

# Founder Speech Governance as an Entrepreneurial Capability for Sustainable Growth in Asian SMEs

Dr. Alok Kumar Bhargava\*<sup>1</sup>, Dr. Sonali Sneha<sup>2</sup>

<sup>1</sup>\*Author of TrayiVāṇī – Eternal Verses on Peace, Silence & Discernment, Email Id: [founder@trayivani.in](mailto:founder@trayivani.in)

<sup>2</sup>Director, Narsingh Consultants Private Limited, Email Id: [sonalisneha@gmail.com](mailto:sonalisneha@gmail.com)

*Corresponding Author Email:* [founder@trayivani.in](mailto:founder@trayivani.in)

## Abstract

Founder-led enterprises in Asia operate under compressed growth cycles, regulatory complexity, investor pressure and stakeholder scrutiny. In such environments, founder speech is not merely expressive but governance-defining. A founder's statement can affect team morale, investor confidence, customer trust, supplier behaviour, regulatory interpretation and ESG credibility. Yet entrepreneurship literature has paid limited attention to the pre-speech discipline through which founders decide what to say, when to say it, how much certainty to express and how to prevent reactive communication from becoming a source of organizational instability. This conceptual paper develops Founder Speech Governance as an entrepreneurial capability that influences team alignment, stakeholder trust and sustainable scaling in Asian SMEs. Drawing selectively on the TrayiVāṇī-derived reflective pause framework, the paper operationalizes founder speech governance through truth verification, necessity filtering, timing discipline, uncertainty disclosure, stakeholder consequence mapping and follow-through accountability. The paper argues that disciplined founder communication reduces strategic drift, mitigates reputational fragility, limits regulatory and ESG exposure, and strengthens ethical growth trajectories. It further proposes that team alignment and stakeholder trust mediate the relationship between founder speech governance and sustainable scaling capability, while toxic performance-metric pressure weakens this relationship. The paper contributes to entrepreneurship and sustainability research by treating founder speech not as style, charisma or public relations, but as a venture-level governance capability. It concludes with a measurement-oriented research agenda involving scale development, multi-respondent SME surveys, PLS-SEM testing and cross-sector case validation.

**Keywords:** Founder speech governance; Asian SMEs; sustainable scaling; entrepreneurial capability; stakeholder trust; team alignment; ESG risk; founder communication; reflective pause; ethical growth.

## 1. Introduction

Asian SMEs and founder-led enterprises operate in a business environment where speed, visibility and pressure converge. Founders are expected to respond rapidly to investors, reassure employees, manage customer expectations, explain strategic pivots, announce growth targets, handle compliance concerns and increasingly communicate sustainability commitments. In growth-stage enterprises, the founder often remains the central interpretive authority of the organization. What the founder says does not remain a personal opinion; it becomes a signal of strategy, intent, risk appetite, culture and credibility.

In founder-managed SMEs, communication carries unusual density. A single announcement about expansion may affect hiring behaviour. A statement about revenue targets may reshape employee incentives. A casual assurance to investors may become a perceived commitment. A premature claim about sustainability may create ESG exposure. A defensive response to criticism may escalate reputational volatility. A reactive KPI revision may create fear, confusion or internal mistrust. For this reason, founder communication is not merely an interpersonal skill. It is a governance act.

Despite this, entrepreneurship research has often treated founder communication through adjacent lenses such as leadership style, charisma, entrepreneurial storytelling, resource mobilization, investor persuasion, symbolic management or organizational culture. These are important areas, but they do not fully explain the internal discipline required before a founder speaks under pressure. The critical gap lies in the pre-speech interval: the moment between trigger and statement, between pressure and message, between uncertainty and communication. This paper argues that this interval is not empty. It is where entrepreneurial judgment, ethical restraint and sustainable scaling discipline are either applied or bypassed.

