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# Social Enterprises as Hybrid Organisations: Shaping Identities, Practices, and Categories to Address Societal Challenges

PhD dissertation

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## Acknowledgements

In the last 6 years, I have devoted my time to becoming a researcher. It is, therefore, a bit ironic that I will begin my dissertation by referring to a non-scientific video that a friend of mine posted on Facebook. Nevertheless, the video introduced me to the concept of egocentric bias, which, according to the video, occurs when “you overestimate your own contribution and underestimate others.” The person in the video further explains that this bias “leads us to underestimate the influence of other factors on our lives, such as the role luck plays in our success.”

I cannot help but wonder whether this section of the dissertation was meant to help Ph.D. students avoid this bias.

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Kathrine: “Hey guys, beer on Friday afternoon?”

Kenneth: “Yes!”

Kathrine: “\*s”

Oana: (party smiley)

Sebastian responding to Kathrine: “\*s on ‘afternoon’ or ‘beer’?”

Kathrine: “Both, of course!”

(Marta joins the chat)

Marta: *(sends a picture holding a glass of wine)*

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## Executive Summary

This dissertation is a collection of studies examining the efforts of social enterprises in solving social problems. The overarching research question is the following:

How do social enterprises develop and leverage their hybridity to shape identities, practices, and categories in order to address societal challenges?

This dissertation consists of three studies that each contribute to answering this research question.

One management challenge that differentiates the development of social enterprises from their commercial counterparts is that they are constantly faced with the tension from having multiple – and potentially conflicting – goals. A central concern stemming from the tension of combining social and economic missions is *mission drift*, the process in which an organisation diverges (or ‘drifts’) from its main purpose or mission. Mission drift is most often associated with negative consequences such as internal and external conflicts, loss of legitimacy, and has been reported to jeopardise future funding. However, recent studies have questioned this one-sided view and indicated that there could be positive consequences of mission drift. To this end, **paper one** examines how a social enterprise develops its multiple goals over time and investigates the consequences of mission drift on a personal and company level. To address this question, paper one contains a single case process study following the development of a social enterprise from its inception through its growth phase. Paper one engages with the literature on organisational adaptation and feedback to theorise the collected data. A model is presented showing how the investigated social enterprise manages mission drift in its development. The model highlights the role of pragmatic and idealistic feedback in this process. Paper one thus contributes to the social entrepreneurship literature in three ways: (1) Mission drift can be a useful element in the development of a social enterprise; (2) mission drift may simultaneously have unexpected negative consequences for the individual social entrepreneur when mission drift is experienced over a longer period of time; (3) the paper provides a nuanced understanding of different types of feedback (pragmatic and idealistic) that social enterprises receive and how that feedback influences the social enterprise development.

While much of the literature, including paper one, focuses on the tensions generated by divergent institutional logics, **paper two** explores the opportunities they present. The dissertation transitions from paper one’s focus on managing multiple logics as ‘the problem to solve’ to paper two’s view on the combination of multiple logics as the ‘the opportunity to take.’ Paper two asks how social enterprises leverage their hybridity to enable social identity work for their beneficiaries. Through a multiple case study

of twelve work integration social enterprises [WISEs] in Denmark and South Africa, paper two proposes three strategies used by WISEs to leverage institutional logics that enable social identity work: *cross-fading*, *weighting*, and *shielding*. Cross-fading first addresses social needs before exposing the beneficiaries to a commercial logic; weighting, conversely, adjusts exposure from the outset by addressing the labour market's commercial expectations flexibly; whereas shielding aims to reduce different logics harmful effects on the beneficiaries. With these findings, paper two contributes to the literature on social enterprises and hybrid organisations by showing different strategies through which social enterprise help expose their beneficiaries to different institutional logics enabling them to perform social identity work.

Social problems are at the core of social enterprises and are often described in the literature as being *objective* in nature assuming actors in society have a universal understanding of them. However, recent literature suggests that social problems are *socially constructed*, as opposed to objective, allowing for the possibility of contesting and reframing prevailing social problems. **Paper three** contains a multiple case study of 19 social enterprises which target different social problems related to marginalised groups of consumers, employees, or suppliers. The paper explores how social enterprises (re)construct social problems through beneficiary categories and related practices. To explore this research question, paper three uses the social-symbolic framework developed by Lawrence & Phillips (2019). The theoretical framework highlights two social-symbolic objects related to social problems: categories and practices. An important finding of paper 3 is that social enterprises reconstruct social problems by contesting prevailing categorisations of their beneficiaries and related practices that focus on the disadvantages of the beneficiaries. Simultaneously, the social enterprises shape the beneficiary categories and related practices into focusing on the capabilities of the beneficiaries. Paper 3 contributes to the literature on social enterprises by demonstrating that social enterprises not only come up with novel solutions to social problems, but also engage in efforts to reconstruct social problems through categories and practices. Furthermore, paper three enhances the understanding of social-symbolic objects by illustrating how different objects are interconnected and influence one another; any alteration in one object necessitates consideration of its impact on related objects.

Each paper plays a role in providing an answer to the overarching research question by focusing on (**paper 1**) the development of a social enterprise, (**paper 2**) leveraging hybridity as an opportunity, and (**paper 3**) shaping social-symbolic objects to address societal challenges, respectively.



## Dansk Resumé

Denne afhandling er en samling af artikler, der undersøger sociale virksomheders bestræbelser på at løse sociale problemer. Det overordnede forskningsspørgsmål i afhandlingen er følgende:

Hvordan udvikler og udnytter sociale virksomheder deres hybriditet så de kan forme identiteter, praksisser og kategorier for at adressere samfundsmæssige udfordringer?

Afhandlingen består af tre artikler, der hver især bidrager til det overordnede forskningsspørgsmål.

En ledelsesmæssig udfordring, der gør, at udviklingen af sociale virksomheder adskiller sig fra deres kommercielle modstykker, er, at de konstant skal forholde sig til potentielt modstridende mål. Et centralt problem, der skyldes kombinationen af sociale og økonomiske missioner, er *mission drift*, dvs. det, at en organisation afviger (drifter) fra sit hovedformål eller mission. Som flere studier viser, er mission drift oftest forbundet med negative konsekvenser såsom tab af legitimitet, interne og eksterne konflikter, hvilket kan true virksomhedens fremtidige finansiering. Imidlertid har nyere studier sat spørgsmålstejn ved denne opfattelse og indikeret, at der er potentielle positive konsekvenser af mission drift. **Artikel 1** i denne afhandling undersøger, hvordan en social virksomhed udvikler sine mange mål over tid, og hvilke konsekvenser mission drift har på både det personlige niveau og på virksomhedens niveau. For at besvare denne problemstilling anvender artikel 1 en enkelt case-procesundersøgelse, der følger udviklingen af en social virksomhed fra dens begyndelse til og med dens vækstfase. Artikel 1 fortolker de indsamlede data med udgangspunkt i litteraturen om organisatorisk tilpasning og feedback. I analysen præsenteres en model, der med fokus på pragmatisk og idealistisk feedback viser, hvordan den sociale virksomhed håndterer mission drift i sin udvikling. Artikel 1 bidrager til litteraturen om socialt iværksætteri på tre måder: (1) Mission drift kan være et vigtigt element i den udvikling, som en social virksomhed gennemgår; (2) hvis mission drift er længerevarende, kan dette have uventede negative konsekvenser for den enkelte sociale iværksætter; (3) en bedre forståelse af dels den type feedback (pragmatisk eller idealistisk), som en sociale virksomhed modtager, og dels feedbackens indflydelse på den sociale virksomheds udvikling.

Mens meget af litteraturen, samt artikel 1, fokuserer på de spændinger, der opstår grundet divergerende sociale og økonomiske institutionelle logikker, udforsker **artikel 2** det potentiale, som der opstår ved at kombinere flere logikker. Afhandlingen går således i artikel 1 fra et fokus på at håndtere flere logikker som 'problemer', der skal løses, til i artikel 2 at betragte kombinationen af flere logikker som 'muligheder'. Artikel 2 stiller forskningsspørgsmålet: Hvordan bruger sociale virksomheder deres hybriditet for at fremme identitetsarbejde med deres sociale målgruppe? Artikel 2 indeholder et multiple case-studie af

tolv sociale virksomheder, der arbejder med arbejdsintegration (work integration social enterprises, forkortet WISEs) i Danmark og Sydafrika. I artikel 2 foreslås der tre strategier, som WISEs bruger til at udnytte institutionelle logikker, der fremmer identitetsarbejde med deres sociale målgruppe: *cross-fading*, *weighting* og *shielding*. Ved *cross-fading* introducerer man forskellige logikker gradvist ved først at adressere sociale behov; ved *weighting* introducerer man eksponeringen af flere logikker fra starten men i forskellige grader, for eksempel ved at imødekomme arbejdsmarkedets kommercielle forventninger på en fleksibel måde; mens man ved *shielding* forsøger at begrænse logikkens skadelige påvirkning på den sociale målgruppe. Med disse resultater bidrager artikel 2 til litteraturen om sociale virksomheder og hybride organisationer ved at vise forskellige strategier, som sociale virksomheder benytter sig af til at hjælpe deres sociale gruppe med deres identitetsarbejde.

Sociale problemer er kernen i sociale virksomheder og beskrives ofte som værende *objektive*, idet det antages, at aktører har en universel forståelse af dem. Imidlertid er der en del nyere litteratur, der peger på, at sociale problemer er *socialt konstruerede*, hvilket åbner for muligheden for at anfægte og rekonstruere gældende opfattelser af sociale problemer. **Artikel 3** benytter sig af et multiple case-studie bestående af 19 sociale virksomheder, som forsøger at løse forskellige sociale problemer relateret til marginaliserede grupper af forbrugere, medarbejdere eller leverandører. Artikel 3 undersøger hvordan sociale virksomheder (re)konstruerer sociale problemer gennem deres sociale målgruppes kategorisering og relaterede praksisser. For at undersøge dette forskningsspørgsmål anvender artikel 3 den 'social-symbolske' teoriramme udviklet af Lawrence & Phillips (2019). Denne teoriramme fremhæver to social-symbolske objekter, som relaterer sig til sociale problemer: kategorier og praksisser. Et vigtigt resultat i artikel 3 er, at sociale virksomheder rekonstruerer sociale problemer ved at anfægte nuværende kategoriseringer af deres sociale målgruppe samt relaterede praksisser, som fokuserer på den sociale målgruppes ulemper. Samtidig forsøger de sociale virksomheder at påvirke kategoriseringerne og relaterede praksisser, så de i stedet fokuserer på den sociale målgruppes evner. Artikel 3 bidrager til litteraturen om sociale virksomheder ved at vise, at sociale virksomheder ikke kun finder på nye løsninger på sociale problemer, men også bestræber sig på at rekonstruere sociale problemer gennem kategoriseringer og praksisser. Desuden bidrager artikel 3 til en bedre forståelse af social-symbolske genstande. Den viser, hvordan forskellige genstande er indbyrdes forbundne og påvirker hinanden; enhver ændring i en genstand bør således tage udgangspunkt i en vurdering af, hvilke konsekvenser ændringen har for de genstande, som den givne genstand er relateret til.

Hver artikel spiller en rolle i at give et svar på det overordnede forskningsspørgsmål. De fokuserer på **(artikel 1)** udviklingen af en social virksomhed, **(artikel 2)** at udnytte potentialet i hybriditet og **(artikel 3)** at forme social-symbolske objekter for at tackle samfundsmæssige udfordringer.



*“As a social entrepreneur, you have to be good at both the social work and the business part.  
Who is that”?*

(Quote from an interviewee early in the PhD)



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## Part 1: Introduction

### Motivation and General Introduction

The personal motivation for this dissertation traces back to an apartment in Phú Mỹ Hưng district 7 in Saigon in December 2015. At the time, I was sitting in the living room in front of my laptop about to choose the topic for my bachelor thesis. A pivotal moment influencing my choice of topic occurred when I stumbled upon an American book in a Vietnamese bookstore titled *Start Something That Matters* by Blake Mycoskie, the founder of Toms Shoes. The book introduced me to social enterprises, and I quickly resonated with Mycoskie's main point on combining profit with social good. It was therefore not hard for me to choose social entrepreneurship as the topic for my bachelor thesis. The title of the thesis ended up being '*social enterprises' business models – an analysis of ethical dilemmas*'.

Following my graduation, I was hired as a student research assistant, where I reviewed literature on hybridity and participated in my very first interview with a social enterprise. In the meantime, my wife got hired at a prominent Danish social enterprise that at the time attempted to scale up their operations in the Danish market. This allowed me to get a glimpse at the challenges faced by social enterprises when growing their organisation. From this experience, it became clear that I wanted to understand better how social enterprises can grow. In my application for the PhD program, I titled my project: 'Understanding Scaling Social Impact and Growth of Social Hybrid Ventures from a Process Perspective' due to my initial curiosity on social enterprises challenges of growing.

However, early in my PhD journey, I realised that social enterprises at a stage of growing were more the exemption than the rule. This was also apparent in my first single case study where I followed a Danish social enterprise over several years. When they received a large grant, I expected the social enterprise to grow, however, many challenges emerged hindering their growth. Their journey was more in line with the portrait painted by Bacq et al. (2016) of social enterprises struggling to survive. I, therefore, redirected my focus in paper one from growth and scaling towards the tensions faced in becoming financially sustainable in order for the enterprise to survive. I quickly noticed an important concern among the founding team, stemming from the tension between their commercial and social missions (Battilana et al., 2015; Siebold et al., 2019; Smith & Besharov, 2019), which has been conceptualised in the literature as 'mission drift' (Chambers, 2014; Cornforth, 2014; Gras & Mendoza-Abarca, 2014; Kwong et al., 2017). However, I found the concept to be unnuanced, as it primarily carried negative connotations and focused mainly on the organisational consequences, which stood in contrast to my early empirical observations.

In reading through the literature on balancing multiple competing logics (Battilana et al., 2015; Besharov & Smith, 2014), either to survive or grow (Battilana & Dorado, 2010; Siebold et al., 2019; Smith & Besharov, 2019), I further questioned why anyone would chose a hybrid way of organising given the many challenges and trade-offs (Ebrahim et al., 2014; Wry & Zhao, 2018). This reflection led me back to the fundamental assumptions underlying the decision to operate as a social enterprise; organising in a hybrid way must provide something that justifies the complexities and challenges associated with such an endeavour. Mongelli et al. (2019, p. 302) articulated my concern arguing that we need to shift away from *'understanding social enterprises as inherently fragile organisations [where] the multiple elements that characterise social enterprises' functioning become "the problem to solve" rather than the "opportunity to take."* While it is essential to acknowledge the necessity of managing hybridity for survival, shifting our focus to the opportunities presented by operating as a social enterprise would enable us to better understand the value they afford society, which is often overlooked in discussions centered on their challenges. Moreover, as researchers, we can become more helpful for social entrepreneurs by not only studying potential vulnerabilities of hybridity but also its potential.

From this perspective, the *raison d'être* of social enterprises is rooted in their hybridity rather than being defined solely by their social mission, as suggested by Ebrahim et al. (2014). Hockerts (2015, p. 2) further emphasises this, stating that *'hybrids are the result of conscious cross-breeding, combining the strongest attributes from two organisational species that have previously been seen as incompatible' as opposed to a 'accidental outcome.'* This *conscious* cross-breeding, therefore, must enable the social enterprises to do something differently than 'pure' organisations such as NGOs, commercial enterprises, and the government. I found the current literature was limited in explaining the bright side of hybridity or what hybridity enables social enterprises to do. Therefore, I decided to apply the novel social-symbolic framework developed by Lawrence and Phillips (2019) as a theoretical lens in the context of social enterprises (Barberá-Tomás et al., 2019; Karakulak & Lawrence, 2024; Lawrence & Phillips, 2019; Tracey & Phillips, 2016). This lens helped to shed light on the various social-symbolic objects that social enterprises aim to shape in order to solve social problems, including the identities, categories, and practices related to their beneficiaries.

Consequently, the objective of this dissertation is threefold. First, it aims to nuance the existing literature on responses to tension, and particularly the concept of mission drift, by examining the complexities that arise from the dual missions of social enterprise, in order to provide a more nuanced understanding of mission drift and its consequences. Second, this research seeks to contribute empirical

insights on the creative ways social enterprises leverage their hybridity to solve social problems. Finally, by employing a new theoretical lens, this dissertation attempts to enhance our understanding of how social enterprises engage in efforts with the intention of shaping the identities, categories, and practices related to their beneficiaries in attempts to solve social problems. Based on these objectives, my overarching research question for this dissertation is:

*How do social enterprises develop and leverage their hybridity to shape identities, practices, and categories to address societal challenges?*

Three papers comprise this dissertation to address this question, with each paper posing a sub-research question. Collectively, they contribute to answering the overarching research question.

One management challenge that differentiates social ventures from their commercial counterparts is that they are constantly exposed to multiple and potentially contrasting goals leading to constant tensions between them (Battilana et al., 2015; Siebold et al., 2019). A central concern emanating from the tension of combining social and economic missions has been conceptualised as mission drift, ‘*a process of organisational change, where an organisation diverges from its main purpose or mission*’ (Cornforth, 2014, p. 3). Traditionally viewed as a threat (Bennett & Savani, 2011; Jones, 2007), recent research suggests that mission drift can also have positive effects such as development of competences and extension of capabilities (Bennett & Savani, 2011), higher joint impact of collaboration (Kwong et al. 2017), and exploration of new impact arenas (Smith & Besharov, 2019). This research highlights how multiple and potentially contrasting goals might not only ensure sustainability but also boost social efficiency by enabling more resources for social activities (Staessens et al., 2019). The effectiveness of these potential benefits, however, depends on specific circumstances. Therefore, research paper 1 addresses the following research questions:

*RQ1: How does a social venture develop its multiple goals over time and what are the consequences of experiencing mission drift on a personal and company level?*

A significant body of literature has emerged that focuses on how social enterprises navigate and potentially limit complex, multifaceted tensions that stem from adhering to divergent logics (Battilana & Dorado, 2010; Battilana et al., 2015; Besharov & Smith, 2014; Mongelli et al., 2019; Smith & Besharov, 2019). However, emerging research suggests that the interplay of multiple, often incompatible institutional logics can indeed enable rather than hinder social enterprises in reaching their goals (Battilana et al., 2015; Heimer, 1999; Sud et al., 2009), thus challenging traditional views that regard

conflicting institutional logics chiefly as constraints. Building on this idea, Mongelli et al. (2019) and Cherrier et al. (2018) advocate for rethinking hybridity in social enterprises, proposing that embracing and leveraging various forms of institutional logic can actually spur creativity and innovation and, thus, unlock fresh possibilities for social interventions (Jay, 2013; Tracey et al., 2011).

Despite the growing importance of this area of research, there *'remains a dearth of empirical studies, particularly at the organisational level'* (Mongelli et al., 2019, p. 978). This paper addresses this gap by providing empirical insights into how work integration social enterprises (WISEs) leverage hybridity to fulfil their complex missions. These insights carry broader implications for other organisations that strive to integrate similar approaches. WISEs are particularly notable for how they need to balance financial sustainability with social and public sector objectives to enable their beneficiaries craft a work identity. The efforts surrounding such identity transformation is termed social identity work, i.e., efforts by individuals and groups to shape how people are perceived in relation to their group memberships and roles (Lawrence & Phillips, 2019). Therefore, research paper 2 addresses the following research questions:

*RQ2: How do social enterprises leverage their hybridity to enable social identity work for their beneficiaries?*

Social problems are an integral part of the social enterprise literature (Choi & Majumdar, 2014). For example, Mair and Marti (2006) argues that *'the distinctive social domain of social entrepreneurship (...) (is) to address a social problem'* (p. 38). Interestingly, social problems are often described as being objective in nature, thus assuming actors have a universal understanding of them (Lawrence & Phillips, 2019). However, the view that social problems have an objective nature has been criticised (Blumer, 1971; Lawrence & Phillips, 2019). Instead, social problems are suggested to be complex, uncertain, evaluative (Ferraro et al., 2015), and socially constructed (Karakulak & Lawrence, 2024).

Treating social problems as being socially constructed, as opposed to being objective in nature, also means that established constructions of social problems can be contested. This is important because how a social problem is constructed, or framed, *'compel different set of actors and actions'* (Dorado et al., 2022, p. 11). Consequently, the way actors perceive and construct a social problem is crucial, as it directly influences the effectiveness of the solutions they develop. Therefore, a nuanced understanding of the social problem's construction is essential for generating viable and impactful solutions. Some have suggested to study social problems based on their relation to social-symbolic objects (Karakulak & Lawrence, 2024; Lawrence & Phillips, 2019). From this perspective, the construction of social problems is

strongly tied to how social enterprises perceive and categorise their beneficiaries (Lawrence & Phillips, 2019) and the practices the social enterprises enact (Karakulak & Lawrence, 2024). Yet, how social problems are reconstructed through beneficiary categories and related practices, i.e., proposed solutions to the social problem, remains largely unknown (Lawrence & Phillips, 2019). Research paper 3 therefore seeks answers to the question:

*RQ3: How do social enterprises (re)construct social problems through beneficiary categories and related practices?*



## Central Constructs

In the social entrepreneurship literature, there has been lively discussions on which constructs to study and how those constructs are defined (Choi & Majumdar, 2014). In the following section, I will address the debate on the different constructs related to social entrepreneurship and argue for my understanding and the choices of constructs used in this dissertation.

## Social Entrepreneurship

When it comes to defining social entrepreneurship, there are two main challenges salient in literature: one *internal* and one *external* to the concept. The first challenge relates to the lack of internal coherence and consistency in the field in defining the concept of social entrepreneurship. This is illustrated by Dacin et al. (2010) who identified 37 different definitions of social entrepreneurship in the literature ranging from definitions primarily focusing on the social mission to definitions necessitating the exploitation of market opportunities. This proliferation of definitions stems from the phenomenon of social entrepreneurship being studied from different sector perspectives, such as not-for-profit, for-profit, and the public sector (Short et al., 2009), to different schools of thought originating in different countries (Bacq & Janssen, 2011), as well as the multiple actors using the term, including practitioners, governments, and foundations (Choi & Majumdar, 2014). Consequently, arriving at a single unified definition appears to be almost impossible which has consequences for establishing legitimacy of the field or construct and moreover, hindering empirical research on the topic (Short et al., 2009).

The definitional challenge and lack of consensus on what social entrepreneurship is has led Choi and Majumdar (2014) to examine and conceptualise social entrepreneurship as an essentially contested concept. A key condition for being a contested concept lies in the internal complexity of social entrepreneurship, which stems in part from being constituted by five sub-concepts: (1) social value creation, (2) the social entrepreneur, (3) the social entrepreneurship organisation, (4) market orientation, and (5) social innovation. Hence, the authors propose to conceptualise social entrepreneurship as a cluster concept representing each of the five sub-concepts (Choi & Majumdar, 2014). In order for research to be regarded as instances of social entrepreneurship, it should not rely on a single uniform definition, but instead on varying degrees and combinations of the sub-concepts. By doing this, scholars can identify and build on relevant literature to study the various ways social entrepreneurship is practiced and addresses different social problems in society, embracing the diverse approaches studying social entrepreneurship. To this end, it is important for scholars to explicitly state which of the sub-concepts they emphasise in their understanding and study of the concept (Choi & Majumdar, 2014, p. 373).

While the first challenge is related to *what social entrepreneurship is*, the second challenge is related to *what it is not*. Thus, the second challenge is to delineate the boundaries of social entrepreneurship to related fields such as public/nonprofit management, social issues in management (Short et al., 2009), and related types of entrepreneurship, e.g. conventional entrepreneurship, institutional entrepreneurship (Tracey et al., 2011), cultural entrepreneurship (Dacin et al., 2010), environmental entrepreneurship (Dean & McMullen, 2007), and sustainable entrepreneurship (Cohen & Winn, 2007). In distinguishing social entrepreneurship from these other fields and types of entrepreneurships, Mair & Martí (2006) examine the social and commercial element of social entrepreneurship respectively. They argue that the main focus of social entrepreneurship is social value creation while economic value creation is a means for financial sustainability. Thus, what differentiates social entrepreneurship from conventional entrepreneurship is the priority given to social value creation. However, delineating social entrepreneurship from other types of entrepreneurship based on social value creation has been disputed with the argument that all types of entrepreneurship create social value, e.g., through job creation (Venkataraman, 2019). Mair and Marti (2006) echoes this point and further adds that the tax income created by (conventional) entrepreneurship is spent on creating social value through governmental programs. In other words, commercial entrepreneurs also create social value indirectly through their job creation and tax income.

However, while conventional entrepreneurship has important societal welfare byproducts, there is no expectations of conventional entrepreneurship to solve complex social problems (Karakulak & Lawrence, 2021), such as employing marginalised people (Vidal, 2005) or improving the conditions of marginalised suppliers (Hockerts, 2015). Adding the 'social' to 'entrepreneurship' therefore requires an effort different to what is expected of a "conventional" entrepreneurship. Therefore, this dissertation delineates social entrepreneurship from other related types of entrepreneurships by drawing on the sub-concepts of social value, the social entrepreneur, and the social entrepreneurship organisation. To this end, I define social entrepreneurship as:

*Individuals and their organisations with a primary objective of creating social value for the beneficiaries of their mission using market mechanisms.*

The definition is inspired by Ebrahim et al. (2014, p. 82), yet with the important difference that market mechanisms are not only a means to acquire resources, but also as an important part of social value creation itself (Mongelli et al., 2019). For example, by creating employment for marginalised individuals, they gain a work identity which is an important empowering element of the solution.



## Social Value Creation

The first major component of social entrepreneurship is the social value creation, to which the dissertation follows Choi & Majumdar's (2014, p. 372) argument that social value creation is a prerequisite of social entrepreneurship and should be regarded as a *necessary condition* of social entrepreneurship. However, social value itself is both complex and ambiguous (Choi & Majumdar, 2014) as to why it is needed (Lawrence & Phillips, 2019), what it is, how it is created (de la Cruz Jara & Spanjol, 2024; Kroeger & Weber, 2014), and how to measure it (Kroeger & Weber, 2014; Rawhouser et al., 2019). The need for social value creation is related to the unequal distribution of opportunities and resources in society (Lawrence & Phillips, 2019), often described as a social disequilibrium in the market (Hockerts & Wüstenhagen, 2010). Both perspectives fundamentally understand society as a human system and connect the need for social value creation to the flaws in this social system of interacting humans (de la Cruz Jara & Spanjol, 2024). Although this unequal distribution is often taken for granted, it highly impacts the everyday lives of the members of society by advantaging some and disadvantaging others, like for example when some individuals are discriminated against in the job market (Lawrence & Phillips, 2019). From this perspective therefore, there is a need to redistribute opportunities and resources, or to create a social equilibrium in the market so that there is some *desirability* in creating some *worthiness for the common*, i.e. a need for social value creation (de la Cruz Jara & Spanjol, 2024, p. 10)

Nicholls (2008) defines social value from this function to solve a *need*, hence social value *'benefits people whose urgent and reasonable needs are not being met'* (p. 62). Such needs can be the lack of fundamental necessities, such as education, healthcare, getting a job, or fair working conditions (de la Cruz Jara & Spanjol, 2024). Importantly, these needs are furthermore tied to the members of society being unfavoured by the current distribution of opportunities and resources which would be required for them to satisfy these needs by themselves (de la Cruz Jara & Spanjol, 2024; Lawrence & Phillips, 2019). The creation of social values is furthermore tied to the practices performed by different actors (de la Cruz Jara & Spanjol, 2024). Such practices can include some of more economic nature for example by creating new products, processes, or markets (Ormiston & Seymour, 2011). For example, Akemu et al. (2016) showed how a social enterprise created a market for sustainable smartphones, which helped them to improve the labour conditions of workers who were mining mineral ores in conflicted zones. Other practices might be of more social nature such as psychological or social support services in the form of specific counselling sessions needed for occupying a job, as described in Battilana et al. (2015).

Finally, there has been a considerable focus on the measurement of social value often referred to as impact measurement (Behn, 2003; Ebrahim & Rangan, 2014; Kroeger & Weber, 2014; Rawhouser et al., 2019). Purposes for measuring social value include evaluating whether it is obtained, promoting an organisation for its social value creation as well as learning about the social value creation to improve it (Behn, 2003). Examples of impact measurement models include the logic model which focuses on the input, activity, and outcome of a given social intervention (Ebrahim & Rangan, 2014) and the social return on investment model (SROI), which tries to put a monetary number on the social value created. An SROI model then compares this monetary number to monetary input for the social intervention ultimately highlighted its efficiency by measuring how much money is saved (Kroeger & Weber, 2014). Impact measurement has been problematised for assuming an universal objective account of social performance that prioritise short-term criteria over long-term ones, which therefore reduces the meaningfulness of the evaluation process (Kanter & Summers, 1994). Furthermore, impact measurement has been criticised for having a strong focus on efficiency due to its race to the bottom in order to attract resources from resource providers (Kanter & Summers, 1994). To this end, I define social value creation as:

*The redistribution of opportunities and resources to satisfy a fundamental need for a group of individuals.*

This definition places the social problem which needs to be solved within the social system rather than at the individual being affected by the unequal distribution of resources and opportunities.

### Social Entrepreneur

The second major component of the contested concept of social entrepreneurship is the social entrepreneur, that is, the individual who creates the social enterprise. Part of the literature on social entrepreneurship has focused on conceptualising who the social entrepreneur is through different typologies. For example, Gruber and MacMillan (2017) conceptualised social entrepreneurs either as communitarians or missionaries with the former focusing on addressing social problems to the local community while the latter focuses on addressing social problems to the at a higher societal level. Zahra et al. (2009) created a typology describing social entrepreneurs as either social bricoleurs, social constructionists, or social engineers based on the works of Hayek (1945), Kirzner (1973), and Schumpeter (1934), respectively. Bacq and Janssen (2011) alternatively argue that the social entrepreneur is conceptualised differently based on either different geographical origins or different schools of thought and this in turn affects the conception of capitalism and the government's role (a point I will further stress and elaborate in the next section; (Bacq & Janssen, 2011).

Another focus of the social entrepreneurship literature is on the motivation of social entrepreneurs in creating social value through using their social enterprises (Germak & Robinson, 2014; Ruskin et al., 2016). In studying what motivates nascent social entrepreneurs to engage in social entrepreneurship, Germak and Robinson (2014) found multiple motivations including personal fulfilment, helping society, and closeness to social problem. This latter point is furthermore stressed by Lawrence and Phillips (2019) who argue that by challenging what is otherwise taken for granted, social entrepreneurs “need to have a conscious understanding of the workings of the social systems in which they live” (p. 25). Closeness to the societal problem is therefore the consciousness of social entrepreneurs which emerges either from experiencing the unequal consequences of the ‘workings of the social systems’ on themselves or those of others. Germak and Robinson (2014) also indicate nascent social entrepreneurs having this consciousness understanding, describing it as often being a result from social entrepreneurs emerging either from the commercial or public-social sector. To this end, I follow Germak and Robinson’s (2014, p. 7) definition of the social entrepreneur:

*The social entrepreneur is the individual that conceives of the initial idea, moves toward launching the social enterprise, and works to sustain it.*

This definition focuses on an important function of the social entrepreneur, that is, the creation and management of a social enterprise, which I will elaborate on next.

### The Social Entrepreneurship Organisation

The third major component of the contested concept of social entrepreneurship is the social entrepreneurship organisation often referred to as social enterprise. Individuals motivated to create a social enterprise are likely emerging from either the commercial or public-social sector (Germak & Robinson, 2014). According to Dufays and Huybrechts (2016), a founder’s past is a determining factor for their choice of an organisational template, e.g. non-profit, for-profit, or hybrid social enterprise. Indeed, Wry & York (2017) suggest that people with a social welfare personal and role identity will pursue a non-profit or charitable model unless others have successfully demonstrated that social and commercial aims can be productively united. This successful demonstration is what Battilana & Dorado (2010) refer to as “ready to wear” models, where a social enterprise has sustained the hybridity of two contrasting institutional logics of its organisational template over time, therefore proving its model to work. As a result, archetypical organisational templates have gained legitimacy which thereby reduces the potential risk of failure for new social enterprises that apply them (Battilana & Dorado, 2010; Wry & York, 2017).

Hence, to address the sub-concept of social entrepreneurship organisations, this dissertation draws upon the concept of archetypical organisational models. Examples in the literature of these “ready to wear” models that have emerged as legitimate and economically sustainable models include among others WISE, MFO (microfinance organisations), BOP (base of the pyramid), B1G1 (buy-one, give-one), SBPS (socially beneficial product sales) and Fair Trade (Hockerts, 2015; Saebi et al., 2019; Wry & York, 2017; Wry & Zhao, 2018). Commonly, social enterprises who adopt these archetypical models have a hybrid organisational form, as they operate at the intersection between commercial, social welfare, and public sector logic (Mair et al., 2015; Pache & Santos, 2013b; Sætre, 2023). This fusion of commercial goals, such as profitability and market competitiveness, with social welfare and public sector objectives, for instance community development and social equity, inherently produces tensions and constrains on the social enterprises’ operational flexibility (Siebold et al., 2019; Wry & Zhao, 2018) Such tensions can arise from internal conflicts, such as prioritising resource allocation between social goals and financial sustainability, and external pressures arising from stakeholders who hold divergent expectations (Battilana & Lee, 2014; Besharov & Smith, 2014; Mair & Rathert, 2020; Siebold, 2021). However, research suggests that the interplay of multiple, often incompatible institutional logics can indeed enable rather than hinder social enterprises in reaching their goals (Battilana et al., 2015; Heimer, 1999; Sud et al., 2009). This in turn challenges traditional views that regard conflicting institutional logics mainly as constraints. To this end, I define social entrepreneurship organisations as:

*Hybrid organisations that work with a social-welfare, commercial, and public sector logic to solve social problems.*

For comparative purposes, the four definitions are summed up in Table 1.

**Table 1: Definitions of the Central Concepts**

<b>Social Entrepreneurship</b>	<i>Individuals and their organisations with a primary objective of creating social value for the beneficiaries of their mission using market mechanisms</i>
<b>Social Value Creation</b>	<i>The redistribution of opportunities and resources to satisfy a fundamental need for a group of individuals</i>
<b>Social Entrepreneur</b>	<i>The social entrepreneur is the individual that conceives of the initial idea, moves toward launching the social enterprise, and works to sustain it</i>
<b>Social Entrepreneurship Organisation</b>	<i>Hybrid organisations that work with a social-welfare, commercial and public sector logic solve to social problems</i>

## Theoretical Foundations

In responding to the debate on how to define social entrepreneurship, Dacin et al. (2010) contested the very idea of needing to *'delineate social entrepreneurship as a theoretical domain in its own right'* (p. 37). The authors propose that one should perceive social entrepreneurship as a unique context in which to examine the theories already inherent in other types of entrepreneurialships, for example in conventional and institutional entrepreneurship (Dacin et al., 2010). This dissertation therefore tries to build on and contribute to the field of social entrepreneurship by using multiple theoretical lenses such as: (1) institutional theory, (2) identity theory and (3) the social-symbolic framework. The three papers in this dissertation each applies multiple theoretical foundations in the context of social entrepreneurship.

### Institutional Theory

Institutional theory is frequently applied in the context of social enterprises (Smith & Besharov, 2019; Smith et al., 2013; Tracey et al., 2011). Institutional theory looks at how organisations interact with and are influenced by their environments (Smith et al., 2013). Social enterprises are embedded in pluralistic institutional environments with key institutional players, such as the market, the government, and the non-governmental institutions, where each has its own central logic which dictates appropriate means and ends (Mair et al., 2015; Thornton & Ocasio, 2008). Hence, social enterprises operate at the intersection between commercial, social-welfare, and public sector logic (Pache & Santos, 2013b; Sætre, 2023), which explains why they are often described as hybrid organisations (Battilana & Dorado, 2010; Besharov & Smith, 2014; Smith & Besharov, 2019). Institutional logics are regarded as a fundamental, organising principle of society in that they support actors' behaviours, decision-making, and interactions by clarifying ambiguity, reducing cognitive load, framing solutions, constructing the parameters for success, questioning assumptions, and demarcating appropriate behaviour (Thornton & Ocasio, 1999; Tracey et al., 2011).

Institutional logics are "pulled down" from a social enterprise's institutional environment that enables and constrains its actions, hence relocating macro-effects to become situated inside organisations and individuals (Powell & Colyvas, 2008, p. 278; Powell & Rerup, 2017). This pull down effect of institutional logics has been studied in the context of social enterprises both from its effects from outside and inside of the organisation (Besharov & Smith, 2014; Smith & Besharov, 2019). An effect from institutional logics internal to the organisation can be from hiring individual who use different logics (Pache & Santos, 2013a). For example, Battilana and Dorado (2010) studied how a social enterprise hired employees who use different logics, which ultimately resulted in a conflict within the social enterprise. An

effect from the institutional logics external to the organisation can be from the dependence on a mix of funding sources (Santos et al., 2015), such as revenue and donations (Dohrmann et al., 2015), where each funding source aligns with different logics. Consequently, a lot of the social entrepreneurship literature applying an institutional theory lens has focused on managing these, often contrasting, institutional logics (Battilana & Dorado, 2010; Battilana et al., 2015; Besharov & Smith, 2014; Smith & Besharov, 2019). However, although making important contributions to the social enterprise literature, the *management* of logics inherently frames hybridity as “the problem to solve” rather than the “opportunity to take” (Mongelli et al., 2019). An example for the latter can be seen in the paper by Mongelli et al. (2018) which demonstrates how involving beneficiaries of social enterprises in market-like competition and customer orientation can initiate empowerment processes that extend beyond mere economic support, thereby catalysing significant social change that transcends organisational boundaries.

In this dissertation, I draw on the concept of institutional logics from institutional theory to gain a deeper understanding of both the management and the opportunity perspective on the hybridity of social enterprises.

### Identity Theory

Identity theory is another theory applied in the context of social entrepreneurship (Fauchart & Gruber, 2011; Gruber & MacMillan, 2017; Wry & York, 2017). Gruber and MacMillan (2017) used social-identity theory (Stets & Burke, 2000; Tajfel, 1979) to explain why social entrepreneurs start an enterprise, finding that social entrepreneurs want to solve social problems related to the near community or social problems on a societal level. Wry and York (2017) on the other hand use personal identity (Hitlin, 2003) and role identity (Stryker & Burke, 2000) to explain how different social entrepreneurs perceive tension between the logics they adopt in their organisation. These different uses of identity theory have led to scholarly debate as to which identity theory is best to use in explaining the behaviour of social entrepreneurs (Pan et al., 2019; Wry & York, 2019).

For this dissertation I draw on role identity and social identity theory (Stets & Burke, 2000; Stryker & Burke, 2000; Tajfel, 1979). Role identity theory explains how individuals derive their identity from occupying certain roles in society (Stryker & Burke, 2000). Roles are social positions within the larger social structure and these roles have certain behavioural expectations to them that are internalised by the individuals who occupy and act out these roles (Stryker & Burke, 2000). For example, in taking upon the role of a social entrepreneur, there are certain social expectations as of how to enact this role, which creates both internal and external accountability pressures (Wry & York, 2017). However, such

accountability pressures can become challenging for an individual who enacts multiple roles at the same time when those roles have divergent social expectations and accountability pressures (Wry & York, 2017).

Social identity theory explains how individuals derive their identity from becoming members of groups with a certain social categorisation, e.g., being a Dane or South African (Lawrence & Phillips, 2019; Stets & Burke, 2000). Importantly, to identify with a group requires an individual to perceive oneself as similar to the other in-group members and different to non-members. This process of social comparison is referred to as self-categorisation (Stets & Burke, 2000) or group identification (Lawrence & Phillips, 2019). Once an individual self-categorises into a specific social group, the individual adopts the attitudes, beliefs, values, and behavioural norms associated with this group (Stets & Burke, 2000). Like roles, there are multiple social groups that individuals can identify with and derive their identity from. However, an explicit characteristic of social identity theory is that actors have positive and negative judgements towards individuals belonging to the in-group and out-group (Stets & Burke, 2000). For example, a social group could be categorised as individuals having a job. In this example, not having a job is considered to be a categorisation of the out-group, who are likely to elicit negative judgments by the in-group members. Finally, it is important to note that both role enactment and in-group participation have important effects on the individuals, for example by creating self-meanings and impacting self-esteem (Lawrence & Phillips, 2019; Stets & Burke, 2000; Stryker & Burke, 2000; Wry & York, 2017).

In this dissertation, I draw on the role and social identity theory to gain a deeper understanding of the identities of social entrepreneurs and their beneficiaries as well as the potential effects of enacting these identities.

### Social-Symbolic Framework (Identities, Categories and Practices)

The final theoretical lens used in this dissertation is the social-symbolic framework developed by Lawrence and Phillips (2019). Although this framework is novel, it is rooted in classical theory that is well-applied in organisational studies, including identity theory, categorisation theory, and practice theory. Due to the framework's novelty, it has only been applied in a few studies within social entrepreneurship. Barberá-Tomás et al. (2019) used the social-symbolic framework to study how a social enterprise worked towards shaping the emotions of resource providers by showing them a morally shocking visual image and subsequently mobilising them to enact their social cause. Karakulak and Lawrence (2024) used the same framework to study how social problems are constructed in social partnerships.

Two constructs are central to the social-symbolic framework: (1) social-symbolic objects and (2) social-symbolic work. Importantly, there are different *forms* of social-symbolic objects and work including, among others, people's identities, organisational practices, and categorisations of people. For example, to shape the social-symbolic object of an identity, actors perform identity work. In the following section, I will explain social-symbolic objects and work respectively followed by the different forms of identity, categories and practices.

Lawrence and Phillips (2019, p. 24) define social-symbolic objects as a combination of discursive, relational, and material elements that constitute a meaningful pattern in a social system. Social-symbolic objects are socially constructed, interpretable entities composed of concepts and subject positions. The socially constructed concepts include identities, categories, and practices that are reproduced, shaped by, and affect certain actors within the social system. Importantly, all objects consist of discursive, relational, and material dimensions. Social-symbolic objects are produced through text and talk and they involve relying on and negotiating social relationships. The discursive and relation dimensions depend on the materiality of text and media through which the relationships are negotiated and enacted (Lawrence & Phillips, 2019).

