

**Contribution of Entrepreneurial Leadership to
Entrepreneurial Behavior Based on the Intersection of
Entrepreneurship and Leadership Theory
-Alibaba Founder Ma Yun**



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Abstract

This paper chooses Ma Yun- Alibaba founder as the model, discussing entrepreneurial leadership and the contribution of entrepreneurial leadership to entrepreneurial behavior based on the intersection of entrepreneurship and leadership theory.

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1Introduction

1.1Background

1.1.1Practical background

Since the 1980s, entrepreneurial activities have expanded from the individual level to the company level. Entrepreneurship has become a way of thinking and action guide for people. Entrepreneurship management and traditional management have shown a trend of integration(Gupta, MacMillan and Surie, 2004).

1.1.2Theoretical background

Leadership theory, as a key element of business success and a key area of management research, has recently increasingly shown a tendency to intersect and integrate with entrepreneurship theory, especially in a highly volatile and transformative environment. (Gupta, MacMillan and Surie, 2004).

1.2Objective

In this context, in order to better promote corporate performance improvement and sustainable development, the main challenge facing corporate leaders is to mobilize and organize all aspects of resources and capabilities to create conditions to promote entrepreneurship, and to mobilize entrepreneurial leadership to deal with new issues arising from a highly volatile and uncertain environment.

Therefore, based on the cross-fusion of entrepreneurship and leadership theory, this article takes Alibaba founder Ma Yun as an example, combs the connotative characteristics of entrepreneurial leadership, and sorts out the theoretical model of the influence of leadership style on company entrepreneurship.

1.3Entrepreneur introduction-Ma Yun

Ma Yun, born in Hangzhou, Zhejiang Province, China on September 10, 1964, is the main founder of Alibaba Group. He is currently a director of Softbank in Japan, chairman of the China Council of Nature Conservation Association and a member of the global board of directors, director of Huayi Brothers, and life science breakthrough award Foundation director and co-chair of the United Nations High-level Group on Digital Cooperation.

2Leadership style- entrepreneurial leadership

2.1Definition and theoretical framework

Entrepreneurial leadership is an ability to influence others' strategic management resources in order to gain opportunities and advantages. By creating a vision, attracting a group of followers, being good at identifying opportunities in the process of achieving the vision, obtaining the resources needed for entrepreneurship, and encouraging subordinates to establish commitments, and ultimately leading the subordinates to achieve organizational goals together. This article uses Gupta et al.'s entrepreneurial leadership theoretical framework as the standard (Table 1).

Table 1Entrepreneurial leadership theoretical framework

Dimension	Character	Feature
Situational play (under current resource constraints, anticipate and create opportunities that can revolutionize current treatment methods once caught)	Build challenge (describe a challenging but achievable result)	Performance-oriented
		Ambitious
		News-clever
		Has special insight
	Absorb uncertainty (take responsibility for future failures)	Vision
		Foresight
		Confidence-building skills
	Clarify path (negotiate with opponents and clarify the path to the realization of the scenario)	Rich strategy
		Effective negotiation skills
		Convincing
		Encourage
Task play (to convince potential followers and company shareholders that under this scenario, the expected goals can be successfully achieved)	Build commitment (set an encouraging goal)	Inspiring
		Enthusiasm
		Team building ability
		Continuous improvement orientation
	Clarify constraint (clear what can and cannot be done)	Integration
		Promote thinking
		Positive
		Decisive

2.2Practical analysis of Ma Yun

- Build challenge

Ma Yun sets a high standard and provides the direction of effort; sets high goals, work hard; is sensitive to information and has sensitive intuition. In the early days

of Alibaba's founding in 1999, the Internet had not yet emerged in China, and many families did not even have computers. Ma Yun, because he was exposed to Internet commerce while translating to others, boldly wanted to establish the first domestic Internet business.