The concept proposed in this paper is Founder Speech Governance. It refers to the disciplined process through which founders regulate the conversion of thought, pressure and intention into organizational communication. It is especially relevant for Asian SMEs because many such enterprises are founder-centric, family-influenced, relationship-driven, resource-constrained and institutionally exposed. In such firms, formal governance systems may still be evolving, but

founder speech already functions as a powerful informal governance mechanism.

This paper revises the broader idea of speech governance into a journal-specific entrepreneurship and sustainability framework. It deliberately moves away from the generic idea of “high-speed organizations” and focuses instead on founder-led SMEs, Asian growth-stage firms and family-owned enterprises in emerging markets. The central argument is that founder speech governance is a growth-enabling entrepreneurial capability. It helps firms scale without normalizing overstatement, fear-based targets, regulatory carelessness, ESG exaggeration or reputational instability.

### 1.1 Research Problem

Founder-led SMEs often scale faster than their internal governance systems mature. During this gap, founder speech becomes a substitute for formal structure. Employees look to the founder for priority clarity. Investors look for confidence and consistency. Customers look for reliability. Suppliers look for payment assurance and operational predictability. Regulators look for accuracy and compliance. Public stakeholders increasingly look for sustainability credibility.

However, founders under pressure may speak before verifying facts, overpromise before assessing capacity, announce pivots before aligning teams, blame external conditions before diagnosing internal failures, issue optimistic projections without risk disclosure, or make sustainability claims without operational substantiation. These communication failures can create downstream consequences: team churn, strategic confusion, regulatory exposure, ESG risk, investor distrust and reputational volatility.

The research problem may therefore be stated as follows:

How can founder communication be structured as an entrepreneurial governance capability that supports sustainable growth in Asian SMEs?

### 1.2 Research Objectives

The objectives of this paper are:

1. To define Founder Speech Governance as a distinct entrepreneurial capability.
2. To shift the unit of analysis from generic leadership communication to founders, founder-managed SMEs, Asian growth-stage enterprises and family-owned firms in emerging markets.
3. To examine how founder communication under investor pressure affects team alignment, stakeholder trust and sustainable scaling.
4. To identify speech errors during scaling and link them to team churn, regulatory exposure, ESG risk and reputational volatility.
5. To propose a reflective pause-based operational framework for sustainable founder communication.

6. To develop hypotheses and a measurement-oriented agenda for future empirical validation.

### 1.3 Research Questions

RQ1: What are the core dimensions of Founder Speech Governance in Asian SMEs?

RQ2: How does Founder Speech Governance affect team alignment and stakeholder trust during scaling?

RQ3: How do reactive founder announcements contribute to team churn, regulatory exposure, ESG risk and reputational volatility?

RQ4: Can reflective pause discipline strengthen sustainable scaling capability in founder-led SMEs?

RQ5: How can Founder Speech Governance be operationalized for future scale development and empirical testing?

## 2. Literature Review

### 2.1 Founder-Led SMEs and Communication Centrality

In founder-led SMEs, organizational interpretation is strongly personalized. Unlike large corporations where communication may pass through formal investor-relations, compliance, HR, legal and corporate communication systems, SMEs often rely directly on founder messaging. The founder explains strategy, motivates employees, negotiates with investors, reassures customers and signals values to the external ecosystem. This concentration of communication authority makes founder speech more consequential.

In many Asian SMEs, this role becomes even more pronounced because business relationships are often shaped by trust, networks, family reputation and relational credibility. Founder speech may therefore carry both economic and social meaning. It communicates not only what the firm plans to do, but also whether the founder is reliable, restrained, ethical and capable of managing growth responsibly. The literature on leadership communication has established that leader communication affects trust, coordination and organizational outcomes. However, founder-led SMEs require a more specific lens because founder speech is not merely leadership communication; it is entrepreneurial governance. The founder's words may define strategy before formal documents do. They may create expectations before operating systems are ready. They may also trigger risk before legal, financial or sustainability teams can assess implications.

