



The “Great Entrepreneur-Leader Model” in MBA Programs: Impracticability and Change

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Abstract

This paper examines the use and application of the “Great Entrepreneur-Leader Model” in teaching and training MBA students for success in the real business world. The author defines and provides several examples of the model in use and application at various schools and colleges of business and leadership, and then examines the problems and deficiencies of this model in terms of disadvantages in using this model as the dominant approach to prepare aspiring entrepreneurs or MBA graduates for the real world. The author identifies and explains seven major flaws or deficiencies of the model and discusses how business schools and colleges and their faculty can make changes that improve how they teach successful business, leadership and management examples. Finally, the author deliberates on the nature of 21st century business environment and the role that business schools and colleges and their faculty must play in preparing men and women to be successful in a rapidly changing and uncertain environment.

Keywords: Entrepreneurs, Leadership, Great entrepreneur-leader model, key success factors (KSFs), competitive advantage, MBA programs.

Introduction

Today’s business environment is highly complex with more intricacies and connections than ever before recognized in trade and commerce. Doing business successfully is no longer guaranteed by simply having proven key success factors (KSFs) endemic to certain professions and industry. Entrepreneurs today need to have a much broader knowledge and skills set, as well as more dynamic and diverse frames of references in order to adequately understand and adapt to changes and grow in the complex and uncertain, unpredictable business environment of the 21st century. The new business environment represents and requires radically different approaches and mindsets than previously possessed and applied in reaping the wealth that forerunners such as Jack Welch, Warren Buffett, Steve Jobs, Wayne Huizenga, Bill Gates, Donald Trump, Michael Dell and others who have become the exemplars of corporate and entrepreneurial success did in a less competitive arena, and continue to do in today’s hypercompetitive

marketspace. These entrepreneurs and innovators are often the hobs and spokes of business school leadership and entrepreneurial success models and theories used to educate current and future MBAs. However, the successes reaped by these men coming from different generational eras, social, political, cultural, economic and ideological backgrounds than today's aspiring and young businessmen and businesswomen, will be distinctly different in more ways than one. This is especially true as today's aspiring generations of entrepreneurs face tougher economic, political, and social realities, and must deal with the leadership challenge of not only modeling a way not yet culled out of the uncertain environment through exemplary leadership skills (Kouzes & Posner, 2007), but must deal with the paradox of planned and unplanned change, and the ongoing and emerging crises in organizations as we seek to lead and manage effectively and efficiently for success (Burke, 2002; 1995).

The Great Entrepreneur-Leader Model

In the early years of leadership studies, "Great Man Theories" dominated the majority of ideas and perspectives about leaders, leadership, and leadership effectiveness (Northouse, 2009). However, as leadership theory and practice developed to encompass greater considerations, factors such as environment, follower readiness and motivation, as well as leadership contexts and situations contradicted the idea of trait approaches and radically shifted inclination from the idea that leaders were born rather than emerged through development of skills and knowledge, education, and experience, and most certainly, situations and circumstances (Hersey & Campbell, 2004). This discovery seems only natural, and the perpetuation of knowledge concerning business management, leadership, and entrepreneurship should be a continuing one where adaptation and innovation are encouraged not only in the theoretical college classroom, but also in the real world. After all, organizational development requires and demands processes that lead to learning and changing (Burke, 1994; Schermerhorn, Hunt, Osborn & Uhl-Bien, 2010).