Social-symbolic objects have two important qualities that motivate social entrepreneurial actions: (1) they significantly affect the distribution of opportunities, benefits, and advantages within social systems and (2) they are largely taken for granted in day-to-day living (Lawrence & Phillips, 2019, p. 25). Regarding quality one, social-symbolic objects *'are not usually equally beneficial to all participants. They support unequal distributions of rewards and life chances, celebrating and compensating some positions while demonising and penalising others'* (Lawrence & Phillips, 2019, p. 25). However, as quality two indicates, this unequal distribution is often taken for granted in our everyday lives, which likely limits the intention of changing the unequal distribution. Hence it requires effort, skills, a degree of reflexivity, and a *"conscious understanding of the workings of the social systems in which they live"* to challenge a social-symbolic object that is taken for granted, such as the categorisation of certain individuals (Lawrence & Phillips, 2019, p. 25).

This conscious understanding is argued to be created through the experience corridors of the social entrepreneur, like for example prior experience with different social-symbolic objects from a former job (Corner & Ho, 2010). From this experience, it can become obvious to the social entrepreneur that *'their life chances or those of others are fundamentally shaped by social-symbolic objects'* and that *'they may seek to change or maintain them depending on the benefits they are accruing'* (Lawrence & Phillips,



2019, p. 25). Social entrepreneurs become aware of how social-symbolic objects, whether those are identities, categories or practices, unequally distribute opportunities and resources within the social system. Hence, once such conscious understanding happens, the social entrepreneur looks for ways to shape the object in a way that redistributes opportunities and resources in the social system so that it is fairer to their beneficiaries.

In order to shape social-symbolic objects, actors engage in social-symbolic work, which is defined as purposeful, reflexive efforts of individuals, collective actors, and networks of actors to shape social-symbolic objects (Lawrence & Phillips, 2019, p. 31). Like social-symbolic objects, instances of social-symbolic work include all discursive, social, and material elements, but with differing importance. For example, in their study of how disabled workers construct a positive identity (the social-symbolic object) in an ableist workplace, Jammaers et al. (2016) focused on the discursive element of the disabled workers identity work and found three discursive practices that the disabled worker employ for creating a positive identity. Barberá-Tomás et al. (2019) studied how social entrepreneurs used the material object of a picture to elicit a moral shock which mobilised resource providers to engage in their cause. In this dissertation, I focus on the three social-symbolic objects of identities, categories, and practices, which I will elaborate on next.

Lawrence and Phillips (2019) conceptualise identities as social-symbolic objects by explicitly drawing on social-identity theory. However, in their text, they seem to draw on role identity as well. For example, the authors define social-symbolic object of identity as how individuals are understood in relation to group memberships *and* roles. They furthermore write that ‘from an social identity theory perspective, identities describe the internalised meanings and expectations associated with the positions one holds in who we are in relation to others and is organised around *roles* like mother, accountant, or customer’ (Lawrence & Phillips, 2019, p. 93). Despite the lack of clarity in their use of social and role identity, the authors reject the use of personal identity theory, a decision that is similar to Pan et al. (2019). In reviewing former management literature on identities, Lawrence and Phillips (2019) argue for two approaches: (1) identity work performed on one’s own identity and (2) identity work done by other individuals and collective actors. In paper 1, I follow the first approach, with social entrepreneurs own identity being the object (although I do not use the social-symbolic framework in that paper), and in paper 2, I follow the second approach, where it is the identity of their beneficiaries that is the object.

The second social-symbolic object of interest in this dissertation is that of categories. Categories describes a “recognised type” of some phenomenon and are used to make it easier for an audience to

describe and identify people and places (Lawrence & Phillips, 2019). Once a shared understanding of the category has emerged, it becomes a tool to evaluate future instances of the created category. For a category to be created and reproduced, there is a need for someone to produce it and consume it (Lawrence & Phillips, 2019). However, the things or individuals being categorised (category-membership) and the individuals who are using the categorisation to evaluate future instance (consumers) are not necessarily the individuals who produced the category in the first place. This leads to another interesting facet of categorisation, namely that some actors might benefit from categorising other actors or things in a certain way and because of that, they intend to control the categorisation and the way that it is reproduced. For example, Lawrence and Phillips (2019) cites Albrecht's book 'the disability business' (1992) in explaining how categorising certain individuals as being disabled has led to a multi-billion dollar disability business in the United States that certain organisations attempt to maintain. In other words, there might be economic gains in controlling a certain categorisation of individuals despite how this categorisation affects the individuals being categorised. Categories do not only have a descriptive function, but more importantly, they have a shared social understanding that elicits certain connotations (positive or negative), which affects both the things or people being categorised as well as outsiders understanding of the categorised things and people. In Barberá-Tomás et al.'s (2019) paper, a picture of a midway albatross with its stomach full of plastic caused the target audience to have moral shock, ultimately affecting their social understanding of plastic usage. One could likewise think of disabled workers being categorised around their disability, that is, what they are unable to do, or categorised based on their ability, that is, what they are able to do (Jammaers et al., 2016). Depending on how they are categorised, different social understandings of the categories would be created (Lawrence & Phillips, 2019).

The final social-symbolic object of interest in this dissertation is that of practices. Practices are defined as '*shared routines that exist as 'recognised forms of activity' that guide behaviour of actors according to the requirements of specific situation*' (Lawrence and Phillips, 2019, p. 218). Practices furthermore '*belong to social groups, rather than individuals: groups define the correctness of a practice. Thus, for an activity to be recognisable by others as an instance of a practice, it must conform to social expectations set by a specific group or community*' (Lawrence & Phillips, 2019, p. 219). For example, a social enterprise trying to diversify its resource mobilisation practices by producing products that generate market income might be called out for mission drift by other resource stakeholders of the social enterprise (Bennett & Savani, 2011; Jones, 2007). In this example, the market income generating practice performed by the social enterprise is put into question, as it did not conform to the social expectations set by the

resource stakeholders of the social enterprise who might prefer to maintain traditional source of resource practices, such as fundraising. However, the social enterprise can also question certain practices in attempting to deinstitutionalise them by contesting the practices content, social understanding, and effects. For example, by calling out how certain intervention practices – currently deemed appropriate and legitimate within the community – are unintendedly distributing opportunities and resources in an unequal way for the people the practice intends to help.

Categories and practices therefore live up to the first important quality of social-symbolic objects in that they significantly affect the distribution of opportunities, benefits, and advantages within social systems. However, in case some actors, such as social entrepreneurs, experience these to opportunities, benefits, and advantages to be wrongly distributed, they may engage in efforts contesting them and shaping them. Furthermore, if an actor challenges a specific categorisation, they are likely to also question the practices that are currently considered appropriate to responding to the categorisation. In other words, social-symbolic objects are interrelated meaning that shaping one of them might impose changes to another.

In this dissertation, I draw on social-symbolic framework to gain a deeper understanding into social entrepreneurs attempt of shaping the social-symbolic objects related to their beneficiaries' *identities* and *categorisations* as well as the shaping of *practices* that create social value with their beneficiaries.



## Research Design and Methods

All three papers in this dissertation use a qualitative research design and methods using a case study approach (Eisenhardt & Graebner, 2007; Eisenhardt et al., 2016; Gioia et al., 2013; Miles & Huberman, 1994; Miles, 2014). In paper one, a single in-depth case study is employed following a single company over multiple years allowing for inductively deriving a model based on process data (Langley, 1999). For papers two and three, a multiple case study design is used for uncovering patterns of similarity and differences through cross-case comparison (Eisenhardt & Graebner, 2007; Miles, 2014). In paper two, six cases from Denmark and six cases from South Africa are included to compare two contexts with distinct institutional environments that are characterised by distinct salience of institutional logics – especially the governmental logic. The aim of a comparative case study design is to see if the identity work performed by the social enterprises in each context is influenced by the different salience of logics in their institutional environment. Paper three is based on 19 cases that are grouped into three distinct social enterprise archetypes that each address social problems related to either consumers, employees, or suppliers (Hockerts, 2015; Saebi et al., 2019; Wry & York, 2017; Wry & Zhao, 2018). The aim of comparing the three archetypes is to look at the patterns and similarities in how the social enterprises attempt to shape the social-symbolic objects of categories and practices. In paper one the main units of analysis are the social enterprise and the social entrepreneurs. In paper two and three, the main unit of analysis is the social enterprise, and the social entrepreneurs constitute the primary informants.

## Philosophical Considerations

In this section, I will outline my philosophical positioning as a social constructionist (Berger & Luckmann, 2016) regarding ontology and epistemology, and discuss how this position has influenced the decisions made in the dissertation. While some claim that research should be consistent in and strictly adhere to a linear progression from ontology to epistemology to methodology (Grix, 2002), such a dogmatic approach has been criticised for not aligning well with the practical realities of conducting research and interacting with academic communities and reviewers (Gehman et al., 2018; Lawrence & Phillips, 2019). Consequently, this section will not merely reiterate the prescriptive philosophical norms of my social constructionist positioning but it will also provide an account of how I have navigated and reflected upon the philosophical considerations throughout my doctoral research when faced with such practical realities and demands of the research community. It is important to note that the philosophical considerations have not been random occurrences throughout my PhD, but have been reflexive, for example, through discussions with academic colleagues or during courses on the subject. In the following paragraphs, I will first describe my ontological position followed by my epistemological perspective, and finally lay out how

these philosophical positions have influenced choice of theories and methods throughout the course of my dissertation.

### *Ontology*

Ontology is concerned with the underlying assumptions we have on what constitutes social reality, that is, our view on the world (Grix, 2002, 2010). The ontological position of social constructionism holds that realities are multiple, intangible mental constructions that are socially and experientially shaped (Guba & Lincoln, 1994). Rather than assuming the existence of a single, fixed reality, social constructionism embraces the notion that reality is actively constructed through social interactions, language, and shared meanings. Our perceptions and experiences of the world are thus not direct reflections of an objective external reality, but rather, they are the products of our active constructions (Chen et al., 2011). From such view, an objective reality cannot be separated from the individual who is experiencing, processing, and making meaning of that reality (Chen et al., 2011). Social constructionists thus seek to understand how individuals interpret and construct meaning within the social world, with the goal of gaining deeper insights into the motivations and meanings that drive their behaviours (Chen et al., 2011). Social constructions are not inherently “true” or “false”, but rather are more or less informed and sophisticated with elements of these constructions often being shared among many individuals (Guba & Lincoln, 1994). Importantly, these constructions, and realities, are not static but can be altered (Guba & Lincoln, 1994; Lawrence & Phillips, 2019). Hence:

*The goal of constructionism is to understand the "lived experience" from the standpoint of the research participant [...] as to "what is constructed" and "how the construction process unfolds" (Chen et al., 2011, p. 5).*

Building upon this ontological positioning, I will now turn to discussing my epistemological stance.

### *Epistemology*

While ontology deals with what constitutes social reality, epistemology examines the possible ways of gaining knowledge of the social reality, that is, the knowledge-gathering process through the creation of models and theories (Grix, 2010). A core aspect to epistemology is to actively reflect on the assumptions made in different theories and concepts as well as the contexts they originate from (Grix, 2002). Although still acknowledging a division between ontology and epistemology, Korsgaard (2007) promotes a use of social constructionism that focuses more on its epistemological application rather than ontological positioning. To Korsgaard (2007), social constructionists should *'focus less on attributing characteristics to the social and natural world, and more on studying how we have come to know what we know [because*

*focusing on ontology] is not the best way to understand social constructionism' (p. 7). Questions surrounding the use of social constructionism therefore needs to focus on 'how we have come to know what we know' (Korsgaard, 2007, p. 4), that is, reflecting on the assumptions made in different theories and concepts with one of the main assumptions being that of social construction. Therefore, from a social constructionist epistemological stance, constructionist research is about studying and interacting with research participants in order to answer the questions of 'what is constructed' and 'how the construction process unfolds' (Chen et al., 2011).*

### *Social Constructionism Applied*

In the following I will describe how social constructionism has influenced my dissertation by first showcasing its influence on the two research communities I have interacted with, including the entrepreneurship and organisational studies communities. I will then move on to describe how I have seen it necessary to occasionally diverge from a purely social constructionist approach as this often does not align well with the practical realities of conducting research and interacting with these two research communities (such as reviewers).

Adopting a social constructionist position in the context of entrepreneurship research is not novel. Korsgaard (2007) examined how a social constructionist approach has been applied in existing entrepreneurship research. A constructionist approach has furthermore been used to study opportunity formation and the 'social' creation of resources (Alvarez et al., 2010). For example, Alvarez et al. (2010) mentions Sarasvathy (2001) effectuation logic and Baker and Nelson (2005) discuss the concept of bricolage as two views on opportunities being *constructed*. They furthermore stress that from a constructionist view, resources are subject to interpretation, and the goal of an entrepreneur is to construct, deconstruct, and reconstruct an existing reality to form a new one which allows for new resources and opportunities to be created (Baker & Nelson, 2005, p. 27). This aligns well with Guba and Lincoln (1994) ontological point on realities being multiple constructions that are socially and experientially shaped.

Social constructionism has furthermore been applied in organisational studies. For example, Lawrence and Phillips (2019) introduced the theoretical framework of "social-symbolic work" to describe the various forms of 'work' that actors perform to shape the social world around them. This framework includes identity work, practice work, and category work, which are all characterised as purposeful and reflexive efforts to shape social reality. Lawrence and Phillips (2019) propose that their theoretical framework serves as a shared starting point for social constructionist research on organisational life,

offering a lens for exploring how social realities are constructed and shaped. The framework thus helps capture how actors purposefully shape processes of social construction of different 'social-symbolic' objects, including identities, practices, and categories.

Although Lawrence and Phillips (2019) explicitly position themselves ontologically and epistemologically as social constructionists, they take a step further than Korsgaard (2007) in addressing their epistemological position. Rather than *'talk[ing] in positivist, realist, and social constructionist terms'* and *'committing oneself to an epistemological position for the duration of your academic career'* one should instead *'think of these decisions as practical ones, based on the questions in which we are interested, the aims of a specific research project, and the academic community whom we are writing'* (Lawrence & Phillips, 2019, p. 281). From Lawrence and Phillips (2019) perspective, it is acceptable to draw on a *modern approach to social science* that rests on assumption of mechanisms that are causal or processual, without necessarily adopting such a critical realist position.

While some authors are specific about their ontological position to legitimise their use of certain data analysis methods, such as the Gioia et al. (2013) approach (see Djebali et al., 2023 as an example), I have refrained from such explicit positioning in my papers. This is because I do not identify myself as a social constructionist *purist* (Grix, 2002). I agree with Lawrence and Phillips (2019) and Tracy (2010) that doing so would risk having more desk rejections due lack of philosophical coherence if I were to combine methods from different ontological and epistemological positionings. Hence, although I position myself as a social constructionist, I also realise that the academic reality sometimes necessitates incorporating concepts from multiple research paradigms rather than strictly adhering to a single research paradigm (Lawrence & Phillips, 2019; Tracy, 2010)

Unlike Grix's (2002) recommendation for linear path, the process leading up to my positioning as a social constructionist, with certain flexibility, has been more iterative. I was influenced throughout the dissertation journey by attending courses (for example on research process and role of theory), research discussions with colleagues, participating in research groups, attending conferences, reading research papers and most importantly, crafting my own research papers. An observation I had early on was that many researchers within the field I was studying, including colleagues, consider themselves critical realists (Archer et al., 2013). However, in setting up my first study, I found myself resonating more with the social constructionist position. For example, in preparing for my first interview for my first study, I was inspired by Holstein and Gubrium (1995) book, *The Active Interview*. Holstein and Gubrium (1995) provide a constructionist approach to interviewing where they argue that *'respondents are not so much repositories*



*of knowledge – treasuries of information awaiting excavation – as they are constructors of knowledge in collaboration with the interviewers’* (p. 4). This means that I, as the interviewer, and the interviewee are both actively involved in the meaning-making assembled during the interview (Holstein & Gubrium, 1995).

Consequently, I adopted Holstein and Gubrium’s (1995) approach of *creative interviewing* that emphasises the importance of the interviewer creating an environment of mutual disclosure, which encourages the interviewee to deeply share their feelings, thoughts, and experiences, rather than merely providing superficial or surface-level responses. I created such an environment by approaching and interacting with the interviewee in a friendly, intimate, and caring way. Consequently, it was not uncommon for interviewees to become emotionally charged during interviews, expressing their feelings through tears, raised voices, or physical gestures like hitting the table. These reactions suggested that interviewees were sharing genuine and deeply personal thoughts on the subject matter. I thus acknowledge my own role, as a co-producer of the knowledge actively created during the interviews.

I furthermore found Eisenhardt’s method (Eisenhardt, 1989; Eisenhardt & Graebner, 2007) of focusing on multiple cases appealing for both sampling and analysing my data for similarities and differences. Yet, I did not fully agree with her *positivist view of research* (Eisenhardt, 1989, p. 546), a positioning she herself later on addressed: *“I used to call myself a positivist. I don’t do that much anymore [...] my approach and theory building from cases broadly are not locked into an epistemological or an ontological point of view, but it is often locked into a 40-page limit.”* (Gehman et al., 2018, p. 9). To this end, I have employed methods in the dissertation that might raise an eyebrow among purist social constructionists (Grix, 2002), but nevertheless, I identify as a social constructionist researcher.

#### Empirical Setting: Denmark and South Africa

The empirical settings of the three papers in this dissertation involve social enterprises located in Denmark and South Africa, with some of their activities in multiple other countries. The Danish social enterprises can therefore be grouped into two types: national and international Danish social enterprises. The local Danish social enterprises are located and operate within Denmark. However, while based in Denmark, the international Danish social enterprises engage in activities throughout the world.

The choice to investigate social enterprises in Denmark and South Africa is not intended for purposes of generalisation but rather to understand differences and similarities in how the social enterprises navigate in distinct formal- and informal institutional context (Kohn, 1987). Although social problems are often described as being global (Zahra et al., 2008), the institutional environments in which they are situated are not. For example, the role of the government in (helping) solving social problems

varies dependent on a country's welfare state model (Esping-Andersen, 1990), where in some countries, the government acts as a gate keeper for resources and legitimacy on which some social enterprises are highly dependent (Hulgård & Chodorkoff, 2019; Pache & Santos, 2013b).

Although both Denmark and South Africa have long traditions in social enterprises (Andersen et al., 2021; Littlewood & Holt, 2018), these countries differ in their geographical, cultural, and institutional environments. Stephan et al. (2015) showed how social enterprises are exposed to different institutional configurations. In their study, the authors combined institutional theory with the resource-based view, and argued for two opposing institutional configurations: the institutional *void* and the institutional *support* perspectives. The institutional void perspective is characterised by government inactivity with a low level of support for social enterprises, whereas the institutional support perspective characterised by an active government, with a high level of support for social enterprises. Importantly, the authors demonstrated that Denmark had the highest government activist score and a high total government expenditure as a percentage of GDP of the countries included in the study, while South Africa had one of the lowest (Stephan et al., 2015). However, high governmental support is not necessarily beneficial for social enterprises, such as when monetary support from the government creates a state dependency, limiting the actions of social enterprises (Hulgård & Chodorkoff, 2019), also referred to as over-institutionalisation (Kruse, 2022).

Countries in emerging markets or bottom-of-the-pyramid (BOP) contexts have been described as being under-institutionalised, being characterised by institutional complexity, which create barriers for entrepreneurs (Kruse, 2022). However, these barriers are not only related to a lack of monetary support but also include other institutional resources such as infrastructure (Dacin et al., 2010). For example, some countries face challenges with procurement and distribution, non-existent banking, and financial crimes, such as bribery. Although institutional resources have often been described as obstacles, they are also the motivation for the creation of certain social enterprise models, such as the Fairtrade and Microfinance model (Dacin et al., 2010; Wry & Zhao, 2018). Different institutional environments, or configurations, thus have different availability of institutional resources for social enterprises affecting both their motivation and their activities.

The sampled cases in this dissertation either have navigated in a mono-institutional environment (e.g. local Danish or South African cases) or a multi-institutional environment (e.g. international Danish cases). Sampling social enterprises that are located and operate in different geographical and institutional

settings provides a great opportunity to better understand how, and if, social enterprises across these contexts differ in their operations and approaches to constructing and solving social problems.

### Sampling of Cases

The cases for all three papers in this dissertation were all purposefully sampled but used different criteria (Miles & Huberman, 1994). In study 1, a Danish WISE was followed from its inception to its growth over several years. This particular social enterprise was chosen because it: (1) engages with three distinct missions – environmental, social, and commercial – and thus it is exposed to multiple co-existing, dynamic, and often-times incompatible values over time, (2) is founded by three individuals with strong social and environmental backgrounds, but a lack of knowledge, experience, and network in commercial aspects making them a hazard to mission drift (Bacq et al., 2016), and (3) covers three important stages of a social venture’s development including opportunity recognition, market entry, and maturing and sustaining itself, where social enterprises are especially exposed to stakeholder feedback (O’Neil & Ucbasaran, 2016) and are vulnerable to mission drift (Cornforth, 2014).

In study 2, WISEs from Denmark and South Africa were selected based on the following criteria in order to ensure a diverse sample: (1) the enterprises catered to a variety of beneficiary groups and offered a range of products and services, thereby reducing the risk of our results being overly dependent on specific beneficiary categories or industries, (2) the enterprises were well-established and had a track record of successfully integrating beneficiaries into the job market because, as successful WISEs, they had developed organisational cultures, structures, and practices that enabled them to sustain their hybridity over time, thereby proffering insights into best practices, and (3) each enterprise was recognised within the local social entrepreneurship community as effectively reintegrating beneficiaries into the labour market.

Finally, in study 3, cases were selected that represent social problems affecting individuals either as consumers, employees, or suppliers. This is also known in the literature as social entrepreneurial archetypes and include social beneficiary sale products (consumer), work integration social enterprise (employee) and Fair Trade model (supplier; (Hockerts, 2015; Marquis & Park, 2014; Saebi et al., 2019; Wry & York, 2017; Wry & Zhao, 2018). Although sampling based on archetypes is not new (Hockerts, 2015), the mix of archetypes chosen for comparison in this study is new.

Study one consisted of a single WISE case, whereas study two consisted of 12 WISE cases, six in Denmark, and six in South Africa. Finally, the 19 cases studied in paper three were divided between six WISE, six social beneficiary product sales, and seven fair trade cases. Therefore, a total of 26 cases were

sampled for the dissertation. It is important to note, that the WISE cases in study 2 and 3 are empirically identical as illustrated in table 2 below.

**Table 2: Overview of cases sampled for the papers in the dissertation**

Study 1	Study 2	Study 2 + Study 3	Study 3	Study 3
Case 1: DK WISE	Case 2: SA WISE	Case 8: DK WISE	Case 14: DK SBPS	Case 20: DK Fair trade
	Case 3: SA WISE	Case 9: DK WISE	Case 15: DK SBPS	Case 21: DK Fair trade
	Case 4: SA WISE	Case 10: DK WISE	Case 16: DK SBPS	Case 22: DK Fair trade
	Case 5: SA WISE	Case 11: DK WISE	Case 17: DK SBPS	Case 23: DK Fair trade
	Case 6: SA WISE	Case 12: DK WISE	Case 18: DK SBPS	Case 24: DK Fair trade
	Case 7: SA WISE	Case 13: DK WISE	Case 19: DK SBPS	Case 25: DK Fair trade
				Case 26: DK Fair trade

SA = South Africa      WISE = Work integration social enterprise  
 DK = Denmark          SBPS = Social beneficiary product sales

Different strategies were used in Denmark and South Africa to identify social enterprises that matched the different sampling criteria. In Denmark, for study 2 and 3, 512 organisations were initially identified through the Danish Business Authority’s online database yet those that were associations rather than social enterprises were disqualified. As not all social enterprises in Denmark choose to use the accreditation, it was necessary to also: (1) talk to the head of the association of social enterprises in Denmark, (2) use prominent social entrepreneurship websites listing social enterprises (e.g. [www.densocialekapitalfond.dk](http://www.densocialekapitalfond.dk) and [www.rethinkactivism.org](http://www.rethinkactivism.org)), and (3) ask prominent social entrepreneurs for suggestions in order to identify relevant cases (reference-based sampling). In total, 69 cases were identified that had a social mission, focused on one of the archetypical social problems, and generated market income. 36 of the 69 social enterprises identified were contacted by email, through LinkedIn, or in face-to-face sessions with the expectation of saturation in that no further insights would be gained by contacting more participants. 24 cases (8 for each archetype model) agreed to hold interviews and five cases cancelled as the Covid-19 pandemic impacted their priorities. The six WISE sampled this way were used in both study two and three.

In South Africa, which lacks a national registry for social enterprises, we sought expert suggestions from the academic and social enterprise communities, as well as from a dedicated WhatsApp group. This approach led to the identification of over 50 WISEs. All (co-) founders were contacted via email, with eleven responding positively. However, some of the South African WISEs were later found not to meet the sampling criteria, and in total, six South African cases were included in the final dataset for paper two to compare with the six Danish cases.

## Data Collections

All three papers were based on data collected from in-depth interviews and examination of secondary materials (Wolcott, 1994). In study one, a total of 19 interviews were conducted. 14 interviews were conducted with the three founders, three interviews with the board members, one with a volunteer and one with an employee. The interviews lasted between 65 and 90 minutes. The initial interview was conducted with one of the co-founders in 2016. Afterwards, follow-up interviews were carried out before and after critical events, with the last interview being conducted in 2019.

For the second paper, the primary data were collected in semi-structured interviews with the founders of the selected WISE cases. Six interviews were conducted from the Danish cases, and six interviews were conducted for the South African cases (excluding a pilot interview). The six Danish interviews were collected from March to May 2020 as part of the data collection for paper 3. Hence, the data from the six Danish WISE interviews were also used in study 3, as shown in Table 1.

For the third paper, the primary data also consisted of semi-structured interviews with the (co-)founders of the selected social enterprises for a total of 21 interviews (1588 total minutes, 412 single-spaced pages). In two cases, there were multiple founders, in which both founders were interviewed. While all 21 interviews were used in paper 3, a subset of six interviews related to the WISE cases were used for paper two. The total amount of interviews in the dissertation thus consists of 46 interviews.

While all three studies employed semi-structured interview guides, those guides were different between the first study and the subsequent two studies. In study one, the initial interview guide changed during iterations between the interviews, coding, and preliminary data analysis. Supplementary questions were added including some on the relationship with stakeholders, the interviewee's past experiences, and future outlooks whenever suitable. For paper two and three, the interview guides included main topics with 2-3 main questions and additional sub-questions to probe the main question in sufficient detail (Rowley, 2012). However, the guide also allowed each conversation to develop naturally with room for flexibility to add follow-up questions if this helped probe the main questions (Neergaard & Leitch, 2015). For paper two, pilot interviews were conducted with one Danish and one South African WISE to test the interview guide. For paper two and three the interviews were conducted online due to restrictions enforced during the Covid-19 pandemic, in Danish or English, depending on interviewees' preference. As it is suggested to conduct interviews at the interviewees place or the interviewer's office (Neergaard & Leitch, 2015), we made sure to take time to make the virtual setting feel informal for the interviewee. All interviews were recorded and transcribed verbatim by the authors.

To complement the primary data, a myriad of secondary data was collected consisting of either organisational documents or materials prepared externally. Organisational data included the social enterprises' websites, marketing materials, press releases, and social media accounts from Facebook, Instagram, LinkedIn and YouTube videos. External data included publicly available media, newspaper articles, blog posts, and radio/television interviews. For study 1, I received access to internal documents such as an initial project description and funding applications. When possible, sources date back to the inception of the case in study 1, which resulted in additional accounts of its development (Bowen, 2009). Overall, the secondary data helped to generate interview questions and contextualise the data collected during interviews (Bowen, 2009). Wherever possible, I triangulated and compared the different sources of data to ensure the credibility of the information and statements extracted from informants (Denzin & Lincoln, 2011). The use of multiple secondary data sources thus mitigated respondent and retrospective bias, as I continuously compared and validated primary with secondary data (Miles & Huberman, 1994).

#### Quality Markers of the Dissertation

Given my social constructionist philosophical stance and the qualitative nature of my dissertation, it is inappropriate to evaluate the quality of my research using quantitative criteria like validity, reliability, generalisability, and objectivity (Bracht & Glass, 1968; Scandura & Williams, 2000). Instead, I have chosen to assess my work based on the eight markers of quality in qualitative research proposed by Tracy (2010): worthy topic, rich rigor, sincerity, credibility, resonance, significant contribution, ethical, meaningful coherence. Tracy's (2010) conceptualisation of qualitative research criteria recognises the diversity of qualitative approaches while also prompting researchers to carefully examine their own role and decision-making throughout the research process. In the following sections, I will provide a short description of each quality marker, followed by a reflection on my dissertation from the viewpoint of that particular criterion.

**Worthy topic.** Tracy (2010) defines a worthy topic as one that is: relevant, timely, significant, interesting, and arises from disciplinary priorities, as well as timely societal or personal events. The overall topic of this dissertation resides within social enterprises, hybrid organising, and the shaping of identities, practices, and categories to address societal challenges. Although the topic for my dissertation and papers are framed as filling a "gap" in the literature, it also grew out of my own personal observations and experiences with the topic. According to Miles and Huberman (1994), a study with such personal experience and meaning is likely to be pursued more deeply, with higher engagement in the data gathering and analysis process. As mentioned in the motivation, there were multiple personal events

influencing my choice and experience with the topic, including: (1) writing a bachelor thesis on ethical dilemmas of different social enterprise business models, (2) being a research assistant reviewing the literature on social enterprises and performing interviews with a social enterprise, and (3) having a wife who was working in a social enterprise that attempted to grow.

However, following the single case in my first study, I quickly realised that social enterprises did not scale and grow as I had initially expected. Instead, they were similar to the portrayal of the journey of social enterprises struggling to survive painted by Bacq et al. (2016). From there, I redirected my focus from growth and scaling towards the tensions that social enterprises face to become financially sustainable to survive. I found the topic of mission drift interesting and discovered that current literature on this topic created negative connotations to mission drift. Study 1 showed how the founders' story about their mission changed over time and how this change was connected with the identity change of the founders and the social enterprise. Identity thus played an important role at both the organisational and individual level for understanding mission drift. While mission drift might still have personal consequences, we find that it can be a productive element for the social enterprise creation process. Identity also played a major role in paper 2. However, this time, we made a more explicit use of an identity work lens. The use of this lens was inspired by the new theoretical framework created by Lawrence and Phillips (2019) in their book 'Constructing Organisational Life: How Social-Symbolic Work Shapes Selves, Organisations, and Institutions'. In the book, they create a theoretical framework termed *social-symbolic work* with the intention of capturing different types of work under this umbrella term, such as identity, category, and practice work. Their work provided me with a new, emerging theoretical framework that I used as the theoretical backbone of both paper two and three. For paper three, the lens helped me to study the themes of social problems that my cases intended to (re)construct and solve by performing category and practice work.

Combining my personal interest and long commitment to understanding social enterprises and social problems together with using a new theoretical framework, I changed my dissertation title to 'Social Enterprises as Hybrid Organisations: Shaping Identities, Practices, and Categories to Address Societal Challenges'. This revised title signals the topics I have explored throughout my PhD process. In the dissertation, I question the taken-for granted knowledge in topics of mission drift (paper 1), work integration (paper 2), social problems and solutions (paper 3). I aim to point out some nuances that can alter some assumptions held on these topics thereby highly the worthiness of these topics as suggested by Tracy (2010).

**Rich Rigor.** The second marker of quality is related to questions concerning the amount of data, the time spend with the data, the context, and sampling of the data as well as the procedures used throughout the research design (Tracy, 2010). All the studies in this dissertation are empirical, yet do not have identical study designs. Paper one consist of a single case study that theorises from process data (Langley, 1999), whereas paper two and three both draw on a multiple case study (Eisenhardt & Graebner, 2007; Miles, 2014). However, paper two is distinct from paper three in that it includes cases that are geographical distinct (six cases from Denmark and six cases from South Africa) whereas paper three consists of 19 Danish cases grouped into different archetype models. 46 interviews were conducted in total of which I conducted 40 independently, as well as two additional pilot interviews I co-conducted. While the interview guides differ, they were all semi-structured. The primary data in all the three papers are supported by a range of secondary data. For more information, see also section 4.3 on sampling and data collection. Finally, all three papers employ a data structure adopted from Gioia et al. (2013) to display of the analytical procedure, showing the categories, themes, and aggregated dimensions from which the findings were developed.

**Sincerity.** The third marker relates to self-reflexivity and transparency of research. Self-reflexivity involves the researchers assessing own biases, motivation, and presence in the data. An example of my presence in the data is my use of Holstein and Gubrium's (1995) social constructionist *active interviewing style* when conducting interviews. By adopting this interview style, I acknowledge my active involvement in the meaning making and co-constructing of knowledge within the interview. With regards to transparency, although all three papers signal a natural linear flow from research question to writing up the final sentence of each paper, this was not always the case. The structure of submittable research papers does not allow sufficient space to show the different "detours" one takes during a qualitative process, nor is it intended to. For example, in paper 1, I first adopted an event-based approach to analysing my data and showing my results (Cope & Watts, 2000; Elo et al., 2010; Hussenot & Missonier, 2016). However, not only was it hard to use the event-based approach to data analysis and highlight findings, but it was also met with resistance. Furthermore, as with most qualitative research the '*theoretical framing evolves and changes during most studies*' (Agee, 2009, p. 437), so did mine. For example, in Paper 2, we initially had a strong focus on institutional environments at the field level. However, this approach led us on a track of framing the paper towards a more quantitative perspective, which was not the intent for the paper. As a result, we shifted our focus to the social-symbolic work literature, concentrating more on identity. This allowed us to stay more honest to the data and provide a more comprehensive analysis, rather than being constrained by our initial framing.



To summarise the dissertation process transparently, the three papers were built on extensive interview data, which was transcribed verbatim, as well as a thorough review of secondary data. Both NVivo and Excel were utilised to help facilitate multiple rounds of coding during which I employed different theoretical lenses to examine the data from multiple perspectives. Furthermore, I moved back and forth between the data analysis and write-ups, thus iterating the writing in the papers numerous times.

**Credibility.** According to Tracy (2010), credibility in qualitative research is achieved through *thick descriptions, triangulation, or crystallisation* as opposed to quantitative indicators of reliability, replicability, consistency and accuracy. With regard to thick descriptions, I follow the advice from Gioia on being *'faithful to my informants' constructions of reality'* thus using informant-centric terms and codes in my data structures in all my papers (Gehman et al., 2018, p. 291; Gioia et al., 2013). However, this is not without challenges. When it comes to multiple cases, Eisenhardt posits a valid point in that it takes up 'precious journal space' to make such table structures and tables (Gehman et al., 2018). Nevertheless, I find it important to include data structures and tables to indicate the credibility of the research, thus showing this credibility rather than telling, despite the rhetorical difficulties this may pose in requiring more words (Tracy, 2010). In the papers, triangulation is created through adding secondary data to support the primary interview data (Denzin & Lincoln, 2011; Miles & Huberman, 1994). However, secondary sources were not used merely for the sake of accuracy, but also to deepen my understanding and (re)interpretation of the interviews, which follows the argument for crystallisation. Crystallisation was furthermore achieved by using multiple frameworks (although some were discarded along the way) and by having co-authors for paper 1 and 2, which helped me to get a deeper understanding of the data.

**Resonance.** In order to have an impact on the reading audience, they must resonate with what is written in research papers. Tracy (2010) describes two practices helping achieve resonance within the reader including aesthetic merit and naturalistic generalisation. The first has been a consistent challenge throughout the papers. Although I have progressed in my academic writing, by bringing in more clarity and avoiding jargon, I still find it hard to write in an aesthetically beautiful way that affects both the heart and the head of the reader. Although I did try to write the journey of social entrepreneurs in paper one as a narrative, there is still some revisions needed to turn it into an aesthetic story. However, at the end of the day, it is up to the reader to decide if that has been achieved. As reviewer three from my AOM submission of the first paper puts it, "it has been a pleasure to read it!" As for naturalistic generalisation, I touch upon issues that are familiar to many people. For example, mission drift is not a unique term to

social enterprises but instead, it can be applied to commercial enterprises and individuals as well. Likewise, identity and category work also resonate with other individuals besides just beneficiaries of social enterprises. By studying these themes within the context of social enterprises, I hope to move from small instances into a larger frame where people resonate with them. It is important to note, that this is not a claim of statistical generalisation, but rather, that of resonance for the reading audience.

**Significant Contribution.** Tracy (2010) argues that a significant contribution can be created through either a theoretical, practical, or methodological contribution. In paper one, we contribute to the concept of mission drift by arguing that this is not inherently bad but instead, it can actually be productive for a social enterprise. Although mission drift is not a theory in itself, it has its roots in both institutional theory and identity theory. From an institutional theory perspective, we nuanced the current view that drifting too far towards a commercial logic is inherently bad. From an identity perspective, we show how the founder can segregate their own identities from that of the social enterprise as a response to mission drift by accepting mission drift on the company level but avoiding it on a personal level. In terms of a practical contribution, in paper one we stress the importance of a feedback environment at different stages for social enterprises. In paper two, we argue that other types of organisations beyond social enterprises can learn from the three strategies we identified. For example, these strategies can be applied when organisations are contributing to the United Nations Sustainable Development Goals (SDGs) or fulfilling Environmental, Social, and Governance (ESG) requirements. Finally, as a methodological contribution, in paper two, we argue that studies on social identity work could benefit from a more systematic approach to capturing all three dimensions - relational, material, and discursive. This allows researchers to better examine the complex interplay between these different aspects of social identity.

**Ethical.** The ethical considerations in this thesis include procedural and relational ethics. For procedural ethics, I have pseudonymised interviewees throughout the papers to guarantee that all research participants were anonymous. This was especially important as the research participants talked about sensitive topics, such as their beneficiaries. I have also protected the data by ensuring it was only stored on protected servers, reducing the risk of a potential data leak. For relational ethics, I spent time before, during, and after the interview to be compassionate with the interviewee. The results of these efforts can be seen in the transcripts where research participants had instances of crying, laughter, and even bursts of anger.

**Meaningful Coherence.** Tracy (2010) final component in conceptualising qualitative quality is whether there is a '*meaningful coherence between research design, data collection, and analysis with their*

*theoretical framework and situational goals'* (p. 848). Each of these components has been coherently addressed in the previous sections. However, as stated in the section of research philosophy, I have given an honest account of how I have been diverging from a purist approach to research philosophy by being flexibility in my enactment of a social constructionist position. Although I perceive myself as a social constructionist, I draw on concepts from the case study methodology (Eisenhardt & Graebner, 2007; Gehman et al., 2018) that has been known for *adopting a positivist view of research* (Eisenhardt, 1989, p. 546). One important concept from case study methodology is triangulation where I can indicate that information and statements from my interviews are credible (Denzin & Lincoln, 2011).

In this section, I have described how I have used Tracy's (2010) eight markers of quality to guide my research. In doing so, I have invoked a first-person voice to live up to the sincerity marker and tried my best at giving an honest, yet reflexive, account of my research process throughout the dissertation.



## Paper Overview and Outlook

This concluding section of the introduction provides a concise summary of the three research papers that form the core of this dissertation, with each exploring different aspects of social enterprises and their management challenges and opportunities. Table 3 offers an overview of these papers, highlighting their methodologies, findings, and contributions. The dissertation concludes with a final chapter that reflects on the overall study, discussing the implications of the findings, and offering a comprehensive conclusion that ties together the insights gained from the individual papers.

**Table 3: Overview of the Dissertation**

	<b>Dissertation</b>	<b>Paper 1</b>	<b>Paper 2</b>	<b>Paper3</b>
<b>Title</b>	Social Enterprises as Hybrid Organisations: Shaping Identities, Practices, and Categories to Address Societal Challenges	The Art of Drifting for Good: A Nuanced Perspective on the Potentials and Challenges of Mission Drift	Enabling Social Identity Work in Social Enterprises by Leveraging Hybridity	Contesting and Reconstructing Social Problems Through Shaping Categories and Practices
<b>Research question</b>	How do social enterprises develop and leverage their hybridity to shape identities, practices, and categories to address societal challenges?	How does a social venture develop its multiple goals over time and what are the consequences of experiencing mission drift on a personal and company level?	How do social enterprises leverage their hybridity to enable social identity work for their beneficiaries?	How do social enterprises (re)construct social problems through beneficiary categories and related practices?
<b>Empirical approach</b>	Single and multiple case studies	Single case process study	Multiple case study	Multiple case study
<b>Data</b>	Qualitative	Interviews, internal and external secondary data	Interviews, external secondary data	Interviews, external secondary data
<b>Contributions</b>	Expanding the understanding of social enterprises' efforts in addressing societal challenges by using novel theoretical lenses in different empirical settings	Nuancing the effects of mission drift at the organisational and individual levels during a social enterprise's development emphasising the role of feedback	Showing the bright side of hybridity by providing three different strategies through which social enterprises reintegrate their beneficiaries into the labour market	Explaining the role of categories and practices in contesting and reconstructing prevailing constructions of social problems
<b>Co-Authors</b>		Franziska Günzel-Jensen	Margot Leger, Franziska Günzel-	Single author

			Jensen (added at RR process)	
Status		Accepted and presented at Academy of Management conference (AOM)	Revised and resubmitted to Journal of Business Research	Accepted and presented at International Social Innovation Research Conference (ISIRC)

**Paper 1: The Art of Drifting for Good: A Nuanced Perspective on the Potentials and Challenges of Mission Drift.**

A key characteristic of social enterprises is their incorporation of multiple institutional logics allowing them to engage in a social and commercial mission in tandem. Yet when logics are combined, it can also expose social enterprises to multiple and potentially contrasting goals (Battilana et al., 2015; Siebold et al., 2019). While overly prioritising a social mission can result in a lack of financial viability, a heightened focus on the commercial mission can cause the social enterprise to lose its very *raison d'etre* (Battilana & Dorado, 2010). This situation where a social enterprise ends up compromising one mission to prioritise the other is referred to as mission drift, which results in a loss of legitimacy, internal and external conflicts, and potentially jeopardise future funding opportunities (Bennett & Savani, 2011; Chambers, 2014; Cornforth, 2014; Gras & Mendoza-Abarca, 2014; Jones, 2007; Kwong et al., 2017; Smith & Besharov, 2019). However, a few studies have also pointed in the direction of more positive consequences of mission drift (Bennett & Savani, 2011; Kwong et al., 2017; Smith & Besharov, 2019). Nevertheless, the question remains as to under which circumstances these potential positive effects occur. Paper one in this dissertation explores mission drift through the interplay between a social enterprise, its founders, and the feedback environment of the social enterprise.