### 2.2 Communication as an Entrepreneurial Capability

Entrepreneurial capability generally refers to the capacity to identify opportunities, mobilize resources, manage uncertainty and build ventures under constraints. Communication is central to each of these tasks. Founders persuade investors, attract employees, negotiate partnerships, frame

opportunities, explain uncertainty and construct legitimacy.

However, communication is often treated as a persuasive or expressive capability. This paper treats it as a governance capability. The difference is important. Persuasive communication aims to convince. Governance communication aims to regulate consequences. A founder may persuade investors through confidence, but governance requires that the confidence be proportionate to facts, capacity and risk. A founder may motivate employees through ambitious targets, but governance requires that the ambition not become fear-based distortion. A founder may communicate sustainability commitments, but governance requires that claims be operationally grounded and auditable.

Founder Speech Governance therefore extends entrepreneurial communication from expression to discipline. It asks not only whether the founder communicates effectively, but whether the communication is verified, necessary, timely, proportionate, stakeholder-aware and capable of responsible follow-through.

### 2.3 Founder Communication Under Investor Pressure

Investor pressure is one of the most important conditions under which founder speech becomes risky. During fundraising, growth review, valuation negotiation or performance reporting, founders may feel compelled to project confidence even when internal systems remain fragile. This creates a tension between entrepreneurial optimism and governance accuracy.

Under investor pressure, founders may make five common communication errors.

First, they may overstate revenue visibility by converting early customer interest into implied predictable income.

Second, they may announce aggressive expansion before operational capacity, hiring pipelines or cash flows are secure.

Third, they may frame internal stress as temporary execution delay when the real issue is strategic overextension.

Fourth, they may communicate certainty where only probability exists.

Fifth, they may avoid transparent disclosure of operational, regulatory or sustainability constraints because such disclosure may appear to weaken the growth narrative.

These errors do not always arise from dishonesty. Often they arise from compressed decision cycles, optimism bias, pressure to maintain valuation, fear of investor disappointment and founder over-identification with the venture. Yet the consequences can still be serious. When investor-facing language exceeds operational truth, the firm may later experience internal mistrust, team

exhaustion, compliance shortcuts and reputational correction cycles.

Founder Speech Governance introduces discipline into this pressure zone. It requires founders to distinguish aspiration from commitment, projection from fact, probability from certainty and confidence from exaggeration.

### 2.4 Speech Errors During Scaling

Scaling changes the risk profile of founder speech. At an early stage, informal communication may be flexible and adaptive. At the growth stage, the same informality can become dangerous because more stakeholders are listening, more employees are affected and more claims are recorded, circulated and interpreted.

The following speech errors are especially relevant during scaling:

1. Premature commitment: announcing a product launch, funding round, expansion plan or hiring target before internal feasibility is established.
2. Reactive reversal: changing strategic direction repeatedly without explaining the underlying logic.
3. Ambiguous KPI escalation: increasing performance targets without clarifying resources, assumptions or ethical boundaries.
4. Fear-based language: using pressure, comparison, shame or threat to drive short-term execution.
5. Blame displacement: attributing failures entirely to employees, markets, vendors or regulators without acknowledging founder-level decisions.
6. ESG overclaim: making sustainability, social impact or governance claims without measurable evidence.
7. Compliance minimization: treating regulatory issues as minor obstacles rather than governance risks.
8. Public defensiveness: responding emotionally to criticism, media attention or stakeholder concerns.
9. Internal-external contradiction: telling investors one version of growth while employees experience another.
10. Silence without structure: withholding communication in a crisis without clarifying when verified updates will follow.

These errors convert founder speech into a risk amplifier. The problem is not that founders speak; the problem is that scaling multiplies the audience, permanence and consequence of what is said.