The "Great Entrepreneur-Leader Model" is an appropriate term to describe business school models of teaching examples of success in business and leadership using exemplary personalities and examples of business success from the global and corporate American business arenas. Most of the examples used over the past decades have been homogenous throughout business schools and colleges, from Ivy League business schools and colleges such as Harvard Business School (HBS) and the Wharton School of Business down to lesser known and ordinarily ranked and non-ranked business schools. What professors in these business schools and colleges commonly use are few examples of businessmen and companies that are the hallmarks of success in corporate America and from other parts of the world. These include personalities and entrepreneurs such as Jack Welch and General Electric (GE), Bill Gates and Microsoft Corporation, Michael Dell and Dell Computers, Wayne Huizenga and Waste Management, Inc. and AutoNation, Donald Trump and Trump Enterprises, Warren Buffet and Berkshire Hathaway, Inc., and other successful wealthy businessmen. These foregone examples are by far the most exhaustive as business curriculums, courses, and literature are replete with them. The basic idea is that MBA students as future business leaders, managers and entrepreneurs-owners should understand the characteristics and strategies of these successful men in order to replicate them or follow their examples, or simply strive to use them as motivators to become successful. In this way, these men represent not only role models for MBA students and aspiring entrepreneurs, but literal examples of what MBA-knowledge and skills will or should bring. This is very far from the reality however, as very few of these went through

formal business school training and education to reach where they are today. Most interestingly, it would be good to note that few of the examples and models of corporate and entrepreneurial success originated in business schools and colleges, or had any firm understanding and grasp of business and leadership theory and practice. Thus, it is important for business faculty to emphasize that while these men are examples of successful entrepreneurs along with their companies, many started out when the business environment was less complicated, less competitive, had fewer regulations, had more opportunities, and where they were essentially “first-movers”. Today, having a business idea is no big deal as thousands of people at any moment could be thinking about and operationalizing the same idea. Thus, uniqueness in possessing business ideas and being innovative are no longer tenable absolutes in the quest to become as successful as these predecessors; an individual must be exceptionally creative and exceptionally lucky beyond having the regular prerequisites.

The Naming of Professorships and Business Schools and Colleges

One of the major factors being used to perpetuate the use of the “Great Entrepreneur-Leader Model” is philanthropy through the use of donor association as many wealthy businessmen and families have schools and professorships in business and leadership named after them. Some examples include the H. Wayne Huizenga School of Business and Entrepreneurship, Huizenga Sales Institute and Carl DeSantis Building at Nova Southeastern University, the Jim Moran Institute, Jim Moran Professor of Entrepreneurship, Jim Moran Associate Professor of Management, Jim Moran Professor of Management, Jim Moran Assistant Professor of Management and Entrepreneurship, Carl DeSantis Professor of Business Administration, and the Jim Moran Institute for Global Entrepreneurship – all within the College of Business at The Florida State University, the Jack Welch Management Institute, the O’Bleness professorships and chairships at Ohio University’s College of Business, among several other schools and colleges of business and leadership across the country. It is also very interesting to note that these schools stressing the “Great Entrepreneur-Leader Model” tend to have what appears to be the lowest number of faculty from certain minority academic groups in the professorship, especially where Blacks are concerned.

The perpetuation of the “Great Entrepreneur-Leader Model” represents a culture of entrepreneurial aristocracy where there is a lack of consideration for the differential social, cultural, political and economic backgrounds of students as variables in affecting available opportunities and access to wealth creation. In other words, many business faculty stressing the strategies and success of these great entrepreneurs and leaders of corporate America often fail to emphasize how these factors coordinate to affect their success. Instead, they teach aspiring entrepreneurs and MBA students that they can reap the same levels of success without refrain; they fail to emphasize the different competitive environments in which we are functioning today, how factors of globalization and increased regulation of business and increased scarcity of resources gravely decrease the number of potential millionaires and billionaires, or the number of Wayne Huizengas and Bill Gates we are able to see in the next few decades as organizations transform through crises and change.

The naming of many business school chairships and professorships after these few successful elite entrepreneurs also shows a lack of diversity in many business schools and colleges, where as shown in the example above, the College of Business at The Florida State University has as many as four professorships named after one wealthy and successful Caucasian entrepreneur. While business schools and colleges must do this in order to obtain funding,

diversity must be considered at all levels; curricular, faculty, administrative, and student levels. Wealth and association with the wealthy are major factors driving many business schools that position themselves to teach the business and management practices of their benefactors. Social responsibility needs to increasingly be taken into account, as well as other entrepreneurship success examples when considering the models being used in teaching leadership and business success in business schools and colleges, especially when we consider how diverse today's students are, and the requirements of the new organization of the 21st century for diverse talents and skills.