Through a qualitative case process study, paper one demonstrates how a social enterprise gradually deviates from its original mission to become financial sustainable through the change of feedback environments and it also explores how the social enterprise and founders are impacted by this mission drift. The findings suggest that the social enterprise neglects its commercial mission by surrounding itself with a mono-social idealistic feedback environment, and although the founders are thriving on a personal level, the social enterprise is slowly struggling to survive. In order to steer the wheel of the social enterprise towards financial sustainability, the social enterprise started to make changes to its income strategies and feedback environment. These two changes made the social enterprise deviate from its original mission even more, but made the social enterprise gain valuable capabilities and

resources. However, in evaluating the personal cost of changing the original mission, one founder left the company.

Paper one provides a more nuanced understanding of mission drift by identifying under which circumstances mission drift can be a productive element in the social venture creation process. The paper also provides evidence of how idealistic and pragmatic feedback either stimulate or halter the development of social enterprises. Finally, the paper shows the unexpected negative consequences of mission drift on the individual level. The first study thus contributes to the overall dissertation by answering the first part of the overall research question in “How do social enterprises develop and leverage their hybridity to shape identities, practices, and categories to address societal challenges?” By answering this first part of the overall research question, study one nuances the existing literature on responses to tension, particularly the concept of mission drift, by examining the complexities that arise from the dual missions of social enterprise in order to provide a more nuanced understanding of mission drift and its consequences.

## **Paper 2: Enabling Social Identity Work in Social Enterprises by Leveraging Hybridity.**

Social enterprises operate at the intersection between commercial, social welfare, and public sector logic, leading to the adoption of a hybrid organisational form (Battilana & Dorado, 2010; Sætre, 2023). Adhering to three distinct logics inherently produces tensions internally by prioritising resource allocation between social goals and financial sustainability—and externally by being pressured from stakeholders who hold divergent expectations (Battilana & Lee, 2014; Besharov & Smith, 2014; Mair & Rathert, 2020; Siebold, 2021; Siebold et al., 2019). Consequently, many studies on social enterprises focus on how they navigate and potentially limit these tensions that stem from adhering to divergent logics (Battilana & Dorado, 2010; Battilana et al., 2015; Besharov & Smith, 2014; Mongelli et al., 2019; Smith & Besharov, 2019). However, researchers have recently advocated for redirecting the focus away from hybridity as a problem to be managed, and instead towards looking at the opportunities inherent in adopting a hybrid organisational form (Cherrier et al., 2018; Mongelli et al., 2019). To this end, paper two explores the opportunities in leveraging social enterprises’ hybridity to help their beneficiaries perform social identity work with the intention of making them becoming in-group members of the labour market.

Using a multiple case study design of work integration social enterprises in Denmark and South Africa, study two demonstrates how social enterprises leverage their hybridity to enable social identity work for their beneficiaries. Based on the needs of the beneficiaries, the social enterprises either performs

strategies of (1) cross-fading, (2) weighting, or (3) shielding by leveraging the hybridity of their organisation. The hybridity of social enterprises enables them to increase or reduce the beneficiaries' exposure to a commercial, social-welfare, and public sector logic through three dimensions: relational, material, and discursive. Using a *cross-fading strategy* refers to gradually decreasing exposure to one type of institutional logic whilst simultaneously increasing exposure to another, allowing for a smooth transition between the two. A *weighting strategy* is employed when combining various logics in different proportions, thus creating discrete constellation logic exposure that remains constant. The *shielding strategy*, which is mainly used by the Danish cases, is the method by which a social enterprise protects its beneficiaries from a particular logic that is deemed to be detrimental to their interest.

Paper two shows how social enterprises utilise the opportunities inherent in their hybrid forms. The study suggests that by using the social enterprises as a hybrid arena for beneficiaries' social identity work, social enterprises are not merely reactive responders to the potential conflicts coming from institutional logics. Instead, social enterprises are proactive in leveraging the opportunity in combining multiple logics in their organisation to support their beneficiaries in becoming part of the in-group of the labour market. Paper two thus address the second part of the overall research question for the dissertation: "How do social enterprises develop and leverage their hybridity to shape identities, practices, and categories to address societal challenges?" By answering this second part of the overall research question, study two nuances the existing social enterprise literature on hybridity by focusing on and giving an account of the inherent opportunities in the hybrid form of social enterprises.

### **Paper 3: Contesting and Reconstructing Social Problems Through Shaping Categories and Practices**

Social problems are an integral part of the social enterprise literature. However, the literature on social problems often describe them as being objective in nature thus assuming actors have a universal understanding of them (Lawrence & Phillips, 2019). This objective understanding of social problems has been criticised (Blumer, 1971; Lawrence & Phillips, 2019). Instead, social problems are suggested to be complex, uncertain, evaluative (Ferraro et al., 2015), and socially constructed as to '*what comprises the problem, what its boundaries are, as well as its effects and importance*' (Karakulak & Lawrence, 2021, p. 2). Treating social problems as being socially constructed means that established constructions of social problems are open for contestation. How a social problem is constructed, or framed, furthermore '*compel different set of actors and actions*' (Dorado et al., 2022, p. 11). To this end, study three explores social enterprises (re)construction of social problems through beneficiary categories and related practices.



Study three employs a qualitative multiple case study of 19 social enterprises that address social problems related to marginalised groups of consumers, suppliers, and employees (Hockerts, 2015). Paper three uses the social-symbolic framework (Lawrence & Phillips, 2019) as a theoretical lens to understand what the social enterprises contest in prevailing constructions of social problems and how they reconstruct the social problem themselves. From analysing the data using this theoretical lens, the study finds that social enterprises engage in efforts to shape the social-symbolic objects of categories and practices that relates to how a social problem is constructed. Social enterprises contest social problem constructions by criticising how current categorisations of their beneficiaries focus on their disadvantages and the practices that help maintain this categorisation. To reconstruct the social problem, social enterprises engage in efforts to shape their beneficiaries categorisation into focusing on their capabilities.

Paper three shows how the social-symbolic objects of categories and practices within the social system can be shaped to reconstruct social problems. As opposed to being objective in nature, social problems are socially constructed and open for contestation. Social problems can be contested and reconstructed by shaping the categories related to beneficiaries being affected by the problem and the practices that are motivated and required by such categorisation. Paper three therefore address the third part of the overall research question for the dissertation: “How do social enterprises develop and leverage their hybridity to shape identities, practices, and categories to address societal challenges?” By answering this third part of the overall research question, study three expands the existing social enterprise literature by showing the contested nature of social problem constructions. The contestation of social problems is interesting for social enterprise literature, as social enterprises are often studied for their innovative solutions with few studies trying to investigate how they construct social problems in new ways (Karakulak & Lawrence, 2024; Lawrence & Phillips, 2019; Tracey et al., 2011). To address societal challenges, social enterprises therefore need to carefully reflect on how these challenges, or problems, are constructed and tied to different social-symbolic objects in social system of interacting humans.

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## Part 2: Research Articles

### Paper 1: The Art of Drifting for Good: A Nuanced Perspective on the Potentials and Challenges of Mission Drift

Sebastian Gram Nguyen Rasmussen & Franziska Günzel-Jensen

#### **Abstract**

Using an inductive single case study of a work integration social enterprise (2011-2019), this paper investigates how social ventures manage the individual and organisational level tensions arising from experiencing mission drift in the process of becoming financially sustainable. The study contributes to the social entrepreneurship and hybrid organising literature in three ways. First, the study highlights under which conditions mission drift can be a productive element with positive organisational level outcomes. Mission drift can highlight organisational adaptation needs and facilitate the process of intertwining dual missions. Second, we discuss the role of and the need for idealistic and pragmatic feedback in the process of experiencing mission drift. Finally, we detail the unexpected, negative consequences of experiencing mission drift over a longer period of time for the individual social entrepreneur. Overall, our three insights allow us to extend the notion of what “the art of drifting for good” might be.

Keywords: Social entrepreneurship, dual missions, mission drift, feedback, organisational adaptation

## Introduction

Social entrepreneurship and social ventures have emerged as a global movement due to their potential contribution to society, environment, and the business sector (Bacq & Janssen, 2011; Dacin et al., 2011; Battilana & Lee, 2014). One management challenge that differentiates social ventures from their commercial counterparts is that they are constantly exposed to multiple and potentially contrasting goals (Battilana et al. 2015; Siebold et al. 2019). Some scholars argue that competing social and economic missions and institutional logics allow alternative strategic ways of engagement and stakeholder choice (Pratt and Foreman, 2000), providing social ventures with a competitive advantage over their commercial counterparts. However, other scholars question whether and how social and economic missions can successfully and coherently coexist (Mair and Martí, 2006; Peredo and McLean, 2006) or even argue that higher levels of social missions imply lower levels of economic outcomes and vice versa (Stevens et al., 2014; Battilana et al. 2015).

A central concern emanating from the tension of combining social and economic missions has been conceptualised as mission drift, being “a process of organisational change, where an organisation diverges from its main purpose or mission” (Cornforth, 2014, p. 3). For social ventures mission drift occurs when the social venture focuses too heavily on one aspect of its missions at the expense of the other. As a result, mission drift is most often associated with negative consequences, such as loss of legitimacy (Kwong et al., 2017), internal and external conflicts, (Smith & Besharov, 2019) and has been reported to potentially jeopardise future fundings of social ventures (Chambers, 2014; Gras & Mendoza-Abarca, 2014). Therefore, mission drift is often labelled as a ‘threat’ for social ventures (Jones, 2007) and undesirable (Bennett & Savani, 2011).

Some recent studies, however, question this one-sided view and indicate that there could be potential positive consequences of mission drift, such as development of competences and extension of capabilities (Bennett & Savani, 2011), higher joint impact of collaboration (Kwong et al. 2017), and exploration of new impact arenas (Smith & Besharov, 2019). Some authors even argue that orienting a social venture’s attention towards economic objectives can not only be associated with long-term economic sustainability but also stronger social efficiency due to the resources gained from economic performance that can be allocated to social activities (Staessens et al. 2019). The question, however, remains under which circumstances these potential positive effects occur. The aim of this paper is to contribute to this field of inquiry by answering the following research question: *How does a social venture*

*develop its multiple goals over time and what are the consequences of experiencing mission drift on a personal and company level?*

In our study, we conduct an empirical examination of a single Danish work integration social enterprise (WISE) from its inception through its growth phase, focusing on how the venture navigated and managed mission drift during this period. To theorise our observations, we engage with the existing literature on organisational adaptation and feedback. From this analysis, we articulate three key contributions to the academic literature.

First, we show how mission drift can be a productive element in creating a sustainable social venture. We extend previous research (Kwong et al. 2017; Staessens et al. 2019) by empirically illustrating that mission drift can have positive outcomes on the organisational level as it leads to the development of competences, extension of capabilities, and an exploration of new impact arenas. Furthermore, we show that mission drift can support the process of intertwining dual goals, a process which previous literature has highlighted as essential for a successful scaling of social ventures (Siebold et al. 2019; Smith & Stevens, 2010). Given the increased demand for even traditional firms to embrace multiple objectives, as well as increased pressures from a rapidly changing competitive landscape, mission drift is an emerging strategic challenge for many companies (Grimes et al. 2018). Thus, the findings illustrated in this paper are of relevance beyond the context of social entrepreneurship.

Second, we contribute to the literature by providing a nuanced understanding of different types of feedback, i.e. pragmatic and idealistic, that social ventures receive and its influence on the social venture journey. More specifically, we show that the feedback provided by commercial stakeholders has often pragmatic elements and is outcome-based, while the feedback from social stakeholders is often idealistic and ethics-based. We discuss how idealistic feedback may lead to an “echo chamber effect” (Grimes, 2018), allowing the founders to neglect organisational adaptation needs on the economic mission side and thus off-setting the balance between the dual missions. We hereby nuance Davies et al. (2019) and Huybrechts et al. (2017) findings who suggest that social entrepreneurs should neglect feedback from stakeholders with different values and principles and argue that allowing for diverse types of feedback can support organisational adaptation and thus long-term survival.

Third, we follow the call of Bacq et al. (2016) and portray the journey of a social venture struggling to survive. We illustrate the unexpected and negative consequences of experiencing mission drift over a longer period of time for the individual social entrepreneur and thus contribute to the literature by

illustrating the complexity of the phenomena. Social entrepreneurs facing mission drift can experience dissonance stemming from the values they had sought out to enact and having to compromise in order to become financially self-sustainable (O'Neil & Ucbasaran, 2016). This experience goes hand in hand with feelings of inauthenticity and signs of stress. We show how social entrepreneurs can seek out a variety of coping mechanisms, such as storytelling, identity segregation, and education. However, these coping mechanisms are only a short-term solution. If mission drift is experienced over a longer period, it might have a long-lasting negative effect on both the founders and organisation.

The paper proceeds as follows. First, we will review the literature on mission drift by investigating its sources and consequences and relate it to theoretical discourses on organisational adaptation and feedback. Second, we describe the data collection, analysis procedures, and present the case study. Then, through a narrative, we show the journey of social entrepreneurs who engage in creating a WISE that aims to be financially self-sustaining, as well as creating social impact. We will analyse the role of mission drift in this process and the associated consequences on the individual and organisational level. In the discussion, we detail the significance of our findings and elaborate our three key contributions. We end the paper with suggestions for future research and implications for practice.

## **Literature Background**

“An organisation’s mission serves as a ‘socio-cognitive’ bridge between the organisation’s identity and its actions by specifying why the organisation should exist and how it should act” (Grimes et al. 2018, p.2). A mission thus provides clarity for all stakeholders on what the social venture is there to accomplish (Johnson et al., 2014). The social mission includes clear objectives and activities on whom to help and how to help them (Cornforth, 2014; Kwong et al. 2017), while the commercial mission informs about the means to generate revenue to support the social mission (Ebrahim et al., 2014). By successfully incorporating both missions, social ventures can sustain their operations in creating social impact without running out of financial resources. However, research has shown that pursuing dual missions simultaneously and finding the right balance is a challenge for social ventures (Siebold et al. 2019; Young et al. 2012) and they are constantly at the risk of mission drift.

### ***Sources and consequences of experiencing mission drift***

Due to the potential risk of mission drift, several authors have studied what the sources and consequences of mission drift are (Jones, 2007; Kwong et al. 2017; Weisbrod, 2004). The most commonly discussed source of mission drift is Commercialisation. Commercialisation is often associated with the change of

obtaining funding through public bodies, such as foundations and governments, to rely on market revenue (Weisbrod, 2004). Weisbrod (2004) argues that market revenue often stems from activities unrelated to the social mission therefore causing distraction from the social mission. Jones (2007), however, points out that relying heavily on funding from the government or foundations can also cause mission drift as public institutions have their own agenda.

Nevertheless, resources are vital to social ventures, which is why they need to collaborate with partners to tackle these resource constraints (Kwong et al. 2017). Kwong et al. (2017) indicate that it is not the type of resource per se that causes mission drift, but rather if the resource providing partner is too dominant and thereby holding asymmetrical power over the social venture by dictating it what to do. While the aforementioned sources of mission drift are related to monetary resources, mission drift has also been observed when partners offer non-monetary resources for free. Kwong et al. (2017) and Zahra et al. (2009) argue that while the intention from the partner is good, accepting such an offer can constrain or even alter the social mission.

Other studies suggest that mission drift can be connected to the identity of the social entrepreneur. In an empirical study, investigating who social entrepreneurs are and what drives them, Bacq et al. (2016) indicate that individuals who self-categorise into being social entrepreneurs are idealistic people with 'frail entrepreneurial profiles' without full-time occupational commitment. Bacq et al. (2016) argue that it might not be a strong entrepreneurial orientation causing mission drift but rather the frail entrepreneurial profile of the social entrepreneurs i.e. the low self-perception of knowledge, skills, and experience required to start a new business.

Just as there are different sources of mission drift, researchers have reported different consequences of experiencing mission drift. A commonly mentioned consequence is decreasing service to the community (Jones, 2007) caused by increasing the price of the social ventures service to beneficiaries (Battilana & Dorado, 2010) or neglecting the beneficiaries by focusing on wealthier clients (Armendáriz & Szafarz, 2011). Mission drift can also damage the reputation of the social venture and cause legitimacy loss from stakeholders, thus jeopardising future funding as financial backers might not understand the social venture's purpose anymore (Bielefeld, 2009; Chambers, 2014; Doherty et al. 2014). Other consequences can be internal to the organisation and include splitting the organisational culture or reorient the shared cultural values, thus lowering the morale, motivation, and commitment of employees (Chambers, 2014; Doherty et al. 2014). Finally, Ebrahim et al. (2014) argues that mission drift will ultimately

make a social venture lose its *raison d'être* if they fail to deliver social value to their chosen beneficiaries. Due to the severe consequences associated with mission drift, the literature generally strongly advocates for its avoidance and the retention of mission balance (Bielefeld, 2009; Chambers, 2014; Ebrahim et al., 2014).

### ***The role of organisational adaptation and feedback for retaining mission balance***

When considering the challenges of retaining mission balance in social enterprises, we draw upon two themes that have been indicated to have particular importance in prior research: the first is the role of organisational adaptation. From an organisational adaptation perspective, mission drift might be best understood in terms of perceived organisational responsiveness, i.e. the perceived alignment between an organisation's actions and its environment (Grimes et al. 2018). Given the fast-changing environment competitive advantage is considered as stemming from an organisational alignment with constantly shifting environmental expectations and demands. Therefore, Grimes et al. (2018, p.43) ask if "given the heightened need for adaptation (in early venturing), might drift be more positive when organisations are emerging?" The authors conclude in their conceptual study that although mission drift might present clear liabilities for social ventures, it may also offer unexpected benefits and thus organisational responsiveness might serve a better position for the social venture's long term stability.

This argument is furthered from a social innovation perspective. Seelos and Mair (2017) have presented many cases of social enterprises where the social purpose carries a part of the unknown. This means that social ventures start without fully understanding the problems and solutions or where the impact potential of ideas and alternatives is uncertain. This uncertainty entails an exploratory dimension which leads to the need of receiving feedback and creating learnings on the social activities and social mission. These learnings generate a novel understanding of the purpose and opportunities for change, either in terms of strategy, resources, and capabilities, or in terms of products and services delivered. However, all those changes are potential sources for mission drift, as they could contravene the hybrid nature of the venture and therefore social enterprises might experience a struggle adapting their venture.

The second, interrelated theme we draw upon is feedback. When social ventures are in the process of being conceptualised and developed, incorporating feedback is a central part of the entrepreneurial process and has been proposed to be integral to entrepreneurs success (Kaffka et al., 2021; Sarasvathy, 2001; Sarasvathy, 2008). By dedicating time and effort to seek feedback from a diverse group of stakeholders, successful entrepreneurs are able to refine their market offering, and in doing so

they expanded their social networks to include social-mission and business experts (Servanti & Rispoli, 2018). While competitive markets provide clear, immediate, and decisive feedback of the new venture's value and can potentially be an antecedent for mission drift (Siebold et al. 2019), other audiences such as media, employees and beneficiaries provide important insights that might trigger re-orientation of ventures. In order to avoid mission drift, Davies et al. (2019) suggest that social entrepreneurs should reject feedback from commercial finance and income providers who have different values and principles than themselves.

Entrepreneurship research additionally suggests that the ability to re-orientate based on feedback on a venture is highly personal and influenced by specific preferences, identities, and experiences of founders (Kaffka et al., 2021; Grimes, 2017; Lee & Battilana, 2013; Wry & York, 2017). Grimes (2017) highlights in his study of creative workers that although the revision of ideas in response to external feedback is a critical step, such work is constrained by creative workers' psychological ownership of their ideas, often requiring subsequent efforts to reposition their self-concepts. This indicates that as entrepreneurs respond to feedback they must consider adjusting not only their ideas, but also the extent to which their self-concepts are rooted in those ideas. Grimes (2017) adds that this complex process of adjusting ideas and self-concept can be supported by collective sensemaking efforts. Based on Grimes (2017) findings, we can expect for social entrepreneurs that since feedback is provided by various audiences who have diverging expectations of the venture, feedback can be conflicting by nature. This might complicate the process of adjusting social venture's market offerings, as well the social entrepreneur's self-concept.

Working with feedback, learning and adjusting organisational practices are ongoing processes for social ventures. However, most of the research to date in social entrepreneurship has focused on specific periods of an organisation's life, overlooking the challenge of balancing missions over time (for an exception please see for example Ometto et al. 2018) and conceptualises mission drift outcomes only on the venture level. This is surprising since balancing missions, integrating feedback, and adaptation are long-term practices. Furthermore, as Grimes (2017) shows these practices might affect both the social venture, as well as the individual behind it. Our study of Bee-Wise aims to contribute to this gap.

## **Research design and methodology**

Given the limited theory and evidence regarding our research question, we employed an inductive single-case research design (Eisenhardt et al. 2016), appropriate for building theory about complex processes (Edmondson & McManus, 2007; Gioia et al. 2013). This research design enables the investigation of a phenomenon within its real-life context and is suitable when research seeks to answer process-oriented questions like ours.

The case study focuses on the Danish WISE Bee-Wise (anonymised name) from inception to growth over several years. This social venture is a suitable case because it (1) engages with three distinct missions – an environmental, a social, and a commercial, and thus is exposed to multiple co-existing, dynamic, and often-times incompatible values over time; (2) is founded by three individuals with strong social and environmental backgrounds but a lack of knowledge, experience, and network in commercial aspects, making them at hazard to mission drift (Bacq et al., 2016); and (3) covers three important stages of a social venture’s development – opportunity recognition, market entry, and growth where social enterprises are especially exposed to stakeholder feedback (O’Neil & Ucbasaran, 2016) and are vulnerable to mission drift (Cornforth, 2014; Ometto et al, 2018).

### ***Data Collection***

To answer our research question, we gathered data from multiple sources over a four-year period (for an overview please see table 1). Our primary data collection consisted of semi-structured interviews with the founders and board members of Bee-Wise conducted before, during, and after several critical events along the four-year period. Additionally, we received access to a full set of document data and collected comprehensive secondary data that gave us background information and historical insights of past events and supported our primary data collection (Bowen, 2009). Whenever possible, we triangulated and compared the different types of data to ensure the credibility of information and statements in the material (Denzin & Lincoln, 2005).

=== Please insert Table 1 around here ===

*Primary data.* The primary data collection consists of 19 interviews with key employees, including the three founders and three board members. 14 interviews were made with the three founders, and 3 interviews with the board members, 1 interview with a volunteer, and 1 with an employee. The initial



interview was conducted with one of the co-founders in 2016, after which follow up interviews were carried out before and after critical events. As we were in close contact with the founders, we could easily identify the critical events.

The interview questions were based on four overall categories, geared to understanding (1) the social venture's current activities, challenges, and reasons for adaptation; (2) the interviewee's current activities, challenges, and learnings; (3) reflections on the individual's development over time; and (4) reflections on the firm's development over time. The initial interview guide changed during iterations between the interviews, coding, and preliminary data analysis. Accordingly, we would add supplementary questions, for example on the relationship with stakeholders, the interviewee's past experiences, and future outlooks whenever suitable. Interviews lasted between 65 and 90 minutes.

*Secondary data.* We triangulated the primary data with myriad secondary data consisting of either organisational documents or materials prepared externally. Organisational data included the venture's initial project description, funding applications, websites, marketing materials, press releases, and social media accounts from Bee-Wise's Facebook, Instagram, and YouTube videos. External data included publicly available media, newspaper articles, blog posts, and radio/television interviews. When possible, sources date back to the inception of Bee-Wise, which helped us obtain additional accounts of its development (Bowen, 2009). These data provided important insights into (1) how Bee-Wise communicated their dual missions to various stakeholder groups over time; (2) how Bee-Wise advanced in terms of product development and diversification, distribution network expansion, customer reach, and branding; (3) how the founders engaged and interacted with stakeholders; and (4) how the founders reacted to certain feedback and comments. The document data thereby also helped us to generate interview questions and contextualise the data collected during interviews (Bowen, 2009). The use of multiple secondary sources in addition to the interview accounts aims at mitigating respondent and retrospective bias, as data are constantly compared and validated (Miles & Huberman, 1994).

### ***Data Analysis***

We began the data analysis by constructing the narrative of the case (Langley, 1999). The first author read through all interview transcripts and created a detailed narrative story that was supported by the secondary data. Particular attention was given to the development of the three missions that Bee-Wise pursued and how they were enacted over time. Based on this narrative, we used the temporal bracketing strategy (Langley, 1999) to dissect our narrative into distinct phases centered around critical events. This

was the result of the interviewees often referring to certain critical events when explaining both past, present, and future behaviour.

We divided our narrative into three phases: The first period (2011-2016) is characterised by the successful upstart of Bee-Wise's social and environmental activities and legitimacy building around Bee-Wise being a well-functioning workplace for marginalised people. This initial success led to the second period (2016-2018) where Bee-Wise realised that they were running out of money and needed to engage with other potential resource providers. Bee-Wise was saved in the last minute by a private foundation and experienced mission drift due to compromises it needed to face. During the final third period (2018-2019), Bee-Wise's scaling strategy fails, but it becomes nonetheless financially self-sustainable when loses one of its founders, which made us look into how Bee-Wise has adjusted its missions over time and with what consequences. For an overview of the different periods, please see table 2.

=== Please insert Table 2 around here ===

In a next step, we undertook a rigorous coding and analysis process according to established inductive procedures, moving from raw data to theoretical interpretations, iterating between data and existing literature to derive our theoretical model (Eisenhardt et al., 2016; Gehman et al. 2017; Gioia et al. 2013; Miles & Huberman, 1994). We highlighted Bee-Wise's changes in mission enactment for every mission across the three phases of development. We identified antecedences to mission drift, conditions under which they occurred and their outcomes on the individual and company level. We categorised them both according to the nature of the change and the importance of learning produced. We used matrix displays to understand how mission drift influenced mission enactment in the following period and how feedback enabled or disabled mission drift and mission adjustment strategies. We assumed that theoretical saturation had been reached when the information, constructs, and relationships were exhausted (Eisenhardt 1989).

### **Mission Drift Matters: The Process of Mission Management at Bee-Wise 2011-2019**

We now present our case analysis. The case unfolds over three phases (see Figure 1 for our model and table 2 for an overview of key information on each phase). For each phase we show the actions taken by Bee-Wise and the consequences on the individual and company level.

=== Please insert Figure 1 around here ===

### ***Phase 1: Manifesting and Enacting Missions (2011-2016)***

Having worked with bees for ten years in her spare time Birthe attended a bee-conference where she got the chance to hear about a newly founded social venture, BeeCity, which combines social work and beekeeping. Listening to BeeCity's founder, Birthe thought to herself; "If I ever get unemployed, I am going to do this" (interview Birthe). A month later, the economic crisis hit and she became an unemployed social worker. She contacted BeeCity's founder and asked if it was possible to establish a BeeCity franchise in her local municipality. Due to her background as both a social worker and a spare time beekeeper, she saw the potential of combining beekeeping with social work:

"I knew what working with bees was and I could see it was really a good thing to unite beekeeping and marginalised people. To tend the bees you need to be calm, you need to have a lot of time, you need to be very focused. Many of these people have social or psychiatric problems and (in) a normal workplace there are too many inputs, there is too much happening at once. (Beekeeping) really means immersing yourself. (...) You have to learn it side by side. (...) And working with something that has a global meaning is important for these people too".  
(interview Birthe)

BeeCity declined Birthe's request but referred Birthe to Bjarne and Bjørn, who had also contacted them. Birthe took up contact and after a couple of talks they decided to give it a go. Based on their collective background, experience and desire to apply a new model to help marginalised people, Birthe, Bjarne and Bjørn put together a first project description for Bee-Wise. The project description of Bee-Wise focused on three interrelated missions: (i) natural balance, (ii) roots in the local community, and (iii) social responsibility. The first mission, natural balance, focused specifically on bees based on the fact that one third of the world's food production is dependent on pollination from bees, but bee stocks had heavily decreased in the last century. The second mission, roots in the local community, was based on the fact that the transport sector is accountable for a large share of the carbon emission in the world. Consequently, Bee-Wise stands for "producing local honey and doing it in a sustainable way which is inclusive for the community" (interview board member). The third mission focuses on social marginalised people "on the edge, especially mentally ill, homeless, as well as drug abusers" (interview Bjarne). Bee-Wise aims to create "meaningful jobs for particularly vulnerable people" (excerpt project description 2011); people that are not suitable for a "job market that is very career-oriented and stressful" (interview Bjørn) and who would consequentially spend their days in drop-in centres "where they can go and make

drawings (...) but not something like real work” (interview Birthe). Due to their common bad experience with the public sector it is of utmost importance to the founders to create a “healthy place” (interview Birthe) which is self-sustaining and independent. In November 2011, the founding general meeting was held. While Bjarne and Bjørn, with their backgrounds as environmental activists and researcher, became part of the board, Birthe became the CEO of Bee-Wise.

*Enacting missions and drifting.* After the founding general meeting, Bee-Wise started to acquire resources. By February 2012, Bee-Wise had applied for 40 funds and received initial positive feedback from a ministry and one private fund. Furthermore, Bee-Wise got in contact with the local municipality through “a company speed dating event (...) which offered free of charge office space and public places to put up beehives” (interview Bjarne). This relationship was of mutual interest because the municipality would “be happy to send their vulnerable citizens to us” (interview Birthe). Furthermore, Bee-Wise aimed to copy BeeCity’s main income strategy of selling sponsorships. To get in contact with potential sponsors they used their network of friends and family and after a few months they announced that it was “going really well with finding companies” (newsletter 2012) and that they had acquired their very first sponsor. Soon, more good news reached Bee-Wise: it had secured funding from ministry for four years. While the plan was to become financially sustainable at the end of year four, the money was earmarked to enable Bee-Wise’s social work.

The money from the ministry made it possible to start creating and attending events, developing honey and honey related products (e.g. honey beer and bee-wax leather care products), and collaborations. The events Bee-Wise hosted and attended were diverse and included presentations, workshops, festivals, fairs, and private events, allowing Bee-Wise to become “a social space where people meet bees as well as other people” (newspaper article 2014). Through these events, Bee-Wise could educate the general public about bees and the environment:

“Bee-Wise has an important role to play both as a local producer of honey but also in the education of young people.” (interview board member 1)

These events gave Bee-Wise exposure in the local television and newspapers, making Bee-Wise popular among a local audience and in this way attract volunteers and members:

“When we put bee-hives up, tending the hives takes at least an hour because you have to explain and show and there is a lot of people passing by who want to see it too. A lot of people

heard about Bee-Wise because journalists come, take pictures, make interviews. We got a lot of publicity that way.” (interview Birthe)

Bee-Wise continued the dialog with the municipality and kept fundraising. The municipality proposed Bee-Wise to take in a former accountant that had a reduced ability to work due to stress. Taking her in would be different than the very marginalised people Bee-Wise normally employed and the founders believed that normal businesses should be the ones taking care of this group of “low hanging fruits (...) as social ventures can be more ambitious” (interview Bjarne). However, Bee-Wise accepted because “she can take all these (administrative) tasks that really take time and just need to be done” (interview Birthe). Bee-Wise further received money from the Ministry of Commerce for mapping out the social value created by Bee-Wise and how the sponsorship companies and Bee-Wise both benefited from collaborating. The money from this project gave Bee-Wise the opportunity to hire Bjarne full-time. Bee-Wise published a three-step model for work identity creation of marginalised citizens, encapsulating the knowledge gained over the last years.

*Idealistic feedback.* In the beginning, Bee-Wise surrounded itself mainly with “social educators, hippies, and beekeepers” (interview Bjarne) who “were all really excited about Bee-Wise” (newsletter 2012). The advisory board was a “family affair” (interview Birthe) who supported the team emotionally and praised their social work and ecological vision. Due to the novelty of Bee-Wise’s approach they also received some media attention which told the team that they were on the right track. The feedback they received was of what we categorised as an idealistic nature, defined as value-based feedback that praised their ethical vision and actions, which supported the team's ambitions and fostered a sense of security.

Mechanisms for market feedback were lacking in this period, since “they did not have anyone to help them or spare” (interview Bjarne) with the business part. “They have had never problems selling their honey” (interview Bjørn), which encouraged them to make decisions based on their gut feeling. They did not seek out further feedback, such as for example market analysis or consult advertising agencies to support their marketing activities. If they tried to get more pragmatic feedback i.e. specific outcome-based suggestions, they were often confronted with a lack of knowledge:

“There are just a lot of information lacking because it’s just another way of doing business. It has been a real challenge for us, the fact that we don’t know how to run a business but also that no one can explain it. (...) No one knows what a social venture is, not even the social ventures themselves.” (interview Bjarne)

*Consequences of enactment on personal and company level.* Bee-Wise had been running for more than four years. Both Birthe and Bjarne enjoyed their “fun and meaningful work” (interview Bjarne) and the marginalised people were “extremely happy to be here” (interview Bjarne). They had managed to legitimise the social work they were doing through the model they had published, as well as through building up a reputation of being a suitable place to work for “where people knocked on the door to get employment” (interview Bjørn). They had created impact by educating a lot of people about their environmental mission through their many events. Bee-Wise had also achieved some first sponsorship deals with companies which created legitimacy for the social venture’s shared value approach. Finally, Bee-Wise was accredited by the government as a social venture by living up to the standards of doing social work and being commercially driven, a recognition which the founders were proud of.

Despite enjoying working for Bee-Wise, the founders needed to admit that they had drifted towards the social and ecological mission as they were “not good at the business part” (presentation by Birthe), which led to the following Facebook announcement:

“Dear friends, in order to continue Bee-Wise in its current form, we need your help! (...) We dream of a labour market that is inclusive for everyone. We have received a lot of support from people we talk to, our suppliers, and sponsors but we cannot survive with support alone. We do not have sufficient means to reach our goal of being sustainable. We need your help now!” (Facebook)

### ***Phase 2: Tackling mission drift (2016-2018)***

In early 2016, the three founders of Bee-Wise became aware that they were far away from being financially sustainable, since only 10% of their income was generated through product sales. The money from the ministry only lasted another three months and thereafter Bee-Wise had liquidity to survive only another 6 months. They understood that the money they received from the ministry “had been a sleeping pillow” (interview Birthe).

The founders realised that some of the former enacted activities did not generate income and that Bee-Wise by drifting too much to the social and environmental mission had not become the place they had envisioned:

“I like to say that we are a social venture, that we are not a drop-in center. But honestly, at the moment, we are more like a drop-in center. And I do not want to be that because that is not what these people need. They need a workplace. They need a place to call their work.”  
(interview Birthe)

*Mission adjustment strategies.* The founders of Bee-Wise knew that they “needed to act” (interview Bjørn) and together with the board they started to think of ways of adjusting Bee-Wise’s activities to become more financial sustainable. To upscale their honey production Bee-Wise needed to seek new funds. They decided that they would not apply for more public money as they “wanted to be self-sustainable in the long-run and the marginalised people wanted to earn their own income” (interview Bjarne). One month before running out of money, a private foundation agreed to invest over the next three years. This money was earmarked to upscale Bee-Wise’s beehives from 35 to 200 and to become financial sustainable. Shortly after, the municipality offered Bee-Wise a location with a certified kitchen, allowing Bee-Wise to experiment with new products.

With these new resources at hand, Bee-Wise decided to invest in better production equipment and expanded their product portfolio. Some adjustment strategies involved expanding the honey production, distributing their products beyond the boundaries of the local market, creating heather-honey from beehives far away, and selling sponsorships to companies located in other cities. These adjustments jeopardised especially their ecological mission and “ate some of (their) principles” (interview Birthe). Furthermore, based on their published work integration model, Bee-Wise introduced a new service of visiting residences for psychiatric people. While this potential extension of beneficiary group allowed for a bigger target market, it moved them away from the ‘people on the edge’.

*Enacting missions and drifting.* The private foundation that Bee-Wise received money from challenged the social target group whom Bee-Wise engaged with. During negotiations, Bee-Wise was instructed to pursue a new beneficiary group as their original group was too resource demanding:

“I would have liked to keep taking people in from the ‘very low end’ but that is not possible any longer. We need to compromise them too (...). Getting people that are a little bit better also means that they can work more on their own. (...) You cannot have a business only with people who cannot do things on their own.” (interview Birthe)

Accepting the terms from the private foundations was perceived as drifting away from their social mission. As it was not in Bee-Wise's interest to employ only the ones who "need a little kick" (interview Birthe) they negotiated a compromise – accepting a broader scope of marginalised people. This included refugees and volunteers with special capabilities.

Collaborating with the private foundation also required them to implement a beehive scaling strategy, the only strategy that seemed feasible to become financially independent, which however challenged Bee-Wise's local mission:

"We want to sell our honey only very locally but if we are going to get honey from 200 beehives, we cannot find enough shops to sell our honey in our area. We have been asked if we wanted to sell our honey in Copenhagen and I said "No. I won't". The honey should be eaten locally, that is an essential part of our (mission). But we have to loosen up on that because if we want to survive, we have to sell more honey." (interview Birthe)

Other compromises concerned the making of a specific type of honey, heather-honey, which customers requested. This would require them to drive long distances to both tend the bees and harvest the honey, and be in contrast to their initial mission of local production and consumption:

"Yesterday we put nine of our bee families close to heather fields because people really want heather honey. So we changed a bit of this being very local. We did not want to move the bees, we really did not want to do that. And now we are doing it. And that is because of the business side of Bee-Wise." (interview Birthe)

Increasing the number of beehives also meant that Bee-Wise could not bring the marginalised people to tend the beehives anymore – a central activity that originally motivated Birthe, Bjarne, and Bjørn to start Bee-Wise. Birthe was concerned that up-scaling the number of beehives would be at the expense of "fun talks" (interview Birthe) with the marginalised people, a component essential for their well-being, that often took place on the drive to the beehives:

"Then Bjarne and I are going out. People here leave at 1 pm and then we can go tend these hives and do it in half an hour. Tending so many bees is not difficult if you are a beekeeper, knowing what you are doing. But if we bring the marginalised people, it will take 1 hour instead." (interview Birthe)



*Feedback.* In utter frustration of being nearly closed down, Bee-Wise started to critically reflect on whom they had received feedback from in the last couple of years:

“We have been told by everyone: ‘Holy moly! What you guys have is unique’ and we have heard this from the very beginning and again and again. But why the hell are we still year after year thinking ‘okay, where the hell is the money supposed to come from? (...) It is free to say you would love to support us, but when we ask them to pay 3.000 €, they have second thoughts. (...) We have become very good at sorting out these ‘dreamers’ and instead focus on the ones who truly want to collaborate and put in real money.” (interview Bjarne)

Bee-Wise started to turn away from the stakeholders providing pragmatic feedback, and instead proactively seeking out pragmatic feedback i.e. outcome-oriented feedback from more commercial-oriented stakeholders, as they found that “it has been necessary for us to challenge our own, fixed humanistic way of thinking” (interview Bjørn). More specifically, Bjørn wished for more pragmatic feedback on “how do business owners think (...) and how to get beneficial collaboration so both parties get something out of it”.

Bee-Wise therefore started to contact their current sponsorship companies in order to “find new business people as board members” (interview Brian). To their luck, one of the sponsors was a beekeeper and had experience working with marginalised people himself. He accepted Bee-Wise’s offer of joining the board and shortly after gave the founders feedback on their choice of resource providers:

“The founder’s approach has been to seek public means of funding and focus on the municipality. To that I said NO! (...) My approach is to be business-oriented by focusing on the sponsorships. (...) Being aware of customer needs. (...). My main task will be to make sure the economy is sustainable. If there is no money, we cannot help the marginalised people. (...) I have told them that we need to broaden out. I have also told them that if we are going to have a future, then this needs to be national.” (interview board member 2)

The new board member’s pragmatic business logic has started to influence the activities of the founders. Bjarne began to make cost-benefit analysis of their products, learning which products they sold at a loss, which ones had high margins, and which were important for storytelling reasons.

*Consequences of enactment on personal and company level.* On a personal level, the transition from getting money from the ministry, to being funded by private foundations and companies, as well as the associated new activities had begun to take a toll on Bjarne and Birthe. They got overwhelmed by the many new tasks and felt that some of them were a burden. Activities they liked the most, such as having talks and time with the marginalised people and doing general education at events, had been greatly reduced and activities, such as administration, marketing, calling potential sponsor companies, and tending beehives alone, had increased. Birthe uttered her frustration by stating: *“This is just not possible”* (interview Birthe). Bjarne and Birthe struggled to find a good balance in their daily work between the activities they liked and the ones they needed:

“This is far from what I have been dreaming about. There is just too much administration and office work. It makes me sick. I mean, that does not have a damn thing to do with why I started Bee-Wise.” (interview Birthe)

The constant “doubts if we will succeed” (interview Birthe) and pressure to become financially sustainable started to affect Birthe who felt “really pressured and stressed” and stated that “it is the first time that I say this out loud but if I do not get help, I cannot see how we can move on” (interview Birthe). These thoughts made Birthe constantly worried about what would happen to the marginalised people if Bee-Wise would close:

“The alternative is that they sit at home. They do not even show up at the drop-in-center. That is where it starts to be problematic because bad things happen. It is not good for their physical or psychological health. They sit home and drink beers.” (interview Birthe)

Even though Bjarne liked tending bees he found it overwhelming and unrealistic tending up to 200 beehives. He also worried about the changes Bee-Wise had gone through as he could identify less and less with it. He felt no ownership anymore and was therefore “willing to give up my post to someone who understands social ventures better” (interview Bjarne).

From a venture perspective, things looked more promising as the scaling strategy led to an increase of honey production by 70% as they now sold honey to shops in the entire region, thereby increasing their sales drastically. Regarding the sponsorships, Bee-Wise managed to sell several and it became a “substantial part of their revenue” (interview Bjarne). Bee-Wise experienced that having a diverse group of beneficiaries came with positive impact as it gave them all access to a broader network and new

perspectives, but also enabled the group to take over tasks. Overall, Bee-Wise started to run more like a business than a drop-in-center.

### **Phase 3: Towards mission balance (2018-2019)**

Bee-Wise had up-scaled the number of beehives but started to doubt that this strategy would lead to financial independence, as “tending so many bee-hives is simply too resource-demanding and does not add to our social value creation” (interview Bjarne). Having attended some business courses, Birthe and Bjarne learned to go through Bee-Wise’s accounts, realising that “selling honey was not profitable enough to live of it” (interview Birthe). Furthermore, some of their own products were not selling well and the products made in collaboration with other companies could not be sold through retailers due to the low profit margin. To avoid running out of money again, Bee-Wise knew they needed to adjust once more, but was this possible with the knowledge of their honey being unprofitable? Honey was, after all, related to all Bee-Wise missions.