### 2.5 Sustainable Growth and SME Governance

Sustainable growth in SMEs cannot be defined only as revenue expansion. Growth is sustainable when the enterprise can expand without destroying trust, culture, compliance discipline, stakeholder legitimacy or long-term operating capacity. A firm may grow quickly yet become internally fragile if employees lose trust, customers feel misled,

investors doubt disclosures or regulators identify careless claims.

For founder-led SMEs, sustainable growth therefore requires communication discipline. Growth language must not become detached from execution reality. KPI language must not create ethical shortcuts. Investor language must not pressure teams into concealment. ESG language must not exceed evidence. Public statements must not increase regulatory or reputational risk.

Founder Speech Governance is therefore positioned as an internal infrastructure of sustainable scaling. It does not replace strategy, finance, operations or compliance. Rather, it protects them by ensuring that founder communication does not distort them.

### 3. Conceptual Framework

#### 3.1 Definition of Founder Speech Governance

Founder Speech Governance may be defined as the entrepreneurial capability through which founders regulate internal and external communication by verifying facts, filtering necessity, disciplining timing, disclosing uncertainty, mapping stakeholder consequences and ensuring follow-through accountability before speech becomes organizational signal.

This definition has six operational dimensions:

**Truth verification:** The founder checks whether the statement is factually grounded, internally validated and not merely aspirational.

**Necessity filtering:** The founder assesses whether communication is required at that moment or whether silence, clarification or further analysis is more responsible.

**Timing discipline:** The founder determines whether the communication is premature, delayed or appropriately timed.

**Uncertainty disclosure:** The founder distinguishes between confirmed facts, projections, assumptions and unresolved risks.

**Stakeholder consequence mapping:** The founder anticipates how employees, investors, customers, regulators, suppliers and public stakeholders may interpret the message.

**Follow-through accountability:** The founder ensures that communication is matched by subsequent action, correction or clarification.

#### 3.2 Founder Speech as Governance Infrastructure

In founder-led SMEs, governance is often less formalized than in mature corporations. Board systems, risk committees, communication protocols, ESG audits, legal review and compliance processes may be limited or developing. In this setting, founder speech becomes an informal but powerful governance infrastructure.

When founder speech is disciplined, it stabilizes expectations. Employees understand priorities.

Investors receive credible signals. Customers hear reliable commitments. Regulators see seriousness. Suppliers experience predictability. When founder speech is reactive, the opposite occurs. Employees chase shifting targets. Investors receive inflated optimism. Customers face broken assurances. Regulators may detect inconsistency. Suppliers may lose confidence.

Thus, founder speech is not merely communication about governance. It is part of governance itself.

#### 3.3 Core Model

The proposed model is:

Pressure Trigger → Reflective Pause → Founder Speech Governance → Team Alignment → Stakeholder Trust → Sustainable Scaling Capability  
The model begins with a pressure trigger. This may include investor questioning, funding stress, market failure, customer complaint, regulatory notice, ESG inquiry, employee attrition, product delay or public criticism.

The founder then enters a reflective pause. This is not delay for the sake of delay. It is a short but structured processing interval in which the founder verifies facts, assesses necessity, evaluates timing, maps stakeholders and frames uncertainty.

Founder Speech Governance then converts this pause into disciplined communication. The result is not silence, but calibrated speech.

Calibrated founder speech improves team alignment because employees receive clearer priorities, fewer contradictions and more credible direction. It also strengthens stakeholder trust because external audiences perceive the founder as accurate, responsible and accountable. Together, alignment and trust contribute to sustainable scaling capability.

#### 3.4 The Reflective Pause as an Operational Mechanism

The reflective pause is the central mechanism of this framework. It is not spiritual withdrawal, passivity or indecision. It is an operational micro-process before consequential communication. It allows the founder to ask:

Is this statement true?

Is this statement necessary now?

Is this the correct time and channel?

What is confirmed, what is uncertain and what is only projected?

Who may be affected by this communication?

What action must follow this statement?

