



# Entrepreneurial leadership

Leadership is becoming more and more important as a process that enables teams to engage in collective creativity towards the best possible (novel, relevant, valuable) outcome. Such leadership practices are relevant to make room for and support entrepreneurship and innovation that, by now, is a more and more collective process. In this short piece Daniel Hjorth, academic co-director of the Entrepreneurship Platform, focuses on the particularly entrepreneurial qualities or acts that are part of this way of leading.

## Entrepreneurial leadership [1]

▲ **EDITORIAL** Leadership is becoming more and more important as a process that enables teams to engage in collective creativity towards the best possible (novel, relevant, valuable) outcome. Indeed, for this, the jazz legend Miles Davis' relational techniques on stage, making space for new creative actions to emerge, provides a great example. But also the shared leadership practices of string quartets [2] that implicate everyone in every moment of the creative process towards a synergistic whole. We have previously suggested that these practices are relevant to entrepreneurship and innovation as a typical, postindustrial, collective creation process. Here I'd like to focus a bit more on the particularly entrepreneurial qualities or acts that are part of this way of leading.

My point is that the industrial economy was a predominantly managerial economy, in which the distinction between management and leadership almost withered. Many are the books (see e.g. Yukl's or Kotter's work) that downplay the importance of differentiating between management and leadership. Postindustrialism is characterized by re-calibrating businesses towards innovation, and the entrance of the entrepreneurial upon the organizational stage. This means a slightly schizophrenic organization, that needs to be great at both controlled processes of production with focus on economic efficiency (the main domain of management), and pro-rolled [3] processes of innovation with focus on generating superior or new value for existing or new customers (the main domain of entrepreneurship). This also means a new balance has to be found and continuously reset, namely the relative emphasis on a managerial and/or an entrepreneurial mode of organizing. This is the re-emergence of a need for leadership, and I suggest to call this entrepreneurial leadership.

Collective creativity can be understood if we think it through the concept "ensembling". Ensembling describes a highly interde-

pendent or relational, collective process in which team members engage heterogeneous talents and perspectives and respond to dynamic contextual information to rapidly generate variation, push the boundaries, and iterate towards the creation of an emergent, coherent and novel outcome. Teams with ensembling capabilities regularly outperform other kinds of creative groups [4].

Entrepreneurial leadership, that wants to make heterogeneous talents work more creatively and innovatively in collective processes, would need to attend to relations and relational dynamics, rather than simply individuals. Socially creative teams are capable of ensembling. This approach proposes to make leadership into a force that is manifest collectively. If we again turn to the example of Miles Davis performing with a band on stage, we see a distinctly relational constitution of leadership. By alternately leading, then handing over leadership and keeping quiet as a leader, Davis creates space for others to take leadership actions, and motivates acts of leadership from amongst his group without dictating what they should be. Making space for play, or, making space for collective creativity, ensembling, is a key function of the postindustrial entrepreneurial leader.

Entrepreneurial leaders also exercise a visionary faculty we can call "fabulation", the act of making manifest images of "what could become" in order to motivate and inspire. Fabulation can be performed in words (i.e. a rousing speech, or verbal guidance or feedback), or in action, as Davis does when he exercises the force of his focus and attention to shape the event of a performance. Fabulation involves exercising one's imagination to skillfully perform a narrative that affects the other. Affect produces suspense, a breaking-free from the continuity of presently dominant normalities, taken-for-granted reason, and creates a pause during which we are powered up in our receptivity so that our capacity to be affected and affect others is increased.

Fabulation calls into being a time of passion, in which we become affected by the other's capacity, so as to affect the other; in other words, we allow ourselves to be changed by the other, and in doing so make the other more receptive to be changed by us in turn. In this relational space in which we affect one another – based on trust and curiosity for one another's capacity – novelty has a chance to emerge. When guided by a passionate curiosity for the capability of people, an entrepreneurial leader embraces heterogeneity and seeks differentiating acts – those acts of variation, experimentation and play that cannot be predicted on the basis of past habits or practices, and that at times surprise

even the maker. Such acts become increasingly probable when a group of individuals with heterogeneous skills is given space to play through entrepreneurial leadership. Such leadership means you lead in order to become led; be inspired, surprised, moved, called to action. Entrepreneurial leadership is thus also a process of creating leaders.

The postindustrial innovative economy requires that the management-component in leadership is toned down to make space for the entrepreneurship-component. Entrepreneurship, like leadership, is not primarily economic acts, but a visionary and relational making of space for collective creativity (creativity that also generates economic opportunities and value). Entrepreneurial leadership is then not about producing consumers of your ideas, but about creating a co-creative ensemble with collective leaderships capacity, which is mobilized to act in ways that enlarge opportunities for all involved.

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[1] This text builds on a section of a previously published piece on collective leadership, written together with Shannon Hessel and Robert Austin.

[2] Studied in Shannon Hessel's PhD thesis (2013).

[3] See Hjorth (2012) Handbook on Organisational Entrepreneurship, Cheltenham: Edward Elgar.

[4] See Shannon Hessel's work.

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