*Mission adjustment strategies.* It became clear to Bee-Wise that they had to look for other opportunities than up-scaling the number of beehives to become sustainable. Bee-Wise reflected on why it was not more successful at acquiring sponsorship companies. They suspected that one reason was their own network, as well as the network of most board members which “did not consist of VIP persons” (interview Birthe). To move forward and finally become financially self-sustaining, Bee-Wise needed to make a significant change to their board once more.

Two other opportunities needed to be considered. One such opportunity revealed itself when one of the sponsor companies moved outside the local municipality and could approach more companies that might wanted to be sponsors in their new location. Another opportunity for Bee-Wise was to expand their successful teaching of psychiatric people at their own residences all over Denmark. Bee-Wise had received overwhelming positive feedback and was invited as the only venture to a conference organised for psychiatric hospitals and institutions. The conference was a great opportunity as the consultant fees could drive a huge share of their income.

*Enacting missions and drifting.* Doubts grew if their new activities still reflected their missions and Birthe asked: “Are we in the process of forgetting why we are here?”. Bjarne was furthermore troubled by Bee-Wise’s decreasing attention on environmental issues in pursuing the two new opportunities:

“We had three missions when we started. (...). And we also paid a lot of attention on urban gardening, the local. I think these are very important topics, and I have strong opinions about this as I’m also part of an environmental organisation (...) it is part of my identity. The environment means a lot to me, but now it’s only a minor part of Bee-Wise in its daily activities, decisions, awareness.” (interview Bjarne)

Bee-Wise reformed their board by bringing in more people with a business background. The new board members highly supported the new strategy and gave pragmatic feedback to Bee-Wise on “how to do storytelling to attract company sponsors” (interview board member 3), as well as helping Birthe find new company sponsor leads. “Having huge networks” (interview Birthe), Bee-Wise successfully acquired several company sponsors. The strategy of expanding their successful teaching of psychiatric people did not work, “as they could not find other places that were willing to pay” (interview Birthe). However, Bee-Wise had started to get an increased amount of orders on their products from Copenhagen. It was especially bee-wraps that the customers demanded, a product made by skilled volunteers and not Bee-Wise’s social target group.

While Bee-Wise’s original social target group of very marginalised people had over the years learned to work partly unsupervised, Bee-Wise needed to accept that getting more people from this group would require a lot of investment in training. Therefore, Bee-Wise decided to keep the ones they had but stopped hiring new ones. This was in sharp contrast to Bee-Wise’s initial vision. In addition, Bee-Wise did not perceive their new target group as “low hanging fruits” anymore as Bee-Wise realised that this group was neglected by regular ventures. Therefore, Bee-Wise now saw themselves as a permanent workplace for the very marginalised people and just as importantly, a “place to transition” (interview board member 3) for resourceful marginalised people who needed confidence and training to get back into a regular job.

*Feedback.* The commercial board members have increased their engagement in Bee-Wise, arranging fixed days to help out with marketing. Despite being ethically challenge by some of the latter board members’ proposals, Birthe has found her middle way which she refers to as the “Bee-Wise way”:

“I’m now able to push back. Some of these practices are just not mine and they don’t reflect Bee-Wise. Yes, we want to be financially viable but not at any cost. Bee-Wise is inclusive and responsible, and this is visible in all our activities.” (Birthe interview)

Furthermore, the founders have become more critical to members who are more idealistic:

“In general, the board comes up with many "good ideas", but I reject most of them because I do not have the time. For example, they would like more focus on biodiversity, but we need to focus on the money part instead of planting flowers, giving seed bags out, or talking about biodiversity. They are good-people with good intentions but it is no use to continue with such activities. (...) We are done with these kinds of activities. It's nice to have good intentions, but you can't live on that alone.” (interview Birthe)

*Consequences of enactment on personal and company level.* By selling profitable products and increasing the numbers of sponsorships, “Bee-Wise became for the first time financial sustainable without relying on external funding” (interview Bjørn). However, for Bjarne the journey stopped there. While still believing in Bee-Wise, he could not find his heart in it anymore. Birthe was staying on but also for her; “Bee-Wise is not the same place anymore” (interview Birthe). While at the end, Bee-Wise was financially secured for the first time after 7 years, their founders were questioning more than ever if they are on the right path.

## **Epilogue**

By 2020, Bee-Wise had managed to become financially sustainable and had formed a hype among social media influencers making Bee-Wise nationally known for creating sustainable bee-related products. As a result, they receive now several calls daily from stores from all over Denmark who want to sell their products and can “hardly keep up with the demand” (interview Birthe). On a personal level, Birthe’s “heart is still with the social work” (interview board member 3) but has realised that in order for Bee-Wise to be sustainable, she “has to take on the role of a leader” (interview Birthe). She has learned to set her boundaries and presented some ultimatums for the board, in order for her to stay. The board accepted this and hired a social worker and a beekeeper to support Birthe. While Bjarne initially left the company, he has joined the board and helps Birthe tend the bees when he has time to do so. Bjørn is still the chairman of the board but has offered to step down to allow a more commercial oriented chairman to take over.

## **Discussion and Implications**

In our presented study, we sought out to answer the research question: *How does a social venture develop its multiple goals over time and what are the consequences of experiencing mission drift on a personal and company level?* For us to address this question, we employed a single case study design of a Danish WISE,

which we followed from inception to growth. We derived an inductive model explaining how social ventures experience mission drift, the role of feedback in this process, and how the work with mission drift shapes the social venture and its founders. Our research enables us to address shortcomings associated with extant literature and contribute to the field of social venturing and hybrid organising in three ways: First, we provide a more complete understanding of mission drift by identifying under which circumstances mission drift can be a productive element in the social venture creation process. Second, we discuss how practical and idealistic feedback can stimulate and halt social venture development. Third, we look at the unexpected negative consequences of mission drift on the individual level and discuss coping mechanisms.

### ***Mission drift as a productive element for social venture development***

In contexts, such as the early stages of social entrepreneurship, the necessity for interactions with potential stakeholders to improve the alignment between their proposed ideas and the markets or audiences they are attempting to reach and influence is high (Bammens & Collewaert, 2014; Lounsbury & Glynn, 2001). As in our case, this process of alignment might sometimes cause the founder(s) to adjust or even pivot their idea and market offering (Grimmes, 2018). While current literature stresses the notion of adaptation, flexibility and pivoting in the early stage of business venturing (for example Grimes et al., 2018; Sarasvathy, 2001; Sarasvathy, 2008) there is often a focus on the economic mission of a social venture (Austin, 2006). A development or even pivoting of the social mission seems to be readily equalised with mission drift. While latest research in the field of social entrepreneurship has opened for a more nuanced discussion of mission drift (Grimes et al. 2018; Kwong et al. 2017), our findings provide insights into under which circumstances mission drift might have rather positive consequences (Ometto et al., 2018).

Especially for new social ventures researchers started to ask if “given the heightened need for adaptation, might (mission) drift be more positive when organisations are emerging?” (Grimes et al., 2018. p.43). In our case study of Bee-Wise, we can identify potential benefits of drifting in mission and engaging in mission drift over time. First, drifting towards the social mission and neglecting the economic mission in the beginning of their venture enabled Bee-Wise to gain legitimacy among important stakeholders in the social innovation arena and become acknowledged as a leading contributor in the field, enabling further resource acquisition and stakeholder engagement. Turning attention towards the social mission can enable a social venture to attract important resources at the beginning so they can build the basis for future development. Later, drifting away from the social and environmental mission and working through

the tensions of their missions allowed them to develop a new understanding of their resources, re-evaluate which practices create social impact, and changing their scope regarding their target group, thus making their offering available to a larger audience. Like Staessens et al. (2019), we find that turning attention towards the economic mission can enhance the social performance in the long-run.

Therefore, adjusting or pivoting on social and environmental missions should not be readily understood as mission drift. Understanding drifting in the light of organisational adaptation and learning to communicate it in this way might help social ventures to discover their ‘social mission – market’ fit without jeopardising their legitimacy.

### ***The role of feedback for social venture development***

Getting accepted and receiving funding from foundations or the government signals a stamp of approval of a social venture’s social mission, confirming that they help the right social target group in the right way (Battalina & Dorado, 2010; Mair and Marti, 2006). Such positive feedback not only endorses the idea and intention of the social venture but also reinforces their attention towards achieving the social mission (Grimes, 2018; Kwong et al., 2017). However, external feedback from these social-oriented resource providers does not necessarily indicate if the social activities are monetizable or whether the commercial activities are generating enough profits to sustain the social venture’s operations (Smith & Besharov, 2019). A social venture receiving foundational or governmental grants can thus be applauded and praised for its social mission and activities as it fulfils the institutional expectations associated with value creation from their current web of social oriented relations (Santos, 2012).

Yet, when running out of philanthropic money, the social venture can be in a situation where none of its activities are financially sustainable, due to a lack of commercial attention and lack of feedback on their commercial activities e.g. the products they are selling (Kickul & Lyons, 2016; Yong et al., 2012). Consequently, the positive feedback received on the social mission, despite being well-intended, may lead to an “echo chamber effect” where the attention and intention towards achieving the chosen social mission are reinforced rather than broadened to include the commercial mission (Grimes, 2018). This may lead to what Staessens et al. (2019) describe as mission lock-in where a systematically over-emphasis on social objectives not only makes the venture lose sight of economic aspects but also makes it increasingly rigid despite its low economic performance. As a result, staying in a social web of relations that provide idealistic feedback can become a “sleeping pillow”,

allowing the founders to neglect organisational adaptation needs on the economic mission side for as long as the resources received from the social oriented resource providers lasts.

It has been shown in empirical studies that engaging with external commercial feedback providers (such as commercial resource providers) is especially important in early stages of entrepreneurship, “wherein individuals attempt to Commercialise their ideas” (Grimes, 2018, p. 3). Commercial feedback pressures social entrepreneurs to explore and adapt different variation of their commercial value proposition or ways of capturing their social value creation to become financial sustainable (Santos et al. 2015). While feedback on the commercial value proposition is orientated towards market-based activities, such as sales, cost-reduction, etc., feedback on ways of capturing social value is directed towards social value creation activities and the choice of social target group. In the case of a WISE, an example of feedback on choice of social target group can be whether to choose marginalised people with minimal or special qualifications (Spiess-Knafl & Jansen, 2015). While some WISE have turned the minimal qualifications of a marginalised person to become specialised (Hockerts, 2015), such transformation is not possible for all types of marginalised people. Although feedback can be based on commercial efficiency/pragmatic (outcome-oriented) arguments, e.g. that the specialised marginalised people bring in more resources than minimal marginalised people do, such feedback can also be idealistically (values-based) founded in terms on who one ought to help. However, we argue that feedback towards capturing social value creation and choice of marginalised group is mostly values based on the subjective nature of social value. Hence, when confronted with external feedback from commercial oriented resource providers, e.g. private funds or investors, social entrepreneurs might resist to adjust this externally exposed change as such feedback is more directed towards the values of social venture rather than efficiency-outcomes.

Therefore, we argue that social ventures should be open to commercial finance- and income providers in contrast to purposefully rejecting principles that have different values and principles as suggested by Davies et al. (2019) and Huybrechts et al. (2017). We argue that social ventures should not shy away from commercial feedback that may initially seem misaligned to the values of the social venture. This type of feedback might be crucial for the social venture to develop and survive. Furthermore, we found that the feedback provided by commercial stakeholders had a practical element to it, while the feedback from social stakeholders had been idealistic founded. In order to balance dual missions, our model shows that both types of feedback are important and need to be thought out. When not understood as contradictory but complementary, these diverse types of feedback might support social



ventures in intertwining their dual missions, a process that has been shown to support social venture growth (Siebold et al., 2019).

### ***Consequences of enacting mission drift on the personal level***

Enacting mission drift as a productive element has had positive effects on Bee-Wise's development. However, we also noted some less desirable personal consequences. We witnessed our social entrepreneurs experiencing dissonance stemming from the values they had sought out to enact and having to compromise them to become financially self-sustainable. Both founders started feeling inauthenticity and experienced signs of stress which made them seek out different ways to cope with the experience. One of the co-founders engaged in identity segregation, a process of choosing to enact different identities in different contexts and abandon integration attempts (Wry & York, 2017). This rather common practice (Grant & Rothbard, 2013) is not problematic, as long as enacting one does not mean contradicting the other (Creed et al. 2010). However, in our case, the founder perceived the two identities as contradicting and thus chose to leave the social venture in the end.

The other co-founder experienced signs of stress due to the experience of mission drift. This is in line with previous research that reports that feelings of dissonance are associated with reduced well-being when founders need to compromise on their original missions (O'Neil & Ucbasaran, 2016). We therefore suggest that social entrepreneurship scholars take both individual level factors and organisational factors into consideration in future studies on dual mission management. This can provide a more nuanced understanding of the consequences of engaging in the social venture creation process.

Our findings raise the question if social entrepreneurship is a healthy track for idealistic people with frail entrepreneurial profiles like the three Bee-Wise founders, which Bacq et al. (2016) indicates is the profile of many engaging in social entrepreneurial activities. Bacq et al. (2016, p. 714) question "whether the social agenda primarily pursued by these individuals is actually better served by means of entrepreneurial techniques (such as by creating a social venture), or not". While our study highlights how idealistic people with frail entrepreneurial profiles can create a sustainable social venture over time, the costs on the individual level might be too high to make this track worthwhile.

### ***Limitations and future research***

While our qualitative study provides profound insights into a specific case, it also has several limitations. Firstly, part of the data collection is retrospective which affects especially the first period of Bee-WISE.

Although we thought out to triangulate our retrospective interviews with secondary data, this may particularly affect our understanding of feedback in this initial phase, which can be challenging to ascertain from secondary sources. Secondly, gathering data from a broader spectrum of stakeholders, such as sponsors and grant providers, would have enhanced the robustness of our findings. Thirdly, the setting in Denmark, with its strong public sector influence, might uniquely enable a drift towards social and environmental missions in ways that might not be applicable in other contexts.

Despite these limitations, our study opens several avenues for future research. Future studies should explore how social ventures can successfully adapt or pivot and manage their identification relationships with a diverse set of stakeholders, drawing inspiration from Hampel et al. 2020's study on the pivoting of for-profit entrepreneurial ventures. Additionally, further research could benefit from examining both individual and organisational level processes and outcomes to understand which strategies entrepreneurs can apply to deal with mission drift.

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Table 1. Data overview.

	Phase 1: Starting the venture: Manifesting and enacting missions (2011-2016)	Phase 2: Tackling mission drift (Late 2016-2018)	Phase 3: Towards mission balance (Late 2018-2019)	Total
<i>Interviews</i>				19
Founder 1: Birthe (Manager)	✓	✓	✓	7
Founder 2: Bjarne (Manager)		✓	✓	4
Founder 3: Björn (Chair of the board)		✓	✓	3
Board member 1		✓		1
Board member 2			✓	1
Board member 3			✓	1
Volunteer			✓	1
Employee			✓	1
<i>Archival documents</i>				
Project description	✓	✓		2 documents
Legal documents	✓			1 documents
Grant and fundraising applications	✓	✓		2 documents
Press	✓	✓	✓	32 articles
Youtube videos/interviews	✓	✓		8 videos
Class presentations	✓	✓	✓	3 presentations
Facebook/Instagram updates & comments	✓	✓	✓	approx. 2000

Table 2. Bee-Wise Development.

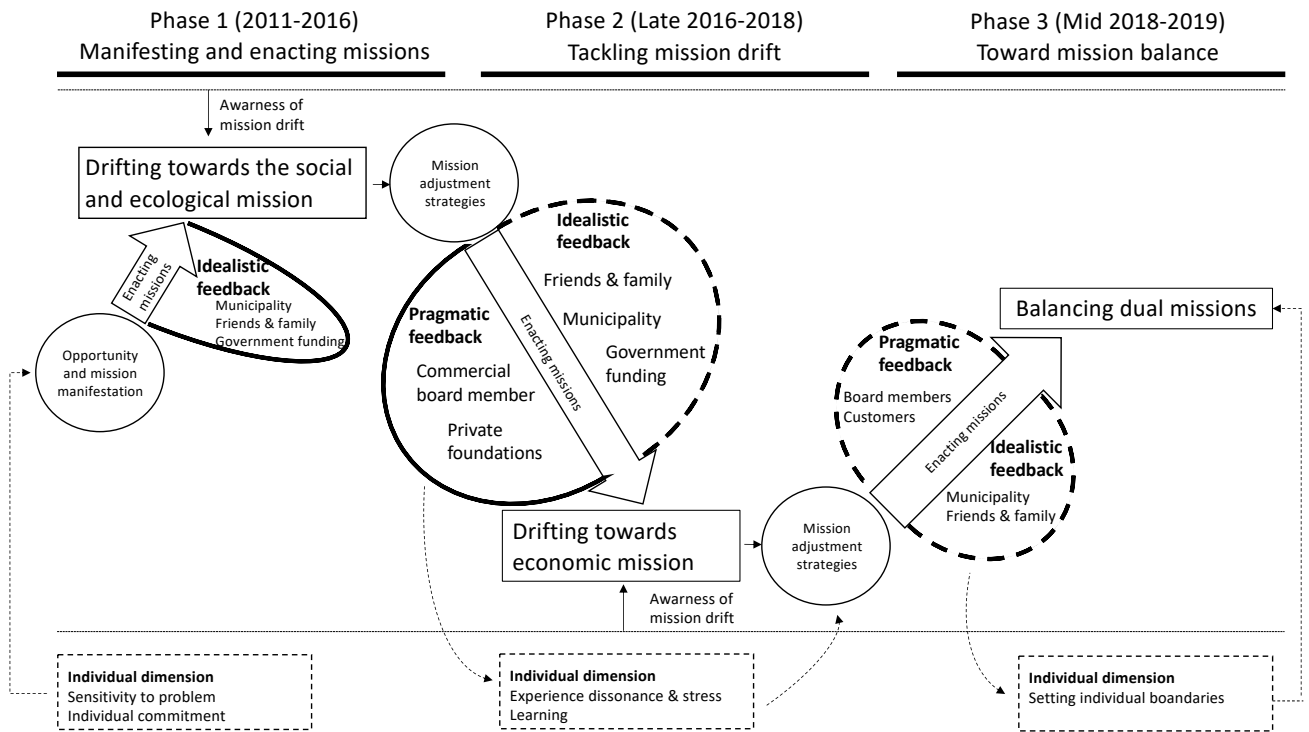
Empirical Evidence	2011-2016	2016-2018	2018-2019
<b>Funding/income</b>			
Public funding	Governmental grant of 320,000€ from social ministry covering four years for helping marginalised people. Governmental grant of 27.000€ from social ministry highlighting collaboration between private companies and social ventures. Governmental grant of 54.000€ from social ministry for mapping out employment efforts of social ventures. 1,400€ from the municipality for a user-driven project	Government grant from commercial ministry of 15.000€ for taking business courses	None
Private funding	Small grant from private foundation 3.300€ for buying transportation bike, Small grant from private foundation 3.300€ for supporting the social work.	Grant from a private foundation of 193.000€ to scale honey production.	None
Sponsorships	5	5	12
Collaborations	14	6	4
Events	36	10	4
Selling honey	Selling locally	Selling regionally	Selling nationally
<b>Human resources</b>			
Number of paid employees	3	1	0
Number of full-time marginalised	9	5	3
Number of part-time marginalised	3	3	3
Number of volunteers	13	7	8
<b>Mission enactment</b>			
Environmental mission	Tend 35 urban beehives for local honey production, attending events to educate general public about bees and the environment, teach local actors about tending	Tend a mix of 124 urban and regional beehives for local and regional honey, teach local actors about tending urban beehives.	Tend partly a mix of 60 urban and regional beehives for local and regional honey production. Local beekeepers are paid to



Social mission	<p>urban beehives. Emphasis on a small carbon footprint.</p> <p>Creating a workplace for people that are not suitable for the job market. Marginalised people tend beehives with the founders in order to teach them beekeeping. Having one-on-one talks with the marginalised people.</p>	<p>Creating a workplace for people that are not suitable for the job market as well as a workplace for people that can be transferred back into the labour market. Seldom bring marginalised people when tending beehives – marginalised people work mostly in the office on bee-related products like candles, honey. Seldom one-on-one talks with the marginalised people.</p>	<p>tend bees. Emphasis on small carbon footprint vanishes.</p> <p>Creating a workplace for people that are not suitable for the job market as well as a workplace for people that can be transferred back into the labour market. Seldom bring marginalised people when tending beehives – marginalised people work mostly in the office on bee-related products like candles, honey. No one-on-one talks with the marginalised people</p>
Commercial mission	<p>Selling honey through local stores and markets. Making sponsorship agreements locally.</p>	<p>Experimenting with different honey related products. Selling honey as well as products such as ketchup, barbeque sauce etc. through local stores and markets as well as online. Making sponsorship agreements regionally. Offering bee-keeping service to local institutions with psychically disabled people.</p>	<p>Selling honey as well as other honey related products such as ketchup, barbeque sauce etc. nationally as well as online. Making sponsorship agreements regionally.</p>

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Figure 1. Model of Managing Mission Drift in Social Ventures.



Note: The circles represent the feedback environment and providers of the social venture. In phase 3, the pragmatic and idealistic feedback become intertwined.

## Paper 2: Enabling Social Identity Work in Social Enterprises by Leveraging Hybridity

Margot Leger, Sebastian Gram Nguyen Rasmussen, Franziska Günzel-Jensen

### **Abstract**

Integrating individuals with diverse needs and capabilities into the labour market is crucial for social cohesion and economic resilience, and addresses UN Sustainable Development Goals. Work Integration Social Enterprises (WISEs) are renowned for excelling in this domain yet struggle with competing demands stemming from social welfare, commercial, and public sector logics. While much of the literature focuses on tensions generated by these divergent institutional logics, our study explores the opportunities they present for enabling the social identity work of enterprises' beneficiaries by leveraging hybridity. Through case studies of twelve WISEs in Denmark and South Africa, we identify three approaches of importance here: cross-fading, weighting, and shielding. Cross-fading staggers the introduction of various logics by first addressing social needs; weighting, conversely, mixes exposure from the outset by addressing the labour market's commercial expectations flexibly; while shielding limits exposure to harmful logics. With these findings we contribute to the literature on social enterprises and hybrid organisations.

## 1. INTRODUCTION

Social enterprises uniquely blend market-driven solutions with social welfare objectives to address societal issues that are not adequately addressed by governments, the market, or non-governmental organisations (Miller et al., 2012; Zahra et al., 2009). They operate at the intersection between commercial, social welfare, and public sector logic, adopting a hybrid organisational form (Battilana et al., 2009; Sætre, 2023). This fusion of commercial goals, such as profitability and market competitiveness, with social welfare and public sector objectives, for instance community development and social equity, inherently produces tensions and constrains social enterprises' operational flexibility (Siebold et al., 2019; Wry & Zhao, 2017). Such tensions can arise from internal conflicts—such as prioritising resource allocation between social goals and financial sustainability—and external pressures arising from stakeholders who hold divergent expectations (Battilana & Lee, 2014; Besharov & Smith, 2014; Mair & Rathert, 2020; Siebold, 2021). As a consequence, a significant body of literature has emerged that focuses on how social enterprises navigate and potentially limit these complex, multifaceted tensions which originates from adhering to divergent logics (Battilana & Dorado, 2010; Battilana et al., 2015; Besharov & Smith, 2014; Mongelli et al., 2019; Smith & Besharov, 2019).

However, emerging research suggests that the interplay of multiple and often incompatible institutional logics can indeed enable rather than hinder social enterprises in reaching their goals (Battilana et al., 2015; Heimer, 1999; Sud et al., 2009), thus challenging traditional views which regard conflicting institutional logics chiefly as constraints. Building on this idea, Mongelli et al. (2019) and Cherrier et al. (2018) advocate for rethinking hybridity in social enterprises, proposing that embracing and leveraging various forms of institutional logic can spur creativity and innovation and, thus, unlock fresh possibilities for social interventions (Jay, 2013; Tracey et al., 2011). For example, Mongelli et al. (2018) demonstrate how involving beneficiaries of social enterprises in market-like competition and customer orientation can initiate empowerment processes that extend beyond mere economic support, thereby catalysing significant social change that transcends organisational boundaries.

This paper specifically investigates Work Integration Social Enterprises (WISEs), which provide a compelling context to explore how social enterprises leverage their hybridity due to their direct engagement with the multiple logics of the commercial, public sector, and social welfare domains (Battilana et al., 2015; Hockerts, 2015; Pache & Santos, 2013b; Smith & Besharov, 2019; Woodside, 2018). WISEs are particularly notable for how they need to balance financial sustainability with social and public sector objectives to enable their beneficiaries' craft a work identity. The efforts surrounding such identity

transformation consist of social identity work, i.e., efforts by individuals and groups to shape how people are perceived in relation to their group memberships and roles (Lawrence & Phillips, 2019). Furthermore, the relevance of WISEs' enabling of social identity work extends beyond their immediate context in that this reflects a broader organisational shift towards prioritising individual well-being and societal improvement—a shift increasingly evident in the evolving expectations of stakeholders, alongside the need for enterprises to adhere to Environmental, Social, and Governance (ESG) guidelines and to contribute to the SDGs (Mongelli et al., 2018; Sandelands, 2009).

Nevertheless, despite the growing importance of this area of research, there “remains a dearth of empirical studies, particularly at the organisational level” (Mongelli et al., 2018, p. 978). This paper addresses this lacuna by providing empirical insights into how WISEs leverage hybridity to fulfil their complex missions, further suggesting broader implications for other organisations that strive to integrate similar approaches. Therefore, we ask: *How do social enterprises leverage their hybridity to enable social identity work for their beneficiaries?*

To investigate this research question, we conducted a case study of twelve WISEs located in South Africa and Denmark. By investigating WISEs in two markedly different settings, we aim to ensure the transferability and credibility of our findings. In our analysis, we identify three strategies used by WISEs to leverage institutional logics that enable social identity work across these two contexts: *cross-fading*, *weighting*, and *shielding*. First, cross-fading refers to gradually decreasing exposure to one type of institutional logic, whilst simultaneously increasing exposure to another, following the creation of a smooth transition between the two. Second, weighting is the way in which WISEs combine various logics in different proportions, creating discrete constellation logic exposure that remains constant; and third, shielding is the method by which a social enterprise protects its beneficiaries from a particular logic that is deemed to be detrimental to their interest. With these findings, we contribute to the literature on social enterprises and hybrid organisations.

## **2. THEORETICAL BACKGROUND**

Institutional logics are regarded as a fundamental organising principle of society in that they support actors' behaviours, decision-making, and interactions by clarifying ambiguity, reducing cognitive load, framing solutions, constructing the parameters for success, questioning assumptions, and demarcating appropriate behaviour (Thornton & Ocasio, 1999; Tracey et al., 2011). Institutional logics are “pulled down” from a social enterprise's institutional environment that enables and constrains its actions, hence

relocating macro-effects to become situated inside organisations and individuals (Powell & Colyvas, 2008, p. 278; see also Powell & Rerup, 2017). Institutional logics are, therefore, crucial because social enterprises' employees and partners carry the logics to which they are exposed, instantiating these for beneficiaries through their actions (Pache & Santos, 2013a).

### **2.1. Adopting institutional logics in social enterprises**

The exposure to multiple logics, alongside the need to incorporate them, has obliged social enterprises to employ a range of strategies to adopt them (Mair et al., 2015; Oliver, 1991; Pache & Santos, 2013b, 2021). Research in this area often builds on Oliver's (1991) five-strategy typology for adopting institutional logics, which revolves around a continuum ranging from fully adopting a particular logic in order to gain legitimacy and support, to rejecting a logic explicitly in order to alter the content of that logic and influence its promoters (Oliver, 1991). Pache and Santos (2013b) add further nuance to adoption strategies by arguing that the choice at hand does not always lie in adopting one logic over another; rather, organisations can adopt a combination of logics, thereby adhering to several types simultaneously. By using this strategy, which they term 'selective coupling', organisations purposefully adopt intact elements from each logic instead of using decoupling and/or compromising strategies, where logics are conformed to either minimally or merely symbolically. Importantly, selective coupling is a purposeful enactment of logics, rather than a reactive response to taken-for-granted logics (Pache & Santos, 2010, 2013b).

Consequently, social enterprises can configure their organisation by drawing on certain elements and filtering out others from their broader institutional environment, thus deciding for themselves the types of institutional logics to which their employees and beneficiaries are exposed (Battilana et al., 2022; Pache & Santos, 2013a, 2013b, 2021). This ability allows social enterprises to strategically manage the institutional logics that their beneficiaries are exposed to for them to pursue their goals. For example, Perkmann et al. (2019), showed how senior academics could filter out the commercial logic to protect junior academics from performance management practices.

Social entrepreneurship scholars have also looked at WISE to understand how they draw on certain logics and filter out others from their broader institutional environment. In their studying on WISEs in France, Pache and Santos (2013b) identified two dominant logics at play, namely those of social welfare and of commerce, arguing that "WISEs are persistently and intrinsically embedded in two distinct institutional spheres" (Pache & Santos, 2013b, p. 977), where each sphere has its own web of referents that impose competing demands on a social enterprise. Their research aids our understanding of the field-level logics

that WISEs must navigate, in order to achieve legitimacy and competitiveness. However, their analysis conflates social welfare with public services delivered by state representatives and regional bodies, thus blurring the important distinction between social welfare and public sector logics. With this in mind, and despite traditionally viewing WISE hybridity as balancing commercial profit with social welfare impact, the addition of incorporating a third, public sector logic—as suggested by Pache and Chowdhury (2012) and Sætre (2023)—could serve to enrich our understanding of the complexities faced by WISEs.

While a public sector logic involves social impact, this form of logic differs from that of social welfare in several ways, particularly in the goals prescribed, the means to reach these goals, and the type of stakeholder who carries and enacts this logic (Jay, 2013; Pache & Santos, 2010; Pache & Chowdhury, 2012; Sætre, 2023). Amongst others, the goal of public sector logic is to “ensure fairness and transparency across different levels of society” (Pache & Chowdhury, 2012, p. 497) and, to achieve this goal, such logic is rooted in bureaucratic laws and principles that dictate appropriate practices (Jay, 2013), such as the public procurement of short-termed tenders on social work (Sætre, 2023). The types of actors who adhere to a public sector logic are national and local government entities, such as municipalities that have to work within the boundaries of the regulations and laws created by elected officials (Jay, 2013; Pache & Chowdhury, 2012). The public sector logic is particularly evident in Nordic (Sætre, 2023) and Western European countries, such as Germany (Krause, 2022), where welfare states have traditionally been held accountable for delivering welfare to their citizens, yet where, in recent decades, some welfare services have begun to be contracted out to private-sector companies. Social enterprises have utilised this resource opportunity, resulting in their need to adopt a third form of logic—namely, that of the public sector. Accordingly, in this study, we will focus on all three institutional logics.

## **2.2. Institutional logics and work integration**

WISEs aim to help their beneficiaries enter a labour market from which they have previously been excluded for a number of reasons, for example beneficiaries who are individuals with intellectual disabilities or people from underprivileged or disadvantaged groups (see for example Barraket, 2013; Blonk et al., 2020). Some beneficiaries may find themselves excluded because traditional companies perceive their skill set as antagonistic (Hockerts, 2015), as is particularly the case for some marginalised groups, thus providing them with fewer opportunities to acquire work experience or even find employment (Lawrence & Phillips, 2019).

To achieve work integration, WISEs must expose their beneficiaries to a commercial logic for them to learn about the expectations of the labour market and demonstrate compliance to find employment (Thornton & Ocasio, 2008). Therefore, WISEs must discover approaches that help them configure their organisation in such a way to allow their beneficiaries to be exposed to a commercial logic (Hockerts, 2015; Pache & Santos, 2013b; Woodside, 2018). Such approaches can also help their beneficiaries upgrade their ability to adhere to a market logic, progressing from initially little to no exposure, on to intermediate exposure and, finally, to absorbing this logic fully (Pache & Santos, 2013a).

Ultimately, however, the success of work integration is contingent upon employers' assessments of beneficiaries' suitability for employment. Joining the labour market is, hence, a question of acceptance by in-group members by showing that an individual can comply with that group's prevailing institutional logic (Thornton & Ocasio, 2008). WISEs integrate their beneficiaries into formal employment not only by helping them to build new skills and capabilities, but also by exposing them to the meanings and expectations associated with group membership within the labour market in general (Oyserman et al., 2012). From this perspective, the reintegration process is fruitfully approached as a form of social identity work that involves the efforts of individuals, collective actors, and networks of actors in influencing how individuals are perceived in relation to group memberships and related roles (Lawrence & Phillips, 2019). This suggests that social identity work targeting an individual can be conducted by actors other than the individual themselves. Hence, in order to enable their beneficiaries to form a work identity, WISEs engage in social identity work in collaboration with them.

### **2.3. Work integration as social identity work**

Social identity theory is relevant to work integration because it explains how individuals adopt the identity of their in-group, including its prevailing institutional logic. Thornton and Ocasio (2008, p. 111) note that "identification with the collective is equivalent to the identification with the institutional logic prevailing in the collective", and this results in the integration of the group's rules and behavioural expectations into the individual's identity.

Identities are constructed according to the logic that dictates the type of practices and values to which a group adheres (Wry & York, 2017). From the perspective of social identity theory, social identity work consists of the way in which individuals position themselves relative to an in-group and an out-group (Tajfel & Turner, 1979) and determines how attached they become to a collective (Caza et al., 2018). In our study we understand the labour market as an in-group, and, in order to be accepted into this group,



a job-seeker must demonstrate their alignment with the group's prevalent institutional logic by internalising the meanings and expectations that define this identity. Thus, social identity work aims to alter an individual's association with a collective, or the meaning they associate with that collective (Caza et al., 2018); and, hence, WISEs engage in social identity work in collaboration with beneficiaries to help them form a work identity and be accepted by the in-group of the labour market. Understanding WISEs' work integration efforts as social identity work enables us to understand where beneficiaries face challenges arising from exposure to specific logics, and how WISEs can leverage different dimensions of social identity work to work proactively with the various institutional logics at hand.

Altering identities through social identity work occurs in three dimensions: relational, material, and discursive (Brown, 2022; Lawrence & Phillips, 2019). The relational dimension consists of the various social ties related to an identity. Depending on the specific identity that is targeted, it becomes important to establish and maintain a relationship with some actors, while other relationships might be detrimental for developing a new identity. For example, to help create a job identity for their beneficiaries, a WISE needs to consider the relationships constructed around such an identity, including relations to co-workers, employers, and customers. The material dimension revolves around the physical artefacts and geographical locations related to an identity. For instance, certain jobs require the ability to create physical artefacts in form of products that fulfil specific quality requirements. Finally, the discursive dimension relates to written and oral patterns surrounding an identity. For example, certain ways of talking might be expected for certain jobs.

Previous studies have explored the relationship between social identity work and institutional logics, but they often do so by focusing on only one of the three dimensions—relational, material, or discursive—and typically, this focus is implied rather than explicit. For instance, Jammaers et al. (2016) examined how disabled employees use discursive practices to maintain a positive identity and counteract the ableist discourse that equates disability with lower productivity, addressing the discursive dimension. Perkman et al. (2019) highlighted the role of academic seniors in safeguarding juniors from the pressures of industry-oriented individuals, thereby preserving academic logics over commercial ones and implicitly addressing the relational dimension. Similarly, Gregori et al. (2021) demonstrated the significance of the natural environment in social identity work, considering the material dimension. Although each of these studies offers valuable insights into the interplay of institutional logics and social identity work, their lack of incorporating all three dimensions restricts their ability to fully account for its complexity. However, such complexities are important to grasp, as the interrelated nature of these dimensions must be

considered to fully understand how social enterprises can leverage their hybridity to enable social identity work for their beneficiaries.

### **3. METHODOLOGY**

The nature of our research question—understanding how social enterprises leverage their hybridity to enable the social identity work of their beneficiaries—necessitates an exploratory approach that uses qualitative methods (Miles et al., 2014). Accordingly, we chose to approach our research question through an inductive, in-depth, multiple-case study (Eisenhardt & Graebner, 2007).

#### **3.1. Research Context**

In this study, we investigated WISEs in two markedly different settings, namely Denmark and South Africa, to ensure the transferability and credibility of our findings. The extant literature suggests that social entrepreneurship varies significantly across socio-economic and cultural contexts (Bacq & Janssen, 2011; Mair & Martí, 2006), and, hence, researching WISEs in diverse settings can capture potential nuances in how WISEs leverage hybridity. Both countries have a rich legacy of social entrepreneurship and the WISEs (Andersen et al., 2021; Littlewood & Holt, 2018): in Denmark, the WISE model has been prevalent since the 1930s (Hulgård & Bisballe, 2004), while in South Africa, pioneering WISEs, such as Camphill Farm and the Oasis Association, have operated since 1952. Despite this similarity, we anticipated that the comparison between Denmark, with its extensive and well-regulated institutional framework, as well as strong public sector logic (Andersen et al., 2021), and South Africa's less formalised and inconsistently enforced regulatory environment, as well as weak public sector logic (Littlewood & Holt, 2018), would uncover meaningful differences. Specifically, the Danish setting might restrict WISEs' operational flexibility, compelling them to rely heavily on government funding and adhere strictly to established norms (Andersen et al., 2021; Borzaga et al., 2020), whereas the more fluid regulatory context in South Africa may necessitate that WISEs adopt more flexible and innovative approaches, often through informal networks (Littlewood & Holt, 2018).

#### **3.2. Sample selection**

We employed purposeful sampling (Miles & Huberman, 1994), selecting WISEs from Denmark and South Africa that could provide essential insights. Our selection criteria were designed to ensure a diverse sample in order to capture potential nuances: (i) the enterprises catered to a variety of beneficiary groups and offered a range of products and services, thereby reducing the risk of our results being overly dependent on specific beneficiary categories or industries; (ii) enterprises were well-established and had

a track record of successfully integrating beneficiaries into the job market because, as successful WISEs, they had developed organisational cultures, structures, and practices that enabled them to sustain their hybridity over time, thereby proffering insights into best practices; and (iii) each enterprise was recognised within the local social entrepreneurship community as effectively reintegrating beneficiaries into the labour market.

To identify social enterprises that matched our sampling criteria, we used different strategies in Denmark and South Africa. In Denmark, we initially identified 512 organisations through the Danish Business Authority's online database, disqualifying those that were associations rather than social enterprises. To refine our search, we communicated with the Danish Association for Social Enterprises, consulted key social entrepreneurship websites, and adopted snowballing techniques through recommendations from prominent social entrepreneurs. This approach resulted in the identification of 32 appropriate WISEs, and we contacted 15 of these by email, through LinkedIn, or in face-to-face sessions, ten of which agreed to have interviews. In South Africa, which lacks a national registry for social enterprises, we sought expert suggestions from the academic and social enterprise communities, as well as from a dedicated WhatsApp group. This approach led to the identification of over 50 WISEs; all (co-)founders were contacted via email, eleven of whom responded positively. Ultimately, 21 WISEs agreed to participate in our study, yet only 12 (6 from Denmark and 6 from South Africa) were included in the final dataset as some Danish WISEs cancelled as the Covid-19 pandemic impacted their priorities, and some South African WISEs were later found not to meet our sampling criteria.

INSERT TABLE 1 ABOUT HERE

### **3.3. Data collection**

We collected both primary interview data and secondary archival data (see Table 1). Between March 2020 and March 2021, we interviewed the founders or current managers of 12 Danish and South African WISEs. All interviews used semi-structured interview questions to cover topics that included their social and commercial aims, interactions with beneficiaries, their approach to work integration, and the context (commercial, social, and public sector) within which they operate. Pilot interviews were conducted with one Danish and one South African WISE to test the interview guide, upon which we included additional probing questions in a theory-hunting fashion (Zeithaml et al., 2020). While each conversation was

allowed to develop naturally, we sought to cover the same topics with each informant. Interviews lasted on average 78 minutes and were conducted online due to restrictions enforced during the Covid-19 pandemic, in Danish or English, depending on interviewees' preference. All interviews were recorded and transcribed verbatim by the authors.

In addition to this, secondary data in form of organisational archival materials were obtained from company websites, impact reports, press releases, and social media accounts. Other data were obtained from publicly available media, newspaper articles, blog posts, and radio/television interviews. Wherever possible, we compared the different sources of data to ensure the credibility of the information and statements extracted from informants (Denzin & Lincoln, 2005). The use of multiple secondary data sources helped mitigate respondent and retrospective bias, as we continuously compared and validated primary with secondary data (Miles & Huberman, 1994).

### **3.4. Data analysis**

Coding proceeded in three rounds. In the first round, two of the authors read and reread the collected data to familiarise themselves with cases. Borrowing from grounded theory (Glaser & Strauss, 1967; Strauss & Corbin, 1990), we allowed codes to emerge from the data through line-by-line open and descriptive coding (Gioia et al., 2013; Miles & Huberman, 1994). We refined the numerous codes that emerged, identifying the most salient ones for our next round of coding.

In the second round we went back to the literature before re-engaging with our data. We drew on institutional logics as this concept resonated with the themes arising from the first round. To capture instances of institutional logics in our data, we used a pattern-inducing technique (Reay & Jones, 2016), coding large amounts of raw data from the interview transcripts that constituted behaviour associated with institutional logic (Reay & Jones, 2016). In this second round we uncovered a strong connection between social identity theory and institutional logics. It became evident from the data that our cases performed social identity work in collaboration with their beneficiaries to help them adjust to the logics of the labour market. With an eye to making sense of our data, we drew upon the three social-symbolic dimensions identified by Lawrence and Phillips (2019)—material, discursive, and relational—to organise the data and demonstrate how social identity work intersects with the various institutional logics.<sup>1</sup>

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<sup>1</sup> The material dimension relates to physical objects, for example physical artefacts, the human body, or the built environment (Lawrence & Phillips, 2019). The discursive dimension represents aspects of speech and text,

Table 2 illustrates these connections and depicts how we coded and assembled our data, as well as providing nine examples (in form of interview quotes) classified according to the three dimensions of social identity work and the three forms of institutional logic. Importantly, this table is derived from our inductive engagement with the data and concomitant attempts to make sense thereof by going back to the literature, rather than deductively moving from the literature to the data.

INSERT TABLE 2 ABOUT HERE

In the third and final coding round, we further examined the coded data to locate examples that merged institutional logics with the three dimensions of social identity work. We identified patterns in how the WISEs performed social identity work with their beneficiaries across the different cases. Based on these patterns, we uncovered three hybridity leveraging strategies performed by WISEs to enable the social identity work of their beneficiaries, namely *cross-fading*, *weighting*, and *shielding* (see data structure figure 1), which we now proceed to introduce in the following section.