If the founder cannot answer these questions, the communication should be refined, delayed, narrowed or reframed.

This is the practical business adaptation of the pause-reflection-speech sequence. The purpose is not to make founders slow. The purpose is to prevent speed from becoming distortion.

### 3.5 Impact of Reactive Founder Announcements

Reactive founder announcements may create four major risk pathways.

Reactive Communication Pattern	Immediate Effect	Medium-Term Risk	Sustainable Growth Impact
Premature expansion announcement	Employee excitement or investor reassurance	Hiring confusion, delivery pressure, and operational mismatch	Growth credibility weakens
Aggressive KPI escalation	Short-term urgency	Fear, burnout, unethical shortcuts	Team churn increases
Overconfident investor claim	Valuation support	Future correction burden	Stakeholder trust declines
Unsupported ESG claim	Public goodwill	Greenwashing allegation, audit exposure	ESG credibility weakens
Defensive public response	Temporary image protection	Media escalation, stakeholder doubt	Reputational volatility rises
Ambiguous restructuring message	Rumor reduction attempt	Employee anxiety, attrition, and productivity loss	Internal alignment weakens
Compliance minimization	Speed of execution	Regulatory scrutiny, penalty or delay	Growth becomes fragile

This table illustrates why founder speech must be governed before it is released. The damage often appears after the statement, but the source lies before the statement.

### 3.6 Sustainable Scaling Through Reflective Pause

Sustainable scaling requires controlled acceleration. A venture must grow, but it must also preserve trust, compliance, culture and legitimacy. Reflective pause supports this balance by preventing founders from converting pressure into careless speech.

The pause improves scaling in five ways.

First, it reduces contradictory instructions. Teams can execute better when founder messages are stable and coherent.

Second, it reduces correction burden. A verified statement requires fewer follow-up clarifications.

Third, it reduces ethical drift. Founders who frame targets carefully are less likely to normalize fear-based or misleading performance cultures.

Fourth, it reduces ESG and regulatory exposure. Claims are made only after evidence, compliance and accountability are considered.

Fifth, it increases stakeholder confidence. Investors and partners are more likely to trust a founder who communicates uncertainty responsibly rather than exaggerating certainty.

## 4. Hypotheses Development

### 4.1 Founder Speech Governance and Team Alignment

Team alignment refers to the extent to which employees understand strategic priorities, interpret founder messages consistently and coordinate action without confusion. In founder-led SMEs, team alignment depends heavily on founder communication because formal systems may still be limited.

Founder Speech Governance should improve team alignment by reducing ambiguity, contradictory

signals and emotional escalation. When founders verify facts before speaking, employees receive more accurate information. When founders filter necessity, employees are not overloaded by unnecessary messages. When founders discipline timing, teams receive communication when it can guide action. When founders disclose uncertainty, teams understand what is known and what remains provisional.

H1: Founder Speech Governance is positively associated with team alignment in founder-led Asian SMEs.

### 4.2 Founder Speech Governance and Stakeholder Trust

Stakeholder trust includes confidence in founder integrity, competence, reliability and communication credibility. Stakeholders do not trust founders merely because they speak frequently. They trust founders when communication is accurate, proportionate, consistent and accountable. Founder Speech Governance strengthens trust by signalling responsibility. Truth verification signals integrity. Timing discipline signals judgment. Uncertainty disclosure signals transparency. Follow-through accountability signals reliability.

H2: Founder Speech Governance is positively associated with stakeholder trust in founder-led Asian SMEs.

### 4.3 Team Alignment as a Mediator

Founder speech may influence sustainable scaling indirectly through team alignment. Even a strong strategy can fail if employees receive conflicting signals. Conversely, when founder communication creates shared understanding, the enterprise is

better able to execute growth plans, manage pivots and preserve culture during expansion.

H3: Team alignment mediates the positive relationship between Founder Speech Governance and sustainable scaling capability.