- Absorb uncertainty

Ma Yun has a vision and is imaginative of the future; anticipates future events and gradually instill others with confidence. Ma Yun is more about strengthening management, but guiding employees to work in a common direction, giving employees a common vision, and guiding employees to work hard.

- Clarify path

Ma Yun has skilled interpersonal skills; can negotiate with people effectively; has extraordinary ability to persuade others and can give confidence and hope to others by eliminating doubts. During many years of operation, Ma Yun gave lectures to promote Alibaba's corporate culture and development prospects, including Alibaba's street show when it was listed in New York in 2014. They were all personally spoken by Ma Yun. Through the touching route, everyone felt Alibaba's positive impact on people's lives, so that more people accept Alibaba.

- Build commitment

Ma Yun always inspires others' emotions, beliefs, values, behaviors, and encourages others to work hard; shows strong and positive work emotions; makes members of the organization work together efficiently and is seeking continuous improvement in performance.

- Clarify constraint

Ma Yun always organically combines people and things; encourages others to think; is always optimistic and confident and can make decisions quickly and firmly.

3Contribution of entrepreneurial leadership to corporate entrepreneurial behaviors

3.1Theoretical model

Through the research literature, this article based on the integration of entrepreneurship and leadership theory, from the relevant theories and empirical research results to sort out the theoretical model of the impact of entrepreneurial leadership style on corporate entrepreneurial behaviors (see Figure 1).

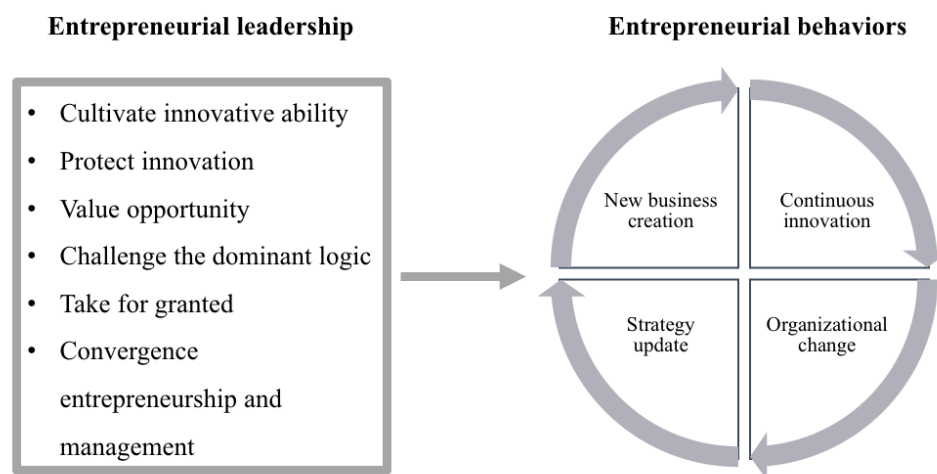


Figure 1Theoretical model of the impact of entrepreneurial leadership style on corporate entrepreneurial behaviors

In order to ensure that the analysis perspective can reflect the entrepreneurial leadership style and the fundamental content and characteristics of corporate entrepreneurship, this article adopts the classic analysis framework of their respective research fields. Covin and Miles (1999) divided corporate entrepreneurship into continuous innovation, organizational change, strategic update and new business construction, which has become an important analytical basis for studying corporate entrepreneurship.

The literature on entrepreneurship research shows that at least the following four conditions will promote entrepreneurship: First, the establishment and communication of entrepreneurship vision, in which executives play an important role in piloting. The second is the process of fostering and supporting innovation, such as a rapid response system for product design, development, and commercialization, or an innovation

mechanism that encourages the introduction of new products and new businesses. The third is to provide sufficient resource guarantees and expert support for entrepreneurial activities, including enterprises through participatory decision-making and transparent communication to ensure the organization's sensitivity to change. The fourth is to have the ability to continue to explore and update ideas, such as by encouraging subordinates to continue trial and error to increase employee participation and diversification of information channels, and enhance the company's ability to distinguish ambiguous problems. It can be seen that the realization of the above four conditions requires enterprise leaders to have the ability to continuously discover and use competitive opportunities. Leaders play an important role in entrepreneurial activities(Kuratko and Hornsby, 1999).