The naming of business schools and colleges, and the designation and naming of chairships and professorships often reflect the lack of diversity, and this lack of diversity is reflected among business faculty across the country where these positions and names represent the majority culture or majority ethnicity in most cases. In other words, because most of the models of business-entrepreneurship-leadership success represent older white males, the lack of diversity inherent in these models are imposed on the psyches of aspiring entrepreneurs and MBA students, whom sometimes are too naive to do their own personal strategic audits or SWOT analysis. As a result, many leave business school with a false sense of professional and career security and unrealistic dreams of illustrious success and wealth from having completed their MBA, and having acquired knowledge and skills about leadership and business. Many perhaps think that if they follow the Huizenga formula, Jack Welch formula, Bill Gates formula or other successful examples of leadership, business and entrepreneurship, they are automatically on their way to making it big. Many MBA graduates have been disappointed by the harsh realities of the real world after being motivated with the "Great Entrepreneur-Leader Model" and then venturing into a jungle where sometimes even finding a good job becomes a very long and difficult struggle.

The "Great-Entrepreneur-Leader Model" is not all bad because it does provide students with potential role models for them to emulate in their growth and whose success can inspire and motivate them to fully utilize their acquired training, skills and knowledge in business and leadership. Business schools and their faculty must take care to teach responsibly about the realities of the business world and inform students that exceptionalities exist when it comes to business success and that becoming a successful entrepreneur is determined by a variety of factors besides the skills and knowledge sets and training acquired in business school. Aspiring entrepreneurs and MBAs must be taught that entrepreneurial success comes not only from large well-known corporations and business owners, but also from small businesses and ordinary people who have not made it into the spotlight or who are not multimillionaires or billionaires.

The Problems with the Great-Entrepreneur-Leader Model

The real world offers so many challenges for businesses, owners, leaders and managers, and it is impossible to model all these challenges and problems accurately or even completely in business schools or training. Thus, the best business faculty can do is to teach MBA students and aspiring entrepreneurs the realities of the world and make them aware that there is no magic formula for business success and that entrepreneurs such as Bill Gates, Wayne Huizenga, Warren Buffett, Donald Trump, and the typically over-used examples in business books and courses are just that, examples and no more. This is essential because individuals are unique in their abilities and fortune varies from one individual to the next. It is also good to remember that *Fortuna Imperatrix Mundi* (Fortune, the Empress of the World) still determines the fate of many businesses and their masters. Moreover, this will avoid many MBA graduates the longstanding

pain of trying to become who they are not and perhaps were not meant to be. MBA students and aspiring entrepreneurs should be taught how to use their personal skills and capabilities to fashion success according to their own realities and in consideration of their personal circumstances and available resources.

There are seven shortcomings of the Great Entrepreneur-Leader Model that are particularly harmful to students' and graduates understanding of the real world and that can negatively impact their success and ability to meet real challenges and problems in today's globally competitive and rapidly changing and uncertain economy. Thus, teaching MBA students and aspiring entrepreneurs about the real world and especially how to analyze current and emerging business contexts and environments is extremely critical in increasing their potential for success. These seven shortcomings or problems and disadvantages of the Great Entrepreneur-Leader Model are discussed below.

Heavily Focused on Owner Values

One of the major problems with the Great Entrepreneur-Leader Model is that it is heavily focused on owner values, and most often associates the success of entire organizations that consists of numerous individuals, systems and processes to one individual. The reality is that no matter how skillful Warren Buffett is at investing and finance or leadership, or no matter how savvy Jack Welch was at leading, they could not have single-handedly created the great successes that Berkshire Hathaway and General Electronic have become. Their leadership and management styles as well as their personal charismas were essential, but these by themselves would have meant nothing without the cooperation, participation and skills and talents of hundreds and thousands of individuals working in their companies. People (employees) had to buy into their visions. Thus, their values need to be taught as essential and directional; providing leadership and motivation for others who they share their vision with, rather than as the sole propagators of the success we accredit solely to them while often forgetting their dedicated employees and business partners.

