Theorising the emerging field of social entrepreneurship

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Abstract: Social entrepreneurship, as an emerging academic field, although one still in the very early stage of its development, has been nourished by many of the key concepts developed within the commercial entrepreneurship literature, but this is beginning to change as the social entrepreneurship landscape has become a more fundamental part of the collection of entrepreneurship practices. This paper is concerned with how best to develop a new research paradigm, and considers ways in which this research approach is different from, but complementary to, commercial entrepreneurship research agenda in theory, as well as practice.

Keywords: theory; field building.

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Biographical notes: AUTHOR PLEASE SUPPLY CAREER HISTORY OF NO MORE THAN 100 WORDS FOR THE AUTHOR ‘Paul Haynes’.

1 Introduction

Social entrepreneurship is no longer just a topic within business studies but is in many ways emerging as a new field in its own right. The way social entrepreneurship is typically theorised has been limited in its scope, particularly by a range of factors related to its status as neither an actual discipline nor a fully independent field. Within the literature, academics continue to argue that it is a branch of entrepreneurship, which should use the models, theory and techniques developed by mainstream commercial entrepreneurship research, and imitate its field building approach by directing its attention to achieving research outputs of the type research assessments rate highly (Austin et al., 2006; Thompson et al., 2000). This paper instead argues that among the strengths of recent social entrepreneurship research has been the way that different scholars and practitioners have made effective use of its position as a new field or
emerging discipline to develop new approaches to research. This research illustrates the way effective engagement between academics and practitioners is able to contribute to the objectives of field building while serving entrepreneurial practices (Steyaert and Hjorth, 2006; Mair and Marti, 2006). The objectives of this paper are to show that social entrepreneurship is a coherent field rather than a passing fad, and that the way practitioners and researchers engage offers a different approach to academic field building than the methods typically recommended, and generally applied to other academic disciplines. The paper will argue that social entrepreneurship is different from entrepreneurship as it is presently conceived, not because it explores a social ‘context’ of innovation, but because it examines the way innovation, opportunity and entrepreneurship emerge and are pursued through exchanges afforded by networks of heterogeneous organisational types, in contrast to the business, financial and market networks through which conventional entrepreneurship is pursued. This is particularly striking with the emergence of social entrepreneurship through the formation of relationships and alliances between organisations and groups with different motives, structures, decision making protocols, measures and missions (see also Johannisson and Nilsson, 1989). Analysing such relationships is important for social entrepreneurship research, but these relationships provide a challenge to various organisations participating in social entrepreneurship practices, such as social welfare providers, academic researchers, activists and social entrepreneurs but, due to the significant growth potential of new types of business opportunities and their impact on consumers and policy makers, such as ‘green’ businesses, new emerging economies and social marketing (see, for example Prahalad, 2009, p.73–88), they present a challenge to mainstream business and thus researchers concerned with mainstream entrepreneurship.

2 The ‘social’ of social entrepreneurship

The emergence of entrepreneurship as an academic field or discipline has been analysed by a growing number of commentators (see, for example, Gartner, 1985; Low and MacMillan, 1988; Shane and Venkataraman, 2000; Murphy et al., 2006; Cornelius et al., 2006; Peredo and McLean, 2006; Reader and Watkins, 2006; Zahra, 2007). The majority of such evaluations focus primarily, if not exclusively, on the commercial and wealth creating aspects of entrepreneurship. The reason for this tendency is very clear: this relatively narrow focus has accumulated a large literature and more academic analysis than all other entrepreneurship research combined, and this material, as identified as the mainstream, is therefore assumed to be the best place to begin when examining entrepreneurship as a concept. Another feature of this literature is that the individuals publishing their ideas on the topic tend to be university-based academics. This feature is also explicable: academics have a great deal of expertise in different methods, theories and perspectives with which to enable them to analyse data, address problems or develop models that generalise beyond a case in ways that practitioners, even with greater expertise and knowledge, may not have; disseminating ideas is also a central feature of academic practice (see Rynes et al., 2001, pp.340, 341). In this way, the research literature on entrepreneurship and the issue of field building or developing a discipline, generally begins with a discussion of the emergence and growth of entrepreneurship in the commercial sector, the importance of innovation in exploring opportunities in commercial markets and a discussion of the way academics and/or business managers
as different classes of analysis, have tried to make sense of these practices (see, though, Stevenson and Jarillo, 1990, pp.22, 23). This implies that to understand entrepreneurship as a series of practices or as an academic field, requires an understanding of narrowly focused commercial entrepreneurship theories and practices, representing a restricted section of the entrepreneurship terrain. Instead, this paper argues that social entrepreneurship is the broader superset, with a range of attributes potentially able to provide a new research paradigm, one derived from exploring the interdependencies of practitioners and academics.

