

Chapter 12

Social Entrepreneurship: What People Are Looking for When They Talk About It

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ABSTRACT

This chapter seeks to understand what motivates an investment in a social entrepreneurial initiative (SEI), in order to easy the fit between investors goals and the SEI proposals. It provides a benchmark for investors and a guide for entrepreneurs through the identification of the most valued investment criteria. Data were collected online between March and May 2019 from Schawb foundation, Skoll foundation, Ashoka and Yunus Social Business. It was analyzed by content analysis. The results obtained corroborate previous literature review as well as highlighted different perspectives, suggesting further research for a better understanding where theory can improve practice. This study contributes to a theoretical consolidation of social entrepreneurship research field by means of the identification of common points among the practice of global organizations and the theory. Exploring social entrepreneurship is important because it is a new way of doing business and delivering social value and maybe the better bet to achieving a more sustainable society.

INTRODUCTION

Social entrepreneurs seek new ways to combine the concepts: company and society (Seelos & Mair, 2005). Although these structural concepts are present in a diversity of organizations, it is in social entrepreneurship that they related to the search for sustainable solutions to recurrent social problems (Mair & Marti, 2009; Stephan, Uhlaner, & Stride, 2015). It is a new way of doing business and thus a new way

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of generating and delivering value to society. Its very existence can be seen as an innovation (Seelos & Mair, 2005; Yunus, 2010).

Traditional companies treat their businesses as investments that should generate greater returns. Even the most passionate conventional entrepreneurs pursue, as their main objective, the profit. However, social entrepreneurs take as priority their social mission (Hossain, Saleh & Drennan, 2017; Ormiston & Richard, 2011; Austin, Stevenson & Wei-Skillern, 2006). Where the market sees consumers, the social entrepreneur sees people who need help (Yunus, 2010). This type of entrepreneurship gives us greater hope than just the correction of a market inefficiencies. It encourages us to believe that business can promote the development of more fair and equitable societies (Bosma, Schøtt, Terjesen & Kew 2016, Baker, 2013, Griffiths, Gundry & Kickul, 2013, Seelos & Mair, 2005). By recognizing the importance of social business models in the social value generation one can improve their conditions to happen and increase its understanding about them (Borzaga, Depedri & Galera, 2012).

There is much to be done to understand social entrepreneurship. Although it is a very popular research field, (Rawhouser, Cummings & Newbert, 2019; Lepoutre *et al*, 2013, Lee, Battilana & Wang, 2014; Hossain *et al*, 2017) it is still a fragmented theory, lacking consensus on several issues (Hossain *et al*, 2017, Lepoutre *et al*, 2013, Lee *et al*, 2014). Consequently, it is still very difficult to define what is and what involves or covers social entrepreneurship. Some definitions are so broad that any firm would fit, others may be so restrictive that became hard to frame (Pestoff & Hulgård, 2016, Austin *et al*, 2006). The literature is mainly composed by theoretical articles or by single case studies, idiosyncratic, ignoring the complexity of the interrelationships of social ecosystems (Hoogendoorn, 2016, Lee *et al*, 2014; Lepoutre *et al*, 2013; Dacin *et al*, 2010).

Accordingly, Choi & Majumdar (2014), state that social entrepreneurship is an essentially contested concept, thus almost impossible to define. This kind of concept has basics characteristics that may or may not manifest in the same way at the same time. In addition, it assumes different meanings for different people. Love, freedom and art are examples of essentially contested concept.

Van Der Have and Rubalcaba (2016) argue that the conceptual ambiguity and the theoretical fragmentation of social entrepreneurship can be a strength by connecting different approaches and disciplines, promoting academic diversity. The potential for change and innovation is immense as social entrepreneurship extends the boundaries between public and private, creating synergies beyond the capacity of non-profit organizations (Tate & Bals, 2018; Zhara, Gedajlovic, Neubaum & Shulman, 2009; Seelos & Mair, 2005).

This chapter studies different aspects of the social entrepreneurial concept through its literature, to explore its multidimensional aspect and to identify the selection criteria used for selecting social entrepreneurial projects. Content analysis was applied to the online material of the biggest global social entrepreneurship support organizations – GSESO (Seelos & Mair, 2005; El Ebrashi, 2009; Hossain *et al*, 2017). As a result, the study provides a benchmark for investors, since the GSESOs were chosen due their coverage, their legitimacy, their longevity and the diversity of social objective supported by them (Hossain *et al*, 2017; Ormiston & Richard, 2011; Defourny & Nyssens, 2010; Zahra *et al*, 2009; El Ebrashi, 2009; Mair & Marti, 2006). It also helps social entrepreneurial initiatives [SEI] to better fit the investors' expectations. Knowing what motivates an investment allow that fit, as Malpeli, Moraes and Ciccarino (2018) showed in their case study about Yunus Social Business and the SEIs supported by it.

This study is a consolidation strategy to social entrepreneurship research field, providing an in-dept understanding of the concept and its diversity through the GSESO's different approaches. It explores

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