**4.4 Stakeholder Trust as a Mediator**

Sustainable scaling requires external confidence. Investors must believe projections. Customers must trust commitments. Suppliers must trust continuity. Regulators must trust compliance seriousness. ESG stakeholders must trust impact claims. Founder Speech Governance may therefore improve sustainable scaling by strengthening stakeholder trust.

H4: Stakeholder trust mediates the positive relationship between Founder Speech Governance and sustainable scaling capability.

**4.5 Toxic Performance-Metric Pressure as a Moderator**

Toxic performance-metric pressure refers to a growth environment where unrealistic targets, fear-based incentives, exaggerated commitments and aggressive comparison language dominate managerial behaviour. Under such conditions, even disciplined founder communication may be weakened because the operating culture rewards overstatement and short-term pressure.

When toxic metric pressure is high, employees may interpret founder speech through suspicion. Investors may hear repeated optimism as defensive. Managers may prioritize target appearance over truthful reporting. Therefore, toxic performance pressure is expected to weaken the positive effects of Founder Speech Governance.

H5: Toxic performance-metric pressure weakens the positive relationship between Founder Speech Governance and team alignment.

H6: Toxic performance-metric pressure weakens the positive relationship between Founder Speech Governance and stakeholder trust.

**4.6 Research Model Summary**

**5.3 Measurement Framework**

The proposed constructs may be measured using a seven-point Likert scale ranging from strongly disagree to strongly agree.

Construct	Indicative Dimensions	Respondent Source
<b>Founder Speech Governance</b>	Truth verification, necessity filtering, timing discipline, uncertainty disclosure, stakeholder consequence mapping, follow-through accountability	Founder and employees
<b>Team Alignment</b>	Clarity of priorities, consistency of directives, shared understanding, and reduced contradiction	Employees
<b>Stakeholder Trust</b>	Trust in the founder's integrity, competence, reliability, and communication credibility	Employees; optional external stakeholders
<b>Sustainable Scaling</b>	Retention stability, compliance discipline, growth-quality balance, partner confidence, low communication rework	Founder and employees

The proposed model contains one focal independent variable, two mediators, one dependent variable and one moderator.

Independent variable: Founder Speech Governance

Mediators: Team alignment; stakeholder trust

Dependent variable: Sustainable scaling capability

Moderator: Toxic performance-metric pressure

Controls: Firm age, firm size, industry, founder tenure, ownership structure, recent growth rate, funding stage and family ownership status.

**5. Methodology**

**5.1 Research Design**

This paper is conceptual in its present form but is designed for empirical validation. A two-stage research design is recommended.

Stage 1 should develop and validate the Founder Speech Governance scale.

Stage 2 should test the structural model using founder and employee responses from Asian SMEs.

This design moves the paper beyond general theorizing and prepares it for measurable contribution.

**5.2 Sample and Context**

The ideal sample would include founder-led SMEs from India and at least one additional Asian emerging economy such as Indonesia, Vietnam, Bangladesh, the Philippines or Sri Lanka. If cross-country access is not feasible, the study may begin with Indian SMEs and later extend to comparative Asian validation.

The target respondents should include:

Founder or co-founder: to report firm-level growth conditions, communication practices and strategic pressures.

Two employees or team leads per firm: to report team alignment, trust perception, communication consistency and performance-metric pressure.

Optional external respondent: investor, supplier or key customer for stakeholder trust validation.

A practical first empirical study may target 200 firms, with one founder and two employees from each firm. This would create approximately 600 individual responses before cleaning.

<b>Capability</b>		
<b>Toxic Performance-Metric Pressure</b>	Fear-based targets, unrealistic commitments, overstatement incentives, pressure to conceal bad news	Employees

**5.4 Proposed Item Pool for Founder Speech Governance**

The following draft items may be refined through expert review and pilot testing.