The recent growth in social entrepreneurship as a practice and as a research theme provides an opportunity and some examples with which to present this new research paradigm. This paper is not an attempt to critique the way entrepreneurship researchers have approached field building, nor does it accept that “the goal is to indicate how entrepreneurship might become social” (Steyaert and Hjorth, 2006, p.3) nor to shoehorn the concept into existing sociological frameworks (Mair and Marti, 2006, pp.40–42). Instead it begins with the assumption that the ‘social’ is not a confining context or domain, but a way of connecting the elements that are needed for innovation to take place: entrepreneurship is a social practice with or without the social prefix, though with the social prefix, entrepreneurship can include social change, social theory and social relationships as part of its core research program.

Before detailing why the position of social entrepreneurship enables it to become the source of innovative concepts and practices for academics and practitioners, two issues need to be resolved. Firstly the concept of social entrepreneurship needs to be clarified, particularly its relationship with wholly commercial entrepreneurship, and secondly the factors that contribute to the emergence of academic fields and disciplines need to be described and analysed. In addition, contrasting the field building approach of the more established commercial entrepreneurship with that of the social variety will illustrate why developing an alternative field building paradigm is both timely and important.

Social entrepreneurship has been conceptualised in very different ways and the definitions used to capture the range of heterogeneous practices fall into different categories. One set of definitions emphasise the non-profit dimension:

“We define social entrepreneurship as innovative, social value creating activity that can occur within or across the nonprofit, business, or government sectors” (Austin et al., 2006, p.2).

Alternatively, it is defined in terms of the social responsibility of the commercial sector or the commercially insightfulness of the social sector. For example, Leadbeater (1997, p.10) suggests that social entrepreneurship occurs where the private sector, public sector and voluntary sector overlap. Other definitions emphasise the application of innovation towards social change or transformation, in terms of the actions of change agents in the social sector (Dees, 1998, p.4; Steyaert and Hjorth, 2006, pp.1–3) or as a catalyst “to galvanise major changes across society” (Bornstein, 2007, p.xv).

While such definitions cover much of the territory of existing social enterprises and the mission of promoting social values, a much bolder description is required in order to capture the immense variety of potential applications of innovation appropriate to entrepreneurship practice. A key problem in capturing this variety is to coherently delineate a domain without severing all connections to complementary disciplinary perspectives able to analyse such phenomena in their diversity. While the definitions above do so by staking out a subset, or a specific application, of entrepreneurship
as conceived as a business school discipline (see Shane and Venkataraman, 2000, pp.218, 219), this paper will do the reverse. Entrepreneurship research, as conventionally conceptualised, will be thought of as a subset of social entrepreneurship, i.e., the area of research directed exclusively to the narrow commercially profitable dimension of business organisations, though a tremendously important area of research, as reflected in the weight of literature it has accumulated. Social entrepreneurship will be conceived of, then, not simply as the development of special types of goods and services, but rather the combination of tangible innovations that emphasise their social impact, coupled with the social matrix from which opportunity and innovation emerge. The complexity of this conception of social entrepreneurship will be exemplified rather than defined, a position consistent with Donald Sexton’s view that entrepreneurship research should not be obsessed with developing the perfect definition but developing “an adequate description of the sample so that others can replicate study results or utilise the data in other research efforts” (Sexton, 1988, p.6); however, before turning to the features that divide social entrepreneurship from the more established notions of entrepreneurship, it will be helpful to clarify the commonality in order to identify how the research addressing each form can be positioned in relation to the other.

