives

The unrestrained growth of the informal economy, insufficient employment creation, and defective access to social rights and benefits linked to paid work, reproduce higher inequality. In Mexico, this scenario entails the tearing of the social fabric. In an incipient alternative economic sector, regarding the public and the capitalist ones, characteristics of the social sector are its limited size and a dynamic with little significance, without getting to shape a collective identity. Social entrepreneurs might be the actors who favor the welfare and productivity of the social sector. However, the literature that profiles social entrepreneurs has a conceptual emphasis; thereby there is still need for empirical research.

The aim of this research study was to identify whether the relation between values toward labor and servant leadership would delineate the profile of social entrepreneurs.

Building on Schwartz's values theory toward work and Greenleaf's leadership approach, we put forward two hypotheses:

- H<sub>1</sub>: Values toward labor with social approach (self-transcendence and openness to change) are related to servant leadership (empowerment, altruism, and humbleness).
- H<sub>2</sub>: Self-transcendence and openness to change explain significant proportions of servant leadership variance.

This exploratory research design corresponded to the participants' profiles, the non-probabilistic sample and the questionnaire applied. We put together an instrument to gather primary data from: (1) the values related to labor scale to gauge four higher-order values, (2) the measurement of servant leadership

We collected primary data from a questionnaire integrated from: (1) the work values scale included four higher-order values (openness to change, conservation, self-transcendence, and self-enhancement); (2) the servant leadership scale comprised empowerment, humbleness, and altruism.

Due to the newness of the of social entrepreneur figure in Mexico, and the risk represented by the social desirability bias, the items in the questionnaire posed hypothetical experiential situations in a business environment. Instances of questions are: "An entrepreneur who would

do everything they possibly can to serve others". "An entrepreneur who looks for the wellbeing of people part of their staff". Respondents are asked to rate themselves in each of the items by using a 5-point Likert scale (1= "they are not like me at all" to 5= "they are very similar to me").

With a non-probabilistic sample of 338 subjects grouped into two collectives (141 trainees and 197 business students) from the Autonomous University of the State of Mexico, the metric quality of the questionnaire was examined satisfactorily. The validity of the four-value work scale explained a variance of 57.081%. With the three factors of servant leadership, 61.86% of explained variance was reached. Reliability indices (Cronbach's alpha) ranged between .554 and .818.

Based on descriptive results, we could confirm that the social values of self-transcendence and openness to change prevail in the profile of social entrepreneurs. In self-transcendence, one finds understanding, tolerance, and protection to the wellbeing of everyone and nature as well; concern for the wellbeing of those with whom one maintains close relationships.

Through the practical expression of openness to change, social entrepreneurs emotionally manage their own drives and behaviors with a view to starting, searching and propitiating change toward excellence in functioning; it comes with thinking and action independence. As service leaders, social entrepreneurs focus on acknowledging good practices, social innovation and results of social initiatives (empowerment). Humbleness is the catalyst of service and goodwill toward those in need. Social entrepreneurs are altruistic intermediaries who help obtain resources, develop capabilities, and look for opportunities.

Correlational results supported hypothesis 1, whereby progress was made in the construction of the profile of social entrepreneurs. Combining the values of self-transcendence and servant leadership empowerment, social entrepreneurs carry out a social mission organized as a collective, including a vision of the business, implementation capacity, and management efficiency. Such self-transcendence places social entrepreneurs on an altruistic road if they offer their capabilities so that there is equity and equality in resource allocation. Social entrepreneurs enjoy the privilege of helping with humbleness as they leave destructive competence behind for it deteriorates human relationships, undermines trust, and diminishes entrepreneurial results. Concerning openness to change, social entrepreneurs believe in changes in favor of a better society, and to move away from conservative stances, they empower by articulating social and economic goals in order to reach them. Such openness links to altruism with intangible rewards as they lead a social project that entails a paradigm shift in the business world. When humbleness and service go hand in hand, not only do leaders become authority, but it is also a way to influence others; it means advancing as a community, recognizing everyone's strengths and differences in social welfare.

In order to test the predictive effect that social values (self-transcendence and openness to change) have on servant leadership (hypothesis 2), we ran a multiple linear regression model verifying that both variables are part of a social entrepreneur's characteristics. Self-transcendence was a better predictor of servant leadership than openness to change.

The limitations of this study were, in part, due to the way we used to establish contact with the participating subjects and the type of sampling. First, a non-probabilistic sample with

voluntary subjects was chosen and, due to social distancing due to the Covid-19 pandemic, a self-administered (online) questionnaire was applied, with a tendency susceptible to social desirability bias. Second, such social self-projection became indispensable since we could not detect (or did not have access to) currently active social entrepreneurs.

The implications of this study are diagnostic information regarding the profile of social entrepreneurs, produced on a scale with metric quality, which makes it useful in the design of diagnostic, training and updating instruments for the Mexican population. We recommend consulting the intervention schema to witness the presence of voluntary change of social values.

As practical conclusions, for social entrepreneurs to successfully lead a project with social and economic goals, they have to combine self-transcendence and openness to change with servant leadership (empowerment, altruism, and humbleness). This conceptual mix will help social entrepreneurs to challenge the balance between social mission and self-funding in environments where resources are scarce and social needs prove pressing. In addition, it is a practical to pass the alternative benefits of a social economy to others.

Original value. Research work on social values as features of social entrepreneurs is abundant; however, we did not find studies addressing linkages with servant leadership. The social value of the present research is to intertwine social values and servant leadership indissociably into social entrepreneurs' profile. As we hypothesized, there is a relation (association and influence) between social values toward labor (self-transcendence and openness to change) and servant leadership (empowerment, altruism, and humbleness), whereby we contribute to define the characteristics of social entrepreneurs in combination rather than isolation. That is, despite the fact that self-transcendence and openness to change are values necessary for social entrepreneurship, they are not sufficient to reach such a goal. They must come together with the kind of servant leadership that has the growth of those, which it serves as an accomplishment.