INSERT FIGURE 1 ABOUT HERE

#### **4. Findings**

This analysis highlights how the WISE supports beneficiaries in their social identity work through three distinct approaches: cross-fading, weighting, and shielding. Cross-fading and weighting serve as foundational strategies employed by the cases to facilitate social identity work effectively. Additionally, our cases apply shielding as a supplementary approach to safeguard beneficiaries from external influences that could potentially disrupt their social identity work. Each of these approaches is highlights to WISE proactively leverage their hybridity to assist their beneficiaries.

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where ‘text’ refers to forms of communication that requires a physical medium, including audio recordings, photographs, and other visual material (Lawrence & Phillips, 2019). Finally, the relational dimension revolves around “forming, maintaining, ending, and leveraging interpersonal and inter-organisational relationships” (Lawrence & Phillips, 2019, p. 56), an example of which is the relationship between an employee and a manager.

#### **4.1. Cross-fading**

Cross-fading refers to gradually decreasing exposure to one form of institutional logic whilst simultaneously increasing exposure to another, following the creation of a smooth transition between the two, which, hence, involves a deliberate modulation of exposure. In the WISEs we investigated, cross-fading starts by initially highlighting a social welfare logic that provides comfort and support whilst decreasing exposure to commercial logic. Over time, exposure increasingly shifts towards embracing commercial practices, culminating in full engagement with commercial logic and, thus, ensuring a sustainable reintegration into the workforce. Transition through cross-fading is supported by all three dimensions of social identity work—relational, material, and discursive—and is chiefly focused on social welfare and commercial logic. Cross-fading was used in six of our twelve cases, two Danish and four South African.

##### **4.3.1. Relational dimension of cross-fading**

The relational dimension was stressed to be important as holding a job not only means earning an income but also to be “integrated into a social environment” (Interview SA5). This integration, however, does not occur instantaneously but unfolds over time. Many beneficiaries faced hardship, so a WISE would initially focus on social welfare logic to create an environment where their beneficiaries felt comfortable and cared for, thereby facilitating addressing those underlying issues that impeded their social identity work. Therefore, in the beginning, the WISE “looked at every facet of their life and looked at where the needs are, and we try to fill those gaps as best as we can” (Interview SA4). To achieve this, social workers, therapists, and mentors often formed an integral part of the beneficiaries’ social environment as “they meet therapists from the beginning” (Interview DK4), or the WISE would “refer them to a social worker” (Interview SA4). Elaborating on such initial support, one Danish WISE explicated the comprehensive help they provided to beneficiaries:

At the very first meeting I introduce them to what we can offer and they get to meet our treatment providers [...], who offer neurofeedback therapy and wave therapy to help with mental and physical challenges. (Interview DK4)

Once the WISE has built a foundation for social identity work, beneficiaries are progressively exposed to commercial logic to “create another dynamic” (Interview DK4). In the relational dimension this initially occurs by introducing beneficiaries to volunteers who represent a diverse set of backgrounds, such as “experienced business people, entrepreneurs, and anthropologists” (Interview DK5). For example, after

four weeks spent establishing a foundation, DK5's beneficiaries were introduced to a group of volunteers, who was constituted "so that different types of skills are present, and so the [beneficiaries] get the maximum benefit from the volunteers' collective experiences and skills" (Impact Report DK5). The introduction of volunteers is vital here because, first, volunteers represent an in-group in the labour market and can therefore expose beneficiaries to the expectations and requirements of a commercial logic; and second, volunteers typically exhibit a better understanding of beneficiaries' needs during this transition due to their self-selection of becoming volunteers. The alignment that results here enables a more flexible approach vis-à-vis the often rigid expectations of employers, thereby facilitating beneficiaries' smoother reintegration into the labour market.

As individuals gain comfort, the WISE introduces a blended exposure where social welfare and commercial logics coexist, thereby enhancing beneficiaries' preparedness for mainstream employment. At this point, the WISE introduces beneficiaries to various long-term upskilling programs, where they "walk them through a process" (Interview SA5) and introduce individuals to a constantly growing number of actors who represent commercial logic. Such programs can last for 12 weeks, 8 months, or even several years, depending on beneficiaries' needs and the goals of the program at hand. In addition to being supported, beneficiaries also become more reliant on each other and are given different tasks: "The boys work together in a team [...]. Along the way, the boys divide themselves into departments such as HR, finance, and communication, where they take on different responsibilities." (Website DK5) Other WISEs provide temporal employment possibilities for their beneficiaries, such as internships in organisations that serve to enable social identity work: "They start there with very low self-confidence in their work capabilities, which is slowly rebuilt during their internship." (Interview DK4)

Following the upskilling programs and internships, beneficiaries would be ready to secure a job interview, with the goal of acquiring a long-term contract and moving on from the WISE. However, WISEs continued to offer support when necessary, via job-coaching for both beneficiaries and employers: "If there are difficulties [...] they can approach us and we can job-coach that individual [...] so that the employer and the employee can have a long, sustained, successful relationship." (Interview SA8)

In summary, the relational dimension of cross-fading emphasises the development of personal interactions that aid in beneficiaries' integration. Initially, beneficiaries are supported by actors representing a social welfare logic, who provide a foundation of emotional and psychological support. As they progress, beneficiaries engage with volunteers and managers who gradually introduce them to commercial practices and norms. Such exposure expands as beneficiaries move into broader labour

market roles, either within companies or as micro-business owners, with the WISE continuing to provide support and assisting with any integration challenges that may arise.

#### **4.3.2. Material dimension of cross-fading**

In order to introduce beneficiaries to a social welfare logic, WISEs often utilise material artifacts and locations that embody this. At the outset of the social identity work process, such material artifacts and locations facilitate informal interactions amongst the beneficiaries and provide a relaxed setting where beneficiaries can feel comfortable about verbalising their personal challenges within a supportive group context. For example, a board game designed with numerous questions is employed because this “provides the opportunity for personal development” (Interview DK4).

The locations where a WISE engages with its beneficiaries are also crucial components of the material dimension, as these provide spaces conducive to the performance of social identity work. In the early stages of cross-fading, such locations are chosen to ensure ease of access and a sense of safety and familiarity, which is vital for beneficiaries’ comfort and openness during their development process. For example, DK5—a WISE working with boys from ethnic minorities—hosts its weekly meetings at the “local collaboration partners’ premises, which are most often located in the low-income housing community [where the beneficiaries live]” (Impact Report 2 DK5). Similarly, a WISE that promotes women’s upskilling takes place at an innovative and convenient venue: the schools attended by their children, which generates the feeling that “it’s back to school for moms as well” (Interview SA1). Providing a safe and easily accessible environment encourages learning and development, and, hence, forms an important step in the progress of beneficiaries’ social identity work.

Beyond this, artifacts and locations were also used to increase exposure to commercial logic. Some WISEs took their beneficiaries to visit locations that exposed them to a heightened commercial logic. For instance, DK5 conducted multiple company visits with beneficiaries, inviting them to “observe different functions and facilities and participate in a workshop in order to build a bridge between the beneficiaries and the business world” (Impact Report 2 DK5). SA1 visited factories and markets with their beneficiaries to teach them about large-scale manufacturing and sales. While such visits expose beneficiaries to the norms and rules of particular locations, the short duration of these day-visits limits the length of their exposure to commercial logic.

As the WISEs transition from exposing beneficiaries to a mixed logic to a fully commercial one, they shift away from places that resemble a social welfare logic to spaces characterised more completely by



commercial logic. A key example of this transition is evident in DK5, where beneficiaries pass a milestone at the headquarters of a S&P 100 company, where they pitch their ideas in front of a professional panel that provides feedback and recommendations for future development. In a similar fashion, towards the end of their program, SA1 helps to establish workstations at beneficiaries' homes so that they can become SA1's suppliers. In a further case, SA4 asks beneficiaries to wear uniforms so that "they were recognised in their communities as nurses [...] and people would come to them and ask them for advice, support, assistance" (Interview SA4), thereby enabling them to be acknowledged in their new role within their community.

The WISEs moreover used artifacts, such as certificates and letters of recommendation, to augment beneficiaries' employability because a certificate, "diploma" (SA4), or reference letter from a WISE could open the door to businesses that otherwise would not be interested, thereby increasing beneficiaries' chances of finding a job.

In summary, the material dimension of cross-fading is characterised by WISEs' use of physical artifacts and locations to transition beneficiaries from a social welfare to commercial logic. Relaxed initial settings facilitate personal discussions and development, while later exposure to commercial environments helps individuals adapt to business norms. Tangible items such as uniforms and certificates enhance social roles and employability and serve to bridge local and professional worlds.

#### **4.3.3. Discursive dimension of cross-fading**

The final dimension utilised in a cross-fading approach involves shifting from a social welfare discourse towards a commercial discourse. This shift is important as "language was a challenge for some of them" (Interview SA4), and it encompasses learning and adapting to the specific jargon and technical language associated with in-groups in potential future employment sectors. Initially, the focus of the cross-fading approach lies on emphasising beneficiaries' well-being and, hence, accentuates a social welfare logic. As such, WISEs prioritise creating a comfortable and relatable social environment where beneficiaries can be at ease and embrace development (Interview SA12): "We used to laugh about our children [...]. We'd all sit together and talk about our normal problems, you know, babies and whatever."

Over time, the discursive dimension was interrelated with the material and relational dimensions in that discourses were often mediated through specific artifacts and individuals. For example, part of beneficiaries' progress with their micro-businesses consisted of writing business plans and marketing materials, as well as sending out sales emails with the help of the WISEs' volunteers (DK5). Importantly,

such exposure to a business lexicon made them “more articulate” (Impact Report 2 DK5). Furthermore, the ability to pitch to a large audience also highlights the move towards adopting a more technical language at the end of WISEs’ programs. Moreover, in the South African context it was important for beneficiaries to learn how to “communicate in English” (Interview SA4), that is, the language of future customers and partners, leading WISEs to create “a lot of extra handouts where they could get more information” (Interview SA4).

Significantly, after progressing from the WISE, communication continued to be facilitated amongst beneficiaries in order for them to support each other in the future:

The WhatsApp group remains in place. And there is still communication between them. And the focus now is other learnerships, possible job opportunities. [...] They’re sharing the knowledge that they are gaining in terms of opportunities with the rest of the group, which is good. (Interview SA4)

In summary, the discursive dimension of cross-fading focuses on how communication and language evolve to support beneficiaries’ integration. Initially, the language within the WISE is shaped by a social welfare logic, which provides a foundation of emotional and psychological support through affirmative, nurturing language. As beneficiaries advance, they are gradually exposed to the specialised jargon and language of their industries. Throughout this process, the WISE continues to provide support, helping beneficiaries to navigate and adapt to new communicative environments, thereby easing their integration into the workforce.

## **4.2. Weighting**

Weighting is an approach through which each WISE creates a unique constellation of logic exposure, tailored through the three dimensions of social identity work to accommodate the distinctive needs of their beneficiaries. For example, while some beneficiaries may have been exposed to commercial logics through previous employment, others have never held a job, resulting in a lack of exposure and thus requiring a different degree of exposure and types of support. It follows that each WISE develops a specific mix of exposure to different logics that remains fixed throughout beneficiaries’ journey. This contrasts with cross-fading, where exposure changes over time. In the case of our study, four Danish and two South African WISEs employed such weighting to support their beneficiaries’ social identity work.

### **4.2.1. Relational dimension of weighting**

Part of helping beneficiaries perform social identity work is to aid them in managing the various relationships related to performing a job, including those with employees, employers, and customers, all of whom contribute to shaping beneficiaries' identities. In a weighting approach, WISEs intentionally select beneficiaries' interaction counterparts. Sometimes an individual with a mixed logic background is more suited for beneficiaries than an individual with either a purely commercial or social welfare background, and vice versa to create a social environment that allows their beneficiaries to thrive. Consequently, the social environment varies among the cases.

Employees play a vital part in beneficiaries' social environment. For DK2 it was important to create a diverse group, leading the WISE to include "different types of beneficiaries as well as neurotypical people. In this diversity, we actually learn from each other's strengths and challenges, and use it very constructively and consciously." In contrast, DK3 intentionally used volunteers as they represented a mix of social welfare and commercial logic, for example teaching the ability to fulfill commercial expectations related to operating a coffee-catering bicycle, whilst remaining mindful of beneficiaries' potential challenges in doing so. DK6, on the other hand, intentionally created a social environment where "13 out of a total of 18 employees are beneficiaries as they help each other and operate at their own pace". Due to the majority of their employees also being their beneficiaries, DK6 normalised the everyday challenges faced by beneficiaries when working, thereby creating a social environment of support that was necessary for their unique group of beneficiaries to manage their work identity successfully. It follows that the choice of employees within a WISE is an important relational resource for increasing or decreasing exposure to certain logics in order to help beneficiaries perform social identity work.

The cases in our study furthermore used different employers as relational resources. For example, with the aim of exposing their beneficiaries to a commercial logic, DK1 accepted smaller assignments from different employers to "let the [beneficiaries] meet a real profession". Creating such role models was crucial for visualising different work opportunities and how to perform these. In the case of SA3, for instance, the WISE helped beneficiaries become self-employed through entrepreneurship training that coached them on how to become their own employers: "We train them [...]: how are you marketing your products? And all those things. So they can become commercially [oriented]." (Interview SA3) At a later point in time, this WISE would follow up to help beneficiaries cope with augmenting their knowledge of commercial logic: "We've got coaches and mentors who then work with that person to then carry on." (Interview SA3)

Customers also played an integral role in shaping beneficiaries' identities. Although WISEs are unable fully to control interactions between beneficiaries and customers, the intention here is to expose beneficiaries to commercial expectations or to provide a filter to ameliorate such exposure. For example, DK1 stressed the importance of being "hired by a client who has some expectations. They [beneficiaries] come out and meet reality, solving real tasks, [doing] real work, and getting paid for it." SA3 also aided their beneficiaries' exposure to a commercial logic through customers: "We have identified the township market [where] they have to go and sell." Conversely, sometimes direct dialogue with customers was avoided, because "if one [of the beneficiaries] is very introverted as a starting point, when one is autistic, how do I then make sales?" (Interview DK2). As indicated in these quotes, WISEs regulated the amount of interactions between their beneficiaries and customers, and this was finetuned to their beneficiaries' specific needs.

Finally, in some cases the WISE would help with the relational resource of referencing, that is, contacting employers for jobs—an activity that is normally expected to be performed by applicants themselves: "We created an external business network, where I can then contact a company and say, 'Wouldn't it be something for you, for [this individual] to come and get small jobs at your place?'" (Interview DK3) By providing references for beneficiaries, the WISE helped legitimate beneficiaries' skills, thereby increasing the odds of employers providing them with an opportunity to work. The relational dimension of the WISE's social identity work help consisted of increasing the relational resources of their beneficiaries by helping them cope with different relations, as well as increasing their relational opportunities by helping them to contact potential employers.

#### **4.2.2. Material dimension of weighting**

WISEs also draw on a mix of material resources, such as spaces and objects, to help their beneficiaries perform social identity work. With the cases in our study, this was particularly effective in terms of the demarcation of physical spaces. For example, DK1 described how their physical location at a customer's warehouse was important for socialising beneficiaries into a work identity: "I can make completely different demands. We're on some other ground rules when we're at work." (Interview DK1) Importantly, some places encouraged a more commercial logic-oriented form of behaviour than others.

Some WISEs further stressed the importance of material objects in terms of helping to shape their beneficiaries' identity, for instance in regard to how physical appearance can help beneficiaries embody a particular job identity: "When she is standing by that bike [...] and they have aprons on, with names and

things like that, she no longer feels that people are looking down on her.” (Interview DK3) Managing one’s appearance helps beneficiaries to embody a job identity, as well as signaling group membership within the labor force to others.

A further material object utilised by the WISEs in our study as a material resource to help shape beneficiaries’ identity was the specific product itself which WISEs produced and sold needing to be of commercial standards: If I accepted a toy from anybody that wasn’t properly made, the others would get upset—why is she getting paid for that if the ear falls off or there’s a hole in it?” (Interview SA6) By creating strict quality requirements through their product, not only did WISEs imitate commercial expectations but they also helped to improve beneficiaries’ concrete skills, both of which constitute important elements in social identity work.

Finally, some WISEs used artefacts, such as diplomas and resumes, to acknowledge and highlight beneficiaries’ improved skills: “We give them a barista-assistant education and they also receive a diploma, which they can use to apply for jobs on their own.” (Interview DK3) In this vein, SA6 went on to claim that “I suppose [I’m] the first person that’s ever going to give them a CV and vouch for who they are.” These artifacts materialised the beneficiary’s ability to comply with a commercial logic thus being important for their social identity work.

#### **4.2.3 Discursive dimension of weighting**

Moreover, WISEs use different discursive resources to help shape the identities of their beneficiaries. A majority of the WISEs in our study sought to recreate the work environment in terms of tone and formality in order to demonstrate employers’ expectations, albeit in the low-risk setting of the WISE, applying this to expectations such as calling in when sick (rather than simply staying at home), being punctual, and professionally when dealing with conflict.

Furthermore, the discursive dimension is vital in cases where beneficiaries use patterns of speech against which employers are prejudiced:

They use the word ‘colleague’ when they are at work, and ‘friend’, ‘Shabab’, ‘brother’, and all the other words when they have time off. It shows me that [when they use ‘colleague’ they have] actually understood ‘okay, now we are at work, now it is the labour market that applies’.  
(Interview DK1)

Stressing the use of a certain type of discourse both helps beneficiaries create a beneficial mindset towards working and affects outsiders' perception of whether beneficiaries possess work-related vocabulary skills needed for finding employment.

In another of our cases, it was important for beneficiaries to avoid the overly regular use of commercial work jargon in order to prevent stress that would ultimately impede their social identity work: "If there is someone who is having a bad day, we always ask them to inform us, so we can listen to them, whether they want to go home, or if they need to be alone." (DK6, newspaper article) By creating such discursive flexibility, a WISE creates a safe environment where beneficiaries can vocalise the challenges which they experience during the day without risking negative comments, for instance those related to premature departure from their workplace.

### **4.3. Shielding**

Shielding is an approach employed by WISEs to protect beneficiaries from potentially harmful exposure to certain prevalent logics when such exposure could negatively impact their social identity work. This approach involves carefully managing beneficiaries' interactions with specific actors, environments, and discourses, for example by moderating relationships, avoiding detrimental settings, and steering clear of 'disempowering' narratives. Shielding was utilised in every case in our study to support WISEs weighting or cross-fading approaches.

#### **4.3.1. Relational dimension of shielding**

The relational dimension of shielding involves managing or mitigating interactions between beneficiaries and various individuals—such as customers, employers, pedagogues, public sector officials, and social workers—who embody specific logics that guide their behaviour and expectations during interactions. While often well-intended, not every interaction between such individuals and beneficiaries contributes positively to beneficiaries' social identity work.

*Commercial logic:* WISEs shield their beneficiaries from overly demanding commercial relationships to prevent premature integration into roles (e.g., internships) or exposure to clients who may expect higher performance levels than beneficiaries can deliver at that point in time. WISEs understand that if beneficiaries are not ready for engaging in these relations, they might be "pushed to the max and break down from the experience" (Interview DK4), which would be detrimental to their social identity work.

To shield beneficiaries WISEs proactively utilise transparent communication and strategic partnerships. For instance, SA1 produced handcrafted bags and informed clients that these were some of the first products produced by their beneficiaries, emphasising that they prioritised the educational aspects inherent in their creation over flawless execution during the production process: “I always say to my retail clients, ‘It’s the most imperfect bag you’re going to buy— enjoy it.’” (Interview SA1) Furthermore, WISEs proactively address clients’ potential misconceptions about their workforce’s capabilities, clearly communicating pertinent limitations to avoid unrealistic demands: “We also have customers who think that it is highly [-trained] professionals they have hired, and not us. We are really good at speaking up in advance that we cannot take on these kinds of tasks.” (Interview DK1) Such transparency helps manage expectations effectively, thus ensuring alignment between clients’ demands and beneficiaries’ abilities.

Preventive measures notwithstanding, beneficiaries may still experience periods in which the demands of their jobs pose challenges and, to address this, some WISEs strategically collaborate with commercial organisations to ensure that beneficiaries can fulfil their contracts: “We collaborate with a private cleaning company. The service we need to deliver to our customers is stable. But our employees are not. They get sick sometimes. [...] So this cleaning company steps in, and they supplement it.” (Interview DK4)

*Public sector logic:* In the Danish context, the relational dimension of shielding primarily involves moderating beneficiaries’ exposure to a public sector logic to prevent their beneficiaries’ further marginalisation, which would reinforce their position as non-group members of the labour market. Danish WISEs highlighted that public sector actors “will keep chasing [beneficiaries]” (Interview DK4) and force beneficiaries to underplay their capabilities by portraying themselves as “less” (Interview DK2) to secure public benefits. As one WISE highlighted, “as a [beneficiary], one simply doesn’t dare [to show improvements to one’s condition] because you never know if it will be used against you” (Interview DK3).

To shield their beneficiaries from public sector logic exposure inherent in such relations, WISEs participate in beneficiaries’ meetings with public sector actors. By acting as “a translator” (Interview DK2), the WISE can clarify and contextualise both the demands made by public sector actors and beneficiaries’ responses. Shielding in a relational manner helps to prevent misunderstandings that could lead to a loss of benefits or unnecessary bureaucratic complications, thereby allowing beneficiaries to focus on their social identity work rather than on navigating public sector procedures.

*Social welfare logic:* Beneficiaries often interact with multiple social welfare actors, including “contact persons, pedagogues and family therapists” (Website DK2). However, these relationships do not

necessarily contribute to building a work identity as they “protect the beneficiaries too damn much” (Interview DK2). This sentiment is further explicated by another WISE: “They do not always have to see a social pedagogue. [...] The recognition [they need] is not a pat on the back from some boring teacher or social pedagogue who has to say you did well even though you did a crap job.” (Interview DK1) Although these social welfare relations are important for beneficiaries, over-exposure to social welfare can leave beneficiaries in a position characterised by a lack of commercial exposure or expectations.

The WISEs in our study furthermore explained how certain customers unintentionally exposed beneficiaries to a social welfare logic. For example, one of DK3’s coffee-bicycle salespeople experienced a customer’s donation of money rather than purchase of a cup of coffee as demeaning. To shield beneficiaries, this WISE’s founder focused on creating a competitive product that customers would buy not out of pity but genuine desire.

#### **4.3.2. Material dimension of shielding**

An essential element of social identity work includes beneficiaries’ ability to interact with and manage the demands arising from various material artefacts and places. However, not all artefacts or places are conducive to furthering beneficiaries’ social identity work and WISEs recognise the need either to protect their beneficiaries or to help them cope with these.

*Commercial logic:* The most crucial material artefacts and places for performing social identity work are those infused with a commercial logic. One such material aspect is the physical workplace, e.g. a coffee shop, where commercial logic requires an employee’s constant presence to serve customers—a demand that can be overwhelming for some beneficiaries. To tackle this one WISE decided to sell coffee from bicycles rather than in a coffee shop: “When they are working on the bike [...] they have the opportunity to withdraw if they need to [...]. If it becomes too much, they have the opportunity to go and sit on a bench nearby.” (Interview DK3)

A further facet of the commercial material dimension lies in the fact that finding employment entails beneficiaries’ need to transport themselves from home to work; yet, for some, transport forms a stumbling block, leading WISEs to help: “We are also responsible for transport [...] because people with disabilities are vulnerable. Getting them very safely to work is key.” (Interview SA8) Because some beneficiaries struggled with public transport, this WISE adopted the strategy of shielding them from unsettling or dangerous situations.



*Public sector logic:* The Danish WISEs in our study were moved to address the challenges posed by public sector bureaucracy and digitalisation, both of which significantly impacted beneficiaries' progress towards employment. They noted that bureaucratic demands often forced beneficiaries to spend excessive time in meetings, which could be overwhelming: "It's a disaster. If I had to go to meetings all the time, I would succumb." (Interview DK2) To shield beneficiaries WISEs either accompanied them to such meetings or sought to exempt them from the system entirely.

The Danish WISEs here moreover addressed bureaucratic material obstacles faced by their beneficiaries in their journey into employment. As a highly digitalised country, numerous processes occur online in Denmark, including governmental bodies' dialogue and interactions with citizens, hence leading to significant stress "as some beneficiaries do not even have a computer" (Interview DK4) and the potential for incurring penalties, such as the withholding of benefits.

To shield beneficiaries, DK4 provided hands-on support to their beneficiaries in managing IT systems, thus preventing beneficiaries from allocating too much of their time and resources to activities that did not aid their progress towards a job identity.

*Social welfare logic:* Exposure to social welfare through the material dimension was salient in terms of the products created by beneficiaries as part of their job-training programs (Interview DK4): "The employment activities are constructed just for the sake of being an employment activity. [...] It is hard to find the connection to work [with these products]". It follows that this WISE deemed it to be vital that products met commercial standards (Interview DK3): "By selling coffee, you provide a service and you do a piece of work, you get rewarded for it. There is more dignity by doing a piece of work and get rewarded for it."

#### **4.3.3. Discursive dimension of shielding**

The discursive dimension of shielding revolves around protecting beneficiaries from the negative impacts of verbal and written language on their social identity work. Through the discursive dimension of shielding a WISE ensures that language does not further distance beneficiaries from the job market.

*Commercial logic:* In the cases we studied, a number of commercial discourse artefacts were mentioned by WISEs as provoking insecurity amongst beneficiaries, for example the growing tendency in the labour market to "create job advertisements that are usually 3 pages long with all these things you need to be able to do" (Interview DK2). Such artefacts often create unrealistic expectations, causing beneficiaries "not to sleep" (Interview DK4) and rendering the labour market less accessible to beneficiaries who find such requirements overwhelming.

To add nuance to commercial discourse for beneficiaries and alleviate their insecurities, one WISE illustrated such demands as follows (Interview DK4): “I draw a circle, write 168 hours for a week, and show that the job is only 2 to 10 hours. It shows them how little it actually takes from their lives, which is often an eye-opener.” This approach helped beneficiaries to recognise that even demanding jobs consumed only a small portion of their week, thus changing their perspective on work commitments and enabling social identity work.

*Public sector logic:* A public sector logic was discursively salient in both written and spoken language. One WISE pointed to problems exacerbated by job consultants who lacked knowledge of autism, stating that “the job consultant doesn’t know anything about autism [...] but you have to tell them about what you cannot do” (Interview DK2). This focus on negative aspects can unintentionally marginalise beneficiaries and even distance them further from the labour market. To counteract this, a WISE either moderates such discussions or seeks to remove the beneficiary from these types of settings, thereby shielding them from public sector discourse.

Beneficiaries often encounter public sector logic discourse in form of the written language in documents on governments’ digital platforms. Such language can be anxiety-inducing and confusing as beneficiaries “simply do not understand this type of dialogue” (Interview DK4). To shield beneficiaries, WISE assisted in comprehending and responding to such documents.

*Social welfare logic:* The WISEs in our study actively worked to steer beneficiaries away from charity discourse. They aimed to shift both beneficiaries’ and other stakeholders’ discourse away from talking about beneficiaries as being in need of charity, emphasising that “I need to get the word charity out of everyone” (Interview SA3). Adopting a view of themselves as “charity cases” (Interview SA3) can discursively distance beneficiaries from the labour market and hamper their social identity work. Changing this discourse was directed at fostering a more empowered and proactive attitude amongst beneficiaries with the aim of supporting their social identity work.

In summary, shielding involves WISEs’ careful management of beneficiaries’ interactions with specific actors, environments, and discourses. Shielding was implemented across all three dimensions to ensure its effectiveness; relying on just one dimension would potentially not suffice. Notably, while there was little difference between the Danish and South African cases in their cross-fading and weighting approaches, the most significant variance was observed in their application of shielding, with Danish WISEs primarily focusing on the public sector logic in their shielding efforts.

## 5. DISCUSSION

In this paper we set out to explore *how social enterprises leverage their hybridity to enable social identity work for their beneficiaries*. We found that WISEs employ three approaches to guide the social identity work process for beneficiaries: cross-fading, weighting, and shielding. With these findings, we contribute to the literature on social entrepreneurship and hybrid organisations.

### 5.1. Adopting institutional logics in social enterprises

Responding to the call by Mongelli et al. (2018) for more empirical studies to be conducted at the organisational level, we empirically examined how WISEs expose their beneficiaries to commercial, social welfare, and public sector logics, providing a detailed account of how WISEs leverage hybridity to facilitate social identity work. WISEs' hybrid nature enables them to draw flexibly on institutional logics from their institutional environment (Besharov & Smith, 2014; Pache & Santos, 2010; Pache & Santos, 2013b; Sætre, 2023), selectively emphasising or minimising certain influences (Pache & Santos, 2013a; Perkmann et al., 2019), akin to the way in which a membrane selectively allows substances to permeate it. Supporting insights generated by Thornton and Ocasio (2008), our study highlights how WISEs exert control over the norms and rules that pertain within their operations and their partner networks, influencing preferred communication methods and shaping relationships between individuals. By drawing on social identity work perspective (Brown, 2022; Lawrence & Phillips, 2019), we show in detail how this control extends across the material, discursive, and relational dimensions of social identity work.

Building on prior research on organisational hybridity (Battilana & Dorado, 2010; Pache & Santos, 2013a; Pache & Santos, 2013b; Smith & Besharov, 2019; Tracey & Phillips, 2016), we delve deeper into WISEs' creative use of hybridity as a means for social identity work. Previous studies, such as the one by Pache and Santos (2013a), propose that organisations can act as filters for institutional logics, either amplifying or buffering their members from the influences of wider, field-level logics. We show three approaches at play in such 'filtering', namely *cross-fading*, *weighting*, and *shielding*.

In terms of a cross-fading approach, our findings highlight the stacked introduction of institutional logics, which addresses the social needs of beneficiaries before exposing them to commercial environments. We expand on Perkmann et al.'s (2019) conceptualisation of hybrid spaces, who argue that both a dominant and minority logic can be enacted. While Perkmann et al. (2019) find that spaces are hybrid rather than dominated by a single logic, we find that hybrid spaces can indeed be dominated by a single logic—at least for a certain period of time—as demonstrated in the strategy of cross-fading. Moreover, we add nuance

to the interplay between dominant and minority logics in these spaces by arguing that hybrid organisations can create ‘mono-logic’ (social welfare logic) spaces, subsequently transposing these into hybrid (mixed logic) spaces, and, finally, reconverting them to mono-logic (commercial logic) spaces. As such, hybrid spaces are not static but can be in constant flux and, thus, enable the social identity work of WISEs’ beneficiaries.

A weighting approach, conversely, adjusts exposure to institutional logics from the outset, tailoring it to the specific needs of beneficiaries by striking a balance between financial imperatives and social goals. WISEs that adopt this approach create a unique constellation of exposure based on the concrete challenges posed by different groups of beneficiaries, thus addressing the unequal distribution and access to resources and work opportunities highlighted in the literature (Lamont & Molnár, 2002; Lawrence & Phillips, 2019). Finally, shielding limits exposure to potentially harmful commercial and public sector pressures, in this way safeguarding beneficiaries’ well-being. While Perkmann et al. (2018) discuss shielding junior academics from the commercial logic, we extend this argument to include other types of logics, such as shielding against social welfare or public sector logic. We add further nuance to such shielding by showing that this does not always refer to a total protection from a particular logic, but also involves helping beneficiaries cope with fulfilling a bare minimum of the institutional requirements of such logics, similarly to Pache and Santos’s (2010) strategy of comprise.

## **5.2. Social identity theory and hybrid organising**

In this paper, we introduce social identity work perspective (Brown, 2022; Lawrence & Phillips, 2019) as a novel lens that enriches our understanding of how institutional logics are managed in social enterprises and, specifically, in WISEs. Through such a lens, efforts of work integration can inherently be regarded as efforts of social identity work, where WISEs help to shape their beneficiaries’ identities and propel these towards acceptance into the labour market by in-group members thereof (Tajfel & Turner, 1979; Thornton & Ocasio, 2008). Furthermore, this view also helps scholars “to investigate the significance of identity work for understanding processes of organising” (Brown, 2022, p. 15). In other words, this lens adds nuance and enriches our understanding of the different ways of hybrid organising that pertain, thereby generating a more profound understanding of the crucial efforts made by WISEs (Brown, 2022; Lawrence & Phillips, 2019).

A more finely grained understanding here is enabled by conceptual and analytical capacities derived from social identity work perspective, that is, a framework that systematically captures the relational,

discursive, and material dimensions (Lawrence & Phillips, 2019). Previous studies have often addressed relational, discursive, and material dimensions either only implicitly or in isolation, thereby leaving aside the complex interplay between them. For example, studies that focus solely on the relational dimension, such as Perkmann et al.'s (2019) work on protecting junior researchers from commercial demands, may overlook the importance of the discursive and material dimensions. Concretely, relational shielding may be insufficient, or highly resource-intensive, should discursive and material dimensions not be brought into alignment. Similarly, studies that focus exclusively on the discursive dimension, such as Jammaers et al.'s (2016) work on disabled employees' discursive practices, may miss the crucial role played by relational and material factors. Such oversight can result in the failure of efforts made in the discursive dimension, as they lack the necessary support stemming from relational and material elements. Our findings show how all three dimensions need to be aligned to enable beneficiaries' social identity work. Thus, the systematic approach of social identity work perspective is essential for grasping the nuanced strategies and challenges encountered by social enterprises in their efforts to achieve the meaningful work integration of their beneficiaries. In the same vein, it is also in this way that researchers are enabled to offer more effective, practical recommendations.

### **5.3. Social enterprises in different institutional environments**

Our study was conducted in two countries characterised by strikingly different institutional environments: Denmark and South Africa. In the light of this, we expected to identify significant variance in terms of how the three institutional logics influence WISEs' leveraging of hybridity and enabling of social identity work. Contrary to our expectations, the only observable differences were in their interactions with public sector logic.

In Denmark, the strong presence of a public sector logic provides essential resources and support to WISEs, yet this support paradoxically complicates the social identity work of their beneficiaries. Although these resources are beneficial, Danish WISEs find it necessary to shield their beneficiaries proactively from bureaucratic elements of public sector logic. Such shielding involves reducing exposure through material, discursive, and relational dimensions, as complete avoidance of the public sector is unfeasible due to the dependency of both WISEs and their beneficiaries on government resources. Consequently, while the public sector logic aims to support the ultimate goal of WISEs, it inadvertently hampers this by complicating beneficiaries' social identity work. This results in Danish WISEs investing significant effort into mitigating the impact of public sector logic on their beneficiaries—a challenge not observed in our South African cases.

Besides these differences in regard to public sector logic, we did not observe differences in the social identity work performed by the WISEs across both contexts. While prior research suggests that social entrepreneurship varies significantly between countries (Bacq & Janssen, 2011; Mair & Martí, 2006), our findings indicate that analysing institutional fields and their level of institutionalisation generates more insights than comparing countries themselves (Weisenfeld & Hauerwaas, 2018), chiefly because social enterprises operate within diverse contexts that shape the way in which they can promote social interventions. It becomes evident that the way in which social enterprises can leverage hybridity and support their beneficiaries in performing social identity work transcends national boundaries and is more influenced by the specific institutional landscapes that social enterprises navigate in (Weisenfeld & Hauerwaas, 2018; Zahra et al., 2009), for example in terms of the differences in the role and amount of government spending (Esping-Andersen, 1990; Salamon et al., 2000; Stephan et al., 2015). Future studies could focus on examining those specific institutional environments and levels of institutionalisation within which social enterprises operate, rather than merely comparing countries, in order to gain a deeper understanding of how these contexts influence social enterprises' strategies and effectiveness.

#### **5.4. Implications for practice**

Our study provides three distinct blueprints -cross-fading, weighting, and shielding- for organisations engaged in supporting social identity work, regardless of whether they are WISE, other types of social enterprises, or for-profit ventures that aim to contribute to the SDGs or fulfil the ESG requirements. These approaches can be selectively applied based on specific needs of their beneficiaries. It is crucial for practitioners to consider all three dimensions of social identity work -relational, material and discursive- to optimise the effectiveness of their efforts. Employing a comprehensive approach that integrates these dimensions ensures that their social interventions are robust and tailored to the complex realities of their beneficiaries. Additionally, while public sector entities in the Nordic countries currently aim to outsource solutions, they remain significantly involved with the beneficiaries. This dual role requires WISEs to expend considerable energy on shielding. Collaborative efforts at the organisational level are essential, enabling beneficiaries to concentrate on their social identity work.

#### **6. CONCLUSION**

This study demonstrates how social enterprises, particularly WISEs, leverage hybridity through cross-fading, weighting, and shielding to support social identity work among beneficiaries. These approaches help beneficiaries integrate into diverse work environments, facilitating social identity work through

leveraging social connections, material artefacts, and narratives. By doing so, WISEs adapt organisationally to diverse institutional logics to meet their beneficiaries' needs. Our findings enhance our understanding of how social enterprises can proactively leverage their hybridity as well as offering insights for integrating marginalised individuals into the workforce. We remain hopeful that our study provides a valuable foundation for further research into the social enterprises' hybridity, particularly in how they facilitate the integration of marginalised individuals into the workforce.