While it might be the case that “definitions of entrepreneurial phenomena are hardly able to capture the whole picture” (Mair and Martí, 2006, p.37), entrepreneurship of all types share the characteristic of value creation by developing processes that assemble and associate resources in novel ways. As such, entrepreneurship activity depends upon innovation, responding to opportunities in the face of risk, and it is facilitated through specific organisations and networks. Importantly, the value that is created inevitably has an economic, social and cultural dimension, even if the economic value is the only type a firm might intentionally pursue or measure. Social and wholly commercial entrepreneurship are not, then, divided by the value that they produce, the opportunities or risks they engage with, the profitability of their ventures or the types and structures of organisations that they describe. Instead, the collective motives of the key decision makers, as reflected in the way the mission of the organisation is carried out, and, perhaps more importantly, as indicated in the relationships the organisation makes with other organisations and individuals, are the main differences between both the entrepreneurial and non-entrepreneurial organisations and, as the case studies will illustrate, between the wholly commercial and social forms. So while in theory four organisational types can be identified (businesses lacking innovation, entrepreneurial businesses, social entrepreneurial organisations, non-profit organisations lacking innovation), in reality, the nature of innovation and entrepreneurial activity mean that the types of alliances that an organisation makes and the networks it forms can be more indicative of its status than a close reading of its mission statement or financial accounting records.

In this way, researching social entrepreneurship has involved asking questions about networks and relationships that management science has not considered a central part of its problematic (see, though, Aldrich and Zimmer, 1986), and such research typically involves developing closer links with a wider range of practitioners than other forms of entrepreneurship research. These relationships have, to some degree, informed the way researchers have approached theory building (see Nicholls, 2006) and as social entrepreneurs emerge as a new cohort in creating business opportunities (Dees, 1998) so too those investigating this phenomenon often identify themselves as part of a new approach to research (see Bornstein, 2007; Leadbeater, 1997). If this were the only element informing field building in social entrepreneurship research, then it would be
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indistinguishable from a fad. Instead, the literature on field building suggests that the scope of social entrepreneurship research and the emergent strategies such research is developing represents the pattern of a sustainable paradigm rather than a passing fad, and it is this literature that the paper will now briefly examine.

3 Towards a new paradigm in field building

The literature on the development and evolution of academic disciplines is relatively small. There are, though, a number of key texts that engage with the process of field-building and discipline development as their central theme (see for example Kuhn, 1970; Whitley, 1984; Abbott, 2001; Becher and Trowler, 2001). While these texts present in-depth descriptions of how different types of fields and disciplines have emerged and the factors and pressures shaping this process, many of the descriptions have been treated as though they were prescriptive models or indicators of disciplinary status (see, for example, Banville and Landry, 1989, pp.55, 56) and some of the descriptions have been interpreted as applying to topics, themes and fields very different in scope than those studies in the literature (Coyner, 1983; Craig, 1999). A clear example can be found in the enduring, though implicit or unacknowledged, influence of Thomas Kuhn.

Using the term ‘normal science’ Kuhn describes the research approach used by established scientific disciplines. A discipline develops a paradigm and canon with which to shape the problems for the community of research practitioners to address, demarcating the discipline and drawing in individuals to act as advocates. This occurs, Kuhn argues, through the formation of journals, societies or specialist groups, which develop the discipline through papers that are directed to their colleagues who accept the paradigm. Normal science is thus a description of the puzzle-solving aspect of scientific research once the research boundaries have been agreed upon.

Normal science is, as Kuhn suggests, an indication of maturity and professionalism within an established scientific discipline, this does not, though, mean that imitating such a strategy is appropriate or desirable for other fields of research. Indeed, according to Richard Daft and Arie Lewin, in the absence of a normal science approach, researchers and academics have a degree of flexibility which can be more conducive to producing important research findings, but once a paradigm is in position, researchers are trained to rigidly conform to its conventions:

“The boundaries of a paradigm can put the field in an intellectual straitjacket. Research may be generated at a fast pace, but contributions will typically defend the extant point of view, and are unlikely to lead to fundamental new insight.” (Daft and Lewin, 1990, p.2)

The danger, then, is that in pursuit of rapid growth, a field or discipline, by focusing on normal science indicators, could direct research towards inappropriate or secondary issues. This is because the reward process for academics, such as promotion to the rank of professor, encourages journal paper-length “slight modification on existing work” outputs or framing projects in accordance with existing research council priorities, overspecialising and marginalising other categories of knowledge, hierarchical (and politically invested) setting of priorities and discourses, and compliance with established conceptual paradigms. Additionally, credibility to challenge the paradigm
will often only be afforded to those who have most to lose by challenging it, while younger academics, a likely source for fresh ideas, know that an academic career depends upon meeting such targets and designed their research accordingly.