Ignoring Employee (People) Values

Another major problem with the Great Entrepreneur-Leader Model is that at the cost of exalting the few examples of marvelous and extremely successful owners and executives founding and leading these corporations that are the heart of corporate America, it sometimes ignores employee or people values. People or employees in an organization are the key to success and performance as their values, work ethics, and attitudes are what determine the level of productivity. It is through employee values that organizations are able to develop both core and distinct competences that drive them to outdo their competitors; creating competitive advantage. Without people, leaders cannot achieve their great mission and vision, which must be shared since no man is an island, and this saying goes in business as it does in any other great venture or human endeavor. The focus on these marvel of entrepreneurial success sometimes fails to account for those who before them inspired them to success and those who alongside them, traveled the journey and helped to sustain their vision by being responsible and accountable, and most of all, by being effective co-creators, co-leaders and co-managers of resources and ideas. People are the most important assets of organizations and successful entrepreneurs surround themselves with capable people who share their dreams and vision to accomplish great things. Thus, the Great Entrepreneur-Leader Model must become more

efficient and realistic by integrating the people values that these leaders such as Donald Trump and Wayne Huizenga depend on in reaching where they are today.

Anti-Systemic in Nature

Systems thinking emphasizes the interrelatedness, interconnectedness, and interdependence of organizational elements and variables including people, systems and processes in working together to constitute whole results. According to Pidwirny (2006) a system is an assemblage of interrelated parts that work together by way of some driving process. Organizations are systems and the driving process or processes that run them depend on people; individuals with various skills and abilities. When the Great Entrepreneur-Leader Model focuses solely on successful personalities such as Buffet and others, it becomes an individualist rather than collectivist-interdependent ideology of success. Thus, it can be said that this model is anti-systemic in nature because it focuses on the individual rather than the system of parts, multiple important people with varied abilities and responsibilities operating on numerous levels, and processes that create the great success that is Microsoft Corporation, or the great success that is Dell Computers, Apple, or Berkshire Hathaway, Inc., etc. Business faculty and entrepreneurial educators need to remind their students that their vision and abilities alone will not sustain the organization or business and its success; they must have talented and committed people at all levels that have the technical, interpersonal, and conceptual (managerial) skills needed to make success a reality.

Failure to Teach Personal Knowledge Management

The field of knowledge management is a highly ignored branch of management in business schools and colleges, and especially in MBA programs across the country. MBA students and graduates, as well as aspiring entrepreneurs, leaders and managers need to know how to manage their personal knowledge before they can take stock of what is needed to be successful in organizations and business ventures. In the knowledge economy of the 21st century the knowledge worker needs to have effective knowledge leaders and managers who are able to manage their own skills set before they are able to manage or direct those of others to create value. According to Pauleen and Gorman (2011) personal knowledge management (PKM) is “an evolving set of understandings, skills and abilities that allows an individual to survive and prosper in complex and changing organizational and social environments” (p. xvii). This means that business schools must teach MBA students and ensure that their graduates are able to manage their personal knowledge and the knowledge of those whom they lead to meet organizational mission amid crisis and change. Unfortunately, many business schools have not even given thought at adapting knowledge management (KM), the forerunner and parent of personal knowledge management (PKM), as an essential part of the body of knowledge needed by today’s business people. The Great Entrepreneur-Leader Model needs to emphasize that an essential part of the success experienced by entrepreneurs like Huizenga and Gates, as well as others, and that has not received deserved mention and recognition in the literature, is the result of effective personal knowledge management.

Ignoring Small Business Success and Minority Success

Perhaps one of the most readily observable problems with the Great Entrepreneur-Leader Model of business leadership, business practice skills and success taught in today's business schools and colleges is the fact that it utterly and almost completely ignores examples of small business and minority success. Often professors fail to use examples of small business success, the type of success that the majority of MBA graduates who ever run a business might experience. Additionally, the model also fails to communicate and use examples of minority entrepreneur success stories and personalities that would match more accurately with students' realities and the majority of things experienced in the ordinary world and ordinary lives of everyday individuals. For example, when teaching about technology leaders and entrepreneurs, rather than using Michael Dell and Bill Gates, professors should find local examples from diverse environments and from minority groups, rather than using the typical example of older white American males as the ideal. Professors fail to mention how many small business owners are contributing to economic and social development and how they develop effective and innovative strategies that large corporations sometimes fail to grasp. Thus, the failure to teach small business and minority success represents a major flaw and drawback of the Great Entrepreneur-Leader model which focuses strongly and sometimes completely on the economic and entrepreneurial big wigs like Donald Trump.