Specific to each company's entrepreneurial behavior type, the entrepreneurial leadership role is also different(House and Aditya, 1997; Dess *et al.*, 2003; Srivastava and Lee, 2005).

In continuous innovation, companies seek steady innovation by introducing new products and pushing new products into new markets. Leaders need to arrange and modify the existing resources and capabilities of the company. The goal of organizational change is to improve the effectiveness of existing strategies by adjusting value chain activities, especially supportive activities. This is also inseparable from the leadership's allocation and arrangement of existing organizational capabilities. In these two types of company entrepreneurial activities, guiding direction and cognitive ability are the key points of entrepreneurial leadership(Kotter, 2000).The strategy update is beyond the level of modifying the organizational process, it is a fundamental re-thinking of how companies compete, and this requires leaders to reposition organizational capabilities. New business construction focuses on the development of potential new markets and new products with a view to gaining the advantage of the forerunners. This is the most challenging type of company entrepreneurship, and it is inseparable from entrepreneurial leaders to establish new businesses and redeploy organizational capabilities. Therefore, in the latter two types of company entrepreneurship, leaders focus on the direction of innovation and the reconstruction of

organizational capabilities(Drucker, 2002; Hambrick, 1994; Morris, Davis and Allen, 1994).

3.2 Practical analysis of Ma Yun

Due to Ma Yun's entrepreneurial leadership style, his contribution in the company's entrepreneurship is reflected as follows.

- On one hand, when it comes to new business creation, continuous innovation and strategic update. On April 15, 1999, the Alibaba website was officially launched. Cai Chongxin, vice president of Invest AB, heard about Alibaba and flew to Hangzhou to discuss investment. After talking with Ma Yun for 4 days, he decided to resign and join Alibaba. On May 10, 2003, Ma Yun founded Taobao and began to grab the eBay C2C market. In December 2004, Ma Yun founded Alipay, a third-party online payment platform. In November 2007, Alibaba Network Co., Ltd. founded by Ma Yun was listed on the main board of the Hong Kong Stock Exchange(Qiangxin,L, 2014; Jian,Z, 2008).
- On the other hand, when it comes to organizational change and strategic change. On May 10, 2013, Ma Yun officially resigned as CEO of Alibaba Group, and Lu Zhaoxi succeeded Ma Yun as CEO of Alibaba Group. On September 10, Ma Yun stepped down as chairman of Alibaba's board of directors and will continue to serve as a member of the board of directors of Alibaba Group until 2020 Alibaba's annual general meeting of shareholders. On August 17, 2005, Yahoo announced that at the cost of US \$ 1 billion in cash and all of Yahoo 's assets in China, it also received US \$ 1 billion in investment from Yahoo in exchange for a 40% stake in Alibaba founded by Ma Yun and 35% of the voting rights. Ma Yun became China Chairman of the Yahoo Board of Directors. On May 28, 2013, Alibaba Group and Yintai Group, Fosun Group, Fuchun Group, SF Express, Zhongtong, Yuantong, Shentong, Yunda and other private courier companies jointly established Cainiao Network Technology Co., Ltd. and launched China at the same time. With the construction of the Intelligent Backbone Network (CSN) project, Ma Yun became the chairman of Cainiao Network Technology Co., Ltd(Qiangxin,L, 2014; Jian,Z, 2008).

To sum up, Ma Yun's Contribution of Entrepreneurial leadership to entrepreneurial behavior is shown.

4Conclusion

Based on the intersection of entrepreneurship and leadership theory, Ma Yun's entrepreneurial leadership style and the contribution of entrepreneurial leadership to entrepreneurial behavior is discussed.

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