1. Before making important announcements, the founder verifies key facts.
2. The founder avoids making commitments before internal capacity is assessed.
3. The founder clearly distinguishes confirmed information from assumptions or projections.
4. The founder communicates growth targets without creating fear or panic.
5. The founder considers how employees, investors and customers may interpret major statements.
6. The founder avoids exaggerated claims about performance, funding, delivery or sustainability.
7. The founder communicates difficult news with clarity rather than defensiveness.
8. The founder follows up important announcements with concrete action or correction.
9. The founder avoids changing strategic messages repeatedly without explanation.
10. The founder pauses before responding to pressure, criticism or uncertainty.

These items should be subjected to content validity review, exploratory factor analysis and confirmatory factor analysis.

**5.5 Data Analysis Plan**

The recommended analysis method is PLS-SEM because the study involves a new construct, mediation, moderation and prediction-oriented theory development. The analysis should proceed in the following stages:

1. Content validity assessment through expert review.
2. Pilot testing with 30–50 respondents.
3. Reliability testing using Cronbach’s alpha and composite reliability.
4. Convergent validity assessment using average variance extracted.
5. Discriminant validity assessment using HTMT ratio.
6. Structural model testing for H1 to H6.
7. Mediation testing using bootstrapped indirect effects.
8. Moderation testing using interaction terms for toxic performance-metric pressure.
9. Robustness checks using firm size, industry, funding status and ownership type as controls.

If feasible, a time-lagged design should be used. Founder Speech Governance may be measured in Wave 1, mediators in Wave 2 and sustainable scaling capability in Wave 3. This would reduce common-method bias.

**5.6 Ethical Considerations**

Because the proposed empirical study would involve founders and employees, confidentiality must be protected. Employees may hesitate to report fear-based metrics or communication inconsistency if they believe founders can identify them. Therefore, employee responses should be anonymized and aggregated. Participation should be voluntary, informed consent should be obtained and no individual firm should be identified without permission.

**6. Discussion**

**6.1 Theoretical Contribution**

This paper makes three theoretical contributions. First, it introduces Founder Speech Governance as a distinct entrepreneurial capability. This moves the discussion beyond generic communication discipline and locates speech governance within venture growth, founder authority and SME sustainability.

Second, it connects founder communication with sustainable scaling. Existing research often examines sustainability through strategy, resources, innovation or ESG practices. This paper adds communication governance as an internal pathway through which scaling becomes more responsible.

Third, it develops a measurement-oriented framework. Rather than remaining purely philosophical, the paper proposes dimensions, hypotheses, item pools, mediators, moderators and an empirical testing design.

**6.2 Contribution to Asian SME Research**

The Asian SME context is important because many firms are founder-driven, family-influenced and relationally embedded. Formal governance systems may not always mature at the same speed as business growth. In such firms, founder communication plays a central role in setting ethical tone, interpreting market pressure and shaping internal behaviour.

Founder Speech Governance is therefore particularly relevant for Asian SMEs navigating expansion, funding volatility, labour retention, compliance expectations and sustainability demands. It provides a practical bridge between entrepreneurial agility and responsible governance.

**6.3 Managerial Implications for Founders**

For founders, the framework offers a direct operating discipline.

Before investor communication, founders should separate ambition from confirmed traction.

Before employee communication, founders should clarify whether the message will reduce confusion or increase anxiety.

Before public communication, founders should examine legal, ESG and reputational consequences.

Before announcing targets, founders should assess whether resources, timelines and ethical safeguards are adequate.

Before responding to criticism, founders should pause, verify and avoid defensive escalation.

This converts communication from instinctive reaction into disciplined entrepreneurial action.

#### 6.4 Implications for Family-Owned and Growth-Stage Firms

Family-owned SMEs often combine emotional ownership, reputation sensitivity and centralized decision-making. In such firms, founder speech can be deeply influential. A founder's frustration may become organizational fear. A founder's confidence may become overextension. A founder's silence may become rumour. A founder's correction may restore trust.