Does Not Match Reality

The Great Entrepreneur-Leader Model of business leadership, business practice skills, and business success often fails to match with MBA students' reality. Many MBA students have made great sacrifices to obtain their education and must face numerous social, financial, and economic obstacles and challenges. The world as many MBA students know it is one where dreams do not automatically become reality and where success is a very hard to obtain dream. These aspiring leaders, managers, and entrepreneurs must struggle to meet the demands of daily life plus the time and resources they invest in learning and training. The worlds of Bill Gates, Warren Buffett, Donald Trump, Wayne Huizenga and other business and industry magnates are not easily achieved and are far from the harsh reality of what MBA students and graduates of business schools and colleges face, and will face now, and in the future. The global business environment of the 21st century is one with great uncertainties, declining resources, highly competitive markets and organizations, and rapid and unpredictable changes and a characteristically indefinable intricacy that MBA graduates and aspiring entrepreneurs, leaders and managers must traverse in order to accomplish their personal and professional goals and reap any significant levels of success.

Gender-Biased and Male-Centered in Focus

The Great Entrepreneur-Leader Model of business leadership, business practice skills, and business success that many business schools and colleges and professors use in teaching their courses and building curriculum literature is also gender-biased and male-centered in focus. It uses mainly examples of successful wealthy older white males to teach students about leadership practices and strategies. While ignoring small business and minority success examples and entrepreneurs, the model also ignores successful women who are equally powerful examples and role models in corporate America. This kind of gender biasness and male-centeredness is

also one which employs ethnic exclusivism in which minority males and females are left out of the circle of success. Females are especially ignored in the Great Entrepreneur-Leader Model, and this is contrary to the diversity which many business schools and colleges espouse in their missions. The older white male has dominated too many aspects of American society for far too long, and this, sometimes at the cost of brilliant and capable minorities and women not receiving deserved opportunities for success. There are many examples of successful businesswomen or female entrepreneurs in corporate America and across the globe who can be used as examples in the classroom of the success that business educators and professors wish for their students to follow and emulate. While it is true that the majority of highly successful entrepreneurs who are multimillionaires and billionaires are mainly these older white males, women and minorities have done exceedingly well across industries and these examples need to come to light.

Conclusion

The level and kind of success enjoyed by individual entrepreneurs depend on a variety of factors. While many individuals choose the academic-professional path toward entrepreneurial, leadership and managerial success via the MBA, there are many examples of entrepreneurs and wealthy businesspeople that are not formally educated in business, leadership and management. Thus, the completion of an MBA is no certain guarantee of success in the corporate world and business school professors and educators must be responsible in teaching this fact. It is impossible for all of us to become millionaires and billionaires. Moreover, increased competition and declining resources base accompanying rapid population increase, and failure to practice sustainable living, have created added challenges for these MBA graduates and aspiring entrepreneurs. More than ever, individuals must recognize the changing world around them and quickly adapt to these changes using creativity. It is not easy to develop and successfully lead and manage a business today, especially where hypercompetitive and regulatory forces act along with uncontrollable macroenvironmental factors to make decisions difficult and success much more difficult to obtain. It is the responsibility of business schools and their faculty to impart the knowledge and skills sets, and most importantly, the correct frames of mind and understanding to their students who must grow to weather the challenges of this harsh, expansive, and rapidly changing world. Using a model such as the Great Entrepreneur-Leader Model is far too insufficient to meet the demands of the business world. It lacks the dynamic appeal and fails to recognize small business and minority success, and it does not embrace the cultural diversity which characterizes today's business world.

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