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Table 1: Overview of WISEs used in this study

<b>SE</b>	<b>Founding Year</b>	<b>Social target group</b>	<b>Work Integration Intervention</b>	<b>Social Enterprise Description</b>	<b>Interview Data</b>	<b>Archival Data</b>
<b>DK1</b>	2015	Ethnic minority boys and girls	Formal employment	A social enterprise providing part-time or after-school jobs to ethnic minority youth. It hires out their labour to companies or private individuals needing manual labour such as painting, cleaning, babysitting etc.	1 interview / 97 minutes	Website information, social media posts, newspaper articles
<b>DK2</b>	2016	Autists, war veterans, marginalised people	Formal employment, job capability assessment	A brewery employing individuals with autism and war veterans. Its goal is to remove the stigma around autism and the reluctance to hire war veterans by inspiring other companies to employ them.	1 interview / 71 minutes	Website information, social media posts, TV appearance, newspaper articles
<b>DK3</b>	2018	Vulnerable homeless people	Formal employment	A social enterprise employing homeless individuals who are having a hard time getting a job to sell coffee on coffee bikes at events and around certain locations in the city.	1 interview / 61 minutes	Website information, social media posts, newspaper articles
<b>DK4</b>	2016	Individuals with stress or social challenges	Formal employment, placement services, job capability assessment	A social enterprise offering transitional job training and employment, and helps physically and psychologically disabled individuals, referred by the local municipality.	1 interview / 91 minutes	Website information
<b>DK5</b>	2016	Ethnic minority boys	Entrepreneurship training program, skills development,,	A social enterprise that supports ethnic minority youth in establishing	1 interview / 68 minutes	Website information, social media

SE	Founding Year	Social target group	Work Integration Intervention	Social Enterprise Description	Interview Data	Archival Data
			micro business creation	microbusinesses in collaboration with private companies to enhance their social and academic skills.		posts, newspaper articles, TV appearance, impact reports
DK6	2010	Individuals with stress or social challenges	Formal employment	A coffee roastery where over half of the staff are individuals with reduced working capacity due to mental health issues such as stress.	1 interview / 100 minutes	Website information, social media posts, newspaper articles, TV appearance
SA1	2014	Unemployed women living in poverty	Skills development, entrepreneurship training, micro business creation	A social enterprise transforming recycled saris into new products, to create employment and nurture future entrepreneurs. It offers sewing training, business model assistance, and centralized marketing support for their microbusinesses.	1 interview / 70 minutes	Website information, social media posts, newspaper articles
SA2	2000	Young adults with intellectual disabilities	Job capability assessment, placement services, job training, personal development planning	A training centre for young adults with intellectual disabilities. It equips them to enter the workplace in low-skilled jobs through a combination of training and supported internships.	1 interview / 99 minutes	Website information, social media posts, newspaper articles, TV appearance
SA3	2020	Youth and women in poor area	Entrepreneurship training, skills development, micro business creation	A construction and environmental awareness social enterprise that teaches youth and women in poor areas how to build with eco-bricks. It runs an array of	1 interview / 60 minutes	Website information, social media posts, newspaper articles

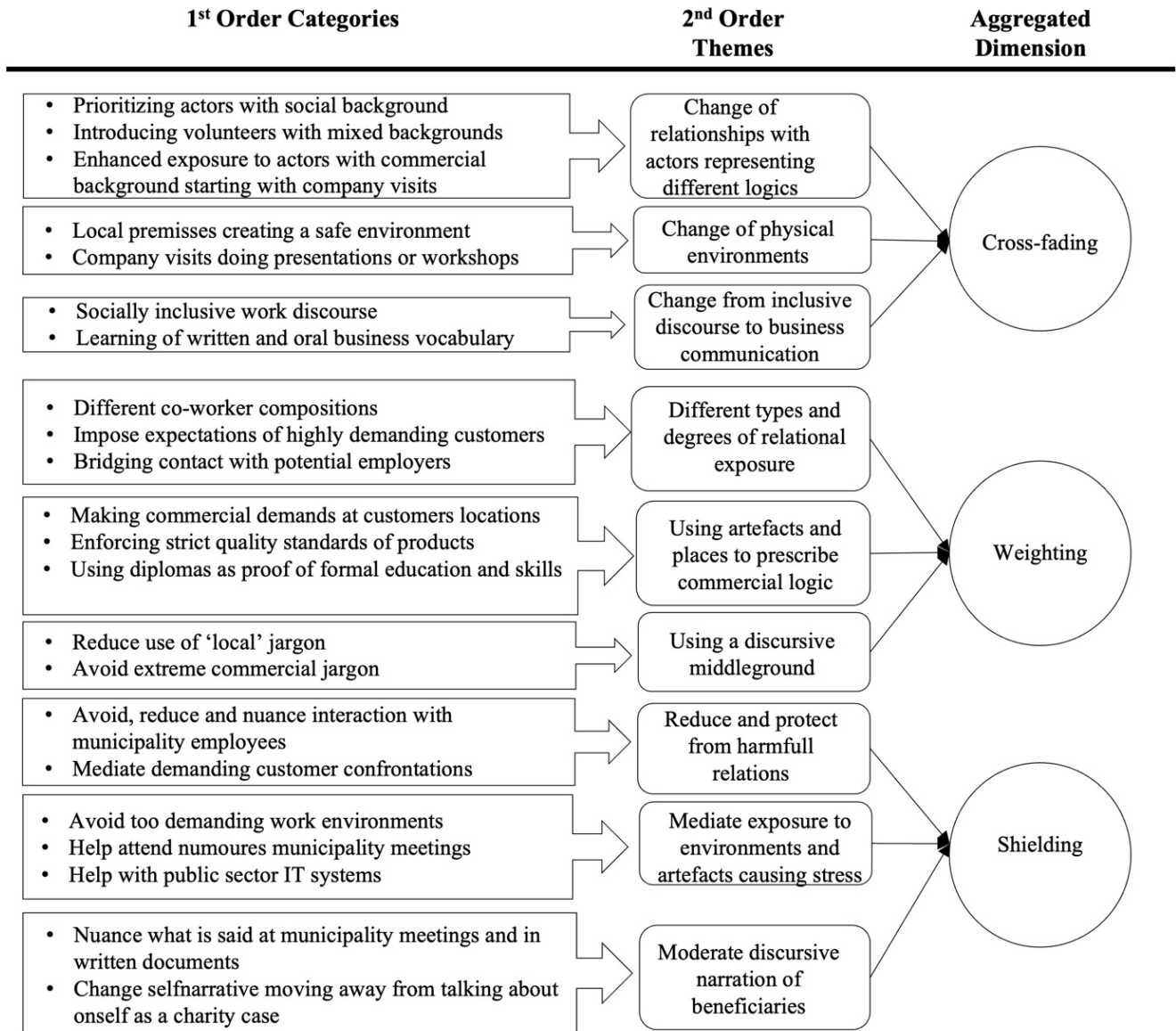
<b>SE</b>	<b>Founding Year</b>	<b>Social target group</b>	<b>Work Integration Intervention</b>	<b>Social Enterprise Description</b>	<b>Interview Data</b>	<b>Archival Data</b>
				environment-friendly programmes.		
<b>SA4</b>	2012	Vulnerable young adults	Job training, formal education.	A social enterprise that began as an end-of-life facility. It trains vulnerable young adults to assist the elderly and equips them with accreditation for future employment in the elderly care sector.	1 interview / 69 minutes	Website information, social media posts, newspaper articles
<b>SA5</b>	2011	Women living in informal settlements; especially mothers of children with disabilities	Entrepreneurship training program, micro business creation	A social enterprise that uses a clothes recycling programme to give women living in informal settlements, especially mothers of children with disabilities, the means to start their own second-hand clothes business.	1 interview / 83 minutes	Website information, social media posts, newspaper articles, TV appearance
<b>SA6</b>	2011	Unemployed women in poor rural communities	Formal employment, skills development	A social enterprise that employs women in a poverty-stricken rural area to make unique, high-quality stuffed toys out of African fabric which are sold upmarket.	1 interview / 59 minutes	Website information, newspaper articles

Table 2: Quotes from interviews, to illustrate dimensions of social identity work in hybrid organising

Institutional logics	Dimensions of Social Identity Work		
	Material	Discursive	Relational
Social-welfare logic	<p>“When they work on the bike, they do not consider it a workplace, understood in the sense that it takes place outdoors, they have the opportunity to retract if they should need it. For example, at one point, it becomes too much for her, she is mentally vulnerable, suffers from anxiety and so she has the opportunity to say no [to the customer], and when she says no, she can just go and sit on a bench, right nearby. Then she sat over there for half an hour. When she is ready, she can come back again. And that’s what this bike can do.” (DK 3)</p>	<p>“[The boardgame] sets off some processes, one could call it a process tool, where you come in with a significant question, and then sit together [and talk], and have it illuminated in various ways through such a conducted process. What you experience there is that you can also use each other in that way, you actually gain something from having it illuminated also from others.” (DK 4)</p>	<p>“Where they had social issues, we were able to refer them to a social worker that was able to assist them further. You know we have access to councillors, and we get that as well. We looked at every facet of their life and looked at where the needs were, and we tried to fill those gaps as best as we could.” (SA 4)</p>
Commercial logic	<p>“If I accepted a toy from anybody that wasn’t properly made, the others would get upset – why is she getting paid for that if the ear falls off or there’s a hole in it?” (SA 6)</p>	<p>“I need to get the word ‘charity’ out of everyone – there’s nothing for free. That’s what we teach them. Nothing is for free.” (SA 3)</p>	<p>“We try to let the young people meet a real professional; they do not always have to meet a social mentor from the municipality. They have to go out and meet the labour market, go out and meet someone like Peter who has his own factory – we let the young people go out and meet professionals.” (DK 1)</p>
Public sector logic	<p>“Then there are people who have a stress load, etc., but they are the ones who are most required to go to [physical] meetings, to go to all sorts of things and matters. To be able to document that they are there. So it’s a disaster. If I had to go to meetings all the time, then I would... I would [also] succumb.” (DK 2)</p>	<p>“[The public servants helping the beneficiaries, knowing little about their conditions, often asked insensitive questions.] Already it [the public servants’ behaviour] is crossing your boundaries, like, how the hell can you offer to treat people that way? And you are constantly talked about, so</p>	<p>[A Danish WISE mentioned problems with unsuitable government interventions.]</p> <p>“[Our volunteer] is not an employee from the municipality who comes to meet the person thinking ‘now they have got this job, and they actually do not bother helping today, but now they must.’ The people</p>

		<p>there is always such predominant mistrust: 'Argh, is that really true?' And: 'Argh have you really given it a try?'" (DK 2)</p>	<p>who are so vulnerable do not need someone from the municipality who just gets money to sit and talk to them." (DK 3)</p>
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Figure 1: Data structure





## Paper 3: Contesting and Reconstructing Social Problems Through Shaping Categories and Practices

Sebastian Gram Nguyen Rasmussen

### **Abstract**

Social problems are at the core of social enterprises and are often described as being objective in nature, assuming actors have a universal understanding of them. However, recent literature suggests that social problems are socially constructed, allowing for the possibility of contesting and reconstructing prevailing constructions of social problems. Using a multiple case study of 19 social enterprises who target different social problems related to marginalised groups of either consumers, employees, or suppliers, I seek to explore how social enterprises (re)construct social problems through beneficiary categories and related practices. To explore this research question, I used the social-symbolic framework that highlights two social-symbolic objects related to social problems: categories and practices. I found that social enterprises reconstruct social problems by contesting prevailing categorisations of their beneficiaries and related practices that focus on their disadvantages and shape them into new categorisations and related practices that instead focus on the beneficiaries' capabilities. This paper contributes to the literature on social enterprises by demonstrating that social enterprises not only come up with novel solutions to social problems but they engage in efforts to reconstruct social problems by contesting and shaping the categories associated with their beneficiaries and the practices that arise from these categorisations. Furthermore, this study enhances the understanding of social-symbolic objects by illustrating how different objects are interconnected and influence one another in that any alteration in one object necessitates consideration of its impact on related objects.

## 1. INTRODUCTION

Social problems are an integral part of the social enterprise literature (Choi & Majumdar, 2014). For example, Mair and Marti (2006) argued that “the distinctive social domain of social entrepreneurship... [is] to address a social problem” (p. 38). Interestingly, social problems are often described as being objective in nature thus assuming actors have a universal understanding of them (Lawrence & Phillips, 2019). To tackle social problems, actors therefore need to raise awareness of the social problem among the target population being affected by it (Stephan et al., 2016) and to stakeholders providing resources to help solve the social problem (Waddock & Post, 1991). From such view, the role of social enterprises is to address these social problems by coming up with innovative solutions when previous attempts have proven inadequate. This is often referred to as market and governmental failure (Luo & Kaul, 2019; McMullen, 2011; Saebi et al., 2019).

However, the view that social problems have an objective nature has been criticised (Blumer, 1971; Lawrence & Phillips, 2019). Instead, social problems are suggested to be complex, uncertain, evaluative (Ferraro et al., 2015), and socially constructed as to “what comprises the problem, what its boundaries are, as well as its effects and importance” (Karakulak & Lawrence, 2021, p. 2). Treating social problems as being socially constructed, as opposed to being objective in nature, also means that established constructions of social problems can be contested. This is important, as how a social problem is constructed, or framed will, “compel different set of actors and actions” (Dorado et al., 2022, p. 11). Consequently, the way actors perceive and construct a social problem is crucial, as it directly influences the effectiveness of the solutions they develop. Thus, a nuanced understanding of the social problem's construction is essential for generating viable and impactful solutions.

According to the social-symbolic framework, social problems are tied to the way the beneficiaries being impacted by the problem are being categorised (Lawrence & Phillips, 2019). From this lens, attempts to reconstruct social problems are therefore described as purposeful, reflexive efforts intended to shape or maintain social-symbolic objects, such as a categories (Lawrence & Phillips, 2019, p. 5). However, reshaping the categorisation of beneficiaries also necessitates the development of new solutions to solving the newly constructed social problem. Therefore, social enterprises must not only shape the categories of their beneficiaries but also shape the practices that provide the necessary solutions and resources to effectively tackle the reconstructed social problem.

To this end, this study embarks to find out *how do social enterprises (re)construct social problems through beneficiary categories and related practices*.

To answer the research question, I conducted a comparative case study (Miles, 2014) of 19 social enterprises that address social problems related to marginalised groups of consumers, suppliers, and employees (Hockerts, 2015). This focus on different social problems allowed for an investigation looking at patterns across the cases in how the social enterprises contest and reconstruct social problems. I identified two social-symbolic objects, categories and practices, that together affected the construction of the social problem. Hence, in order to reconstruct social problems, social enterprises contest and shape prevailing categorisations of their beneficiaries and the prevailing practices available for solving the social problem.

My study makes three contributions. First, I show that social enterprises not only come up with novel solutions to social problems but they also engage in efforts to reconstruct social problems by shaping the categorisation of their beneficiaries and the related practices. Second, I contribute to the literature on social-symbolic work by showing how different social-symbolic objects are connected and shape each other. Finally, I contribute to the social enterprise literature by showing how social enterprises do not just adopt different practices, such as storytelling and impact measurement, but are actively shaping these practices in efforts to affect the categorisations of their beneficiaries.

## **2. THEORETICAL CONTEXT**

In this section, I will elaborate on the novel social-symbolic framework, review how it has been applied in the social entrepreneurship literature, and explain how it relates to the construction of social problems. The social-symbolic framework developed by Lawrence and Phillips (2019) works as an umbrella framework intended to unify management literature related to different forms of social-symbolic objects including, among others, organisational *practices* and *categorisations* of people. Social-symbolic objects are socially constructed, interpretable entities composed of concepts and subject positions that constitute a meaningful pattern in a social system (Lawrence & Phillips, 2019). However, the focus of the framework is not only to describe the different social-symbolic objects but also to understand the intentional and reflexive efforts of actors in shaping or maintaining social-symbolic objects.

Some scholars have applied this lens to social enterprises by investigating how they intend to shape different social-symbolic objects, while not necessarily using explicit social-symbolic framework terms. For example, focusing on institutions, Tracey et al. (2011) created a multilevel model of how a

social enterprise created a new institutional social-symbolic object - a new organisational form. Focusing on emotions, Barberá-Tomás et al. (2019) studied how a social enterprise worked towards shaping the emotions of resource providers as a social-symbolic object by showing them a morally shocking visual image which mobilised them to enact their social cause. Finally, Tracey and Phillips (2016) focused on organisational identity by conducting a study on how a social enterprise responded to being stigmatised for helping migrants in its community by reshaping its organisational identity.

## **2.1 Social-Symbolic Objects**

Social-symbolic objects possess two key characteristics: they considerably influence the allocation of opportunities, advantages, and rewards within social systems, and they are often taken for granted in everyday life (Lawrence & Phillips, 2019). Regarding the first characteristic, social-symbolic objects do not provide equal benefits to all individuals in society. Instead, they unequally distribute rewards and opportunities, often favouring certain individuals while marginalising others. Furthermore, the second characteristic suggests that this unequal distribution is frequently accepted as a given. Consequently, challenging a social-symbolic object that is largely taken for granted requires a deliberate awareness of the inner workings of the social systems in which the object is situated. Without this conscious understanding, it might be hard to identify the unequal effects of the social-symbolic object and be able to find ways of changing it.

A conscious understanding is argued to be created through experience corridors, with one example being prior experience with an social-symbolic object from a former job (Corner & Ho, 2010). From these experience corridors, actors can gain firsthand insight into how social-symbolic objects profoundly influence their own opportunities and others in society. As a result, actors may attempt to maintain or shape the social-symbolic objects based on the advantages or disadvantages they are currently accruing in society. Consequently, a conscious understanding of social-symbolic objects and their effects on individuals in society can serve as a catalyst to critically examine and contest prevailing social-symbolic objects.

## **2.2 Categorisations and Practices as Social-Symbolic Objects Related to Social Problems**

Connecting social-symbolic objects to social problems is a new endeavour. In a recent study, Karakulak and Lawrence (2024) connected the social-symbolic object of relationships to the construction of social problems and found that how the social problem was constructed depended on whether the actors extensively or efficiently shaped their relations. Two other social-symbolic objects outlined by Lawrence

and Phillips' (2019) framework which are relevant to social problems include categories and practices. Categories describes a 'recognised type' of some phenomenon and are used to make it easier for an audience to describe and identify people and places (Lawrence & Phillips, 2019). Once a shared understanding of the category has emerged it becomes a tool to evaluate future instances of the created category. For a category to be created and reproduced there is a need for someone to produce it and consume it (Lawrence & Phillips, 2019). However, the individuals being categorised (category-members) and the individuals who are using the categorisation to evaluate future instance (consumers) are not necessarily the individuals who produced the category in the first place.

This leads to another interesting facet of categories where some actors might benefit from categorising others in a certain way and, because of this, they intend to control and reproduce the categorisation. For example, in the book titled 'The Disability Business,' Albrecht (1992) explains how categorising certain individuals as being disabled has led to a multi-billion-dollar disability industry in the United States - a categorisation that certain organisations attempt to maintain. In other words, there might be economic gains in controlling a specific categorisation of individuals, despite how this categorisation affects the individuals being categorised.

Categories serve both as a descriptive function and as a way to foster a shared social understanding that elicits certain connotations, which can be either positive or negative. This understanding affects both the group of individuals being categorised and outsiders' perception of the categorised group of individuals. For example, Barberá-Tomás et al. (2019) demonstrated how a picture of a midway albatross with a stomach full of plastic created a moral shock among resource providers, which thereby changed their social understanding of plastic use. Categorisations are therefore closely tied to the construction of social problems, as the way groups of individuals are categorised shapes perceptions of what constitutes a social issue for these groups. The construction of a category, along with its associated connotations and social understandings, therefore, directly influences both the construction and framing of the social problem itself.

Categorising a group of individuals in a certain way allows actors to recognise it as an instance of the social problem while also helping to frame the problem in a way that calls for certain solutions. These solutions can be the social-symbolic objects of practices. Practices are "shared routines that exist as recognised forms of activity that guide behaviour of actors according to the requirements of specific situation" (Lawrence and Phillips, 2019, p. 218). Practices furthermore "belong to social groups, rather than individuals: groups define the correctness of a practice." Thus, for an activity to be recognised by

others as an instance of a practice, it “must conform to social expectations set by a specific group or community” (Lawrence & Phillips, 2019, p. 219). For example, in constructing a social problem around how plastic negatively impacts midway albatrosses, one practice that would be socially accepted is the elimination of single-use plastic in private households (Barberá-Tomás et al., 2019). However, just like categorisations, practices benefit certain actors in the social system. This is why one might consider plastic producers’ efforts to maintain and promote the use of single-use plastic as a practice in private households despite its potential negative effects on the midway albatrosses.

In social entrepreneurship research, scholars have focused primarily on practices related to social interventions and resource mobilisation. Stephan et al. (2016) reviewed social intervention practices and identified 12 practices that organisations enact to change the motivation, capability, or opportunity of their beneficiaries. Social interventions are performed either as surface-level or deep level-strategies. A surface-level strategy is characterised by treating the beneficiaries as reactive, which is why intervention practices that induce extrinsic motivation are enacted. Conversely, a deep-level strategy is characterised by treating the beneficiaries as more collaborative, which is why intervention practices that foster a more intrinsic motivation are enacted. Hence, the social understanding of a beneficiary category as either reactive or collaborative significantly influences the choice of strategy and the specific practices implemented.

Resource mobilisation practices can include impact measurement (Ebrahim & Rangan, 2014; Kroeger & Weber, 2014) and storytelling (Lounsbury & Glynn, 2001; O'Connor, 2002). Scholars have investigated the multiple purposes of measuring the impact of social interventions and telling stories about them, including evaluating the activities and outcomes of social interventions, and using impact measures for promotion reasons through storytelling (Behn, 2003; Lounsbury & Glynn, 2001; Rawhouser et al., 2019). Importantly, impact measurement has been criticised for assuming a universal, objective account of social performance that prioritises short-term criteria of efficiency over long-term ones, which in turn reduces the meaningfulness of the evaluation process (Kanter & Summers, 1994).

In summary, categories and practices demonstrate the first important quality of social-symbolic objects as they significantly affect the distribution of opportunities, benefits, and advantages within social systems. If actors experience these opportunities, benefits, and advantages as being unfairly distributed due to current categorisations, they may engage in efforts to contest and reshape these categorisations. Furthermore, if an actor challenges a specific categorisation, they are also likely to question practices currently deemed appropriate to responding to that categorisation. This suggests that when an actor

disagrees with a particular categorisation, they may encounter a conflict between a newly shaped categorisation and the established practices previously considered legitimate (Lawrence & Phillips, 2019). In such a scenario, the actor challenging the previous categorisation would also contest the current practices when responding to the requirements of the new categorisation. Taken together, the act of contesting and reshaping the two social-symbolic objects, categories and practices, leads to a new construction of the social problem and the need for other practices to solve it. To this end, this paper tries to investigate how social enterprises (re)construct social problems through beneficiary categories and related practices.

### **3. METHOD**

Given the lack of theoretical and empirical understanding of how social enterprises (re)construct social problems through beneficiary categories and related practices, I elected to approach the research question through an inductive, theory-building, multiple case study (Miles, 2014). This research design not only facilitates a deeper exploration of individual social enterprises but also leverages the strength of multiple case studies to enhance generalisability and robustness in the findings through systematic cross-case comparisons (Eisenhardt & Graebner, 2007). This approach allows for a more comprehensive understanding of emerging themes and patterns.

#### **3.1 Purposeful Sampling and Case Selection**

In terms of my sampling strategy, I selected cases that represent different social problems affecting marginalised groups of consumers, suppliers, and employees (Hockerts, 2015). Selecting cases focusing on various social problems affecting different individuals enabled an examination of the patterns across cases in how social enterprises contest and reconstruct these social problems. In particular, I selected to sample work integration social enterprises (a social problem related to employees), fair trade social enterprises (a social problem related to suppliers), and social beneficiary product sales social enterprises (a social problem related to consumers). These are well-known archetypes of social enterprises in the literature (Hockerts, 2015; Marquis & Park, 2014; Saebi et al., 2019; Wry & York, 2017; Wry & Zhao, 2018) that allow to easily identify social enterprises working on varying social problems and beneficiaries.

The cases were sampled in Denmark using the Danish Business Authority's online database for social enterprises which provides an overview of all accredited social enterprises. A total of 512 companies were listed in early 2020, however, after having a closer look at the accredited social enterprises, many were revealed to be associations and therefore, not suited for this study. As not all social enterprises in

Denmark chose to use this accreditation, it was necessary to additionally (i) speak with the head of the Association of Social Enterprises in Denmark, (ii) use prominent social entrepreneurship websites listing social enterprises (e.g., [www.densocialekapitalfond.dk](http://www.densocialekapitalfond.dk) and [www.rethinkactivism.org](http://www.rethinkactivism.org)), and (iii) ask prominent social entrepreneurs for suggestions in order to identify relevant cases (i.e., snowballing). In total, 69 cases were identified that utilised one of the archetype social problems and that generated market income. I contacted the identified social enterprises and 23 agreed to an interview. The cases were contacted through email, LinkedIn, and by personally showing up at their social enterprise. Due to the intensifying Covid-19 situation, only 19 of these 23 social enterprises were included in the present study. These 19 social enterprises consisted of six work integration social enterprises, seven fair trade social enterprises, and six social beneficiary product sales social enterprises. Refer to Table 1 for a more detailed overview of the selected cases.

*--- Insert Table 1 about here ---*

### **3.2 Data collection**

This study is based on rich data collected from inquiry (interviewing) and examination (of secondary materials) (Wolcott, 1994), including primary interview data and secondary archival data. The secondary data was collected prior to the interviews, which provided valuable context and support for the subsequent interviews with the participants. From March to May 2020, primary data were collected in semi-structured interviews with the (co-)founders of the selected social enterprises, which resulted in 21 interviews (1588 total minutes, 412 single-spaced pages). In two cases there were multiple founders, in which both founders were interviewed resulting in 21 total interviews for 19 cases.

All interviews covered topics including (i) background of the social entrepreneur and why they chose to address the social problem they worked with, (ii) how they perceive different stakeholder roles (such as companies and governments) in solving their chosen social problems, (iii) how they chose to address the social problem differently than how other actors addressed them, (iv) how they engaged stakeholders in this endeavour, and (v) the impact they created. Each theme had 2-3 main questions with additional sub-questions to probe the main question in sufficient detail (Rowley, 2012). The semi-structure of the interview guide allowed for some flexibility to add follow-up questions if this helped probe the main questions (Neergaard & Leitch, 2015). While each conversation was allowed to develop



naturally, I sought to cover the same topics with each informant. The interview guide was adapted multiple times to ensure the questions were understood from the perspective of the interviewee. Hence, when the interviewee struggled with understanding a question, e.g. due to jargon, the question was reframed during and after the interview leading to richer answers. One example was changing the vocabulary in the questions from 'archetype template' to 'business model' as the term 'archetype template' confused some of the interviewees. This ongoing consideration of how interviewees understood the questions is important for semi-structured interviews (Rowley, 2012). The interviews lasted between 60 and 100 minutes and were conducted online due to the first Covid-19 lock-down. As it is suggested to conduct interviews at the interviewees place or the interviewer's office (Neergaard & Leitch, 2015), I made sure to spend some minutes to make the virtual setting feel informal for the interviewee.

Prior to the interviews, I collected secondary data. Organisational archival materials were obtained from company websites, marketing materials, press releases, and from their social media accounts, including Facebook, Instagram, LinkedIn, and YouTube channels. External data were obtained from publicly available media, newspaper articles, blog posts, and television interviews. The use of multiple secondary data sources thus mitigated respondent and retrospective bias during the interviews and help me get more in depth with the participants answers, for example on their use of social media for storytelling (Miles & Huberman, 1994; Patzelt et al., 2014).

### **3.3 Data analysis**

For the data analysis, I implemented an inductive strategy that combined Eisenhardt's (2007) sampling and cross-comparison of multiple cases to look for similarities with the inductive coding and theorising framework outlined by Gioia et al. (2013). I transcribed the interviews to start a familiarisation process with the data. This allowed me to be aware of key points prior to the first round of coding (Rowley, 2012). Due to the amount of data, the software NVivo was used to facilitate a better coding process and data analysis (Linneberg & Korsgaard, 2019). There were multiple cycles in the coding process to allow for feedback which helped me iterate between and progress from initial informant-centric codes to more analytical codes and, finally, to aggregate dimensions related to categories and practices that together formed my data structure (Gioia et al., 2013; Linneberg & Korsgaard, 2019).

In the first cycle of coding, I created descriptive informant-centric codes assigned to segments of the informants' statements particularly around the interview questions on how the informants perceived

other actors' roles in solving social problems, how the informants aimed to solve the social problem differently, and what different impacts these efforts had (Gioia et al., 2013; Linneberg & Korsgaard, 2019). Attribute quotes were initially created to take the social entrepreneurs' different backgrounds into account (e.g., a background in the NGO sector or public sector). Interestingly, although the cases contested different types of actors, the descriptive codes showed similarities in what they contested. Consequently, the importance of the attribute codes was reduced in the analysis.

In the second cycle of coding, I began searching for a theoretical lens that could assist in conceptualising the first-order categories into higher-level themes (Gioia et al., 2013; Linneberg & Korsgaard, 2019). The social-symbolic framework (Lawrence & Phillips, 2019) resonated strongly with the patterns emerging from my data, particularly the two social-symbolic objects of categories and practices and how they related to the construction of social problems. Finally, I iterated between the literature, second order themes, and aggregated dimensions to find differences in the social enterprises' contestation of prevailing categories and related practices and how the social enterprises shaped the categories of their beneficiaries and related practices.

Looking across the cases, it was clear that the social enterprises contested prevailing categorisations that focused on beneficiaries' disadvantages and that this categorisation motivated and required social intervention and resource mobilisation practices, respectively, which in turn had unintended consequences for the beneficiaries. The cases also provided rich, detailed descriptions of how they attempted to reshape the categorisations and the related practices that contributed to maintaining those categorisations. Throughout this process, I also created visual displays of my data structure using various figures (Verdinelli & Scagnoli, 2013). The visualisation of the data structure helped illustrate that while the aggregated dimensions and the relationships between them were similar, the second order themes highlighted how the contested and reshaped categories and related practices were distinct. Figure 1 illustrates my data structure. Further supporting evidence for the model is presented in Table 2, which corresponds to Figure 1.

*--- Insert Figure 1 about here ---*

*--- Insert Table 2 about here ---*

## 4. FINDINGS

The findings illustrate how social enterprises contest prevailing definitions and framings of their beneficiaries' social problems and the social enterprises efforts of redefining and reframing the social problems. The social enterprises contest the social problems for being attached to the beneficiaries as opposed to the broader society. Hence, in contesting prevailing social problems, the social enterprises contest the current categorisations of their beneficiaries to which these social problems are attached, a categorisation that focuses on the beneficiaries as disadvantaged. The social enterprises furthermore contests current social intervention and resource mobilisation practices as they help maintain the current categorisation of their beneficiaries that the social enterprises consider to be wrong. To reframe the social problem, the social enterprises engage in efforts of shaping their beneficiaries' categorisation to try to bring forward their beneficiaries' capabilities. In doing so, the social enterprises attempt to redirect the social problem away from their beneficiaries and instead direct it towards the lack of opportunities that are provided to them in society. To shape the categorisation of their beneficiaries, the social enterprises furthermore engage in efforts of shaping social intervention practices and resource mobilisation practices in a way that support and maintain the new categorisation of their beneficiaries.

### 4.1. Contestation of Beneficiary Categories and Practices

*--- Insert Figure 2 about here ---*

In the first step, the social enterprises contest prevailing social problem constructions and the current solutions proposed to solve them. The social enterprises contested the social problems for being defined based on a categorisation of their beneficiaries as disadvantaged. This categorisation not only creates but also reinforces a social understanding of these individuals as needing help, which maintains them in a disempowering position. Consequently, the social enterprises found it necessary to contest current beneficiary categorisations that focused on their disadvantages, as this would create an opportunity for shaping the beneficiary categories into new ones that focuses on their capabilities. This reshaping would enable the social enterprises to reframe the social problem.

The social enterprises furthermore challenged the proposed solutions that were called for by the prevailing social problem constructions. Consequently, the social enterprises contest how categorising beneficiaries by focusing on their disadvantages motivated specific social intervention and resource mobilisation practices aimed at compensating for these disadvantages. According to the social enterprises, these practices not only produce negative consequences for the beneficiaries' own understanding of their categorisation, but it also helps to maintain an undesirable social understanding of the beneficiary categorisation among resource providers. The social enterprises argued that practices tailored towards beneficiary disadvantages helped reproduce the current social problem and create a status quo, as it maintained a category understanding of the beneficiaries that reduced their belief in their own abilities to overcome the social problem. Furthermore, the social intervention and resource mobilisation practices mutually reinforced each other. Performing social interventions necessitated the mobilisation of resources, while mobilising resources entailed actively leveraging these social interventions to advocate for and secure the necessary resources. Collectively, the categorisation of beneficiaries, alongside the social intervention and resource mobilisation practices, reproduced the prevailing understanding of social problems and the solutions deemed necessary, which the social enterprises sought to challenge.

#### **4.1.1 Contesting Beneficiary Categorisation**

The social enterprises contested how current categorisations of their beneficiaries had not been revised for many years. For example, fair trade case 1 and 2 explained how “the development aid in Africa since the 40s” was integral of shaping current widespread categorisation of their beneficiaries, and that “we still hang on to” this categorisation. According to the social enterprises, this old categorisation portrayed the beneficiaries as victims, as explained by fair trade case 7:

“When I arrived in Africa, it was so different from what I had pictured as a result of being influenced by Danish NGOs. To raise donations, they [NGOs] tried to influence the emotions of kind-hearted Danes by creating an image of Africa that made you feel sorry for them.”

This quote highlights fair trade case 7's initial category understanding that focused on the beneficiaries being in need of help, which was based on “a wrong image, which frustrated [the case] a lot.” The current categorisation furthermore focused on the beneficiaries being disadvantaged impacting societal expectations:

“Believing that you can hire individuals with diagnoses and that they can help run the company, people think you're absolutely crazy, right? And that really says a lot about our view of humanity at the moment, doesn't it? How we have actually created an A-class and a B-class in our society. If you have a diagnosis, well, then you're done” (WISE case 10)

From such a current categorisation, beneficiaries would be seen as disadvantaged within society.

In contesting the prevailing categorisations of their beneficiaries, the social enterprises explained how these categorisations were linked to currently legitimate social intervention and resource mobilisation practices. These practices were aimed at solving the social problems that were defined through focusing on the category members as disadvantaged.

Consequently, to reconstruct social problems, it was necessary for the social enterprises to contest not only the prevailing categorisations but also the existing social intervention and resource mobilisation practices. The social intervention practices were contested for unintentionally incentivising beneficiaries to focus on their vulnerabilities, thereby having them marginalise themselves by highlighting their vulnerabilities. This adversely affected beneficiaries' self-perception by assuming they lacked certain abilities to overcome their own situation. The resource mobilisation practices were contested by the social enterprises for upholding a stereotypical, stigmatising, and outdated categorisation by portraying the beneficiaries as victims that were in need of help. As a result, the social intervention and resource mobilisation practices influenced both the internal and external understanding of the beneficiary categories. By contesting how their beneficiaries were currently categorised, the social enterprise challenged widespread constructions of the social problems centered around the lack of abilities of beneficiaries in overcoming their own situation.

#### **4.1.2 Contesting Social Intervention Practices**

Categorising beneficiaries by focusing on their disadvantages motivated specific social intervention practices aimed at compensating for these disadvantages. While the current social intervention practices matched the current categorisation, the social enterprises contested these practices for their (i) *temporality*, (ii) *reciprocal nature*, and (iii) *lack of commitment and flawed incentive*. *Temporality* refers to the duration of social interventions. The social enterprises criticised prevailing social intervention practices for their temporality arguing that these were often bound by a short duration due to being a fixed predefined project or short investment timeline. For example, fair trade case 1 stated that “[some companies] come once or twice a year; they arrive with suitcases full of cash, and then they simply go out

to the farmers and say, 'I want these 5 tons, and these 5 tons, and here is the money!' [then leave again].” This practice often resulted in a series of unintended consequences that undermined the long-term success of working with the beneficiaries.

Once a project or investment period ends, there is a risk of rapid withdrawal of resources, which leaves beneficiaries unable to continue the initiatives independently, as described by fair trade case 1:

“The NGOs are down there for half a year, and once they run out of money, they run back home. They abandon the very beneficiaries they’ve trained and employed, and now the beneficiaries just must find something else to do.”

Such abrupt departures not only revert to the status quo, where the social problem remains unaddressed, but also incentivise beneficiaries to be “totally disloyal” (fair trade case 1) to the social intervention. As put by fair trade case 7, beneficiaries “are not stupid” - they are aware of temporality of current social interventions. The SBPS cases furthermore contended that the quality of the services and products designed to address the social problems was significantly compromised by the temporal nature of social interventions. This decline in quality often stemmed from the necessity to deliver results within rigid project timelines, which were influenced by their overreliance on project funding. For example, SBPS case 19 explained when creating products defined by a project timeline “someone says that this needs to be finished in three months [...] then you end up just producing ‘something’ rather than it becomes about quality.” This would be an issue, as creating products that “were simply too ugly... stigmatises people further, making one feel more disabled than one might actually be” (SBPS case 15). More time on refining the products was often needed.

The social enterprises furthermore contested the *reciprocal nature* of prevailing social interventions. *Reciprocal nature* refers to the relationship structure of mutual exchange created between the social intervening entity and the beneficiaries during a social intervention. The social enterprises criticised the reciprocity of these relationships for being give and take as opposed to mutual dependency: “The NGO model is a bit like handout, you just give you don't have this mutual benefit, [but instead] one is the giver, and the other is the taker” (fair trade case 6). Consequently, the reciprocity of providing donations as a social intervention creates a relationship where the recipient is viewed as ‘marginalised’ and in need of help while the giver is seen as ‘charitable.’ The social interventions were furthermore contested for often being dictated on the donor’s terms, resulting in an unequal relationship as noted in fair trade case 2: “We still cling a bit to the idea of development aid that it’s kind of a gift shop, where go

down there as rich white people, and then we have gift shop were people could 'just fall in line.'" The WISE cases echoed concerns regarding the roles of reciprocity when it comes to accessing public benefits. Beneficiaries often find themselves in a position where they must acknowledge their limitations in return for receiving public benefits: "The system really talks down to you all the time. Every time you are at a meeting, you have to explain your needs in front of 6-8 people. And you have to talk about what you can't do" (WISE case 10). Consequently, to receive the necessary support, they tend to focus on their vulnerabilities, which ultimately contributes further to their marginalisation.

Finally, the social enterprises contested current social intervention practices for creating a *lack of commitment and a flawed incentive structure*. This refers to the inadequate engagement of both the intervening entity and beneficiary during a social intervention, as well as the lack of incentives to improve. For example, WISE case 10 explained that when "you have developed a good relationship with your social worker, and you have found some way to move forward, the next time you come in, there's a new social worker. Then you must start all over." Although this was not to blame each individual social worker, it was perceived as a lack of commitment to helping the beneficiaries, straining their trust in developing new relationships and hampering their own efforts in the intervention. The fair trade cases explained how third-party labelling practices created flawed incentive structures. For example, by paying a fixed amount for goods and services from beneficiaries, there was a lack of incentive for the beneficiaries to improve the product quality: "no matter what you do, you still get [a fixed amount] of dollars for your products" (fair trade case 1). Third-party labelling practices was furthermore contested for shifting the beneficiaries' focus more on compliance with label standards rather than towards improving quality of their product. Consequently, it was hard to demonstrate the skilfulness of their beneficiaries by being unable to make a competitive quality product.

These incentive consequences were echoed in the WISE cases arguing that some social intervention practices were often perceived pretentious of real work experience. The cases experienced that the beneficiaries participating in these social interventions simply had to be *busy with something*: "well then, shall we do wickerwork today, or are we doing something else like making beads?" (WISE case 11). This created a disincentive for the beneficiaries to make an effort in pursuing upskilling or real employment due to the pretentious work expectations. This practice of 'pretending work' made the beneficiaries passive receivers of help instead of fully utilising the skills and capabilities they had.

Together, the prevailing social intervention practices was contested for their temporality, reciprocal nature, and for creating a lack of commitment and a flawed incentive structure.

### 4.1.3 Contesting Resource Mobilisation Practices

Defining a social problem through a categorisation centered on beneficiary disadvantages requires practices that portray members of the category as in need of help. Therefore, while the social enterprises contested the current categorisation of beneficiaries, they also contested the practices required to create and maintain this categorisation. These practices, referred to as resource mobilisation practices, not only assist in establishing and maintaining beneficiary categorisation, but they also mobilise resources needed for funding the social intervention practices that serve as solutions to the defined social problem. Hence, to mobilise resources, it is necessary to convince an audience of the existence of a social problem and demonstrate that the resource will be utilised effectively to address the social problem through social interventions. However, the prevailing resource mobilisation practices of impact measurement and storytelling were contested for being (i) *technocratic*, (ii) *paternalistic in nature*, and for (iii) *pacifying the resource providers* by oversimplifying the solutions.

*Technocratic* refers to impact measurements which are too academic, abstract, and detached from the real world experiences of the beneficiaries' everyday lives. For example, fair trade case 5 explained that "those on the ground always feel that the researchers who are measuring simply do not understand what is really going on, there is such a disharmony between these groups." This disconnect between the beneficiaries and intervening entities were elaborated by fair trade case 1, who argued that impact measurement was often done without interaction with the beneficiaries and instead were focused on creating a "huge flashy report, to sell the [social intervention] and say, 'that is why we get 3 million a year, because can't you see these huge, flashy impact reports?'" Even when there was interaction with beneficiaries, such as through interviews, the social enterprises criticised the question for often being formed in a way that made the beneficiaries inclined to "tell you whatever makes you happy" (WISE case 9). The social enterprises furthermore criticised the inefficient use of resources on creating technocratic impact measurements as it "means that we spend a lot of time measuring it" (fair trade case 3) and that this "time can be better spent elsewhere" (fair trade case 2). The cases furthermore argued that they could not take up a resource burden because their organisations were "too small to do it" (WISE case 11) as it would require you to "be an organisation that earns 20 million" (WISE case 10). Given the questioning effects of impact measurements and their potential negative effect on the perception of beneficiaries, the social enterprises believed that spending resources on such a practice was an inefficient allocation of limited resources that could otherwise be directed towards more meaningful engagement with the beneficiaries.



Current uses of storytelling as a resource mobilisation practice was contested for being *paternalistic in nature*. Paternalistic refers to narrating solutions to the social problems in a 'we know best' approach. For the social enterprises, it would be "completely crazy to assume that we know what is best for them" (fair trade case 3), and it was important to stress that "we are not 'saving' anyone" (SBPS case 16). Therefore, when creating stories to target resource providers, it was important to "avoid saying 'there is a group of helpless blind people out there' and now you are supposed to help them" (SBPS case 16). The social enterprises furthermore argued that such paternalistic approaches to storytelling failed to authentically represent the perspectives of beneficiaries and their needs by not "listening to what it is that is needed" (fair trade case 7). Portraying beneficiaries as victims maintained a categorisation of the beneficiaries that focused on how they were disadvantaged.

Finally, the social enterprises contested resource mobilisation practices for *pacifying resource providers*. Pacifying resource providers refers to the oversimplification of solutions to make them more comprehensible and appealing, which ultimately leads resource providers to take social problems and proposed solutions for granted. This oversimplification, in turn, reduces resource providers' proactiveness and responsibility in addressing social problems. The social enterprises contested resource mobilisation practices either for making a direct or indirect pacification. Direct simplification involved proactively promoting certain solutions in a simple matter. For example, fair trade case 7 explained how "donating to a 'well' or a 'goat' or a 'schoolchild', is very tangible for people, and that's what they have understood for many years." Likewise, fair trade case 5 explained how third-party labels becomes "a kind of comfort blanket for many, were they think 'I have a label on, so everything is perfectly fine'" (fair trade case 5).

Indirect pacification, on the other hand, was created through resource mobilisation practices that resource providers take for granted such as "development aid [funded] through taxes [making citizens think] 'I'm doing something good' without having to give it more thought" (fair trade case 7). SBPS case 17 further added how, by relocating intellectual disabled citizens "away from society into large institutions, we rarely see them in our everyday life anymore," making taxpayers either unaware or take the social problem related to the beneficiaries for granted. Pacifying resource providers, by oversimplifying the solutions, makes them less inclined to engage more deeply with the solutions instead incentivising minimal or no effort to engage and support nuanced approaches. "People support what they know, why would one dare to invest in [us], there's also that whole insecurity" (fair trade case 7). Consequently, current resource mobilisation practices made it hard for the social enterprises to reframe the social problems and come up with new nuanced solutions.

## 4.2. Shaping Beneficiary Category and Practices

--- Insert Figure 3 about here ---

From contesting prevailing social problems, the social enterprises recognised the need to reframing them. To reframe the social problem, the social enterprises found it necessary to engage in efforts aimed at shaping the current categories of beneficiaries, on which the prevailing social problems were defined. The social enterprises reframed the social problem away from the beneficiaries being disadvantaged instead redirecting the focus on the beneficiaries' lack of opportunities in society. In order to situate the social problem within society rather than allocating it to the individuals, the social enterprises shaped the categorisation of beneficiaries into one that focused on their inherent capabilities. This shaped categorisation intended to create and reinforce a social understanding of the beneficiaries as capable of helping themselves, putting them in an empowering position.

Like the contested social problems, the redefined social problems motivated specific social intervention practices and required resource mobilisation practices to enact these interventions. However, due to the problem being redefined around categorising the beneficiaries as capable, the social enterprises found it necessary to shape social interventions that matched this categorisation as well as resource mobilisation practices that help maintain such categorisation. In shaping the social intervention and resource mobilisation practices, both the beneficiaries themselves as well as the resource providers got a new understanding of the beneficiary category. The social enterprises argued that practices motivated by a focus on beneficiary capabilities helped break the status quo by increasing the beneficiary's belief in their own abilities to overcome the social problem. Collectively, the shaped beneficiary categorisation, social intervention, and resource mobilisation practices, helped reframe the social problem and situated it within society as opposed to the individual.

### 4.2.1 Shaping Beneficiary Categorisation

To shape the beneficiary categorisation, the social enterprises needed to change the social understanding of the beneficiary category for both the beneficiaries themselves as well as resource providers. Part of reshaping the categorisation of their beneficiaries involved redirecting the category members' focus from seeing themselves as disadvantaged to recognising their own capabilities, as put by SBPS case 17: "I want

to show them that they can do it themselves.” Yet, this was not without struggle, as the beneficiaries had been broken down by the system: “I'm dealing with people who don't believe they can make a cup of coffee or water the flowers, that's how far they have come. And that believe we must rebuild, that one actually believes that they are capable of anything at all” (WISE case 11). Despite these challenges, the social enterprises maintained a belief in the beneficiaries' capabilities, which simply needed opportunities to be actualised, as explained by WISE case 10: “I use the skills that are related to one's diagnosis. If you have a personality disorder, for example ADHD, then you are very outgoing and very talkative, and you can actually use that positively in some respects.” Fair trade case 3 echoed this focus on the beneficiary capabilities by adding that although “they are very poor women, [they] are extremely skilled at using their hands, creating some really fine craftsmanship... I knew well what they were good at. I knew that they were really good at cashmere and such.”