The field of entrepreneurship illustrates the appeal of the normal science approach to discipline development and some potential costs. Recent literature examining entrepreneurship scholarship argue that the field is quickly developing a normal science approach to research: by stabilising its topic areas and excluding others, developing into a more exclusively academic community, dominated by a core group of leading authors, and demonstrating a greater specialisation of research (see Corneelius et al., 2006, p.395, Reader and Watkins, 2006, pp.426, 427). While these features, as measured by normal science metrics, have been taken as indicative of the success of mainstream entrepreneurship research strategies success seems to coincide with narrow hegemonic interests that seem to have excluded potential intellectual allies (see Reader and Watkins, 2006, pp.430–432). This in turn suggests less engagement with novel research approaches, greater methodological conformity, and an intellectual distance from non-academic practitioners. This further implies a reduced potential to be innovate in conceptualising the research problematic (Steyaert and Hjorth, 2006, pp.1–3), and greater readiness to imitate research patterns with perceived successful outcomes, irrespective of their appropriateness (Zahra, 2007, p.446). Such convergence can quickly lead to research stagnation, as the following observation notes:

“Each August, we (academics) come to talk with each other; during the rest of the year we read each others’ papers in our journals and write our own papers so that we may, in turn, have an audience the following August: an incestuous, closed loop.” (Hambrick, 1994, p.13)

Yet entrepreneurship, as a social practice, reflects an intellectual landscape where ideas, creativity and innovation are most prized by the practitioners that academics study and form the very subject of research, though the pragmatic and business oriented side of entrepreneurship might take the research restraints to be a fair price for rapid progress in expanding its rigorous research literature. The meaning of the social prefix of social entrepreneurship is thus of crucial importance because it offers a complementary approach to researching entrepreneurship.

Daft and Lewin prescribe three strategies, which in turn are able to feed into conventional research practices.

Firstly they emphasise the need to undertake research with a design orientation. By this they refer to research which is both descriptive and prescriptive, examining enough data to develop a theoretical narrative able to relate key variables into a coherent and convincing way, one willing to engage with competing concepts while striving “for relevance and for new insights” (Daft and Lewin, 1990, p.4). On this they conclude:

“The important point for individual scholars, however, is to take on design problems as a path to organisational insights that will ultimately produce new theory valuable to the field of organisation studies as well as to practitioners.” (Daft and Lewin, 1990, p.5)

Secondly, they express the need to focus on equivocal problems. By this Daft and Lewin refer to problems which reflect multiple or conflicting interpretation of events:
“The approach we are advocating can be described as symbol creation research, which is in contrast to symbol communication research [for which] the meaning of concepts has already been agreed on and is relatively clear. Symbolic creation research, on the other hands, involves the creation of new grammar, new variables, and new definitions, thus spawning new paradigms.” (Daft and Lewin, 1990, p.5)

Finally, they suggest that following heretical research methods is a way of loosening the negative restrictions they associate with normal science. Such methods, they argue, are important in that they are able to gain organisational insights and alter the research method mix and that if the goal of research is to generate new knowledge, “then outlier research … can be the source of interesting problems and important design implications” (Daft and Lewin, 1990, p.6). They discuss case studies as such a method and conclude:

“Building theory on the basis of in-depth understanding of a few cases is different from the traditional theory-testing goal of statistical rigor, parsimony and generalisability. However, this type of research can provide the genesis for new theory that may spawn further research that uses traditional methods.” (Daft and Lewin, 1990, p.6)

Unlike other disciplines, social entrepreneurship research has been receptive to these types of suggestion and is ideally situated to develop a new field building approach, as Mair and Marti argue:

“We believe that social entrepreneurship deserves considerable attention as a field of research. It has enormous potential to inform and enhance the field of entrepreneurship, as it provides an excellent opportunity to challenge and rethink central concepts and assumptions.” (Mair and Marti, 2006, p.42)

The following section will illustrate that the social prefix can functions as a force to make such investigations more inclined to develop knowledge transfer objectives as part of its research agenda as a complement to more traditional normal science indicators.

4 Conclusion

“The control systems developed by journals and university departments alike exert a confining if well-meaning hold on the jugular of scholarship, which threatens to strangle the development of new possibilities.” (Morgan, 1990, p.29)

Justification for claims over research territory and, by implication, claims to disciplinary status, are typically measured by their exponents, in journal papers, conferences, research council funding, processing graduate students quickly and departments or centres. Unlike Mode 2 indicators (see Gibbons, 2002), such measures are easy to quantify as research outputs and/or demonstrate the strength of a research community and, through peer review, preserve minimum standards. As indicators or measures, they give an important indication of the investment in specific ideas, methods and topics, equated with the values of a group of academics and related bodies. Researchers and academics must continue to strive to disseminate ideas in peer reviewed form, such as in new and specialist social entrepreneurship academic Journal, such as IJSEI, or peer review journals from more traditional and established disciplines, teach specialist courses, bid for research funding and organise specialist conferences, as this builds effective relationships between academics, both in social entrepreneurship and in related fields,
although this must not be at the expense of reducing the scope and significance of the
research, as the quote that begins this section suggests can sometimes be the case.