Growth-stage firms face a different but related challenge. They must appear confident while still building systems. Founder Speech Governance helps them maintain credibility without suppressing ambition. It allows founders to say: this is our target, this is our assumption, this is our risk, this is our evidence and this is our next review point.

Such communication is more sustainable than exaggerated certainty.

#### 6.5 Implications for Investors and Incubators

Investors and incubators may use the framework as part of founder development. Due diligence often examines market size, revenue, product, team and financial runway. It should also examine founder communication discipline.

An investor may ask:

Does the founder distinguish fact from aspiration?

Does the founder disclose uncertainty responsibly?

Does the founder overstate ESG or impact claims?

Does the founder communicate pressure ethically to employees?

Does the founder correct earlier statements transparently?

These questions can reveal governance maturity before formal systems are fully visible.

#### 6.6 Implications for ESG and Sustainability

ESG risk is not created only by operations. It is also created by language. Unsupported claims about environmental impact, social responsibility, employee welfare, governance quality or community contribution can create reputational and regulatory exposure.

Founder Speech Governance helps prevent ESG overclaim by requiring evidence before assertion. It also strengthens sustainability credibility by

aligning communication with measurable practice. This is particularly important for SMEs seeking funding, partnerships or market access where ESG claims increasingly influence stakeholder evaluation.

#### 7. Practical Founder Speech Governance Protocol

A practical protocol for founders may be structured around six questions.

1. Truth: What part of this message is verified?

2. Necessity: Does this need to be communicated now?

3. Timing: Is the timing useful, premature or delayed?

4. Uncertainty: What must be framed as assumption, risk or probability?

5. Stakeholder effect: How will employees, investors, customers, regulators and partners interpret this?

6. Follow-through: What action, evidence or update must follow this communication?

This protocol can be used for:

Investor updates

KPI announcements

Hiring or restructuring messages

Crisis communication

Product launch delays

Funding discussions

ESG and sustainability claims

Regulatory responses

Customer-facing commitments

Internal culture communication

#### 8. Limitations and Future Research

This paper is conceptual and does not yet provide empirical results. Its main contribution is construct development and theoretical positioning. Future research should test the proposed model through field data.

First, scholars should develop a validated Founder Speech Governance Scale.

Second, researchers should test whether Founder Speech Governance predicts team alignment, stakeholder trust and sustainable scaling capability.

Third, cross-country studies should examine whether the model differs across India, Southeast Asia, East Asia and South Asia.

Fourth, sectoral studies should compare technology start-ups, manufacturing SMEs, family-owned firms, service enterprises and social enterprises.

Fifth, case studies should examine founder speech during actual crisis events such as funding shocks, regulatory notices, product failures, ESG criticism or workforce attrition.

Sixth, longitudinal research should assess whether disciplined founder communication reduces correction burden, employee churn, reputational volatility and governance failures over time.

#### 9. Conclusion

This paper has revised Speech Governance into a focused entrepreneurship and sustainability framework for Asian SMEs. It has shifted the unit of analysis from generic high-speed organizations to founders, founder-managed SMEs, Asian growth-stage enterprises and family-owned firms in emerging markets.

The central argument is that founder speech is not merely communication. It is entrepreneurial governance. In founder-led SMEs, speech becomes strategy signal, trust signal, culture signal, compliance signal and sustainability signal. When founder communication is reactive, premature or exaggerated, it may produce team churn, regulatory exposure, ESG risk and reputational volatility. When it is verified, necessary, timed, transparent and accountable, it becomes a capability for sustainable scaling.

Founder Speech Governance is therefore a growth-enabling entrepreneurial capability. It helps founders scale without creating avoidable confusion, fear, overstatement or ethical slippage. The reflective pause before speech is not a slowdown. It is a governance interval. In Asian SMEs, where growth pressure is intense and formal systems may still be maturing, this interval may become one of the most important disciplines of responsible entrepreneurship.

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