However, to effectively shape the beneficiary category, social enterprises needed not only to influence the beneficiaries' own understanding of their categorisation but also to convince resource providers about the shaped categorisation. Hence, in shaping the categorisation of their beneficiaries, the social enterprises furthermore shaped the social intervention and resource mobilisation practices. The social intervention and resource mobilisation practices of all the social enterprises was related to creating a product or service that was able to sell on market conditions. Creating these quality products and services would help signal the capabilities of the beneficiaries, thus making the capabilities the focus of attention in the shaped categorisation. However, to succeed in creating these product and services, the social enterprises found it necessary to enact trust-based social intervention practices, that were collaborative in nature and focused on self-help of the beneficiaries. The shaped social intervention practices encouraged beneficiaries to recognise their inherent skills and capabilities, shifting their self-perception from one of dependency to one of empowerment and agency.

Furthermore, to shape resource providers social understanding of the beneficiary categorisation, the social enterprises needed to create transparent impact measurement, participatory storytelling, and consumer activating practices. These resource mobilisation practices made resource providers become proactive in helping to socially accept a new categorisation that recognised the strengths and potential of the beneficiaries. Together, the social intervention and resource mobilisation practices helped maintain the shaped categorisation. Shaping beneficiary categories, social intervention, and resource mobilisation practices, enabled the social enterprises to reframe the social problem away from the beneficiary category towards a systematic lack of opportunities within the society.

#### 4.2.2 Shaping Social Intervention Practices

To shape the understanding of the beneficiary categorisation among the beneficiaries themselves, the social enterprises found it necessary to also shape current social interventions to make them align with the new categorisation. The social enterprises therefore shaped the social intervention practices into focusing on capabilities of beneficiaries as opposed to their disadvantages. The social enterprises shaped current social interventions into new ones that focused on the creation of (i) *quality products and services*, (ii) *incentivising collaboration*, and (iii) *creating mutual trust*.

The social intervention of all the social enterprises was directly linked to the creation of a *quality product or service*. The social enterprises emphasised the importance of prioritising the quality of services and products as a way to signal the capabilities of the beneficiaries. For example, WISE case 9 explained how beneficiaries derived significant value from being expected to deliver quality services, as “they gain a sense of pride from being involved because they are on the same terms as everyone else.” Similarly, WISE case 12 emphasised the importance of recognising the skills of the beneficiaries related to creating a product or service, stating: “I want to hear what they are skilled at because there is almost always something in that which they are good at that I can use in one way or another to [create a product or service] in my business.” This emphasis on quality helped shape the category understanding of the beneficiaries into one that focused on their capabilities.

Due to the nature of the different types of social enterprises, they each focused on different aspects in the value chain when creating a product or service. The fair trade cases sourced products from their beneficiaries which in turn recognised them as suppliers. The WISE cases hired beneficiaries to create the products or perform services which identified them as employees. The SBPS cases developed products or services specifically for their beneficiaries which acknowledged them as consumers. Despite allocating the creation of the product and service at different stages in the value chain, all the social enterprises found it paramount to create the products and services in close relationship with the beneficiary as it required collaboration to create high quality products and services. For example, fair trade case 5 highlighted the importance of collaboration with the beneficiaries, stating, “it requires a lot of training. You can't just come in off the street and after 2 days be able to weave. So, we typically have a training period of between 3 and 6 months.”

To ensure a close collaboration with the beneficiaries that would allow the creation of high quality products and services, the social enterprises created *collaborative incentives* as part of their social

interventions. Some of these incentives were created to ensure a certain threshold of quality standard and to avoid costly delays in case this threshold was not met: “when you buy from the farmers; it has to come to Nairobi first, where you clean it, and then it has to be laboratory tested for coliform bacteria or mold. It takes quite some time” (fair trade case 7). Fair trade case 5 further emphasised how they incentivised maintaining quality: “if they could ensure it was a proper quality, I promise that I will make sure they have orders all the time.”

For the SBPS cases, the quality of their products was paramount, as these offerings were ultimately designed to solve specific needs for the beneficiaries. To achieve a high level of product or service quality, the SBPS cases conducted rigorous testing. SBPS case 15, for instance, had “performed many tests with multiple prototypes of the final product together with the beneficiaries.” This collaborative testing process with beneficiaries enabled the creation of iterative feedback loops, allowing for continuous improvement and adaptation based on the beneficiaries’ experiences and insights. By actively involving beneficiaries in the development process, the SBPS cases ensured that the final products truly reflected their needs and aspirations.

The social enterprises furthermore found it important to create collaborative incentives through flexible market transactions. Flexible market transactions refer to creating some flexibility in the transaction between the beneficiary and social enterprise when creating products or services. For instance, fair trade case 7 “created a contract where we promise to pay [the beneficiaries] within two weeks,” which not only ensured that the beneficiaries would prioritise selling their crops to the social enterprise, but also provided the social enterprise with time to test the quality of the crops. Furthermore, fair trade case 1 “promised buying their produce on a monthly or yearly basis [which would] help the beneficiaries plan ahead.” These flexible market transactions were designed to counteract the opportunistic behaviour that was incentivised by the prevailing social interventions they contested.

Other flexible market transactions included some of the SPBS cases making their products and services free for their beneficiaries by having other actors cover the cost. For example, SPBS case 19 created a business model where insurance companies paid for the service, while SBPS case 16 had banks finance their products. This ensured that all their beneficiaries could use the service or products, which they wouldn’t be able to do otherwise if they had to pay for the products or services themselves. The WISE cases, on the other hand, focused on creating flexible working conditions tailored to the needs of their beneficiaries. WISE case 9 illustrated this by explaining that some of their beneficiaries were “substance abusers, [why] they have a need to get a fix sometimes. [Therefore] one must be more tolerant

with them, even if they don't show up at the agreed time [...] you have to tell them 'you know what, that can happen, so you are always welcome another time.'" Other WISEs explained how they created flexibility by finding alternative income sources for the beneficiaries, such as public benefits, or assisting them in becoming partly self-employed by having the social enterprise become their primary customer. These social intervention practices aimed to foster a more collaborative and mutually beneficial relationship between the social enterprises and their beneficiaries.

Finally, in order to create high quality products or services that would help to focus on the beneficiaries' capabilities, the social enterprises found it important to initiate practices that helped build a *mutual trusted* relationship with the beneficiaries. Creating trust was important in order to avoid the consequences from the current social intervention practices' of temporality and reciprocal nature. An important aspect to building such a relationship was the social enterprises' proximity to the beneficiaries - a point that was echoed in all the fair trade cases. For example, fair case 7 explained that "what's unique about us compared to others is that we only have our office out in the agricultural area, which means that we have direct contact with the farmers and are constantly in dialogues with them." Fair trade case 2 further argued that not only did she visit her farmers, but she likewise invited them to visit her site in Denmark to exchange knowledge. Although the WISE cases had a natural proximity to the beneficiaries as they hired their beneficiaries, they made sure to create informal events that made the beneficiaries and other employees get to know each other better. The SPBS furthermore initiated contact and visited beneficiaries even before they had a product or service ready to fully understand their needs and to gain trust. For example, SBPS case 15 had "soon examined the daily lives of 200 people with arthritis by going out and talking to them."

Another important building brick for a mutual trusted relationship was patience as put by fair trade case 3: "since we have to bring the coffee farmer along and we have to financially sustain ourselves, it takes the time it takes." Fair trade case 7 echoed this by arguing "it just takes time to build up [a relationship], it doesn't take just one year, it takes more [...] so you have to have a strategy where you can actually stay out there longer than just 3 years." The WISE cases further stressed the point of patience by arguing some of the beneficiaries needed to rebuild their confidence that was broken by the system and that rebuilding effort took time.

Together, the social enterprises shaped social interventions into creating high quality products and services, which was enabled from incentivising collaboration, and creating mutual trusted relationships. However, like the contested social intervention practices, the social intervention practices

likewise necessitated and called for specific resource mobilisation practices. These resource mobilisation practices were selected to align with and support the shaped beneficiary categories and social interventions.

#### **4.2.3 Shaping Resource Mobilisation Practices**

Part of shaping the beneficiary category was also to influence the resource providers social understanding of it. To do so, the social enterprises shaped current resource mobilisation practices aimed towards the resource providers into new ones that matched the new categorisation of their beneficiaries. The goal with the new resource mobilisation practices was to activate consumers and other resource providers, making them aware of a redefined social problem and solution. The social enterprises performed resource mobilisation practices that were (i) *transparent* and (ii) *participatory* in order to (iii) *activate the resource providers*.

*Transparency* refers to disclose as much as possible to relevant resource providers of the different social interventions that the social enterprises enacted: “It's about making it as transparent as possible, so people can really see, 'Wow, it really makes a difference'” (fair trade case 7). Hence, when resource providers inquired about the impact that the social enterprises created for the beneficiaries, the social enterprises responded with transparency, focusing on the specific needs of their beneficiaries. For instance, fair trade case 1 engaged farmers in a conversational manner, asking questions like “have there been any changes in your lives that made a difference?” The beneficiaries would share meaningful updates, such as “now all the children have bicycles,” or, “we now eat meat once a week.” Fair trade case 3 welcomed impact-related questions but emphasised the importance of only measuring what mattered to their beneficiaries, stating: “[if] we dictated [the impact measures] then it is for our own sake, and not to provide better conditions for those we do business with.” Hence, impact measurement should not be dictated by resource providers, as it would be “absurd for customers to demand changes” (fair trade case 3) not asked for by the beneficiaries. This commitment to transparency ensured that the impact measurements were genuinely reflective of the beneficiaries' experiences and needs.

The social enterprises furthermore engaged in *participatory storytelling*, utilising the voices of their beneficiaries to legitimise efforts in shaping the categorisation of the beneficiaries. To create authentic stories, the enterprises prioritised staying as close as possible to the perspectives of their beneficiaries. For example, fair trade case 3 explained that “[due to] the relationships we have built with the coffee farms we trade with, they directly share what initiatives they have launched. (...) we received

a message that paid vacation has now been introduced for the employees on the coffee farm and that they have purchased this new production facility.” Similarly, fair trade case 2 emphasised the importance of a close relationship with beneficiaries, stating, “I discuss with them what adds value for them. Is it getting 10,000 shillings more a month, or pay for a private school for them?” This participatory approach to storytelling reflected the authentic perspectives of the beneficiaries to help legitimise a new categorisation and reframe the social problem.

Once a story was collaboratively created with beneficiaries, the social enterprises would share and engage resource providers with the stories using multiple channels such as websites, newsletters, engaging social media posts, and in-person storytelling. For example, fair trade case 3 engaged resource providers by “helping customers to tell the story when they have guests [...] we have a hotel as a customer and every day, when a waiter goes down to a table [...] they say, ‘this is the coffee from this farmer, they work with the coffee in this and that way.’” Such stories, combined with high quality products, would help shape the hotel guests understanding of the beneficiary category. Other times, the social enterprises would encourage the beneficiaries to tell their stories themselves either digitally or in person. Fair trade case 1 and 2 both invited beneficiaries to Denmark to tell their stories, whereas fair trade case 3 hosted virtual Q/A sessions facilitating a dialogue between their beneficiaries and resource providers. The WISE cases fostered organic interactions with beneficiaries engaging their customers directly through their work, allowing them to share unique stories and demonstrate their capabilities. This participatory storytelling between the beneficiaries and resource providers helped activate resource providers awareness towards a redefined social problem. The redefined problem now being located in society and framed around the lack of opportunities for the beneficiaries in showing their capabilities.

Finally, to address the lack of opportunities in society for the beneficiaries, the social enterprises created a market for the beneficiaries’ products and services. To do so, the social enterprises needed to *activate consumers* to make them proactive in engaging with the products and services created by the beneficiaries. For example, fair trade case 5 emphasised her mission to “build a bridge between women in Nepal, giving them an opportunity to sell their fine craftsmanship, while women in Europe can purchase beautiful handmade items for their children.” While the social enterprises recognised the quality of their beneficiaries’ products, it was essential to communicate and make the resource providers experience this quality. Fair trade case 1 stated “quality is crucial and the most important factor used to determining a product”, while fair trade case 3 emphasised that customers need to “look forward to tasting a really sweet, smooth, pleasant coffee with notes of orange and citrus” as this was needed to “push the



boundaries on how coffee is perceived.” By activating the consumers, it was possible for the social enterprises to shape the resource providers understanding of the beneficiary’s categorisation.

Together, the social enterprises shaped resource mobilisation practices by making them transparent and participatory, which enabled them to active the resource providers. Together with the shaped social interventions, this helped maintain the shaped beneficiary category that focused on their capabilities and potential. Together, the shaped categorisation, social intervention, and resource mobilisation practices allowed the social enterprises to reframe the social problem around beneficiaries’ lack of opportunities in society as opposed to a problem definition that disadvantaged the beneficiaries.

#### **4.3 Summary of Findings**

The findings illustrate how social enterprises (re)construct social problems through beneficiary categories and related practices. The social enterprises contested (i) prevailing categorisations that *focus on the disadvantages* of their beneficiaries, (ii) prevailing social intervention practices for their *temporality, reciprocal nature, lack of commitment and flawed incentive*, and (iii) prevailing resource mobilisation practices for being *technocratic, paternalistic in nature, and pacifying resource providers*. This contestation formed the basis for the social enterprises to engage in reconstructing the social problem. To reconstruct the social problem centering it in society as opposed to the individual, the social enterprises engaged in efforts to shape the (i) categorisations of their beneficiaries into *focusing on their capabilities*. To do so, they furthermore shaped (ii) social intervention practices into the creation of *quality products and services, incentivising collaboration, and creating mutual trust*, and (iii) resource mobilisation practices into being *transparent, participatory and activating the resource providers*. Together, the shaped categorisation, social intervention, and resource mobilisation practices reconstructed and framed the social problem as a lack of opportunities for the beneficiaries in society rather than a lack of capability. Hence, to solve the social problem, the social enterprises intended to redistribute the societal opportunities for their beneficiaries through collaborating with them as suppliers, employees, or consumers.

### **5. DISCUSSION**

The goal of this study was to understand *how social enterprises (re)construct social problems through beneficiary categories and related practices*. The findings suggest that social enterprises contest social problem constructions by criticising the prevailing categorisations of their beneficiaries that focuses on their disadvantages, as well as the social intervention and resource mobilisation practices that maintain

such categorisation. Based on this contestation, social enterprises reconstruct the social problem by shaping the categorisation of their beneficiaries to focus on their capabilities. The social enterprises furthermore shape both social intervention and resource mobilisation practices that help maintain the new categorisation. Based on these findings, I will now discuss three implications related to the constructs of social-symbolic objects and social problems, how the social-symbolic objects are interrelated, and finally the process of switching from one set of categories and related practices to a new set of categories and related practices.

### **5.1 Social-Symbolic Objects as Constructs Related to Social Problems**

This study advances our understanding of how social problems are constructed and contested through both categories and practices. While prior work has established that social problems are socially constructed rather than objective (Lawrence & Phillips, 2019), in this paper I demonstrate how this construction operates through two specific mechanisms: categorisation of beneficiaries and alteration of established practices. My findings reveal that social enterprises can contest prevailing constructions of social problems by challenging both how individuals are categorised as disadvantaged and how they should be helped through different practices.

Practices are core to the social enterprise literature and include the social intervention itself (Stephan et al., 2015), impact measurement of the social intervention to prove and promote its effects (Behn, 2003), and using storytelling as a way to mobilise resources and legitimacy which are both required to perform the social intervention (Lounsbury & Glynn, 2001; O'Connor, 2002). While these practices are well described in the literature as to what they are and how they ought to be performed (Behn, 2003; Ebrahim & Rangan, 2014; Kanter & Summers, 1994; Kroeger & Weber, 2014; Rawhouser et al., 2019) this study suggests that social enterprises can alter both the content and meaning of these practices when confronted with a reframed social problem. Social enterprises might be aware of these different practices, their purposes and effects, yet find that they create unwanted consequences for their beneficiaries if the practices are not shaped to fit the reframed social problem. However, given that practices belong to social groups, such as social enterprises, and these groups define the correctness of a practice (Lawrence & Phillips, 2019), future studies could investigate how social enterprises navigate the tension between adhering to established practices and adapting them in response to reframed social problems. Process studies could help unfold the efforts of legitimising new practices and the role of collaborative networks in facilitating these adaptations.

My findings underscore that categories and practices actively shape both individual experiences and societal responses to social problems. While recent research on 'sustainable entrepreneurial framing' (Fischer-Kreer & Brettel, 2022) has examined how social entrepreneurs frame problems and solutions, less attention has been paid to the tensions that arise when multiple stakeholders collaborate in this framing process (Austin & Seitanidi, 2012; Karakulak & Lawrence, 2024; Mitzinneck & Besharov, 2019). Although this study indicates that both categories and practices create incentives to collaborate, or being opportunistic, among the interacting stakeholders, this intersection merits further investigation. Future research should explore the intersection of social-symbolic objects, framing of social problems, and the partnerships in this process to better understand who social entrepreneurs choose to collaborate with in framing, or reconstructing, social problems and solutions. Questions related to this process could examine whether social entrepreneurs would accept partnerships were there is misalignment in their categorisation of beneficiaries and choice of related practices. While alignment is important for effective collaboration, too much alignment too quickly could also risk creating an uncontested echo chamber that fails to consider diverse viewpoints. Ultimately, the selection and alignment of partnerships in the (re)construction of social problems are important, as the framing of social problems significantly influence the allocation of opportunities and advantages for beneficiaries within society (Lawrence & Phillips, 2019).

The study furthermore showed how prevailing categorisations of beneficiaries that focused on their disadvantages adversely affected beneficiaries' self-perception by assuming they lacked certain abilities to overcome their own situation. Consequently, impact, either positive or negative, is created when the social problem is framed through beneficiary categorisation, which happens even before a solution is proposed. This has significant implications for how we conceptualise and measure the impact of social enterprises (Behn, 2003; Ebrahim & Rangan, 2014; Kanter & Summers, 1994; Kroeger & Weber, 2014). Impact should not only be understood in relation to the solutions implemented by social enterprises, but also recognised as being created through the (re)construction of social problems themselves. Future studies could further explore this topic by examining social-symbolic objects that are closely related to self-understanding, such as identities. For instance, researchers could investigate whether individuals identify with or reject their membership in certain categorisations. This process of (dis)identification may depend on the advantages or disadvantages associated with the category in question.

## **5.2 Categories and Practices as Interrelated Social-Symbolic Objects**

The second implication relates to the relationship between categories and practices and asks how categories affect practices and vice versa. This study showed how the beneficiary categorisation motivated certain social intervention practices and required specific resource mobilisation practices, which, in turn, helped maintain the categorisation. This cycle of mutual dependence between categories and practices showcases not only how categories determine which specific practices to enact but also how enacting these practices ratifies and maintains the categories. Consequently, the way social problems are (re)constructed is crucial, as it directly influences the effectiveness of the solutions they develop (Dorado et al., 2022), which in turn helps affirm the construction of that social problem. Contesting and shaping any single social-symbolic object within this cycle necessitates critical reflection on the effects it has on the other social-symbolic objects involved.

The interconnections among various social-symbolic objects and their mutual influence are referred to as connecting work, which is defined as the efforts to use one social-symbolic object to shape another (Lawrence & Phillips, 2019). For instance, Barberá-Tomás et al. (2019) illustrate how social enterprises strategically manipulate the social-symbolic object of emotions to change the category understanding of plastic among a targeted population. The current study presents a similar finding, but rather than supporting the one-way relationship depicted by Barberá-Tomás et al. (2019), the interaction between the social-symbolic objects of categories and practices appears to be more interdependent. Future research could investigate how social enterprises develop new practices as a result of contesting and reshaping categories, as well as how they shape categories into new ones when they contest and reject prevailing practices. By examining these dynamics, scholars can gain deeper insights into the reciprocal relationships between social-symbolic objects.

From the perspective of social enterprise literature, it is essential to establish a strong alignment between the identified social problem and the proposed solution. A well-crafted solution may not effectively address an existing construction of a social problem, which can lead social enterprises to either (re)construct the problem or seek alternative social problems where their solutions may be more applicable. This shows that the relationship between social problems and solutions is not static. Consequently, this dynamic interplay highlights the importance of flexibility and adaptability, not only on the solution side but also on the problem side. By fostering a deeper understanding of the interplay between social problems and solutions, social enterprises can enhance their effectiveness and drive meaningful social change.

### **5.3 Transitioning from One Set of Categories and Practices to Another**

The third and final contribution relates to how social enterprises transition from one set of categories and practices to a new one based on their contestation of the social problems. Categories and practices typically operate at broader institutional levels (Lawrence & Phillips, 2019), and interestingly social enterprises vary in how explicitly they contest these institutional arrangements. My study revealed that some cases were very vocal, utilising social media platforms to clearly articulate how their beneficiaries were wrongly categorised, while others pursued change more discreetly. A recent study supports this finding showing that social enterprises perform advocacy work, in varying degrees, to influence public norms and attitudes on certain social problems (Mair & Rathert, 2024).

This variation appears linked to resource dependencies - organisations relying heavily on grants may need to maintain certain categorisations to secure funding, even when these conflict with their preferred categorisation. This tension raises important questions about mission drift in social enterprises. Future research should examine how organisations balance their desire to reconstruct social problems against resource constraints, and how this affects both their strategic choices and their beneficiaries' self-perception. Understanding these trade-offs is crucial for advancing our knowledge of how social enterprises maintain their social mission while ensuring financial sustainability.

## **6. LIMITATIONS**

In this study, I interviewed the (co)founders of social enterprises to explore how they (re)construct social problems through beneficiary categories and related practices. While these key informants provided valuable insights into patterns of shaping categories and practices, the analysis lacks nuance due to the exclusion of two other critical stakeholders: beneficiaries and resource providers. Future studies should incorporate the perspectives of beneficiaries to gain a deeper understanding of how they perceive their own categorisations. Including their voices could provide a more comprehensive view of how, if at all, they believe their categorisation has been shaped to the better.

Additionally, resource providers play a vital role in enabling social enterprises to sustain their activities by supporting them with financial resources. They also contribute significantly to legitimising the new categorisations and practices introduced by social enterprises. Incorporating the voices of resource providers will further enrich the analysis by shedding light on how and whether beneficiary categories have changed to foster a new social understanding from their point of view. By considering these additional perspectives, future studies can achieve a more holistic view of the dynamics at play in the (re)construction of social problems.

## **7. CONCLUSION**

Central to social enterprise literature on social enterprises is the need to solve a social problem. However, recognising that social problems are socially constructed enables actors to contest them and engage in efforts to reconstruct them. My study shows how social enterprises engage in the reconstruction of social problems by contesting the categories associated with their beneficiaries, as well as the practices that emerge from these categorisations. By shaping prevailing categorisations that focus on beneficiaries' disadvantages into categories that highlight their capabilities, social enterprises can construct social problems into more empowering social problems. I hope this paper inspires future research into the nuances of contesting and reconstructing social problems, as well as the potential of the social-symbolic framework in the study of social enterprises.

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## 9. APPENDIX

**Table 1:**

SE	Archetype	Founding Year	Product/ Service	Beneficiaries	Mission Statement From Website	Interview Data	Archival Data
1	Fair Trade	2013	B2C/B2B: Chocolate, nuts, seeds, ice-cream	Small scale farmers	We are food lovers who work to develop unique taste experiences, promote a more direct supply of fresh raw materials and improve the conditions for small scale farmers in Africa.	2 interview / 33 minutes + 60 minutes	Website information, social media posts, newspaper articles
2	Fair Trade	2019	B2B: nuts, seeds, fruits	Small scale farmers	We operate in Tanzania and purchases crops directly from farmers, who adhere to the “From farm to Fork” concept. We foster education, development and fair prices for the local farmers, in order to attain a product of the best possible level of quality.	1 interview / 67 minutes	Website information, social media posts
3	Fair Trade	2017	B2C/B2B: Café, coffee	Small + medium scale farmers	We strive for good quality, transparency and sustainability from bean to cup	1 interview / 102 minutes	Website information, social media posts, newspaper articles
4	Fair Trade	2016	B2C/B2B: Online coffee & gift baskets	Small scale women farmers	Our vision is to support marginalised women in Kenya so they can create a better life for	1 interview / 101 minutes	Website information, newsletters, newspaper articles

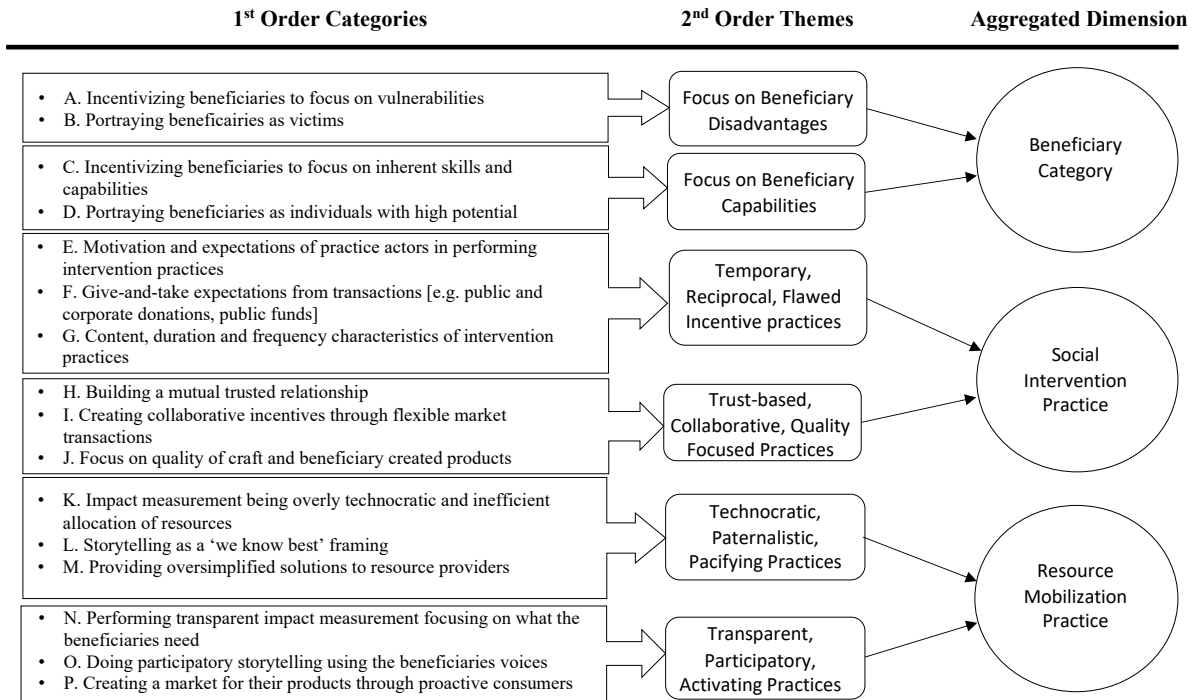
SE	Archetype	Founding Year	Product/ Service	Beneficiaries	Mission Statement From Website	Interview Data	Archival Data
					themselves and their children.		
5	Fair Trade	2014	B2C: Baby-slings	Small scale women weavers	We produce the perfect ring sling in accordance with the Fairtrade principles.	1 interview / 76 minutes	Website information, newspaper articles
6	Fair Trade	2017	B2C/B2B: Café, coffee	Small scale farmers + community development	We strive to deliver the best quality coffee beans. Our beans are bought to Denmark directly from small-scale Ethiopian farmers using the minimum involvement of middlemen and no engagement of branch traders or agents	1 interview / 69 minutes	Website information, social media posts, newspaper articles
7	Fair Trade	2012	B2B: Seeds	Small scale farmers	Our work is manifested in nutritional food and profit for the farmers. Only through food can the farmers and their families survive, and through the profit from selling their crops the farmers can invest in the future of the family.	1 interview / 86 minutes	Website information
8	WISE	2010	B2C/B2B: Shop, coffee	People with stress or social challenges	Taste with responsibility. At our place we use the best quality beans with innovative solutions and we take responsibility in accordance to the	1 interview / 100 minutes	Website information, social media posts, newspaper articles

SE	Archetype	Founding Year	Product/ Service	Beneficiaries	Mission Statement From Website	Interview Data	Archival Data
					UN sustainability goals		
9	WISE	2018	B2C/B2B: Remote café, coffee	Vulnerable homeless people	We are voluntary coffee enthusiasts, homeless and social vulnerable people who together aim to serve a good cup of coffee. We create a community that helps marginalised individuals get a job.	1 interview / 61 minutes	Website information, social media posts, newspaper articles, TV appearance
10	WISE	2016	B2C: Brewery, shop, beer	Autists, war veterans, marginalised people	We are a Danish brewing company run by people from socially marginalised groups.	1 interview / 71 minutes	Website information, social media posts
11	WISE	2016	B2B: Cleaning, painting	People with stress or social challenges	We create a social economic holistic initiative to create flexible jobs for people with a reduced ability to work. We believe that all people should have the possibility of creating their own future.	1 interview / 91 minutes	Website information
12	WISE	2015	B2B: Cleaning, painting, babysitting	Young ethnic minority boys and girls	We believe that work is the key for a brighter future for young individuals at the edge of society. We invest in the youth and make them good at working. They get an income and experience on their CV.	1 interview / 97 minutes	Website information, social media posts, newspaper articles

SE	Archetype	Founding Year	Product/ Service	Beneficiaries	Mission Statement From Website	Interview Data	Archival Data
13	WISE	2016	B2C: Soft drinks, carwash, fashion	Young ethnic minority boys	With entrepreneurship as a focal point we engage young boys between the age of 13 – 19 from marginalised residential areas in Denmark. We give the boys an opportunity to create their own micro-business in order to strengthen their relation to the labour market	1 interview / 68 minutes	Website information, social media posts, newspaper articles, TV appearance
14	SBPS	2019	B2B: Psychology help	Students at high schools	Our mission is to help young people with personal and social problems so that they get the best conditions for a good youth life.	1 interview / 42 minutes	Website information, social media posts
15	SBPS	2017	B2C: Tools	People with arthritis	We develop and sell welfare technology	1 interview / 101 minutes	Website information, social media posts, newspaper articles
16	SBPS	2015	B2C/B2B: Mobile application	Blind and low-vision people	We offer a free mobile app with one main goal: to make the world more accessible for blind and low-vision people.	2 interviews / 75 minutes + 70 minutes	Website information, newspaper articles
17	SBPS	2017	B2C/B2B: Mobile application	Intellectually disabled	We are a friendship app that gives people with developmental disabilities new friends and makes them less lonely.	1 interview / 71 minutes	Website information, social media posts

<b>SE</b>	<b>Archetype</b>	<b>Founding Year</b>	<b>Product/ Service</b>	<b>Beneficiaries</b>	<b>Mission Statement From Website</b>	<b>Interview Data</b>	<b>Archival Data</b>
<b>18</b>	SBPS	2014	B2C/B2B: Teaching & training	Young people with dyslexia	We are a nationwide socio-economic course activity company specialising in dyslexia, dyslexia education, development of teaching materials and inclusion	1 interview / 62 minutes	Website information, social media posts, newspaper articles
<b>19</b>	SBPS	2018	B2C/B2B: Software service	Relatives to people who are sick	We ensure that you, as a relative, get the tools and knowledge to deal with mental illness, so you get peace and surplus energy in everyday life.	1 interview / 85 minutes	Website information, newspaper articles, social media posts

**Figure 1: Data structure**



**Table 2: Dimensions, Themes, Categories, and Data**

Second-order themes and First-order categories		Representative data
<i>Aggregated dimension:</i>		
<i>Beneficiary Category</i>		
1. <i>Focus on Beneficiary Disadvantages</i>		
A. Incentivising beneficiaries to focus on vulnerabilities	A1.	“[to receive public benefits] You have to put yourself in a victim position and say: ‘there are many things that I cannot do.’ The more you talk yourself up, the less help you get.” (WISE case 10)
	A2.	“They [beneficiaries] have been part of a system where they have experienced failure many times due to a continued focus on efficiency. Within this system, there is a mindset that emphasises the need to identify and measure each individual's work capacity. In the process of doing this, many end up experiencing failure because they are unable to meet the demands placed upon them.” (WISE case 11)
B. Portraying beneficiaries as victims	B1.	“When I arrived in Africa during my studies, it was so different than what I had pictured as a result of being influenced by Danish NGOs. To raise donations, they (NGO’s) tried to influence the emotions of kind-hearted Danes by creating an image of Africa that made you feel sorry for them. A wrong image, which frustrated me a lot.” (fair trade case 7)
	B2.	“The agenda of the NGO is about refugee boys. Many of them [beneficiaries] are very aware that they are not refugees and do not need ‘help’.” (WISE case 13)
2. <i>Focus on Beneficiary Capabilities</i>		
C. Incentivising beneficiaries to focus on inherent skills and capabilities	C1.	“What they [the beneficiaries] clearly stated was that they wanted to get jobs where they could see the potential for growth in terms of gaining greater expertise, but also the opportunity to earn more money if things went well. In other words, the feeling that if I do well, if I work well, I can actually earn a bit more money than just relying on a fixed monthly donation income.” (fair trade case 4)
	C2.	“One of the success criteria is that the entire group of young people we are starting to attract, who can't even make themselves a slice of rye bread anymore or figure out how to shop for groceries, I want to show them that they can do it themselves. But if no one does anything about it soon, we'll lose an entire generation that can't do anything at all because everything is served to them on a silver platter.” (SBPS case 17)
D. Portraying beneficiaries as individuals with high potential	D1.	“The task is always performed far better than anyone else. I usually say that if we were a football player, we would be Zlatan. There’s a lot of nonsense with us, but we are a guarantee for goals.” (WISE case 12)
	D2.	“We have a different focus; we do not concentrate on the backgrounds or ethnic origins of the boys. We place greater emphasis on the resources they possess” (WISE case 13)
<i>Aggregated dimension:</i>		
<i>Social Intervention Practice</i>		
3. <i>Temporary, Reciprocal, Flawed Incentive practices</i>		
E. Motivation and expectations of practice actors in performing intervention practices	E1.	“Companies receive some money from the Danish government, so they wouldn't have done it if they didn't get some money to go down there. And that's also the wrong motivation. It should be because they see potential with their own money without getting money from elsewhere.” (fair trade case 7)
	E2.	“Their [beneficiaries’] best friends were their contact pedagogues. It is a paid friendship, which can have a rather short expiration time with this contact person, now they are getting a new job [...] therefore, one does not necessarily form friendships that are based on chemistry.” (SBPS case 17)
F. Give-and-take expectations from transactions [e.g. public and corporate donations, public funds]	F1.	“I had [a beneficiary] who [in order to receive public benefits] was chased around for an hour of work capacity, and she was completely devastated by it, unable to sleep and all sorts of things. They [municipality] will keep pursuing you until the task is solved [test work capacity].” (WISE case 11)
	F2.	“That is the whole idea with our impact idea. To give them something back not as an NGO, but more as a collaborator. And of course, you should buy their coffee and work with them. They need you and you need them. That kind of thing. But in an NGO setup, it is... Yea. You don't have this mutual benefit, like one is the giver, and the other is the taker.” (fair trade case 6)
G. Content, duration and frequency characteristics of intervention practice	G1.	“I've been around and seen, for example, where they build such... What are they called? Water tanks? Wells! Where it's very, very nice, but when it breaks, who is responsible for getting it repaired?” (fair trade case 2)
	G2.	“Many municipalities, for example, have cut down on companion days, which means that one-on-one you can get a companion to accompany you to something. They have cut it from three days to one. It's just nothing. Try to think of one day a year when you can be allowed to go out and do stingly what you feel like doing.” (SBPS case 17)



4. *Trust-based, Collaborative, Quality Focused Practices*

- |    |  |     |   |
|----|--|-----|---|
| H. | Building a mutual trusted relationship                                 | H1. | “So I had my farmer up here in Denmark. Then we went around visiting my customers. Where I then involved my customer in him also learning something from being here, and then he was shown around in the production, and like, ‘look, this is how they make such a system, and this is where they wash hands, and then they do this and that’, that is really a great learning experience for him, to take home. Because I can stand there as much as I want down in the dust (laughs) and in the ruins, when we have built an amazing production site, which just doesn't look anything like what we have here at home, but is fantastic down there (laughs). So I can stand there and tell a whole lot about systematics and cleaning, but coming up here, and then seeing the conditions that are here, it's really worth its weight in gold.” (fair trade case 2)         |
|    |  | H2. | “Well, what is unique about us compared to other NGOs is that we only have our office out at the farms, which means that we have direct contact with the farmers. That means we don't have an office in Nairobi, so we are constantly having these dialogues with the farmers, where we write things down, and we have training every week with the farmers, so we maintain close contact with these farmers to see how they are doing. And actually, one of the things I haven't mentioned, which is trust, trust I actually completely forgot to say how important it is. It's really the core of everything, to gain trust from the beneficiaries, that they want to work with you. Because it's really only after that, you can measure impact, when they start to see you as a partner (...) So building that up, it just takes a really long time.” (fair trade case 7) |
| I. | Creating collaborative incentives through flexible market transactions | I1. | “We don't offer a significantly better price than they would get with Fair Trade or elsewhere. But what we do is ensure them a monthly or annual delivery, so they have something to plan from. We don't just come in and buy and then not come back the next time. We are very loyal when it comes to working with the people we started with. (fair trade case 1)   |
|    |  | I2. | At many places, [beneficiaries] are paid on a commission basis, but not with me. So everyone always gets a salary regardless of the work they do. At the big companies, you're paid on commission, you get deductions if you make mistakes, and they run the business in an extreme hard way. (fair trade case 5)   |
| J. | Focus on quality of craft and beneficiary created products             | J1. | “It's expensive for us because it requires a lot of training. You can't just walk in off the street, and then after two days, are able to sit and weave. We typically have between three and six months of training. So it's really expensive. In that way, I am sure that it can definitely pay off to provide a decent wage. Especially in developing countries, like Nepal.” (fair trade case 5)   |
|    |  | J2. | “I believe that (the customers want) the crops you can be grown there, and I believe that they will want (products from) Africa, once you prove to them that the quality is good.” (fair trade case 7)  |

*Aggregated dimension:*

*Resource Mobilisation Practice*

5. *Technocratic, Paternalistic, Pacifying Practices*

- |    |  |     |   |
|----|--|-----|---|
| K. | Impact measurement being overly technocratic and inefficient allocation of resources | K1. | “I don't want to go around doing analyses and all sorts of other things. I'm not business educated like you [the interviewer]. (...) You know, and it's as if they create this huge, flashy reports so they can sell it [intervention] and say, ‘that's why we get 3 million a year, because can't you see these huge, flashy DJØF (impact) reports, calculations’, that's the kind of thing I'm against. It's also the kind of thing that really pisses me off” (fair trade case 1)  |
|    |  | K2. | “We don't use a lot of resources on measuring a lot of things because I also have the attitude that time can be better spent elsewhere. Let's move something, let's do something, let's produce something. Because that's what makes a difference. Therefore, I try to just measure on a simple parameter, like getting more people into work. In my opinion, a lot of time is also wasted (on impact measurement).” (fair trade case 2)  |
| L. | Storytelling as a ‘we know best’ framing   | L1. | “So, this thing about saying ‘we have just given 20 million to a school project.’ There's not much that gets under my skin more than that. Because it means that from Denmark, we have decided what these funds should be allocated to, and they are earmarked for something, because we need to use it in our marketing. I think it's completely and utterly wrong. I find it so skewed, that all talk about social responsibility just goes out the window if that's the way we want to do it, because then it's for our own sake, and not to improve conditions for those we actually trade with and wish to grow our business with. (...) but for us to go in and decide what this money should be used for, that's probably just as utopian as telling them how to grow their coffee.” (fair trade case 3) |
|    |  | L2. | “I do not only think of SOS Children's Villages [NGO], but they create this vivid picture of a classic scenario of a white man or woman coming in, believing and knowing that they have all the answers to Africa or other countries. We often think that we have the solutions to many of the challenges that exist in the world. No matter how objective we want to be, we have a very clear opinion on how things should work in other places as well. This means that when you go out into the world, you already have a classic model in mind [which is wrong].” (fair trade case 4)   |
| M. | Providing oversimplified solutions to resource providers                             | M1. | “There's a tax system in Denmark, where the money goes to these big elite organisations. And you can't just go and shake that up, I might change a few minds, those who think ‘oh yeah, that's crazy,’ but generally, people are perfectly fine with saying ‘the money goes over there, and then I'm doing something good,’ without having to give it more thought. Because people are so busy in their daily lives, so that's fair enough (...) so the whole system we have in   |

Denmark, well, we support through taxes, and the taxes then go to the big NGOs, and that's that. (fair trade case 7)

M2. "What about sustainability?' (the customers) say. And then one could take the easy solution. That would be to say 'well of course we are sustainable, we have the label and the organic label and all that, so no problem'. And that might also be accepted, but if you just dig one shovel deeper, then you also know that the challenge happening in 2007 in Guatemala was dealing with many coffee farmers who were organic, and if they had had the opportunity to spray [with fertilizer] against coffee rust, this disease that hits the leaves on the underside, well then they would most likely have survived. The country was close to going bankrupt. There were an incredible number of people who lost their jobs, and there were no young people who wanted to go into the coffee industry because it was so uncertain. So this thing about saying that it has to be organic above all else, it's just another reality out there in the world." (fair trade case 3)

6. *Transparent, Participatory, Activating Practices*

N. Performing transparent impact measurement focusing on what the beneficiaries need

N1. "If people buy products [from one of the beneficiaries], how much can we precisely say? It's about making it as transparent as possible, so people can really see 'damn, it really makes a difference', because Danes really like to support if they can see that it makes a difference. '30 cent of my dollar makes a difference', that whole part, I think that's really important." (fair trade case 7)

N2. "We need to be as transparent and sustainable as possible. As one of two roasteries in the country, we have signed The Pledge. With this, we actually make our contracts with these coffee farmers available for public scrutiny; it is a pure peer-to-peer review. [we also ask our beneficiaries] 'what quality are you producing, and what do you need to maintain this quality and continue this development?' [to which the beneficiaries answer] 'It's actually very important that we purchase a machine that can remove the skin from the coffee cherry. It is actually more important for us to get such de-pulper than to build a new school for our children'". (fair trade case 3)

O. Doing participatory storytelling using the beneficiaries voices

O1. "Take Akello [beneficiary], He comes from Uganda, having fled from there, and is trying to build something here in Denmark. The idea was that he would return to Uganda to work with the supply chain there, so he is a Dane, a Ugandan Dane, who has fled and is going back to educate them to provide quality fruit from there and bring it here. In that sense, we gain a lot from it. We also gain in terms of the stories we tell, where all refugees are often seen as a problem for us and a cost to society's bottom line, but they can be a resource for us because they know the local language and culture". (fair trade case 1)