This paper argues that a normal science approach to developing a research agenda
can reduce the relevance of research outputs to a practitioner audience and also limit
opportunities for practitioner-oriented and inter/post disciplinary-oriented researchers.
It further argues that an overemphasis on normal science measures could result in fewer
intermediaries and with younger researchers guided away from practitioner engagement
causing the gap between academics and practitioners to widen, as Lewis Elton
suggests: “academic traditionalism in research…has discouraged new developments and
interdisciplinary research, and have isolated researchers from practitioners” (Elton, 2000,
p.279). One of the characteristic features of social entrepreneurship is that the benefits
of narrowing the gap have informed the engagement between research and practice for
mutual benefit (Nicholls, 2006, pp.6–10).

The previous section concluded that the prefix ‘social’ gives social entrepreneurship
research a special status on the basis that it contains all the features of mainstream
commercial entrepreneurship, but its landscape includes a wider variety of organisational
types, networks and individuals, each of which is striving to make an impact undertaking
innovation with a social purpose or developing social processes of innovation. This
landscape offers social entrepreneurship researchers a powerful resource for engaging in
collaboration, and developing case studies, reflective essays, and inductive theory
building, research most likely to resonate with practitioners. These resources are already
being capitalised on by social entrepreneurship research; Daft and Lewin’s three principal
suggestions for extending the conceptual framework for developing research, supported
by Rynes et al. (2001, p.349) call to explore the “full range of knowledge creation
techniques”, are already a part of its research agenda.

In contrast, then, with academic traditionalism, there are strong tendencies in social
entrepreneurship research of extending the conceptual framework with which research is
developed as a part of its territorial claim, research agenda, and field building project.
Indeed, developing a grounded theory approach that emphases theory building through
a close engagement with the experience and knowledge of practitioner groups has been
a key strategy in influential social entrepreneurship research networks, as outlined
in recent collections of papers and case studies by researchers and practitioners (see
Young, 2006; O’Connor, 2006). By building on the existing inclusiveness that social
entrepreneurship has so far managed to retain, rather than transferring and applying
mainstream commercial entrepreneurship models and methods en mass, social
entrepreneurship has been able to innovate in developing methods, models and theories
which themselves can form the basis of mutual benefit to both the commercial oriented
and social oriented research patterns (Peredo and McLean, 2006, pp.64, 65; Steyaert and

Social entrepreneurship can therefore contribute to commercial entrepreneurship
investigation by exemplifying research approaches that remain blind spots within the
mainstream entrepreneurship literature. This includes many of the key challenges that
businesses are only now beginning to systematically address, including developing
hybrid networks, balancing the indispensable non commercial aspects of business,
creating environmentally acceptable as well as socially (and community) sustainable
products and/or services, the well documented benefits of leveraging good will
(see Kornfeld, 2005) and the changing demands of shareholders, customers and
employees. It can do so most effectively as part of an autonomous research agenda that
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turns first to the more complex, equivocal but more suitable social and community sites on the entrepreneurship landscape, an agenda that is supported less by its problem solving capacity, than by the legitimacy and focus of developing a movement or a discipline that attempts above all to be a relevant and insightful analysis of practice:

“Disciplines might be seen as ‘essential structures for systematising, organising and embodying the social and institutional practices upon which both coherent discourse and the legitimate exercise of power depend’.” (Lenoir, 1993, p.73)

In turn, the mainstream entrepreneurship literature provides a guide concerning the evolution of the type of research issues that explain the innovation process in the many different ways it has developed within the commercial sector, a literature as nuanced as any management research output, meaning that social entrepreneurship need not reinvent the wheel, and by appreciating the key complementarities, and learning the lessons of the success and failures of the struggle of the entrepreneurship research pioneers (see Sarasvathy, 2004) can avoid reinventing the square wheel. Firstly, however, theorising the emergent field of social entrepreneurship would seem to be a useful beginning and the International Journal of Social Entrepreneurship and Innovation, an ideal forum for this debate.

References


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