O2. "I am not blind myself. I will never fully understand the product myself. This is a very important starting point to have. [telling a story saying] 'We do this and that'; who are you to tell? It needs to be the beneficiaries who should represent the answer." (SBPS case 16, co-founder)

P. Creating a market for their products through proactive consumers

P1. "If I could now build a bridge between these women, so that the women in Nepal would have the opportunity to sell their fine handicrafts, and the women in Europe could get some nice handmade gear for their children. And that actually became my mission. It was to build that bridge. [...] I agreed with them that if it was the case that they could start up production, that they could ensure it was of proper quality, then I promise that I will make sure they have orders all the time." (fair trade case 5)

P2. "And then there is the price we pay for it. Whether the coffee I have in my cup costs 1 krone and 19 øre or 1 krone and 34 øre, it doesn't mean much in Denmark. We really need to be much more aware of this. We are willing to pay for organic eggs because they taste better and the hens are treated better, but our coffee still needs to be 400 grams for 39 kroner at Netto. I physically feel unwell when I see these coffee offers because I know what it costs in the world to produce it if it is to be of decent quality." (fair trade case 3)

Figure 2:

## Contestation of Beneficiary Category and Practices

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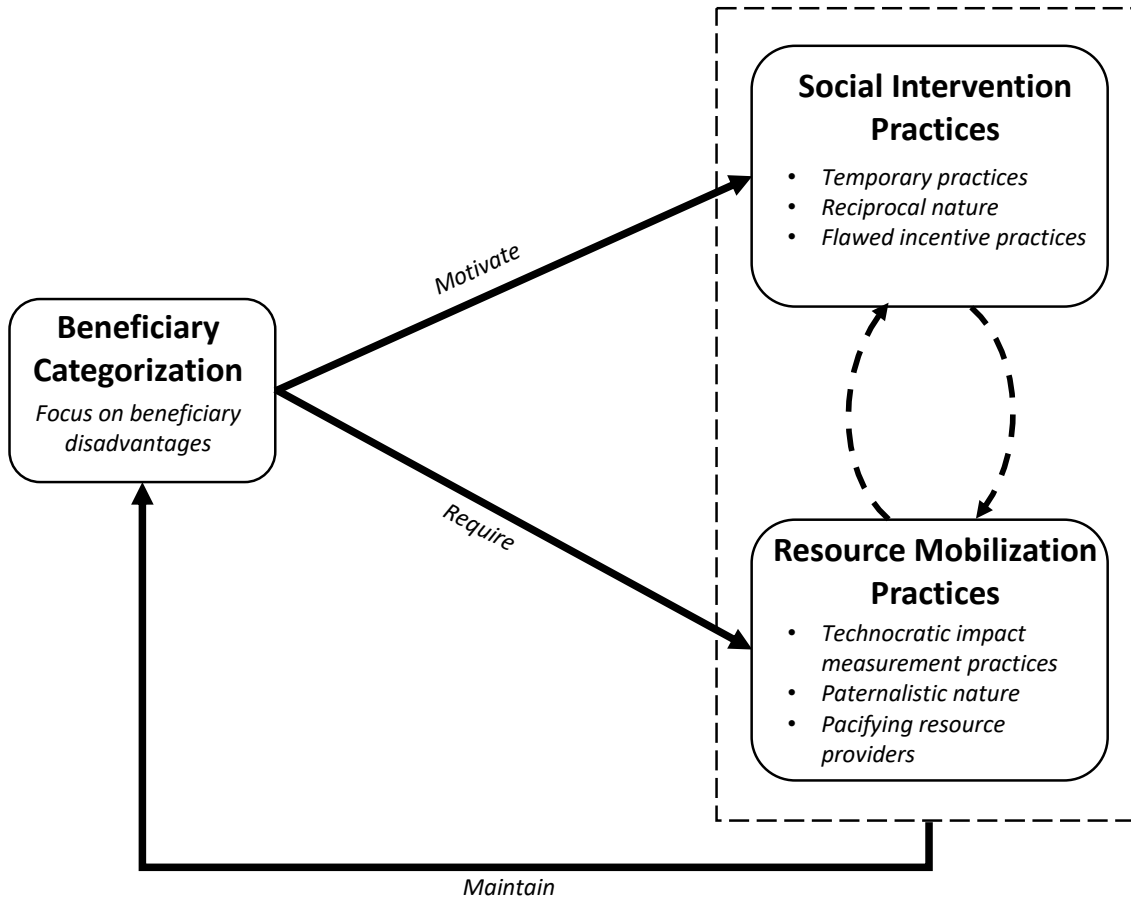
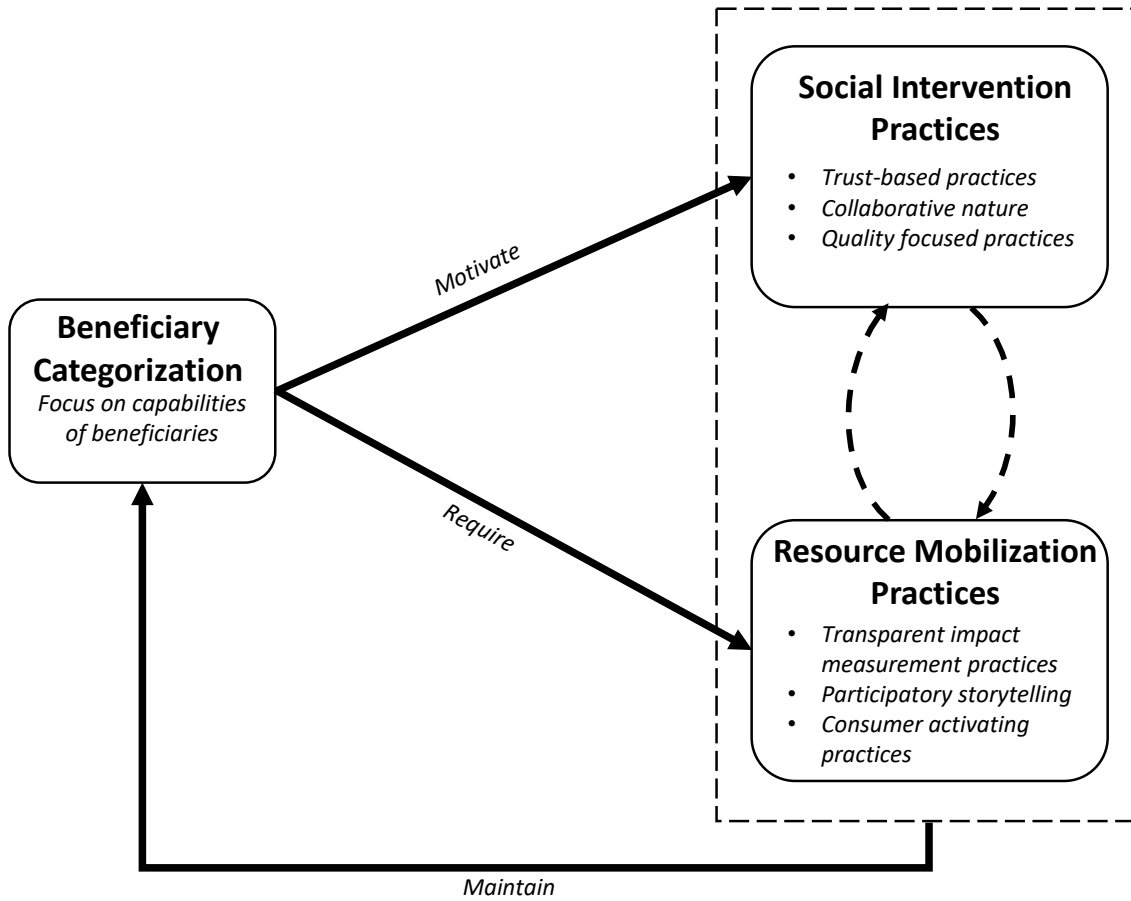


Figure 3:

### Shaping Beneficiary Category and Practices

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## Part 3: Contributions, Implications and Conclusions

This dissertation set out to answer the overarching research question of *how do social enterprises develop and leverage their hybridity to shape identities, practices, and categories to address societal challenges* with each paper playing its own role in providing an answer to this question. In the following section, I conclude with some final reflections on the dissertation by looking at the interplay of the contributions across the papers as well as the dissertation's academic, practical, and teaching implications for the field of social enterprises, including some potential future directions for better understanding social enterprises. To achieve this aim, I will break down the overall research question into three themes: the development of a social enterprise, leveraging hybridity as an opportunity, and shaping social-symbolic objects to address societal challenges.

### The Development of a Social Enterprise

In my presentation of central constructs used in the dissertation, I used Choi and Majumdar's (2014) view on social entrepreneurship as an essentially contested concept of which the social entrepreneurial organisation is one of the five integral aspects of social entrepreneurship. The first paper in this dissertation explores the topic of developing a social enterprise and created contributions to mission drift, feedback environment, and the consequences of mission drift at the organisational and individual level. In the following section, I will reflect on the interplay of paper one's contribution with the two other papers, before reflecting on academic, practical, and teaching implications for this contribution, including potential future research directions.

### **Interplay of contributions across the papers on the development of social enterprises**

The first paper contributes with a nuanced perspective on mission drift during the development of a social enterprise. Part of what makes social enterprises unique is their combination of a social and commercial mission (Battilana et al., 2015; Siebold et al., 2019). However, paper one shows that in the first stage of the studied social enterprise's development, the primary focus is on the social mission, a focus made possible by a significant donation from the government.

The literature emphasises the management challenge social enterprises face in being constantly exposed to multiple and potentially contrasting goals (Battilana et al. 2015; Siebold et al. 2019), putting them in risk of mission drift (Kwong et al., 2017), often associated with commercialisation (Weisbrod, 2004). However, this challenge is close to non-existent in the first phase of the social enterprise's development in paper one due to an almost total lack of a commercial activities. This is interesting, as

mission drift occurs when an *'organisation diverge from its main purpose or mission'* (Cornforth, 2014, p. 3). Given that social enterprises combine two missions, diverging from any of them would be considered mission drift. Paper one also shows this drift towards the social mission in the first phase of the studied social enterprise. While paper one suggests that drifting towards the social mission a social enterprise can gain legitimacy from important stakeholders and being acknowledged as a leading contributor in the field, I want to reflect on the risk of getting stuck in focusing on the social mission in this phase.

Staessens et al. (2019) refers to this scenario as "mission lock-in", where a systematically over-emphasis on social objectives not only causes the enterprise to lose sight of economic aspects, but it also makes the organisation increasingly rigid, regardless of its economic performance. Considering the three different strategies that social enterprises enact to help their beneficiaries perform identity work, as discussed in paper two, mission lock-in becomes problematic. For example, consider a social enterprise that uses the strategy of cross-fading to expose beneficiaries to a social-welfare logic before cross-fading into more commercial logic exposure. As the strategy indicates, moving from a social-welfare logic to a more commercial logic is important. To achieve this transition, the social enterprise needs to help its beneficiaries engage in activities of a more commercial nature. However, if a social enterprise stays in a social mission lock-in without increasing its commercialisation activities, as observed in phase one of the social enterprise in study one, it will likely only expose its beneficiaries to a social-welfare logic, making it difficult for them to acquire a job identity. Given the *raison d'etre* of a work integration social enterprise is to create a job identity for their beneficiaries, it can be argued that excessive focus on the social mission, often associated with a social-welfare logic, will even make the social enterprise drift away from its social mission.

For fair trade social enterprises, mission lock-in can likewise become problematic. Although these types of social enterprises, as shown in paper three, want to highlight the capabilities of certain suppliers and provide opportunities to sell their goods, locking in on the social aspect can come at the expense of creating a product that can compete on market conditions. Consequently, the fair trade social enterprise might find themselves in a position where they can only sell to a rather small niche market characterised by very socially conscious consumers who are willing to pay a significantly higher price - a price that

enables the fair trade cases to cover the cost of the social interventions. A similar scenario could also play out for the SBPS cases, given that they lock-in on the social mission; spending a lot of time and resources on optimising the product might come at a risk where nobody is able to buy it due to the price. As a result, despite the type of social enterprise, it is important to take into account how much to focus on the social mission in the early developments of a social enterprise before considering market mechanisms as part of the commercial mission.

Paper one furthermore contributes by highlighting the feedback environment as an important aspect of a social enterprise's development. In phase one, where the social enterprise drifts towards the social mission, it is surrounded by social-oriented stakeholders providing idealistic feedback that appraises their social mission and values. Connecting to the contribution in paper two, this type of feedback would be considered as following a social-welfare logic, which was problematised in terms of helping beneficiaries perform social identity work.

The contributions of study two thus adds add an interesting nuance to the feedback environment of a social enterprise's development by demonstrating how the feedback environment also affects the beneficiaries. While having a feedback environment that includes individuals with a social-welfare background is important, excessive exposure to idealistic feedback can leave both the social enterprise and its beneficiaries in a position characterised by a lack of commercial feedback and expectations to which they both need to be exposed. Therefore, both the first and second papers emphasise the importance of having a feedback environment that includes feedback providers of more commercial character, as they can provide more pragmatic feedback on market-based activities needed for sustaining a social enterprise and expose beneficiaries to a commercial logic that will assist them in creating a job identity.

The third contribution of paper one relates to the consequences of mission drift at both the organisational and individual levels during a development of a social enterprise. Paper one showed how enacting mission drift had personal consequences for both founders, who experienced dissonance between the values they initially sought out to uphold and the compromises they needed to make for the social enterprise to become financially self-sustainable. As a result, both founders began to feel a sense

of inauthenticity and experienced signs of stress when drifting towards the commercial mission. The contribution of paper two on social identity work provides an interesting perspective to the consequences of mission drift. Although paper two focuses on how social enterprises assist their beneficiaries in performing social identity work by exposing them to a mix of logics through different strategies such as weighting, identity work could also benefit the social entrepreneurs themselves. Therefore, it might be important for social entrepreneurs to work on their own identity in tandem with developing their social enterprises.

### **Academic, practical and teaching implications of the contributions on the development of social enterprises and future directions**

The academic implications of the contributions on the development of social enterprises related to mission drift, feedback environment, and the consequences of mission drift at the organisational and individual level. While current literature stresses the notion of adaptation, flexibility, and pivoting in the early stage of business venturing (for example, see Grimes et al. 2018; Sarasvathy, 2001; Sarasvathy, 2008), there is often a focus on the economic mission of a social enterprise (Austin et al., 2006). A development or even pivoting of the social mission seems to be readily equalised with mission drift. Paper one contributes to this literature by showing under which circumstances mission drift might have rather positive consequences, especially in the development of new social enterprises (Ometto et al., 2019). Drifting away from the social and environmental mission and working through the tensions of its missions enabled the social enterprise to develop a new understanding of its resources, re-evaluate which practices create social impact, and change its scope regarding its target group, thereby making its offering available to a larger audience. Putting attention towards the economic mission can therefore enhance the social performance in the long-run (Staessens et al., 2019), which suggests that adjusting or pivoting social and environmental missions should not be viewed as mission drift.

The second contribution of paper one has implications for the literature on social enterprises by nuancing the feedback environment of social enterprises during their development. Although idealistic feedback from social-oriented actors is important for the development of the social mission (Grimes et al., 2019; Kwong et al., 2017), staying in a social web of relations that provide idealistic feedback can



become a “sleeping pillow” allowing the founders to neglect organisational adaptation needs on the economic mission side. It has been shown in empirical studies that engaging with external commercial feedback providers is especially important in early stages of entrepreneurship, *‘wherein individuals attempt to commercialise their ideas’* (Grimes, 2018, p. 3). However, paper one furthermore shows how feedback from commercial actors can help nuance the understanding of the social mission by providing pragmatic feedback on ways of capturing social value through social value creation activities and the selection of beneficiaries. This underscores the importance of allowing social enterprises to adjust or pivot their social mission when engaging with commercial feedback providers without the fear of losing sight of the social mission.

The final implication on the literature of the development of a social enterprise is the consequences of mission drift on the individual level. Study one showed how enacting mission drift had personal consequences for both founders. The findings thus raise the question if social entrepreneurship is a healthy track for idealistic people with frail entrepreneurial profiles (such as individuals with a social-welfare background) echoing Bacq et al.’s (2016, p. 714) concern as to *‘whether the social agenda primarily pursued by these individuals is actually better served by means of entrepreneurial techniques, or not.’* The contribution of paper one thus stresses the importance of studying the individuals who experience mission drift.

The contributions to the development of a social enterprise furthermore have implications for practice. As for the contribution related to a nuanced view on mission drift, aspiring social entrepreneurs should be aware that mission drift is not inherently bad. Instead, mission drift might even be a necessary condition allowing for adaption, flexibility, and pivoting in the early stages of a social enterprise’s development. While social entrepreneurs should be aware of mission drift, they should still be open to change the social mission without fearing mission drift. For example, in situations where aspiring social entrepreneurs secure early funding based on a funding application that outlines the social problem, the beneficiaries, and the social intervention of the project, they need to realise that such descriptions represent only initial understandings. Hence, once realising the project through developing a social enterprise, they should be open to re-examine their prior understandings of both the problem, their

beneficiaries, and the social intervention. To help re-examine these understandings, social enterprises could benefit from talking to other social enterprises in similar situations by creating spaces of reflection. In the Danish context, ecosystem actors such as the nationwide association Social Entrepreneurs Denmark could help facilitate these spaces of reflection and even create events on the topic. This contribution also applies to other stakeholders, such as foundations or impact investors, that support social entrepreneurs with important resources in their early stages. Since the fear of mission drift is partly caused by the withdrawal of resources from resource providers, funding agencies and impact investors should incorporate flexibility for pivoting in their funding calls of investor contracts if mission drift is observed.

This leads into a second implication for practice related to the contribution on feedback environment. Social entrepreneurs should be aware of their relational surroundings, even during the early development stages of their social enterprises, such as when preparing project descriptions for initial funding. Establishing relationships that represent each of the missions can help raise critical questions for the social entrepreneurs early on regarding how they construct the social problem, understand their beneficiaries, and design their social intervention. Without diverse relationships, it can be challenging to achieve financial sustainability. Board constellations can play an important role for creating diverse relationships within and across the enterprise that will ensure a mixed feedback environment. Having a board consisting of both socially and commercially oriented individuals can provide effective guardrails against drifting too far toward either mission. Furthermore, boards should not be seen as static; they can be changed as new challenges arise that the current board is unable to address effectively.

Different actors in the social entrepreneurial ecosystem, such as incubators, accelerators, and funding agencies, can also help establish diverse relationships. Instead of focusing solely on monetary support from these actors, social enterprises should recognise the significant networking role these ecosystem actors play. By networking with and through these ecosystem actors, social enterprises can develop more diverse networks. Establishing diverse connections within the social entrepreneurs' feedback environment early on can also help them better align their values with entrepreneurial methods, as exposure to varied relationships may reveal the inherent diversity within the field of entrepreneurship

itself. Such value exposure might mitigate, or at least nuance, the experience of mission drift on the individual level.

The contributions to the development of a social enterprise also have interesting implications for teaching. Given that some social entrepreneurs possess less robust entrepreneurial profiles (Bacq et al., 2016), learning about entrepreneurship is important for acquiring the necessary skills and principles to develop a social enterprise. However, entrepreneurship training alone might not be sufficient for social entrepreneurs, as they need to carefully consider their own values and beliefs during the development of a social enterprise (O'Neil & Ucbasaran, 2016). Without taking into account the students' values and beliefs, they might reject entrepreneurship as a means to solve social problems due to the potential personal costs involved.

Finally, I would like to suggest future directions for better understanding the development of social enterprises. Future studies should explore how social enterprises can successfully adapt or pivot on their missions and to investigate the role of diverse stakeholders in this process. Such research could furthermore provide more detail into the interplay of dual missions, as adapting one mission might require adjustments to the other mission as well. For example, adapting the commercial mission from fundraising to market income might change the understanding of the social mission, as suggested in paper one. Future research could further explore the consequences of this adaptation and pivoting at both the individual and organisational levels to understand the different strategies social entrepreneurs can employ to deal with potential negative consequences of this process.

### Leveraging Hybridity as an Opportunity

While paper one highlighted the challenges of balancing multiple logics in developing social enterprises, paper two explores the opportunities in leveraging multiple logics through the hybridity of a social enterprise. The dissertation thus transitions from viewing the multiple missions that characterise social enterprises' functioning as "the problem to solve" to seeing them as "the opportunity to take" (Mongelli et al. (2019, p. 302). Paper two raised three implications for leveraging the opportunities of hybridity that I want to reflect on: adopting institutional logics in social enterprises as hybrid arenas, institutional logics and social identity work, and social enterprises in different institutional environments.

### **Interplay of contributions across the papers on leveraging hybridity as an opportunity**

Adopting a hybrid form from the view of “the opportunity to take” rests on the assumption that there is something to be gained from doing so. Paper two shows how social enterprises’ hybrid nature enables them to draw flexibly on institutional logics from their institutional environment (Besharov & Smith, 2014; Pache & Santos, 2010, 2013a; Sætre, 2023), selectively emphasising or minimising certain influences (Pache & Santos, 2013b; Perkmann et al., 2019). By highlighting different strategies of managing the influence of different logic exposure to their beneficiaries, paper two suggests a proactive management of institutional logics from turning their social enterprises into hybrid arenas. Paper two therefore nuances the rather reactive management of logics highlighted in study one, where the social enterprise is forced to act due to risk of insolvency from running out of donated money. Paper three further demonstrates hybridity as a valuable opportunity, illustrating how the hybrid nature of social enterprises enables them to facilitate flexible market transactions as part of their social interventions. Given that practices belong to social groups, who define the correctness and legitimacy of a practice, adopting a pure NGO form would likely not allow for such flexibility market transactions (Lawrence & Phillips, 2019).

Paper two furthermore combines the lens of institutional logics with a social identity lens (Brown, 2022; Lawrence & Phillips, 2019). Combining these lenses provides a detailed account of how WISEs assist their beneficiaries in performing social identity work through exposure to multiple logics across the relational, material, and discursive dimensions. In relation to paper one, a social-identity lens could help elaborate the transition of the social entrepreneurs’ identities, initially resembling those of a social worker and philosopher and then at the end, reflecting that of a social entrepreneur. For example, examining at the relational dimension of the founders’ identity change can enhance our understanding of the relationships with stakeholders that contribute to their identification as social entrepreneurs. Furthermore, looking at the different dimensions through which social entrepreneurs and their social enterprises are exposed to different logics could offer insights into how to successfully adapt and pivot between missions, enabling the creation of a sustainable social enterprise without imposing negative personal consequences for the founders.

Finally, paper two studied social enterprises in the two vastly different institutional environments of Denmark and South Africa. While the social enterprises interacted with the social and commercial logics of their respective institutional environment in similar ways, there were notable differences in how they engaged with the public sector logic. This contribution is interesting for both paper one and three as they also look at cases operating in Denmark or other countries. From the perspective of leveraging hybridity as an opportunity, this highlights the need for social enterprises to recognise the advantages of operating in different institutional settings. For instance, in paper one, the social enterprise receives a significant government grant, which, while leading to a drift toward the social mission, it represents a valuable resource opportunity if the enterprise can effectively manage the associated pressures from the government, for example through a selective coupling strategy (Pache & Santos, 2013b). This resource opportunity from the government was furthermore described in paper two, yet, similar to paper one, it had consequences, such as complicating the social identity work of beneficiaries. This suggests that leveraging hybridity as an opportunity is not possible without considering the potential management challenges of hybridity as well.

#### **Academic, practical and teaching implications of the contributions on leveraging hybridity as an opportunity and future directions**

Paper two contributes to the literature on hybridity by giving an account of how social enterprises can enact their hybrid nature by flexibly drawing on logics from their institutional environment, akin to the way in which a membrane selectively allows substances to permeate it (Besharov & Smith, 2014; Pache & Santos, 2010; Pache & Santos, 2013b; Sætre, 2023). The paper shows the creative use of hybridity as an opportunity to help their beneficiaries perform social identity work by through three strategies: cross-fading, weighting, and shielding. The paper furthermore expands on Perkmann et al.'s (2019) conceptualisation of hybrid spaces, who argue that both a dominant and minority logic can be enacted. While Perkmann et al. (2019) find that spaces are hybrid rather than dominated by a single logic, paper two suggests that hybrid spaces can indeed be dominated by a single logic, at least for a certain period of time, as demonstrated in the strategy of cross-fading. This leads to an interesting academic implication

within the hybridity literature as these papers focus on the agency of social enterprises in leveraging hybridity as an opportunity.

One of the practical implications of leveraging hybridity as an opportunity lies in the decisions practitioners must make regarding whether to combine and engage with different institutional logics. Choosing a hybrid organisation, such as a social enterprise, over a mono-organisation, such as a purely commercial enterprise or an NGO, should be based on the potential opportunities that hybridity offers. However, in order to make informed choices on whether to start as a social enterprise, practitioners should know what opportunities that lie in doing so. Paper two suggests opportunities in hybridity related to social interventions, demonstrating that by drawing on multiple institutional logics, social enterprises can help their beneficiaries perform social identity work. Paper one suggest opportunities in hybridity related to resources, showing that hybrid organisations can acquire multiple types of finance. However, both papers also suggest the potential risks of enacting these opportunities. Paper two shows the complications of a public sector logic for their beneficiaries' identity work, while paper one shows the challenges of receiving a large government donation. Therefore, practitioners should be aware of the opportunities in leveraging hybridity, but they must also consider the potential challenges.

Different institutional actors in the social entrepreneurial ecosystem, such as municipalities, foundations, and commercial enterprises, could help social entrepreneurs leverage the opportunities of hybridity. By becoming aware that they themselves adhere to specific institutional logics, these actors can better understand the potential harmful effects these logics may have on the beneficiaries performing identity work. This is particularly relevant for municipalities that impose a public sector logic on the beneficiaries, as social enterprises spend resources to mitigate this exposure. Consequently, ecosystem actors can help social entrepreneurs in leveraging the opportunities of hybridity by proactively engaging with the social entrepreneurs on when and how to expose beneficiaries to certain logics, recognising that not all exposure occurs through the social enterprise. Through such collaboration, a more holistic approach to assisting beneficiaries performing social identity work could be achieved.

The practical implications furthermore have interesting teaching relevance regarding the opportunities and complexities associated with the multiple institutional logics of hybridity. For instance,

in their framework for social entrepreneurship education, Pache and Chowdhury (2012, p. 497) advocate for teaching nascent social entrepreneurs about the goals of a social-welfare, commercial, and public-sector logics. Nascent social entrepreneurs furthermore need to learn about their institutional stakeholders, the social entrepreneurs' interaction with these stakeholders, and social entrepreneurs' dependencies on these diverse stakeholders. However, their framework puts little emphasis on how adherence to different logics affects the beneficiaries of the social enterprise. For example, while understanding the workings of the public-sector logic can increase the odds of securing monetary resources to reduce the cost of employing beneficiaries, it is important to be aware of potential consequences of engaging with this logic. Based on the findings of paper two, it is suggested that practitioners and nascent social entrepreneurs should critically assess the unintended negative effects that the public-sector logic can have on their beneficiaries. If social enterprises choose to collaborate with and become resource dependent on the government, they need to be aware of the strategies that help shield their beneficiaries from a public sector logic.

Furthermore, when teaching about different social interventions, such as work integration, it is important to show how different institutional logics are salient across each of the three dimensions of beneficiaries' identities. This approach would help practitioners and nascent social entrepreneurs more precisely map out the different dimensions through which their beneficiaries need exposure and to which logics. For instance, some beneficiaries simply need the opportunity to connect with social relations that carry a commercial logic, while others might require exposure to commercial logic through the material dimension, such as having higher expectations regarding the quality of products or services related to their labour.

Future directions to better understand how social enterprises can leveraging their hybridity as an opportunity could include process studies that provide insights into how the opportunities in hybridity are enacted over time. Although social entrepreneurs might be introduced to the opportunities of hybridity, such as through different hybrid archetype models of organising (Hockerts, 2015; Saebi et al., 2019; Wry & York, 2017; Wry & Zhao, 2018), the process of realising these opportunities may require adaption to the institutional environments in which they operate. Future studies could thus examine the specific

institutional environments and levels of institutionalisation within which social enterprises operate, rather than merely comparing countries in order to gain a deeper understanding of how these contexts influence social enterprises' choice of hybrid models, strategies, and effectiveness. This would provide valuable insights into the complex interplay between social enterprises and their operating environments, and how they navigate the challenges and opportunities presented by hybridity.

### Shaping Social-Symbolic Objects to Address Societal Challenges

The third and final paper aims to address the sub-part of the overarching research question of the dissertation related to how social enterprises shape practices and categories to address social challenges. Paper three uses the social-symbolic framework by Lawrence and Phillips (2019) as a lens for studying social enterprises' contestation and reconstruction of social problems. In doing so, paper three shows how social enterprises attempt to shape social-symbolic objects related to social problems, focusing on categories and practices. The findings of paper three suggest three implications that I want to reflect on: (1) social-symbolic objects as constructs related to social problems, (2) categories and practices as interrelated social-symbolic objects, and (3) the transition from one set of categories and practices to another.

#### **Interplay of contributions across the papers on shaping social-symbolic objects to address societal challenges**

Paper three shows how the social-symbolic objects of categories and practices are related to social problems. Given that social problems are socially constructed, as opposed to being objective and universal, they become contestable. Paper three finds that social enterprises contest social problems by challenging the prevailing categorisation of individuals affected by them. By ascribing and focusing on certain characteristics of beneficiaries, these categorisations play an important role in constructing the social problem. Another social-symbolic object related to social problems is identities. As demonstrated in paper two, this problem is conceptualised as a lack of in-group participation in the labour market. To solve social problems, the social enterprises in paper two assist their beneficiaries in performing social identity work. Together, paper two and three presents two different perspectives on shaping social-symbolic objects to address societal challenges. Paper three highlights how the categorisation of



beneficiaries contributes to the construction of the social problem, while paper two focuses on how the identities of beneficiaries play a role in the construction of the social problem which highlights the necessity of acceptance by in-group members within the labour market. Both perspectives highlight the agency involved in shaping categories and identities, while also emphasising that these problems are situated within our social systems rather than being solely individualised problems. This underscores the need to redistribute resources and opportunities within the social system to facilitate the shaping of these social-symbolic objects by ultimately addressing societal challenges.

Paper three furthermore contributes to our understanding of how categories and practices are interrelated social-symbolic objects, illustrating how categories affect practices and vice versa. It demonstrates how beneficiary categorisation motivates specific social intervention practices and requires certain resource mobilisation practices, which, in turn, help maintain the beneficiary categories. This cycle of mutual dependence between categories and practices showcases not only how categories determine which practices to enact but also how the enactment of these practices reinforces and maintains the categories. Consequently, the way social problems are (re)constructed is important, as it directly influences the effectiveness of the solutions developed (Dorado et al., 2022), which, in turn, helps affirm the construction of that social problem. Contesting and shaping any single social-symbolic object within this cycle requires critical reflection on the effects it has on the other social-symbolic objects involved. This is well illustrated in paper one, where the social enterprise began adopting more commercial market income practices to achieve financial sustainability. The introduction of this new practice forced the social enterprise to reevaluate who their beneficiaries should be, as noted by one of the interviewees:

“I would have liked to keep taking people in from the ‘very low end’ but that is not possible any longer. We have to compromise them too (...). Getting people that are a little bit better also means that they can work more on their own. (...) You cannot have a business only with people that cannot do things by themselves.”  
(interview Birthe)

This quote illustrates the necessity for alignment between the categorisation of beneficiaries and the practices enacted by the social enterprise, which relates to the third implication regarding the transition from one set of categories and practices to another. Interestingly, the social enterprise in paper one did

not focus on reshaping the categorisation of their beneficiaries, instead, they opted to change the group of beneficiaries altogether. This nuance adds depth to the implications in paper three, suggesting that social enterprises may not always seek to shape the categorisations of their beneficiaries if those beneficiaries do not align with the practices they implement. Instead, they may choose to change their group of beneficiaries. However, this scenario of changing beneficiary groups instead of shaping their categorisation can be understood from the fact that the social enterprise in paper one initially lacked commercial activities to engage their beneficiaries. As highlighted in paper two, commercial logic exposure is important for identity work, yet introducing commercial practices at a much later stage, as they did in paper one, may reveal that these practices do not align well first group of beneficiaries.

### **Academic, practical and teaching implications of the contributions on shaping social-symbolic objects to address societal challenges and future directions**

While recent literature suggests that social problems are constructed (Karakulak & Lawrence, 2024), paper three contributes to this stream of literature by accounting for the contested nature of social problem constructions. This contestation is interesting for social enterprise literature, as social enterprises are often studied for their innovative solutions aimed at creating impact, with few studies investigating how they construct social problems in new ways (Karakulak & Lawrence, 2024; Lawrence & Phillips, 2019; Tracey et al., 2011). Paper three highlighted that in order to reframe social problems, it was necessary to shape the current categorisation of the beneficiaries that focused on their disadvantages as such focus adversely affected beneficiaries' self-perception. Consequently, paper three suggests that changing the categorisation, even before suggesting a solution, can create a positive impact for the beneficiaries by creating a better self-perception. This reframing of social problems through categorisations has significant implications for how we conceptualise and measure the impact of social enterprises (Behn, 2003; Ebrahim & Rangan, 2014; Kanter & Summers, 1994; Kroeger & Weber, 2014). Impact should not only be understood in relation to the solutions implemented by social enterprises but also recognised as being created from the (re)construction of social problems themselves.

However, studying solutions or practices of social enterprises remains important. Practices core to the social enterprise literature include the social intervention itself (Stephan et al., 2015), impact

measurement of the social intervention to prove and promote its effects (Behn, 2003), and storytelling as a means to mobilise resources and legitimacy required to perform the social intervention (Lounsbury & Glynn, 2001; O'Connor, 2002). While these practices are described in the literature as to what they are and how they should to be performed (Behn, 2003; Ebrahim & Rangan, 2014; Kanter & Summers, 1994; Kroeger & Weber, 2014; Rawhouser et al., 2019), paper three suggests that social enterprises can shape the content and meaning of these practices. In other words, social enterprises recognise these different practices, along with their purposes and effects, while also finding that they can create unwanted consequences for their beneficiaries.

The construction and contestable nature of social problems offer valuable insights for practitioners in the field of social entrepreneurship. Resource providers must recognise how their 'calls to action' influence the categorisation of beneficiaries when distributing donations or support to social entrepreneurs, as these funding initiatives may maintain prevailing categorisations that have unintended consequences for those they aim to help. Therefore, it is important for resource providers to allow for flexibility in shaping these categorisations and ultimately reconstructing social problems throughout the funding period. This could be done by allocating dedicated time of a funding period for understanding the problem in a better way. Social entrepreneurs, too, should consider the implications of beneficiary categorisation in funding calls, as this presents a dilemma of whether one should accept a specific categorisation and construction of the social problem in order to secure resources or if one should seek alternative funding opportunities that better align with their understanding of the categories and problems. The categorisation of beneficiaries could also benefit from a broader societal debate. However, to achieve a more holistic vocalisation of current beneficiary categorisations, involvement from a wider range of actors is necessary. While social enterprises play a vital role in amplifying the voices of beneficiaries in categorisation efforts, these efforts alone may not be sufficient to change societal perceptions of current beneficiary categorisations. Therefore, it is encouraged that various actors in society engage in efforts together with the social enterprises in contesting and reframing social problems.

From an educational perspective, paper three suggest that students and nascent social entrepreneurs should be taught about the importance on spending time on (re)constructing a social

problem. While they need to create their own understanding and construction of the social problem, they also need to be aware of prevailing constructions of social problems. This awareness is important, as a social enterprise may depend on the resources stakeholders who adhere to dominant constructions of the social problem, which may not align with the social enterprises' construction. In such a cases, serious consideration should be given to whether to adopt the prevailing construction of the problem and, if so, what effects this will have on the solutions and beneficiaries. Different strategies for addressing this challenge could include collaborating with the resource provider to co-construct the social problem, accepting their construction in exchange for resource, or finding alternative ways to finance the social enterprise in order to give a greater autonomy in constructing the social problem.

It is also important to encourage students and nascent social entrepreneurs to reflect critically on the social entrepreneurship practices taught at universities. Paper three suggests that social enterprises can alter both the content and social meaning of different practices. Two resource mobilisation practices commonly taught in business schools are storytelling and impact measurement. While these practices are important for acquiring resources for a social enterprise, it is vital to emphasise that these practices can have unintended consequences for the categorisation of beneficiaries. Therefore, part of disseminating these practices to nascent social entrepreneurs and students should involve having them critically reflect upon the potential consequences of enacting these practices.

Future studies could investigate whether social enterprises share a homogeneous understanding of practices related to social intervention and resource mobilisation. Alternatively, this understanding may vary based on specific contextual differences among the social enterprises or how they each perceive the consequences of different practices on their beneficiaries. Additionally, future studies could examine the backgrounds of social entrepreneurs, such as whether they have prior experience with a particular construction of a social problem in their previous jobs. Such studies could explore whether inadequate constructions of social problems are a contributing factor as to why individuals choose to create social enterprises rather than attempting to address the social problem within their existing employment.

Finally, future studies could explore the process of transitioning from one set of categorisation and related practices to another, as well as the roles that stakeholders play in this process. Research

related to this process could investigate whether social entrepreneurs would accept partnerships were there is misalignment between their categorisation of beneficiaries and choice of related practices. While alignment is important for effective collaboration, excessive alignment too quickly could risk creating an uncontested echo chamber that fails to consider diverse viewpoints, as demonstrated in paper one. Ultimately, the selection and alignment of partnerships in the (re)construction of social problems are important, as the framing of social problems significantly influence the allocation of opportunities and advantages for beneficiaries within society (Lawrence & Phillips, 2019).

## Conclusion

This dissertation set out to answer the overall research question of *how do social enterprises develop and leverage their hybridity to shape identities, practices, and categories to address societal challenges*. Each paper answered a sub-part of the question that together gave answers to the overall research question. The dissertation thus contributed to the social entrepreneurship field by nuancing the view on mission drift, showing the opportunities inherent in social enterprises' hybridity, and integrating a rather new theoretical framework into the social entrepreneurship literature which focuses on the complexities of social problems.

Study one utilised a single case study to illustrate how a social enterprise engaged in mission drift during its development having effects on both the founders and the organisation. It stressed the importance of feedback environment highlighting how actors with a social background and commercial background gave idealistic and pragmatic feedback respectively. Although mission drift towards both the social and commercial mission was associated with positive effects for the organisation, drifting towards the commercial mission negatively affected the wellbeing of the founders. The findings of study one thus highlights the importance of being proactive in choice of feedback environment as well as being cautious of how long the founders can accept mission drift on a personal level.

Study two compares six Danish social enterprises with six South African social enterprises that attempt to work integrate their beneficiaries. The study combines a social identity work lens with institutional logics giving detailed accounts of the social enterprises can expose different dimensions of the beneficiaries' identities to different logics. The study finds that social enterprises leverage their hybridity through three

strategies that each to support their beneficiaries in performing social identity work. While two of these strategies, cross-fading and weighting, are similar across the cases, the third strategy of shielding is only enacted by the Danish cases. This is due to the different institutional environments that the social enterprises are situated. While both the commercial and social logics are present in both institutional environments of the Danish and South African cases, the public sector logic is only salient in the Danish cases.

Study three compares 19 Danish social enterprises solving problems related to either consumers, producers or employees. The study uses the social-symbolic framework to analyse what social enterprises contest in prevailing social problem constructions and how the social enterprises re-construct these social problems. By focusing on how the social enterprises attempt to shape the categorisation of their beneficiaries and the practices enacted to support them, the study finds how these different social-symbolic objects are interrelated in reconstructing a social problem and coming up with new solution.

Together, these three studies enrich our understanding on social enterprise development, enacting opportunities inherent in hybridity, and the shaping of identities, categories, and practices to address societal challenges in the social systems of human interactions with the goal of redistributing resources and opportunities for their target beneficiaries.

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# Appendices



SCHOOL OF BUSINESS AND SOCIAL SCIENCES  
AARHUS UNIVERSITY

## Declaration of co-authorship\*

Full name of the PhD student: Sebastian Gram Nguyen Rasmussen

This declaration concerns the following article/manuscript:

Title:	The Art of Drifting for Good: A Nuanced Perspective on the Potentials and Challenges of Mission Drift
Authors:	Sebastian Gram Nguyen Rasmussen, Franziska Günzel-Jensen

The article/manuscript is: Published  Accepted  Submitted  In preparation

If published, state full reference:

If accepted or submitted, state journal:

Has the article/manuscript previously been used in other PhD or doctoral dissertations?

No  Yes  If yes, give details:

The PhD student has contributed to the elements of this article/manuscript as follows:

- A. Has essentially done all the work
- B. Major contribution
- C. Equal contribution
- D. Minor contribution
- E. Not relevant

Element	Extent (A-E)
1. Formulation/identification of the scientific problem	B
2. Planning of the experiments/methodology design and development	B
3. Involvement in the experimental work/clinical studies/data collection	B
4. Interpretation of the results	B
5. Writing of the first draft of the manuscript	B
6. Finalization of the manuscript and submission	B

## Signatures of the co-authors

Date	Name	Signature
8.7.2024	Franziska Günzel-Jensen	

Date: 8/7 In case of further co-authors please attach appendix

Signature of the PhD student

\*As per policy the co-author statement will be published with the dissertation.



**Declaration of co-authorship\***

Full name of the PhD student: Sebastian Gram Nguyen Rasmussen

This declaration concerns the following article/manuscript:

Title:	Enabling Social Identity Work in Social Enterprises by Leveraging Hybridity
Authors:	Margot Leger, Sebastian Gram Nguyen Rasmussen, Franziska Günzel-Jensen

The article/manuscript is: Published  Accepted  Submitted  In preparation

If published, state full reference:

If accepted or submitted, state journal: Journal of Business Research

Has the article/manuscript previously been used in other PhD or doctoral dissertations?

No  Yes  If yes, give details:

The PhD student has contributed to the elements of this article/manuscript as follows:

- A. Has essentially done all the work
- B. Major contribution
- C. Equal contribution
- D. Minor contribution
- E. Not relevant

Element	Extent (A-E)
1. Formulation/identification of the scientific problem	C
2. Planning of the experiments/methodology design and development	C
3. Involvement in the experimental work/clinical studies/data collection	C
4. Interpretation of the results	C
5. Writing of the first draft of the manuscript	C
6. Finalization of the manuscript and submission	C

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In case of further co-authors please attach appendix

Date: 3/9/2024

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Signature of the PhD student

\*As per policy the co-author statement will be published with the dissertation.